



REPORT
of the
PUBLIC ACCOUNTS COMMITTEE-I
on
APPROPRIATION ACCOUNTS
of the
GOVERNMENT OF THE PUNJAB
And
REPORTS
of the
AUDITOR-GENERAL OF PAKISTAN
2010-11

PROVINCIAL ASSEMBLY OF THE PUNJAB

***REPORT OF THE
PUBLIC ACCOUNTS COMMITTEE-I
(2010-11)***

MAY 2017

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P R E F A C E

Under the Constitution of the Islamic Republic of Pakistan, the disbursement from the Provincial Consolidated Fund requires approval by the Provincial Assembly of the Punjab. While authorizing huge sums of the tax-payers' money, the Assembly has a right to reassure itself that the money so granted were steered to the intended purpose and were spent prudently and in accordance with the law and the rules. The Assembly oversees expenditure through its Public Accounts Committees (PACs) on the basis of Appropriation Accounts, Finance Accounts and Audit Reports prepared by the Auditor General. The said reports are laid in the Assembly by orders of the Governor.

As a rule, no money can be spent on any service over and above the money granted by the Assembly for the purpose. Excess expenditure, if any, is viewed seriously. PACs examine, with reference to the facts of each case, the circumstances leading to any excess expenditure, or immoderate savings and make appropriate recommendations.

As required by article 171 of the Constitution of Islamic Republic of Pakistan, Audit Reports for Works, Civil, Revenue Receipts and Commercial for the year 2010-11 were laid in the Provincial Assembly of the Punjab on 15 December 2011.

Whereas, Appropriation Accounts (Forest) for the year 2010-11 was laid in the Assembly on 8 November 2012 and the same had been referred to (PAC-I) for consideration.

Furthermore, on 2 December 2013 the remaining part of Appropriation of Accounts, Financial Statements and 2 Audit Reports of the Auditor-General of Pakistan for the year 2010-11 were also laid in the Provincial Assembly of the Punjab and the same had been referred to the Special Committee No.1 for consideration.

The present Public Accounts Committee-I was constituted on 13 December 2013 and the unfinished work of the previous Public Accounts Committee-I and Special Committee No.1 was referred to the present PAC-I on the same day. The Committee, however, decided to take up the new Audit Reports for the year 2010-11 w.e.f. 3 February 2014 and considered the reports in a series of meetings. On the expiry of the initial period of one year for submission of report of PAC-I to the Assembly, the period was extended from time to time finally up to 12 December 2017. During this period, the Committee held 84 meetings to consider the said report and finalize its recommendations thereon.

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

Utmost care has been taken to ensure that this publication is brought out without any mistake. In spite of this, it is possible that some errors/omissions might have crept in. Needless to say, we would welcome any suggestion for further improvement of this treatise.

The drafting and proof reading/preparation of this Report has been made possible due to the concerted efforts of officers/staff of the Public Accounts Committee-I of the Provincial Assembly Secretariat.

(RAI MUMTAZ HUSSAIN BABER)

Senior Secretary

Provincial Assembly of the Punjab, Lahore

Dated Lahore, the
May 2017

INTRODUCTION

INTRODUCTION

The Rules of Procedure of Provincial Assembly of the Punjab 1997 provide for the constitution and functions of two Public Accounts Committees, popularly known as PAC-I and PAC-II. The report of the Public Accounts Committee-I on the Appropriation Accounts, Financial Statements and Audit Reports for the year 2010-11 is in your hands. A brief history of compilation of this report is given in the subsequent paragraphs.

Following the May 2013 general elections, the PAC-I was constituted by the House on 13 December 2013, it met first time for the election of its Chairman on 26 December 2013. The Committee decided to take up the new Audit Reports for the year 2010-11 w.e.f. 3 February 2014 considered the reports in a series of meetings. On the expiry of the initial period of one year for submission of report of PAC-I to the Assembly, the period was extended from time to time finally up to 12 December 2017. During this period, the Committee held 84 meetings. This tenure appointed Monitoring and Implementation Sub-Committee of PAC-I from time to time for detailed examination of certain grants/paras of the Audit Reports w.e.f. 7 April 2016. The report of the Public Accounts Committee-I on Appropriation Accounts and Audit Reports for the year 2010-11, as considered by the PAC-I, should be laid before the House.

In order to create a productive and effective working atmosphere, the PAC-I has institutionalized the following guiding principles:-

- The Principal Accounting Officers/Secretaries of the Departments attending the PAC meetings, are expected to be fair. They must not press on concealment of the irregularities.
- It is a joint responsibility of the elected public representatives and the Government functionaries to protect the national interest.
- The Principal Accounting officers must ensure their personal attendance in meetings of the Committee and PAC related communication must be given top priority.
- All government functionaries appearing before PAC must come fully prepared in order to promptly respond to the queries of the Committees.

This report of the Public Accounts Committee-I on the Appropriation Accounts and Audit Reports for the year 2010-11 comprises the deliberations and recommendations recorded in the minutes of the meetings of the Committee, and is presented to the Provincial Assembly of Punjab in terms of rule 178 read with rule 166(2)(C) of the Rules of Procedure of the Provincial Assembly of the Punjab, 1997.

The Committee would like to express its sincere gratitude to the officers/officials of PAC-I and Punjab Assembly Secretariat for the assistance extended by them to the Public Accounts Committee-I in completing the examination of Audit Reports for the year 2010-11 and for preparation of this report.

(MIAN MAHMOOD-UR-RASHEED)

Chairman

Public Accounts Committee-I
Provincial Assembly of the Punjab

Dated Lahore, the
19 May 2017

AGRICULTURE

The Committee examined the Accounts of the Agriculture Department in its meetings held on 3.3.2014, 4.3.2014, 5.3.2014, 2.6.2016 and 3.6.2016 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010/PC24010 (010) – General Administration Page 6 of Appropriation Accounts for the year 2010-11.

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

Final Grant	Rs.53,947,000/-
Actual Expenditure	Rs.53,148,339/-
Saving	(-) Rs. 798,661/-
Percentage	1.48%

3.3.2014 The Department explained that accounts had been reconciled with Accountant General Punjab and saving was 1.48% which was within the permissible limit.

The Committee was satisfied and **settled the grant.**

2. Grant No.PC21018 (018) – Agriculture (All Voted) Pages 8 to 29 of Appropriation Accounts for the year 2010-11.

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

Final Grant	Rs.22,782,000/-
Actual Expenditure	Rs.22,090,763/-
Saving	(-) Rs. 691,237/-
Percentage	3.03%

3.3.2014 The Department explained that Mr. Ishtiaq Ahmad, Assistant Director (Admn) was promoted as Agriculture Engineer. Therefore, his pay for the month of June, 2011 was drawn from other head . Moreover, Mr. Muazzam Shabir, ARO resigned from service and his resignation was accepted w.e.f. 14.02.2011 due to which the saving occurred.

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

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

Final Grant	Rs.3,490,000/-
Actual Expenditure	Rs.3,260,422/-
Saving	(-) Rs. 229,578/-
Percentage	6.58%

3.3.2014 The Department explained that accounts had been reconciled with Accountant General Punjab and saving was 6.58%. The repair was not done due to the bad condition of the vehicle and the same was auctioned.

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

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

Final Grant	Rs.84,748,000/-
Actual Expenditure	Rs.70,121,552/-
Saving	(-) Rs.14,626,448/-
Percentage	17.26%

3.3.2014 The Department explained that 82 Posts were lying vacant and four months pay for these 82 Posts was kept held due to which saving was occurred. These Posts were vacant due to ban on recruitment by the Govt.

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

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

Final Grant	Rs.1,075,526,000/-
Actual Expenditure	Rs.1,078,227,506/-
Excess	(+) Rs. 2,701,506/-
Percentage	0.25%

3.3.2014 The Accountant General Punjab stated that reconciliation had yet to be made in the above item.

The Committee kept the above item pending till reconciliations.

2.6.2016 The Department explained that as per direction of PAC accounts had been reconciled with A.G Punjab and there was overall excess of 0.25% which was due to less allocation of funds.

The Committee was satisfied and the **item was settled**.

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

Final Grant	Rs.1,186,368,000/-
Actual Expenditure	Rs.1,107,844,229/-
Saving	(-) Rs. 78,523,771/-
Percentage	6.62%

3.3.2014 The Accountant General Punjab stated that reconciliation had yet to be made in the above item.

The Committee kept the above item pending till reconciliations.

	<u>A.G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.1,186,368,000/-	Rs.1,188,128,000/-
Actual Expenditure	Rs.1,107,844,229/-	Rs.1,107,744,229/-
Saving	(-) Rs. 78,523,771/-	(-) Rs. 80,393,771/-
Percentage	6.62%	6.77%

2.6.2016 The Department explained that as per direction of PAC accounts had been reconciled with A.G. Punjab and overall saving was 6.77% which occurred because 263 gazzeted posts were remained vacant during the financial year.

The Committee was satisfied and **the item was settled**.

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

	<u>A.G Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.1,355,857,000/-	Rs.1,355,857,000/-
Actual Expenditure	Rs.1,339,814,246/-	Rs.1,346,423,631/-

Saving	(-) Rs. 16,042,754/-	(-) Rs. 9,433,379/-
Percentage	1.18%	0.70%

3.3.2014 The Accountant General Punjab stated that reconciliation had yet to be made in the above item.

The Committee kept the above item pending till reconciliations.

	<u>A.G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.1,355,857,000/-	Rs.1,357,057,000/-
Actual Expenditure	Rs.1,339,814,246/-	Rs.1,339,814,246/-
Saving	(-) Rs. 16,042,754/-	(-) Rs. 17,242,754/-
Percentage	1.18%	1.27%

2.6.2016 The Department explained that incompliance with last PAC directive, budget allocation had been reconciled with Finance department and there was overall saving of 1.27% had occurred due to some vacant posts which were not filled during the financial year.

The Committee was satisfied with departmental explanation and **the item was settled.**

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

Final Grant	Rs.23,067,000/-
Actual Expenditure	Rs.24,312,554/-
Excess	(+) Rs. 1,245,554/-
Percentage	5.40%

3.3.2014 The Accountant General Punjab stated that reconciliation had yet to be made in the above item.

The Committee kept the above item pending till reconciliations.

	<u>A.G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.23,067,000/-	Rs.24,313,000/-
Actual Expenditure	Rs.24,312,554/-	Rs.24,312,554/-
Excess/Saving	(+) Rs. 1,245,554/-	(-) Rs. 446/-
Percentage	5.40%	0.002%

2.6.2016 The Department explained that as per direction of PAC accounts had been reconciled with A.G. Punjab and overall saving was 0.002% which was within the permissible limit.

The Committee **settled the item.**

- viii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042103-Agriculture Research And Extension Service
LQ4529-Water Courses (Punjab Component).

Final Grant	Rs.22,295,000/-
Actual Expenditure	Rs.25,715,293/-
Excess	(+) Rs. 3,420,293/-
Percentage	15.34%

3.3.2014 The Accountant General Punjab stated that reconciliation had yet to be made in the above item.

The Committee kept the above item pending till reconciliations.

	<u>A.G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.22,295,000/-	Rs.22,295,000/-
Actual Expenditure	Rs.25,715,293/-	Rs.21,244,293/-
Excess/Saving	(+) Rs. 3,420,293/-	(-) Rs. 1,050,707/-
Percentage	15.34%	4.07%

2.6.2016 The Department explained that in compliance with last PAC directive, budget figures had been reconciled with A.G. Punjab with overall saving of 4.07% which was within the permissible limit of 5%.

The Committee was satisfied with departmental reply and the **item was settled.**

- ix) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042103-Agriculture Research And Extension Service
LQ4530-Water Courses for Regional Offices.

Final Grant	Rs.30,727,000/-
Actual Expenditure	Rs.55,159,533/-
Excess	(+) Rs.24,432,533/-
Percentage	79.51%

3.3.2014 The Accountant General Punjab stated that reconciliation had yet to be made in the above item.

The Committee kept the above item pending till reconciliations.

	<u>A.G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.30,727,000/-	Rs.30,727,000/-
Actual Expenditure	Rs.55,159,533/-	Rs.27,131,788/-
Excess/Saving	(+) Rs.24,432,533/-	(-) Rs.3,595,212/-
Percentage	79.51%	11.70%

2.6.2016 The Department explained that in compliance with last PAC directive, budget figures had been reconciled with Finance Department/A.G. Punjab and there were overall savings which occurred due to some vacant posts which were not filled during the financial year.

The Committee was satisfied with the reply of department and the **item was settled.**

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

Final Grant	Rs.70,431,000/-
Actual Expenditure	Rs.69,180,024/-
Saving	(-) Rs. 1,250,976/-
Percentage	1.78%

3.3.2014 The Department explained that the accounts had been reconciled with Accountant General Punjab and saving was 1.78% due to vacant posts and budget could not be utilized during the year.

The Committee accepted the contention of the department and **settled the item.**

- xi) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042103-Agriculture Research And Extension Service
LQ4196-On Farm water Management Programme.

Final Grant	Rs.67,073,000/-
Actual Expenditure	Rs.67,596,118/-
Excess	(+) Rs. 523,118/-
Percentage	0.78%

3.3.2014 The Department explained that accounts had been reconciled with Accountant General Punjab and excess was 0.78% which occurred due to some unavoidable expenses.

The Committee accepted the contention of department and **settled the item.**

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

Final Grant	Rs.37,752,000/-
Actual Expenditure	Rs.33,747,202/-
Saving	(-) Rs. 4,004,798/-
Percentage	10.61%

3.3.2014 The Department explained that the 11 Posts of officers were lying vacant and four months pay for these 11 posts was kept held due to which saving was occurred. These Posts were vacant due to ban on recruitment by the Government.

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

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

Final Grant	Rs.3,150,000/-
Actual Expenditure	Rs.3,039,519/-
Saving	(-) Rs. 110,481/-
Percentage	3.51%

3.3.2014 The Department explained that accounts had been reconciled with Accountant General Punjab and saving was within the permissible limit.

The Committee accepted the contention of the department and **settled the item.**

- xiv) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042103-Agriculture Research And Extension Service
LQ4765-Estb. of WTO in Agriculture Deptt.

Final Grant	Rs.3,035,000/-
Actual Expenditure	Rs.2,654,509/-
Saving	(-) Rs. 380,491/-
Percentage	12.54%

3.3.2014 The Department explained that some Training Workshops could not be held during the financial year due to which saving was occurred.

The Committee was satisfied with departmental explanation and **the item was settled.**

- xv) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042103-Agriculture Research And Extension Service
VQ4001-RAEDC Vehari.

Final Grant	Rs.12,127,000/-
Actual Expenditure	Rs.12,255,678/-
Excess	(+) Rs. 128,678/-
Percentage	1.06%

3.3.2014 The Department explained that the nominal excess was occurred due to some unavoidable circumstances.

The Committee was satisfied from departmental reply and on the recommendation of Finance Department **the item was settled.**

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

Final Grant	Rs.200,197,000/-
Actual Expenditure	Rs.231,479,428/-
Excess	(+) Rs. 31,282,428/-
Percentage	15.63%

3.3.2014 The Accountant General Punjab stated that budget figures were required to be reconciled with Finance Department.

The item was kept pending with the directions to reconcile it.

	<u>A.G. Figures</u>		<u>Departmental Figures</u>
Final Grant	Rs.200,197,000/-		Rs.274,893,000/-
Actual Expenditure	Rs.231,479,428/-		Rs.231,479,428/-
Excess/Saving	(+) Rs. 31,282,428/-	(-)	Rs. 43,416,527/-
Percentage	15.63%		15.63%

2.6.2016 The Department explained that in compliance with last PAC directive, budget figures had been reconciled with Finance Department/A.G. Punjab and there were overall savings which occurred due to some vacant posts which were not filled during the financial year.

The Committee was satisfied with the reply of department and **the item was settled.**

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

Final Grant	Rs.346,782,000/-
Actual Expenditure	Rs.348,207,151/-
Excess	(+) Rs. 1,425,151/-
Percentage	0.41%

3.3.2014 The Department explained that some Districts Accounts Officers did not pass the bills of Medical Charges & Contingency Paid staff and overall excess was 0.41% which was nominal.

The Committee accepted the contention of department and **settled the item**

- xviii) 04-Economic Affairs
 042-Agri, Food, Irrigation, Forestry & Fishing
 0441-Manufacturing
044120-Others
BO4003-Karkhana Allat-e-Zaree Bahawalpur.

Final Grant	Rs.15,920,000/-
Actual Expenditure	Rs.14,735,323/-
Saving	(-) Rs. 1,184,677/-
Percentage	7.44%

3.3.2014 The Department explained that 34 posts of different categories were lying vacant due to which saving was occurred and these posts were kept vacant due to ban on recruitment.

The Committee accepted the contention of department and **settled the item**

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

Final Grant	Rs.1,000,000/-
Actual Expenditure	Rs. 991,743/-
Saving	(-) Rs. 8,257/-
Percentage	0.83%

3.3.2014 The saving being within permissible limit, **the item was settled.**

- xx) 08-Recreational, Culture And Religion
 083-Broadcasting And Publishing
 0831-Broadcasting And Publishing
 083103-Publicity
LQ4188-Agriculture Information Bureau.

Final Grant	Rs.95,636,000/-
Actual Expenditure	Rs.94,733,816/-
Saving	(-) Rs. 902,184/-
Percentage	0.94%

3.3.2014 The Department explained that the amount allocated for emergency treatment in Medical Charges remained unutilized due to which saving was occurred.

The Committee accepted the contention of department and **settled the item**

- xxi) 09-Education Affairs And Services
 093-Tertiary Education Affairs and Services
 0931-Tertiary Education Affairs and Services
 093102-Professional / Technical / Universities / Colleges
LQ4190-Agriculture Training Institute.

Final Grant	Rs.76,741,000/-
Actual Expenditure	Rs.75,381,429/-
Saving	(-) Rs. 1,359,571/-
Percentage	1.77%

3.3.2014 The Department explained that 33 Posts of different categories were remained vacant due to ban on recruitment, and resultantly the saving was occurred.

The Committee accepted the contention of department and **settled the item**

- xxii) 09-Education Affairs And Services
 093-Tertiary Education Affairs and Services
 0931-Tertiary Education Affairs and Services
 093102-Professional / Technical / Universities / Colleges
RA4006-Barani Agriculture College / University of ARID Agriculture Rawalpindi.

Final Grant	Rs.22,641,000/-
Actual Expenditure	Rs.22,641,000/-
Excess/Saving	Rs.0/-
Percentage	0%

3.3.2014 The Department explained that the accounts had been reconciled with Accountant General Punjab and excess/saving was nil.

The item was settled.

3. Grant No.PC22036 (036) – Development: (All Voted) Pages 30 to 33 of Appropriation Accounts for the year 2010-11.

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

	<u>A.G. Figures</u>		<u>Departmental Figures</u>
Final Grant	Rs.290,187,000/-		Rs.290,187,000/-
Actual Expenditure	Rs.278,448,683/-		Rs.354,202,831/-
Saving/Excess	(-) Rs. 11,738,317/-	(+)	Rs. 64,015,831/-
Percentage	4.05%		22.06%

3.3.2014 The Accountant General Punjab pointed out that the budget figures were needed to be reconciled with Finance Department.

The Committee kept the above item pending for reconciliation between Accountant General Punjab and Finance Department.

	<u>A.G. Figures</u>		<u>Departmental Figures</u>
Final Grant	Rs.290,187,000/-		Rs.303,274,000/-
Actual Expenditure	Rs.278,448,683/-		Rs.274,448,683/-
Saving	(-) Rs. 11,738,317/-	(-)	Rs. 24,825,317/-
Percentage	4.05%		8.19%

2.6.2016 The Department explained that in compliance with last PAC directive, budget figures had been reconciled with Finance Department/A.G. Punjab and there were overall savings which occurred due to some vacant posts which were not filled during the financial year.

The Committee was satisfied with the reply of department and the item was settled.

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

	<u>A.G. Figures</u>		<u>Departmental Figures</u>
Final Grant	Rs.125,622,000/-		Rs.125,622,000/-

Actual Expenditure	Rs. 40,737,777/-		Rs.102,712,725/-
Saving	(-) Rs. 84,884,223/-	(-)	Rs. 22,909,275/-
Percentage	67.57%		18.23%

3.3.2014 The Accountant General Punjab pointed out that the budget figures were needed to be reconciled with Finance Department.

The Committee kept the above item pending for reconciliation between Accountant General Punjab and Finance Department.

	<u>A.G. Figures</u>		<u>Departmental Figures</u>
Final Grant	Rs.125,622,000/-		Rs.56,326,000/-
Actual Expenditure	Rs. 40,737,777/-		Rs.40,737,777/-
Saving	(-) Rs. 84,884,223/-	(-)	Rs.15,588,223/-
Percentage	67.57%		27.68%

2.6.2016 The Department explained that in compliance with last PAC directive, budget figures had been reconciled with Finance Department/A.G. Punjab and there were overall savings which occurred due to some vacant posts which were not filled during the financial year.

The Committee was satisfied with the reply of department and the **item was settled.**

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

	<u>A.G. Figures</u>		<u>Departmental Figures</u>
Final Grant	Rs.196,105,000/-		Rs.196,105,000/-
Actual Expenditure	Rs.364,130,300/-		Rs.157,862,121/-
Excess/Saving	(+) Rs.168,025,300/-	(-)	Rs. 38,242,879/-
Percentage	85.68%		19.05%

3.3.2014 The Accountant General Punjab pointed out that the budget figures were needed to be reconciled with Finance Department.

The Committee kept the above item pending for reconciliation between Accountant General Punjab and Finance Department.

	<u>A.G. Figures</u>		<u>Departmental Figures</u>
Final Grant	Rs.196,105,000/-		Rs.431,497,000/-
Actual Expenditure	Rs.364,130,300/-		Rs.364,130,300/-
Excess/Saving	(+) Rs.168,025,300/-	(-)	Rs. 67,366,700/-
Percentage	85.68%		15.61%

2.6.2016 The Department explained that in compliance with last PAC directive, budget figures had been reconciled with Finance Department/A.G. Punjab and there were overall savings which occurred due to some vacant posts which were not filled during the financial year.

The Committee was satisfied with the reply of department and the **item was settled.**

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

	<u>A.G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.410,069,000/-	Rs.410,069,000/-
Actual Expenditure	Rs.288,404,111/-	Rs.356,943,194/-
Saving	(-) Rs.121,664,889/-	Rs. 53,125,806/-
Percentage	29.67%	12.95%

3.3.2014 The Accountant General Punjab pointed out that the budget figures were needed to be reconciled with Finance Department.

The Committee kept the above item pending for reconciliation between Accountant General Punjab and Finance Department.

	<u>A.G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.410,069,000/-	Rs.322,340,000/-
Actual Expenditure	Rs.288,404,111/-	Rs.288,404,111/-
Saving	Rs.121,664,889/-	Rs. 33,935,889/-
Percentage	29.67%	10.53%

2.6.2016 The Department explained that in compliance with last PAC directive, budget figures had been reconciled with Finance Department/A.G. Punjab and there were overall savings which occurred due to some vacant posts which were not filled during the financial year.

The Committee was satisfied with the reply of department and the **item was settled.**

4. Grant No.PC12038 (038) – Agriculture Improvement & Research: (Development) Page 34 of Appropriation Accounts for the year 2010-11.

- i) 04-Economic Affairs
 042-Agri, Culture, Irrigation, Forestry & Fishing
 0421-Agriculture
042103-Agriculture, Research & Extension Services
LE4249-Agriculture, Research & Extension Services.

Final Grant	Rs.101,343,000/-
Actual Expenditure	Rs. 92,196,325/-
Saving	(-) Rs. 9,146,675/-
Percentage	9.03%

3.3.2014 The Department explained that accounts had been reconciled with Accountant General Punjab and saving was 9.03% because the budget was retained to meet the expenditure which to be incurred on the customization of two vehicles. The process was not completed during the financial year which resulted in saving.

The Committee accepted the contention of the department and **settled the item.**

- ii) 04-Economic Affairs
 - 042-Agriculture, Irrigation, Forestry & Fishing
 - 0421-Agriculture
 - 042103-Agriculture, Research & Extension Services
 - LE4250-Agriculture, Research & Extension Services.

Final Grant	Rs.45,211,000/-
Actual Expenditure	Rs.44,999,118/-
Saving	(-) Rs. 211,882/-
Percentage	0.47%

3.3.2014 The saving was being within permissible limit, **the item was settled.**

Audit Paras (DRAPP) for the year 2010-11

5. Para No.6.2.1 Page 21 of Audit Report for the year 2010-11; Purchase of HSD Engines Without Standardization – Rs.3.247 Million.

3.3.2014 The Administrative Secretary stated before the Committee that the para was related to DCO, Muzaffargarh who was responsible for the irregularities pointed out by the Audit. Therefore, the DCO concerned being P.A.O. must be present before the Committee regarding the para.

The Committee after detailed discussion directed/recommended that the Administrative Department and D.G. Audit (Civil) should take up this matter in consultation with Finance Department and report be submitted to Public Accounts Committee in its next meeting.

The para was kept pending.

2.6.2016 Audit pointed out that the department committed the violation of PPRA Rule (12).

The Finance department stated that this matter should be referred to PPRA Board for condonation.

The Committee directed/recommended the department that an inquiry be held against the responsables who committed the violation of PPRA rules and responsibility be fixed and report be submitted to PAC within 60 days.

The para was kept pending.

6. Para No.6.2.2 Pages 21 & 22 of Audit Report for the year 2010-11; (i) Unauthorized Maintenance of Bank Account (ii) Irregular Mode of Payment.

3.3.2014 The Administrative Secretary stated before the Committee that the para was related to DCO, Muzaffargarh who was responsible for the irregularities pointed out by the Audit. Therefore, the DCO concerned being P.A.O. must be present before the Committee regarding the para.

The Committee after detailed discussion directed/recommended that the Administrative Department and D.G. Audit (Civil) should take up this matter in consultation with Finance Department and report be submitted to Public Accounts Committee in its next meeting.

The para was kept pending.

2.6.2016 Audit pointed out that the department had made irregular payment and maintained an un-authorized bank account.

The Finance Department stated that department had violated the treasury rules, which the condonation was required.

The Committee directed/recommended the department to hold an inquiry and fix responsibility against responsables within 60 days and report be submitted to PAC.

The para was kept pending.

Audit Paras (Commercial) for the year 2010-11

7. Para No.1.2.1.1 Page 3 of Audit Report for the year 2010-11; Working Results.

8. Para No.1.2.1.2 Pages 3 & 4 of Audit Report for the year 2010-11; Financial Results.

4.3.2014 The Department explained that the machines of Bahawalpur Division had completed their economic life of 11000 Hours. Secondly the main reason for not

achieving the target was non availability of sufficient funds for the procurement of POL, which was the basic requirement for Bulldozer operation.

The Committee accepted the contention of the department and **paras were settled.**

9. Para No.1.2.1.3 Page 4 of Audit Report for the year 2010-11; Working Results.

4.3.2014 Audit had pointed out that stores worth Rs.2.766 million were auctioned but shown as transferred to other divisions in proforma accounts which needs to be rectified.

The Department explained that all the relevant record was available for verification.

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

3.6.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

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

10. Para No.1.2.1.4 Page 4 of Audit Report for the year 2010-11; Working Results.

11. Para No.1.2.2.1 Page 5 of Audit Report for the year 2010-11; Misappropriation of POL, Spare Parts and Tools – Rs.0.118 Million.

12. Para No.1.2.2.3 Page 7 of Audit Report for the year 2010-11; Loss Due to Premature Failure of Crank Shafts of Bulldozers – Rs.0.995 Million.

13. Para No.1.3.1.1 Page 8 of Audit Report for the year 2010-11; Working Results.

14. Para No.1.3.1.2 Pages 8 & 9 of Audit Report for the year 2010-11; Financial Results.

15. Para No.1.3.1.3 Pages 9 of Audit Report for the year 2010-11; Working Results.

16. Para No.1.4.1.1 Page 10 of Audit Report for the year 2010-11; Working Results.

17. Para No.1.4.1.2 Page 10 of Audit Report for the year 2010-11; Working Results.

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| 18. | Para No.1.4.1.3 Page 10 & 11 of Audit Report for the year 2010-11; Financial Results. |
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| 19. | Para No.1.4.1.5 Page 11 of Audit Report for the year 2010-11; Working Results. |
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| 20. | Para No.1.6.1.2 Pages 14 & 15 of Audit Report for the year 2010-11; Financial Results. |
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| 21. | Para No.1.6.1.6 Page 15 of Audit Report for the year 2010-11; Working Results. |
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| 22. | Para No.1.7.1.1 Page 19 of Audit Report for the year 2010-11; Working Results. |
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| 23. | Para No.1.7.1.2 Page 19 of Audit Report for the year 2010-11; Financial Results. |
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| 24. | Para No.1.7.1.3 Page 19 of Audit Report for the year 2010-11; Working Results. |
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4.3.2014 The Department explained that all necessary actions had been taken in respect of above paras and relevant record had also got been verified by Audit.

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

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| 25. | Para No.1.2.1.5 Page 4 of Audit Report for the year 2010-11; Working Results. |
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4.3.2014 The Department explained that the pending work of Zamindars for 6063 hours against the advances of Rs.3.396 million had been done. The amount of remaining 432 hours was refunded to the farmers.

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

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| 26. | Para No.1.2.1.6 Page 4 of Audit Report for the year 2010-11; Working Results. |
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| 27. | Para No.1.4.1.6 Pages 11 of Audit Report for the year 2010-11; Working Results. |
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4.3.2014 The Department explained that strenuous efforts were being made to recover the amount of Rs.3.062 million and Rs.4.130 million from Pakistan Army. The department further explained that many letters had been written to them, but they were not responding.

The Committee directed/recommended the department to refer the matter of recovery to Finance Department and Finance Department would take appropriate measures and write a letter to the Ministry of Defence, Government of Pakistan for recovery at the earliest.

The paras were kept pending.

3.6.2016 The Department explained that Chief Secretary Punjab had written a letter to the Secretary, Ministry of Defence, Government of Pakistan, for expeditious recovery from Pakistan Army for using Bulldozers in Defence Oriental Development in Bahawalpur.

The Committee **kept the paras pending.**

28. Para No.1.2.2.2 Page 6 of Audit Report for the year 2010-11; Irregular Purchases of Spare Parts for Bulldozers – Rs.4.635 Million.

4.3.2014 The Department explained that there was less time available to complete the tender procedure due to which tender could not be called and an inquiry was also conducted regarding this matter.

The Committee was not satisfied with the inquiry report of the Director General Agriculture (Field) Punjab and directed/recommended that a fresh inquiry be held and fix responsibility and report be submitted to PAC within 30 days.

The para was kept pending.

3.6.2016 The Department explained that in compliance with last PAC directive, the matter had been probed and there was no embezzlement involved in this matter.

The Committee was satisfied and the **para was settled.**

29. Para No.1.4.1.4 Page 11 of Audit Report for the year 2010-11; Working Results.

4.3.2014 The Department explained that instead of recruiting new staff, the existing employees had been shifted to different projects.

The Committee settled the para with direction/recommendation that surplus staff should be adjusted in their relevant field in future.

3.6.2016 The Department explained that in compliance with last PAC directive, the whole staff had been adjusted at different places and no new appointments were made in department.

The Committee was satisfied and the **para was settled.**

**30. Para No.1.5.1.1 Page 12 of Audit Report for the year 2010-11;
Working Results.**

4.3.2014 The Department explained that the target of bulldozers was reduced due to old bulldozers and completion of their useful life. The department further explained that targets could not be achieved due to non-availability of funds.

 The Committee settled the para with the direction/recommendation that a comprehensive report regarding non-achievement of targets be submitted to Public Accounts Committee within 90 days.

3.6.2016 The Department explained that incompliance with last PAC directive, the comprehensive report regarding achievement of targets submitted to PAC according to which the reasons of non-achievement of 100% target was due to the three number of bulldozers which were remained under rehabilitation and could not be operated during the said year and also sufficient budget for POL was not allocated. The department further explained that they had developed the digital mechanism to check the efficiency of bulldozers.

 The Committee was satisfied and the **para was settled.**

**31. Para No.1.5.1.2 Page 12 of Audit Report for the year 2010-11;
Working Results.**

4.3.2014 The Department explained that no reasonable bid was received in the auction and would be achieved in the coming auction.

 The Committee kept the para pending with direction/recommendation that the auction of the remaining 10 unserviceable bulldozers would be completed within 90 days.

3.6.2016 The Department explained that out of total 20 bulldozers 10 were auctioned and remaining would be auctioned within six months.

 The Committee directed/recommended the department that auction should be completed within 6 months.

 The **para was kept pending.**

**32. Para No.1.5.1.3 Page 12 of Audit Report for the year 2010-11;
Working Results.**

4.3.2014 The Department explained that some Combined Harvesters had been auctioned and remaining could not be auctioned due to low offer by the bidders.

 The Committee kept the para pending with direction/recommendation that the auction of the remaining Harvesters be completed within 90 days.

3.6.2016 The Department explained that out of total 17 combined harvesters only 7 had been auctioned and remaining would be auctioned within six months.

The Committee directed/recommended the department that auction should be completed within 6 months.

The para was kept pending.

33. **Para No.1.5.1.4 Page 13 of Audit Report for the year 2010-11; Financial Results.**

34. **Para No.1.6.1.1 Page 14 of Audit Report for the year 2010-11; Working Results.**

35. **Para No.1.6.1.3 Page 15 of Audit Report for the year 2010-11; Working Results.**

36. **Para No.1.8.1.1 Page 20 of Audit Report for the year 2010-11; Working Results.**

37. **Para No.1.8.1.3 Pages 20 & 21 of Audit Report for the year 2010-11; Financial Results.**

4.3.2014 The Department explained that the targets were very high and unrealistic due to which targets could not be achieved.

The Committee agreed with departmental contention and **settled the paras with the direction** that the targets should be realistic in future, keeping in view the availability of funds.

38. **Para No.1.5.1.5 Page 13 of Audit Report for the year 2010-11; Working Results.**

4.3.2014 The Department explained that there was outstanding recovery against Pakistan Army and District Governments which could not be recovered despite of hectic efforts.

The Committee directed/recommended that the Finance Department should write a letter to the Ministry of Defence, Government of Pakistan for recovery at the earliest. The Committee further directed/recommended that outstanding amounts from District Government be recovered through LG & CD Department.

The para was kept pending.

3.6.2016 The Department explained that recovery from Pakistan Army of Rs.3.686 million was still outstanding but the work had been completed against the advances from Zamindars.

The Committee reduced the para up to the extent of recovered amount and **kept it pending** for remaining recovery.

39. Para No.1.6.1.4 Page 15 of Audit Report for the year 2010-11; Working Results.

4.3.2014 The Department explained that there was outstanding recovery against Pakistan Army and District Governments which could not be recovered despite of hectic efforts.

The Committee directed/recommended that the Finance Department should write a letter to the Ministry of Defence, Government of Pakistan for recovery at the earliest. The Committee further directed/recommended that outstanding amounts from District Government be recovered through LG & CD Department.

The para was kept pending.

3.6.2016 The Department explained that recoveries from various government departments had yet to be made and many efforts had been made to recover the outstanding amounts but in vain.

The Committee directed/recommended that a Committee be constituted under the supervision of the Finance Department including Irrigation Department, Agriculture Department, Local Government Department headed by the Additional Secretary, Finance Department.

The Committee will resolve the issue of recoveries from the government departments and report to PAC within 90 days.

The para was kept pending.

40. Para No.1.6.1.5 Page 15 of Audit Report for the year 2010-11; Working Results.

4.3.2014 The Department explained that all the relevant record was available for verification by Audit.

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

3.6.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

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

41. Para No.1.6.1.7 Page 15 of Audit Report for the year 2010-11; Working Results.

4.3.2014 The Department explained that instead of recruiting new staff, the existing employees had been shifted to different projects.

The Committee **settled the para with direction**/recommendation that surplus staff should be adjusted in their relevant field in future.

42. Para No.1.6.2.1 Pages 16 & 17 of Audit Report for the year 2010-11; Loss Due to Shortage of POL – Rs.3.256 Million.

4.3.2014 There was a huge difference of amount between department and Audit records.

The Committee kept the para pending with direction/recommendation that reconciliation be made at the earliest and Secretary Agriculture should probe into the matter and report within 90 days to Public Accounts Committee.

3.6.2016 The Department explained that in compliance with last PAC directive, inquiry had been completed but further reconciliation was required with Audit in this matter.

The Committee **settled the para subject to** reconciliation with audit within 30 days.

43. Para No.1.6.2.2 Pages 17 & 18 of Audit Report for the year 2010-11; Loss Due to Premature Failure of Engine – Rs.1.692 Million.

4.3.2014 The Department explained that engine of said bulldozer was not seized and some parts of engine were out of order and were not functioning properly.

The Committee kept the para pending with the direction/recommendation that Secretary Agriculture should probe into the matter and fix responsibility, report be submitted to Public Accounts Committee within 90 days.

3.6.2016 The Department explained that engine of said bulldozer was not seized and some parts of engine were out of order and were not functioning properly. The department assured the Committee that the inquiry would be completed within 90 days.

The **para was kept pending.**

44. Para No.1.8.1.2 Page 20 of Audit Report for the year 2010-11; Working Results.

4.3.2014 The Department explained that the matter of auction of bulldozers was in the court of law.

The para was kept pending being sub-judice till the decision of court.

3.6.2016 The Department explained that the matter of auction of bulldozers was under trial in the court of law.

The Committee **kept the para pending** till the decision of court.

45. Para No.1.8.1.4 Page 21 of Audit Report for the year 2010-11; Working Results.

5.3.2014 Audit pointed out that the department could not achieve its income targets in the subsequent years despite of the installation of new track system/assembling of engines and major parts of the bulldozers.

The Department explained that lesser funds were provided than the required budget. Shortage of funds and increase in POL prices were the reasons for non-achievements of the targets.

The Finance Department endorsed the contention of the Agriculture Department.

The Committee was satisfied with the contention of the department and the **para was settled.**

46. Para No.1.8.1.5 Page 21 of Audit Report for the year 2010-11; Working Results.

5.3.2014 Audit pointed out that there was a difference of Rs.89,826/- between the amount booked by the department and verified by DA.O.

The Department explained that reconciliation had been made with all the District Accounts Offices and record was available for verification.

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

3.6.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

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

47. Para No.1.8.1.6 Page 21 of Audit Report for the year 2010-11; Working Results.

5.3.2014 Audit pointed out that recovery from various government departments of Rs.7.801 million had yet to be made.

The Department explained that efforts were being made to recover/adjust the amount at source.

The Committee directed/recommended that the recovery must be made within 60 days and the para was kept pending.

3.6.2016 The Department explained that recoveries from various government departments had yet to be made and many efforts had been made to recover the outstanding amounts but in vain.

The Committee directed/recommended that a Committee be constituted under the supervision of the Finance Department including Irrigation Department, Agriculture Department, Local Government Department headed by the Additional Secretary, Finance Department.

The Committee will resolve the issue of recoveries from the government departments and report to PAC within 90 days.

The para was kept pending.

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| 48. | Para No.1.9.1.1 Page 22 of Audit Report for the year 2010-11; Working Results. |
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| 49. | Para No.1.9.1.5 Page 23 of Audit Report for the year 2010-11; Working Results. |
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| 50. | Para No.1.9.1.6 Page 23 of Audit Report for the year 2010-11; Working Results. |
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| 51. | Para No.1.10.1.1 Page 24 of Audit Report for the year 2010-11; Working Results. |
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| 52. | Para No.1.11.1.1 Page 26 of Audit Report for the year 2010-11; Working Results. |
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| 53. | Para No.1.12.1.4 Page 30 of Audit Report for the year 2010-11; Working Results. |
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| 54. | Para No.1.12.1.5 Page 30 of Audit Report for the year 2010-11; Working Results. |
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| 55. | Para No.1.13.1.4 Page 33 of Audit Report for the year 2010-11; Working Results. |
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5.3.2014 The Department explained that all necessary actions had been taken in respect of above paras and all relevant record had been verified by Audit.

On the recommendation of Audit, the paras were settled.

**56. Para No.1.9.1.2 Pages 22 & 23 of Audit Report for the year 2010-11;
Financial Results.**

5.3.2014 The Department explained that the financial results mentioned in the working papers were not based on facts and required to be corrected.

The Committee kept the para pending with direction/recommendation that report regarding the matter be submitted in the next meeting of Public Accounts Committee-I after reconciliation between both departments.

3.6.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

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

**57. Para No.1.9.1.3 Page 23 of Audit Report for the year 2010-11;
Working Results.**

5.3.2014 The Department explained that main factors which adversely affected the profit were mentioned below:-

- i) the increase of pay & allowances of the staff;
- ii) the increase in the rates of POL; and
- iii) less budget allocation in head of spare parts.

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

**58. Para No.1.9.1.4 Page 23 of Audit Report for the year 2010-11;
Working Results.**

5.3.2014 The Department explained that the recovered amount of Rs.3.620 Million involved in the para had yet to be verified.

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

3.6.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

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

**59. Para No.1.10.1.2 Pages 24 & 25 of Audit Report for the year 2010-11;
Financial Results.**

5.3.2014 The Department explained that the loss was due to increase in pay and allowances expenditure. The department further stated that the loss was less than the previous year.

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

60. Para No.1.10.1.3 Page 25 of Audit Report for the year 2010-11; Working Results.

5.3.2014 The Department explained that all the relevant record regarding transferring of Stores and as Assets to Agricultural Engineer, Layyah were available for verification but yet to be verified.

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

3.6.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

61. Para No.1.10.1.4 Page 25 of Audit Report for the year 2010-11; Working Results.

5.3.2014 The Department explained that remaining work of 418 hours, was related to Forest Department and farmers. The work related to farmers had been started and would be completed very soon whereas the rest of the work would be started very soon.

The para was kept pending till completion of the hours and verification by audit.

3.6.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

62. Para No.1.11.1.2 Pages 26 & 27 of Audit Report for the year 2010-11; Financial Results.

5.3.2014 Audit pointed out that income targets could not be achieved in the subsequent years and there was a decreasing trend.

The Committee observed that the information regarding depreciation and interest on capital was not correct. Therefore, the para was kept pending till next meeting of the PAC.

3.6.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

**63. Para No.1.11.1.3 Page 27 of Audit Report for the year 2010-11;
Working Results.**

5.3.2014 The Department explained that partial recovery had been effected. Hence, it was a very old and impossible to recover the interest on the principal amount. The department had sent a write off case to the Finance Department which was returned with some observations. Now the objections had been removed and the case was being sent to Finance Department again for write off sanction.

The Committee directed/recommended the department to get write off sanction from the Finance Department within 60 days under intimation to PAC.

The para was kept pending.

3.6.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

**64. Para No.1.11.1.4 Page 27 of Audit Report for the year 2010-11;
Working Results.**

5.3.2014 The Department explained that the receipt of stores from other Divisions and stores issued to other Division was made on proper indents and their acknowledgements had been received and available for verification.

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

3.6.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

**65. Para No.1.11.1.5 Page 27 of Audit Report for the year 2010-11;
Working Results.**

5.3.2014 The Department explained that out of the remaining work of 781 hours, 500 hours were related to small dams (Irrigation Department) and the rest of work related to farmers. The Irrigation Department had said that when the work would be required they would inform this department. As far as the work related to farmers was concerned, it would be completed in 2 months.

The Committee kept the para pending with the direction/recommendation to submit a completion report within 2 months.

3.6.2016 The Department explained that necessary actions had been made and relevant record was available for verifications.

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

66. Para No.1.12.1.1 Page 28 of Audit Report for the year 2010-11; Working Results.

5.3.2014 The Department explained that out of 10 unserviceable hand boring plants, 6 plants had been auctioned and efforts were being made to auction the remaining plants.

The Committee directed/recommended the department that auction of remaining 4 plants be made and report be submitted to Public Accounts Committee.

The para was kept pending.

3.6.2016 The Department explained that necessary actions had been made and relevant record was available for verifications.

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

67. Para No.1.12.1.2 Page 29 of Audit Report for the year 2010-11; Financial Results.

5.3.2014 The Department explained that the main reason of less achievement of income targets in respect of power drilling rigs was the purchase of spare parts.

The Committee was satisfied with the departmental explanation and the **para was settled.**

68. Para No.1.12.1.3 Page 29 of Audit Report for the year 2010-11; Working Results.

5.3.2014 The Department explained that original challans were available for verification duly verified by the D.A.Os concerned.

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

3.6.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

69. Para No.1.12.2.1 Pages 30 & 31 of Audit Report for the year 2010-11; Loss Due to Purchase of Defective Tri-Cone Bits – Rs.3.021 Million.

5.3.2014 Audit pointed out that defective Tri Con Bits were purchased by the department and there was no replacement so far.

The Department explained that an inquiry had already been ordered and responsibility would be fixed after the inquiry report.

The Committee directed/recommended that the responsibility must be fixed within 90 days.

The para was kept pending.

3.6.2016 The Department explained that a summary had been submitted to the Chief Minister, Punjab for the approval of inquiry against the officer of grade BS-20.

The Committee directed the department to resolve the matter within 90 days.

The para was kept pending.

70. Para No.1.13.1.1 Page 32 of Audit Report for the year 2010-11; Working Results.

5.3.2014 The Department explained that out of 12 remaining boring plants, 2 had been auctioned, 5 were working and 5 had yet to be auctioned.

The Committee directed/recommended the department to complete the process of auction of remaining 5 boring plants.

The para was kept pending.

3.6.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

71. Para No.1.13.1.2 Page 32 of Audit Report for the year 2010-11; Working Results.

5.3.2014 The Department explained that the reason of non-achievement of operational and financial targets was the lesser budget was provided for POL charges than the demand. Another reason was that the most of the power drilling rigs remained idle due to non-availability of spare parts.

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

72. Para No.1.13.1.3 Page 33 of Audit Report for the year 2010-11; Financial Results.

5.3.2014 The Department explained that the prices of POL had increased besides increase of pay and allowances. Furthermore the summary for enhancement of hire rates was being made for necessary approval.

The Committee was satisfied with the departmental explanation and the **para was settled.**

**73. Para No.1.13.1.5 Page 33 of Audit Report for the year 2010-11;
Working Results.**

5.3.2014 The Department explained that Rs.1.5 million stores and spares out of Rs.3.013 million consumed and still Rs.1.513 million spares were in stock. These were being consumed gradually.

The Committee settled the para subject to verification of consumption of stores.

3.6.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

**74. Para No.1.14.1.1 Page 34 of Audit Report for the year 2010-11;
Working Results.**

5.3.2014 The Department explained that the survey reports of 14 boring plants and 3 power winches had been completed and auction of them was in process.

The Committee kept the para pending with the direction/recommendation that the process of auction be completed.

3.6.2016 The Department explained that out of 14 Hand Boring Plants 6 had been auctioned and remaining 8 were being used by the department.

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

**75. Para No.1.14.1.2 Page 35 of Audit Report for the year 2010-11;
Financial Results.**

5.3.2014 The Department explained that necessary efforts were being made to minimize the loss of the Region in coming year.

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

**76. Para No.1.14.1.3 Page 35 of Audit Report for the year 2010-11;
Working Results.**

5.3.2014 The Department explained that reconciliation in this para was required to be made.

The Committee directed/recommended that the reconciliation be made.

The para was kept pending for reconciliation.

3.6.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

77. Para No.1.14.1.4 Page 35 of Audit Report for the year 2010-11; Working Results.

5.3.2014 The Department explained that all the relevant record was available for verification by Audit.

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

3.6.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

78. Para No.1.15.1.1 Page 36 of Audit Report for the year 2010-11; Working Results.

5.3.2014 Audit pointed out that the process of winding up the corporation had not been completed so far. The audit further pointed out the recovery of outstanding dues and disposal of fake fertilizers.

The Department explained that there were 37 subjudice cases and recovery under Land Revenue Act had been imposed on defaulters.

The Committee directed/recommended the department that all the necessary actions and formalities be taken within 90 days and the para was kept pending.

3.6.2016 The Department assured the committee that the process of winding up the corporation would be completed by 30th of June 2016.

The Committee **settled the para.**

79. Para No.1.16.1.1 Pages 37 & 38 of Audit Report for the year 2010-11; Working Results.

3.6.2016 The Audit pointed out that after adding the sale of cotton lint being sub product of cotton crop in the sale of cotton seed, the corporation earned the gross profit of Rs.3.222 million and recommended for settlement during the meeting.

The Committee was satisfied and the **para was settled**.

80. Para No.1.16.1.2 Page 38 of Audit Report for the year 2010-11; Working Results.

3.6.2016 The Department explained that the profit ratio was better than the previous years and now the going on improving and all record was available.

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

81. Para No.1.16.1.3 Page 38 of Audit Report for the year 2010-11; Working Results.

82. Para No.1.16.1.4 Page 38 of Audit Report for the year 2010-11; Working Results.

83. Para No.1.16.1.5 Page 38 of Audit Report for the year 2010-11; Working Results.

84. Para No.1.16.1.8 Page 39 of Audit Report for the year 2010-11; Working Results.

3.6.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in all above paras.

On the recommendation of Audit, the Committee **settled the all above paras.**

85. Para No.1.16.1.6 Page 38 of Audit Report for the year 2010-11; Working Results.

3.6.2016 The Department explained that decision for write off Rs.1.549 million had been taken and by 30th June 2016 it would be implemented.

The Committee **kept the para pending** till write off said amount.

86. Para No.1.16.1.7 Page 39 of Audit Report for the year 2010-11; Working Results.

3.6.2016 The Department explained that whole amount had been recovered and record was available for verification.

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

- 87. Para No.1.16.2.1 Pages 39 & 40 of Audit Report for the year 2010-11; Loss Due to Payment of Abayana for the Land Illegally Occupied by Pattedar – Rs.5.842 Million.**
-

3.6.2016 The Audit pointed out that the management had taken up the matter for refund of already paid abiana and 5500 acres area was still illegally occupied by the pattedars and government was paying abiana for that land.

The Committee directed/recommended the department should not pay abiana that should be paid by the occupants in future and department should make a proposal to resolve the issue.

The **para was kept pending.**

- 88. Para No.1.16.2.2 Pages 40 & 41 of Audit Report for the year 2010-11; Loss Due to Purchase of Substandard Cotton Seed – Rs.1.544 Million.**
-

3.6.2016 The Department explained that inquiry had been initiated and report would be submitted to PAC within 60 days.

The Committee **kept the para pending** with the direction/recommendation that responsibility be fixed.

- 89. Para No.1.16.2.3 Page 41 of Audit Report for the year 2010-11; Irregular Expenditure Due to Provision of Vehicle to the Minister – Rs.1.012 Million.**
-

3.6.2016 The Department explained that Log Book was available for verification by Audit.

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

- 90. Para No.1.16.2.4 Pages 42 & 43 of Audit Report for the year 2010-11; Irregular Appointment Resulting in Irregular Expenditure – Rs.0.907 Million.**
-

3.6.2016 The Department explained that Ms. Shamim Akhter, Ex Assistant Manager Marketing had been passed away and there was no likely to hood up recovery as reliable whereabouts were also not known.

The Committee **settled the para.**

AUQAF AND RELIGIOUS AFFAIRS

The Committee examined the Accounts of the Auqaf and Religious Affairs Department in its meeting held on 2.6.2014 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010/PC24010 (010) – General Administration Page 595 of Appropriation Accounts for the year 2010-11.

08-Recreational, Culture and Religion
 084-Religious Affairs
 0841-Religious Affairs
084103-Auqaf
LQ4080-Auqaf Department.

Final Grant	Rs.24,739,000/-
Actual Expenditure	Rs.23,728,926/-
Saving	(-) Rs. 1,010,074/-
Percentage	4.08%

2.6.2014 The Department explained that accounts had been reconciled with A.G. Punjab and saving was due to some vacant posts during the financial year.

The Committee was satisfied with the explanation of the department. As the saving was within the permissible limit, the **grant was settled.**

2. Grant No.PC21031 (031) – Miscellaneous (All Voted) Page 756 of Appropriation Accounts for the year 2010-11.

01-General Public Service
 014-Transfers
 0141-Transfers (Inter-Governmental)
014110-Others
LQ4428-Punjab Quran Board.

Final Grant	Rs.2,592,000/-
Actual Expenditure	Rs.1,832,208/-
Saving	(-) Rs. 759,792/-
Percentage	29.31%

2.6.2014 The Department explained that accounts had been reconciled with A.G. Punjab and the building of Punjab Quran Board was under construction and expected to be completed in 2011 in this view amount was kept for different post construction works. The building could not be completed within the prescribed period, due to that saving was occurred.

The Committee was satisfied with the explanation of the department and **grant was settled.**

3. Grant No.PC22036 (036) – Development: (All Voted) Page 605 of Appropriation Accounts for the year 2010-11.

08-Recreational Culture Religion
084-Religion Affairs
0841-Religion Affairs
084103-Auqaf
LE4294-Auqaf.

Final Grant	Rs.86,345,000/-
Actual Expenditure	Rs.84,806,857/-
Saving	(-) Rs. 1,538,143/-
Percentage	1.78%

2.6.2014 The Department explained that the accounts had been reconciled with A.G. Punjab and saving was nominal and within the permissible limit.

The Committee was satisfied with the explanation of the department and **the grant was settled.**

**BOARD OF REVENUE
PUNJAB**

The Committee examined the Accounts of the Board of Revenue, Punjab in its meetings held on 1.4.2014, 2.4.2014, 3.4.2014, 1.8.2016 and 6.12.2016 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21002 (002) – Land Revenue (All Voted) Pages 39 to 41 of Appropriation Accounts for the year 2010-11.

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

Final Grant	Rs.2,448,000/-
Actual Expenditure	Rs.2,462,378/-
Excess	(+) Rs. 14,378/-
Percentage	0.59%

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

Final Grant	Rs.19,799,000/-
Actual Expenditure	Rs.20,508,155/-
Excess	(+) Rs. 709,155/-
Percentage	3.58%

1.4.2014 The Department explained that the excess was because of payment of salaries and regular allowances which could not be avoided considering it a liability of the Government.

The Committee accepted the explanation of the department and on the recommendation of the Finance Department **settled the above items.**

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

Final Grant	Rs.5,688,000/-
Actual Expenditure	Rs.5,679,577/-
Saving	(-) Rs. 8,423/-

Percentage 0.15%

1.4.2014 The Department explained that the final expenditure had been reconciled with the Accountant General's Office.

The over all saving being within the permissible limit and **item was settled.**

2. Grant No.PC21002 (002) – Land Revenue (All Voted) Pages 42 to 46 of Appropriation Accounts for the year 2010-11.

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

Final Grant	Rs.29,321,000/-
Actual Expenditure	Rs.13,539,730/-
Saving	(-) Rs.15,781,270/-
Percentage	53.82%

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

Final Grant	Rs.972,000/-
Actual Expenditure	Rs.261,800/-
Saving	(-) Rs.710,200/-
Percentage	73.07%

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

Final Grant	Rs.4,021,000/-
Actual Expenditure	Rs. 170,088/-
Saving	(-) Rs.3,850,912/-
Percentage	95.77%

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

Final Grant	Rs.28,201,000/-
Actual Expenditure	Rs.23,777,309/-
Saving	(-) Rs. 4,423,691/-
Percentage	15.69%

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

Final Grant	Rs.307,953,000/-
Actual Expenditure	Rs.222,772,140/-
Saving	(-) Rs.85,180,860/-
Percentage	27.66%

3. Grant No.PC21006 (006) – Registration (All Voted) Page 50 of Appropriation Accounts for the year 2010-11.

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

Final Grant	Rs.6,833,000/-
Actual Expenditure	Rs.3,718,891/-
Saving	(-) Rs.3,114,109/-
Percentage	45.57%

4. Grant No.PC21010 /PC24010 (010) – General Administration Pages 629 to 633 of Appropriation Accounts for the year 2010-11.

- i) 01-General Public Service
011-Executive & Legislative Organs, Financial
0111-Executive & Legislative Organs
011105-District Administration
LQ4583-District Administration.

Final Grant	Rs.84,111,000/-
Actual Expenditure	Rs.44,186,965/-
Saving	(-) Rs.39,924,035/-
Percentage	47.47%

- ii) 01-General Public Service

011-Executive & Legislative Organs, Financial
0111-Executive & Legislative Organs
011105-District Administration
LQ4584-Sub Divisional Administration.

Final Grant	Rs.211,493,000/-
Actual Expenditure	Rs.138,250,167/-
Saving	(-) Rs. 73,242,833/-
Percentage	34.63%

iii) 01-General Public Service
011-Executive & Legislative Organs, Financial
0111-Executive & Legislative Organs
011105-District Administration
LQ4586-Additional Collector.

Final Grant	Rs.118,048,000/-
Actual Expenditure	Rs. 70,180,900/-
Saving	(-) Rs. 47,867,100/-
Percentage	40.55%

1.4.2014 The Department explained that in 2010-11 as a result of devolution, the budget of all the Commissioner Offices as well as Deputy Commissioner Offices came under the Provincial level. The budget was released on 20-04-2011 which was paid under the Provincial head instead of District Government head. The date of 2nd Statement of Excesses and Surrenders had also passed.

The Finance Department clarified that reimbursement had been made to the District Government account and that no loss had occurred to the Govt. Exchequer.

The Committee was satisfied with departmental explanation and the above **grants were settled.**

5. Grant No.PC21004 (004) – Stamps (All Voted) Pages 47 to 48 of Appropriation Accounts for the year 2010-11.

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

Final Grant	Rs.8,778,000/-
Actual Expenditure	Rs.8,537,856/-
Saving	(-) Rs. 240,144/-
Percentage	2.74%

1.4.2014 The Department explained that the reasons of savings were:-

- i) the vacant posts which were expected to be filled after 2nd Statement of excess and surrender;
- ii) the funds were retained for liver transplant of the Chief Inspector of Stamps but no claim was received after 2nd Statement of excess and surrender; and
- iii) the funds were not surrendered through 2nd Statement of excess and surrender keeping in view the traveling needs of Inspector of Stamps but no TA claim was received during the period.

The Committee was satisfied with departmental explanation and **settled the item.**

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

Final Grant	Rs.112,500,000/-
Actual Expenditure	Rs.92,594,620/-
Saving	(-) Rs.19,905,380/-
Percentage	17.69%

1.4.2014 The Accountant General Punjab pointed out that reconciliation of the accounts had yet to be made.

The Committee kept the item pending for reconciliation by the A.G. Punjab till the next meeting

6.12.2016 The Department explained that in compliance with last PAC directive, the accounts had been reconciled with A.G. Punjab and saving was 17.69% due to four Debit Bills were late received which could not be adjusted in the financial year.

The Committee was satisfied with the explanation of the department and **the item was settled.**

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

Final Grant	Rs.40,500,000/-
Actual Expenditure	Rs. 37,267,622/-
Saving	(-) Rs. 3,232,378/-
Percentage	7.98%

1.4.2014 The Department explained that accounts had been reconciled with A.G. Punjab and saving was 7.98%, due to less commission charges paid to the stamp vendors on sale of stamps. The sale of stamps remained less and commission amount could not be foreseen.

The Committee was satisfied with the departmental explanation and the item was settled.

6. Grant No.PC21006 (006) – Registration (All Voted) Page 49 of Appropriation Accounts for the year 2010-11.

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

Final Grant	Rs.3,897,000/-
Actual Expenditure	Rs.3,891,807/-
Saving	(-) Rs. 5,193/-
Percentage	0.13%

1.4.2014 The Department explained that accounts had been reconciled with A.G. Punjab and saving was 0.13% which was within the permissible limit.

The grant was settled.

7. Grant No.PC21010 /PC24010 (010) – General Administration Pages 51 & 53 of Appropriation Accounts for the year 2010-11.

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

Final Grant	Rs.231,980,000/-
Actual Expenditure	Rs.226,954,732/-
Saving	(-) Rs. 5,025,268/-
Percentage	2.17%

1.4.2014 The Department explained that accounts had been reconciled with A. G. Punjab and saving was 2.17%. The funds were released late from Finance Department and could not be utilized well in time.

The Committee directed/recommended that the department should foresee its expenditures before demand and make it sure that the funds would be properly utilized in future.

The item was settled.

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

Final Grant	Rs.0/-
Actual Expenditure	Rs.159,296/-
Excess	(+) Rs.159,296/-
Percentage	100%

1.4.2014 The Accountant General Punjab pointed out that reconciliation of the accounts had yet to be made.

The Committee kept the item pending for reconciliation by the A.G. Punjab till the next meeting

6.12.2016 The Department explained that in compliance with last PAC directive, as per reconciliation the accounts under Grant PC21010-General Administration, LQ4581-Land Record-District Charges, actually belonging to PC21002-Land Revenue, LQ4581-Land Record-District Charges- may kindly be settled as the accounts under PC21002-Land Revenue, LQ4581-Land Record-District Charges have already been settled by the Committee in its Ist meeting.

The Committee accepted the version of the department and **item was settled.**

8. Grant No.PC21010 /PC24010 (010) – General Administration Pages 634 & 635 of Appropriation Accounts for the year 2010-11.

- i) 01-General Public Service
011-Executive & Legislative Organs, Financial
0111-Executive & Legislative Organs
011111-Divisional Administration
LQ4508-Divisional Administration.

Final Grant	Rs.241,751,000/-
Actual Expenditure	Rs.190,121,422/-
Saving	(-) Rs. 51,629,578/-
Percentage	21.36%

1.4.2014 The Department explained that saving was occurred due to ban on recruitments and purchase of machinery and equipment under austerity measures. Secondly the utility bills of newly established offices were received late.

The Committee was of the view that the amounts under head of physical assets and others could be surrendered.

The Committee directed/recommended the Finance Department to issue the instructions to all the departments that the budget should be utilized well in time, otherwise it should be timely surrendered and the **item was settled**.

- ii) 01-General Public Service
 - 011-Executive & Legislative Organs, Financial
 - 0111-Executive & Legislative Organs
 - 01111-Divisional Administration
 - LQ4519-Circuit House of Various Divisional Headquarters.

Final Grant	Rs.27,462,000/-
Actual Expenditure	Rs.23,474,667/-
Saving	(-) Rs. 3,987,333/-
Percentage	14.52%

1.4.2014 The Department explained that accounts had been reconciled with A. G. Punjab and saving was 14.52%, due to ban on recruitment and purchase of goods under the austerity measures adopted by the Government and non-utilization of the amount as the Circuit Houses were fully equipped by the District Government prior to the control of Commissioner Office.

The Committee directed/recommended the department to submit a detailed and comprehensive report on all Circuit Houses in the Province alongwith a detailed list of work charge employees working in Circuit Houses with total length of their service to PAC-I .

The Committee **settled the item with the direction**/recommendation to re-design and re-vamp the whole system of Circuit Houses.

6.12.2016 The Department explained that in compliance with last PAC directive to re-vamp and re-design the whole system of Circuit House the comments from all the Commissioners, of Punjab were received and it was found that the present system/ design was satisfactory and the same had been submitted to PAC.

The Committee **again settled the item and directed/recommended** the department to hire a consultant for better utilization of the circuit houses.

9. Grant No.PC21010 /PC24010 (010) – General Administration Page 172 of Appropriation Accounts for the year 2010-11.

01-General Public Service

011-Executive & Legislative Organs, Financial
0112-Financial and Fiscal Affairs
011205-Tax Management (Custom, Income Tax, Excise) and Taxation
Department
LQ4768-Member Colonies.

Final Grant	Rs.5,058,000/-
Actual Expenditure	Rs.5,010,935/-
Saving	(-) Rs. 47,065/-
Percentage	0.93%

1.4.2014 The Department explained that accounts had been reconciled with A.G. Punjab and saving was 0.39% which was within the permissible limit.

The grant was settled.

10. Grant No.PC21027 (027) – Relief (All Voted) Pages 54 & 55 of Appropriation Accounts for the year 2010-11.

10-Social Protection
107-Administration
1071-Administration
0107101-Relief Measures
LQ4277-Relief Measures.

Final Grant	Rs.7,250,867,000/-
Actual Expenditure	Rs.7,173,903,701/-
Saving	(-) Rs. 76,963,299/-
Percentage	1.06%

1.4.2014 The Department explained that accounts had been reconciled with A.G. Punjab and saving was 1.06% which was within the permissible limit.

The grant was settled.

11. Grant No.PC21029 (029) – Stationary and Printing (All Voted) Page 373 of Appropriation Accounts for the year 2010-11.

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

Final Grant	Rs.4,802,000/-
Actual Expenditure	Rs.4,794,881/-
Saving	(-) Rs. 7,119/-

Percentage 0.15%

1.4.2014 The Department explained that accounts had been reconciled with A.G. Punjab and saving was 0.15% which was within the permissible limit.

The grant was settled.

12. Grant No.PC21031 (031) – Miscellaneous (All Voted) Page 747 of Appropriation Accounts for the year 2010-11.

06-Housing and Community Amenities
062-Community Development
0622-Rural Development
062202-Rural Works Programme
LQ4291-Directorate of Katchi Abadies.

Final Grant	Rs.17,679,000/-
Actual Expenditure	Rs.17,853,858/-
Excess	(+) Rs. 174,858/-
Percentage	0.99%

1.4.2014 The Department explained that accounts had been reconciled with A. G. Punjab and excess was 0.99%, due to 12 officials of Punjab Election Authority were merged in the office of Director General of Katchi Abadis in April 2011. The salaries of these officials had to pay as an obligation.

As the excess was relating to salaries, the Committee was satisfied and the grant was settled.

13. Grant No.PC21031 (031) – Miscellaneous (All Voted) Page 56 of Appropriation Accounts for the year 2010-11.

10-Social Protection
107-Administration
1071-Administration
107102-Rehabilitation and Resettlement
LQ4297-Settlement and Rehabilitation Organization.

Final Grant	Rs.20,341,000/-
Actual Expenditure	Rs.21,464,492/-
Excess	(+) Rs. 1,123,492/-
Percentage	5.52%

1.4.2014 The Department explained that accounts had been reconciled with A. G. Punjab and excess was 5.52%, due to payment of salaries and regular allowances which could not be avoided considering it a liability of the Government.

As the excess was relating to salaries and regular allowances, the Committee was satisfied and the **grant was settled**.

14. Grant No.PC21031 (031) – Miscellaneous (All Voted) Page 736 of Appropriation Accounts for the year 2010-11.

01-General Public Service
014-Transfers
0141-Transfers (Inter-Governmental)
014110-Others
LQ4298-Implementation of Jinnah Abadies.

Final Grant	Rs.4,286,000/-
Actual Expenditure	Rs.4,252,172/-
Saving	(-) Rs. 33,828/-
Percentage	0.79%

15. Grant No.PC21031 (031) – Miscellaneous (All Voted) Page 202 of Appropriation Accounts for the year 2010-11.

01-General Public Service
014-Transfers
0141-Transfers (Inter-Governmental)
014110-Others
LQ4431-Punjab Privatization Board.

Final Grant	Rs.30,304,000/-
Actual Expenditure	Rs.30,079,746/-
Saving	(-) Rs. 224,254/-
Percentage	0.74%

1.4.2014 The overall savings were very nominal and within the permissible limit, hence, Committee **settled the above two grants**.

16. Grant No.PC22036 (036) – Development: (All Voted) Page 173 of Appropriation Accounts for the year 2010-11.

01-General Public Service
011-Executive & Legislative Organs, Financial
0112-Financial And Fiscal Affairs
011205-Tax Management (Customs, I.Tax & Excise)
LQ4295-Tax Management.

Final Grant	Rs.32,700,000/-
Actual Expenditure	Rs.22,241,228/-
Saving	(-) Rs.10,458,772/-
Percentage	31.98%

1.4.2014 The Accountant General Punjab pointed out that the reconciliation of accounts had yet to be made in this grant.

The Committee kept the grant pending for reconciliation till next meeting.

6.12.2016 The Department explained that in compliance with last PAC directive, the accounts had been reconciled with A.G. Punjab and saving was 31.98%, due to late delivery, Hardware and I.T Equipment, therefore, payments were deferred to next financial year.

The Committee was satisfied with the explanation of the department and the grant was settled.

Audit Paras (Revenue Receipts) for the year 2010-11

17. Para No.2.2.1 Page 31 of Audit Report for the year 2010-11; Non-recovery of Tawan from Un-authorized Cultivators of Sate Land – Rs.110.070 Million.

2.2.1(1) Tehsildar Lahore Cantt. – Rs.13,478,444/-

2.4.2014 The Department explained that the recovery of Rs.416,160/- had been made and got verified by audit and efforts were being made to recover the outstanding amount. The department further explained that out of total amount Rs.5.8 (M) were related to Pakistan Army, Defence Housing Authority and other housing societies in Tehsil Lahore Cantt.

The Committee directed/recommended the department to submit a complete information about the land under possession of Army by tomorrow i.e. 3.4.2014.

The para was kept pending.

3.4.2014 The Committee had kept the para pending on 2.4.2014 for getting the detail of land under possession of Army in Teshil Lahore Cantt.

The Department explained that 149057 kanal property was under possession of the Pakistan Army. And the recoverable amount of Rs.5.8 Million was related to Pakistan Army, Defence Housing Authority and other Housing Societies and this recovery was of the Tawan on Aabiana.

The Committee directed/recommended that an inquiry be held against the responsible staff of Revenue Department who made the intiqal in the favour of Housing Societies without recovery of the said amount. The para was reduced to the tune of amount of Rs.13,062,284/- with the direction/recommendation that the detail of un-

authorized possession on the Government land in Lahore Cantt. be given to the Committee and the Provincial Government land should be kept under the real ownership.

The para was kept pending with the direction/recommendation that the recovery be made within three months.

6.12.2016 The Department explained that in compliance with last PAC directive, the inquiry against the officials had been completed and three Patwaris and three Naib Tehsildars had been terminated from service and out of total amount Rs.13,478,444/- an amount of Rs.5.9 millions was outstanding to military dairy forms which had covered 62000 kanals of land, while an amount of Rs.5,569,700/- had been litigated in court of law and an amount of Rs.653,689/- had been recovered and department had made strenuous efforts to recover the outstanding amount.

The Committee reduced the para upto recovered amount subject to its verification by audit and directed/recommended the department to take the matter with military high ups, and pursue matter in court vigorously as well within 3 months under intimation to PAC.

The para was kept pending.

18. Para No.2.2.1 Page 31 of Audit Report for the year 2010-11; Non-recovery of Tawan from Un-authorized Cultivators of Sate Land – Rs.110.070 Million.

**19. 2.2.1(2) Tehsildar Rural Sadar Multan – Rs.6,474,239/-
Para No.2.2.2 Pages 32 & 92 of Audit Report for the year 2010-11; Non/Short-recovery of Arrears of Abiana/Tawan – Rs.69.543 Million.**

2.2.2(1) Tehsildar Lahore Cantt. – Rs.319,656/-

2.2.2(4-i) Tehsildar Okara – Rs.3,209,219/-

2.2.2(4-ii) Tehsildar Okara – Rs.30,085,621/-

2.2.2(7) Tehsildar Shujaabad – Rs.311,935/-

2.2.2(9) Tehsildar Mianchannu – Rs.1,482,552/-

2.2.2(10) Tehsildar Hafizabad – Rs.301,149/-

2.4.2014 The Department explained item-wise position of the above paras and stated that partial recoveries had been made and efforts were being made to recover the outstanding amounts.

The Committee reduced the paras to the extent of recovered amount subject to verification of record by Audit and directed/recommended the department to recover the outstanding amounts within 90 days.

The paras were kept pending.

6.12.2016 The Department explained that partial recoveries had been made and efforts were being made to effect the outstanding amount in all above paras.

The Committee reduced the above paras up to the recovered amount subject to its verification by Audit and directed/recommended the department to effect the outstanding amount within 3 months.

The all above paras were kept pending.

20. Para No.2.2.1 Page 31 of Audit Report for the year 2010-11; Non-recovery of Tawan from Un-authorized Cultivators of Sate Land – Rs.110.070 Million.

2.2.1(3) Tehsildar Sahiwal – Rs.55,411,160/-

2.2.1(5) Tehsildar Chichawatni – Rs.32,655,412/-

21. Para No.2.2.2 Pages 32 & 92 of Audit Report for the year 2010-11; Non/Short-recovery of Arrears of Abiana/Tawan – Rs.69.543 Million.

2.2.2(5-i) Tehsildar Sahiwal – Rs.5,803,739/-

2.4.2014 The Department explained that the amount involved in the above paras were related to Irrigation Department because the Tawan had imposed by the Irrigation Department and the said department was the authority to decide the cases of remission.

The Audit supported the contention of the department that these paras should be transferred to the Irrigation Department.

The Committee directed/recommended the Finance Department to get the complete procedure about imposing Tawan/Abiana from the Irrigation Department.

The paras were kept pending.

6.12.2016 The Department explained that in compliance with last PAC directives, reply for procedure of Tawan was received from finance department in which mention that Tawan imposing agency was Irrigation Department and recovery would be effected by Revenue Department but according to Drainage Act section 47 recoveries would be effected through Lambardar and Revenue Department would examine the current legal status of this matter.

The Committee directed/recommended the department to resolve the issues within 3 months.

The paras were kept pending.

2.2.2(12-ii) Tehsildar City Lahore – Rs.3,276,083/-

2.4.2014 The Department explained that the amount involved in the above para was related to Irrigation Department because the Tawan had imposed by the Irrigation Department and the said department was the authority to decide the cases of remission.

The Audit supported the contention of the department that the para should be transferred to the Irrigation Department.

The Committee directed/recommended the Finance Department to get the complete procedure about imposing Tawan/Abiana from the Irrigation Department.

The para was kept pending.

6.12.2016 The Department explained that partial recovery had been made and effort was being made to effect the outstanding amount in the above para.

The Committee reduced the above para up to the recovered amount subject to its verification by Audit and directed/recommended the department to effect the outstanding amount within 3 months.

The all above para was kept pending.

22. Para No.2.2.1 Page 31 of Audit Report for the year 2010-11; Non-recovery of Tawan from Un-authorized Cultivators of Sate Land – Rs.110.070 Million.

2.2.1(4) Tehsildar Jhang – Rs.2,050,759/-

2.4.2014 The Department explained -wise position of the above para and stated that partial recovery had been made and efforts were being made to recover the outstanding amounts.

The Committee reduced the para to the extent of recovered amount subject to verification of record by Audit and directed/recommended the department to recover the outstanding amount within 90 days.

The para was kept pending.

6.12.2016 The Department explained that in compliance with last PAC directive, out of total amount Rs.468,874/- had been recovered and majority of the cases were in civil litigation and efforts were being made for balance recovery.

The Committee reduced the para to the extent of recovered amount and directed/recommended the department to effect the outstanding amount with 3 month.

The para was kept pending.

23. Para No.2.2.2 Pages 32 & 92 of Audit Report for the year 2010-11; Non/Short-recovery of Arrears of Abiana/Tawan – Rs.69.543 Million.

2.2.2(2) Tehsildar Rural Sadder Multan – Rs.945,696/-

- 24. Para No.2.2.3 Pages 32, 33 & 93 of Audit Report for the year 2010-11; Non-realization of Capital Value Tax on Transfer of Urban Immovable Properties – Rs.15.809 Million.**
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2.2.3(4-i) Sub Registrar, Sahiwal – Rs.68,610/-

2.4.2014 The Department explained that total recovery had been made in the above paras and record was available for verification by Audit.

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

6.12.2016 The Department explained that in compliance with last PAC directives, whole amount had been recovered and records were available for verification.

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

- 25. Para No.2.2.2 Pages 32 & 92 of Audit Report for the year 2010-11; Non/Short-recovery of Arrears of Abiana/Tawan – Rs.69.543 Million.**
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2.2.2(3) Tehsildar City Multan – Rs.354,664/-

2.2.2(5-ii) Tehsildar Sahiwal – Rs.11,592,341/-

- 26. Para No.2.2.3 Pages 32, 33 & 93 of Audit Report for the year 2010-11; Non-realization of Capital Value Tax on Transfer of Urban Immovable Properties – Rs.15.809 Million.**
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2.2.3(1) Sub Registrar, Gujranwala Rural – Rs.37,050/-

2.2.3(2) Sub Registrar, Multan Cantt. – Rs.6,400/-

2.4.2014 The Department explained that necessary action had been taken in respect of above paras and outstanding amount had been recovered and got verified by Audit.

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

- 27. Para No.2.2.2 Pages 32 & 92 of Audit Report for the year 2010-11; Non/Short-recovery of Arrears of Abiana/Tawan – Rs.69.543 Million.**
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2.2.2(6) Tehsildar Jhang – Rs.6,518,571/-

2.4.2014 The Department explained that an amount of Rs.3,826,000/- had been recovered and efforts were being made to recover the outstanding amount.

The Committee reduced the para to the extent of recovered amount subject to verification of record by Audit and directed that the outstanding amount be recovered within six months.

The para was kept pending.

6.12.2016 The Department explained that partial recovery had been made and efforts were being made to effect the outstanding amount in the above para.

The Committee reduced the above para up to the recovered amount subject to its verification by Audit and directed/recommended the department to effect the outstanding amount within 3 months.

The above **para was kept pending.**

2.2.2(8) Tehsildar Chichawatni – Rs.4,204,027/-

2.4.2014 The Department explained that partial recovery had been made and efforts were being made to recover the outstanding amount.

The Committee reduced the para to the extent of recovered amount subject to verification by Audit.

The para was kept pending with the direction to recover the outstanding amount within two months.

6.12.2016 The Department explained that in compliance with last PAC directives, all the necessary actions had been taken and outstanding recovery had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

2.2.2(12-i) Tehsildar City Lahore – Rs.266,586/-

2.4.2014 The Department explained that partial recovery had been made and efforts were being made to recover the outstanding amount.

The Committee reduced the para to the extent of recovered amount subject to verification by Audit.

The para was kept pending with the direction to recover the outstanding amount within two months.

6.12.2016 The Department explained that in compliance with last PAC directives, whole amount had been recovered and record was available for verification.

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

**28. Para No.2.2.2 Pages 32 & 92 of Audit Report for the year 2010-11;
Non/Short-recovery of Arrears of Abiana/Tawan – Rs.69.543 Million.**

2.2.2(11) Tehsildar Kabirwala – Rs.871,321/-

2.4.2014 The Department explained that total recovery had been made in the above para and record was available for verification by Audit.

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

6.12.2016 The Department explained that in compliance with last PAC directives, all the necessary actions had been taken and outstanding recovery had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

**29. Para No.2.2.3 Pages 32, 33 & 93 of Audit Report for the year 2010-11;
Non-realization of Capital Value Tax on Transfer of Urban
Immovable Properties – Rs.15.809 Million.**

2.2.3(3) Sub Registrar, Okara – Rs.865,253/-

2.4.2014 The Department explained that an amount of Rs.258,300/- had been recovered and that needed to be reconciled.

The para was kept pending for reconciliation with Audit.

6.12.2016 The Department explained that in compliance with last PAC directives, all the necessary actions had been taken and outstanding recovery had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

2.2.3(4-ii) Sub Registrar, Sahiwal – Rs.64,000/-

2.4.2014 The Department explained that an amount of Rs.34,000/- had been recovered and got verified by audit and a further amount of Rs.10,000/- had also been recovered and efforts were being made to recover the outstanding amount of Rs.20,000/-.

The Committee reduced the para to the extent of recovered amount subject to verification of record and the para was kept pending for balance recovery within 30 days.

6.12.2016 The Department explained that in compliance with last PAC directives, all the necessary actions had been taken and outstanding recovery had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

2.2.3(5) Sub Registrar, Shorkot – Rs.893,350/-

2.4.2014 The Department explained that partial amount had been recovered and the matter was sub-judice.

The Committee reduced the para to the extent of recovered amount subject to verification by audit with the direction that the court proceedings should be followed.

The para was kept pending.

6.12.2016 The Department explained that partial recovery had been made and efforts were being made to effect the outstanding amount in the above para.

The Committee reduced the above para up to the recovered amount subject to its verification by Audit and directed/recommended the department to effect the outstanding amount within 3 months.

The above **para was kept pending.**

30.

Para No.2.2.3

2.2.3(6) Sub Registrar Jhang – Rs.7,295,100/-

3.4.2014 The Department explained that out of total outstanding amount only Rs.53,000/- had been recovered and efforts were being made for balance recovery.

The Committee reduced the para to the extent of recovered amount and kept the para pending for balance recovery within 3 months.

6.12.2016 The Department explained that partial recovery had been made and efforts were being made to effect the outstanding amount in the above para.

The Committee reduced the above paras up to the recovered amount subject to its verification by Audit and directed/recommended the department to effect the outstanding amount within 3 months.

The above **para was kept pending.**

31.

Para No.2.2.3 Pages 32, 33 & 93 of Audit Report for the year 2010-11; Non-realization of Capital Value Tax on Transfer of Urban Immovable Properties – Rs.15.809 Million.

2.2.3(7-i) Sub Registrar, Rawalpindi Cantt. – Rs.546,800/-

2.2.3(7-iii) Sub Registrar, Rawalpindi Cantt. – Rs.120,300/-

2.2.3(12) Sub Registrar, Kabirwala – Rs.1,551,045/-

2.2.3(15) Sub Registrar, Kahuta – Rs.84,000/-

32. **Para No.2.2.4 Pages 33 & 34 of Audit Report for the year 2010-11; Short-realization of Stamp Duty & Registration Fee Due to Under Valuation of Assets – Rs.6.535 Million.**

2.2.4(6) Sub Registrar, Rawalpindi Cantt. – Rs.83,605/-
2.2.4(8) Sub Registrar, Kahuta – Rs.145,800/-
33. **Para No.2.2.6 Pages 35 & 36 of Audit Report for the year 2010-11; Non/short Recovery of Agricultural Income Tax – Rs.3.471 Million.**

2.2.6(6) Tehsildar, Chichawatni – Rs.353,326/-
2.2.6(8) Tehsildar, Kabirwala – Rs.185,900/-
34. **Para No.2.2.7 Pages 36 & 37 of Audit Report for the year 2010-11; Non/short-realization of Mutation Fee- Rs.1.915 Million.**

2.2.7a(4) Tehsildar, Jhang – Rs.610,242/-
2.2.7a(5) Tehsildar, Chichawatni – Rs.52,452/-
2.2.7b(1) Sub Registrar, Jhang – Rs.88,800/-
2.2.7b(2) Sub Registrar, Kabirwala – Rs.75,684/-
35. **Para No.2.2.8 Pages 38 & 39 of Audit Report for the year 2010-11; Non-levy of Ten Percent Surcharge on Late Payment of Abiana – Rs.1.239 Million.**

2.2.8(3) Tehsildar, Okara – Rs.137,621/-
36. **Para No.2.2.9 Pages 39 & 40 of Audit Report for the year 2010-11; In Admissible Allowance of “Lambardari” Fee – Rs.0.389 Million.**

2.2.9(1) Tehsildar, Okara – Rs.83,169/-
2.2.9(4) Tehsildar, Mianchannu – Rs.59,850/-
37. **Para No.2.2.11 Pages 41 & 42 of Audit Report for the year 2010-11; Short-realization of Stamp Duty & Registration Fee on Lease Deed – Rs.0.114 Million.**

3.4.2014 The Department explained that total recovery had been made and the record was available for verification by Audit.

The Committee settled all the above paras subject to verification of record by Audit.

6.12.2016 The Department explained that in compliance with last PAC directives, all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in all above paras.

On the recommendation of Audit, the Committee **settled the all above paras.**

38. Para No.2.2.3 Pages 32, 33 & 93 of Audit Report for the year 2010-11; Non-realization of Capital Value Tax on Transfer of Urban Immovable Properties – Rs.15.809 Million.

2.2.3(7-ii) Sub Registrar, Rawalpindi Cantt. – Rs.389,400/-

2.2.3(8-iv) Sub Registrar, Rawalpindi Cantt. – Rs.12,000/-

2.2.3(10) Sub Registrar, Shujaabad – Rs.55,300/-

2.2.3(11) Sub Registrar, Muree – Rs.392,000/-

2.2.3(13) Sub Registrar, Mianchannu – Rs.549,713/-

2.2.3(14) Sub Registrar, Sambrial – Rs.12,000/-

2.2.3(16) Sub Registrar, Gujar Khan – Rs.48,000/-

2.2.3(17) Sub Registrar, Kharian. – Rs.40,660/-

2.2.3(18) Sub Registrar, Saraialamgir – Rs.2,666,090/-

39. Para No.2.2.4 Pages 33 & 34 of Audit Report for the year 2010-11; Short-realization of Stamp Duty & Registration Fee Due to Under Valuation of Assets – Rs.6.535 Million.

2.2.4(1) Sub Registrar, Samanabad Town, Lahore – Rs.327,200/-

2.2.4(2) Sub Registrar, Gulberg Town, Lahore – Rs.5,449,037/-

2.2.4(4) Sub Registrar, Gujranwala Rural – Rs.14,805/-

2.2.4(5) Sub Registrar, Gujranwala Urban – Rs.343/-

2.2.4(7) Sub Registrar, Muree – Rs.69,875/-

2.2.4(9) Sub Registrar, Gujar Khan – Rs.30,865/-

2.2.4(10) Sub Registrar, Kharian – Rs.135,690/-

40. Para No.2.2.6 Pages 35 & 36 of Audit Report for the year 2010-11; Non/short Recovery of Agricultural Income Tax – Rs.3.471 Million.

2.2.6(2) Tehsildar, City Multan – Rs.45,850/-

2.2.6(5) Tehsildar, Shujaabad – Rs.18,050/-

2.2.6(7) Tehsildar, Mianchannu – Rs.124,320/-

41. **Para No.2.2.7 Pages 36 & 37 of Audit Report for the year 2010-11; Non/short-realization of Mutation Fee- Rs.1.915 Million.**
-
- 2.2.7a(2) Tehsildar, Sadar Multan – Rs.12,472/-
2.2.7a(3) Tehsildar, Sahiwal – Rs.92,149/-
2.2.7a(7) Tehsildar, Kharian – Rs.230,722/-
2.2.7b(3) Sub Registrar, Mianchannu – Rs.28,408/-
2.2.7b(4) Sub Registrar, Aziz Bhatti Town, Lahore – Rs.25,800/-
42. **Para No.2.2.8 Pages 38 & 39 of Audit Report for the year 2010-11; Non-levy of Ten Percent Surcharge on Late Payment of Abiana – Rs.1.239 Million.**
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- 2.2.8(1) Tehsildar, Rural Sadar Multan – Rs.96,018/-
2.2.8(2) Tehsildar, City Multan – Rs.27,728/-
2.2.8(5) Tehsildar, Jhang – Rs.49,243/-
2.2.8(6) Tehsildar, Shujaabad – Rs.58,666/-
2.2.8(7) Tehsildar, Chichawatni – Rs.457,698/-
2.2.8(9) Tehsildar, Kabirwala – Rs.30,008/-
43. **Para No.2.2.10 Pages 40 & 41 of Audit Report for the year 2010-11; Inadmissible Refund of Stamp Papers Allowed on Time Barred Claims – Rs.0.136 Million.**
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- 2.2.10(1) District Officer, Multan – Rs.16,200/-
2.2.10(3) District Officer, Gujrat – Rs.27,000/-
44. **Para No.2.2.12 Page 42 of Audit Report for the year 2010-11; Short-realization of Stamp Duty on Conveyance Deeds – Rs.66,038/-.**
-
45. **Para No.2.2.13 Pages 42 & 43 of Audit Report for the year 2010-11; Non/short-realization of Mutation Fee on Oral Mutation in Favour of Other Than Legal Heirs – Rs.54,288/-.**
-
46. **Para No.2.2.14 Pages 43 & 44 of Audit Report for the year 2010-11; Non Carrying Forward of Arrears of Abiana – Rs.37.647 Million.**
-
- 2.2.14(1) Tehsildar, City Multan – Rs.70,588/-

3.4.2014 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made in respect of all the above paras and got verified by Audit.

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

- 47. Para No.2.2.3 Pages 32, 33 & 93 of Audit Report for the year 2010-11; Non-realization of Capital Value Tax on Transfer of Urban Immovable Properties – Rs.15.809 Million.**
-

2.2.3(9) Sub Registrar, Chichawatni – Rs.111,627/-

3.4.2014 The Department explained that total recovery had been made and the record was available for verification by Audit.

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

6.12.2016 The Department explained that partial recovery had been made and effort was being made to effect the outstanding amount in the above para.

The Committee reduced the above para up to the recovered amount subject to its verification by Audit and directed/recommended the department to effect the outstanding amount within 3 months.

The above **para was kept pending.**

- 48. Para No.2.2.4 Pages 33 & 34 of Audit Report for the year 2010-11; Short-realization of Stamp Duty & Registration Fee Due to Under Valuation of Assets – Rs.6.535 Million.**
-

2.2.4(3) Sub Registrar, Nishter Town, Lahore – Rs.277,300/-

3.4.2014 The Department explained that out of total outstanding amount Rs.25,000/- had been recovered and efforts were being made for balance recovery.

The Committee reduced the para to the extent of recovered amount and kept the para pending for balance recovery within one month.

6.12.2016 The Department explained that in compliance with last PAC directives, all the necessary actions had been taken and outstanding recovery had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

- 49. Para No.2.2.5 Pages 34 & 35 of Audit Report for the year 2010-11; Non-recovery of Government Dues on Expiry of Stay Orders – Rs.3.343 Million.**
-

3.4.2014 The Department explained that recovery was not made due to stay order issued by the Civil Court. And the relevant record was mistaken.

The Committee directed/recommended the department that an inquiry be held against the person who was responsible to keep the record. The stay order be got vacated and the balance amount be recovered within 3 months and report be submitted to PAC-I.

The para was kept pending.

6.12.2016 The Department explained that partial recovery had been made and efforts were being made to effect the outstanding amount in the above para.

The Committee reduced the above para up to the recovered amount subject to its verification by Audit and directed/recommended the department to effect the outstanding amount within 3 months.

The above **para was kept pending.**

50. Para No.2.2.6 Pages 35 & 36 of Audit Report for the year 2010-11; Non/short Recovery of Agricultural Income Tax – Rs.3.471 Million.

2.2.6(1) Tehsildar, Rural Saddar, Multan – Rs.805,150/-

3.4.2014 The Department explained that Rs.297,950/- had been recovered and efforts were being made for outstanding amount.

The Committee reduced the para to the extent of recovered amount and kept the para pending for balance recovery within three months.

6.12.2016 The Department explained that partial recovery had been made and efforts were being made to effect the outstanding amount in the above para.

The Committee reduced the above para up to the recovered amount subject to its verification by Audit and directed/recommended the department to effect the outstanding amount within 3 months.

The above **para was kept pending.**

2.2.6(3) Tehsildar, Okara – Rs.1,365,325/-

3.4.2014 The Department explained that Agriculture Income Tax was not chargeable in respect of land under direct cultivation of Livestock and Dairy Development Department and partial recovery had been made and efforts were being made for balance recovery.

The Committee reduced the para to the extent of recovered amount subject to verification and reconciliation by Audit.

The para was kept pending.

6.12.2016 The Department explained that partial recovery had been made and efforts were being made to effect the outstanding amount in the above para.

The Committee reduced the above para up to the recovered amount subject to its verification by Audit and directed/recommended the department to effect the outstanding amount within 3 months.

The above **para was kept pending.**

2.2.6(4) Tehsildar, Sahiwal – Rs.480,712/-

3.4.2014 The Department explained that partial recovery had been made and efforts were being made for balance recovery.

The Committee reduced the para to the extent of recovered amount subject to verification from Audit and kept the para pending for balance recovery within three months.

6.12.2016 The Department explained that in compliance with last PAC directives, whole amount had been recovered and record was available for verification.

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

51. Para No.2.2.6 Pages 35 & 36 of Audit Report for the year 2010-11; Non/short Recovery of Agricultural Income Tax – Rs.3.471 Million.

2.2.6(9) Tehsildar, City Lahore – Rs.92,250/-

52. Para No.2.2.8 Pages 38 & 39 of Audit Report for the year 2010-11; Non-levy of Ten Percent Surcharge on Late Payment of Abiana – Rs.1.239 Million.

2.2.8(10) Tehsildar, City Lahore – Rs.40,618/-

3.4.2014 The Department explained that total recovery had been made and the record was available for verification by Audit.

The Committee settled all the above paras subject to verification of record by Audit.

6.12.2016 The Department explained that in compliance with last PAC directives, whole amount had been recovered and records were available for verification.

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

53. Para No.2.2.7 Pages 36 & 37 of Audit Report for the year 2010-11; Non/short-realiztion of Mutation Fee- Rs.1.915 Million.

2.2.7a(1) Tehsildar, Attock – Rs.48,000/-

3.4.2014 The Department explained that an amount of Rs.48,000/- in respect of mutation No.5197 dated 19.4.2010 was incorrect. The land had been transferred in favour of PTCL and according to rules no stamp duty/fee was chargeable on the land transferred to PTCL.

The Committee directed/recommended the department to consult with Law and Finance Department for legal opinion and exemption be got from authority.

The para was kept pending.

6.12.2016 The Department explained that in compliance with last PAC directives, all the necessary actions had been taken and outstanding recovery had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

2.2.7a(6) Tehsildar, Hafizabad – Rs.650,091/-

3.4.2014 The Department explained that out of total outstanding amount Rs.216,022/- had been recovered and got verified from audit and further partial recovery had been made which record was available for verification.

The Committee reduced the para to the extent of recovered amount subject to verification and reconciliation with Audit within one month.

The para was kept pending.

6.12.2016 The Department explained that partial recovery had been made and efforts were being made to effect the outstanding amount in the above para.

The Committee reduced the above para up to the recovered amount subject to its verification by Audit and directed/recommended the department to effect the outstanding amount within 3 months.

The above **para was kept pending.**

54. Para No.2.2.8 Pages 38 & 39 of Audit Report for the year 2010-11; Non-levy of Ten Percent Surcharge on Late Payment of Abiana – Rs.1.239 Million.

2.2.8(4) Tehsildar, Sahiwal – Rs.225,272/-

3.4.2014 The Department explained that an amount Rs.7,720/- had been recovered and efforts were being made for balance recovery.

The Committee reduced the para to the extent of recovered amount subject to verification from Audit and kept the para pending for balance recovery within three months.

6.12.2016 The Department explained that in compliance with last PAC directives, all the necessary actions had been taken and outstanding recovery had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

2.2.8(8) Tehsildar, Mianchannu – Rs.116,409/-

3.4.2014 The Department explained that partial recovery had been made and efforts were being made for outstanding recovery.

The Committee reduced the para to the extent of recovered amount subject to verification from Audit and kept the para pending for outstanding recovery within one month.

6.12.2016 The Department explained that in compliance with last PAC directives, all the necessary actions had been taken and outstanding recovery had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

55. Para No.2.2.9 Pages 39 & 40 of Audit Report for the year 2010-11; In Admissible Allowance of “Lambardari” Fee – Rs.0.389 Million.

2.2.9(2-i) Tehsildar, Sahiwal – Rs.134,741/-

3.4.2014 The Department explained that out of recoverable amount Rs.1,200/- had been recovered and efforts were being made for balance recovery.

The Committee reduced the para to the extent of recovered amount subject to verification from Audit and kept the para pending for balance recovery within one month.

6.12.2016 The Department explained that in compliance with last PAC directives, whole amount had been recovered and record was available for verification.

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

2.2.9(2-ii) Tehsildar, Sahiwal – Rs.87,171/-

2.2.9(3) Tehsildar, Chichawatni – Rs.23,739/-

3.4.2014 The Department explained that recoveries would be made within one month.

The paras were kept pending for recovery within one month.

6.12.2016 The Department explained that in compliance with last PAC directives, all the necessary actions had been taken and outstanding recovery had been made and got verified by Audit in the above paras.

On the recommendation of Audit, the Committee **settled the all above paras.**

56. Para No.2.2.10 Pages 40 & 41 of Audit Report for the year 2010-11; Inadmissible Refund of Stamp Papers Allowed on Time Barred Claims – Rs.0.136 Million.

2.2.10(2) District Officer (Rev), Gujranwala – Rs.92,595/-

3.4.2014 The Department explained that recovery had been made but needed to be reconciled.

The Committee settled the para subject to reconciliation of record with Audit.

6.12.2016 The Department explained that in compliance with last PAC directives, all the necessary actions had been taken and outstanding recovery had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

57. Para No.2.2.14 Pages 43 & 44 of Audit Report for the year 2010-11; Non Carrying Forward of Arrears of Abiana – Rs.37.647 Million.

2.2.14(2) Tehsildar, Jhang – Rs.37,576,278/-

3.4.2014 The Department explained that partial recovery had been made and efforts were being made for balance recovery.

The Committee reduced the para to the extent of recovered amount subject to verification from Audit and kept the para pending for balance recovery within six month.

6.12.2016 The Department explained that partial recovery had been made and efforts were being made to effect the outstanding amount in the above para.

The Committee reduced the above paras up to the recovered amount subject to its verification by Audit and directed/recommended the department to effect the outstanding amount within 3 months.

The above **para was kept pending.**

1.8.2016 The representative of department informed the Committee that Principal Accounting Officer was busy and could not attend the meeting.

The Committee observed that preparation of working papers was not satisfactory.

The Committee showed its displeasure and took serious notice of the casual attitude of the department which caused loss of precious time of the Committee and huge amount of public money as well.

The Committee directed/recommended that the Board of Revenue, Punjab should come well prepared in next meeting of PAC and Senior Member/Principal Accounting Officer must attend the next meeting personally.

COMMUNICATION AND WORKS

The Committee examined the Accounts of the Communication and Works Department in its meetings held on 5.5.2014, 6.5.2014, 7.5.2014, 13.10.2015, 14.10.2015, 15.10.2015, 3.10.2016, 4.10.2016 and 5.10.2016 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

(Communication and Works Department)

1. Grant No.PC21010/24010 (010) – General Administration Page 71 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
 042-Agri, Food, Irrigation, Forestry & Fishing
 0426-Food
042601-Administration
LQ4071-Communication & Works Department.

Final Grant	Rs.73,123,000/-
Actual Expenditure	Rs.67,714,437/-
Saving	(-) Rs. 5,408,563/-
Percentage	7.40%

5.5.2014 The Department explained that accounts had been reconciled with A. G. Punjab and saving was 7.40%, due to different posts of officers remained vacant during the last quarter of the financial year and no medical claim was submitted by any employee.

The Committee was satisfied and the **grant was settled.**

(Punjab Highways Department)

2. Grant No.PC21025 (025) – Communications Pages 80 to 89 of Appropriation Accounts for the year 2010-11.

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

Final Grant	Rs.2,098,751,000/-
Actual Expenditure	Rs.2,052,850,633/-
Saving	(-) Rs. 45,900,367/-
Percentage	2.19%

5.5.2014 The D.G. Accounts (Works) pointed out that reconciliation of the accounts had yet to be made.

The item was kept pending for reconciliation.

13.10.2015 The Department explained that accounts had been reconciled with A.G. Punjab and saving was occurred because funds were kept under the heads of Maintenance & Repair in order to kept the machinery operative. The department further explained that all the machinery and plants were running satisfactorily and therefore, no expenditure incurred under the head.

The Committee **settled the item with direction**/recommendation that the amount should be surrendered well in time and be careful in future.

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

Final Grant	Rs.11,955,000/-
Actual Expenditure	Rs.0/-
Saving	(-) Rs.11,955,000/-
Percentage	100.00%

5.5.2014 The D.G. Accounts (Works) pointed out that reconciliation of the accounts had yet to be made.

The item was kept pending for reconciliation.

	<u>D.G. Accounts Works Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.11,955,000/-	Rs.11,955,000/-
Actual Expenditure	Rs.0/-	Rs. 9,334,646/-
Saving	(-) Rs. 11,955,000/-	(-) Rs. 2,620,536/-
Percentage	100.00%	21.92 %

13.10.2015 The Department explained that accounts had been reconciled with A.G. Punjab and saving was occurred because funds were kept under the heads of Maintenance & Repair in order to kept the machinery operative. The department further explained that all the machinery and plants were running satisfactorily and therefore, no expenditure incurred under the head.

The Committee **settled the item with direction**/recommendation that the amount should be surrendered well in time and be careful in future.

- iii) 04-Economic Affairs
045-Construction & Transport
0452-Road Transport

045201-Highways, Roads and Bridges
LW4001-Chief Engineers.

Final Grant	Rs.71,380,000/-
Actual Expenditure	Rs.70,026,458/-
Saving	(-) Rs. 1,353,542/-
Percentage	1.90%

5.5.2014 The Department explained that accounts had been reconciled with A. G. Punjab and saving was 1.90%, because that certain posts remained vacant during that period.

The Committee was satisfied and the **item was settled.**

- iv) 04-Economic Affairs
045-Construction & Transport
0452-Road Transport
045201-Administration
LW4002-Superintending Engineers.

Final Grant	Rs.82,041,000/-
Actual Expenditure	Rs.76,605,366/-
Saving	(-) Rs. 5,435,634/-
Percentage	6.63%

5.5.2014 The Department explained that accounts had been reconciled with A. G. Punjab and saving was 6.63%, because certain posts were remained vacant during the period. The department further stated that there were other factors like honoraria, leave salary, medical claims, utility bills etc that became the cause of saving also.

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

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

Final Grant	Rs.911,940,000/-
Actual Expenditure	Rs.877,201,488/-
Saving	(-) Rs. 34,738,512/-
Percentage	3.81%

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

LW4005-Superintending Engineers.

Final Grant	Rs.12,118,000/-
Actual Expenditure	Rs.12,064,145/-
Saving	(-) Rs. 53,855/-
Percentage	0.44%

5.5.2014 The Department explained that accounts had been reconciled with A.G. Punjab and over all savings were within the permissible limit.

The Committee accepted the contention of department and the **above items were settled.**

- vii) 04-Economic Affairs
045-Construction & Transport
0452-Road Transport
045202-Highways, Roads & Bridges
LQ5298-Director Planning & Design (LO5298).

Final Grant	Rs.41,473,000/-
Actual Expenditure	Rs.37,578,411/-
Saving	(-) Rs. 3,894,589/-
Percentage	9.39%

- viii) 04-Economic Affairs
045-Construction & Transport
0452-Road Transport
045220-Others
LW4003-Directorate of Bridges.

Final Grant	Rs.19,803,000/-
Actual Expenditure	Rs.16,688,760/-
Saving	(-) Rs. 3,114,240/-
Percentage	15.73%

- ix) 04-Economic Affairs
045-Construction & Transport
0452-Road Transport
045220-Others
LW4006-Road Research & Material Testing.

Final Grant	Rs.29,818,000/-
Actual Expenditure	Rs.26,448,579/-
Saving	(-) Rs. 3,369,421/-
Percentage	11.30%

- x) 04-Economic Affairs
045-Construction & Transport

0452-Road Transport
045220-Others
LW4007-Sub Project Management Unit.

Final Grant	Rs.7,031,000/-
Actual Expenditure	Rs.5,101,393/-
Saving	(-) Rs.1,929,607/-
Percentage	27.44%

5.5.2014 The Department explained that accounts had been reconciled with A. G. Punjab and savings were occurred because of vacant posts and less medical claims received during the period. According to the department, there were multiple factors like promotion, transfer and mortalities because of which the savings were occurred.

The Committee was satisfied with the explanation of the department and the **above items were settled.**

xi) 04-Economic Affairs
045-Construction & Transport
0452-Road Transport
045220-Others
LW4004-Land Acquisition and Construction Affairs.

Final Grant	Rs.42,689,000/-
Actual Expenditure	Rs.46,448,448/-
Excess	(+) Rs. 3,759,448/-
Percentage	8.81%

5.5.2014 The Department explained that accounts had been reconciled with A. G. Punjab and overall excess was 8.81%, because 50% adhoc relief allowance was increased and paid to the employees.

As the excess was relating to the salary that was indispensable, on the recommendation of Finance Department, **the item was settled.**

3. Grant No.PC22036 (036) – Development Page 91 of Appropriation Accounts for the year 2010-11.

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

Final Grant	Rs.110,900,000/-
Actual Expenditure	Rs. 99,808,074/-
Saving	(-) Rs. 11,091,926/-
Percentage	10.00%

5.5.2014 The Department explained that accounts had been reconciled with A. G. Punjab and saving was due to some vacant posts during the period. Department further stated that the funds could not be utilized due to imposition of ban on procurement of physical assets by the Government.

The Committee was satisfied with the explanation of department and **the grant was settled.**

4. Grant No.PC12041 (041) – Roads and Bridges (All Voted) Pages 93 & 94 of Appropriation Accounts for the year 2010-11.

- i) 04-Economics Affairs
 045-Construction and Transport
 0452-Road Transport
045202-Highways, Roads and Bridges
LE4393-Roads (Urban Development).

Final Grant	Rs.985,159,000/-
Actual Expenditure	Rs.0/-
Saving	(-) Rs.985,159,000/-
Percentage	100.00%

5.5.2014 The D.G. Accounts (Works) pointed out that reconciliation of the accounts had yet to be made.

The Committee settled the above item subject to reconciliation with Finance Department and D.G. Accounts (Works). The Committee further directed/ recommended that item wise working papers be submitted before the Committee in future.

13.10.2015 The Department explained that reconciliation had been made and all the relevant record was available for verification.

The Committee settled the item subject to verification of reconciliation by D.G. Accounts (Works) under intimation to PAC within one month.

	<u>D.G. Accounts Works Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.985,159,000/-	Rs.1,094,000,000/-
Actual Expenditure	Rs.0/-	Rs. 967,950,000/-
Saving	(-) Rs.985,159,000/-	(-) Rs. 858,550,000/-
Percentage	100.00%	11.52%

3.10.2016 The Department explained that expenditure figures had been reconciled with Finance Department and D.G. Accounts. The D.G. Accounts Works accepted the contention of the department.

The Committee settled the item.

- ii) 04-Economics Affairs
 045-Construction and Transport
 0452-Road Transport
045202-Highways, Roads and Bridges
LE4201-Highways, Roads and Bridges.

Final Grant	Rs.25,308,506,000/-
Actual Expenditure	Rs.23,880,982,886/-
Saving	(-) Rs. 1,427,523,114/-
Percentage	5.64%

5.5.2014 The D.G. Accounts (Works) pointed out that reconciliation of the accounts had yet to be made.

The Committee settled the above item subject to reconciliation with Finance Department and D.G. Accounts (Works). The Committee further directed/ recommended that item wise working papers be submitted before the Committee in future.

13.10.2015 The Department explained that reconciliation had been made and all the relevant record was available for verification.

The Committee settled the item subject to verification of reconciliation by D.G. Accounts (Works) under intimation to PAC within one month.

	<u>D.G. Accounts Works Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.25,308,506,000/-	Rs.25,259,123,000/-
Actual Expenditure	Rs.23,880,982,886/-	Rs.22,799,929,000/-
Saving	(-) Rs. 1,427,523,114/-	(-) Rs. 2,459,194,000/-
Percentage	5.64%	9.7%

3.10.2016 The Department explained that expenditure figures had been reconciled with Finance Department and D.G. Accounts. The D.G. Accounts Works accepted the contention of the department.

The Committee **settled the item.**

- iii) 04-Economics Affairs
 045-Construction and Transport
 0452-Road Transport
045202-Highways, Roads and Bridges
LE4202-Highways, Roads and Bridges.

Final Grant	Rs.11,692,200,000/-
Actual Expenditure	Rs. 9,811,658,594/-
Saving	(-) Rs. 1,880,541,406/-
Percentage	16.08%

5.5.2014 The D.G. Accounts (Works) pointed out that reconciliation of the accounts had yet to be made.

The Committee settled the above item subject to reconciliation with Finance Department and D.G. Accounts (Works). The Committee further directed/ recommended that item wise working papers be submitted before the Committee in future.

13.10.2015 The Department explained that reconciliation had been made and all the relevant record was available for verification.

The Committee settled the item subject to verification of reconciliation by D.G. Accounts (Works) under intimation to PAC within one month.

	<u>D.G. Accounts Works Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.11,692,200,000/-	Rs.11,567,742,000/-
Actual Expenditure	Rs. 9,811,658,594/-	Rs.10,602,826,000/-
Saving	(-) Rs. 1,880,541,406/-	(-) Rs. 964,916,000/-
Percentage	16.08%	8.43%

3.10.2016 The Department explained that expenditure figures had been reconciled with Finance Department and D.G. Accounts. The D.G. Accounts Works accepted the contention of the department.

The Committee settled the item.

(Punjab Buildings Department)

5. Grant No.PC21024/PC24024 (024) – Civil Works Pages 72 to 79 of Appropriation Accounts for the year 2010-11.

- i) 04-Economic Affairs
045-Construction & Transport
0457-Construction (Works)
045701-Administration
LQ4351-Chief Engineers.

Final Grant	Rs.46,075,000/-
Actual Expenditure	Rs.46,964,336/-
Excess	(+) Rs. 889,336/-
Percentage	1.93%

5.5.2014 The Department explained that accounts had been reconciled with A. G. Punjab and excess was 1.93%, because 50% increase in salaries and payment made to the officers/officials on account of arrears of their pay during the last quarter 2010-11.

On the recommendation of Finance Department, Committee **settled the item** as the excess was relating to the salary and allowances which was unavoidable.

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

Final Grant	Rs.14,278,000/-
Actual Expenditure	Rs.14,112,881/-
Saving	(-) Rs. 165,119/-
Percentage	1.16%

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

Final Grant	Rs.86,367,000/-
Actual Expenditure	Rs.82,627,050/-
Saving	(-) Rs. 3,739,950/-
Percentage	4.33%

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

Final Grant	Rs.123,627,000/-
Actual Expenditure	Rs.121,057,752/-
Saving	(-) Rs. 2,569,248/-
Percentage	2.08%

5.5.2014 The Department explained that accounts had been reconciled with A.G. Punjab and over all savings were within the permissible limit.

The Committee was satisfied with the explanation of the department and **above items were settled.**

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

	<u>D.G. Accounts Works Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.72,979,000/-	Rs.72,979,000/-
Actual Expenditure	Rs.67,885,314/-	Rs.72,657,671/-
Saving	Rs. 5,093,686/-	Rs. 321,329/-
Percentage	6.98%	0.44%

5.5.2014 The D.G. Accounts Works stated that actual expenditure was amounting to Rs.72,657,675/- and saving was Rs.321,325/- which comes 0.44%.

The Department explained that accounts had been reconciled with D.G. Accounts Works and saving was 0.44% which was minor and within the permissible limit.

The Committee was satisfied and **item was settled.**

- vi) 04-Economic Affairs
045-Construction & Transport
0457-Construction (Works)
045702-Buildings and Structures
LQ4249-Executive Engineers.

Final Grant	Rs.737,441,000/-
Actual Expenditure	Rs.763,801,412/-
Excess	(+) Rs. 26,360,412/-
Percentage	3.57%

5.5.2014 The A.G. Punjab pointed out that reconciliation of the accounts had yet to be made.

The Committee settled the item subject to reconciliation.

	<u>A.G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.737,441,000/-	Rs.737,441,000/-
Actual Expenditure	Rs.763,801,412/-	Rs.742,723,232/-
Excess	(+) Rs. 26,360,412/-	(+) Rs. 5,332,232/-
Percentage	3.57%	0.07%

13.10.2015 The Department explained that accounts had been reconciled with A.G. Punjab and there was overall excess which occurred due to increase in salary of officers and officials by the Government of Punjab @ 50% of basic pay and allowed 15% medical allowance to all officers w.e.f. 1.7.2010 but the funds against these heads provided less than the demand during 2010-11.

As excess was relating to salary, the Committee directed/recommended the department to condone the excess expenditure by Finance Department and settled the item subject to condonation of excess expenditure by Finance Department.

3.10.2016 The Department explained that in compliance with PAC directive, the matter had been forwarded to Finance Department and awaiting their response.

The Finance Department apprised that probe report was not attached in record and department was directed to submit the probe report.

The Committee directed/recommended the department to submit the probe report to Finance Department within 30 days.

The item was kept pending.

vii) 04-Economic Affairs
045-Construction & Transport
0457-Construction (Works)
045720-Others
LQ4395-Director Building Research Station Lahore.

Final Grant	Rs.27,308,000/-
Actual Expenditure	Rs.27,874,405/-
Excess	(+) Rs. 566,405/-
Percentage	2.07%

5.5.2014 The A.G. Punjab pointed out that reconciliation of the accounts had yet to be made.

The Committee settled the item subject to reconciliation.

13.10.2015 The Department explained that in compliance with PAC directives item had been reconciled with A.G. Punjab and there was overall 2.07% excess which occurred because some officials had been retired from government services and leave encashment were paid to them but funds received in this head of account were less than required during the financial year.

As the excess was related to salary which was inevitable, the Committee **settled the item.**

viii) 04-Economic Affairs
045-Construction & Transport
0457-Construction (Works)
045702-Buildings and Structures
LQ4251-Maintenance and Repairs.

	<u>D.G. Accounts Works Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.1,114,273,000/-	Rs.1,114,273,000/-
Actual Expenditure	Rs.1,064,593,943/-	Rs. 996,817,250/-
Saving	(-) Rs. 49,679,057/-	(-) Rs. 117,455,750/-
Percentage	4.46%	10.54%

5.5.2014 The Department explained that accounts had been reconciled with D. G. Accounts Works and saving was 10.54% of the total allocation. The Finance Department on 8.6.2011 instructed all the District Accounts Officers/Treasury Officers that payments should be released up to 25-06-2011 instead of 30-06-2011. During the said year cheques were issued to different firms/contractors but they were not cleared from the NBP/SBP and according to policy the reverse entry of expenditure was made.

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

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

	<u>D.G. Accounts Works Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.2,350,000/-	Rs.2,350,000/-
Actual Expenditure	Rs.0/-	Rs.2,006,411/-
Saving	(-) Rs.2,350,000/-	(-) Rs. 343,589/-
Percentage	100.00%	14.62%

5.5.2014 The Department explained that accounts had been reconciled with D. G. Accounts Works and saving was 14.62%, because the funds were retained for repair and maintenance purposes but no repair of vehicles/office equipment and machinery was made that caused saving.

The Committee was satisfied and the **item was settled.**

6. Grant No.PC12042 (042) – Government Buildings: (All Voted) Page 345 of Appropriation Accounts for the year 2010-11.

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

	<u>D.G. Accounts Works Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.10,844,478,000/-	Rs.10,844,478,000/-
Actual Expenditure	Rs. 9,775,024,714/-	Rs. 9,412,204,989/-
Saving	(-) Rs. 1,069,453,286/-	(-) Rs. 1,432,273,011/-
Percentage	9.86%	13.20%

5.5.2014 The Director General Accounts Works stated that the DDOs of department were not following the budget and financial rules properly because of that the huge amount of unspent balance of Rs.1,432,273,011/-. Therefore, more reconciliation was required.

The Committee directed/recommended that reconciliation of the grant be made.

The grant was kept pending.

	<u>D.G. Accounts Works Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.10,844,478,000/-	Rs.10,844,478,000/-
Actual Expenditure	Rs. 9,775,024,714/-	Rs. 9,412,204,989/-
Saving	(-) Rs.10,069,453,286/-	(-) Rs. 1,432,273,011/-
Percentage	9.86%	13.21%

13.10.2015 The Department explained that reconciliation of the accounts had yet to be made in this grant because the less expenditure was not accepted by D.G. Accounts Works.

The Committee directed/recommended the department to reconcile the grant with Finance Department and report be submitted to Public Accounts Committee within one month.

The grant was kept pending.

3.10.2016 The Department explained that Sub-Committee of PAC had been recommended this grant for settlement.

The Committee **settled the grant** on the recommendation of Sub-Committee of PAC.

Audit Paras (Works) for the year 2010-11

7. Para No.1.2.1 Page 7 of Audit Report for the year 2010-11; Recovery on Account of Defective Work – Rs.191.00 Million.

6.5.2014 The Department explained that a sum of Rs.23.89 million had been recovered from the 5th running bill and also got verified by Audit on account of defective work from M/s J& K Builders. The amount of Rs.191 million was not the cost of the defective work in fact that was the total amount of work awarded to M/s NLC at the risk and cost of original contractor i.e. M/s J&K Builders. The department further explained that the final Bills of M/s J&K and M/s NLC were still under process and due recoveries would be effected from the final bills.

The Committee directed/recommended the department that remaining recovery should be effected as per rules and a detailed/comprehensive report regarding the issue also be produced to the PAC-I within 90 days.

The para was kept pending.

14.10.2015 The Department explained that partial amount had been recovered and verified from audit and outstanding balance of Rs.52.417 Million would be recovered.

The Committee reduced the para to the extent of recovered amount and the para was kept pending.

3.10.2016 The Department explained that the Sub-Committee of PAC reduced the para to the extent of recovered amount of Rs.52.417 million and the same would be recovered from the final bill on release of funds during Financial Year 2016-17.

The Committee **kept the para pending till** the final bill.

8. Para No.1.2.2 Page 8 of Audit Report for the year 2010-11; Overpayment Due to Incorrect/Double Provision of Diesel Charges in Rate Analysis – Rs.118.93 Million.

6.5.2014 The Department explained that the hire charges of 80 Ton Asphalt Plant didn't include the cost of POL as it was also evident from the fact that the rent of 80 Ton Asphalt plant was fixed as Rs.25,000/- per hour during 3rd quarter 2006 and it was still Rs.25,000/- as appeared in 1st quarter of 2011, whereas rental charges of 40 Ton Asphalt plant were fixed as Rs.5,000/- per hour during 1st quarter 2006 and it went up to Rs.27,157/- during the 1st quarter 2011 due to consistent rise in fuel prices, clearly indicating that the rent of 80 Ton asphalt plant had been remained same due to non-inclusion of cost of Diesel.

The Committee directed/recommended that matter should be referred to the Technical Wing, Finance Department for expert opinion and report be submitted to the PAC-I within 30 days.

The para was kept pending.

14.10.2015 The Department explained that in compliance with PAC directive, the matter had been referred to Finance Department for regularization.

The Committee directed/recommended the Finance Department to report the PAC within 60 days.

The para was kept pending.

3.10.2016 The Department explained that in compliance of Sub-Committee of PAC directive, a formal request to Secretary C&W department had forwarded for formation of Technical Committee and resolution of the matter and same request had been forwarded to Finance Department.

The Committee directed/recommended the department that Technical Committee of C&W department and Finance Department should resolve the issue within 60 days.

The **para was kept pending.**

9. **Para No.1.2.3 Page 9 of Audit Report for the year 2010-11; Overpayment Due to Incorrect Provision of Contractor Profit & Overhead Charges on Carriage Cost – Rs.75.79 Million.**
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6.5.2014 The Department explained that a sum of Rs.76.75 million had been recovered from three contractors on account of price variation and also got verified by Audit and final bill of package-7 was under process and would be produced to the Audit within due course of time.

The para was conditionally settled subject to verification of final bill by the Audit.

14.10.2015 The Department explained that all the necessary action had been taken and outstanding recovery had been made and got verified by Audit.

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

10. **Para No.1.2.4 Pages 9 & 10 of Audit Report for the year 2010-11; Recovery Due to Execution of Defective Work by the Original Contractor – Rs.61.05 Million.**
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11. **Para No.1.2.40 Pages 98 & 99 of Audit Report for the year 2010-11; Loss Due to Non-Recovery of Secured Advance from the Defaulting Contractor – Rs.29.66 Million.**
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5.10.2016 The Department explained that all concerned officers had been penalized and matter was referred to NAB for defective work and rate variation for recovery from defaulter contractor while the contractor had been declared as blacklisted.

The Committee directed/recommended the department to provide the details of action taken against concerned officers to PAC.

The **paras were kept pending.**

12. **Para No.1.2.5 Pages 10 & 11 of Audit Report for the year 2010-11; Sanction of Mobilization Advance Against Unauthentic Bank Guarantees - Rs.34.60 Million.**
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15.10.2015 The Department explained that the schemes were unfunded and the accounts of the schemes would be finalized on receipt of funds and the amount of the para had been recovered and as the final bill was concerned, a certificate in consultation with the Audit and Finance Department should be prepared and be given to the audit to meet their objection.

The Committee directed/recommended that a format of certificate should be approved by the Audit and Finance Department having signature of XEN of Communication and Works Department that the said payment would not be paid again. The said certificate would replace the final bill.

The Committee was satisfied with the contention of the department and the para was settled subject to provision of that certificate.

3.10.2016 The Department explained that total recovery had been effected and record was available for verification.

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

13. Para No.1.2.6 Pages 11 & 12 of Audit Report for the year 2010-11; Recovery Due to Unjustified Expenditure for Installation of Lifts Without Required Pre-Shipment Inspection – Rs.32.75 Million.

7.5.2014 The Department explained that particular requests were made timely to the competent forum but pre-shipment inspection could not be conducted due to non-finalization of the names of the officers for pre-shipment inspection by the Finance Department.

The Committee directed/recommended that the pre-shipment inspection should always be done and Finance Department should probe the matter and fix the responsibility for non responding timely to the department.

The para was settled subject to verifications by Audit.

13.10.2015 The Audit pointed out that as per previous directions of the PAC the Finance Department was required to probe the matter and provide probe report to audit for verification.

The Finance Department requested the Committee to keep the para pending for tomorrow i.e. 14.10.15. The para was kept pending accordingly.

14.10.2015 The Finance Department explained that some documents were required from C&W department to probe the matter as per directions of PAC.

The Committee directed/recommended the department that the required documents should be provided to the Finance Department within 15 days and the issue should be settled within all the three departments and report be submitted to PAC within 60 days.

The para was kept pending.

4.10.2016 The Department explained that in compliance with last PAC directive, all relevant documents had been provided to Finance Department and probe report of Finance Department was still awaited.

The Finance Department apprised that inquiry committee would finalize the probe report at earliest and submit the report to PAC.

The para was kept pending.

14. Para No.1.2.7 Pages 12 & 13 of Audit Report for the year 2010-11; Excess Payment Due to Allowing Use of Bitumen in Tack Coat Beyond the Approved Limit – Rs.23.66 Million.

15.10.2015 The Department explained that this para consists of seven sub-paras (7, 8, 10, 13, 15, 19 and 20) and in sub-para No.7 & 10 the work had been completed of worth Rs.5.861 million and got verified by audit while the rest of the scheme were unfunded by P&D which comes to the worth Rs.17.8 million.

The Committee kept the para pending.

(Provincial Highway Division Muzaffargarh sub para No.8, 13 & 15)

3.10.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

15. Para No.1.2.7
(Provincial Highway Division Multan sub para No.7 & 10)

3.10.2016 The Department explained that total recovery had been made and all relevant record was available.

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

16. Para No.1.2.8 Pages 13 & 14 of Audit Report for the year 2010-11; Recovery on Account of Incorrect Application of Rates – Rs.20.94 Million.

6.5.2014 The Department explained that final bill of the project was under process and the point of view of Audit would be served and necessary recovery, if any as per rules would be effected from the final bill.

The Committee kept the para pending with the direction/recommendation that recovery be completed within 120 days under intimation to PAC.

14.10.2015 The Department explained that an amount of Rs.11.02 Million had been recovered from package No.7 and 10, while Rs.9.919 Million were remained outstanding for recovery from package No. 6 and 9.

The Committee reduced the para to the extent of recovered amount and directed/recommended that the outstanding recovery be made within 4 months under intimation to PAC.

The para was kept pending.

3.10.2016 The Department explained that in compliance of Sub-Committee of PAC directive, an amount of Rs.11.02 million had been recovered from package-7 & 10, while Rs.9.919 million were remained outstanding for recovery from package-No.6 & 9 and balance recovery of package-6 & 9 would be made from their final bill on release of funds during Financial Year 2016-17.

The Committee reduced the para upto Rs.9.919 million.

The para was kept pending.

17. Para No.1.2.9 Pages 14 & 15 of Audit Report for the year 2010-11; Irregular Payment Allowed on Higher Quoted Rate Items – Rs.18.77 Million.

5.5.2014 The Department explained that the payment procedure identified by the audit was not required to be adopted for payment of high rate items. The project was completed and handed over by getting full scope of work executed from the contractor.

The Committee directed/recommended the department to show FIDIC Rules to Audit for verification in support of its contention.

The para was settled subject to verification by the Audit.

13.10.2015 The project director concerned explained that the project had been completed 4-5 years before through consultants and contractors and there were many contractors involved in the project and inquiries regarding their bills had been finalized 2-3 months back.

The Committee directed/recommended the department to submit final bill to Audit for verification and department would make policy about billing process within 30 days under intimation to Public Accounts Committee.

The para was kept pending.

3.10.2016 The Department explained that total recovery had been effected and scheme was completed and all relevant record was available.

The Committee **settled the para subject to** verification of final bill and completion certificate by Audit.

**18. Para No.1.2.10 Pages 15 & 16 of Audit Report for the year 2010-11;
Overpayment Due to Wrong Calculation – Rs.17.20 Million.**

**1.2.10.1 Executive Engineer, 1st Provincial Buildings Division, Lahore
– Rs.9,734,326/-**

7.5.2014 Audit pointed out that undue benefit had been given to the contractor with paying access amount.

The Department explained that matter had yet to be reconciled.

The Committee directed/recommended that an inquiry be held against the responsables and report be submitted to PAC and the matter should be reconciled with D.G. Audit (Works).

The para was kept pending.

13.10.2015 The Audit pointed out that the department had not yet complied with the directive of the PAC in its earlier meeting held on 7.5.2014.

The Department requested the Committee to give some further time to complete the inquiry which was under process.

The Committee reiterated its earlier decision and on the request of department gave 30 days time period to comply with its previous decision.

The para was kept pending.

4.10.2016 The Department explained that in compliance with last PAC-directive, the matter for obtaining advice/clarification had been referred to Finance Department and decision was still awaited.

The Committee **settled the para subject to** issuance of clearance certificate by Finance Department.

**19. Para No.1.2.10 Pages 15 & 16 of Audit Report for the year 2010-11;
Overpayment Due to Wrong Calculation – Rs.17.20 Million.**

**1.2.10.2 Executive Engineer, Provincial Building Division, Gujrat –
Rs.2,200,000/-**

**20. Para No.1.2.13 Pages 26 to 29 of Audit Report for the year 2010-11;
Loss due to Incorrect Carrying Forward of Incorrect Quantity -
Rs.3.82 Million.**

**1.2.13.2 Executive Engineer, Provincial Building Division, Gujrat–
Rs.698,358/-**

21. **Para No.1.2.33 Page 51 of Audit Report for the year 2010-11; Non-recovery Due to On Account of Use of Steel Other Than Pakistan Steel - Rs.0.159 Million.**

22. **Para No.1.2.37 Pages 58 to 92 of Audit Report for the year 2010-11; Non-Recovery Due to De-Escalation in the Rates of Cement and Steel – Rs.94.58 Million.**

1.2.37.4 Executive Engineer, Provincial Building Division, Faisalabad – Rs.3,437,006/-

1.2.37.27 Executive Engineer, Provincial Buildings Division, Multan – Rs.705,014/-

1.2.37.36 Executive Engineer, Provincial Building Division, Faisalabad– Rs.532.267/-

1.2.37.39 Executive Engineer, Provincial Buildings Division, Sargodha– Rs.398,915/-

14.10.2015 The Department explained that all the necessary action had been taken and outstanding recoveries had been made and got verified by Audit.

On the recommendation of Audit, the Committee **settled the all above paras.**

23. **Para No.1.2.10 Pages 15 to 23 of Audit Report for the year 2010-11; Overpayment Due to Wrong Calculation - Rs.17.20 Million.**

1.2.10.3 Executive Engineer, Provincial Highway Division, Gujrat – Rs.1,341,648/-

1.2.10.5 Executive Engineer, Provincial Highway Division, Gujranwala – Rs.1,152,032/-

1.2.10.8 Executive Engineer, Provincial Highway Division, Gujrat – Rs.218,912/-

1.2.10.9 Executive Engineer, Provincial Highway Division, Gujrat – Rs.502,615/-

1.2.10.12 Executive Engineer, Provincial Highway Division, Gujranwala – Rs.113,000/-

24. **Para No.1.2.10**

1.2.10.6 Executive Engineer, Provincial Highway Division, Sialkot – Rs.1,063,125/-

25. **Para No.1.2.10**

1.2.10.11 Executive Engineer, Provincial Highway Division, Okara – Rs.148,651/-

26. Para No.1.2.14 Pages 29 & 30 of Audit Report for the year 2010-11; Excess Payment Due to Wrong Calculation of Escalation – Rs.3.67 Million.

27. Para No.1.2.18 Pages 34 to 37 of Audit Report for the year 2010-11; Overpayment Due to Application of Incorrect Rate – Rs.2.90 Million.

1.2.18.5 Executive Engineer, Provincial Highway Division, Gujranwala – Rs.173,265/-

28. Para No.1.2.19 Pages 37 & 38 of Audit Report for the year 2010-11; Loss Due to Incorrect Calculation of Rate - Rs.2.67 Million.

29. Para No.1.2.23 Pages 41 & 42 of Audit Report for the year 2010-11; Overpayment Due to Incorrect Application of Rates - Rs.0.931 Million.

30. Para No.1.2.27 Pages 46 & 47 of Audit Report for the year 2010-11; Overpayment Due to Non-Deduction of Dismantled Material – Rs.0.517 Million.

31. Para No.1.2.34 Pages 51 & 52 of Audit Report for the year 2010-11; Overpayment of Earth Work with Wrong Factor and Beyond Provision of Approved Scope – Rs.0.122 Million.

32. Para No.1.2.36 Pages 53 to 58 of Audit Report for the year 2010-11; Unjustified Financial Benefit Due to Not Obtaining of Performance Security – Rs.100.15 Million.

1.2.36.7 Executive Engineer, Provincial Buildings Division No.1, Sargodha – Rs.2,442,305/-

33. Para No.1.2.37 Pages 58 to 92 of Audit Report for the year 2010-11; Non-Recovery Due to De-Escalation in the Rates of Cement and Steel – Rs.94.58 Million.

1.2.37.26 Executive Engineer, Provincial Highway Division, Gujranwala – Rs.741,574/-

1.2.37.42 Executive Engineer, Provincial Highway Division, Gujranwala – Rs.354,634/-

34. **Para No.1.2.37**

- 1.2.37.35 Executive Engineer, Provincial Highway Division, Gujrat – Rs.541,812/-
- 1.2.37.38 Executive Engineer, Provincial Highway Division, Gujrat – Rs.445,065/-
35. Para No.1.2.37
1.2.37.47 Executive Engineer, Provincial Highway Division, Jhelum – Rs.233,511/-
36. Para No.1.2.37
1.2.37.49 Executive Engineer, Provincial Highway Division-II, Sargodha – Rs.222,823/-
1.2.37.50 Executive Engineer, Provincial Highway Division-II, Sargodha – Rs.191,994/-
37. Para No.1.2.37
1.2.37.52 Executive Engineer, Provincial Highway Division, Sialkot – Rs.133,221/-
38. Para No.1.2.37
1.2.37.53 Executive Engineer, Provincial Highway Division, Mianwali – Rs.124,217/-
39. Para No.1.2.41 Pages 99 to 103 of Audit Report for the year 2010-11; Less-Recovery of Escalation Due to Application of Incorrect Base Rate – Rs.22.65 Million.
1.2.41.4 Executive Engineer, Provincial Highway Division, Gujranwala – Rs.1,668,332/-
40. Para No.1.2.43 Pages 104 & 105 of Audit Report for the year 2010-11; Overpayment Due to Non-Deduction of Available Earth - Rs.11.93 Million.
1.2.43.2 Executive Engineers of Provincial Highway Divisions, Bahawalpur, Okara and Muzaffargarh – Rs.1,567,536/-
(Provincial Highway Division, Lahore – Rs.631,944/-)
41. Para No.1.2.46 Pages 109 to 112 of Audit Report for the year 2010-11; Overpayment Due to Allowing Higher Rate – Rs.5.40 Million.
1.2.46.2 Chief Engineer (North) Punjab Highways Department, Lahore – Rs.2,283,717/-
42. Para No.1.2.46

1.2.46.5 Executive Engineer, Provincial Highway Division No.II, Sargodha – Rs.104,529/-

43. **Para No.1.2.48 Pages 114 & 115 of Audit Report for the year 2010-11; Undue Financial Benefit of Secured Advance on the Basis of Incorrect Assessed Value – Rs.4.43 Million.**
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44. **Para No.1.2.50 Pages 116 & 117 of Audit Report for the year 2010-11; Overpayment Due to Double Measurements – Rs.2.12 Million.**
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45. **Para No.1.2.58 Page 125 of Audit Report for the year 2010-11; Overpayment Due to Non-Utilization of Dismantled Material – Rs.0.416 Million.**
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46. **Para No.1.2.60 Pages 126 & 127 of Audit Report for the year 2010-11; Overpayment Due to Allowing Final Payment at the Inadmissible Percentage - Rs.0.364 Million.**
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1.2.60.1 Executive Engineer, Provincial Highway Division, Mianwali – Rs.205,889 Million

47. **Para No.1.2.62 Pages 128 & 129 of Audit Report for the year 2010-11; Non-Auction of Empty Tar Drums- Rs.0.249 Million.**
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5.10.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in all above paras.

On the recommendation of Audit, the Committee **settled the all above paras.**

48. **Para No.1.2.10 Pages 15 to 23 of Audit Report for the year 2010-11; Overpayment Due to Wrong Calculation - Rs.17.20 Million.**
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1.2.10.4 Executive Engineer, Provincial Highway Division, Faisalabad – Rs.1,218,000/-

15.10.2015 The Department explained that the whole amount had been recovered against the price variation from 71st running bill of the contractor and record was available for verification.

The Committee directed/recommended the department to take action against the responsible for overpayment and settled the para subject to verification of record by audit.

3.10.2016 The Department explained that incompliance with last PAC, directive, and inquiry officer had been appointed and inquiry was under process and total recovery had been affected.

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

49. **Para No.1.2.10**
1.2.10.7 Executive Engineer, Provincial Highway Division, Gujranwala
– Rs.664,137/-

5.10.2016 The Department explained that total amount had been recovered as pointed out by Audit and scheme was under process as the scheme would be completed the final bill would be provided to Audit for verification.

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

50. **Para No.1.2.10 Pages 15 to 21 of Audit Report for the year 2010-11;**
Overpayment Due to Wrong Calculation – Rs.17.20 Million.

1.2.10.10 Executive Engineer, Provincial Building Division, Jehlum–
Rs.188,646/-

51. **Para No.1.2.13 Pages 26 to 28 of Audit Report for the year 2010-11;**
Loss Due to Incorrect Carrying Forward of Incorrect Quantity –
Rs.3.82 Million.

1.2.13.3 Executive Engineer, Provincial Building Division, Gujrat –
Rs.210,359/-

52. **Para No.1.2.18 Pages 34 & 35 of Audit Report for the year 2010-11;**
Overpayment Due to Application of Incorrect Rate – Rs.2.90 Million.

1.2.18.1 Executive Engineer, Provincial Building Division, Gujrat –
Rs.1,333,860/-

53. **Para No.1.2.18**
1.2.18.2 Executive Engineer, Provincial Building Division, Gujrat –
Rs.531,800/-

54. **Para No.1.2.28 Page 47 of Audit Report for the year 2010-11;**
Overpayment Due to Allowing Incorrect/Excessive – Rs.0.400 Million.

55. **Para No.1.2.37 Pages 58 to 92 of Audit Report for the year 2010-11;**
Non-Recovery Due to De-Escalation in the Rates of Cement and Steel
– Rs.94.58 Million.

1.2.37.2 Executive Engineer, 1st Provincial Buildings Division, Lahore –
Rs.12,230,703/-

56. **Para No.1.2.37**

1.2.37.13 Executive Engineer, Provincial Building Division, Jehlum – Rs.1,054,968/-

57. Para No.1.2.37
1.2.37.20 Executive Engineer, Provincial Building Division, Jehlum – Rs.916,885/-
58. Para No.1.2.37
1.2.37.21 Executive Engineer, Provincial Building Division, Jehlum – Rs.869,214/-
59. Para No.1.2.37
1.2.37.22 Executive Engineer, Provincial Building Division, Rawalpindi – Rs.832,510/-
60. Para No.1.2.37
1.2.37.24 Executive Engineer, 5th Provincial Building Division, Lahore – Rs.813,976/-
61. Para No.1.2.37
1.2.37.31 Executive Engineer, Provincial Building Division, Jehlum – Rs.626,004/-
62. Para No.1.2.37
1.2.37.44 Executive Engineer, Provincial Building Division, Gujranwala – Rs.340,801/-
63. Para No.1.2.37
1.2.37.51 Executive Engineer, 7th Provincial Buildings Division, Lahore – Rs.167,262/-
64. Para No.1.2.51 Pages 117 & 118 of Audit Report for the year 2010-11; Overpayment Due to Payment of Escalation on Secured Advance Material – Rs.1.96 Million.
- 1.2.51.1 Executive Engineer, Provincial Building Division, Gujrat – Rs.1,298,065/-

7.5.2014 The Department explained that all the necessary actions had been taken, all recoveries had been made and got verified by Audit.

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

65. Para No.1.2.10 Pages 15 to 23 of Audit Report for the year 2010-11; Overpayment Due to Wrong Calculation - Rs.17.20 Million.
- 1.2.10.13 Executive Engineer, Provincial Highway Division, Gujranwala – Rs.109,461/-

5.10.2016 The Department explained that the whole amount had been recovered and got verified by Audit and work had completed.

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

66. Para No.1.2.11 Pages 23 to 25 of Audit Report for the year 2010-11; Overpayment Due to Allowing Payment of Carriage by the Longer Route – Rs.6.46 Million.

1.2.11.1 Executive Engineer, Provincial Highway Division, Sahiwal – Rs.4,277,907/-

67. Para No.1.2.18 Pages 34 to 37 of Audit Report for the year 2010-11; Overpayment due to Application of Incorrect Rate - Rs.2.90 Million.

1.2.18.3 Executive Engineer, Provincial Building Division, Faisalabad – Rs.448,690/-

68. Para No.1.2.21 Pages 39 & 40 of Audit Report for the year 2010-11; Overpayment Due to Allowing Price Variation on Incorrect Value of Work Done - Rs.1.58 Million.

1.2.21.2 Executive Engineer, Provincial Highway Division, Faisalabad – Rs.396,000/-

69. Para No.1.2.30 Pages 48 & 49 of Audit Report for the year 2010-11; Overpayment Due to Non-Deduction of Volume of Regular Excavated Earth from Embankment - Rs.0.354 Million.

70. Para No.1.2.35 Pages 52 & 53 of Audit Report for the year 2010-11; Less Recovery on Account of Security - Rs.0.076 Million.

71. Para No.1.2.37 Pages 58 to 92 of Audit Report for the year 2010-11; Non-Recovery due to De-Escalation in the Rates of Cement and Steel – Rs.94.58 Million.

1.2.37.48 Executive Engineer, Provincial Highway Division, Jhang – Rs.227,256/-

**72. Para No.1.2.37
1.2.37.54 Executive Engineer, Provincial Highway Division, Sahiwal – Rs.101,519/-**

73. Para No.1.2.46 Pages 109 to 112 of Audit Report for the year 2010-11; Overpayment Due to Allowing Higher Rate - Rs.5.40 Million.

1.2.46.3 Executive Engineer, Provincial Highways Division, Faisalabad – Rs.312,752/-

74. Para No.1.2.60 Pages 126 & 127 of Audit Report for the year 2010-11; Overpayment Due to Allowing Final Payment at the Inadmissible Percentage - Rs.0.364 Million.

1.2.60.2 Executive Engineer, Provincial Highways Division, Faisalabad – Rs.158,974/-

15.10.2015 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by audit.

On the recommendation of audit; the Committee **settled the all above paras.**

75. Para No.1.2.11 Pages 23 to 25 of Audit Report for the year 2010-11; Overpayment Due to Allowing Payment of Carriage by the Longer Route - Rs.6.46 Million.

1.2.11.2 Executive Engineer, Provincial Highway Division, Sahiwal – Rs.1,362,871/-

5.10.2016 The Department explained that full recovery had been effected which was pointed out by Audit and work was in progress.

The Committee directed/recommended the department to verify the recovery and final bill by Audit within 60 days.

The **para was kept pending.**

76. Para No.1.2.11
1.2.11.3 Executive Engineer, Provincial Highway Division, Okara – Rs.815,263/-

5.10.2016 The Department explained that whole recovery had been effected and got verified by Audit.

The Committee **settled the para subject to** verification of completion certificate of XEN of department by Audit.

77. Para No.1.2.12 Pages 25 & 26 of Audit Report for the year 2010-11; Overpayment Made on the Basis of Average Rate Instead of Rate for Unpacked Bitumen – Rs.6.10 Million.

3.10.2016 The Audit pointed out that this para have come again/repeatedly but should not come here and requested the committee to delete this para from here.

The Committee **deleted the para.**

78. Para No.1.2.13 Pages 26 to 29 of Audit Report for the year 2010-11; Loss Due to Incorrect Carrying Forward of Incorrect Quantity – Rs.3.82 Million.

1.2.13.1 Executive Engineer, Provincial Highway Division, Okara – Rs.2,780,848/-

79. Para No.1.2.36 Pages 53 to 58 of Audit Report for the year 2010-11; Unjustified Financial Benefit Due to Not Obtaining of Performance Security – Rs.100.15 Million.

1.2.36.1 Executive Engineer, Provincial Highway Division, Okara – Rs.43,434,580/-

5.10.2016 The Department explained that whole recovery had been effected and verified by Audit as it was pointed out by Audit and the work had completed.

The Committee **settled the paras subject to** verification of final bill by Audit.

80. Para No.1.2.13 Pages 26 to 29 of Audit Report for the year 2010-11; Loss due to Incorrect Carrying Forward of Incorrect Quantity – Rs.3.82 Million.

1.2.13.4 Executive Engineer, Provincial Buildings Division, Mianwali – Rs.136,212/-

81. Para No.1.2.16 Pages 31 & 32 of Audit Report for the year 2010-11; Overpayment Due to Incorrect Rounding Item Rates on Higher Side – Rs.3.20 Million.

1.2.16.2 Executive Engineer, Provincial Building Division, Multan – Rs.152,061/-

82. Para No.1.2.29 Page 48 of Audit Report for the year 2010-11; Loss Due to Adoption of Incorrect MRS Input Rates in Technical Estimate of – Rs.0.391 Million.

83. Para No.1.2.37 Pages 58 to 92 of Audit Report for the year 2010-11; Non-Recovery due to De-Escalation in the Rates of Cement and Steel – Rs.94.58 Million.

1.2.37.5 Executive Engineer, Provincial Buildings Division, Mianwali – Rs.3,180,471/-

1.2.37.25 Executive Engineer, Provincial Buildings Division, Sargodha – Rs.766,610/-

1.2.37.34 Executive Engineer, Provincial Buildings Division, Mianwali – Rs.556,785/-

1.2.37.43 Executive Engineer, Provincial Buildings Division, Multan – Rs.348,068/-

1.2.37.46 Executive Engineer, Provincial Buildings Division, Sargodha – Rs.246,464/-

- 84. Para No.1.2.63 Pages 129 & 130 of Audit Report for the year 2010-11; Loss due to Provision of Incorrect Rate in Technical Sanctioned Estimate – Rs.0.248 Million.**
-

14.10.2015 The Department explained that the schemes were unfunded and the accounts of the schemes would be finalized on receipt of funds and the amount of the paras had been recovered and as the final bill was concerned, a certificate in consultation with the Audit and Finance Department should be prepared and be given to the audit to meet their objection.

The Committee directed/recommended that a format of certificate should be approved by the Audit and Finance Department having signature of XEN of Communication and Works Department that the said payment would not be paid again. The said certificate would replace the final bill.

The Committee was satisfied with the contention of the department and the paras were settled subject to provision of that certificate.

3.10.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in all above paras.

On the recommendation of Sub-Committee, the Committee **settled the all above paras.**

- 85. Para No.1.2.15 Page 30 of Audit Report for the year 2010-11; Excess Payments Due to Allowing Higher Rates in Rate Analysis – Rs.3.53 Million.**
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7.5.2014 The Department explained that extra labour was required for large size 16” x 16” tiles instead of 6” x 6” with large cutter, due to that higher rates were allowed.

The Committee was satisfied with the contention of the department and **para was settled.**

86. Para No.1.2.16 Page 31 of Audit Report for the year 2010-11; Overpayment Due to Incorrect Rounding Item Rates on Higher Side – Rs.3.20 Million.

1.2.16.1 Project Director, Lahore Ring Road, Lahore – Rs.3,043,376/-.

6.5.2014 The Department explained that all the necessary adjustment in the rates of Package 4, 7, 10, and 17 had been made and applied on the last ICP which was also available for the verification by the Audit and where as estimates of package 11, 14, 15 and 16 had been corrected. The department further explained that the corrections were not required in package 1, 2, 3, 5, 6, 8, 9, 12 and 13 because the rates were offered by the contractors in their respective bids.

The Finance Department apprised the Committee that there was no hard and fast rule regarding the rounding off.

After detailed deliberations the Committee directed/recommended that Administrative Secretary should hold an inquiry and the findings must be submitted to the PAC within 90 days.

The para was kept pending.

14.10.2015 The Department explained that in compliance with PAC directive, proceedings of inquiry had been initiated against the culprits.

The Committee directed/recommended the department to submit inquiry report to PAC within 90 days and re-calculation of amount involved be made.

The para was kept pending.

3.10.2016 The Department explained that balance recovery of Rs.4.387 million had been effected and balance recovery amounting to Rs.4.387 million would be effected on receipt of funds for Financial Year 2016-17.

The Committee reduced the para up to Rs.4.387 million.

The para was kept pending.

87. Para No.1.2.17 Pages 32 & 33 of Audit Report for the year 2010-11; Overpayment Due to Allowing Payment at Full Rate Instead of Reduced Rate – Rs.2.92 Million.

1.2.17.1 Executive Engineer, 1st Provincial Buildings Division, Lahore - Rs.2,019,512/-

7.5.2014 The Department explained that overpayment pointed out by the Audit on account of extra labour coolies had been affected and record was available for verification.

The Committee settled the para subject to verification of certificate that the payment would be adjusted in final bill.

13.10.2015 The Audit pointed out that an amount of Rs.1,237,435/- had been recovered leaving an outstanding amount of Rs.1,107,565/- and final bill was not submitted for verification.

The Department explained that work was in progress due to which final bill could not be produced until the work completed. The department further explained that the remaining recovery was not justified as the final bill had yet to be prepared.

The Committee reduced the para upto the recovered amount and directed/recommended the department to reconcile the para with audit for balance recovery.

The para was kept pending.

4.10.2016 The Department explained that in compliance with last PAC directive, whole recovery had been effected and verified by the Audit and ADP schemes were in running position while final bill would be provided on the completion of ADP schemes.

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

88. **Para No.1.2.17**
1.2.17.2 Executive Engineer, 5th Provincial Building Division, Lahore –
Rs.457,105/-

7.5.2014 The Department explained that total amount had been recovered and record was available for verification.

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

13.10.2015 The Audit and Finance Department were of the opinion that once the security of the contractor was forfeited it becomes Govt. money and the Chief Engineer was not authorized to adjust recovery from the forfeited security in lieu of overpayment to the contractor.

The Committee endorsed the contention of the Audit and Finance Department and directed/recommended that the recovery be made. The para was kept pending.

4.10.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit and Sub-Committee of PAC-I had been recommended the above para for settlement.

On the recommendation of Audit and Sub-Committee of PAC-I, the Committee **settled the above para.**

- 89. Para No.1.2.17 Pages 32 to 34 of Audit Report for the year 2010-11; Overpayment Due to Allowing Payment at Full Rate Instead of Reduced Rate - Rs.2.92 Million.**
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1.2.17.3 Executive Engineer, Provincial Highway Division, Mianwali – Rs.391,285/-

- 90. Para No.1.2.31 Pages 49 & 50 of Audit Report for the year 2010-11; Overpayment Due to Allowing Price Variation on Incorrect Prevalent Rate - Rs.0.322 Million.**
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5.10.2016 The Department explained that total recovery had been effected and got verified by Audit and all relevant record was available.

The Committee **settled the para subject to** verification of final bill within 1 week.

- 91. Para No.1.2.18 Pages 34 to 37 of Audit Report for the year 2010-11; Overpayment Due to Application of Incorrect Rate – Rs.2.90 Million.**
-

1.2.18.4 Executive Engineer, Provincial Highway Division, Gujranwala – Rs.414,545/-

5.10.2016 The Department explained that an amount of Rs.512,064/- had been recovered and efforts were being made to affect the outstanding recovery of Rs.197,320/- under Land Revenue Act as arrears of Land Revenue.

The Committee reduced the para upto the recovered amount and directed the department to effect the outstanding amount at earliest under Land Revenue Act.

The **para was kept pending.**

- 92. Para No.1.2.20 Pages 38 & 39 of Audit Report for the year 2010-11; Overpayment due to Allowing Payment on High Rates – Rs.2.19 Million.**
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- 93. Para No.1.2.26 Page 45 of Audit Report for the year 2010-11; Non-Recovery Due to Violation of the Agreement – Rs.0.800 Million.**
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- 94. Para No.1.2.36 Pages 53 to 58 of Audit Report for the year 2010-11; Unjustified Financial Benefit Due to Not Obtaining of Performance Security – Rs.100.15 Million.**
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1.2.36.6 Executive Engineer, Provincial Building Division GOR, Lahore – Rs.2,611,955/-

- 95. Para No.1.2.45 Pages 106 to 109 of Audit Report for the year 2010-11; Overpayment of Price Variation with Incorrect Factor and on Inadmissible Item – Rs.7.48 Million.**
-

1.2.45.4 Executive Engineer Provincial Building Division, Jhelum – Rs.650,500/-

14.10.2015 The Department explained that the schemes were unfunded and the accounts of the schemes would be finalized on receipt of funds and the amount of the paras had been recovered and as the final bill was concerned, a certificate in consultation with the Audit and Finance Department should be prepared and be given to the audit to meet their objection.

The Committee directed/recommended that a format of certificate should be approved by the Audit and Finance Department having signature of XEN of Communication and Works Department that the said payment would not be paid again. The said certificate would replace the final bill.

The Committee was satisfied with the contention of the department and the paras were settled subject to provision of that certificate.

4.10.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit and Sub-Committee of PAC-I had been recommended the all above paras for settlement.

On the recommendation of Audit and Sub-Committee of PAC-I, the Committee **settled the all above paras**

- 96. Para No.1.2.21 Pages 39 & 40 of Audit Report for the year 2010-11; Overpayment Due to Allowing Price Variation on Incorrect Value of Work Done – Rs.1.58 Million.**
-

1.2.21.1 Executive Engineer, 4th Provincial Buildings Division, Lahore – Rs.1,185,236/-

- 97. Para No.1.2.37 Pages 58 to 65 of Audit Report for the year 2010-11; Non-Recovery Due to De-Escalation in the Rates of Cement and Steel – Rs.94.58 Million.**
-

1.2.37.9 Executive Engineer, 3rd Provincial Buildings Division, Lahore – Rs.2,188,183/-

7.5.2014 The Department explained that all recoveries had been effected and record was available for verification. The final bills were in process, which would be provided to audit shortly.

The Committee settled the paras subject to verification of record and provision of certificate regarding final bill.

13.10.2015 The Department explained that the schemes were unfunded and the accounts of the schemes would be finalized on receipt of funds and the amount of the paras had been recovered and as the final bill was concerned, a certificate in consultation with the Audit and Finance Department should be prepared and be given to the audit to meet their objection.

The Committee directed/recommended that a format of certificate should be approved by the Audit and Finance Department having signature of XEN of Communication and Works Department that the said payment would not be paid again. The said certificate would replace the final bill.

The Committee was satisfied with the contention of the department and the paras were settled subject to provision of that certificate.

4.10.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit and Sub-Committee of PAC-I had been recommended the all above paras for settlement.

On the recommendation of Audit and Sub-Committee of PAC-I, the Committee **settled the all above paras**

98. Para No.1.2.22 Page 41 of Audit Report for the year 2010-11; Overpayment Due to Application of Incorrect Rates – Rs.1.50 Million.

7.5.2014 The Department explained that no recovery on account of overpayment was involved and all the relevant record was available for verification.

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

13.10.2015 The Department explained that in order to save time a comparison statement was prepared on the basis of which the payment was made and there was no loss to the Government Exchequer.

The Audit and Finance Department were of the contention that instead of following the Punjab Financial Rules (2006) instructions the concerned Chief Engineer had himself made payment on the basis of his own comparison statement.

The Committee conditionally, settled the para subject to condonation of overpayment by Finance Department.

4.10.2016 The Department explained that in compliance with last PAC-directive, the matter for obtaining advice/clarification had been referred to Finance Department and decision was still awaited.

The Committee settled the para subject to issuance of clearance certificate by Finance Department.

99. Para No.1.2.24 Pages 43 & 44 of Audit Report for the year 2010-11; Loss Due to Non-Forfeiture of Earnest Money of the Contractor - Rs.0.913 Million.

100. Para No.1.2.54 Pages 120 & 121 of Audit Report for the year 2010-11; Overpayment Due to Application of Incorrect Conversion Factor – Rs.1.43 Million.

101. Para No.1.2.57 Page 124 of Audit Report for the year 2010-11; Overpayment Due to Less-Utilization of Dismantled Material - Rs.0.514 Million.

102. Para No.1.2.59 Page 126 of Audit Report for the year 2010-11; Overpayment for Allowing Price Variation on Secured Advance Material - Rs.0.382 Million.

5.10.2016 The Department explained that total recovery had been effected and got verified by Audit and all relevant record was available.

The Committee settled the above paras subject to verification of final bill by Audit.

103. Para No.1.2.25 Pages 44 & 45 of Audit Report for the year 2010-11; Overpayment Due to Allowing Payment for Excess Quantities - Rs.0.811 Million.

5.10.2016 The Department explained that the contention of the audit was not based on facts and re-handling of 643107 Cft executed earth had been paid as per provision of technical sanctioned estimate and item had actually been executed at site. The department further explained that the rate was rightly paid and these rates were mentioned on the website and it could be verified.

The Committee was agreed with the departmental contention and the para was settled.

104. Para No.1.2.32 Pages 50 & 51 of Audit Report for the year 2010-11; Overpayment Due to Allowing Price Variation on Incorrect Quantity of Bitumen - Rs.0.204 Million.

15.10.2015 The Department explained that whole amount had been recovered and got verified by the Audit as it was pointed out.

Audit pointed out that a more recovery of Rs.661,200/- was also found in the para.

The Committee settled the para and directed/recommended that the Audit may initiate a new para amounting to Rs.661,200/- on price variation of bajri.

3.10.2016 The Audit pointed out that in compliance of PAC directive dated 15.10.2015 a separate para vide PDP No.414 for the year 2015-16 amounting to Rs.661,200/- had been issued to the department by Audit.

The Committee already **settled the para**.

105. Para No.1.2.36 Pages 53 to 58 of Audit Report for the year 2010-11; Unjustified Financial Benefit Due to Not Obtaining of Performance Security – Rs.100.15 Million.

1.2.36.2 Executive Engineer, Provincial Highway Division, Mianwali – Rs.18.246 Million.

5.10.2016 The Department explained that in case of Group-1 performance guarantee amounting to Rs.10.90 million was obtained, whereas in case of Group-II Rs.8.991/- million were deducted on account of performance guarantee and all record had been verified by Audit and the work had completed.

The Committee accepted the departmental contention and **settled the para subject to** condonation of expenditures by Finance Department.

106. Para No.1.2.36
1.2.36.3 Executive Engineer, Provincial Highway Division, Sahiwal – Rs.16.785 Million

15.10.2015 The Department explained that the total recovery amounting to Rs.16.785 million had been deducted from the running bills of the contractor which had been verified by the audit.

The Committee **settled the para**.

107. Para No.1.2.36
1.2.36.4 Executive Engineer, 4th Provincial Buildings Division, Lahore – Rs.13.241 million

7.5.2014 The Department explained that work had been completed and functional. The department further apprised that performance security amount was available with the department and no further recovery was required due to the completion of work.

The Committee observed that the rules had been violated and directed/recommended the department that a list regarding the cases in which the performance security had not been obtained and the action taken against the concerned therein and loss, if any be provided to Public Accounts Committee.

The para was settled subject to verification.

13.10.2015 The Audit pointed out that department had violated the Punjab Financial Rules (2006) and performance security was not obtained.

The Committee directed/recommended the department that the violation of rules be condoned by Finance Department.

The para was settled subject to condonation.

4.10.2016 The Department explained that in compliance with last PAC directive, the matter had been forwarded to Finance Department for condonation.

The Finance Department apprised the committee that the case had sent back to department on 10-8-2016 with the direction to take disciplinary action against the officer who received the performance security and then send back the case to Finance Department for condonation.

The Committee directed/recommended the department the case should be send back to Finance Department with their required compliance within 30 days.

The para was kept pending.

108. **Para No.1.2.36**
1.2.36.5 Executive Engineer, Provincial Buildings Division, Mianwali – Rs.3.389 Million.

14.10.2015 The Department explained that total recovery had been made and verified by audit.

The Committee settled the para.

109. **Para No.1.2.36**
1.2.36.8 (Executive Engineer, 3rd Provincial Building Division, Lahore – Nil.

7.5.2014 The Department explained that recovery of performance security had been made from the contractor's bill and verified by Audit.

The Committee observed that rules had been violated so the Committee directed/recommended that warning be issued to the responsible persons.

The para was settled.

110. **Para No.1.2.37 Pages 58 to 92 of Audit Report for the year 2010-11; Non-Recovery Due to De-escalation in the Rates of Cement and Steel – Rs.94.58 Million.**

1.2.37.1 Project Director, Lahore Ring Road, Lahore – Rs.31,829,659/-

6.5.2014 The Department explained that the base rates of December 2008 was not applicable in that because the work was awarded to M/s NLC on a extra ordinary agreement on single source basis as no bidding was carried out in that case. Therefore the date of commencement would be considered for the determination of base rates as per clause 41.1 of the contract agreement and the price variation was paid to the contractor accordingly.

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

111. Para No.1.2.37 Pages 58 to 92 of Audit Report for the year 2010-11; Non-Recovery Due to De-Escalation in the Rates of Cement and Steel – Rs.94.58 Million.

1.2.37.3 Executive Engineer, Provincial Road Construction Division, Lahore – Rs.3,531,255/-

5.10.2016 The Department explained that the subject para had duplicacy with printed draft para No.1.11(06) for the year 2009-10 which had already been recommended to the PAC for settlement.

Audit accepted the contention of the department and recommended to delete this para.

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

112. Para No.1.2.37 Pages 58 to 92 of Audit Report for the year 2010-11; Non-Recovery due to De-Escalation in the Rates of Cement and Steel – Rs.94.58 Million.

1.2.37.6 Executive Engineer, Provincial Highway Division, Jhang – Rs.2,706,660/-

113. Para No.1.2.39 Pages 93 to 98 of Audit Report for the year 2010-11; Unjustified Payment Made for Work Done Without Approval in Violation of JMF – Rs.55.59 Million.

1.2.39.2 Executive Engineer, Provincial Highway Division, Multan – Rs.4,295,049/-

114. Para No.1.2.39
1.2.39.9 Executive Engineer, Provincial Highway Division, Jhang – Rs.410,748/-

115. **Para No.1.2.41 Pages 99 to 103 of Audit Report for the year 2010-11; Less-recovery of Escalation due to Application of Incorrect Base Rate - Rs.22.65 Million.**
-
- 1.2.41.1 Executive Engineer, Provincial Highway Division, Sahiwal – Rs.11,387,498/-**
- 1.2.41.3 Executive Engineer, Provincial Highway Division, Sahiwal – Rs.1,922,548/-**
- 1.2.41.6 Executive Engineer, Provincial Highway Division, Sahiwal – Rs.149,365/-**
116. **Para No.1.2.46 Pages 109 to 112 of Audit Report for the year 2010-11; Overpayment Due to Allowing Higher Rate – Rs.5.40 Million.**
-
- 1.2.46.1 Executive Engineer, Provincial Highway Division, Rahim Yar Khan – Rs.2,446,241/-**
117. **Para No.1.2.51 Pages 117 & 118 of Audit Report for the year 2010-11; Overpayment Due to Payment of Escalation on Secured Advance Material - Rs.1.96 Million.**
-
- 1.2.51.2 Executive Engineer, Provincial Highway Division, Sahiwal – Rs.663,046/-**
118. **Para No.1.2.64 Pages 130 & 131 of Audit Report for the year 2010-11; Overpayment Due to Incorrect Adjustment of De-Escalation - Rs.0.128 Million.**
-

15.10.2015 The Department explained that the schemes were unfunded and the accounts of the schemes would be finalized on receipt of funds and the amount of the paras had been recovered and as the final bill was concerned, a certificate in consultation with the Audit and Finance Department should be prepared and be given to the audit to meet their objection.

The Committee directed/recommended that a format of certificate should be approved by the Audit and Finance Department having signature of XEN of Communication and Works Department that the said payment would not be paid again. The said certificate would replace the final bill.

The Committee was satisfied with the contention of the department and the paras were settled subject to provision of that certificate.

3.10.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in all above paras.

On the recommendation of Audit, the Committee **settled the all above paras.**

119. Para No.1.2.37 Pages 58 to 63 of Audit Report for the year 2010-11; Non-Recovery Due to De-Escalation in the Rates of Cement and Steel – Rs.94.58 Million.

1.2.37.7 Executive Engineer, 4th Provincial Buildings Division, Lahore – Rs.2,284,169/-

7.5.2014 The Department explained that an amount of Rs.611,856/- had been recovered and verified and the recovery against secured advance item was not justified.

The Committee kept the para pending with the direction/recommendation that the department should look into the matter.

13.10.2015 The Department explained that the partial recovery had been made and efforts were being made to recover the outstanding amount.

The Committee reduced the para to extent of recovered amount and kept the para pending for balance recovery at the earliest.

4.10.2016 The Department explained that whole amount had been recovered and record was available for verification.

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

120. Para No.1.2.37 Pages 58 to 64 of Audit Report for the year 2010-11; Non-Recovery Due to De-Escalation in the Rates of Cement and Steel – Rs.94.58 Million.

1.2.37.8 Executive Engineer, 2nd Provincial Building Division, Lahore – Rs.2.235 million

121. Para No.1.2.55 Pages 121 to 123 of Audit Report for the year 2010-11; Overpayment Due to Application of Incorrect Input Rate in Rate Analysis – Rs.1.28 Million.

1.2.55.2 Executive Engineer, 2nd Provincial Building Division, Lahore – Rs.483,618/-

7.5.2014 The Department explained that total amount had been recovered and got verified by the audit.

The Committee settled the paras subject to verification of record and provision of certificate regarding final bill.

13.10.2015 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made in respect of the above paras and got verified by Audit.

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

122. Para No.1.2.37 Pages 58 to 92 of Audit Report for the year 2010-11; Non-Recovery Due to De-Escalation in the Rates of Cement and Steel – Rs.94.58 Million.

1.2.37.10 Executive Engineer, Provincial Highway Division, Sialkot – Rs.1,985,370/-

5.10.2016 The Department explained that total amount had been recovered and got verified as pointed out by Audit and work had completed.

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

**123. Para No.1.2.37
1.2.37.11 Executive Engineer, 4th Provincial Buildings Division, Lahore – Rs.1,964,916/-**

7.5.2014 The Department explained that the adjustment would be made in the next bill of payment.

The Committee settled the para subject to verification by Audit.

13.10.2015 The Department explained that the scheme was unfunded and the accounts of the scheme would be finalized on receipt of funds and the amount of the para had been recovered and as the final bill was concerned, a certificate in consultation with the Audit and Finance Department should be prepared and be given to the audit to meet their objection.

The Committee directed/recommended that a format of certificate should be approved by the Audit and Finance Department having signature of XEN of Communication and Works Department that the said payment would not be paid again. The said certificate would replace the final bill.

The Committee was satisfied with the contention of the department and the para was settled subject to provision of that certificate.

4.10.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit and Sub-Committee of PAC-I had been recommended the above para for settlement.

On the recommendation of Audit and Sub-Committee of PAC-I, the Committee **settled the above para**.

124.

Para No.1.2.37

1.2.37.12 Executive Engineer Provincial Building Division, Gujranwala – Rs.1,925,293/-

1.2.37.18 Executive Engineer, Provincial Building Division, Jhelum – Rs.1,082,703/-

1.2.37.19 Executive Engineer Provincial Building Division, Gujranwala – Rs.967,000/-

1.2.37.33 Executive Engineer, Provincial Building Division, Gujrat – Rs.593,473/-

1.2.37.40 Executive Engineer Provincial Building Division, Gujranwala – Rs.360,844/-

14.10.2015 The Department explained that the schemes were unfunded and the accounts of the schemes would be finalized on receipt of funds and the amount of the paras had been recovered and as the final bill was concerned, a certificate in consultation with the Audit and Finance Department should be prepared and be given to the audit to meet their objection.

The Committee directed/recommended that a format of certificate should be approved by the Audit and Finance Department having signature of XEN of Communication and Works Department that the said payment would not be paid again. The said certificate would replace the final bill.

The Committee was satisfied with the contention of the department and the paras were settled subject to provision of that certificate.

4.10.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit and Sub-Committee of PAC-I had been recommended the all above paras for settlement.

On the recommendation of Audit and Sub-Committee of PAC-I, the Committee **settled the all above paras**

125.

Para No.1.2.37

1.2.37.14 Executive Engineer, Provincial Highway Division, Faisalabad – Rs.1,461,476/-

15.10.2015 The Department explained that the schemes were unfunded and the accounts of the schemes would be finalized on receipt of funds and the amount of the para had been recovered and as the final bill was concerned, a certificate in consultation with the Audit and Finance Department should be prepared and be given to the audit to meet their objection.

The Committee directed/recommended that a format of certificate should be approved by the Audit and Finance Department having signature of XEN of Communication and Works Department that the said payment would not be paid again. The said certificate would replace the final bill.

The Committee was satisfied with the contention of the department and the para was settled subject to provision of that certificate.

3.10.2016 The Department explained that the recovery was effected from the security of the contractor and scheme was unfunded due to this reason the recovery had effected from the security of the contractor and recoupment of security was not possible and all record was available for verification.

The Committee **settled the para subject to** verification of completion certificate by department.

126. **Para No.1.2.37**
1.2.37.15 Executive Engineer, Provincial Highway Division, Multan –
Rs.1,286,704/-

15.10.2015 The Department explained that recovery on account of de-escalation of cement had been adjusted through 27th running bill of the contractor which had been verified by Audit.

Audit raised a new objection of amounting to Rs.587,00/- which was not included in the original para.

The Committee settled the para subject to adjustment of disputed amount within 60 days under intimation to PAC.

3.10.2016 The Department explained that all the necessary action had been taken and outstanding recovery had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

127. **Para No.1.2.37**
1.2.37.16 Executive Engineer Provincial Building Division, Gujranwala
– Rs.1,265,170/-

14.10.2015 The Department explained that the recovery was admitted by the department but presently scheme was un-funded and recovery would be effected in forth coming running bill on receipt of funds.

The Committee kept the para pending.

4.10.2016 The Department explained that whole recovery had been effected from the security deposit of the contractor and now the scheme was unfunded.

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

128. **Para No.1.2.37**
1.2.37.17 Executive Engineer, Provincial Highway Division, Sahiwal –
Rs.1,124,635/-

5.10.2016 The Department explained that total recovery on account of de-escalation had been effected and got verified by Audit and the final bill was also available.

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

129. **Para No.1.2.37**
1.2.37.23 Executive Engineer Provincial Building Division, Jhelum –
Rs.819,935/-

14.10.2015 The Department explained that update price variation had been prepared and an amount of Rs.94,392/- had been recovered in 11th running bill of the contractor.

The Committee reduced the para to the extent of recovered amount and the para was kept pending.

4.10.2016 The Department explained that whole amount had been recovered and verified by the Audit and completion certificate of scheme was available.

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

1.2.37.30 Executive Engineer, Provincial Building Division, Jhelum –
Rs.652,790/-

14.10.2015 The Department explained that update price variation had been prepared and an amount of Rs.359,000/- had been recovered in 9th running bill of the contractor.

The Committee reduced the para to the extent of recovered amount and the para was kept pending.

4.10.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit and Sub-Committee of PAC-I had been recommended the all above para for settlement.

On the recommendation of Audit and Sub-Committee of PAC-I, the Committee **settled the above para**

1.2.37.32 Executive Engineer Provincial Building Division, Jhelum –
Rs.622,362/-

14.10.2015 The Department explained that Rs.797,224/- had been recovered and amount of Rs.142,000/- were outstanding.

The Committee reduced the para to the extent of recovered amount and the para was kept pending.

4.10.2016 The Department explained that whole amount had been recovered and verified by the Audit as per direction of Sub-Committee of PAC.

The Committee **settled the para.**

1.2.37.41 Executive Engineer Provincial Building Division, Jhelum – Rs.357,170/-

14.10.2015 The Audit pointed out that the department had been effected the recovery of Rs.186,684/- and verified from audit with outstanding balance of Rs.97,410/-

The Committee reduced the para to the extent of recovered amount and the para was kept pending.

4.10.2016 The Department explained that recovery had been effected from security deposits of contractor and original scheme had completed.

The Committee **settled the para subject to** verification of completion certificate by department.

130. Para No.1.2.37

1.2.37.28 Executive Engineer, 4th Provincial Building Division, Lahore – Rs.696,776/-

7.5.2014 The Department explained that the required action had been taken and all the relevant record was available for verifications.

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

13.10.2015 The Audit pointed out that previously the para was settled subject to verification of record by Audit but the department did not produce the record for verification.

The Department explained that all the recovery had been effected and the record was available for verification.

The para was settled subject to verification of record.

4.10.2016 The Department explained that whole amount had been recovered and record was available for verification.

The **Committee settled the para subject to** verification of record by Audit within 10 days.

131. **Para No.1.2.37**
1.2.37.29 Executive Engineer, Provincial Highway Division,
Gujranwala – Rs.684,261/-

5.10.2016 The Department explained that actual recovery had been effected and got verified by Audit while final bill along with complete record of paid price variation was under process for revised administrative approval.

The Committee **settled the para subject to** verification of final bill and all relevant record within 30 days by Audit.

1.2.37.37 Executive Engineer, Provincial Highway Division,
Gujranwala – Rs.483,054/-

5.10.2016 The Department explained that this was wrong calculation which was done by our Executive Engineer but now the concern officer had been retired and assured that it would not repeat in the future while whole recovery had been effected and got verified by audit.

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

132. **Para No.1.2.37**
1.2.37.45 Executive Engineer, 4th Provincial Building Division, Lahore
– Rs.247,723/-

7.5.2014 The Department explained that audit had verified the record and accepted departmental point of view and the final bill would be prepared very soon.

The Committee settled the para subject to submission/verification of final bill within one month.

13.10.2015 The Department explained that the scheme was unfunded and the accounts of the scheme would be finalized on receipt of funds and the amount of the para had been recovered and as the final bill was concerned, a certificate in consultation with the Audit and Finance Department should be prepared and be given to the audit to meet their objection.

The Committee directed/recommended that a format of certificate should be approved by the Audit and Finance Department having signature of XEN of Communication and Works Department that the said payment would not be paid again. The said certificate would replace the final bill.

The Committee was satisfied with the contention of the department and the para was settled subject to provision of that certificate.

4.10.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit and Sub-Committee of PAC-I had been recommended the above para for settlement.

On the recommendation of Audit and Sub-Committee of PAC-I, the Committee **settled the above para.**

133. Para No.1.2.38 Pages 92 & 93 of Audit Report for the year 2010-11; Non-Recovery of Mobilization Advance After Amicable Settlement – Rs.71.11 Million.

6.5.2014 The Department explained that as per amicable settlement approved by the Government of the Punjab, recoverable amount on account of mobilization advance of Rs.88.9 Million was accounted for as the claim of contractor. After calculation, an amount of Rs.6.911 million had been recovered and deposited in to Government Treasury duly verified by Audit. The department further explained that the interest @ 10% was not recovered on the recommendation of amicable committee because delay was occurred due the site related issue and not on the part of the contractor.

After detailed deliberations Committee accepted the explanation of the department, **the para was settled.**

134. Para No.1.2.39 Pages 93 to 98 of Audit Report for the year 2010-11; Unjustified Payment Made for Work Done Without Approval in Violation of JMF – Rs.55.59 Million.

1.2.39.1 Executive Engineer, Provincial Highway Division, Faisalabad – Rs.44,966,592/-

15.10.2015 The Department explained that Rs.6,600,000/- had been recovered and got verified by audit.

The Audit pointed out that the department did not follow the procedure of JMF and actual rate of bitumen was Rs.1,800/- while Rs.2,500/- were paid.

The Committee directed/recommended the department to hold an inquiry against the responsible that how the work was done without following the procedure of JMF and report to PAC within 60 days.

The para was kept pending.

3.10.2016 The Department explained that in compliance of last PAC directive, total recovery had been effected and inquiry had been completed and inquiry report was available.

The Committee directed/recommended the department to provide details about the disciplinary actions taken by the department and verify the inquiry report by Audit.

The para was kept pending.

135. Para No.1.2.39
1.2.39.3 Executive Engineer, Provincial Highway Division, Okara –
Rs.2,627,370/-

5.10.2016 The Department explained that the work had been completed and recovery had effected from the security deposits of contractor and final bill was under process.

The Committee **settled the para subject to** verification of recovery and final bill by Audit.

136. Para No.1.2.39
1.2.39.4 Executive Engineer Provincial Building Division, Gujrat –
Rs.1,596,222/-

14.10.2015 The Department explained that the rate calculated by Audit was not correct because the actual rate on the basis of MRS for the first quarter 2009 was Rs.100/-.

The Audit pointed out that due to allowing payment of non M.R.S. item of P/L gutka @ Rs.87, 91, 90, 92 & 100 by taking extra material labour instead of Rs.66/- per sq. ft. resulting into loss of Rs.1.596 million.

The Committee directed/recommended that the matter be referred to the Technical Committee of the Finance Department for its recommendation.

The para was kept pending.

4.10.2016 The Department explained that in compliance with last PAC/Sub-Committee directive, the matter had been submitted to Technical Committee of Finance department to finalize the rate of item of P/L Gutka by taking extra material and labour and decision was still awaited.

The Finance Department apprised the Committee that the matter had finalized and P/L Gutka was not approved while other three items had been approved by the Finance Department.

The Committee directed/recommended the department to effect the recovery at the earliest.

The para was kept pending.

137. Para No.1.2.39
1.2.39.7 Executive Engineer, Provincial Highway Division, Sahiwal –
Rs.955,323/-

15.10.2015 The Department explained that whole amount had been recovered and verified by the Audit.

The Committee directed/recommended the D.G. Audit (Works) that an inquiry be held against the concerned Audit Officer who did not mention the irregularity and report be submitted to PAC within 90 days.

The para was kept pending.

3.10.2016 The Department explained that total recovery had been effected and the compliance regarding inquiry was related to D.G. Audit works.

The Committee **settled the para subject to** submission of inquiry report by D.G. Audit Works to PAC within 60 days.

138. **Para No.1.2.39**
1.2.39.8 Executive Engineer, Provincial Highway Division, Sahiwal –
Rs.704,370/-

5.10.2016 The Department explained that due recovery on account of bitumen had been effected and verified by the audit and an amount of Rs.183,170/- on account of 25% profit had also recovered from the contractor and verified by the Audit and all record was available.

The Audit pointed out that department had not provided the difference of price variation and final bill.

The Committee directed/recommended the department to provide price variation difference and final bill to Audit for verification within 60 days.

The para was kept pending.

139. **Para No.1.2.41 Pages 99 to 103 of Audit Report for the year 2010-11;**
Less-Recovery of Escalation Due to Application of Incorrect Base
Rate – Rs.22.65 Million.

1.2.41.2 Executive Engineer, 1st Provincial Building Division, Lahore –
Rs.7,072,153/-

7.5.2014 The Department explained that total amount had been recovered and record was available for verification.

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

13.10.2015 The Department explained that the amount of the para had been recovered and as soon as the work would be completed the final bill would be produced to audit for verification.

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

1.2.41.5 Executive Engineer, 1st Provincial Building Division, Lahore – Rs.450,487/-

7.5.2014 The Department explained that total amount had been recovered and verified by the audit. The final bill would be produced to Audit as soon as contractor's account will be finalized.

The Committee settled the para subject to verification of final bill.

13.10.2015 The Department explained that the amount of the para had been recovered and as soon as the work would be completed the final bill would be produced to audit for verification.

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

140. Para No.1.2.42 Page 103 of Audit Report for the year 2010-11; Loss Due to Application of Incorrect Factor for Carriage of Stone – Rs.14.98 Million.

6.5.2014 The Department explained that the MRS was not applicable to the rates adopted to Ring Road Project as the rates were analyzed by M/s NESPAK and the Competent Authority had also accorded approval.

Moreover the fact must be considered that Lahore Ring Road Project had been constructed in a highly mechanized regime and the most modern specifications were followed keeping in mind all the technical aspects.

The para was conditionally settled subject to the regularization by the Finance Department.

14.10.2015 The Department explained that in compliance with PAC directive, the matter had been referred to Finance Department for regularization.

The Committee directed/recommended the Finance Department to report to the PAC within 60 days.

The para was kept pending.

3.10.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in above para.

On the recommendation of Sub-Committee, the Committee **settled the above para.**

141. Para No.1.2.43 Pages 104 & 105 of Audit Report for the year 2010-11; Overpayment Due to Non-Deduction of Available Earth - Rs.11.93 Million.

1.2.43.1 Executive Engineer, Provincial Highway Division, Rahim Yar Khan – Rs.10,357,595/-

15.10.2015 The Department explained that there was only one spot where thickness was found 3.25 inches instead of 3.50 inches due to which Rs.19,879/- had been recovered from the contractor and regional Laboratory & quality control cell Bahawalpur had checked the thickness in various reaches and found 3.50 inches thickness in whole length of the constructed road.

The Committee directed/recommended the department to verify the report which had been issued by the Regional Laboratory and quality control cell Bahawalpur by Audit under intimation to PAC.

The para was kept pending.

3.10.2016 The Department explained that all the necessary action had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

142. Para No.1.2.43
1.2.43.2 Executive Engineers of Provincial Highway Divisions, Bahawalpur, Okara and Muzaffargarh – Rs.1,567,536/-

15.10.2015 The Audit pointed out that the para was consisted upon three divisions, as far as Okara was concerned, the adjustments had been verified and regarding Bahawalpur and Muzzafargarh amounts had been reduced already and verifications were required.

The Committee settled the amount regarding Okara and for remaining two divisions amounts were settled subject to verifications of record by Audit.

3.10.2016 The Department explained that all the necessary action had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

143. Para No.1.2.44 Pages 105 & 106 of Audit Report for the year 2010-11; Irregular Award of Work Without Calling Tenders in the Press-Rs.10.26 Million.

7.5.2014 The Department explained that the award of contracts under the order of Governor of Punjab by the Implementation Committee were fully justified and in order. And the record for award of work was available.

The Committee was satisfied with the contention of the department and the para was settled.

144. Para No.1.2.45 Pages 106 to 109 of Audit Report for the year 2010-11; Overpayment of Price Variation with Incorrect Factor and on Inadmissible Item – Rs.7.48 Million.

1.2.45.1 Executive Engineer, Provincial Highway Division, Gujranwala – Rs.2,884,487/-

1.2.45.2 Executive Engineer, Provincial Highway Division, Gujranwala – Rs.2,592,317/-

5.10.2016 The Department explained that whole recovery had been effected and got verified by Audit and work had completed.

The Committee accepted the explanation of the department and settled the paras.

1.2.45.3 Executive Engineer, Provincial Highway Division, Gujranwala – Rs.1,352,252/-

5.10.2016 The Audit pointed out that this para was required to be reconciled.

The Committee directed/recommended the department to reconcile their expenditures with Audit and Secretary, C&W personally probe into the matter and submit its probe report to PAC within 60 days.

The para was kept pending.

145. Para No.1.2.46 Pages 109 to 112 of Audit Report for the year 2010-11; Overpayment Due to Allowing Higher Rate – Rs.5.40 Million.

1.2.46.4 Executive Engineer, Provincial Highways Division, Faisalabad – Rs.259,170/-

15.10.2015 The Department explained that whole amount had been recovered from the contractor and record was available for verification by audit.

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

3.10.2016 The Department explained that all the necessary action had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee settled the above para.

**146. Para No.1.2.47 Pages 112 to 114 of Audit Report for the year 2010-11;
Non-Recovery of Rent of Petrol Pumps - Rs.4.44 Million.**

**1.2.47.1 Executive Engineer, Provincial Highway Division, Mianwali –
Rs.5.548 Million**

5.10.2016 The Department explained that total recovery had been effected and the record was available for verification.

 The Audit was not agree with the contention of department and required further verification of record.

 The Committee directed/recommended the department to verify the account by Audit.

 The para was kept pending.

**147. Para No.1.2.47
1.2.47.2 Executive Engineer, Provincial Highway Division, Okara –
Rs.5,054,570/-(Provincial Highway Division, Lahore)**

5.10.2016 The Department explained that whole amount had been effected and got verified by Audit and the work had completed and the final bill was under process.

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

**148. Para No.1.2.47
1.2.47.2 Executive Engineer, Provincial Highway Division, Okara –
Rs.5,054,570/-(para No.9,20 and 28)**

5.10.2016 The Department explained that total recovery had been effected and got verified as pointed out by Audit.

 The Audit pointed out that total recovery had been effected but this para was required to be reconciled.

 The **Committee settled the para subject to** reconciliation by Audit.

**149. Para No.1.2.47
1.2.47.3 Executive Engineer, Provincial Highway Division No.1,
Sargodha – Rs.1.377 Million.**

5.10.2016 The Department explained that an amount of Rs.900,000/- had been recovered and deposited into NBP and efforts were being made for outstanding amount of Rs.476,600/-.

The Committee reduced the para upto the recovered amount and directed the department to effect the outstanding amount at earliest.

The para was kept pending.

150. Para No.1.2.49 Page 116 of Audit Report for the year 2010-11; Overpayment Due to Wrong Calculation of Earth Work – Rs.2.80 Million.

5.10.2016 The Audit pointed out that full recovery had been effected but some reconciliation with the department was required.

The Committee **settled the para subject to** reconciliation of expenditures by Audit.

151. Para No.1.2.52 Page 119 of Audit Report for the year 2010-11; Excess Payment Due to Allowing Payment Beyond the Approved Scope – Rs.1.72 Million.

15.10.2015 The Department explained that work had been executed strictly in accordance with the provision of technically sanctioned estimate by the competent authority and there was no excess payment involved.

The Committee settled the para subject to verification.

3.10.2016 The Department explained that incompliance with last PAC directive, the technical report from Road Research and Material Testing Institute Lahore had been got verified by Audit.

The Committee **settled the para.**

152. Para No.1.2.53 Pages 119 & 120 of Audit Report for the year 2010-11; Overpayment Due to Non-Utilization of Available Material – Rs.1.64 Million.

15.10.2015 The Department explained that the scheme became unfunded in the year 2011-12 and old material would be adjusted in the forth coming bill of the contractor as and when the funds would be received.

The Committee kept the para pending.

3.10.2016 The Department explained that total recovery had been effected and scheme was unfunded due to this reason the recovery had effected from the security of the contractor and All relevant record was available.

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

153. Para No.1.2.55 Pages 121 & 122 of Audit Report for the year 2010-11; Overpayment Due to Application of Incorrect Input Rate in Rate Analysis – Rs.1.28 Million.

1.2.55.1 DHQ Hospital, Mandi Bahauddin (Executive Engineer Provincial Building Division, Gujrat) – Rs.794,161/-

14.10.2015 The Audit pointed out that rate calculated by audit was Rs.86.05 per kg instead of Rs.87.73 per kg and department had not produced the rate analysis of Rs.87.73 per kg and an amount of Rs.758,797/- was due from contractor.

The Department explained that the partial recovery had been made and got verified by audit.

The Committee reduced the para to the extent of recovered amount and the para was kept pending.

4.10.2016 The Department explained that in compliance of Sub-Committee of PAC directive, remaining amount of Rs.758,797/- had been made and verified through transfer entry.

The Committee **settled the para subject to** verification of accountal and final bill by Audit within 10 days.

154. Para No.1.2.56 Page 123 of Audit Report for the year 2010-11; Loss due to Non-Forfeiture of Earnest Money of the Contractor – Rs.0.913 Million.

15.10.2015 The Department explained that the bid of the contractor was accepted, however, before the starting of development work the Government imposed ban on initiating new schemes due to general elections.

The Committee was not satisfied with the contention of the department and directed/recommended that the recovery be made within 90 days.

The para was kept pending.

3.10.2016 The Department explained that after the departmental efforts, department requested the DCO, Faisalabad to effect the recovery from contractor as arrear of land revenue under the Land Revenue Act, there was no response till now.

The Committee kept the para pending for one day.

5.10.2016 The Department explained that the bid of the contractor was accepted while before the starting of development work the Government had imposed ban on initiation of new schemes, due to general elections and in the meantime the earnest money had returned to the contractor on his request and later on the work was started by the contractor, but he couldn't complete his job and he was declared as defaulter by the

department and earnest money could not be recouped from his security deposit because his security deposit was not enough.

The Department had requested to DCO, Faisalabad for recovery through arrear of land revenue and DCO, Faisalabad had assured that entire amount would be recover within shortest possible time.

The Committee directed/recommended the department to effect recovery within 90 days.

The para was kept pending.

155. Para No.1.2.61 Pages 127 & 128 of Audit Report for the year 2010-11; Overpayment Due to Incorrect Rate – Rs.0.304 Million.

14.10.2015 The Audit pointed out that recovery made from security deposit was not accepted as contractor had been declared defaulter under clause 60 & 61 of Contract agreement and recovery made from fortified security deposit was unjustified.

The Committee directed/recommended the department to recover the amount from contractor at earliest.

The para was kept pending.

4.10.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit and Sub-Committee of PAC-I had been recommended the above para for settlement.

On the recommendation of Audit and Sub-Committee of PAC-I, the Committee **settled the above para.**

CO-OPEARTIVE

The Committee examined the Accounts of the Cooperative Department in its meeting held on 2.6.2014 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010/24010 (010) – General Administration Page 61 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042101-Administration/Land Commission
LQ4085-Cooperative Department.

Final Grant	Rs.14,371,000/-
Actual Expenditure	Rs.13,279,438/-
Saving	(-) Rs. 1,091,562/-
Percentage	7.60%

2.6.2014 The Department explained that the accounts had been reconciled with A.G. Punjab and the saving was due to some vacant posts which could not be filled during the financial year.

The Committee was satisfied with explanation of the department and **the grant was settled.**

2. Grant No.PC21021 (021) – Cooperation (All Voted) Pages 62 to 65 of Appropriation Accounts for the year 2010-11.

i) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042107-Cooperation
LQ4216-Direction.

Final Grant	Rs.42,563,000/-
Actual Expenditure	Rs.41,498,295/-
Saving	(-) Rs. 1,064,705/-
Percentage	2.50%

ii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042107-Cooperation
LQ4217-Superintendence.

Final Grant	Rs.43,837,000/-
Actual Expenditure	Rs.42,937,946/-
Saving	(-) Rs. 899,054/-
Percentage	2.05%

- iii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042107-Cooperation
BO4004-Cooperative Training Institute Bahawalpur.

Final Grant	Rs.5,148,000/-
Actual Expenditure	Rs.5,123,403/-
Saving	(-) Rs. 24,597/-
Percentage	0.48%

- iv) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042107-Cooperation
FQ4003-Cooperative Training College Faisalabad.

Final Grant	Rs.27,148,000/-
Actual Expenditure	Rs.26,167,476/-
Saving	(-) Rs. 980,524/-
Percentage	3.61%

2.6.2014 The Department explained that the accounts had been reconciled with A.G. Punjab and savings in all above items were very nominal and within the permissible limit.

The Committee was satisfied with explanation of the department and **settled all the above items.**

ENERGY

The Committee examined the Accounts of the Energy Department in its meeting held on 9.12.2015 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21008 (008) – Other Taxes and Duties (All Voted) Page 169 of Appropriation Accounts for the year 2010-11.

01-General Public Service
011-Executive & Legislative Organs Financial
0112-Financial & Fiscal Affairs
011205-Tax Management (Custom, I. Tax, Excise) & Taxation Department
LQ4024-Charges Under Electricity Act.

Final Grant	Rs.109,789,000/-
Actual Expenditure	Rs. 86,364,017/-
Saving	(-) Rs. 23,424,983/-
Percentage	21.34%

9.12.2015 The Department explained that accounts had been reconciled with A.G. Punjab and there was overall 21.34% saving occurred because some posts were remained vacant during the financial year and no expenditures had been occurred against Repair and Maintenance Head.

The Committee was satisfied with the explanation of department and **the grant was settled.**

2. Grant No.PC22036 (036) – Development: (All Voted) Page 419 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
043-Fuel and Energy
0435-Electricity Hydal
043502-Electricity Hydal
LE4288-Electricity Hydal.

Final Grant	Rs.18,976,000/-
Actual Expenditure	Rs.15,196,647/-
Saving	(-) Rs. 3,779,353/-
Percentage	19.92%

9.12.2015 The Department explained that accounts had been reconciled with A.G. Punjab and there was overall 19.92% saving occurred because some posts of different category were remained vacant during the financial year due to ban imposed by the Govt. of Punjab under austerity measures.

The Committee was satisfied with the explanation of department and the grant was settled.

3. Grant No.PC12037 (037) – Irrigation Works: (Development) (All Voted) Page 424 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
043-Fuel and Energy
0435-Electricity Hydal
043502-Electricity Hydal
LE4226-Electricity Hydal.

	<u>D.G. Accounts Works Figures</u>	<u>Department Figures</u>
Final Grant	Rs.495,000,000/-	Rs.245,000,000/-
Actual Expenditure	Rs.155,434,960/-	Rs.155,434,960/-
Saving	(-) Rs.339,565,040/-	(-) Rs. 89,565,040/-
Percentage	68.60%	37%

9.12.2015 The Department explained that accounts had been reconciled with D.G. Accounts Works Punjab and there was overall 37% savings, because The PC-1 of scheme was revised as per directions of ADB which was not approved by ECNEC till June 2011 and as a result due to delayed approval of revised PC-1 by ECNEC saving had occurred.

The Finance Department apprised the Committee that this was Aid- in-grant and department was bound to meet the requirements of the donor agencies.

On the recommendation of Finance Department, Committee settled the grant.

Audit Paras (Revenue Receipts) for the year 2010-11

4. Para No.3.2.3 Pages 52 & 53 of Audit Report for the year 2010-11; Non-Realization of Arrears of Electricity Duty – Rs.20.215 Million.

3.2.3.1 Electric Inspector, Faisalabad - Rs.5,574,614/-
3.2.3.2 Electric Inspector, Lahore - Rs.87,647/-
3.2.3.3 Electric Inspector, Gujranwala - Rs.304,279/-
3.2.3.4 Electric Inspector, Multan - Rs.901,241/-
3.2.3.5 Electric Inspector, Islamabad - Rs.13,347,336/-

5. Para No.3.2.4 Pages 53 & 54 of Audit Report for the year 2010-11; Non-Realization of Electricity Duty from Independent Power Producers (IPPs) – Rs.12.245 Million.

3.2.4.1 Electric Inspector, Faisalabad - Rs.2,666,984/-
3.2.4.2 (i) Electric Inspector, Lahore – Rs.2,790,107/-
3.2.4.2 (ii) Electric Inspector, Lahore – Rs.2,167,493/-

3.2.4.3 Electric Inspector, Islamabad – Rs.4,620,177/-

6. Para No.3.2.5 Pages 54 & 55 of Audit Report for the year 2010-11; Short Realization of Electricity Duty Due to Application of Incorrect Rate – Rs.2.632 Million.
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3.2.5.1 Electric Inspector, Faisalabad - Rs.88,904/-

3.2.5.2 Electric Inspector, Lahore - Rs.1,275,203/-

3.2.5.3 Electric Inspector, Gujranwala - Rs.670,381/-

3.2.5.4 Electric Inspector, Multan - Rs.473,789/-

3.2.5.5 Electric Inspector, Islamabad - Rs.123,502/-

7. Para No.3.2.6 Pages 55 & 56 of Audit Report for the year 2010-11; Non- realization of Electricity Duty Due to Stay Order Issued by Courts – Rs.1.661 Million.
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8. Para No.3.2.9 Pages 57 & 58 of Audit Report for the year 2010-11; Non-Imposition of Penalty on Late Deposit of Electricity Duty – Rs.0.743 Million.
-

3.2.9.1 Electric Inspector, Faisalabad - Rs.52,640/-

3.2.9.2 Electric Inspector, Lahore - Rs.298,193/-

3.2.9.3 Electric Inspector, Gujranwala - Rs.86,248/-

3.2.9.4 Electric Inspector, Multan - Rs.37,273/-

3.2.9.5 Electric Inspector, Islamabad - Rs.268,475/-

9.12.2015 The Department explained that the matter related to all above paras had been subjudice in Supreme Court of Pakistan, however, the department had been pursuing vigorously.

The Committee kept the all above paras pending till the decision of Court.

ENVIRONMENTAL PROTECTION

The Committee examined the Accounts of the Environment Protection Department in its meeting held on 13.5.2015 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010/PC24010 (010) – General Administration Page 330 of Appropriation Accounts for the year 2010-11.

06-Housing & Community Amenities
061-Housing Development
0611-Housing Development
061101-Administration
LQ4077-Environment Protection Department.

Final Grant	Rs.13,388,000/-
Actual Expenditure	Rs.13,915,921/-
Excess	(+) Rs. 527,921/-
Percentage	3.94%

13.5.2015 The Representative of A.G. Punjab stated that accounts had been reconciled and there was excess expenditures of Rs.527,921/- which was 3.94% of the final grant.

The Department explained that excess expenditure was incurred under the sub-heads Pay & Allowances due to the posting of a Deputy Secretary after the submission of Second Statement of Excess & Surrenders. Since the Pay & Allowances of the concerned Employee could not be stopped, therefore, expenditure was ineluctable.

The Committee directed/recommended that the mechanism of monthly reconciliation statement and internal financial system of the department should be strengthen in order to avoid such lapses in future.

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

2. Grant No.PC21017 (017) – Public Health Page 331 of Appropriation Accounts for the year 2010-11.

05-Environment Protection
053-Pollution Abatement
0531-Pollution Abatement
053101-Environment Protection
LQ4186-Environmental Protection Agency.

Final Grant	Rs.59,417,000/-
Actual Expenditure	Rs.58,146,637/-

Saving	(-) Rs. 1,270,363/-
Percentage	2.14%

13.5.2015 The Department explained that there was minor savings against various sub-heads and requested for settlement of the above grant.

The Committee accepted the explanation of the department and **settled the grant.**

3. Grant No.PC22036 (036) – Development Page 339 of Appropriation Accounts for the year 2010-11.

05-Environment Protection
 055-Administration of Environment Protection
0551-Administration of Environment Protection
055101-Administration
LE4275-Administration..

Final Grant	Rs.101,094,000/-
Actual Expenditure	Rs. 92,698,698/-
Saving	(-) Rs. 8,395,302/-
Percentage	8.30%

13.5.2015 The representative of A.G. Punjab stated that the above item needs reconciliation of Budget figures with Finance Department as well as expenditure Figures with A.G. Punjab.

The **grant was kept pending with the** directions that accounts be reconciled within two weeks.

Audit Paras (Civil) for the year 2010-11

4. Para No.2.2.1 Pages 88 to 90 of Audit Report for the year 2010-11; Irregular Purchase of Machinery & Equipment – Rs.113.858 Million.

13.5.2015 The Department explained that a high powered inquiry had been constituted and inquiry under PEEDA and Anti- Corruption Act had also been initiated against the responsible officials/officers.

The Committee **kept the para pending with the** direction/ recommendation that all the relevant details should be produced to the PAC in the next meeting.

5. Para No.2.2.2 Pages 90 & 91 of Audit Report for the year 2010-11; Irregular Expenditure on Purchase of Miscellaneous Items – Rs.3.116 Million.

13.5.2015 The Department explained that a case for regularization was being referred to Finance Department.

The Committee **kept the para pending with the** directions/recommendations that department should got the expenditure regularized from Finance Department within 90 days.

6. Para No.2.2.3 Pages 91 to 93 of Audit Report for the year 2010-11; Wasteful Expenditure on Consultancy – Rs.1.316 Million.

13.5.2015 The Department explained that there was no financial irregularity involved and the Consultant was appointed on Chief Minister Directive. However, the said officer had been terminated by the Competent Authority.

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

7. Para No.2.2.4 Pages 93 & 94 of Audit Report for the year 2010-11; Illegal and Hazardous Stone Crushers.

13.5.2015 The Department explained that all the necessary actions in respect of above para had been taken and relevant record had also been got verified by Audit.

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

8. Para No.2.2.5 Pages 95 & 96 of Audit Report for the year 2010-11; Double Payment of Rental Charges – Rs.0.706 Million.

13.5.2015 The Department explained that all the necessary actions in respect of above para had taken and relevant record could be verified by Audit.

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

9. Para No.2.2.6 Pages 96 & 97 of Audit Report for the year 2010-11; Non/Short Deduction of Income Tax – Rs.0.196 Million.

- i) 2.2.6 (1) D.D (Imp), EPD, Lahore – Rs.149,935/-
- ii) 2.2.6 (2) D.D (Imp), EPD, Lahore – Rs.18,267/-
- iii) 2.2.6 (3) Secretary, EPD, Lahore – Rs.28,262/-

13.5.2015 The Department explained that the recovery pointed out by Audit was not justified as the said firm had supplied finished products i.e. printed material instead of rendering Services. Therefore, Income Tax @ 3.5% absolutely justified instead of @ 6% under the rules.

As there was difference of opinions between department and Audit, the Committee directed/recommended that matter should be referred to Federal Board of Revenue to seek expert opinion.

The **paras were kept pending.**

GENERAL OBSERVATION:

13.5.2015 The Committee was informed by Secretary to the Committee that Environment Protection Department had submitted the working papers only a day before the commencement of meeting.

The Committee expressed its displeasure on the late submission of working papers and on casual attitude of the Department towards PAC business and desired that Principal Accounting Officer should ensure timely submission of working papers in future.

EXCISE AND TAXATION

The Committee examined the Accounts of the Excise and Taxation Department in its meetings held on 1.7.2014, 2.7.2014 and 3.7.2014 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21001 (001) – Opium (All Voted) : Page 161 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
044-Mining and Manufacturing
0441-Manufacturing
044120-Others
LQ4001-Opium Factory.

Final Grant	Rs.3,935,000/-
Actual Expenditure	Rs.3,754,026/-
Saving	(-) Rs. 180,974/-
Percentage	4.60%

2. Grant No.PC21003 (003) – Provincial Excise (All Voted) : Pages 163 & 164 of Appropriation Accounts for the year 2010-11.

01-General Public Service
011-Executive & Legislative Organs, Financial
0112-Financial & Fiscal Affairs
011205-Tax Management (Customs, I. Tax, Excise) & Taxation Department
LQ4007-Excise Bureau.

Final Grant	Rs.5,354,000/-
Actual Expenditure	Rs.5,165,014/-
Saving	(-) Rs. 188,986/-
Percentage	3.53%

3. Grant No.PC21007 (007) – Charges on Account of Motor Vehicles Act (All Voted) : Page 165 of Appropriation Accounts for the year 2010-11.

01-General Public Service
011-Executive & Legislative Organs, Financial
0112-Financial & Fiscal Affairs
011205-Tax Management (Customs, I. Tax, Excise) and Taxation Department
LQ4017-Registration and Token Tax.

Final Grant	Rs.16,658,000/-
Actual Expenditure	Rs.16,167,992/-
Saving	(-) Rs. 490,008/-
Percentage	2.94%

1.7.2014 The Department explained that the accounts had been reconciled with A.G. Punjab and the savings in above grants were nominal and within the permissible limit.

The Committee was satisfied with explanation of the department and settled the above grants.

4. Grant No.PC21003 (003) – Provincial Excise (All Voted) : Page 162 of Appropriation Accounts for the year 2010-11.

01-General Public Service
011-Executive & Legislative Organs, Financial
0112-Financial & Fiscal Affairs
011205-Tax Management (Customs, I. Tax, Excise) & Taxation Department
LQ4005-Direction.

Final Grant	Rs.40,752,000/-
Actual Expenditure	Rs.37,757,572/-
Saving	(-) Rs. 2,994,428/-
Percentage	7.35%

5. Grant No.PC21008 (008) – Other Taxes and Duties (All Voted) : Page 167 of Appropriation Accounts for the year 2010-11.

01-General Public Service
011-Executive & Legislative Organs, Financial
0112-Financial & Fiscal Affairs
011205-Tax Management (Customs, I. Tax, Excise) & Taxation Department
LQ4021-Cotton Fee.

Final Grant	Rs.1,469,000/-
Actual Expenditure	Rs.1,204,046/-
Saving	(-) Rs. 264,954/-
Percentage	18.04%

1.7.2014 The Department explained that accounts had been reconciled with A.G. Punjab and savings were occurred because some posts were remained vacant during the financial year due to ban imposed by the government.

The Committee accepted the explanation of the department, the grants were settled.

6. Grant No.PC21003 (003) – Provincial Excise (All Voted) : Page 163 of Appropriation Accounts for the year 2010-11.

01-General Public Service
 011-Executive & Legislative Organs, Financial
 0112-Financial & Fiscal Affairs
011205-Tax Management (Customs, I. Tax, Excise) & Taxation Department
LQ4006-Cost of Manufacturing Opium Tablets.

Final Grant	Rs.10,530,000/-
Actual Expenditure	Rs. 73,323/-
Saving	(-) Rs.10,456,677/-
Percentage	99.30%

1.7.2014 The Department explained that Accounts had been reconciled with A.G. Punjab and the saving was due to non-utilization of opium. The department further explained that the utilization of opium had become very rare and due to which department decided to reduce its manufacturing.

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

7. Grant No.PC21008 (008) – Other Taxes and Duties (All Voted) : Page 168 of Appropriation Accounts for the year 2010-11.

i) 01-General Public Service
 011-Executive & Legislative Organs, Financial
 0112-Financial & Fiscal Affairs
011205-Tax Management (Customs, I. Tax, Excise) & Taxation Department
LQ4022-Urban Immovable Property Tax.

Final Grant	Rs.31,702,000/-
Actual Expenditure	Rs.23,615,594/-
Saving	(-) Rs. 8,086,406/-
Percentage	25.51%

ii) 01-General Public Service
 011-Executive & Legislative Organs, Financial
 0112-Financial & Fiscal Affairs
011205-Tax Management (Customs, I. Tax, Excise) & Taxation Department
LQ4023-Charges in Connection with Tobacco Duties.

Final Grant	Rs.468,000/-
Actual Expenditure	Rs.0/-
Saving	(-) Rs. 468,000/-
Percentage	100.00%

1.7.2014 The A.G. Punjab pointed out that reconciliation of the accounts had yet to be made in above items.

The items were kept pending for re-conciliation with Accountant General Punjab and Finance Department.

8. Grant No.PC21010 / PC24010 (010) – General Administration Page 171 of Appropriation Accounts for the year 2010-11.

01-General Public Service
011-Executive & Legislative Organs, Financial
0112-Financial & Fiscal Affairs
011205-Tax Management (Customs, I. Tax, Excise) & Taxation Department
LQ4067-Excise and Taxation Department.

Final Grant	Rs.38,775,000/-
Actual Expenditure	Rs.27,017,891/-
Saving	(-) Rs.11,757,109/-
Percentage	30.32%

1.7.2014 The Committee observed that the details were not given in this grant.

The Committee **kept the grant pending** and directed/recommended that the detailed information be given in this grant.

Audit Paras (Commercial) for the year 2010-11

9. Para No.3.2.1.1 Page 54 of Audit Report for the year 2010-11; Working Results.

10. Para No.3.2.1.2 Page 54 of Audit Report for the year 2010-11; Working Results.

1.7.2014 The Department explained that all necessary actions had been taken and outstanding recoveries had been made in respect of above paras and got verified by Audit.

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

11. Para No.3.2.1.3 Page 54 of Audit Report for the year 2010-11; Working Results.

1.7.2014 Audit pointed out that the method of evaluation of inferior quality and superior quality needed to be explained and accounting procedure should be fool proof specially on closing stocks.

The Department explained that only good opium was purchased @ Rs.150/- per kg. The department further explained that new policy of evaluation and accounting would be made.

The Committee accepted the explanation of the department, the para was settled.

Audit Paras (Revenue Receipts) for the year 2010-11

12. Para No.1.2.1 Pages 6, 83 & 84 of Audit Report for the year 2010-11; Arrears of Property Tax – Rs.42.288 Million.
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1.2.1.1 ETO, Zone-IX, Lahore - Rs.1,612,848/-
1.2.1.2 ETO, Zone-III, Lahore - Rs.1,171,198/-
1.2.1.3 ETO, Zone-VII, Lahore - Rs.994,703/-
1.2.1.4 ETO, Zone-IX, Lahore - Rs.1,054,681/-
1.2.1.5 ETO, Zone-III, Lahore - Rs.1,016,681/-
1.2.1.6 ETO, Zone-I, Lahore - Rs.3,871,454/-
1.2.1.7 ETO, Zone-II, Lahore - Rs.3,245,447/-
1.2.1.8 ETO, Zone-VI, Lahore - Rs.1,200,294/-
1.2.1.9 ETO, Zone-V, Lahore - Rs.2,416,368/-
1.2.1.11 ETO, Zone-VIII, Lahore - Rs.2,395,508/-
1.2.1.12 ETO, Sargodha - Rs.659,213/-
1.2.1.13 ETO, Attock - Rs.761,066/-
1.2.1.14 ETO, Faisalabad-I - Rs.376,562/-
1.2.1.15 ETO, Gujranwala-II - Rs.576,760/-
1.2.1.16 ETO, Faisalabad-II - Rs.1,139,414/-
1.2.1.17 ETO, Multan-I - Rs.3,493,112/-
1.2.1.18 ETO, Kasur - Rs.447,979/-
1.2.1.19 ETO, Zone-IV, Lahore - Rs.1,631,067/-
1.2.1.20 ETO, Multan-II - Rs.1,796,318/-
1.2.1.21(i) ETO, Multan-III - Rs.1,416,785/-
1.2.1.21(ii) ETO, Multan-III - Rs.419,854/-
1.2.1.22 ETO, Gujranwala-I - Rs.574,156/-
1.2.1.24 ETO, Jhang - Rs.612,226/-
1.2.1.25 ETO, Rawalpindi-II - Rs.1,082,466/-
1.2.1.26 ETO, Sahiwal - Rs.302,549/-
1.2.1.27(i) ETO, Mianwali - Rs.313,894/-
1.2.1.27(ii) ETO, Mianwali - Rs.93,350/-
1.2.1.28 ETO, Sialkot - Rs.400,012/-
1.2.1.29 ETO, Bhakkar - Rs.213,640/-
1.2.1.30 ETO, Pakpattan - Rs.157,609/-
1.2.1.31 ETO, Hafizabad - Rs.507,462/-
1.2.1.32 ETO, Narowal - Rs.146,341/-
1.2.1.33 ETO, Lodhran - Rs.134,096/-
1.2.1.34 ETO, Khushab - Rs.205,513/-
1.2.1.35 ETO, Bahawalpur - Rs.358,320/-
1.2.1.36 ETO, Gujrat - Rs.1,290,871/-

13. **Para No.1.2.2 Pages 6 & 7 of Audit Report for the year 2010-11; Non-Realization of Provincial Government's Share of Property Tax from Cantonment Boards – Rs.97.399 Million.**
-

1.2.2.1 ETO, Sargodha - Rs.2,376,792/-
1.2.2.2 ETO, Attock - Rs.119,547/-
1.2.2.3 ETO, Gujranwala-I - Rs.1,627,000/-
1.2.2.4 ETO, Rawalpindi - Rs.32,151,554/-
1.2.2.5 ETO, Sialkot - Rs.1,987,336/-
1.2.2.7 ETO, Bahawalpur - Rs.150,149/-
1.2.2.8 ETO, Gujrat - Rs.1,089,494/-

14. **Para No.1.2.3 Pages 7 & 8 of Audit Report for the year 2010-11; Non-Realization of Luxury Tax on Imported Luxury Motor Vehicles – Rs.11.600 Million.**
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1.2.3.1 ETO, Faisalabad-III - Rs.400,000/-
1.2.3.2 ETO, Tie-Up Lahore - Rs.600,000/-

15. **Para No.1.2.4 Pages 8, 9, 85 & 86 of Audit Report for the year 2010-11; Non-Realization of Arrears of Property Tax on 5 Marla Houses – Rs.6.174 Million.**
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1.2.4.1(i) ETO, Zone-IX, Lahore – Rs.36,484/-
1.2.4.1(ii) ETO, Zone-IX, Lahore – Rs.335,392/-
1.2.4.1(iii) ETO, Zone-IX, Lahore – Rs.41,164/-
1.2.4.2 ETO, Zone-III, Lahore – Rs.109,240/-
1.2.4.3 ETO, Zone-VII, Lahore – Rs.179,261/-
1.2.4.4 ETO, Zone-III, Lahore – Rs.58,102/-
1.2.4.5 ETO, Zone-IX, Lahore – Rs.122,800/-
1.2.4.6 ETO, Zone-I, Lahore – Rs.603,241/-
1.2.4.7 ETO, Zone-II, Lahore – Rs.701,520/-
1.2.4.8 ETO, Zone-VI, Lahore – Rs.98,153/-
1.2.4.9 ETO, Zone-V, Lahore – Rs.27,947/-
1.2.4.10(i) ETO, Zone-VII, Lahore – Rs.159,721/-
1.2.4.10(ii) ETO, Zone-VII, Lahore – Rs.130,504/-
1.2.4.11(ii) ETO, Zone-VIII, Lahore – Rs.451,216/-
1.2.4.12 ETO, Sargodha – Rs.72,159/-
1.2.4.13 ETO, Attock – Rs.93,441/-
1.2.4.14 ETO, Gujranwala-II – Rs.25,468/-
1.2.4.15 ETO, Multan-I – Rs.130,058/-
1.2.4.16 ETO, Zone-IV, Lahore – Rs.67,487/-
1.2.4.17 ETO, Multan-II – Rs.58,424/-
1.2.4.18 ETO, Multan-III – Rs.18,002/-
1.2.4.19 ETO, Gujranwala-I – Rs.232,454/-
1.2.4.22 ETO, Jhang – Rs.94,818/-
1.2.4.23(i) ETO, Rawalpindi-II – Rs.59,850/-

1.2.4.23(ii) ETO, Rawalpindi-II – Rs.35,649/-
1.2.4.24 ETO, Sahiwal – Rs.28,726/-
1.2.4.25 ETO, Mianwali – Rs.36,888/-
1.2.4.26 ETO, Sialkot – Rs.38,259/-
1.2.4.27 ETO, Bhakkar – Rs.6,286/-
1.2.4.28 ETO, Hafizabad – Rs.25,782/-

16. Para No.1.2.5 Pages 9, 10 & 87 of Audit Report for the year 2010-11;
Non-Recovery of Professional Tax – Rs.5.606 Million.
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1.2.5.1 ETO, Sargodha – Rs.146,600/-
1.2.5.2 ETO, Attock – Rs.45,000/-
1.2.5.3 ETO, Faisalabad-II – Rs.905,500/-
1.2.5.4 ETO, Faisalabad-III – Rs.48,350/-
1.2.5.5 ETO, Kasur – Rs.590,000/-
1.2.5.6 ETO, Multan-II – Rs.1,805,000/-
1.2.5.7 ETO, Multan-III – Rs.16,000/-
1.2.5.8 ETO, Gujranwala-I – Rs.5,000/-
1.2.5.9 ETO, Jhang – Rs.77,400/-
1.2.5.10 ETO, Rawalpindi-II – Rs.140,500/-
1.2.5.11 ETO, Sahiwal – Rs.424,500/-
1.2.5.12 ETO, Rawalpindi-III, MRA – Rs.22,100/-
1.2.5.13 ETO, Mianwali – Rs.266,000/-
1.2.5.14 ETO, Sialkot – Rs.84,000/-
1.2.5.15 ETO, Tie Up, Lahore – Rs.16,400/-
1.2.5.16 ETO, Pakpattan – Rs.105,100/-
1.2.5.17 ETO, Hafizabad – Rs.126,700/-
1.2.5.18 ETO, Narowal – Rs.7,700/-
1.2.5.19 ETO, Lodhran – Rs.5,600/-
1.2.5.20 ETO, Khushab – Rs.205,500/-
1.2.5.21 ETO, Bahawalpur – Rs.408,000/-
1.2.5.22 ETO, Gujrat – Rs.155,000/-

17. Para No.1.2.6 Pages 10, 11 & 88 of Audit Report for the year 2010-11;
Non-Realization of Token Tax – Rs.4.326 Million.
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1.2.6.1 ETO, Sargodha – Rs.113,485/-
1.2.6.2 ETO, Attock – Rs.15,095/-
1.2.6.3 ETO, Faisalabad-III – Rs.729,463/-
1.2.6.4 ETO, Kasur – Rs.136,830/-
1.2.6.5 ETO, Multan-III – Rs.272,500/-
1.2.6.6 ETO, Jhang – Rs.529,810/-
1.2.6.7 ETO, Sahiwal – Rs.147,130/-
1.2.6.8 ETO, Rawalpindi-III, MRA – Rs.279,680/-
1.2.6.9 ETO, Mianwali – Rs.358,585/-
1.2.6.10 ETO, Sialkot – Rs.79,930/-
1.2.6.11 ETO, Tie Up Lahore – Rs.559,699/-
1.2.6.12 ETO, Bhakkar – Rs.93,920/-

1.2.6.13 ETO, Pakpattan – Rs.76,250/-
1.2.6.14 ETO, Hafizabad – Rs.147,685/-
1.2.6.15 ETO, Narowal – Rs.23,990/-
1.2.6.16 ETO, Lodhran – Rs.36,275/-
1.2.6.17 ETO, Khushab – Rs.374,910/-
1.2.6.18 ETO, Bahawalpur – Rs.234,529/-
1.2.6.19 ETO, Gujrat – Rs.116,476/-

18. Para No.1.2.7 Pages 11, 12 & 89 of Audit Report for the year 2010-11;
Short Realization of Property Tax Due to Non-Consolidation of
Property Units Owned by same Persons – Rs.3.075 Million.
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1.2.7.1 ETO, Zone-IX, Lahore – Rs.17,850/-
1.2.7.2 ETO, Zone-VII, Lahore – Rs.281,861/-
1.2.7.3 ETO, Zone-IX, Lahore – Rs.164,119/-
1.2.7.4 ETO, Zone-III, Lahore – Rs.70,611/-
1.2.7.5 ETO, Zone-I, Lahore – Rs.269,809/-
1.2.7.6 ETO, Zone-II, Lahore – Rs.51,800/-
1.2.7.7 ETO, Zone-VI, Lahore – Rs.428,308/-
1.2.7.8 ETO, Zone-V, Lahore – Rs.141,369/-
1.2.7.9 ETO, Zone-VIII, Lahore – Rs.308,606/-
1.2.7.10 ETO, Sargodha – Rs.40,433/-
1.2.7.11 ETO, Attock – Rs.119,057/-
1.2.7.12 ETO, Faisalabad-I – Rs.20,986/-
1.2.7.13 ETO, Faisalabad-II – Rs.35,595/-
1.2.7.14 ETO, Multan-I – Rs.69,343/-
1.2.7.15 ETO, Zone-IV, Lahore – Rs.186,677/-
1.2.7.16 ETO, Gujranwala-I – Rs.11,565/-
1.2.7.18 ETO, Jhang – Rs.145,243/-
1.2.7.19 ETO, Rawalpindi-II – Rs.124,579/-
1.2.7.20 ETO, Mianwali – Rs.169,617/-
1.2.7.21 ETO, Sialkot – Rs.30,884/-
1.2.7.22 ETO, Gujrat – Rs.70,773/-

19. Para No.1.2.8 Pages 12 & 13 of Audit Report for the year 2010-11;
Non-Realization of Income Tax – Rs.2.599 Million.
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1.2.8.1 ETO, Faisalabad-III – Rs.1,075,367/-
1.2.8.2 ETO, Sargodha – Rs.23,195/-
1.2.8.3 ETO, Multan-III – Rs.266,735/-
1.2.8.4 ETO, Jhang – Rs.71,400/-
1.2.8.5 ETO, Rawalpindi-III – Rs.544,950/-
1.2.8.6 ETO, Mianwali – Rs.112,560/-
1.2.8.7 ETO, Tie Up, Lahore – Rs.324,600/-
1.2.8.8 ETO, Bhakkar – Rs.48,300/-
1.2.8.9 ETO, Hafizabad – Rs.66,276/-
1.2.8.10 ETO, Khushab – Rs.66,100/-

20. **Para No.1.2.9 Pages 13 & 14 of Audit Report for the year 2010-11;
Non-Realization of Hotel Tax – Rs.1.847 Million.**
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1.2.9.1 ETO, Multan-I – Rs.64,510/-
1.2.9.2(i) ETO, Rawalpindi-II – Rs.93,273/-
1.2.9.2(ii) ETO, Rawalpindi-II – Rs.239,793/-
1.2.9.2(iii) ETO, Rawalpindi-II – Rs.71,377/-
1.2.9.3(i) ETO, Hotel Entt. Lahore – Rs.53,882/-
1.2.9.3(ii) ETO, Hotel Entt. Lahore – Rs.1,323,845/-

21. **Para No.1.2.10 Pages 14 & 15 of Audit Report for the year 2010-11;
Short-Realization of Property Tax Due to Mis-calculation – Rs.0.811 Million.**
-

1.2.10.1 ETO, Zone-IX, Lahore – Rs.135,790/-
1.2.10.2 ETO, Zone-III, Lahore – Rs.41,350/-
1.2.10.3(i) ETO, Zone-VII, Lahore – Rs.95,212/-
1.2.10.3(ii) ETO, Zone-VII, Lahore – Rs.19,789/-
1.2.10.4 ETO, Zone-II, Lahore – Rs.73,660/-
1.2.10.5 ETO, Zone-VI, Lahore – Rs.24,584/-
1.2.10.6 ETO, Zone-V, Lahore – Rs.19,507/-
1.2.10.7 ETO, Zone-IV, Lahore – Rs.42,245/-
1.2.10.8 ETO, Rawalpindi-I – Rs.223,863/-
1.2.10.9 ETO, Rawalpindi-II – Rs.58,920/-
1.2.10.10 ETO, Sialkot – Rs.15,577/-
1.2.10.11 ETO, Hafizabad – Rs.60,388/-

22. **Para No.1.2.11 Pages 15 & 16 of Audit Report for the year 2010-11;
Short-Realization of Property Tax Due to Application of Incorrect Rates – Rs.0.762 Million.**
-

1.2.11.1 ETO, Faisalabad -I - Rs.17,347/-

23. **Para No.1.2.12 Pages 16 & 17 of Audit Report for the year 2010-11;
Non Transfer of Taxable Units from PT-I to PT-8 Register – Rs.0.489 Million.**
-

1.2.12.1 ETO, Zone-VI, Lahore - Rs.46,074/-
1.2.12.2 ETO, Attock - Rs.10,638/-
1.2.12.3 ETO, Multan-I - Rs.16,892/-
1.2.12.4 ETO, Rawalpindi-I - Rs.17,000/-
1.2.12.5 ETO, Rawalpindi-II - Rs.384,161/-
1.2.12.6 ETO, Narowal - Rs.13,744/-

24. **Para No.1.2.13 Pages 17 & 18 of Audit Report for the year 2010-11;
Excess Exemption of Property Tax to Widows – Rs.0.362 Million.**
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1.2.13.1 ETO, Zone-VII, Lahore - Rs.82,777/-
1.2.13.2 ETO, Kasur - Rs.192,835/-
1.2.13.3 ETO, Sahiwal - Rs.85,050/-
1.2.13.4 ETO, Pakpattan - Rs.1,458/-

25. Para No.1.2.15 Pages 19 & 20 of Audit Report for the year 2010-11; Short-Realization of Property Tax Due to Incorrect Application of Assessment Orders – Rs.0.141 Million.
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1.2.15.1 ETO, Zone-I, Lahore - Rs.248/-
1.2.15.2 ETO, Zone-VI, Lahore - Rs.140,329/-

26. Para No.1.2.16 Pages 20, 21 & 90 of Audit Report for the year 2010-11; Non-Recovery of Property Tax Due to Non-Issuance of Demand Notices to the State Owned Organizations- Rs.37.651 Million.
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1.2.16.1 ETO, Zone-I, Lahore - Rs.455,105/-
1.2.16.2(i) ETO, Zone-II, Lahore - Rs.197,226/-
1.2.16.2(ii) ETO, Zone-II, Lahore - Rs.22,848/-
1.2.16.3 ETO, Zone-VI, Lahore - Rs.1,393,845/-
1.2.16.5 ETO, Zone-VII, Lahore - Rs.361,971/-
1.2.16.7 ETO, Sargodha - Rs.766,477/-
1.2.16.8(ii) ETO, Gujranwala-II - Rs.20,504/-
1.2.16.9(i) ETO, Multan-I - Rs.992,591/-
1.2.16.9(ii) ETO, Multan-I - Rs.485,111/-
1.2.16.11 ETO, Zone-IV, Lahore - Rs.1,881,520/-
1.2.16.12(i) ETO, Multan-II - Rs.43,852/-
1.2.16.12(ii) ETO, Multan-II - Rs.55,841/-
1.2.16.13(i) ETO, Multan-III - Rs.4,094,778/-
1.2.16.13(ii) ETO, Multan-III - Rs.1,452/-
1.2.16.14 ETO, Gujranwala-I - Rs.32,952/-
1.2.16.15 ETO, Jhang - Rs.69,884/-
1.2.16.16 ETO, Sahiwal - Rs.1,124,049/-
1.2.16.17 ETO, Narowal - Rs.10,788/-
1.2.16.18 ETO, Lodhran - Rs.112,136/-
1.2.16.19 ETO, Lodhran - Rs.1,322/-
1.2.16.20 ETO, Bahawalpur - Rs.614,237/-
1.2.16.21 ETO, Gujrat - Rs.327,399/-

27. Para No.1.2.17 Pages 21 & 91 of Audit Report for the year 2010-11; Short Realization of Property Tax Due to Non Carrying Forward of Arrears – Rs.3.503 Million.
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1.2.17.1 ETO, Zone-VII, Lahore - Rs.21,020/-
1.2.17.2 ETO, Zone-III, Lahore - Rs.79,376/-
1.2.17.3 ETO, Zone-I, Lahore - Rs.116,502/-
1.2.17.4 ETO, Zone-VI, Lahore - Rs.75,839/-

1.2.17.6 ETO, Zone-VII, Lahore - Rs.176,014/-
1.2.17.7 ETO, Zone-VIII, Lahore - Rs.210,202/-
1.2.17.8 ETO, Faisalabad-I - Rs.327,653/-
1.2.17.9 ETO, Gujranwala-II - Rs.192,993/-
1.2.17.11 ETO, Multan-I - Rs.467,329/-
1.2.17.12 ETO, Kasur - Rs.94,889/-
1.2.17.13 ETO, Zone-IV, Lahore - Rs.219,069/-
1.2.17.14 ETO, Multan-II - Rs.116,600/-
1.2.17.15 ETO, Gujranwala-I - Rs.200,773/-
1.2.17.16 ETO, Rawalpindi-I - Rs.316,949/-
1.2.17.17 ETO, Sahiwal - Rs.56,856/-
1.2.17.18 ETO, Mianwali - Rs.130,865/-
1.2.17.19 ETO, Sialkot - Rs.59,392/-
1.2.17.20 ETO, Pakpattan - Rs.32,752/-
1.2.17.21 ETO, Bahawalpur - Rs.64,749/-
1.2.17.22 ETO, Gujrat - Rs.167,888/-

28. Para No.1.2.18 Pages 22 & 23 of Audit Report for the year 2010-11; Non-Realization of Property Tax Due to Non Issuance of Demand Notices – Rs.1.691 Million.
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1.2.18.1 ETO, Zone-I, Lahore - Rs.325,030/-
1.2.18.2 ETO, Zone-II, Lahore - Rs.1,207,113/-
1.2.18.3 ETO, Sargodha - Rs.72,550/-
1.2.18.4 ETO, Jhang - Rs.31,954/-
1.2.18.5 ETO, Bhakkar - Rs.54,090/-

- 3.7.2014** The Department explained that all the necessary actions had been taken and recoveries had been made and verified by Audit.

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

29. Para No.1.2.1 Pages 6, 83 & 84 of Audit Report for the year 2010-11; Arrears of Property Tax – Rs.42.288 Million.
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1.2.1.10 ETO, Zone-VII, Lahore - Rs.1,521,426/-
1.2.1.23 ETO, Rawalpindi-I - Rs.2,676,957/-

30. Para No.1.2.4 Pages 8, 9, 85 & 86 of Audit Report for the year 2010-11; Non-Realization of Arrears of Property Tax on 5 Marla Houses – Rs.6.174 Million.
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1.2.4.21 ETO, Rawalpindi – Rs.185,646/-

31. **Para No.1.2.7 Pages 11, 12 & 89 of Audit Report for the year 2010-11; Short Realization of Property Tax Due to Non-Consolidation of Property Units Owned by same Persons – Rs.3.075 Million.**
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1.2.7.17 ETO, Rawalpindi-I – Rs.316,368/-

32. **Para No.1.2.17 Pages 21 & 91 of Audit Report for the year 2010-11; Short Realization of Property Tax Due to Non Carrying Forward of Arrears – Rs.3.503 Million.**
-

1.2.17.5 ETO, Zone-V, Lahore - Rs.32,308/-

1.2.17.10 ETO, Faisalabad-II - Rs.342,972/-

2.7.2014 The Department explained that total recovery had been made in all above paras and the record was available for verification by Audit.

The Committee **settled all the above paras subject to** verification of record by Audit.

33. **Para No.1.2.2 Pages 6 & 7 of Audit Report for the year 2010-11; Non-Realization of Provincial Government's Share of Property Tax from Cantonment Boards – Rs.97.399 Million.**
-

1.2.2.6 ETO, Hotel Entt. Lahore - Rs.57,897,000/-

3.7.2014 The Department explained that 15% shares of Government of the Punjab had been received by the Finance Department.

The **para was settled subject to** verification by the Finance Department.

34. **Para No.1.2.3 Pages 7 & 8 of Audit Report for the year 2010-11; Non-Realization of Luxury Tax on Imported Luxury Motor Vehicles – Rs.11.600 Million.**
-

1.2.3.3 ETO, Non Tie-Up, Lahore - Rs.10,600,000/-

2.7.2014 The Department explained that out of total outstanding amount Rs.6,400,000/- had been recovered as luxury Tax on Vehicles. The department further explained that efforts were being made for outstanding recovery and there were 21 vehicles which were non traceable.

The Committee reduced the para to the extent of recovered amount and **kept the para pending.**

35. **Para No.1.2.4 Pages 8, 9, 85 & 86 of Audit Report for the year 2010-11; Non-Realization of Arrears of Property Tax on 5 Marla Houses – Rs.6.174 Million.**
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1.2.4.11(i) ETO, Zone VIII, Lahore – Rs.297,012/-

36. **Para No.1.2.14 Pages 18 & 19 of Audit Report for the year 2010-11; Non-Realization of Property Tax Due to Issuance of Stay Orders by Courts – Rs.0.290 Million.**
-

2.7.2014 The Department explained that Court had granted stay orders to the owners of property and the matters were subjudice in the Court of Law in both above paras.

The Committee **kept the paras pending** being subjudice.

37. **Para No.1.2.4 Pages 8, 9, 85 & 86 of Audit Report for the year 2010-11; Non-Realization of Arrears of Property Tax on 5 Marla Houses – Rs.6.174 Million.**
-

1.2.4.20 ETO, Rawalpindi –I – Rs.1,612,581/-

3.7.2014 The Department explained that an amount of Rs.149,017/- had been recovered and verified by audit and remaining amount of Rs.1,463,564/- had been exempted and there were no balance amount.

The Committee was not satisfied on the explanation of the department and directed/recommended that the list of the cases in which exemption was made, be provided to the PAC in its next meeting.

The **para was kept pending**.

38. **Para No.1.2.11 Pages 15 & 16 of Audit Report for the year 2010-11; Short-Realization of Property Tax Due to Application of Incorrect Rates – Rs.0.762 Million.**
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1.2.11.2 ETO, Gujranwala -II - Rs.744,669/-

39. **Para No.1.2.16 Pages 20, 21 & 90 of Audit Report for the year 2010-11; Non-Recovery of Property Tax Due to Non-Issuance of Demand Notices to the State Owned Organizations- Rs.37.651 Million.**
-

1.2.16.8(i) ETO, Gujranwala -II - Rs.21,430,947/-

3.7.2014 The Department explained that the above both cases were subjudice and next date of hearing was 9/7/2014.

The Committee directed / recommended that both were the Government departments and the Chief Secretary, Government of the Punjab, should try to settle the matter out of the Court.

The paras were kept pending.

40. Para No.1.2.16 Pages 20, 21 & 90 of Audit Report for the year 2010-11; Non-Recovery of Property Tax Due to Non-Issuance of Demand Notices to the State Owned Organizations- Rs.37.651 Million.

1.2.16.4 ETO, Zone-V, Lahore - Rs.1,522,383/-

2.7.2014 The Department explained that the property was related to Civil Aviation Authority and Rs.140,388/- was exempted under civil Aviation policy. The department further explained that efforts were being made for outstanding amount of recovery.

The Committee **kept the para pending.**

1.2.16.6 ETO, Zone-VIII, Lahore - Rs.814,504/-

2.7.2014 The Department explained that the para was related to Technical Board and Lahore High Court granted stay order in the favor of Technical Board.

The Committee **kept the para pending till** the decision of Court.

41. Para No.1.2.16
1.2.16.10 ETO, Kasur - Rs.817,668/-

3.7.2014 The Department explained that an amount of Rs.817,668/- was related to WAPDA property which was exempted from taxes by the order of Lahore High Court but Government of Punjab had not issued the tax exemption notification.

The Committee **kept the para pending and directed / recommended** that the matter should be resolved within 30 days.

FINANCE

The Committee examined the Accounts of the Finance Department in its meeting held on 5.10.2015 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010 / PC24010 (010) – General Administration Pages 191 of Appropriation Accounts for the year 2010-11.

01-General Public Service
011-Executive & legislative Organs, Financial
0112-Financial and Fiscal Affairs
011204-Administration of Financial Affairs
LQ4066-Finance Department.

Final Grant	Rs.788,980,000/-
Actual Expenditure	Rs.780,544,823/-
Saving	(-) Rs. 8,435,177/-
Percentage	1.07%

2. Grant No.PC22036 (036) – Development: (All Voted) Page 206 of Appropriation Accounts for the year 2010-11.

01-General Public Service
014-Transfers
0141-Transfers (Inter-Governmental)
014102-To District Governments
LE4332-District Governments.

Final Grant	Rs.18,387,552,000/-
Actual Expenditure	Rs.18,381,552,000/-
Saving	(-) Rs. 6,000,000/-
Percentage	0.03%

3. Grant No.PC24044 (044) – Interest on Debt and Other Obligations: (All Charged) Page 210 of Appropriation Accounts for the year 2010-11.

01-General Public Services
011-Executive & Legislative Organs, Financial
0115-Domestic Debt Management
011501-Interest on Blocked A/C
LQ4780-Interest on Blocked A/C (Charged).

Final Grant	Rs.4,550,000,000/-
Actual Expenditure	Rs.4,501,607,684/-
Saving	(-) Rs. 48,392,316/-
Percentage	1.06%

**4. Grant No.PC16048 (E) – Repayment of Loans from the Federal Government
Page 215 of Appropriation Accounts for the year 2010-11.**

01-General Public Services
011-Executive & Legislative Organs, Financial
0114-Foreign Debt Management
011404-Repayment of Principal-Foreign Debt
LQ4411-Other Foreign Exchange Loans (Charged).

Final Grant	Rs.8,537,683,000/-
Actual Expenditure	Rs.8,523,198,000/-
Saving	(-) Rs. 14,485,000/-
Percentage	0.17%

**5. Grant No.PC16048 (E) – Repayment of Loans from the Federal Government
Page 216 of Appropriation Accounts for the year 2010-11.**

01-General Public Services
011-Executive & Legislative Organs, Financial
0115-Domestic Debt Management
011505-Repayment of Principal – Domestic Debt Payable to Federal Government
LQ4473-Principal Repayment of Loan SBP (Charged).

Final Grant	Rs.12,725,028,000/-
Actual Expenditure	Rs.12,725,026,500/-
Saving	(-) Rs. 1,500/-
Percentage	0.00%

5.10.2015 The Department explained that the accounts had been reconciled with A.G. Punjab and the savings in all above grants were nominal and within the permissible limit of 5%.

The Committee was satisfied with explanation of the department and settled the all above grants.

6. Grant No.PC21010 / PC24010 (010) – General Administration Pages 192 to 194 of Appropriation Accounts for the year 2010-11.

i) 01-General Public Service
011-Executive & Legislative Organs, Financial
0112-Financial and Fiscal Affairs
011204-Administration of Financial Affairs
LQ5293-Provincial Finance Commission.

Final Grant	Rs.5,266,000/-
Actual Expenditure	Rs.4,275,847/-

Saving	(-) Rs. 990,153/-
Percentage	18.80%

5.10.2015 The Department explained that accounts had been reconciled with A.G. Punjab and overall saving was 18.80% which was occurred because department had kept an amount of Rs.968,000/ for purchase of new vehicles but the summary for the approval of new vehicle by Chief Minister was not approved under austerity measures and hence the amount was saved.

The Committee was satisfied with the departmental explanation and **the item was settled.**

- ii) 01-General Public Service
 - 011-Executive & Legislative Organs, Financial
 - 0112-Financial and Fiscal Affairs
 - 011206-Accounting Services
 - LQ4100-Inspectorate of Treasuries & Accounts.

Final Grant	Rs.9,302,000/-
Actual Expenditure	Rs.7,326,143/-
Saving	(-) Rs.1,975,857/-
Percentage	21.24%

- iii) 01-General Public Service
 - 011-Executive & Legislative Organs, Financial
 - 0112-Financial & Fiscal Affairs
 - 011207-Auditing Services
 - LQ4102-Local Fund Audit Department.

Final Grant	Rs.167,514,000/-
Actual Expenditure	Rs.150,936,326/-
Saving	(-) Rs. 16,577,674/-
Percentage	9.90%

5.10.2015 The Department explained that accounts had been reconciled with A.G. Punjab in above items and the savings were occurred because some posts were remained vacant during the financial year 2010-11 due to ban imposed by the Government.

The Committee was satisfied with departmental explanation and **the items were settled.**

- iv) 01-General Public Service
 - 011-Executive & Legislative Organs, Financial
 - 0112-Financial and Fiscal Affairs
 - 011206-Accounting Services
 - LQ4101-Treasuries/District Accounts Offices.

Final Grant	Rs.427,295,000/-
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Actual Expenditure	Rs.402,449,724/-
Saving	(-) Rs. 24,845,276/-
Percentage	5.81%

5.10.2015 The A.G. Punjab pointed out that reconciliation of the accounts had yet to be made in this item.

The Committee **settled the above item subject to** reconciliation with A.G. Punjab.

7. Grant No.PC21028 (028) – Pension (All voted) Page 196 of Appropriation Accounts for the year 2010-11.

01-General Public Service
011-Executive & Legislative Organs, Financial
0112-Financial and Fiscal Affairs
011210-Pension
LQ4278-Pension.

Final Grant	Rs.35,703,856,000/-
Actual Expenditure	Rs.36,394,170,045/-
Excess	(+) Rs. 690,314,045/-
Percentage	1.93%

5.10.2015 The Department explained that accounts had been reconciled with A.G. Punjab and there was 1.93% excess and excess expenditure was based on actual pension disbursements made via all concerned commercial banks.

The Finance Department stated that pension was obligatory payment and it could not be stopped.

As the excess was relating to pension disbursement, so **the Committee settled the grant.**

8. Grant No.PC21031 (031) – Miscellaneous (All Voted) Pages 197 & 198 of Appropriation Accounts for the year 2010-11.

i) 01-General Public Service
014-Transfers
0141-Transfers (Inter-Governmental)
014106-Cantonment Board
LQ4454-Cantonment Board.

Final Grant	Rs.1,200,000,000/-
Actual Expenditure	Rs.1,040,004,000/-
Saving	(-) Rs. 159,996,000/-
Percentage	13.33%

5.10.2015 The Department explained that funds were transferred to the Cantonment Board and the Cantonment Board had incurred the expenditure.

The A.G. Punjab pointed out that the executing agency was making payment through Finance Department and therefore, the Finance Department should get their reply in respect of savings.

The Committee **settled the item subject to** condonation of expenditures by Finance Department.

- ii) 01-General Public Service
 - 014-Transfers
 - 0141-Transfers (Inter-Governmental)
 - 014110-Others
 - LQ4363-Guarantee of Annual Income from Post Office, Telegraphs and Telephone Lines.

Final Grant	Rs.550,000/-
Actual Expenditure	Rs.0/-
Saving	(-) Rs.550,000/-
Percentage	100.00%

5.10.2015 The Department explained that actually this was not the saving at the part of Finance Department but it was the amount that had been given to different Government Departments/formations like post office and telegraph office by Finance Department.

The Committee was satisfied with the reply of department and **the item was settled.**

9. Grant No.PC24044 (044) – Interest on Debt and Other Obligations: (All Charged) Pages 210 & 213 of Appropriation Accounts for the year 2010-11.

- i) 01-General Public Services
 - 011-Executive & Legislative Organs, Financial
 - 0114-Foreign Debt Management
 - 011402-Interest of Foreign Debt Payable to Federal Government
 - LQ4409-IDA Credits (LO4318) (Charged).

Final Grant	Rs.4,392,818,000/-
Actual Expenditure	Rs.4,392,818,000/-
Excess/Saving	() Rs. 0/-
Percentage	0.00%

- ii) 01-General Public Services
 - 011-Executive & Legislative Organs, Financial
 - 0115-Domestic Debt Management

011502-Interest on Domestic Debt Payable to Federal Government
LQ4477-Payment of Interest to Financial Institutions (Charged).

Final Grant	Rs.2,215,282,000/-
Actual Expenditure	Rs.2,215,281,566/-
Saving	(-) Rs. 434/-
Percentage	0.00%

10. Grant No.PC16048 (E) – Repayment of Loans from the Federal Government
Pages 215 & 216 of Appropriation Accounts for the year 2010-11.

- i) 01-General Public Services
011-Executive & Legislative Organs, Financial
0115-Domestic Debt Management
011505-Repayment of Principal-Domestic Debt Payable to Federal Government
LQ4399-Cash Development Loans (A) (Charged).

Final Grant	Rs.3,829,978,000/-
Actual Expenditure	Rs.3,829,978,000/-
Excess/Saving	() Rs.0/-
Percentage	0.00%

- ii) 01-General Public Services
011-Executive & Legislative Organs, Financial
0115-Domestic Debt Management
011505-Repayment of Principal – Domestic Debt Payable to Federal Government
LQ4406-Cash Development Loans (B) (For Scrap Tube Wells) LO4328
(Charged).

Final Grant	Rs.676,616,000/-
Actual Expenditure	Rs.676,616,000/-
Excess/Saving	() Rs.0/-
Percentage	0.00%

- iii) 01-General Public Services
011-Executive & Legislative Organs, Financial and Fiscal Affairs, External
Affairs
0115-Domestic Debt Management
011505-Repayment of Principal – Domestic Debt Payable to Federal Government
LQ4476-Repayment of Loans to Financial Institution (Charged).

Final Grant	Rs.1,231,250,000/-
Actual Expenditure	Rs.1,231,250,000/-
Excess/Saving	() Rs.0/-
Percentage	0.00%

5.10.2015 The Department explained the accounts had been reconciled with A.G. Punjab and the grants were fully utilized in all the above items with no saving or excess. Therefore, the all above **items were settled.**

11. Grant No.PC24044 (044) – Interest on Debt and Other Obligations: (All Charged) Pages 211 to 213 of Appropriation Accounts for the year 2010-11.

- i) 01-General Public Services
 011-Executive & Legislative Organs, Financial
 0115-Domestic Debt Management
011502-Interest on Domestic Debt Payable to Federal Government
LQ4400-Interest on Domestic Loans (Charged) Taken for Development Schemes
From Federal Govt. (A).

Final Grant	Rs.4,393,831,000/-
Actual Expenditure	Rs.4,389,806,000/-
Saving	(-) Rs. 4,025,000/-
Percentage	0.09%

- ii) 01-General Public Services
 011-Executive & Legislative Organs, Financial
 0115-Domestic Debt Management
011502-Interest on Domestic Debt Payable to Federal Government
LQ4401-Int. on Domestic Loans Taken for (Charged) Scarp Tubewell From
Federal Govt. (B) (LO4315).

Final Grant	Rs.1,510,737,000/-
Actual Expenditure	Rs.1,387,584,000/-
Saving	(-) Rs. 123,153,000/-
Percentage	8.15%

- iii) 01-General Public Services
 011-Executive & Legislative Organs, Financial
 0115-Domestic Debt Management
011502-Interest on Domestic Debt Payable to Federal Government
LQ4402-Permanent Debt (Market Loans) (LO4310) (Charged).

Final Grant	Rs.500,000/-
Actual Expenditure	Rs.0/-
Saving	(-) Rs.500,000/-
Percentage	100.00%

- iv) 01-General Public Services
 011-Executive & Legislative Organs, Financial
 0115-Domestic Debt Management
011502-Interest on Domestic Debt Payable to Federal Government
LQ4403-Floating Debt (Charged).

Final Grant	Rs.1,000,000,000/-
Actual Expenditure	Rs. 903,071,510/-
Saving	(-) Rs. 96,928,490/-
Percentage	9.69%

- v) 01-General Public Services
011-Executive & Legislative Organs, Financial
0115-Domestic Debt Management
011502-Interest on Domestic Debt Payable to Federal Government
LQ4404-Un-Funded Debt (Charged).

Final Grant	Rs.3,526,782,000/-
Actual Expenditure	Rs.3,466,782,000/-
Saving	(-) Rs. 60,000,000/-
Percentage	1.70%

5.10.2015 The Department explained that accounts had been reconciled with A.G. Punjab in all above items and these were the amounts of charged money which paid to the Federal Government under laws.

The Committee accepted the reply of the department and **the above items were settled.**

- vi) 01-General Public Services
011-Executive & Legislative Organs, Financial
0115-Domestic Debt Management
011502-Interest on Domestic Debt Payable to Federal Government
LQ4405-Other Obligations (Charged).

Final Grant	Rs.2,000/-
Actual Expenditure	Rs. 216/-
Saving	(-) Rs.1,784/-
Percentage	89.20%

5.10.2015 The Department explained that accounts had been reconciled with A.G. Punjab and the saving was occurred because expenditure represents commission claimed by S.B.P. on management of debt.

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

12. Grant No.PC24044 (044) – Interest on Debt and Other Obligations: (All Charged) Page 213 of Appropriation Accounts for the year 2010-11.

- 01-General Public Services
011-Executive & Legislative Organs, Financial
0115-Domestic Debt Management
011502-Interest on Domestic Debt Payable to Federal Government

LQ4539-Payment of Interest to Bank of Punjab (Charged)

Final Grant	Rs.7,046,000/-
Actual Expenditure	Rs.0/-
Saving	(-) Rs.7,046,000/-
Percentage	100.00%

5.10.2015 The A.G. Punjab pointed out that reconciliation of the accounts had yet to be made in this grant.

The Committee **pended the grant for reconciliation** with A.G. Punjab.

13. Grant No.PC16046 (C) – Permanent Debt (Discharged) Page 214 of Appropriation Accounts for the year 2010-11.

01-General Public Services
011-Executive & Legislative Organs, Financial
0115-Domestic Debt Management
011503-Repayment of Principal Domestic Debt Permanent
LQ4437-Loans Bearing Interest Compensation (Charged) Bond (LO4321)
Charges.

Final Grant	Rs.35,000/-
Actual Expenditure	Rs.0/-
Saving	(-) Rs.35,000/-
Percentage	100.00%

5.10.2015 The Department explained that 100% saving occurred because a provision of Rs.35,000/- was made on the advice of Secretary Punjab Land Commission for payment of compensation bonds but nobody had yet showed up to redeem this claim.

The Committee was satisfied with the departmental explanation and **the grant was settled.**

**FORESTRY,
WILDLIFE AND
FISHERIES**

The Committee examined the Accounts of the Forestry, Wildlife and Fisheries Department in its meetings held on 3.6.2014 and 9.11.2016 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21005 (005) – Forests: Pages 10 to 13 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
 042-Agriculture, Food Irrigation, Forestry & Fishing
 042-Forestry
(i) LQ4011-Direction (LO4011)
(ii) LQ4013-Regional & Field Establishment (LO4013)
(iii) LQ4014-Conservancy & Works (LO4014)

Final Grant	Rs.1,441,521,000/-
Actual Expenditure	Rs.1,419,719,200/-
Saving	(-) Rs. 21,801,800/-
Percentage	1.51%

2. Grant No.PC21010/PC24010 (010) – General Administration: Page 476 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
 042-Agri, Food, Irrigation, Forestry & Fishing
 0421-Agriculture
042101-Administration/Land Commission
LQ4084-Forestry Wildlife Fisheries & Tourism Department.

Final Grant	Rs.26,681,000/-
Actual Expenditure	Rs.26,371,832/-
Saving	(-) Rs. 309,168/-
Percentage	1.16%

3. Grant No.PC21019 (019) – Fisheries (All Voted): Page 477 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
 042-Agri, Food, Irrigation, Forestry & Fishing
 0425-Forestry
042501-Administration
LQ4203-Fisheries.

Final Grant	Rs.331,804,000/-
Actual Expenditure	Rs.323,736,633/-
Saving	(-) Rs. 8,067,367/-
Percentage	2.43%

4. Grant No.PC21023 (023) – Miscellaneous Departments (All Voted): Page 497 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0424-Forestry
042401-Preservation of Wild Life Control of Hunting
LQ4242-Preservation of Wild Life Control of Hunting.

Final Grant	Rs.359,595,000/-
Actual Expenditure	Rs.342,501,207/-
Saving	(-) Rs. 17,093,793/-
Percentage	4.75%

3.6.2014 The Department explained that accounts had been reconciled with A.G. Punjab and the savings in all above items were very nominal and within the permissible limit.

The Committee settled all the above grants.

5. Grant No.PC21023 (023) – Miscellaneous Departments (All Voted): Page 498 of Appropriation Accounts for the year 2010-11.

08-Recreational, Culture and Religion
081-Recreational & Sporting Services
0811-Recreational & Sporting Services
081103-Zoo & Other Entertainment Services
BO4055-Zoological Garden Bahawalpur Museum.

Final Grant	Rs.650,000/-
Actual Expenditure	Rs.701,157/-
Excess	(+) Rs. 51,157/-
Percentage	7.87%

3.6.2014 The Department explained that the accounts had been reconciled with A.G. Punjab and the overall excess was 7.87%, due to encashment and salary of a late official.

As the excess was relating to salary that was unavoidable, the Committee accepted the explanation of department **and the grant was settled.**

6. Grant No.PC21023 (023) – Miscellaneous Departments (All Voted): Page 499 of Appropriation Accounts for the year 2010-11.

08-Recreational, Culture and Religion
081-Recreational & Sporting Services
0811-Recreational & Sporting Services

081103-Zoo & Other Entertainment Services
LQ4240-Zoo & Other Entertainment Places.

Final Grant	Rs.20,216,000/-
Actual Expenditure	Rs.20,400,639/-
Excess	(+) Rs. 184,639/-
Percentage	0.91%

3.6.2014 The A.G. Punjab pointed out that reconciliation of the account had yet to be made in above item.

The Committee settled the above grant subject to reconciliation with A. G. Punjab.

9.11.2016 The Department explained that in compliance with last PAC directive dated 3.6.2014, accounts had been reconciled with A.G. Punjab and A.G. Punjab recommended the grant for settlement.

The Committee was satisfied with the explanation of the department and the grant was settled.

7. Grant No.PC22036 (036) – Development (All Voted) Page 502 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
042-Agriculture, Food, Irrigation, Forestry and Fishing
0424-Forestry
042401-Preservation of Wildlife and Hunting Control
LE4217-Preservation of Wildlife & Control of Hunting.

Final Grant	Rs.46,188,000/-
Actual Expenditure	Rs.39,863,942/-
Saving	(-) Rs. 6,324,058/-
Percentage	13.69%

3.6.2014 The Department explained that the accounts had been reconciled with A.G Punjab and saving was due to some vacant posts during financial year as the government had imposed ban on recruitments. The department further explained that savings of Rs.4,150,000/- was due to non purchase of physical assets and this amount was not timely surrendered to Finance Department.

The Committee accepted the explanation of the department and the grant was settled.

8. Grant No.PC22036 (036) – Development (All Voted) Page 503 of Appropriation Accounts for the year 2010-11.

04-Economics Affairs

042-Agri, Food, Irrigation, Forestry & Fishing
0425-Forestry
042501-Administration
LE4221-Administration.

Final Grant	Rs.46,189,000/-
Actual Expenditure	Rs.47,768,985/-
Excess	(+) Rs. 1,579,985/-
Percentage	3.42%

3.6.2014 The Department explained that the accounts had been reconciled with A.G. Punjab and the budget in the regular allowances amounting to Rs.1,783,000/- were demanded from Finance Department but funds were not provided by Finance Department.

The Finance Department explained that excess was not acceptable and the department could have been demanded for supplementary budget. As the excess was relating to salary and allowances that was unavoidable.

The Committee accepted the explanation of the department and **settled the grant and directed**/recommended the department for monthly basis reconciliation with Finance Department in case of excess used of budget.

9. Grant No.PC22036 (036) – Development (All Voted) Page 784 of Appropriation Accounts for the year 2010-11.

04-Economics Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0424-Forestry
042402-Administration
LE4219-Administration.

Final Grant	Rs.376,100,000/-
Actual Expenditure	Rs.342,854,833/-
Saving	(-) Rs. 33,245,167/-
Percentage	8.84%

9.11.2016 The Department explained that in compliance with last PAC directive dated 3.6.2014, accounts had been reconciled with A.G.. Punjab and A.G. Punjab recommended the grant for settlement.

The Committee was satisfied with the explanation of the department and **the grant was settled.**

10. Grant No.PC22036 – Development Pages 15 to 22 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs

042-Agriculture, Food, Irrigation, Forestry & Fishing
042402-Forestry (Dev.)

Final Grant	Rs.359,603,000/-
Actual Expenditure	Rs.349,059,482/-
Excess	(-) Rs. 10,543,518/-
Percentage	3.02%

3.6.2014 The A.G. Punjab pointed out that reconciliation of the account had yet to be made in above item.

The Committee **settled the above grant subject to** reconciliation with A. G. Punjab.

Audit Paras (DRAPP) for the year 2010-11

11. Para No.3.2.1 Page 9 of Audit Report for the year 2010-11; Execution of Work Without Competition – Rs.12.240 Million.

3.6.2014 Audit pointed out that competition and open tender was avoided for execution of works and violated the PPRA Rules.

The Department explained that Punjab Financial Rules permitted the Forest Department for execution of its own work instead of entrusting them to the agency of Public Works Department, but Finance Department was not agree with the department.

The Committee kept the para pended and directed/recommended the department to hold an inquiry and report to PAC-1 within 3 months.

9.11.2016 The Department explained that in compliance with last PAC directive dated 3.6.2014, an inquiry was conducted and according to inquiry report works were carried out by fulfilling all the codal formalities and in accordance with the rules and no irregularity was committed by the Divisional Forest Officer.

The Audit pointed out that department had applied incorrect wage rate for labour and PC-IV was not received by P&D.

The Finance Department apprised the committee that inquiry was not conducted according the rules.

The Committee was not satisfied with the reply of department and directed the Administrative Secretary to review the inquiry report according to the observations of Finance Department and Audit within 90 days.

The para was kept pending.

**12. Para No.3.2.2 Pages 9 & 10 of Audit Report for the year 2010-11;
Recovery Due to Incorrect Application of Rates – Rs.1.852 Million.**

**AIR No.2 of DFO, Range Management Division, Chakwal -
Rs.1,755,000/-**

3.6.2014 Audit pointed out that excess coolie days were paid by department.

The Department explained that Audit had followed the rates of Irrigation and forestation of plain areas while Chakwal was hilly area and rates of hilly areas were different from the plain areas. The department further explained that whole record of 15000 coolie days was available for verification from Audit.

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

9.11.2016 The Department explained that in compliance with last PAC directive dated 3.6.2014, an inquiry was conducted and according to inquiry report works were carried out by fulfilling all the codal formalities and in accordance with the rules and no irregularity was committed by the Divisional Forest Officer.

The Audit pointed out that department had applied incorrect wage rate for labour and PC-IV was not received by P&D.

The Finance Department apprised the committee that inquiry was not conducted according the rules.

The Committee was not satisfied with the reply of department and directed the Administrative Secretary to review the inquiry report according to the observations of Finance Department and Audit within 90 days.

The para was kept pending.

AIR No.3 of DFO, Range Management Division, Chakwal - Rs.96,720/-

3.6.2014 Audit pointed out that excess coolie days were paid by department.

The Department explained that Audit had followed the rates of Irrigation and forestation of plain areas while Chakwal was hilly area and rates of hilly areas were different from the plain areas. The department further explained that whole record of 15000 coolie days was available for verification from Audit.

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

9.11.2016 The Audit pointed out that excess coolie days were paid by department.

The Department explained that Audit had followed the rates of irrigation and forestation of plain areas while Chakwal was hilly area and rates of hilly areas were different from the plain areas. The department further explained that whole record of 15000 coolie days was available for verification from Audit.

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

Audit Paras (Civil) for the year 2010-11

(WILDLIFE)

- 13. Para No.4.2.2 Pages 125 & 126 of Audit Report for the year 2010-11; Loss Due to High Mortality Rate of Animals / Birds – Rs.6.537 Million.**
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4.2.2.1 Deputy Director Lahore Wildlife Park, Lahore – Rs.3,197,000/-

3.6.2014 Audit pointed out that death casualties of animals were observed and losses were got condoned by competent authority without adopting the proper procedure and no record was provided to Audit.

The Department explained that all relevant record was available for verification by Audit.

The Committee kept the para pending and directed/recommended the department to get the record verified by Audit.

9.11.2016 The Department explained that Administrative Secretary was competent authority to write off the amount in case of natural death of animals and an amount of Rs.3,197,000/- had been written off by the competent authority while postmortem reports of animals were available.

The Committee was agreed with the contention of the department and **the para was settled.**

4.2.2.2 Assistant Director Wildlife Breeding Farm Jallo, Lahore – Rs.2,319,250/-

3.6.2014 Audit pointed out that death casualties of animals were observed and losses were got condoned by competent authority without adopting the proper procedure and no record was provided to Audit.

The Department explained that all relevant record was available for verification by Audit.

The Committee kept the para pending and directed/recommended the department to get the record verified by Audit.

9.11.2016 The Department explained that Administrative Secretary was competent authority to write off the amount in case of natural death of animals and an amount of Rs.2,319,250/ had been written off by the competent authority while postmortem reports of animals were available.

The Committee was agreed with the contention of the department and the **para was settled.**

4.2.2.3 Deputy Director Wildlife Gutwala (WS), Faisalabad – Rs.710,700/-

3.6.2014 Audit pointed out that death casualties of animals were observed and losses were got condom by competent authority without adopting the proper procedure and no record was provided to Audit.

The Department explained that all relevant record was available for verification by Audit.

The Committee kept the para pending and directed/recommended the department to get the record verified by Audit.

9.11.2016 The Department explained that loss due to death of animals and birds amounting to Rs.574,200/ was written off by the competent authority and remaining amount for recovery of Rs.136,500/ against defaulting officers Mr. Umar Farooq (Ex-Veterinary Officer) and Mr. Javed Mustansar (Wildlife Supervisor) were advised to deposit the said amount into Government Treasury as equal share while Instead of depositing amount of recovery Rs.68,250/- Mr. Javed Mustansar preferred an appeal against the recovery in PST, Lahore. The PST set aside the order of recovery and advised for denovo inquiry. In denovo inquiry Mr. Javed Mustansar (Wildlife Supervisor) was exonerated on the recommendation of inquiry officer's report and the case was submitted to government for written off which is under process. In 2nd case of Mr. Umar Farooq (Ex-Veterinary Officer) has been terminated from service in another case and he filed writ petition in High Court and the case was under trial in the said Court.

The Committee directed/recommended the department to pursue the matter in court of law vigorously and the **para was kept pending.**

4.2.2.4 Assistant Director Wildlife Murree Park, Bansra Galli – Rs.311,000/-

3.6.2014 Audit pointed out that death casualties of animals were observed and losses were got condom by competent authority without adopting the proper procedure and no record was provided to Audit.

The Department explained that all relevant record was available for verification by Audit.

The Committee kept the para pending and directed/recommended the department to get the record verified by Audit.

9.11.2016 The Department explained that all the necessary actions had been taken and outstanding recovery had been made and got verified by Audit.

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

14. Para No.4.2.6 Pages 130 & 131 of Audit Report for the year 2010-11; Less Recovery of Cost of Ring Necked Pheasants – Rs.0.247 Million..

3.6.2014 Audit pointed out that death casualties of animals were observed and losses were got condoned by competent authority without adopting the proper procedure and no record was provided to Audit.

The Department explained that all relevant record was available for verification by Audit.

The Committee kept the para pending and directed/recommended the department to get the record verified by Audit.

9.11.2016 The Department explained that competent authority had written off the loss amounting to Rs.247,000/ due to natural death of birds and the cause was reintroduction of wildlife in the natural environment and all relevant record was available for verification.

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

15. Para No.4.2.8 Pages 131, 132 & 133 of Audit Report for the year 2010-11; Loss Due to Non Finalization of Pending Court Cases – Rs.1.520 Million.

4.2.8.1 Deputy Director Wildlife, Bahawalpur – Rs.1,280,000/-

3.6.2014 The Department explained that all necessary actions had been taken and got verified by Audit.

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

**16. Para No.4.2.8
4.2.8.2 District Wildlife Officer, Chakwal – Rs.240,000/-**

3.6.2014 Audit pointed out that there were total 12 cases from which 8 cases were decided by the court of law but no record was provided to Audit for verification.

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

9.11.2016 The Department explained that all the offence cases pointed out by the Audit had been decided by the Court and in all cases court had declared the accused as Proclaimed Offenders and some amount had been recovered and deposited in government Treasury.

The Committee was satisfied with the contention of the department and the para was settled.

(FISHERIES)

17. Para No.4.2.4 Pages 128 & 129 of Audit Report for the year 2010-11; Non Collection of Advance Income Tax – Rs.5.759 Million.

4.2.4.1 Director Fisheries Extension Lahore – Rs.5,721,272/-

3.6.2014 Audit pointed out that department had not provided income tax exemption certificate by FBR for the year 2008-9 and an amount of Rs.4,709,618/- needed to be recovered as advance income tax.

The Department explained that advance income tax was implemented since 2009-10, so income tax amount of Rs.2,624,911/- of year 2008-9 would be exempted.

The Committee kept the para pending and directed/recommended the department to verify the whole record by Audit.

9.11.2016 The Department explained that advance Income Tax was implemented since 2009-10. Therefore Income Tax amount of Rs.2,624,911/- for the year 2008-09 would be exempted and evidence of exemption certificate which was approved by the FBR was available So, advance Income Tax for the year 2009-10 was actually recoverable which was Rs.3,096,361/- while an amount of Rs.1,733,114/- had been recovered with outstanding amount of Rs.136,324/-.

The Committee reduced the para upto recovered amount and directed the department to effect the recovery at the earliest.

The para was kept pending.

**18 Para No.4.2.4
4.2.4.2 Deputy Director Fisheries, District Lahore – Rs.37,250/-**

3.6.2014 The Department explained that all necessary actions had been taken and got verified by Audit.

On the recommendation of Audit, Committee settled the para.

(FORESTRY)

**19. Para No.4.2.1 Pages 124 & 125 of Audit Report for the year 2010-11;
Loss Due to Non-Finalization of Forest Offence Cases – Rs.23.463
Million.**

3.6.2014 The Department explained that inquiry had been completed and recovery was imposed upon the officials involved. The department further explained that there were many cases pending in the court of law.

The Committee kept the above para pending and directed/recommended the department to improve the recovery mechanism for fast recovery as well as pursue the cases in court of law vigorously and verify the record by Audit.

9.11.2016 The Department explained that inquiry had been completed and recovery was imposed upon the officials involved. The department further explained that there were many cases pending in the court of law.

The Committee directed/ recommended the department to improve the recovery mechanism for fast recovery as well as pursue the cases in court of law vigorously and verify the record by Audit.

The para was kept pending.

**20. Para No.4.2.3 Pages 126 & 127 of Audit Report for the year 2010-11;
Loss Due to Shortage of Trees – Rs.6.641 Million.**

3.6.2014 The Department explained that inquiry had been completed and recovery was imposed upon the officials involved. The department further explained that there were many cases pending in the court of law.

The Committee kept the above para pending and directed/recommended the department to improve the recovery mechanism for fast recovery as well as pursue the cases in court of law vigorously and verify the record by Audit.

9.11.2016 The Department explained that all the cases of inquiries had been finalized by imposing recovery of Rs.5,057,260/- along with other penalties, out of which recovery of Rs.303,126/- had been effected from their salaries.

The Committee reduced the para upto recovered amount and directed the department to improve the recovery mechanism for fast recovery as well as pursue the cases in court of law vigorously.

The para was kept pending.

**21. Para No.4.2.5 Pages 129 & 130 of Audit Report for the year 2010-11;
Loss Due to Damage of Forest Trees – Rs.2.825 Million.**

3.6.2014 The Department explained that inquiry had been completed and recovery was imposed upon the officials involved. The department further explained that there were many cases pending in the court of law.

The Committee kept the above para pending and directed/recommended the department to improve the recovery mechanism for fast recovery as well as pursue the cases in court of law vigorously and verify the record by Audit.

9.11.2016 The Department explained that an amount of Rs.584,269/- had been effected out of total recoverable amount of Rs.1,111,915/ and efforts were being made to effect the balance recovery.

The Committee reduced the para upto the recovered amount and directed the department to effect the remaining amount at the earliest.

The para was kept pending.

22. Para No.4.2.7 Page 131 of Audit Report for the year 2010-11; Non-Deposit of General Sales Tax – Rs.0.208 Million.

9.11.2016 The Department explained that total amount of Sales Tax and Income Tax had been deposited into government treasury and record was available for verification.

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

23. Para No.4.2.9 Pages 133 & 134 of Audit Report for the year 2010-11; Non-Recovery of Government Dues from Contractors – Rs.1.217 Million.

9.11.2016 The Department explained that an amount of Rs.2.1 million had been recovered from the contractor and an amount of Rs.704,473/ had imposed as penalty on field staff out of which Rs.4,0341/- had also been recovered with outstanding amount of Rs.674,132/-.

The Committee reduced the para upto recovered amount and directed the department to expedite the recovery process.

The para was kept pending.

24. Para No.4.2.10 Pages 134 & 135 of Audit Report for the year 2010-11; Outstanding Dues Against Contractors – Rs.0.381 Million.

3.6.2014 The Department explained that all necessary actions had been taken and got verified by Audit.

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

FOOD

The Committee examined the Accounts of the Food Department in its meetings held on 2.3.2016 and 11.11.2016 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010/PC24010 (010) – General Administration Page 179 & 632 of Appropriation Accounts for the year 2010-11.

- i) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042101-Administration/Land Commission
LQ4082-Food Department.

Final Grant	Rs.32,224,000/-
Actual Expenditure	Rs.29,973,229/-
Saving	(-) Rs. 2,250,771/-
Percentage	6.98%

2.3.2016 The Department explained that accounts had been reconciled with A.G. Punjab and overall saving was 6.98% and there was an excess in various heads due to misclassification which required to be regularized by Finance Department.

The Committee settled the item subject to regularization by Finance Department.

11.11.2016 The Department explained that in compliance with last PAC directive dated 2.3.2016, matter had been forwarded to Finance Department for regularization of expenditures incurred while reply from Finance Department was still awaited.

The Committee directed the Finance department to regularize the matter at earliest.

The grant was kept pending.

- ii) 01-General Public Service
011-Executive & Legislative Organs, Financial
0111-Executive & Legislative Organs
011108-Local Authority Administration & Regulation
LQ4065-Local Government and Rural Development Department.

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.142,754,000/-	Rs.20,262,000/-
Actual Expenditure	Rs.141,600,772/-	Rs.18,634,350/-
Saving	(-) Rs. 1,153,228/-	Rs. 1,927,650/-
Percentage	0.81%	9.37%

2.3.2016 The Department explained that accounts had been reconciled with A.G. Punjab and overall saving was 9.37% which occurred due to 40 vacant Posts of different categories during the financial year 2010-11.

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

2. Grant No.PC21030 (030) – Subsidies (All Voted) Page 180 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0426-Food
042602-Subsidy
LQ4283-Wheat.

Final Grant	Rs.13,000,000,000/-
Actual Expenditure	Rs. 9,656,336,800/-
Saving	(-) Rs. 3,343,663,200/-
Percentage	25.72%

2.3.2016 The Department explained that Finance Department released subsidy of Rs.9.65 billions only against the final budget grant of Rs.13.00 billion.

The representative of Finance Department endorsed the statement of department.

The representative of A.G. Punjab pointed out that the expenditure figures had been accepted by the department. There was over all savings of Rs.3,343,663,200/- which was 25.72% of the final grant which was 13 billions.

The Committee directed/recommended that the Secretary, Food Department may constitute a Committee consisting upon three members (i) from Finance Department (ii) from A. G. Office and (iii) from Food Department to reconcile the matter and report to PAC within one month.

The grant was kept pending.

11.11.2016 The Department explained that in compliance with last PAC directive dated 2.3.2016, a committee was constituted by the department and that Committee observed that under grant no.PC21030(030) subsidies, Punjab F.D release subsidy on wheat not only to Food Department, but to other departments also like Public Transport, Green Tractor etc. The department further stated that the budgeted subsidy cannot utilize until and unless finance Department releases the funds.

The Committee was satisfied with the explanation of department and **the grant was settled.**

**3. Grant No.PC13033 / PC16033 (033) – State Trading in Food Grain & Sugar
Pages 181, 182 & 183 of Appropriation Accounts for the year 2010-11.**

- i) 04-Economic Affairs
041-General Economic, Commercial & Labour Affairs
0414-State Trading
041401-Food (Wheat)
LQ4387-Directorate of Food (Charged Expenditure).

Final Grant	Rs.25,972,665,000/-
Actual Expenditure	Rs.25,971,226,217/-
Saving	(-) Rs. 1,438,783/-
Percentage	0.01%

2.3.2016 The Department explained that the accounts had been reconciled with A.G. Punjab and the saving was very nominal and within the permissible limit of 5%.

The Committee was satisfied with explanation of the department and **settled the above item.**

- ii) 04-Economic Affairs
041-General Economic, Commercial & Labour Affairs
0414-State Trading
041401-Food (Wheat)
LQ4388-Directorate of Food (Voted).

Final Grant	Rs.103,395,946,000/-
Actual Expenditure	Rs. 79,209,872,107/-
Saving	(-) Rs. 24,186,073,893/-
Percentage	23.39%

2.3.2016 The Department explained that accounts had been reconciled with A.G. Punjab and there was overall 23.39% saving occurred because only 31 Metric tons wheat was offered by the wheat growers to Punjab food department against the targeted quantity of 40 Million tons and department made the payments to wheat sellers through commercial Bank against the quantity of wheat purchased.

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

- iii) 04-Economic Affairs
041-General Economic, Commercial & Labour Affairs
0414-State Trading
041401-Food (Wheat)
LQ4389-District Establishment.

Final Grant	Rs.710,280,000/-
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Actual Expenditure	Rs.642,843,831/-
Saving	(-) Rs. 67,436,169/-
Percentage	9.49%

2.3.2016 The Department explained that accounts had been reconciled with A.G. Punjab.

The Committee directed/recommended the department that the excess amount should surrender within time in future.

The Committee settled item.

4. Grant No.PC22036 (036) – Development: (All Voted) Page 185 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
042-Agri, Food, Irrigation, Forestry and Fishing
0426-Food
042650-Others
LE4304-Others

Final Grant	Rs.33,380,000/-
Actual Expenditure	Rs.25,039,666/-
Saving	(-) Rs. 8,340,334/-
Percentage	24.99%

2.3.2016 The representative of A.G. Punjab pointed out that reconciliation was required in this grant.

The Committee directed/recommended the department to reconcile its accounts with A.G. Punjab at the earliest.

The grant was kept pending.

11.11.2016 The Department explained that savings were occurred because tender for the purchase of equipment were called, some equipment was not purchased due to participation of single tender. Again tender were invited but the lowest bidder was shown inability to supply up to 30.06.2011.

The A.G pointed out that the contention of department was not correct and actually excess was occurred instead of savings.

The Committee directed the department to reconcile its expenditures with A.G Punjab.

The grant was kept pending.

5. Grant No.PC16047 (D) – Floating Debt: (Discharged) Page 186 of Appropriation Accounts for the year 2010-11.

01-General Public Services
011-Executive & Legislative Organs, Financial
0115-Domestic Debt Management
011504-Repayment of Principal Domestic Debt-Floating
LQ4435-Cash Credit Accommodation Advances from Commercial Bank A/C
No.2 (LO4325) (Charged).

Final Grant	Rs.105,828,264,000/-
Actual Expenditure	Rs.101,067,900,000/-
Saving	(-) Rs. 4,760,364,000/-
Percentage	4.50%

2.3.2016 The Department explained that state trading in wheat was financed by short term loans obtained from commercial Banks and borrowed amounts were repaid to the Banks along with mark up and Bank Commission. The department further explained that less repayment of loan to the banks than the budget grant was due to less subsidy released (Rs.9.65 billions only) by Finance Department and due to less subsidy receipt department returned less amount to Banks.

The Committee directed/recommended that the Secretary, Food Department may constitute a Committee consisting upon three members (i) from Finance Department (ii) from A. G. Office and (iii) from Food Department to reconcile the matter and report to PAC within one month.

The grant was kept pending.

11.11.2016 The Department explained that in compliance with last PAC directive dated 2.3.2016, a committee was constituted by the department and that Committee observed that under grant no.PC21030(030) subsidies, Punjab F.D release subsidy on wheat not only to Food Department, but to other departments also like Public Transport, Green Tractor etc. The department further stated that the budgeted subsidy cannot utilize until and unless finance Department releases the funds.

The Committee was satisfied with the explanation of department and **the grant was settled.**

Audit Paras (Revenue Receipts) for the year 2010-11

6. Para No.5.2.1 Page 73 of Audit Report for the year 2010-11; Non-realization of Sugarcane (Development) Cess and Penalty – Rs.34.067 Million.

2.3.2016 The Department explained that Rs.16.6 million had been recovered out of Rs.34 million and got verified by Audit and the concerned D.C.O had also requested to

recover the amount Rs.16 ½ million under arrears of land revenue from the defaulter sugar mills.

The Committee reduced the para to the extent of recovered amount and directed/recommended the department to expedite its efforts for the recovery of outstanding amount.

The para was kept pending.

11.11.2016 The Department explained that there was no progress regarding recovery from three sugar mills because the matter was subjudice in High Court.

The Committee **kept the para pending till** the decision of Court.

7. Para No.5.2.2 Pages 74 & 75 of Audit Report for the year 2010-11; Non-Imposition/Recovery of Penalty on Late Deposit of Cess – Rs.9.324 Million.

5.2.2(a) PDP 14188 Rs.8.700 Million.

5.2.2(b) PDP 14189 Rs.0.624 Million.

2.3.2016 The Department explained that all necessary actions had been taken and got verified by Audit.

On the recommendation of Audit, the Committee **settled the above parts of para.**

Audit Paras (Civil) for the year 2010-11

8. Para No.3.2.1 Page 105 of Audit Report for the year 2010-11; Non Preparation of Proforma Accounts – Rs.114.523 Million.

11.11.2016 The Department explained that Performa account had not maintained since 1982-83, the reason was that in Multan during transportation some record had been destroyed due to which next record could not be maintained while efforts were being made to complete the record which required well trained staff in field of accounting and finance.

The Committee directed the department to complete the whole record within six months under intimation to PAC.

The **para was kept pending.**

9. Para No.3.2.2 Page 106 of Audit Report for the year 2010-11; Un-Authorised Condemnation of Stores – Rs.4.990 Million.

2.3.2016 The Department explained that all the necessary action had been made and record was available for verification.

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

11.11.2016 The Department explained that cost of 22000 bricks amounting to Rs.88,000/-which was pointed out by the audit had been recovered from the contractor while the other issues in the para had already been addressed.

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

10. Para No.3.2.3 Pages 106 & 107 of Audit Report for the year 2010-11; Additional Burden of Interest Due to Irrational Wheat Procurement – Rs.10.525.254 Million.

11.11.2016 The Department explained that Food Department procures wheat as per target fixed by the Federal Government to ensure the support price to the growers and it was decided in ECC meeting that entire stocks of federal Strategic Reserves were disposed of by 31-03-2013 and markup thereof had been calculated as Rs.20.581 billion out of which 100 million had been received from Federal Government through AGPR in Food Account-II. The department further stated that the Chief Secretary Punjab had been made the request to the Secretary, Government of Pakistan, Ministry of Finance, Islamabad for the release of remaining amount of markup liabilities amounting to Rs.19.581 billion but this amount was still pending.

The Committee directed the department that special measures would be taken to resolve this matter within six months and efforts details would be intimated to PAC.

The **para was kept pending.**

11. Para No.3.2.4 Pages 107 to 109 of Audit Report for the year 2010-11; Loss to Government Due to Non Clearance of Loan – Rs.3.649.583 Million.

11.11.2016 The Department explained that several times request had been made to Finance Department for the release of remaining subsidy amount in order to retire the loans obtained from the banks and to minimize the mark up thereon. The department further explained that due to non-release of subsidy the subsidy on wheat had accumulated to Rs.106 billion till the closing of financial year 2015-16.

The Committee directed the department to provide the details of paid interest to PAC within two weeks.

The **para was kept pending.**

12. Para No.3.2.5 Pages 109 & 110 of Audit Report for the year 2010-11; Outstanding Recovery Against Officials – Rs.243.463 Million.

3.2.5.1 Director Food, Lahore – Rs.7,096,357/-

3.2.5.2 District Food Controller, I Lahore – Rs.1,354,000/-
3.2.5.3 District Food Controller, II Lahore – Rs.3,763,000/-
3.2.5.4 District Food Controller, Faisalabad – Rs.1,487,000/-
3.2.5.6 District Food Controller, Bahawalnager – Rs.49,133,314/-
3.2.5.7 District Food Controller, Bahawalpur – Rs.115,085,998/-
3.2.5.8 District Food Controller, Gujranwala – Rs.9,203,000/-
3.2.5.9 Deputy Director Food, Gujranwala – Rs.44,797,481/-
3.2.5.10 District Food Controller, Sheikhpura – Rs.276,753/-

11.11.2016 The Department explained that partial recoveries had been made and efforts were being made to recover the outstanding amount under the Arrears of land revenue from the said officials.

The Committee reduced the above paras to the extent of recovered amount.

The paras were kept pending.

13. Para No.3.2.5
3.2.5.5 Deputy Director Food, Faisalabad – Rs.11,266,000/-

2.3.2016 The Department explained that this para pertains to 1980-81 and 1991-92 and Rs.455,000/- had been recovered out of Rs.11.26 Million. The department further explained that most of the employees had been died which were defaulters.

The Committee directed/ recommended the department that details of recoveries be provided to PAC within 60 days and the para was reduced to the extent of recovered amount. The Committee further directed/recommended that the outstanding amount be declared as arrear of land revenue under the Land Revenue Act.

The para was kept pending.

11.11.2016 The Department explained that partial recoveries had been made and efforts were being made to recover the outstanding amount under the Arrears of land revenue from the said officials.

The Committee reduced the above para to the extent of recovered amount.

The para was kept pending.

14. Para No.3.2.6 Pages 110 & 111 of Audit Report for the year 2010-11;
Non Deduction of Income Tax – Rs.6.264 Million.

3.2.6.1 District Food Controller, Okara – Rs.183,574/-
3.2.6.5 District Food Controller, Sahiwal – Rs.122,459/-

2.3.2016 The Department explained that the required amount of Income Tax had been recovered from the concerned flour mills and deposited into government treasury.

The Audit point out that Income Tax deposited pertains to tax period for the year 2010-11 instead of tax period of para i.e. 2009-10.

The Committee settled the above paras subject to verifications of all the relevant record regarding income tax by Audit.

11.11.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in all above paras.

On the recommendation of Audit; the **Committee settled the all above paras.**

15. **Para No.3.2.6**
3.2.6.2 District Food Controller, I, Lahore – Rs.727,469/-

3.2.6.3 District Food Controller, II Lahore – Rs.1,629,620/-

11.11.2016 The Department explained that Flour mills had filed writ petition in Lahore high Court against the department and the court had suspended the operation of department on impugned notices issued by department.

The Committee directed the department to pursue the matter in court vigorously.

The **paras were kept pending.**

3.2.6.10 District Food Controller, Rawalpindi – Rs.1,184,917/-

11.11.2016 The Department explained that whole amount had been recovered and record was available for verification.

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

16. **Para No.3.2.6**
3.2.6.4 District Food Controller, Multan – Rs.777,188/-

17. **Para No.3.2.6**
3.2.6.7 District Food Controller, Jhang – Rs.148,708/-

2.3.2016 The Department explained that all necessary actions had been taken and got verified by Audit.

On the recommendation of Audit, the Committee settled the paras.

18. **Para No.3.2.6 Pages 110 & 111 of Audit Report for the year 2010-11;
Non Deduction of Income Tax – Rs.6.264 Million.**
-

3.2.6.6 District Food Controller, T.T. Singh – Rs.116,852/-

3.2.6.8 District Food Controller, Kasur – Rs.203,494/-

3.2.6.9 District Food Controller, Sargodha – Rs.635,172/-

3.2.6.12 District Food Controller, Sheikhpura – Rs.82,569/-

19. **Para No.3.2.7 Pages 111 & 112 of Audit Report for the year 2010-11;
Non Forfeiture of Suppliers' Security – Rs.2.972 Million.**
-

11.11.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in all above paras.

On the recommendation of Audit; the Committee settled the all above paras.

20. **Para No.3.2.6 Pages 110 & 111 of Audit Report for the year 2010-11;
Non Deduction of Income Tax – Rs.6.264 Million.**
-

3.2.6.11 District Food Controller, Gujranwala – Rs.451,677/-

2.3.2016 The Department explained that an amount of Rs.157,571/- had been recovered from concerned flour mills as Income Tax out of Rs.451,677/- and efforts were being made for outstanding amount of Rs.294,104/-.

The Committee reduced the para to the extent of recovered amount subject to verification by Audit.

The para was kept pending.

11.11.2016 The Department explained that partial recovery had been made from some flour mills and efforts were being made to affect the outstanding amount.

The Committee directed the department to effect the recovery at earliest as soon as possible.

The para was kept pending.

21. **Para No.3.2.8 Pages 112 & 113 of Audit Report for the year 2010-11;
Supply of Subsidized Flour to Ghost/Non-Functional Tandoors.**
-

2.3.2016 The Department explained that local administration approved these 16 tandoors for the Sasti Roti Scheme and Food department supplied atta, when local administration communicated to stop the delivery of atta, accordingly Food department discontinued the supply of atta at these tandoors.

The Committee directed/recommended the department that a Committee be constituted under the Chairmanship of Secretary Food and Secretary Revenue department and Secretary Industries department would be the members of the Committee and this Committee would submit a detailed inquiry report on the issue regarding ghost/non-functional tandoors and supply given to them to PAC within 4 months.

The para was kept pending.

11.11.2016 The Department explained that in compliance with last PAC directive, the inquiry committee had been constituted and report would be finalized at earliest.

The Committee directed the department to submit its inquiry report to PAC within 45 days.

The para was kept pending.

22. Para No.3.2.9 Pages 113 & 114 of Audit Report for the year 2010-11; Non Recovery of Cost of Wheat – Rs.103.894 Million.

11.11.2016 The Department explained that out of total recovery Rs.101 million had been recovered and efforts were being made for outstanding amounts.

The Committee reduced the para to the extent of recovered amount.

The para was kept pending.

23. Para No.3.2.10 Pages 114 & 115 of Audit Report for the year 2010-11; Non Deposit of Sale Proceeds into Government Treasury – Rs.11.525 Million.

2.3.2016 The Department explained that all necessary action had been taken and got verified by Audit.

The Committee directed/recommended the department that reconciliation be made with A.G./DAO on monthly basis and **the para was settled.**

24. Para No.3.2.11 Pages 115 & 116 of Audit Report for the year 2010-11; Non Recovery of Wheat Cost from Flour Mills/Firm – Rs.7.587 Million.

11.11.2016 The Department explained that Rs.2.4millions had been recovered out of total Rs.7.587millions and efforts were being made to affect the outstanding recovery.

The Committee reduced the para to the extent of recovered amount and its verification by audit.

The para was kept pending.

**25. Para No.3.2.12 Pages 116 & 117 of Audit Report for the year 2010-11;
Non Recovery of Rent of Godowns – Rs.4.954 Million.**

2.3.2016 The Department explained that there were some godowns of food department situated at Gulberg, Lahore and occupied by health and education departments for storing of medicine and books respectively, while department was going to convert these godowns into departmental offices. The department further explained that as both were government departments and there was no loss to government exchequer.

The Committee directed/recommended the department to resolve the issue with other department within 6 months under intimation to PAC.

The para was kept pending.

11.11.2016 The Department explained that some godowns had been rented to education and health department and effort were being made to recover this rent amount from the concerned departments.

The Committee directed the department to expedite this process at earliest.

The **para was kept pending.**

HEALTH

The Committee examined the Accounts of the Health Department in its meetings held on 4.8.2014, 5.8.2014, 6.8.2014, 2.11.2015, 3.11.2015, 4.11.2015, 2.8.2016 and 3.8.2016 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010/PC24010 (010) – General Administration Page 225 of Appropriation Accounts for the year 2010-11.

07-Health
076-Health Administration
0761-Administration
076101-Administration
LQ4074-Health Department.

Final Grant	Rs.123,613,000/-
Actual Expenditure	Rs.115,886,527/-
Saving	(-) Rs. 7,726,473/-
Percentage	6.25%

4.8.2014 The A.G. Punjab pointed out that reconciliation of the accounts had yet to be made in the above item.

The Committee kept the above grant pending for reconciliation by A.G. Punjab and Finance Department.

2.11.2015 The A.G. Punjab apprised that reconciliation had been done with department in compliance with last PAC directive and there was overall saving of 6.25%.

The Department explained that some post of gazetted and non-gazetted staff were remained vacant during the Financial year due to ban imposed by the government, but there was some excess under the head repair and Maintenance because during the financial year 2010-11 Government of the Punjab withdraw funds from various object codes having Object Code A13-Repair and Maintenance resultantly the already incurred expenditure became over expenditure.

The Committee settled the grant subject to regularization of excess expenditure by Finance Department.

2.8.2016 The Department explained that in compliance with last PAC directive, the matter had been forwarded to Finance Department for regularization of excess expenditures.

The Finance Department apprised the Committee that incomplete case had received on 30.05.2016 which had been sent back to Administrative Department to comply with the PAC Directive.

The Committee directed/recommended that the Administrative Department to complete the inquiry report and submit to Finance Department within 30 days.

The grant was kept pending.

2. Grant No.PC21010/PC24010 (010) – General Administration Page 226 of Appropriation Accounts for the year 2010-11.

07-Health
076-Health Administration
0761-Administration
076101-Administration
LQ4105-Drug Courts.

Final Grant	Rs.28,328,000/-
Actual Expenditure	Rs.22,695,062/-
Saving	(-) Rs. 5,632,938/-
Percentage	19.88%

3. Grant No.PC21016 (016) – Health Services Pages 227 to 275 of Appropriation Accounts for the year 2010-11.

i) 07-Health
073-Hospital Services
0731-General Hospital Services
073101-General Hospital Services
LQ4012-Gujranwala Medical College.

Final Grant	Rs.53,000,000/-
Actual Expenditure	Rs.38,407,106/-
Saving	(-) Rs.14,592,894/-
Percentage	27.53%

ii) 07-Health
073-Hospital Services
0731-General Hospital Services
073101-General Hospital Services
LQ4046-Sahiwal Medical College.

Final Grant	Rs.53,000,000/-
Actual Expenditure	Rs.34,437,738/-
Saving	(-) Rs.18,562,262/-
Percentage	35.02%

iii) 07-Health
073-Hospital Services
0731-General Hospital Services

073101-General Hospital Services
LQ4169-Other Hospitals & Dispensaries Mufassil Hospitals & Dispensaries.

Final Grant	Rs.215,191,000/-
Actual Expenditure	Rs.205,028,875/-
Saving	(-) Rs. 10,162,125/-
Percentage	4.72%

- iv) 07-Health
073-Hospital Services
0731-General Hospital Services
073101-General Hospital Services
LW4096-Punjab Institute of Preventive Ophthalmology Lahore.

Final Grant	Rs.36,358,000/-
Actual Expenditure	Rs.32,062,888/-
Saving	(-) Rs. 4,295,112/-
Percentage	11.81%

- v) 07-Health
073-Hospital Services
0731-General Hospital Services
073101-General Hospital Services
MP4005-Nishtar Hospital/NMC Multan.

Final Grant	Rs.1,689,548,000/-
Actual Expenditure	Rs.1,498,674,728/-
Saving	(-) Rs. 190,873,272/-
Percentage	11.30%

4.8.2014 The Department explained that accounts had been reconciled with A.G. Punjab and savings in all above items were due to vacant posts which were not filled due to ban imposed by government.

The Committee was satisfied with the explanation of the department hence **the all above items were settled** and the Committee directed/recommended that department would remain careful in surrendering of funds in future.

4. Grant No.PC21016 (016) – Health Services Pages 227 to 275 of
Appropriation Accounts for the year 2010-11.

- i) 07-Health
073-Hospital Services
0731-General Hospital Services
073101-General Hospital Services
BO4002-BV Hospital/QAMC Bahawalpur.

Final Grant	Rs.1,505,003,000/-
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Actual Expenditure	Rs.1,458,977,740/-
Saving	(-) Rs. 46,025,260/-
Percentage	3.06%

4.8.2014 The A.G. Punjab pointed out that reconciliation of the accounts had yet to be made in the above item.

The Committee kept the above item pending for reconciliation by A.G. Punjab and Finance Department.

2.11.2015 The Department explained that accounts had been reconciled with A.G. Punjab and Finance Department in compliance with PAC directive and Finance Department had reconciled the budget figures and regularized excess expenditures and there was overall 3.06% saving which occurred due to the enforcement of austerity measures by the government and some posts of Post Graduate Trainees and House Officers remained vacant during the Financial year.

The Committee was satisfied with the explanation of the department and the **item was settled.**

- ii) 07-Health
 - 073-Hospital Services
 - 0731-General Hospital Services
 - 073101-General Hospital Services
 - FQ4001-DHQ Hospital/Allied Hospitals Punjab Medical Colleges Hospital Faisalabad.

Final Grant	Rs.1,651,924,000/-
Actual Expenditure	Rs.1,639,193,992/-
Saving	(-) Rs. 12,730,008/-
Percentage	0.77%

- iii) 07-Health
 - 073-Hospital Services
 - 0731-General Hospital Services
 - 073101-General Hospital Services
 - LQ4171-Lahore General Hospital PGMI Lahore.

Final Grant	Rs.1,214,148,000/-
Actual Expenditure	Rs.1,206,708,271/-
Saving	(-) Rs. 7,439,729/-
Percentage	0.61%

- iv) 07-Health
 - 073-Hospital Services
 - 0731-General Hospital Services
 - 073101-General Hospital Services
 - LQ4172-Jinnah Hospital AIMC Lahore.

Final Grant	Rs.1,544,314,000/-
Actual Expenditure	Rs.1,504,662,857/-
Saving	(-) Rs. 39,651,143/-
Percentage	2.57%

- v) 07-Health
073-Hospital Services
0731-General Hospital Services
073101-General Hospital Services
LQ4176-Servcies Hospital/SIMS Lahore.

Final Grant	Rs.1,557,303,000/-
Actual Expenditure	Rs.1,527,358,730/-
Saving	(-) Rs. 29,944,270/-
Percentage	1.92%

- vi) 07-Health
073-Hospital Services
0731-General Hospital Services
073101-General Hospital Services
LQ5879-Mayo Hospital Lahore.

Final Grant	Rs.1,880,362,000/-
Actual Expenditure	Rs.1,843,992,121/-
Saving	(-) Rs. 36,369,879/-
Percentage	1.93%

- vii) 07-Health
073-Hospital Services
0731-General Hospital Services
073101-General Hospital Services
LQ5883-Lady Aitcheson Hospital Lahore.

Final Grant	Rs.144,440,000/-
Actual Expenditure	Rs.142,318,164/-
Saving	(-) Rs. 2,121,836/-
Percentage	1.47%

4.8.2014 The A.G. Punjab pointed out that reconciliation of the accounts had yet to be made in all above items.

The Committee kept the all above items pending for reconciliation by A.G. Punjab and Finance Department.

2.11.2015 The Department explained that accounts had been reconciled with A.G. Punjab and excess expenditures had been regularized by Finance Department, in Compliance with last PAC directive, there was very nominal savings in all above items and within permissible limit of 5%.

The Committee was satisfied with the reply of department and the **items were settled.**

viii) 07-Health
073-Hospital Services
0731-General Hospital Services
073101-General Hospital Services
FQ4551-Faisalabad Institute of Cardiology Faisalabad.

Final Grant	Rs.390,406,000/-
Actual Expenditure	Rs.382,803,209/-
Saving	(-) Rs. 7,602,791/-
Percentage	1.95%

4.8.2014 The A.G. Punjab pointed out that reconciliation of the accounts had yet to be made in the above item.

The Committee kept the above item pending for reconciliation by A.G. Punjab and Finance Department.

2.11.2015 The Department explained that accounts had been reconciled with A.G. Punjab and Finance Department in compliance with last PAC directive and there was overall saving of 1.95% which was very nominal and within the permissible limit of 5%.

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

ix) 07-Health
073-Hospital Services
0731-General Hospital Services
073101-General Hospital Services
LQ4168-Pediatric Hospital / Institute Lahore Nursing School-Cum-Hostel.

Final Grant	Rs.903,596,000/-
Actual Expenditure	Rs.909,659,669/-
Saving	(-) Rs. 6,063,669/-
Percentage	0.67%

4.8.2014 The A.G. Punjab pointed out that reconciliation of the accounts had yet to be made in the above item.

The Committee kept the above item pending for reconciliation by A.G. Punjab and Finance Department.

2.11.2015 The Department explained that accounts had been reconciled with A.G. Punjab and Finance Department for the budget figures, in compliance with last PAC directive and excess expenditures had been occurred due to the posting of various doctors in Basic Health Units after surrenders of surplus funds.

The Committee directed/recommended the department to revamp the system regarding BHUs and RHCs and equip them with proper staff and ensure availability of medicines/equipment and **the item was settled.**

- x) 07-Health
 073-Hospital Services
 0731-General Hospital Services
073101-General Hospital Services
LQ4173-Punjab Institute of Cardiology.

Final Grant	Rs.1,161,217,000/-
Actual Expenditure	Rs.1,097,597,238/-
Saving	(-) Rs. 63,619,762/-
Percentage	5.48%

4.8.2014 The A.G. Punjab pointed out that reconciliation of the accounts had yet to be made in the above item.

The Committee kept the above item pending for reconciliation by A.G. Punjab and Finance Department.

2.11.2015 The Department explained that accounts had been reconciled with A.G. Punjab and excess expenditures had been regularized by Finance Department, in Compliance with last PAC directive, and overall 5.48% saving had been occurred because some post of various categories remained vacant during the financial year.

The Committee was satisfied with the explanation of department and **the item was settled.**

- xi) 07-Health
 073-Hospital Services
 0731-General Hospital Services
073101-General Hospital Services
LQ4175-Ganga Ram Hospital/FJMC Lahore.

Final Grant	Rs.1,078,622,000/-
Actual Expenditure	Rs. 875,111,136/-
Saving	(-) Rs. 203,510,864/-
Percentage	18.87%

4.8.2014 The A.G. Punjab pointed out that reconciliation of the accounts had yet to be made in the above item.

The Committee kept the above item pending for reconciliation by A.G. Punjab and Finance Department.

2.11.2015 The Department explained that accounts had been reconciled with A.G. Punjab and excess expenditures had been regularized by the Finance Department, in Compliance with last PAC directive, and there was a saving of 18.87% in the final grant.

The A.G. Punjab pointed out that department had cleared previous year's liability in lieu of salaries in the next financial year that resulted in saving.

The Finance Department stated that it was a lapsable budget which lapsed on 30.06.2011 and the said cheque could not be cleared in the next financial year and it required to be probed.

On the recommendation of Finance Department, the Committee directed the department to probe the matter within 90 days and report to PAC.

The item was kept pending.

2.8.2016 The Department explained that in compliance with last PAC directive, the probe was conducted by Director Finance, Punjab Institute of Cardiology, Lahore and it was observed that huge saving was reflected due to wrong entries by T.O. and actual saving was nominal.

The Committee **settled the grant subject to** reconciliation of grant by A.G. Punjab.

5. Grant No.PC21016 (016) – Health Services Pages 227 to 275 of Appropriation Accounts for the year 2010-11.

- i) 07-Health
073-Hospital Services
0731-General Hospital Services
073101-General Hospital Services
LQ4167-Dental Hospital Lahore.

Final Grant	Rs.89,692,000/-
Actual Expenditure	Rs.88,717,167/-
Saving	(-) Rs. 974,833/-
Percentage	1.09%

- ii) 07-Health
073-Hospital Services
0731-General Hospital Services
073101-General Hospital Services
LQ5882-Lady Willington Hospital Lahore.

Final Grant	Rs.303,671,000/-
Actual Expenditure	Rs.288,153,874/-
Saving	(-) Rs. 15,517,126/-
Percentage	5.11%

- iii) 07-Health
 073-Hospital Services
 0731-General Hospital Services
073101-General Hospital Services
MP4009-Multan Institute of Cardiology Multan.

Final Grant	Rs.445,189,000/-
Actual Expenditure	Rs.421,564,065/-
Saving	(-) Rs. 23,624,935/-
Percentage	5.31%

4.8.2014 The Department explained that accounts had been reconciled with A.G. Punjab in all above items and savings were very nominal which were relating to salary and allowances.

The Committee **settled the all above items.**

- iv) 07-Health
 073-Hospital Services
 0731-General Hospital Services
073101-General Hospital Services
LQ4035-Sialkot Medical College.

Final Grant	Rs.54,000,000/-
Actual Expenditure	Rs.54,000,000/-
Excess/Saving	Rs.0/-
Percentage	0.00%

4.8.2014 The Department explained that accounts had been reconciled with A.G. Punjab and excess/saving was nil, because the funds were 100% utilized.

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

- v) 07-Health
 073-Hospital Services
 0731-General Hospital Services
073101-General Hospital Services
LQ4179-Punjab Rural Support Program.

Final Grant	Rs.0/-
Actual Expenditure	Rs. 0/-
Excess/Saving	Rs.0/-
Percentage	0.00%

- vi) 07-Health
 073-Hospital Services
 0731-General Hospital Services

073101-General Hospital Services
LQ4458-Provision of Free Medicine to DHQ & THQ Hospital.

Final Grant	Rs.0/-
Actual Expenditure	Rs. 0/-
Excess/Saving	Rs.0/-
Percentage	0.00%

- vii) 07-Health
073-Hospital Services
0731-General Hospital Services
073101-General Hospital Services
LQ4469-Lump Sum Provision for Kidney Center in Public Sector Hospital.

Final Grant	Rs.0/-
Actual Expenditure	Rs. 0/-
Excess/Saving	Rs.0/-
Percentage	0.00%

- viii) 07-Health
073-Hospital Services
0731-General Hospital Services
073101-General Hospital Services
LQ4470-Block Allocation from M&R Buildings for Health Department.

Final Grant	Rs.0/-
Actual Expenditure	Rs. 0/-
Excess/Saving	Rs.0/-
Percentage	0.00%

4.8.2014 The Department explained that no release /expenditure involved in above items. Therefore, no comments/proceeding required so these items may kindly be settled.

The explanation of the department was accepted and **the above items were dropped.**

- ix) 07-Health
073-Hospital Services
0731-General Hospital Services
073101-General Hospital Services
LQ4166-Model Chest Clinic Lahore.

Final Grant	Rs.5,970,000/-
Actual Expenditure	Rs.5,396,588/-
Saving	(-) Rs. 573,412/-
Percentage	9.60%

4.8.2014 The Department explained that accounts had been reconciled with A.G. Punjab and saving was due to the death of a dispenser and less claims of utility expenses.

The Committee was satisfied with departmental explanation and **item was settled.**

x) 07-Health
073-Hospital Services
0731-General Hospital Services
073101-General Hospital Services
LQ4471-Nishtar Institute of Dentistry Multan.

Final Grant	Rs.86,407,000/-
Actual Expenditure	Rs.70,241,103/-
Saving	(-) Rs.16,165,897/-
Percentage	18.71%

4.8.2014 The Department explained that accounts had been reconciled with A.G. Punjab and operating expenses were exceeded due to some unavoidable circumstances.

The Committee was not satisfied with department reply and directed/recommended the department to brief the Committee in detailed operating expenses on 6 August 2014.

The item was kept pending till 6th August 2014.

5.8.2014 The Department explained that according to the information of drugs court and Nishtar Institute of Dentistry, there were total 17 seats out of which 3, seats vacated in drugs court, Lahore and 10 seats were vacated in Rawalpindi and these all seats were of category 4 employees and there was ban on the recruitment of these seats. The department further explained that the major component of saving was more than 80% on the part of electricity.

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

xi) 07-Health
073-Hospital Services
0731-General Hospital Services
073101-General Hospital Services
LQ4543-D.G Khan Medical College.

Final Grant	Rs.50,000,000/-
Actual Expenditure	Rs.0/-
Saving	(-) Rs.50,000,000/-
Percentage	100.00%

4.8.2014 The Department explained that the accounts had been reconciled with A.G. Punjab and saving was because the classes of first two years 2010-11 and 2011-12 were held within the premises of QAMC and QAMC their own budget.

The Committee was not satisfied with the departmental reply and directed/recommended the department to hold an inquiry to fix the responsibility for such a lapse of funds and report to PAC within 30 days.

The item was kept pending.

2.11.2015 The Department explained that in compliance with last PAC directive an inquiry had been conducted which had been seen and verified by A.G. Punjab. The department further explained that at that time building of D.G. Khan Medical College was under construction and interim classes were being conducted within the premises of Quaid-e-Azam Medical College Bahawalpur. The administration of QAMC met the expenditure of such classes from their own budget and funds were kept so that the registration process of the said college was not hindered.

The representative of A.G. Punjab endorsed the statement of department.

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

xii) 07-Health
073-Hospital Services
0731-General Hospital Services
073101-General Hospital Services
MP4010-Children Complex Multan PH-II.

Final Grant	Rs.253,725,000/-
Actual Expenditure	Rs.256,631,235/-
Excess	(+) Rs. 2,906,235/-
Percentage	1.15%

4.8.2014 The Department explained that accounts had been reconciled with A.G. Punjab and excess was due to the amount of stipends which was paid to trainee doctors.

As the excess was relating to pay of doctors Committee accepted the explanation of the department and **item was settled.**

6. Grant No.PC21016 (016) – Health Services Pages 252 to 275 of Appropriation Accounts for the year 2010-11.

i) 07-Health
073-Hospital Services
0731-General Hospital Services
073101-General Hospital Services
RA4004-Tuberculosis Sanatorium Sami.

Final Grant	Rs.56,995,000/-
Actual Expenditure	Rs.55,623,515/-
Saving	(-) Rs. 1,371,485/-
Percentage	2.41%

5.8.2014 The Accountant General Punjab stated that accounts had been reconciled and there was a saving of Rs.1,371,485/- which was 2.41% of the final grant.

The Department explained that there was minor savings against various sub-heads and requested for settlement of the above item.

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

- ii) 07-Health
 - 073-Hospital Services
 - 0731-General Hospital Services
 - 073101-General Hospital Services
 - RA4005-DHQ/RGH/Holy Family Hospital/RMC Rawalpindi.

Final Grant	Rs.2,000,693,000/-
Actual Expenditure	Rs.1,800,549,531/-
Saving	(-) Rs. 200,143,469/-
Percentage	10.00%

5.8.2014 The Accountant General Punjab apprised the Committee that the above item had yet to be reconciled with Finance Department and as well as with A.G. Punjab.

The item was therefore, kept pending with the direction/recommendation that the accounts be reconciled with A.G. Punjab and Finance Department.

2.11.2015 The Department explained that accounts had been reconciled with A.G. Punjab and excess expenditures had been regularized by the Finance Department, in compliance with last PAC directive, and overall 10% saving was occurred because the tender regarding repair of electro medical equipments of H.F.H. was not finalized due to which the funds were lapsed.

The Committee was satisfied and **item was settled.**

- iii) 07-Health
 - 073-Hospital Services
 - 0731-General Hospital Services
 - 073101-General Hospital Services
 - RP4001-Sheikh Zayed Hospital R.Y. Khan.

Final Grant	Rs.748,821,000/-
Actual Expenditure	Rs.703,249,875/-
Saving	(-) Rs. 45,571,125/-

Percentage 6.09%

5.8.2014 The Accountant General Punjab stated that accounts had been reconciled and there was a saving of Rs.45,571,125/- which was 6.09% of the final grant.

The Department explained that savings were mainly under the sub-heads of Regular Allowances, Transfers and Repair and Maintenance because the services of a large number of staff were regularized during financial year and such allowances which were only admissible to the contract employees could not be paid and due to the ban imposed on contingences because of the flood. It was also contended that there was excess expenditure under the sub-head of Pay of Other Staff incurred because of misappropriation.

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

iv) 07-Health
073-Hospital Services
0732-Special Hospital Services
073201-Special Hospital Services (Mental Hospital)
LQ4181-Mental Hospital.

Final Grant	Rs.316,590,000/-
Actual Expenditure	Rs.292,426,627/-
Saving	(-) Rs. 24,163,373/-
Percentage	7.63%

5.8.2014 The Accountant General Punjab stated that expenditure figures had been reconciled and there was a saving of Rs.24,163,373/- which was 7.63% of the final grant but the department didn't agree with the budget figures compiled by the Finance Department.

The Department explained that saving mainly occurred under the sub-head of Operating Allowances because Procurement of Medicine couldn't be completed for Rs.10 million due to non-finalization of revised MRP by the Ministry of Federal Government and the claims for Rs.12 million couldn't be materialized due to the late receipt of medicine. Whereas excess expenditure was concerned that was because requisite funds had not been released by the Finance Department.

The item was therefore, kept pending with the direction/recommendation the accounts be reconciled with Finance Department.

2.11.2015 The Department explained that accounts had been reconciled with A.G. Punjab and excess expenditures had been regularized by Finance Department, in Compliance with last PAC directive, and overall 7.63% saving was occurred because 119 posts out of 897 posts were remained vacant during the financial year.

The Committee was satisfied with the explanation of the department and **the item was settled.**

- v) 07-Health
 074-Public Health Services
 0741-Public Health Services
074104-Chemical Examiner & Laboratories
LQ4183-Bacteriological Laboratory.

Final Grant	Rs.12,732,000/-
Actual Expenditure	Rs.12,830,879/-
Excess	(+) Rs. 98,879/-
Percentage	0.78%

- vi) 07-Health
 074-Public Health Services
 0741-Public Health Services
074104-Chemical Examiner & Laboratories
LQ4184-Food Laboratory.

Final Grant	Rs.15,413,000/-
Actual Expenditure	Rs.15,374,044/-
Saving	(-) Rs. 38,956/-
Percentage	0.25%

5.8.2014 The Department explained that the accounts had been reconciled with Accountant General Punjab and excess/saving were very nominal.

The items were accordingly settled.

- vii) 07-Health
 074-Public Health Services
 0741-Public Health Services
074104-Chemical Examiner & Laboratories
LQ4185-Drug Laboratory.

Final Grant	Rs.31,737,000/-
Actual Expenditure	Rs.29,817,075/-
Saving	(-) Rs. 1,919,925/-
Percentage	6.05%

5.8.2014 The Accountant General Punjab stated that accounts had been reconciled and there was saving of Rs.1,919,925/- which was 6.05% of the final grant.

The Department explained that saving was mainly under the sub-head of Operating Allowance because the seat of Director, Laboratory remained vacant during the last quarter of financial year.

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

viii) 07-Health
 074-Public Health Services
 0741-Public Health Services
074104-Chemical Examiner & Laboratories
LQ4542-Chief Chemical Examiner Laboratory Punjab Lahore.

Final Grant	Rs.1,985,000/-
Actual Expenditure	Rs.0/-
Saving	(-) Rs.1,985,000/-
Percentage	100.00%

5.8.2014 The Accountant General Punjab stated that accounts had been reconciled and there was saving of Rs.1,985,000/- which was 100% of the final grant.

The Department explained that the 12 posts were created under SNE for new establishment. Allocation was retained but couldn't be utilized due to non-completion of recruitment process.

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

ix) 07-Health
 076-Hospital Administration
 0761-Administration
076101-Administration
LQ4160-Directorate of Nursing Services Punjab.

Final Grant	Rs.12,724,000/-
Actual Expenditure	Rs.12,368,028/-
Saving	(-) Rs. 355,972/-
Percentage	2.80%

5.8.2014 The Accountant General Punjab stated that accounts had been reconciled and there was saving of Rs.355,972/- which was 2.80% of the final grant.

The Department explained that there was minor savings against various sub-heads and requested for settlement of the above item.

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

x) 07-Health
 076-Hospital Administration
 0761-Administration
076101-Administration
LQ4161-Superintendence.

Final Grant	Rs.538,412,000/-
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Actual Expenditure	Rs.449,224,894/-
Saving	(-) Rs. 89,187,106/-
Percentage	16.56%

5.8.2014 The Accountant General Punjab stated that accounts had been reconciled and there was saving of Rs.89,187,106/- which was 16.56% of the final grant.

The Department explained that savings were mainly under the sub-heads of Operating Allowances and Physical Assets because the Finance Department provided the funds through supplementary grant for the flood effected districts and couldn't be fully utilized due to some codal formalities while some utility bills were also received very late which resulted in the lapse of funds. However, excess expenditure under the head of Repair & Maintenance needed to be reconciled with Finance Department.

The Committee was not satisfied with the explanation of the department and showed its displeasure on non-utilization of funds.

The item was kept pending for reconciliation of account with Finance Department.

2.11.2015 The Department explained that accounts had been reconciled with A.G. Punjab and excess expenditures had been regularized by Finance Department, in Compliance with last PAC directive, and overall 16.56% saving was occurred because savings were exercised due to non receipt of re-imbursement of expected medical claims of officers/officials and some savings were also exercised under allocation for leave salary while the utilization was less than the expected.

The Committee was satisfied with the explanation of the department and **the item was settled.**

- xi) 07-Health
 - 076-Hospital Administration
 - 0761-Administration
 - 076101-Administration
 - LQ4162-Grant in-Aid.

Final Grant	Rs.1,287,982,000/-
Actual Expenditure	Rs. 311,718,000/-
Saving	(-) Rs. 976,264,000/-
Percentage	75.80%

5.8.2014 The Accountant General Punjab stated that accounts had been reconciled and there was saving of Rs.976,264,000/- which was 75.80% of the final grant.

The Department explained this item relates to the funds reserved against Grant in Aid and saving mainly occurred due to the non-utilization of funds allocated for the establishment for Balochistan Institute of Cardiology in Quetta but couldn't be utilized due to the security related issues in the Provinces of Balochistan.

The Finance Department apprised the Committee Grant in Aid disbursed through Secretary, Health and the item needs reconciliation.

The item was conditionally settled subject to the reconciliation by Finance Department and A.G. Punjab.

2.11.2015 The Department explained that accounts had been reconciled with A.G. Punjab and Finance Department, in compliance with last PAC directive and saving was occurred due to non-utilization of funds allocated for establishment of Balochistan Institute of Cardiology. The department further explained that process was completed but could not be materialized due to security issues in Balochistan Province and due to the commitment of Punjab Government with the Balochistan Government the Health Department did not surrender the funds.

Keeping in view the commitment of the Punjab Government, the Committee was lenient and **the item was settled.**

xii) 07-Health
076-Hospital Administration
0761-Administration
076101-Administration
LQ4163-Provincial Blood Transfusion.

Final Grant	Rs.271,613,000/-
Actual Expenditure	Rs.267,010,484/-
Saving	(-) Rs. 4,602,516/-
Percentage	1.69%

5.8.2014 The Accountant General Punjab stated that accounts had been reconciled and there was saving of Rs.4,602,516/- which was 1.69% of the final grant.

The Department explained that there was minor savings and requested for settlement of the above item.

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

xiii) 07-Health
076-Hospital Administration
0761-Administration
076101-Administration
LQ4164-Central Medical Equipment Repair Workshop Lahore.

Final Grant	Rs.6,708,000/-
Actual Expenditure	Rs.5,552,916/-
Saving	(-) Rs.1,155,084/-
Percentage	17.22%

5.8.2014 The Accountant General Punjab stated that accounts had been reconciled and there was saving of Rs.1,155,084/- which was 17.22% of the final grant.

The Department explained that saving had occurred because some posts were lying vacant during the financial year.

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

- xiv) 07-Health
076-Hospital Administration
0761-Administration
076101-Administration
LQ4165-Audit Cell.

Final Grant	Rs.8,612,000/-
Actual Expenditure	Rs.8,363,682/-
Saving	(-) Rs. 248,318/-
Percentage	2.88%

- xv) 07-Health
076-Hospital Administration
0761-Administration
076101-Administration
MP4004-Central Medical Equipment Repair Workshop Multan.

Final Grant	Rs.4,659,000/-
Actual Expenditure	Rs.4,594,687/-
Saving	(-) Rs. 64,313/-
Percentage	1.38%

- xvi) 07-Health
076-Hospital Administration
0761-Administration
076101-Administration
SQ4001-Central Medical Equipment Repair Workshop Sargodha.

Final Grant	Rs.4,186,000/-
Actual Expenditure	Rs.4,321,896/-
Excess	(+) Rs. 135,896/-
Percentage	3.25%

- xvii) 09-Education Affairs & Services
093-Tertiary Education Affairs & Services
0931-Tertiary Education Affairs & Services
093102-Professional/Technical/Universities/Colleges

LQ4154-Medical Schools.

Final Grant	Rs.31,036,000/-
Actual Expenditure	Rs.31,170,168/-
Excess	(+) Rs. 134,168/-
Percentage	0.43%

- xviii) 09-Education Affairs & Services
093-Tertiary Education Affairs & Services
0931-Tertiary Education Affairs & Services
093102-Professional/Technical/Universities/Colleges
LQ4155-College of Nursing Punjab.

Final Grant	Rs.27,978,000/-
Actual Expenditure	Rs.26,853,824/-
Saving	(-) Rs. 1,124,176/-
Percentage	4.02%

5.8.2014 The Department explained that there were minor savings/excesses against various sub-heads and requested for settlement of the above items.

The Committee accepted the explanation of the department and **settled the items.**

- xix) 09-Education Affairs & Services
093-Tertiary Education Affairs & Services
0931-Tertiary Education Affairs & Services
093102-Professional/Technical/Universities/Colleges
LQ4156-College of Community Medicine Lahore.

Final Grant	Rs.132,889,000/-
Actual Expenditure	Rs.117,795,071/-
Saving	(-) Rs. 15,093,929/-
Percentage	11.36%

5.8.2014 The Accountant General Punjab stated that accounts had been reconciled and there was saving of Rs.15,093,929/- which was 11.36% of the final grant.

The Department explained that mainly savings had occurred in the sub-heads of Pay & Allowances because various students of Postgraduate courses didn't produce their Last Pay Certificates from previous Departments that resulted into non-utilization of funds.

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

- xx) 09-Education Affairs & Services
093-Tertiary Education Affairs & Services

0931-Tertiary Education Affairs & Services
093102-Professional/Technical/Universities/Colleges
LQ4157-De-Montmorency College of Dentistry Lahore.

Final Grant	Rs.50,395,000/-
Actual Expenditure	Rs.48,411,975/-
Saving	(-) Rs. 1,983,025/-
Percentage	3.93%

xxi) 09-Education Affairs & Services
 093-Tertiary Education Affairs & Services
 0931-Tertiary Education Affairs & Services
093102-Professional/Technical/Universities/Colleges
LQ4158-Provincial Health Development Center.

Final Grant	Rs.18,635,000/-
Actual Expenditure	Rs.18,246,587/-
Saving	(-) Rs. 388,413/-
Percentage	2.08%

5.8.2014 The Department explained that out of total allocations, only meager amounts couldn't be utilized and requested for the settlement of items.

The items were settled accordingly.

xxii) 09-Education Affairs & Services
 093-Tertiary Education Affairs & Services
 0931-Tertiary Education Affairs & Services
093102-Professional/Technical/Universities/Colleges
LQ4394-School of Allied Health Sciences Children.

Final Grant	Rs.5,556,000/-
Actual Expenditure	Rs.3,258,787/-
Saving	(-) Rs.2,297,213/-
Percentage	41.35%

5.8.2014 The Accountant General Punjab stated that accounts had been reconciled and there was saving of Rs.2,297,213/- which was 41.35% of the final grant.

The Department explained that mainly savings pertains to the sub-heads of Pay & Allowances because the recruitment process against various posts of Officers/Officials couldn't be completed till the end of financial year.

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

xxiii) 09-Education Affairs & Services
 093-Tertiary Education Affairs & Services
 0931-Tertiary Education Affairs & Services

093102-Professional/Technical/Universities/Colleges
LQ4505-University of Health Services.

Final Grant	Rs.30,000,000/-
Actual Expenditure	Rs.26,247,745/-
Saving	(-) Rs. 3,752,255/-
Percentage	12.51%

5.8.2014 The Accountant General Punjab stated that accounts had been reconciled and there was saving of Rs.3,752,255/- which was 12.51% of the final grant.

The Department explained that an amount of Rs.30 million was released to University of Health sciences to conduct the entrance test for the admission in Medical/Dental Colleges. Since the funds were allocated for a specific object therefore, the unspent balance couldn't be spent on any other object in the light of the directions of Health Department.

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

- xxiv) 09-Education Affairs & Services
093-Tertiary Education Affairs & Services
0931-Tertiary Education Affairs & Services
093102-Professional/Technical/Universities/Colleges
LQ5242-Public Health Nursing School in Punjab.

Final Grant	Rs.162,706,000/-
Actual Expenditure	Rs.153,144,277/-
Saving	(-) Rs. 9,561,723/-
Percentage	5.88%

5.8.2014 The Accountant General Punjab stated that accounts had been reconciled and there was saving of Rs.9,561,723/- which was 5.88% of the final grant.

The Department explained that mainly savings occurred because of less draws of stipend by Lady Health Workers during the absence period and due to receipt of electricity bills less than expected.

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

- xxv) 09-Education Affairs & Services
093-Tertiary Education Affairs & Services
0931-Tertiary Education Affairs & Services
093102-Professional/Technical/Universities/Colleges
LQ5878-School Nursing at Mayo Hospital Lahore.

Final Grant	Rs.44,588,000/-
Actual Expenditure	Rs.43,270,427/-

Saving	(-) Rs. 1,317,573/-
Percentage	2.95%

xxvi) 09-Education Affairs & Services
093-Tertiary Education Affairs & Services
0931-Tertiary Education Affairs & Services
093102-Professional/Technical/Universities/Colleges
LW4113-King Edward Medical University Lahore.

Final Grant	Rs.379,342,000/-
Actual Expenditure	Rs.376,436,946/-
Saving	(-) Rs. 2,905,054/-
Percentage	0.77%

5.8.2014 The savings being within the permissible limit, **the above items were settled.**

7. Grant No.PC13034 (034) – State Trading in Medical Stores & Coal: (All Voted) Page 276 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
041-General Economic, Commercial & Labour Affair
0414-State Trading
041403-Medical Stores
LQ4390-Medical Stores Depot (LO4390).

Final Grant	Rs.20,917,000/-
Actual Expenditure	Rs.20,480,375/-
Saving	(-) Rs. 436,625/-
Percentage	2.09%

5.8.2014 The Department explained that accounts had been reconciled with A. G. Punjab and saving was 2.09% which was within permissible limit.

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

8. Grant No.PC22036 (036) – Development : (All Voted) Pages 277 to 280 of Appropriation Accounts for the year 2010-11.

i) 07-Health
073-Hospitals Services
0731-General Hospital Services
073101-General Hospital Services
LE4206-General Hospital Services.

Final Grant	Rs.12,037,043,000/-
Actual Expenditure	Rs. 2,758,613,551/-
Saving	(-) Rs. 9,278,429,449/-

Percentage 77.08%

5.8.2014 There was variation of figures between the Finance Department and the Administrative Department in case of above item.

The Committee kept the item pending with the direction/recommendation that accounts be reconciled at the earliest.

2.11.2015 The representative of A.G. Punjab reported that working papers were received late due to which this item was not verified.

The Committee kept the item pending for the comments of A.G. Punjab.

2.8.2016 The Department explained that in compliance with last PAC directive, the accounts had been reconciled with A.G. Punjab and there was overall saving of 76.91% of final grant and the major saving was under the heads A12 (Civil Works) and A13 (Repair and Maintenance) due coordination with Building Department and construction firms timely.

The Committee was not satisfied with the contention of department and observed that procurement was not made timely. The Committee further directed the department to probe the matter within 30 days and report to PAC.

The item was kept pending.

- ii) 07-Health
074-Public Health Services
0741-Public Hospital Services
074120-Others (Other Health Facilities & Preventive Measures)
LE4216- Others (Other Health Facilities & Preventive Measures).

Final Grant	Rs.20,560,000/-
Actual Expenditure	Rs.95,884,646/-
Excess	(+) Rs.75,324,646/-
Percentage	366.37%

5.8.2014 There was variation of figures between the Finance Department and the Administrative Department in case of above item.

The Committee kept the item pending with the direction/recommendation that accounts be reconciled at the earliest.

2.11.2015 The representative of A.G. Punjab reported that working papers were received late due to which this item was not verified.

The Committee kept the item pending for the comments of A.G. Punjab.

	<u>A.G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.20,560,000/-	Rs.14,890,000/-
Actual Expenditure	Rs. 95,884,646/-	Rs.14,846,000/-
Excess/Saving	(+) Rs. 75,324,646/-	(-) Rs. 44,000/-
Percentage	366.37%	0.30%

2.8.2016 The Department explained that in compliance with the last PAC directive the accounts had been reconciled with A.G. Punjab and there was overall saving of 0.30% which was very nominal and within the permissible limit of 5%.

The Committee was satisfied with reply of department and **the item was settled.**

- iii) 07-Health
073-Hospitals Services
0731-General Hospital Services
073101-General Hospital Services
LE4211-General Hospital Services.

Final Grant	Rs.5,075,000/-
Actual Expenditure	Rs.2,725,660/-
Saving	(-) Rs.2,349,340/-
Percentage	46.29%

5.8.2014 The Accountant General Punjab stated that accounts had been reconciled and there was saving of Rs.2,349,340/- which was 46.29% of the final grant.

The Department explained that Savings occurred because Project Management Unit of the hospital had been abolished by the Government and the funds reserved for the pay and allowances of the Employees couldn't be fully utilized.

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

Audit Paras (Commercial) for the year 2010-11

(Punjab Health Foundation Lahore)

9. Para No.4.2.1.1 Page 57 of Audit Report for the year 2010-11; Working Results.

5.8.2014 The Department explained that in compliance of audit observation a sum of Rs.120 Million had been invested in the Bank of Punjab on 21.7.2011 vide TDR No.1584996. The Department further added that some funds were kept in current account for the operational expenditure of the Foundation and interest is also being received on the amount kept in the above mentioned accounts on monthly basis.

The Committee kept the para pending with the directions that matter be referred to the Technical and Finance Committee of the Health Department in order to resolve financial and investment matters.

2.11.2015 The Department explained that as per direction of PAC the matter was placed before Financial and Technical Committee and the Committee recommended that a sum of Rs.100 million may be invested as T.D.R after finding the competitive rates from major scheduled bank. Afterwards case was placed before the Board of Directors in its meeting held on 26.5.2015 and the Board allowed a sum of Rs.100 million as fresh T.D.Rs. The Board also approved a mechanism for investment of available resources. After Board's approval the P.H.F had deposited a sum of Rs.100 million in Bank of Punjab, Multan Road, Lahore who offered the best rates of interest from the rest of scheduled banks. And record had been verified by Audit.

On the recommendation of Audit; **the Committee settled the para**

**10. Para No.4.2.1.2 Page 57 of Audit Report for the year 2010-11;
Working Results.**

5.8.2014 The Department explained that two dormant Bank Accounts as pointed by Audit would be closed and compliance would also be shown to the Audit at the earliest.

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

**11. Para No.4.2.1.3 Pages 57 & 58 of Audit Report for the year 2010-11;
Working Results.**

5.8.2014 The Department explained that out of total investment of Rs.70 million in Trust Investment Bank, an amount of Rs.75.495 million (Rs.62.5 million principal amounts + Rs.12.995 million interest) had already been recovered and hectic efforts being made to recover the remaining balance of Rs.7.50 million and a case had also been referred to FIA. Trust Investment Bank had also filed a case in the Banking Court.

The Committee expressed its displeasure on violation of Government Policy while investing the Surplus Funds and directed/recommended that Administrative Secretary should probe into the matter to fix responsibility for the lapse and report be submitted to the PAC within 60 days.

The para was kept pending.

2.11.2015 The Department explained that money was invested in Trust Investment Bank which was later defaulted and a sum of Rs.7.50 million was need to recover from the Bank and the case was subjudice in Banking Court.

The Committee directed/recommended the department to check the license of bank issued by State Bank of Pakistan and proceed the case accordingly.

The para was kept pending.

2.8.2016 The Department explained that in compliance with last directive of PAC, Security Exchange Commission of Pakistan (SECP) was approached regarding status of license of Trust Investment Bank, the Security and Exchange Commission of Pakistan sources informed through e-mail that the license of Trust Investment Bank was expired on 18-1-2011. Now the case was subjudice in Banking Court and the next date of hearing was on 6.10.2016. The department further stated that Rs.6.20 million had been recovered and department had conducted inquiry against Ex. MD, Mr. Tariq Afridi and he found responsible for the lapse.

The Committee reduced the para to the extent of recovered amount and directed/recommended the department to take legal opinion on inquiry report from S&GAD within 30 days.

The para was kept pending.

12. **Para No.4.2.1.4 Page 58 of Audit Report for the year 2010-11; Working Results.**

13. **Para No.4.2.1.5 Page 58 of Audit Report for the year 2010-11; Working Results.**

14. **Para No.4.4.1.1 Page 64 of Audit Report for the year 2010-11; Working Results.**

15. **Para No.4.4.1.2 Page 64 of Audit Report for the year 2010-11; Working Results.**

16. **Para No.4.4.1.3 Page 65 of Audit Report for the year 2010-11; Working Results.**

17. **Para No.4.4.1.4 Page 65 of Audit Report for the year 2010-11; Working Results.**

18. **Para No.4.4.1.5 Page 65 of Audit Report for the year 2010-11; Working Results.**

5.8.2014 The Department explained that necessary actions in respect of above paras had been taken and relevant record had also been verified by Audit.

On the recommendation of Audit, the paras were settled.

19. **Para No.4.2.1.6 Page 58 of Audit Report for the year 2010-11; Working Results.**

5.8.2014 The Department explained that currently the accounts being maintained on the basis of Single Entry Accounting System due to the non-availability of trained staff. However, the observation regarding Double Entry Accounting System had been noted for future compliance.

The Committee **settled the para with** the direction/recommendation that matter should be referred to the BOD and all the necessary steps should also be taken to switch the accounting system on double entry system.

20. Para No.4.2.2.1 Pages 58 & 59 of Audit Report for the year 2010-11; Theft of Air Conditioning Units and Battery - Rs.0.108 Million.

5.8.2014 The Department explained that an FIR had been lodged. Police had also submitted challan in the Court of Law. The case had been decided and the court had awarded the punishment to the culprit but nothing could be recovered.

The Committee kept the para pending with the direction/recommendation that all the relevant record be produced to the PAC in the next meeting.

2.11.2015 The Audit pointed out that department did not provide relevant record for verification as it was decided by the last PAC dated 05-08-2014.

The Department explained that a private counsel had been hired to get the judgment from court and as soon as it would received the same would be produced to audit for verification.

The Committee settled the para subject to provision of all relevant record to Audit for verification.

2.8.2016 The Department explained that the matter was subjudice and the court is closed till 20.8.2016.

The Committee directed/recommended the department to pursue and resolve this matter within 30 day under intimation to PAC.

The para was kept pending.

21. Para No.4.2.2.2 Pages 59 & 60 of Audit Report for the year 2010-11; Loss Due to Non Forfeiting the Mortgage Properties Against Chronic defaulters – Rs.4.635 Million.

5.8.2014 The Department explained that an amount of Rs.118,999/- had been recovered in case of Dr. Muhammad Ahmad Ramay and efforts were being made to declare the balance outstanding amount as arrears of Land Revenue.

The Committee reduced the para to the extent of recovery verified by Audit and remaining portion of the para was kept pending with the direction/recommendation that recovery should be pursued vigorously.

2.11.2015 The Department explained that there was total recovery Rs.4.635 million out of which Rs.3.734 million had been recovered from the 4 defaulters and all relevant District Coordination Officers were requested to effect the recovery under land Revenue Act 1890, at earliest, but no fruitful results had been seen.

The Committee reduced the para to the extent of recovered amount and directed/recommended the department to recover the remaining balance amount from debtors at earliest.

The para was kept pending.

2.8.2016 The Department explained that in compliance with last PAC directive an amount of Rs.2,000,000/- had been recovered and efforts were being made for recovery of remaining outstanding amount. The department further stated that a list of defaulter doctors had been forwarded to PMDC for cancellation of their licenses.

The Committee reduced the para to the extent of recovered amount and subject to verification by Audit and directed/recommended the department to pursue the matter vigorously.

The para was kept pending.

22. Para No.4.2.2.3 Pages 60 & 61 of Audit Report for the year 2010-11; Unauthorized Payment of Incentive to Employees – Rs.2.205 Million.

5.8.2014 The Department explained that case was placed before the Board of Directors in its meeting held on 31-12-2013 and on the recommendation of Finance and Technical Committee had regularized the incentives. As the Secretary Finance was also the member of the BOD therefore, there is no need to refer the matter to the Finance Department.

The para was settled with the direction/recommendation that matter should be submitted for consideration /advice of the Finance Department for future payment of incentives and further action should be taken accordingly.

23. Para No.4.3.1.1 Page 62 of Audit Report for the year 2010-11; Financial Results.

5.8.2014 The Department explained that Government Medical Stores Depot Lahore was abolish on 05-10-1993 again restored on 10-03-1994 by the Government of Punjab with the change of scope and now it was working as warehouse for receiving, storage and issuing of important life saving drugs. Apart from above, purchases made by the Government on central level are also, stored and issued.

Audit contented that after change in scope Government Medical Stores Depot Lahore shouldn't be taken as Commercial Institution.

The Committee directed/recommended that matter should be taken up with Finance Department in order to take out the MSD from the orbit of the Commercial Audit within 90 days under intimation of PAC.

The para was settled subject to verification by Audit.

2.11.2015 The Department explained that they had requested the Finance Department in writing to exclude M.S.D from Commercial Account since it had stopped making purchases for hospitals and was being used as a warehouse to store medicines as per international standards.

The Finance Department endorsed the contention of department and apprised the Committee that enough time was required to work upon it.

The Committee **settled the para** in the light of audit objection to revamp the M.S.D.

2.8.2016 The Department explained that a scheme of 90 million had been included in ADP for revamping of medical store depot.

The Committee was satisfied with reply of department and **the para was settled.**

**24. Para No.4.3.1.2 Page 62 of Audit Report for the year 2010-11;
Working Results.**

5.8.2014 The Department explained that an amount of Rs.2.577 million was outstanding against various Departments/Organizations of Punjab Government and now a case was being referred to Finance Department in order to write off the outstanding amount as no commercial activity was taking place in MSD, therefore, the chances of recovery were very remote.

The Committee **settled the para with** the direction/recommendation that Finance Department should decide the case of write off the dues at the earliest.

**25. Para No.4.3.1.3 Pages 62 & 63 of Audit Report for the year 2010-11;
Working Results.**

5.8.2014 The Department explained that hectic efforts had been started to auction process of the obsolete items/stocks and the process would be completed till 31-12-2014.

On assurance given by the Administrative Secretary the Committee **settled the para.**

Audit Paras (Civil) for the year 2010-11

(Health Department)

- 26. Para No.5.2.1 Pages 142 & 143 of Audit Report for the year 2010-11; Embezzlement/Misappropriation in Hospital Receipts – Rs.0.283 Million.**
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(Para No.26 & 27 of FJMC and Sir Ganga Ram hospital, Lahore for the year 2009-10)

- 27. Para No.5.2.16 Pages 164 & 165 of Audit Report for the year 2010-11; Non Recovery of Outstanding Utility Charges – Rs.4.563 Million.**
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5.2.16.7 AIMC/Jinnah Hospital, Lahore – Rs.2,530,200/-

4.11.2015 The Department explained that whole amounts had been recovered and record was available for verification.

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

3.8.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in all above paras.

On the recommendation of Audit, the **Committee settled the all above paras.**

- 28. Para No.5.2.2 Pages 143 & 144 of Audit Report for the year 2010-11; Misappropriation of X Ray Films, Developer and Fixer – Rs.0.394 Million.**
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6.8.2014 The Department explained that there was a difference of 75 X-Ray films in the expense book due the clerical mistake which had been rectified/adjusted after the inspection of relevant record.

Audit contented that rectifications/adjustment was made after the date of audit which was not acceptable because alteration and tempering of record might be involved and matter should be probed by Administrative Secretary.

The Administrative Secretary assured that he would probe the matter personally and the report would be submitted within the 30 days to the PAC.

The para was kept pending.

3.11.2015 The Department explained that an inquiry had been conducted in compliance with PAC and concluded that the Committee had examine the whole record of consumption of films and record was maintained properly while the Audit Officer had wrongly calculated the figures and recovery may be waived off with a warning to Radio Grapher of MRI department.

The Committee kept the para pending for next day.

3.8.2016 The Department explained that an inquiry had been conducted in compliance with last PAC directive and concluded that the committee had examined the whole record of consumption of films and observed that record was maintained properly while the audit officer had wrongly calculated the figures and recovery may be waived off with a warning to Radio Grapher of MRI department.

The Committee **settled the para subject to** write-off of said amount by competent Authority.

29. Para No.5.2.3 Pages 144 & 145 of Audit Report for the year 2010-11; Non-Deduction of Income Tax - Rs.11.075 Million.

5.2.3.1 Punjab Institute of Cardiology, Lahore – Rs.454,409/-

30. Para No.5.2.20 Page 170 of Audit Report for the year 2010-11; Non Recovery of Hospital Charges – Rs.20.216 Million.

(Para No.03 of AIR – PIC Lahore – 2009-2010)

3.11.2015 The Department explained that all outstanding recoveries had been made and record was available for verification in above paras.

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

31. Para No.5.2.3 Pages 144 & 145 of Audit Report for the year 2010-11; Non-Deduction of Income Tax - Rs.11.075 Million.

5.2.3.2 Children Hospital, Multan – Rs.17,069/-

3.11.2015 The Department explained that total para was of Rs.111,511/- out of which all balance was recovered and left balance of Rs.17,069/- which was of firm and deposited into income tax department.

The Committee was satisfied with the contention of department and **the para was settled.**

32. Para No.5.2.3 Pages 144 & 145 of Audit Report for the year 2010-11; Non-Deduction of Income Tax - Rs.11.075 Million.

5.2.3.3 Mayo Hospital, Lahore – Rs.62,835/-

5.2.3.5 Mayo Hospital, Lahore – Rs.258,206/-

33. Para No.5.2.3
5.2.3.7 Punjab Dental Hospital, Lahore – Rs.147,139/-

34. **Para No.5.2.4 Pages 145, 146 & 147 of Audit Report for the year 2010-11; Irregular Expenditure and Non Realization of Liquidated Damages - Rs.6.378 Million.**

5.2.4.1 Children Hospital, Lahore – Rs.53,827/-
5.2.4.2 King Edward Medical University, Lahore – Rs.78,241/-
35. **Para No.5.2.4**
5.2.4.16 Mayo Hospital, Lahore – Rs.46,960/-
36. **Para No.5.2.5 Pages 147, 148 & 149 of Audit Report for the year 2010-11; Irregular Payment of SEMS Allowance – Rs.9.282 Million.**

5.2.5.4 Mian Nawaz Sharif Hospital, Lahore – Rs.56,276/-
37. **Para No.5.2.9 Pages 153, 154 & 155 of Audit Report for the year 2010-11; Irregular Payment of Pay and Allowances – Rs.3.795 Million.**

5.2.9.1 Children Hospital, Lahore – Rs.101,400/-
38. **Para No.5.2.9**
5.2.9.4 QMC/BVH Bahawalpur – Rs.147,000/-
39. **Para No.5.2.9**
5.2.9.8 Institute of Public Health Lahore – Rs.42,120/-
40. **Para No.5.2.10 Pages 156 & 157 of Audit Report for the year 2010-11; Non/Less Realization of Government Receipts – Rs.108.848 Million.**

5.2.10.3 QMC/BVH Bahawalpur – Rs.281,570/-
41. **Para No.5.2.10**
5.2.10.5 Institute of Public Health Lahore – Rs.223,762/-
42. **Para No.5.2.11 Pages 157 to 159 of Audit Report for the year 2010-11; Less/Non Deposit of Hospital Receipts – Rs.43.837 Million.**

5.2.11.2 QMC/BVH Bahawalpur – Rs.3,143,748/-
43. **Para No.5.2.11**
5.2.11.10 QMC/BVH Bahawalpur – Rs.981,894/-
44. **Para No.5.2.16 Pages 164 & 165 of Audit Report for the year 2010-11; Non Recovery of Outstanding Utility Charges – Rs.4.563 Million.**

5.2.16.3 King Edward Medical University, Lahore – Rs.444,000/-

45. **Para No.5.2.18 Pages 167 & 168 of Audit Report for the year 2010-11; Non Receipt of Journals, Books and Articles – Rs.2.085 Million.**

5.2.18.1 Punjab Institute of Cardiology, Lahore – Rs.1,411,714/-

46. **Para No.5.2.18**
5.2.18.3 Institute of Public Health Lahore – Rs.130,435/-

3.11.2015 The Department explained that all necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in all above paras.

On the recommendation of Audit, the Committee **settled all the above paras.**

47. **Para No.5.2.3 Pages 144 & 145 of Audit Report for the year 2010-11; Non-Deduction of Income Tax - Rs.11.075 Million.**

5.2.3.8 Lady Aitchison Hospital, Lahore – Rs.378,878/-

3.8.2016 The Department explained that all recovery had been effected and all credit challans were available for verification and in some cases exemption certificates issued by FBR, Govt. of Pakistan were also available.

The Committee **settled the para subject to** verification of credit challans and exemption certificates of FBR, Govt. of Pakistan by Audit.

48. **Para No.5.2.3**
5.2.3.9 Children Hospital, Lahore – Rs.707,271/-

3.11.2015 The Department explained that income tax was of Rs.707,271/- out of which Rs.635,280/- was not deduction because exemption certification was given from company. The department further stated that remaining amount Rs.71,991/- could not be recovered because these were the bills of below Rs.25,000/- on which income tax was not applicable.

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

3.8.2016 The Department explained that in compliance with last PAC directive an amount of Rs.62,391/- had been recovered and exemption certificate against the amount of Rs.8,970/- had been verified by Audit and balance of Rs.630/- was deposited into Govt. Treasury and record was available.

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

49. **Para No.5.2.3**
5.2.3.10 SIMS, Service Hospital, Lahore – Rs.33,833/-

3.11.2015 The Department explained that an amount of Rs.23,750/- had been recovered with remaining amount of Rs.10,083/- and it could not be recovered because equipment was imported from Germany and all taxes were paid at the time of clearance at the port.

The Committee reduced the para to the extent of recovered amount and directed the department to effect recovery at the earliest.

The para was kept pending.

3.8.2016 The Department explained that in compliance with last PAC directive, the whole amount had been recovered and record was available for verification.

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

50. Para No.5.2.3 Pages 144 & 145 of Audit Report for the year 2010-11; Non-Deduction of Income Tax – Rs.11.075 Million.

5.2.3.13 AIMC/Jinnah Hospital Lahore – Rs.515,364/-

51. Para No.5.2.4 Pages 145 to 147 of Audit Report for the year 2010-11; Irregular Expenditure and Non Realization of Liquidated Damages – Rs.6.378 Million.

5.2.4.8 Children Hospital, Multan – Rs.17,523/-

5.2.4.9 University of Health Sciences, Lahore – Rs.642,000/-

52. Para No.5.2.5 Pages 147 to 149 of Audit Report for the year 2010-11; Irregular Payment of SEMS Allowance – Rs.9.282 Million.

5.2.5.2 FJMC/Ganga Ram Hospital Lahore – Rs.918,525/-

53. Para No.5.2.8 Pages 151 to 153 of Audit Report for the year 2010-11; Irregular Payment of House Rent and Conveyance Allowance – Rs.29.404 Million.

5.2.8.8 DG Health Services Lahore – Rs.72,432/-

54. Para No.5.2.10 Pages 156 & 157 of Audit Report for the year 2010-11; Non/Less Realization of Government Receipts Rs.108,848 Million.

5.2.10.1 King Edward Medical University, Lahore – Rs.936,226/-

5.2.10.8 King Edward Medical University, Lahore – Rs.500,000/-

55. Para No.5.2.10

5.2.10.9 AIMC/Jinnah Hospital, Lahore – Rs.325,000/-

56. Para No.5.2.10

5.2.10.10 AIMC/Jinnah Hospital Lahore – Rs.2,750,000/-

57. **Para No.5.2.11 Pages 157 to 159 of Audit Report for the year 2010-11; Less/Non Deposit of Hospital Receipts – Rs.43.837 Million.**
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5.2.11.5 Institute of Public Health Lahore – Rs.175,584/-

58. **Para No.5.2.13 Pages 160 to 162 of Audit Report for the year 2010-11; Irregular Operation of Bank Account Rs.2,163,808 Million.**
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5.2.13.2 FJMC/Ganga Ram Hospital Lahore – Rs.3,228,224/-

59. **Para No.5.2.18 Pages 167 & 168 of Audit Report for the year 2010-11; Non Receipts of Journals, Books and Articles – Rs.2.085 Million.**
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5.2.18.4 Nishter Medical College & Allied Institutions Multan – Rs.120,000/-

60. **Para No.5.2.23 Pages 173 & 174 of Audit Report for the year 2010-11; Irregular/Unauthorized Transfer of Funds – Rs.1.722 Million.**
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61. **Para No.5.2.27 Pages 177 & 178 of Audit Report for the year 2010-11; Irregular Purchase of Dental Medicines – Rs.0.123 Million.**
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6.8.2014 The Department explained that necessary actions in respect of above paras had been already taken and requisite record had also been got verified by Audit.

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

62. **Para No.5.2.4 Pages 145 to 147 of Audit Report for the year 2010-11; Irregular Expenditure and Non Realization of Liquidated Damages – Rs.6.378 Million.**
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5.2.4.4 Nishter Medical College and Allied Institutions Multan – Rs.189,720/-

6.8.2014 The Department explained that actual recovery on account of Late Delivery Charges Rs.63,240/- had been recovered.

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

3.11.2015 The Department explained that all necessary actions had been taken and outstanding recovery had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

5.2.4.5 Nishter Medical College and Allied Institutions Multan – Rs.407,246/-

6.8.2014 The Department explained that complete recovery on account of Late Delivery Charges Rs.407,246/- had been recovered.

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

3.11.2015 The Department explained that all necessary actions had been taken and outstanding recovery had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

5.2.4.15 Nishter Medical College and Allied Institutions Multan – Rs.84,640/-

6.8.2014 The Department explained that an amount of Rs.39,040/- on account of Late Delivery Charges had been effected and efforts were being made to effect the balance recovery.

The Committee reduced the para to extent of the recovery and kept the para pending for outstanding recovery.

3.11.2015 The Department explained that all necessary actions had been taken and outstanding recovery had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

**63. Para No.5.2.4
5.2.4.6 Punjab Institute of Cardiology, Lahore – Rs.515,752/-**

3.11.2015 The Department explained that ¾ part of amount had been recovered leaving outstanding amount of Rs.154,454/- and efforts were being effected to recover the outstanding amount.

The Committee reduced the para to the extent of recovery subject to verification and the para was kept pending.

3.8.2016 The Department explained that all the necessary actions had been taken and outstanding recovery had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

64. Para No.5.2.4 Pages 145, 146 & 147 of Audit Report for the year 2010-11; Irregular Expenditure and Non Realization of Liquidated Damages - Rs.6.378 Million.

5.2.4.10 Lady Aitchison Hospital, Lahore – Rs.18,982/-

**65. Para No.5.2.4
5.2.4.13 Blood Transfusion Service Punjab, Lahore – Rs.78,245/-**

66. Para No.5.2.18 Pages 167 & 168 of Audit Report for the year 2010-11; Non Receipt of Journals, Books and Articles – Rs.2.085 Million.

5.2.18.2 Demontmorency College of Dentistry, Lahore – Rs.423,273/-

3.8.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in all above paras.

On the recommendation of Audit, the Committee **settled the all above paras.**

67. Para No.5.2.4 Pages 145, 146 & 147 of Audit Report for the year 2010-11; Irregular Expenditure and Non Realization of Liquidated Damages - Rs.6.378 Million.

5.2.4.11 Lady Willingdon Hospital, Lahore – Rs.87,048/-

3.8.2016 The Department explained that only Rs.26,900/- had remained outstanding out of actual recovery Rs.84,348/- while rest of the recovery amounting to Rs.57,448/- had been effected and verified by Audit.

The Committee directed/recommended the department to blacklist the defaulter company M/s Mac & Rains and get the loss written off Rs.26,900/- by the competent Authority.

The **para was settled.**

68. Para No.5.2.5 Pages 147, 148 & 149 of Audit Report for the year 2010-11; Irregular Payment of SEMS Allowance – Rs.9.282 Million.

5.2.5.3 AIMC/Jinnah Hospital, Lahore – Rs.3,153,996/-

4.11.2015 The Department explained that there was no embargo that an officer/official recruited against S.E.M.S. (Strengthening of Emergency Medical Services) post cannot be transferred or other staff cannot be posted in S.E.M.S. and Board of Management also took decision that allowance of an employee recruited on S.E.M.S. can be withdrawn when he/she was posted in other department and employees recruited against the post other than that of S.E.M.S. post could be allowed S.E.M.S Allowance on his posting in S.E.M.S and these were the general cadre posts which could be transfer any department.

The Committee satisfied with the contention of the department and **settled the para.**

69. Para No.5.2.6 Pages 149 & 150 of Audit Report for the year 2010-11; Irregular Payment of Non-Practicing Allowance - Rs.18.773 Million.

5.2.6.2 Lady Aitchison Hospital, Lahore – Rs.1,776,000/-

3.8.2016 The Department explained that the doctors and other staff were drawing Non-practicing Allowance after giving declaration that they were not doing private practice and the admissibility of N.P.A could not be interlinked with the distribution of share out of institutional receipts. The department further produced a notification of Finance Department to Committee which supported the contention of department.

The Committee was satisfied with the contention of department and **the para was settled.**

70. Para No.5.2.6

5.2.6.3 FJMC/Ganga Ram Hospital, Lahore – Rs.1,651,200/-

4.11.2015 The Department explained that the doctors and other staff were drawing Non-Practicing Allowance after giving declaration that they were not doing private practice and the admissibility of N.P.A. could not be interlinked with the distribution of share out of institutional receipts. The department produced a notification of Finance Department to Committee which supported the contention of department.

The Committee **settled the para and directed**/recommended the department to write a letter for clarification and expert opinion regarding the issue to Finance Department for future.

71. Para No.5.2.6

5.2.6.4 AIMC/Jinnah Hospital, Lahore – Rs.858,000/-

6.8.2014 The Department explained that the doctors and other staff were drawing Non Practicing Allowance after giving declaration that they were not doing private practice and the admissibility of NPA couldn't be interlinked with the distribution of share out of institutional receipts.

The Finance Department apprised the Committee a reference had already been received from Health Department for onward clarification regarding the payment of NPA.

The Committee kept the para pending for seeking expert opinion of the Finance Department.

4.11.2015 The Department explained that the doctors and other staff were drawing Non-Practicing Allowance after giving declaration that they were not doing private practice and the admissibility of N.P.A. could not be interlinked with the distribution of share out of institutional receipts. The department produced a notification of Finance Department to Committee which supported the contention of department.

The Committee **settled the para and directed**/recommended the department to write a letter for clarification and expert opinion regarding the issue to Finance Department for future.

72. Para No.5.2.7 Pages 150 & 151 of Audit Report for the year 2010-11; Irregular Payment on Account of Incentive Allowance – Rs.5.632 Million.

5.2.7.1 AIMC/Jinnah Hospital, Lahore – Rs.2,700,000/-

5.2.7.2 AIMC/Jinnah Hospital, Lahore – Rs.2,932,380/-

6.8.2014 The Department explained that the Board of Management had full powers to fix the pay/allowances and other fringe benefits and in its 67th meeting held on 06-03-2009 had approved the payment of Incentive Allowance subject to condition that those employees shouldn't receive share from institutional receipts.

The Finance Department opined that payment of Incentive Allowance required to be got approved from the Finance Department.

After detailed deliberations the Committee **settled the paras as a special case and recommended/directed** the department that this shouldn't be taken as precedent. It was further directed that a uniform policy should be adopted and SOPs should be devised regarding the payment of such allowances at the earliest.

73. Para No.5.2.8 Pages 151 to 153 of Audit Report for the year 2010-11; Irregular Payment of House Rent and Conveyance Allowance – Rs.29.404 Million.

5.2.8.3 Children Hospital, Lahore – Rs.14,370,336/-

3.11.2015 The Department explained that free accommodation given to nurses according to Government notification because non-availability of nurse's hostel and nursing school was outside of the hospital.

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

5.2.8.5 Children Hospital, Lahore – Rs.3,738,240/-

3.11.2015 The Department explained that the emergency block was made firstly with 300 beds with the passage of time this block was developed with 800 beds so the rooms were not available for duty medical officers. Now rooms in upper portion were made for duty doctors and this was not allotted to doctor and used as duty room.

The Committee settled the para subject to physical verification by Audit.

3.8.2016 The Department explained that all the necessary actions had been taken and outstanding recovery had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

**74. Para No.5.2.8
5.2.8.4 Post Graduate College of Nursing, Lahore – Rs.81,682/-**

3.8.2016 The Department explained that an amount of Rs.54,566/- had been deposited into Government Treasury and verified by Audit and remaining amount of Rs.27,116/- had not been recoverable because some leaves were cancelled and record had been produced for verification.

 The Audit wanted to verify the department contention through verification of cancellation of leave orders.

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

**75. Para No.5.2.8
5.2.8.6 Nishtar Hospital, Multan – Rs.829,560/-**

6.8.2014 The Department explained that matter had been inquired thoroughly by the inquiry committee and it was concluded that doctors didn't avail any accommodation in the premises of Nishtar Hospital therefore; recovery of house rent and conveyance allowance was not justified.

 The Committee kept the para pending with the direction/recommendation that Administrative Secretary should personally examine the matter whether the recovery was justified or not, under intimation to PAC.

3.11.2015 The Department explained that in compliance with last PAC Directive, an inquiry was conducted and recovery was recommended by the Inquiry Committee.

 The Committee directed the department to effect the recovery at earliest.

 The para was kept pending.

3.8.2016 The Department explained that in compliance with last PAC directive, an inquiry was conducted and recovery was recommended by the inquiry committee as pointed out by Audit. The department further explained that still now no recovery was effected.

 The Committee directed/recommended the department to re-inquire the matter within 30 days and fix responsibility and recover the outstanding amount at the earliest.

 The **para was kept pending.**

**76. Para No.5.2.8
5.2.8.7 SIMS, Services Hospital, Lahore – Rs.436,480/-**

3.11.2015 The Department explained that an amount of Rs.262,880/- had been recovered out of total Rs.436,480/- leaving an amount of Rs.173,600/- and efforts were effected to recover the outstanding amount.

The Committee reduced the para to the extent of recovered amount and directed the department to effect the recovery of remaining amount at the earliest.

The para was kept pending.

3.8.2016 The Department explained that in compliance with last PAC directive an amount of Rs.262,880/- had been recovered out of total amount Rs.436,480/- leaving an outstanding amount of Rs.173,600/- and efforts were effected to recover the outstanding amount. The department further stated that there was no recovery of Rs.29,760/- against Dr Mubashir Razzaq because according to the rule he was eligible to draw the Conveyance Allowance.

The Committee reduced the para subject to verification of recovered amount and directed the department to effect the recovery of remaining amount within 90 days.

The para was kept pending.

77. Para No.5.2.9 Pages 153, 154 & 155 of Audit Report for the year 2010-11; Irregular Payment of Pay and Allowances – Rs.3.795 Million.

5.2.9.2 Children Hospital, Lahore – Rs.432,000/-

3.11.2015 The Department explained that firstly this para was of Rs.432,000/- but in rechecking this amount was of Rs.54,000/-. Computer Operator also work as Data Entry Operator and all work done by Computer Operator as data entry. So, special allowance was given to them, work was same but problem was in job designation.

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

**78. Para No.5.2.9
5.2.9.3 Children Hospital, Lahore – Rs.2,520,000/-**

3.11.2015 The Department explained that the incentive was given to those doctors who were working in BS-17 in Anesthesia Department.

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

**79. Para No.5.2.9
5.2.9.9 Gulab Devi Hospital, Lahore – Rs.120,000/-**

4.11.2015 The Department explained that the Sub-Committee of the managing Committee of the Ghulab Devi Hospital had already been decided to allow the said allowances to Medical Officers who were working in Anesthesia Department.

The Committee **settled the para.**

80. Para No.5.2.10 Pages 156 & 157 of Audit Report for the year 2010-11; Non/Less Realization of Government Receipts – Rs.108.848 Million.

5.2.10.2 Punjab Institute of Cardiology, Lahore – Rs.746,660/-

3.11.2015 The Department explained that there were some variation in record in which date of admission got 2 days ago because to look after the patient sugar and control etc. and various patient which report were correct did not stay any more time due to this reason they came on date of surgery and operated so room was not availed and rent was not charged. This matter had been vetted from Secretary, Health Department after this matter was referred to Board of Directors for write off.

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

**81. Para No.5.2.10
5.2.10.7 Gulab Devi Chest Hospital, Lahore – Rs.96,960/-**

4.11.2015 The Department explained that Ghulab Devi Hospital is a non-Government Trust Hospital and the residences available in the hospital are non-Government residences. The department further stated that Hospital would adopt the Punjab Government Rules but Managing Committee was not bound to follow each rule framed by the Punjab Government.

The Committee **settled the para.**

**82. Para No.5.2.10
5.2.10.11 SIMS, Services Hospital, Lahore – Rs.102,550,396/-**

3.11.2015 The Department explained that the receipts pertain to College fee of medical students, which had been recovered and deposited in relevant head of accounts and record was available for verification.

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

3.8.2016 The Audit pointed out that the whole receipts (college fee) had been recovered and deposited into relevant account of the Govt. Treasury and in support of its contention, the department produced the partial record i.e. deposit slip (partial) Bank statement which had not been attested by the DDO. Whereas other related record i.e. cash/ pass book and Challans duly verified by Treasury Officer Lahore were not produced to Audit.

The Committee directed/recommended the department to get physical verification of record by Audit within 30 days under intimation to PAC.

The para was kept pending.

- 83. Para No.5.2.11 Pages 157, 158 & 159 of Audit Report for the year 2010-11; Less/Non Deposit of Hospital Receipts - Rs.43.837 Million.**

5.2.11.1 Post Graduate College of Nursing, Lahore – Rs.156,000/-

3.8.2016 The Department explained that whole amount had been deposited into Government Treasury and all record was available.

The Finance Department apprised the Committee that department's utilization of receipts needs to be regularized.

The Committee **settled the para subject to** verification of recovery by Audit and regularization of utilization of receipts by Finance Department.

- 84. Para No.5.2.11**
5.2.11.6 Demontmorency College of Dentistry, Lahore – Rs.16,926,247/-

3.8.2016 The Department explained that the Govt. had started a self-finance scheme and this was the fee of the students and after the autonomy of Medical Colleges, the Principles used it as per rules whereas the De-montmorency College was still affiliated with the Govt. of the Punjab. The department further stated that a summary had been moved to the Chief Minister for approval and directions would be followed.

The Finance Department disagreed with the departmental contention and clarified that all receipts were a part of PLA except the Student Welfare Fund and if the institution had autonomous status then these receipts would go into PLA and if not, the receipts would go into Govt. Treasury.

The Committee directed/recommended the department to deposit the amount in Govt. Treasury and the irregularity should be condoned by Finance Department within 30 days.

The para was kept pending.

- 85. Para No.5.2.11**
5.2.11.9 FJMC/Ganga Ram Hospital, Lahore – Rs.16,957,332/-

4.11.2015 The Department explained that hospital receipts amounting to Rs.16,957,332/- had been deposited into PLA and treasury challans duly verified by the Treasury Officer concerned.

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

86. Para No.5.2.13 Pages 160 to 162 of Audit Report for the year 2010-11; Irregular Operation of Bank Account – Rs.2,163.808 Million.

5.2.13.1 OMC/BVH Bahawalpur – Rs.289,922,327/-

3.11.2015 The Department explained that inquiry was completed and recommendation of inquiry was that expenditure of Rs.66.387 million must be regularized from competent authority and comparison may be made with the rate of interest between bank of Punjab and HBL and difference should be calculate and all the amount may be shifted to the bank with high rate of interest.

The Committee directed/recommended the department to condone the amount by Finance Department at earliest.

The para was kept pending.

3.8.2016 The Department explained that inquiry was conducted and recommendation of inquiry was that expenditure of Rs.66.387 million must be regularized from competent authority and comparison may be made with the rate of interest between bank of the Punjab and HBL and difference should be calculated and all the amount may be shifted to the bank with high rate of interest. The department further stated that a case had been forwarded to Finance Department for regularization of the matter and all relevant record was available.

The Committee **settled the para subject to** regularization of irregularity by Finance Department and record verification by Audit.

**87. Para No.5.2.13
5.2.13.3 Punjab Institute of Cardiology, Lahore – Rs.1,166,655,270/-**

3.11.2015 The Audit pointed out that whole money was not deposited into PLA as per rules.

The Department explained that Rs.1.1 billion come in the whole year in four bank accounts in which two salaries accounts, one LC account and regular account of receipt in which private patients come and that receipts were transferred into PLA account in the end of every month and did not retain. The department further stated that these four accounts were opened in 2001 and after Punjab Medical and Health Institution Act 2003 on the directions of Finance Department, the department should go for regularization at that time in Finance Department but the department did not go for regularization and this was lapse of the department. The policy of the Finance Department was came in 2012 in which all amounts should be transferred in BOP and done by the department and the matter was referred to Finance Department.

The Finance Department apprised that a permission was required for deposited money in Bank of Punjab.

The Committee directed/recommended the department that any feasible rules, policy of schedule bank and transfer of money from receipts to PLA/Government Treasury all feasible rules should be made in this link to solve this problem of transfer of money.

The para was kept pending.

3.8.2016 The Department explained that in compliance with last PAC directive, the matter had been taken up with Finance Department to allow to open Bank account to maintain payments received from patients referred by different companies/corporation which were at the panel of PIC and this would help the Institution to facilitate the patients for timely treatment and for shifting of balance amount into PLA while Finance Department had requested to regularized the expenditure.

The Committee directed/recommended the Finance Department to resolve the matter at the earliest.

The para was kept pending.

88. Para No.5.2.14 Pages 162 & 163 of Audit Report for the year 2010-11; Irregular Realization of User Charges – Rs.74.200 Million.

5.2.14.1 AIMC/Jinnah Hospital, Lahore – Rs.33,740,420/-

6.8.2014 The Department explained that the user charges were realized after got approved by the BOM which was the competent authority. The rates were not revised since 1999; therefore, a summary regarding the revision of user charges were under process in the Health Department.

Audit contended that without obtaining the prior approval of Government, the user charges could not be realized.

After detailed deliberations, the Committee accepted the explanation of the department and **settled the para.**

89. Para No.5.2.14
5.2.14.2 SIMS, Services Hospital, Lahore – Rs.40,459,180/-

3.11.2015 The Audit pointed out that user charges were not approved by the Government and collection of these charges was illegal.

The Department explained that user charges were approved by the Board of Management.

The Committee directed/recommended the department to approve the user charges from Government.

The para was kept pending.

3.8.2016 The Department explained that in compliance with last PAC directive, a summary had been initiated for approval by the Chief Minister after determining the uniform user charges which was under process and these rates would be notified after approval from the Chief Minister.

The Committee directed/recommended the department to resolve the matter within 90 days,

The para was kept pending.

90. Para No.5.2.15 Pages 163 & 164 of Audit Report for the year 2010-11; Non Recovery of Penalty Charges – Rs.4.499 Million.

(Para No.8 of FJMC/Ganga Ram Hospital, Lahore for the year 2009-10)

4.11.2015 The Department explained that the method applied by audit for calculating the penalty charges on medicines having lesser shelf life was incorrect. The audit had taken the value of lesser shelf as percentage of calculating the penalty and applied the same percentage on total cost of medicine which had no conformity with guide lines issued by Government of Punjab Health Department in this regard.

The Committee directed the department to effect the recovery at earliest.

The para was kept pending.

3.8.2016 The Department explained that in compliance with last PAC directive, an amount of Rs.1.99 millions had been recovered and got verified by Audit with an outstanding amount of Rs.2.49 millions.

The Audit pointed out that it needs to verify the shelf life of imported medicines.

The Committee reduced the para up to recovered amount and directed the Audit to verify the shelf life of imported medicine within 15 days.

The para was kept pending.

91. Para No.5.2.16 Pages 164 & 165 of Audit Report for the year 2010-11; Non Recovery of Outstanding Utility Charges – Rs.4.563 Million.

5.2.16.2 AIMC/Jinnah Hospital, Lahore – Rs.225,700/-

6.8.2014 The Department explained that total recovery had been effected and all the relevant record was available for verification.

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

4.11.2015 The Department explained that whole amounts had been recovered and record was available for verification.

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

3.8.2016 The Department explained that all the necessary actions had been taken and outstanding recovery had been made and got verified by Audit in the above para.

On the recommendation of Audit, the **Committee settled the above para.**

**92. Para No.5.2.16
5.2.16.6 SIMS, Services Hospital, Lahore – Rs.280,170/-**

3.11.2015 The Audit pointed out that an amount of Rs.88,948/- had been recovered out of total Rs.280,170/- while leaving an amount of Rs.191,186/-.

The Committee kept the para pending for recovery at the earliest.

3.8.2016 The Audit pointed out that an amount of Rs.88,948/- had been recovered out of total Rs.280,170/- while leaving an amount of Rs.191,186/-.

The Committee again directed/recommended the department to effect the outstanding amount within 90 days under intimation to PAC.

The **para was kept pending.**

93. Para No.5.2.17 Pages 166 & 167 of Audit Report for the year 2010-11; Irregular/Unauthorized Payment of Share from Hospital Receipt – Rs.14.549 Million.

5.2.17.2 OMC/BVH Bahawalpur – Rs.384,172/-

3.11.2015 The Department explained that MS of Victoria Hospital, Bahawalpur had taken two shares instead of one administrative share allowed to them and on the basis of fact finding report, three notices were send to A.G. Punjab for recovery through pensionary dues of the said Medical Superintendent.

The Committee kept the para pending.

3.8.2016 The Department explained that total amount of recovery Rs.384,172/- had been effected on monthly basis from the pension of the officer concerned.

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

5.2.17.3 OMC/BVH Bahawalpur – Rs.13,947,595/-

3.11.2015 The Audit apprised that the total amount had been recovered and got verified.

The Committee **settled the para.**

94. Para No.5.2.19 Pages 168 & 169 of Audit Report for the year 2010-11; Un-Authorized Expenditure out of Hospital Receipts - Rs.17.935 Million.

5.2.19.1 FJMC/Ganga Ram Hospital, Lahore – Rs.17,571,192/-

4.11.2015 The Department explained that payment out of hospital receipts were made to pay the bill of electricity, Sui Gas and Telephone. The department further stated that Board of Management had already approved incurrence of expenses out of receipts and the approval of receipt budget was available and this expenditure was fully part of PLA budget.

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

**95. Para No.5.2.19
5.2.19.2 SIMS, Services Hospital Lahore – Rs.363,765/-**

6.8.2014 The Department explained that all the necessary actions in respect of above para had been taken and relevant record had also been got verified by Audit.

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

96. Para No.5.2.21 Pages 170 to 172 of Audit Report for the year 2010-11; Irregular Purchase/Issuance of L.P. Medicines – Rs.94.966 Million.

5.2.21.1 AIMC/Jinnah Hospital, Lahore – Rs.28,152,888/-

6.8.2014 The Department explained that actual total L.P related expenditure was Rs.9.2 Million used mainly during emergency situations and issued to employees of the Institution as per their entitlement after fulfilling all the codal formalities. It was further added that mainly Local Purchase medicine were issued in order to avoid fake bills medical reimbursement by the employees of the Institution.

The Committee **settled the para with the direction** that mechanism regarding the issuance of Local Purchase medicines be improved and streamlined.

**97. Para No.5.2.21
5.2.21.2 SIMS, Services Hospital, Lahore – Rs.66,813,358/-**

3.11.2015 The Department explained that the allocation of Services Hospital for this year 2009-10 was of Rs.278.663 million and according to standing instructions 75% for bulk purchase and 25% for local purchase and Rs.208.998 million gone for bulk purchase and Rs.69.665 million gone for local purchase at the time of verification. The record of local purchase was available for verification.

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

3.8.2016 The Audit pointed out that complete record had not been provided by the department for verification in support of its contention as per PAC direction.

The Finance Department apprised the Committee that the formula for distribution and local purchase of medicines adopted by the department was not correct. The Finance Department further requested the Committee that the formula notified by the Finance Department would be provided to the department and Audit and verification should be conducted in light of that formula.

The Committee directed/recommended the department to get the physical verification by Audit in light of formula for distribution and local purchase of medicines as given by Finance Department within 30 days under intimation to PAC.

The para was kept pending.

**98. Para No.5.2.22 Pages 172 & 173 of Audit Report for the year 2010-11;
Drug Testing of Medicines not Carried Out - Rs.9.399 Million.**

5.2.22.1 Punjab Dental Hospital, Lahore – Rs.1,166,122/-

3.11.2015 The Department explained that drug testing of medicine was being strictly observed now. However the concerned firms had been directed to produce drug testing report at an early date.

The Committee directed/recommended the department to hold an inquiry against culprits and fix responsibility.

The para was kept pending.

**99. Para No.5.2.22
5.2.22.2 Children Hospital, Multan – Rs.421,000/-**

3.11.2015 The Department explained that the medicines which were purchased that were related to analysis and direction was that the imported medicines should be got tested from the Drug Testing Lab and there was no available facility of testing drugs.

The Committee directed/recommended the department to hold an inquiry on consumption of drugs before DTL and fix responsibility against the culprits.

The para was kept pending

3.8.2016 The Department explained that in compliance with last PAC directive, an inquiry had been conducted which recommended that the drugs were used without getting “Facility not available certificate” from DTL, while in fact the facility for the analysis of these drugs was not available in DTLs of Punjab and report had been referred to Technical Wing of Health Department for provision of mechanism regarding drug testing of medicines as suggested by SDAC and the Technical Wing of Health department had given guidelines which the institution was already observing in letter and spirit. The department further stated that the policy regarding such drugs was under process and at final stage of approval.

The Committee directed/recommended the department to pursue the policy for its early approval and representative of Drug Testing Laboratory would attend the next meeting of PAC.

The para was kept pending.

100. **Para No.5.2.22**
5.2.22.3 AIMC/Jinnah Hospital, Lahore – Rs.7,811,700/-

6.8.2014 The Department explained that Drug Testing Laboratory Reports and the Quality Assurance Certificate from the manufacturer were available for verification.

The para was settled subject to the verification of Quality Assurance Certificate from the manufacturer.

4.11.2015 The Department explained that if Drug Test Laboratory (D.T.L) reports awaited medicines were not issued to the patients then local purchase had to be done for these medicine which would be extra burden on Govt. exchequer and when the medicines were purchased through L.P that would also not D.T.L verified.

The Committee directed/recommended the department to hold an inquiry and fix the responsibility against responsables within three months under intimation to PAC.

The para was kept pending.

3.8.2016 The Department explained that in compliance with last PAC directive, an inquiry had been conducted which recommended that the drugs were used without getting “Facility not available certificate” from DTL, while in fact the facility for the analysis of these drugs was not available in DTLs of Punjab and report had been referred to Technical Wing of Health Department for provision of mechanism regarding drug testing of medicines as suggested by SDAC and the Technical Wing of Health department had given guidelines which the institution was already observing in letter and spirit. The

department further stated that the policy regarding such drugs was under process and at final stage of approval.

The Committee directed/recommended the department to pursue the policy for its early approval and representative of Drug Testing Laboratory would attend the next meeting of PAC.

The para was kept pending.

**101. Para No.5.2.24 Pages 174 & 175 of Audit Report for the year 2010-11;
College Fee/Receipts not Shifted to PLA – Rs.146.706 Million.**

*(Para No.1 of AIR- Nishter Medical College and Allied Institutions,
Multan – 2008-09)*

6.8.2014 The Department explained that all the necessary actions in respect of above para had already been taken and relevant record was also available for verification by the Audit

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

3.11.2015 The Audit pointed out that the department did not produce the relevant record to audit and not implemented the compliances of PACs.

The Department explained that as per direction of Finance Department 60% retained for endorsement fund and remaining 40% should be deposited in PLA. All compliance of the department was according to Finance Department's direction.

The Finance Department apprised the Committee that firstly the amount go to PLA then it would be shifted in any other account.

The Committee directed/recommended the department to hold an inquiry and fix responsibility under intimation to PAC within three months.

The para was kept pending.

3.8.2016 The Department explained that in compliance with last PAC directive an inquiry was conducted and reported that due to non-transferring of 100% student receipts into PLA, violation of Rule 17 of Punjab Medical and Health Institutions Rules 2003 had been committed and keeping the funds out of PLA should be got condoned from the Finance Department.

The Committee **settled the para subject to** regularization of the said amount by Finance Department.

**102. Para No.5.2.29 Pages 179 & 180 of Audit Report for the year 2010-11;
Non Installation/Functioning of Machinery and Equipment –
Rs.24.845 Million.**

5.2.29.1 Children Hospital, Lahore – Rs.19,300,494/-

3.11.2015 The Department explained that E.T.T. machine was purchased with all codal formalities but late installation was done due to late construction of building.

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

103. Para No.5.2.30 Pages 180 & 181 of Audit Report for the year 2010-11; Purchase of Substandard Intraocular Lenses – Rs.0.235 Million.

(Para No.15 of AIR – Sheikh Zayed Hospital/College, Rahim Yar Khan – 2008-09)

6.8.2014 The Department explained that 720 substandard lenses had been replaced and the concerned firm had also been declared black list.

The Committee settled the para and directed/recommended that an inquiry should be conducted into the matter by the Administrative Secretary and take necessary disciplinary actions against all the responsible and criminal proceedings should also be initiated against the defaulter firm under intimation to PAC.

3.11.2015 The Department explained that in compliance with last PAC Directive, inquiry had been conducted and it was recommended that the money from the company should be forfeited that was Rs.22,500/- which had been deposited and disciplinary action had requested to DPO, Rahim Yar Khan to launch FIR against the said company.

The Committee directed/recommended the department to hold an inquiry against the culprits alongwith complete FIR under intimation to PAC within 3 months.

The para was kept pending.

3.8.2016 The Department explained that in compliance with the last PAC directive, an FIR had been lodged against the said firm for providing sub-standard lenses which were replaced later. The department further stated that the police department wanted to quash the FIR with the reasons that the said firm was not traceable and the department had declared the said firm as blacklist and department was in contact with DPO to investigate the matter through some responsible officer.

The Committee directed/recommended the department to pursue the matter vigorously and directed that the DPO, Rahim Yar Khan should follow the case properly and an officer of SP rank would inquire the matter within 60 days under intimation to PAC.

The para was kept pending.

HIGHER EDUCATION

The Committee examined the Accounts of the Higher Education Department in its meetings held on 9.4.2014, 10.4.2014, 11.4.2014, 11.8.2015, 12.8.2015, 13.8.2015, 6.9.2016, 7.9.2016 and 8.9.2016 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

9.4.2014 The Committee showed its displeasure over the late submission of working papers. All the members of the Committee expressed their concern that without having a look into the working papers they would not be able to contribute in the meeting. The Committee reiterated its previous instructions that working papers should reach to PAC at least one week before the meeting so that all the members study thoroughly and can positively contribute in the meeting.

The Committee was not satisfied with the explanation of the departments and the meeting was adjourned with a displeasure to the departments by the Chairman.

1. Grant No.PC21010/PC24010 (010) – General Administration Page 103 of Appropriation Accounts for the year 2010-11.

09-Education Affairs & Services
093-Tertiary Education Affairs & Services
0931-Tertiary Education Affairs & Services
093103-Administration
LQ4448-Higher Education Department.

Final Grant	Rs.261,523,000/-
Actual Expenditure	Rs.252,206,092/-
Saving	(-) Rs. 9,316,908/-
Percentage	3.56%

10.4.2014 The Department explained that accounts had been reconciled with A. G. Punjab and saving was due to some vacant posts which could not be filled within time.

The Committee was satisfied with the explanation and **the grant was settled.**

2. Grant No.PC21015 (015) – Education (All Voted) Pages 107 to 146 of Appropriation Accounts for the year 2010-11.

i) 09-Education Affairs & Services
095-Subsidiary Services to Education
0951-Subsidiary Services to Education
095101-Archives Library and Museums
LQ4149-Libraries.

Final Grant	Rs.60,055,000/-
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Actual Expenditure	Rs.59,640,843/-
Saving	(-) Rs. 414,157/-
Percentage	0.69%

- ii) 09-Education Affairs and Services
 097-Education Affairs, Services not Elsewhere
 0971-Education Affairs, Services not Elsewhere
097120-Others
LQ4602-Govt. Post Graduate College (W) S. Town Gujranwala.

Final Grant	Rs.2,438,000/-
Actual Expenditure	Rs.2,435,460/-
Saving	(-) Rs. 2,540/-
Percentage	0.10%

- iii) 09-Education Affairs and Services
 097-Education Affairs, Services not Elsewhere
 0971-Education Affairs, Services not Elsewhere
097120-Others
LQ4603-Govt. College of Science Wahdat Colony Lahore.

Final Grant	Rs.5,038,000/-
Actual Expenditure	Rs.5,000,000/-
Saving	(-) Rs. 38,000/-
Percentage	0.75%

- iv) 09-Education Affairs and Services
 097-Education Affairs, Services not Elsewhere
 0971-Education Affairs, Services not Elsewhere
097120-Others
LQ4609-Govt. Post Graduate College Chakwal.

Final Grant	Rs.3,004,000/-
Actual Expenditure	Rs.3,003,000/-
Saving	(-) Rs. 1,000/-
Percentage	0.03%

- v) 09-Education Affairs and Services
 097-Education Affairs, Services not Elsewhere
 0971-Education Affairs, Services not Elsewhere
097120-Others
LQ4610-Govt. Post Graduate College Jhelum.

Final Grant	Rs.1,529,000/-
Actual Expenditure	Rs.1,528,513/-
Saving	(-) Rs. 487/-
Percentage	0.03%

- vi) 09-Education Affairs and Services
 095-Subsidiary Services to Education
 0951-Subsidiary Services to Education
095101-Archives Library and Museums
LQ4424-Quaid-e-Azam Library Lahore.

Final Grant	Rs.40,001,000/-
Actual Expenditure	Rs.39,998,881/-
Saving	(-) Rs. 2,119/-
Percentage	0.01%

- vii) 09-Education Affairs and Services
 093-Tertiary Education Affairs and Services
 0931-Tertiary Education Affairs and Services
093120-Others
LQ4485-Lahore College for Women University Lahore.

Final Grant	Rs.119,841,000/-
Actual Expenditure	Rs.119,581,549/-
Saving	(-) Rs. 259,451/-
Percentage	0.22%

- viii) 09-Education Affairs and Services
 093-Tertiary Education Affairs and Services
 0931-Tertiary Education Affairs and Services
093120-Others
LQ4486-University of Education Lahore.

Final Grant	Rs.130,159,000/-
Actual Expenditure	Rs.128,825,318/-
Saving	(-) Rs. 1,333,682/-
Percentage	1.02%

10.4.2014 The Department explained that accounts had been reconciled with A.G. Punjab and over all savings were within the permissible limit.

The above items were settled.

- ix) 09-Education Affairs and Services
 093-Tertiary Education Affairs and Services
 0931-Tertiary Education Affairs and Services
093120-Others
LQ4498-Fatima Jinnah Women University Rawalpindi.

Final Grant	Rs.111,820,000/-
Actual Expenditure	Rs.111,820,000/-
Excess/Saving	Rs.0/-
Percentage	0.00%

- x) 09-Education Affairs and Services
097-Education Affairs, Services not Elsewhere
0971-Education Affairs, Services not Elsewhere
097120-Others
LQ4593-Govt. Post Graduate College (W) Sialkot.

Final Grant	Rs.1,246,000/-
Actual Expenditure	Rs.1,246,000/-
Excess/Saving	Rs.0/-
Percentage	0.00%

- xi) 09-Education Affairs and Services
097-Education Affairs, Services not Elsewhere
0971-Education Affairs, Services not Elsewhere
097120-Others
LQ4595-Govt. College (W) Gulberg Lahore.

Final Grant	Rs.885,000/-
Actual Expenditure	Rs.885,000/-
Excess/Saving	Rs.0/-
Percentage	0.00%

- xii) 09-Education Affairs and Services
097-Education Affairs, Services not Elsewhere
0971-Education Affairs, Services not Elsewhere
097120-Others
LQ4599-Govt. Post Graduate College (W) S. Town Rawalpindi.

Final Grant	Rs.420,000/-
Actual Expenditure	Rs.420,000/-
Excess/Saving	Rs.0/-
Percentage	0.00%

- xiii) 09-Education Affairs and Services
097-Education Affairs, Services not Elsewhere
0971-Education Affairs, Services not Elsewhere
097120-Others
LQ4601-Govt. Post Graduate Islamia College (W) Cooper Road Lahore.

Final Grant	Rs.1,050,000/-
Actual Expenditure	Rs.1,050,000/-
Excess/Saving	Rs.0/-
Percentage	0.00%

- xiv) 09-Education Affairs and Services
097-Education Affairs, Services not Elsewhere
0971-Education Affairs, Services not Elsewhere

097120-Others
LQ4604-Govt. M.A.O. College Lahore.

Final Grant	Rs.2,046,000/-
Actual Expenditure	Rs.2,046,000/-
Excess/Saving	Rs.0/-
Percentage	0.00%

- xv) 09-Education Affairs and Services
097-Education Affairs, Services not Elsewhere
0971-Education Affairs, Services not Elsewhere
097120-Others
LQ4611-Govt. Sadiq Egerton College Bahawalpur.

Final Grant	Rs.40,000/-
Actual Expenditure	Rs.40,000/-
Excess/Saving	Rs.0/-
Percentage	0.00%

- xvi) 09-Education Affairs and Services
097-Education Affairs, Services not Elsewhere
0971-Education Affairs, Services not Elsewhere
097120-Others
LQ4612-Govt. Saddique Degree College (G) Bahawalpur.

Final Grant	Rs.240,000/-
Actual Expenditure	Rs.240,000/-
Excess/Saving	Rs.0/-
Percentage	0.00%

- xvii) 09-Education Affairs and Services
097-Education Affairs, Services not Elsewhere
0971-Education Affairs, Services not Elsewhere
097120-Others
LQ4614-Govt. Murray College Sialkot.

Final Grant	Rs.1,250,000/-
Actual Expenditure	Rs.1,250,000/-
Excess/Saving	Rs.0/-
Percentage	0.00%

- xviii) 09-Education Affairs and Services
097-Education Affairs, Services not Elsewhere
0971-Education Affairs, Services not Elsewhere
097120-Others
LQ4594-Govt. College (W) Madina Town, Faisalabad.

Final Grant	Rs.545,000/-
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Actual Expenditure	Rs.545,000/-
Excess/Saving	Rs.0/-
Percentage	0.00%

xix) 09-Education Affairs and Services
093-Tertiary Education Affairs and Services
0931-Tertiary Education Affairs and Services
093120-Others
LQ4484-School of Mathematical Sciences Government.

Final Grant	Rs.25,000,000/-
Actual Expenditure	Rs.25,000,000/-
Excess/Saving	Rs.0/-
Percentage	0.00%

xx) 09-Education Affairs and Services
093-Tertiary Education Affairs and Services
0931-Tertiary Education Affairs and Services
093120-Others
LQ4499-Govt. Degree College Kahuta.

Final Grant	Rs.6,072,000/-
Actual Expenditure	Rs.6,072,000/-
Excess/Saving	Rs.0/-
Percentage	0.00%

xxi) 09-Education Affairs and Services
097-Education Affairs, Services Not Elsewhere
0971-Education Affairs, Services Not Elsewhere
097120-Others
LQ4607-Govt Post Graduate Gordon College Rawalpindi.

Final Grant	Rs.1,928,000/-
Actual Expenditure	Rs.1,928,000/-
Excess/Saving	Rs.0/-
Percentage	0.00%

xxii) 09-Education Affairs and Services
097-Education Affairs, Services Not Elsewhere
0971-Education Affairs, Services Not Elsewhere
097120-Others
LQ4613-Govt. Post Graduate College Samanabad Faisalabad.

Final Grant	Rs.1,668,000/-
Actual Expenditure	Rs.1,668,000/-
Excess/Saving	Rs.0/-
Percentage	0.00%

- xxiii) 09-Education Affairs and Services
 093-Tertiary Education Affairs and Services
 0931-Tertiary Education Affairs and Services
093120-Others
LQ4489-Kinnaird College for Women Lahore.

	<u>A. G. Figures</u>		<u>Departmental Figures</u>
Final Grant	Rs.16,357,000/-		Rs.16,657,000/-
Actual Expenditure	Rs.16,657,679/-		Rs.16,657,679/-
Excess/Saving	(+) Rs. 300,679/-	(-)	Rs.1/-
Percentage	1.84%		0%

10.4.2014 The Department explained that accounts had been reconciled with A.G. Punjab and the grant was fully utilized in all the above items with no savings or excesses.

The Committee **settled the above items.**

- xxiv) 09-Education Affairs and Services
 097-Education Affairs, Services not Elsewhere
 0971-Education Affairs, Services not Elsewhere
097120-Others
LQ4591-Govt. Emerson College Multan.

Final Grant	Rs.55,000/-
Actual Expenditure	Rs.45,250/-
Saving	(-) Rs. 9,750/-
Percentage	17.73%

10.4.2014 The Department explained that accounts had been reconciled with A. G. Punjab, funds were released for affiliation fee and hiring of visiting faculty but after advertisement only one candidate applied whose services were hired in the month of June. Thus the remaining amount of Rs.9,750/- could not be surrendered during the financial year and as a result saving was occurred.

The Committee was satisfied with departmental explanation and the **item was settled.**

- xxv) 09-Education Affairs and Services
 097-Education Affairs, Services not Elsewhere
 0971-Education Affairs, Services not Elsewhere
097120-Others
LQ4596-Govt. Post Graduate College (W) Sargodha.

Final Grant	Rs.80,000/-
Actual Expenditure	Rs.0/-
Saving	(-) Rs.80,000/-
Percentage	100.00%

- xxvi) 09-Education Affairs and Services

097-Education Affairs, Services not Elsewhere
0971-Education Affairs, Services not Elsewhere
097120-Others
LQ4606-Govt. Ambala Muslim College Sargodha.

Final Grant	Rs.170,000/-
Actual Expenditure	Rs.0/-
Saving	(-) Rs.170,000/-
Percentage	100.00%

xxvii) 09-Education Affairs and Services
097-Education Affairs, Services Not Elsewhere
0971-Education Affairs, Services Not Elsewhere
097120-Others
LQ4592-Govt. Post Graduate College (W) Kutchery Road Multan.

Final Grant	Rs.55,000/-
Actual Expenditure	Rs.0/-
Saving	(-) Rs.55,000/-
Percentage	100.00%

10.4.2014 The Department explained that accounts had been reconciled with A. G. Punjab and savings were 100%, because the funds were received very late and could not be utilized in time.

The Committee accepted the explanation of the department and the **items were settled.**

xxviii) 09-Education Affairs and Services
097-Education Affairs, Services not Elsewhere
0971-Education Affairs, Services not Elsewhere
097120-Others
LQ4597-Govt. Post Graduate College (W) Sahiwal.

Final Grant	Rs.1,226,000/-
Actual Expenditure	Rs.0/-
Saving	(-) Rs.1,226,000/-
Percentage	100.00%

10.4.2014 The Accountant General Punjab pointed out that 100% saving pertains to Grant-in-Aid and the college was supposed to utilize the funds.

The Department explained that the money was received very late because of which the funds could not be utilized in time. The Department further explained that the BOG was not functional whose approval was necessary for utilization of funds.

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

xxix) 09-Education Affairs and Services
 097-Education Affairs, Services not Elsewhere
 0971-Education Affairs, Services not Elsewhere
097120-Others
LQ4598-Govt. Post Graduate College (W) Samanabad Lahore.

Final Grant	Rs.800,000/-
Actual Expenditure	Rs.0/-
Saving	(-) Rs.800,000/-
Percentage	100.00%

10.4.2014 The Department explained that supplementary grant was received on 7-6-2011 and subsequently tender notice was given in the daily news paper for purchase of articles. The last date for receiving tenders was 16.6.2011 but no tender was received. Time was very short for re-tendering and to complete the purchase procedure which caused 100% saving.

After obtaining the point of view of the Finance Department, the Committee directed/ recommended the department to submit its demands to Finance Department within the first 6 months to avoid any lapse of funds. **The item was settled.**

xxx) 09-Education Affairs and Services
 097-Education Affairs, Services not Elsewhere
 0971-Education Affairs, Services not Elsewhere
097120-Others
LQ4600-Govt. College (W) D.G. Khan.

Final Grant	Rs.1,386,000/-
Actual Expenditure	Rs. 30,000/-
Saving	(-) Rs.1,356,000/-
Percentage	97.84%

xxxi) 09-Education Affairs and Services
 097-Education Affairs, Services not Elsewhere
 0971-Education Affairs, Services not Elsewhere
097120-Others
LQ4608-Govt. Post Graduate College D.G. Khan.

Final Grant	Rs.2,376,000/-
Actual Expenditure	Rs. 30,000/-
Saving	(-) Rs.2,346,000/-
Percentage	98.74%

10.4.2014 The Department explained that actual expenditure was Rs.30,000/- for affiliation fee of B.Z. University Multan. The remaining amount in both the above items could not be incurred due to end of financial year.

The Committee accepted the explanation of the department and the **items were settled.**

xxxii) 09-Education Affairs and Services
097-Education Affairs, Services not Elsewhere
0971-Education Affairs, Services not Elsewhere
097120-Others
LQ4605-Govt. Post Graduate College Sahiwal.

Final Grant	Rs.2,526,000/-
Actual Expenditure	Rs.0/-
Saving	(-) Rs.2,526,000/-
Percentage	100.00%

10.4.2014 The Department explained that 100% saving was due to late release of final modified grant and it was grant-in-aid. However, the department admitted lack of planning in utilization of money.

As there was no financial embezzlement involved, the Committee accepted the explanation of department and **the item was settled.**

xxxiii) 09-Education Affairs and Services
093-Tertiary Education Affairs and Services
0931-Tertiary Education Affairs and Services
093103-Administration
LQ4140-Direction (Colleges).

Final Grant	Rs.56,512,000/-
Actual Expenditure	Rs.44,949,899/-
Saving	(-) Rs.11,562,101/-
Percentage	20.46%

10.4.2014 The Department explained that accounts had been reconciled with A.G. Punjab and the saving was due to the leave salary to the officers who proceeded on study leave.

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

xxxiv) 09-Education Affairs and Services
093-Tertiary Education Affairs and Services
0931-Tertiary Education Affairs and Services
093103-Administration
LQ5308-Inspection (Colleges).

Final Grant	Rs.188,321,000/-
Actual Expenditure	Rs.168,771,807/-

Saving	(-) Rs. 19,549,193/-
Percentage	10.38%

10.4.2014 The Department explained that accounts had been reconciled with A. G. Punjab and saving was due to late release of final modified grant. However, the department admitted that it was because of lack of planning.

As there was no financial embezzlement involved, the Committee accepted the explanation of department and the **item was settled**.

xxxv) 09-Education Affairs and Services
 093-Tertiary Education Affairs and Services
 0931-Tertiary Education Affairs and Services
093102-Professional/Technical/Universities/Colleges
LQ4146-Professional Colleges.

Final Grant	Rs.108,993,000/-
Actual Expenditure	Rs. 99,298,950/-
Saving	(-) Rs. 9,694,050/-
Percentage	8.89%

10.4.2014 The Department explained that accounts had been reconciled with A. G. Punjab and saving was due to late release of final modified grant. Further there was a ban on recruitment of non-teaching staff which were being anticipated to be filled in the same financial year.

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

xxxvi) 09-Education Affairs and Services
 093-Tertiary Education Affairs and Services
 0931-Tertiary Education Affairs and Services
093120-Others
LQ4490-Govt. Fatima Jinnah College for Women Chuna Mandi Lahore.

Final Grant	Rs.47,914,000/-
Actual Expenditure	Rs.21,431,855/-
Saving	(-) Rs.26,482,145/-
Percentage	55.27%

10.4.2014 The Department explained that accounts had been reconciled with A. G. Punjab and this amount was not saving but it was included in our expenditure.

The A. G. Punjab endorsed that an expenditure of Rs.47,914,000/- was incurred by department and final grant was also Rs.47,914,000/-.

On the recommendation of A. G. Punjab, the **item was settled**.

xxxvii) 09-Education Affairs and Services

097-Education Affairs, Services Not Elsewhere
 0971-Education Affairs, Services Not Elsewhere
097120-Others
LQ4615-Govt College (B) Satellite Town Gujranwala.

Final Grant	Rs.3,696,000/-
Actual Expenditure	Rs.2,829,000/-
Saving	(-) Rs. 867,000/-
Percentage	23.46%

10.4.2014 The Department explained that accounts had been reconciled with A. G. Punjab and saving was because the funds were received late and could not be utilized due to ending of financial year.

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

xxxviii) 09-Education Affairs and Services
 093-Tertiary Education Affairs and Services
 0931-Tertiary Education Affairs and Services
093120-Others
GU4003-University of Gujrat.

	<u>A. G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.161,955,000/-	Rs.161,955,000/-
Actual Expenditure	Rs.157,156,802/-	Rs.157,756,802/-
Saving	Rs. 4,798,198/-	Rs. 4,198,198/-
Percentage	2.96%	2.59%

10.4.2014 The Department explained that accounts had been reconciled with A.G. Punjab and saving was 2.59%, which was within the permissible limit. The department further explained that saving was due to vacant posts and late receipt of final modified grant.

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

xxxix) 09-Education Affairs and Services
 093-Tertiary Education Affairs and Services
 0931-Tertiary Education Affairs and Services
093120-Others
LQ4488-Queen Marry College Lahore.

Final Grant	Rs.47,086,000/-
Actual Expenditure	Rs.46,875,601/-
Saving	(-) Rs. 210,399/-
Percentage	0.45%

10.4.2014 The A.G. Punjab pointed out that reconciliation of the accounts had yet to be made.

The Department explained that variation was due to non-clearance of a cheque by T.O. Office amounting to Rs.2,11,449/- for leave encashment of 170 days. The cheque was not cashed because of which a saving of 0.45% incurred.

The Committee settled the item subject to reconciliation with Finance Department and A. G. Punjab.

11.8.2015 The Department explained that accounts had been reconciled with A.G. Punjab and there was minor saving which was only 0.45% of the final grant and requested for settlement of the above item.

On the recommendation of A.G. Punjab, **the item was settled.**

xxxx) 09-Education Affairs and Services
 093-Tertiary Education Affairs and Services
 0931-Tertiary Education Affairs and Services
093101-General Universities/Colleges/Institutes
LQ4145-Arts Colleges.

	<u>A. G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.11,773,993,000/-	Rs.11,773,993,000/-
Actual Expenditure	Rs.10,676,446,491/-	Rs.10,649,964,346/-
Saving	Rs. 1,097,546,509/-	Rs. 1,124,028,654/-
Percentage	9.32%	9.55%

10.4.2014 The Department explained that accounts had been reconciled with A. G. Punjab and saving was 9.55%, due to vacant post of teaching staff and late release of final modified grant. Further, the medical allowances were limited which were the main reasons of saving.

The Committee observed that under the sub-head of operating expenses there was a saving of Rs.87,417,670/- which was 16.44%. The Committee directed/recommended the department that an inquiry be held on this saving of huge amount under operating expenses and report be submitted within 30 days.

The item was settled.

3. Grant No.PC21015 (015) – Education (All Voted) Pages 107 to 146 of Appropriation Accounts for the year 2010-11.

i) 09-Education Affairs And Services
 093-Tertiary Education Affairs And Services
 0931-Tertiary Education Affairs And Services
093120-Others
LQ4500-University of Sargodha.

Final Grant	Rs.46,843,000/-
Actual Expenditure	Rs.46,842,686/-

Saving	(-) Rs.	314/-
Percentage		0.00%

11.8.2015 The Department explained that accounts had been reconciled with A.G. Punjab and there was minor saving in case of subject grant and requested for its settlement.

The item was accordingly settled.

- ii) 09-Education Affairs And Services
093-Tertiary Education Affairs And Services
0931-Tertiary Education Affairs And Services
093120-Others
LQ4482-Govt. College University Lahore.

Final Grant	Rs.175,750,000/-
Actual Expenditure	Rs.175,459,836/-
Saving	(-) Rs. 290,164/-
Percentage	0.17%

11.8.2015 The Department explained that saving had occurred mainly under the sub-head of Employees Retirement Benefits because payment of Leave Encashment was sanctioned in favor of a retiring Officer, but payment couldn't be actualized as a certain portion was to be paid by concerned University.

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

- iii) 09-Education Affairs And Services
095-Subsidiary Services To Education
0951-Subsidiary Services To Education
095101-Archives Library And Museums
LQ4572-Establishment of Library / Resource Centre at Murree.

Final Grant	Rs.25,000,000/-
Actual Expenditure	Rs.21,140,011/-
Saving	(-) Rs. 3,859,989/-
Percentage	15.44%

11.8.2015 The Department explained that funds had been allocated for the construction of Library/Resource Centre of Rawalpindi Medical College but same could not be utilized due to the non submission of claims by contractor till the end of financial year.

The Committee **settled the item with the directions** that timely utilization of funds should be ensured in future.

- iv) 09-Education Affairs And Services
093-Tertiary Education Affairs And Services

0931-Tertiary Education Affairs And Services
093120-Others
FQ4004-Government College University Faisalabad.

Final Grant	Rs.50,424,000/-
Actual Expenditure	Rs.50,421,797/-
Saving	(-) Rs. 2,203/-
Percentage	0.00%

- v) 09-Education Affairs And Services
095-Subsidiary Services To Education
0951-Subsidiary Services To Education
095120-Others
LQ5318-Miscellaneous Grants.

	<u>A.G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.0/-	Rs.0/-
Actual Expenditure	Rs.8,500,000/-	Rs.0/-
Excess	(+) Rs.8,500,000/-	Rs.0/-
Percentage	100.00%	0.00%

11.8.2015 The Department explained that there was variation of budget figures between Finance Department and the Administrative Department in case of above items.

The items were kept pending for reconciliation of budget figures with Finance Department.

8.9.2016 The Department explained that in compliance with last PAC directive, the expenditure figures had been reconciled with Finance Department.

The Committee was satisfied with the reply of department and **the items were settled.**

- vi) 09-Education Affairs And Services
093-Tertiary Education Affairs And Services
0931-Tertiary Education Affairs And Services
093120-Others
LQ4495-Miscellaneous Grants Higher Edu (LO5318).

	<u>A.G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.31,010,000/-	Rs.31,010,000/-
Actual Expenditure	Rs. 0/-	Rs.31,010,000/-
Saving	(-) Rs.31,010,000/-	(-) Rs.0/-
Percentage	100.00%	0.00%

11.8.2015 There was variation of figures between the office of A.G. Punjab and the Administrative Department regarding the above items.

The item was therefore, kept pending with the directions/recommendations that the accounts be reconciled with A.G. Punjab.

8.9.2016 The Department explained that an amount of Rs.31,010,000/ was budgeted as grant in aid for Jamia Asharafia and F.C College, Lahore and the amount had been realized and photocopy of cheques was also available but A.G. Punjab had not reconciled the accounts.

The representative of A.G. Punjab pointed out that accounts need to be reconciled.

The Committee directed/recommended the department to get the expenditure figures reconciled with A.G. Punjab and Finance Department within 30 days.

The item was kept pending.

4. Grant No.PC22036 (036) – Development (All Voted) Pages 152 & 153 of Appropriation Accounts for the year 2010-11.

- i) 09-Education Affairs and Services
 093-Tertiary Education Affairs and Services
 0931-Tertiary Education Affairs and Services
093102-Professional/Technical/Universities/Colleges
LE4302-Professional Technical Universities.

	<u>A. G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.121,548,000/-	Rs.121,548,000/-
Actual Expenditure	Rs.116,187,956/-	Rs.114,468,610/-
Saving	(-) Rs.5,360,044/-	(-) Rs. 7,079,390/-
Percentage	4.41%	5.82%

10.4.2014 The A.G. Punjab pointed out that reconciliation of the accounts had yet to be made.

The Committee kept the item pending for reconciliation with A.G. Punjab.

11.8.2015 The item was kept pending with the directions/recommendations that reconciliation of accounts must be ensured by the Administrative Secretary, at the earliest.

8.9.2016 The Department explained that the scheme was executed in the Academic Institutes under the Administrative control of Health, Agriculture and Livestock Departments and the students were used to apply for internal merit scholarship in PEEF and in case, upon selection in both the schemes most of the students were switched over to PEEF because the PEEF rates of scholarship were more attractive than others due to this funds were lapsed.

The Committee was satisfied with the explanation of the department and **the item was settled.**

- ii) 09-Education Affairs and Services
093-Tertiary Education Affairs and Services
0931-Tertiary Education Affairs and Services
093101-General Universities/Colleges/Institution
LE4274-General Universities Colleges Institution.

	<u>A. G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.1,733,077,000/-	Rs.1,689,521,732/-
Actual Expenditure	Rs.1,222,101,827/-	Rs.1,271,643,138/-
Saving	Rs. 510,975,173/-	Rs. 417,878,594/-
Percentage	29.48%	25%

10.4.2014 The A.G. Punjab pointed out that reconciliation of the accounts had yet to be made.

The Committee kept the item pending for reconciliation with Finance Department and A.G. Punjab.

Final Grant	Rs.1,733,077,000/-
Actual Expenditure	Rs.1,222,101,827/-
Saving	(-) Rs. 510,975,173/-
Percentage	29.48%

11.8.2015 The representative of A.G. Punjab pointed out that working papers have not yet been submitted for comments.

The Committee showed its displeasure for non-submission of working papers and **kept the item pending.**

8.9.2016 The Department explained that all districts officers had reconciled the data and Finance Department had accepted the final figures.

The Committee directed/recommended the department to get the expenditure figures reconciled with A.G. Punjab within 30 days.

The item was kept pending.

Audit Paras (Civil) for the year 2010-11

5. Para No.1.2.1 Page 6 of Audit Report for the year 2010-11; Loss Due to Suspected Misappropriation – Rs.0.147 Million.

6.9.2016 The Department explained that on the direction of SDAC an inquiry had been conducted according to which the equipment was purchased, properly entered in

stock register and physically available in the department and the purchase procedure was followed and payment was made in the same financial year.

The Finance Department pointed out that purchase procedure had not been followed properly the payment was made from the next year's budget which was the violation of financial rules.

The Committee directed/recommended that the Special Secretary, Higher Education department should personally probe the matter within 60 days under intimation to PAC.

The para was kept pending.

6. Para No.1.2.2 Pages 7 & 8 of Audit Report for the year 2010-11; Non-Production of Record – Rs.27.663 Million.

1.2.2(1) (AIR 10) B.I.S.E, Rawalpindi – Rs.14,157,900/-

11.4.2014 The Department explained that relevant record had yet to be produced for Audit.

The Committee kept the para pending.

12.8.2015 The Department explained that vouched accounts were not produced by the concerned school formations despite the lapse of several years.

The Committee shown its concern on non-production of relevant record to the Audit despite the lapse of several years and directed/recommended that Administrative Secretary should probe into the matter and action should be initiated against the responsables within 60 days under intimation to the PAC.

The para was kept pending.

7.9.2016 The Department explained that incompliance with last PAC directive, the inquiry had been conducted and the case for initiation of disciplinary proceedings against the defaulters was under process.

The Committee directed/recommended the department that disciplinary action against the defaulters should be completed within 60 days.

The para was kept pending.

1.2.2(1) (AIR 01) B.I.S.E, Rawalpindi – Rs.5,750,000/-

11.4.2014 The Department explained that complete record was available for verification. And verification had yet to be made.

The Committee kept the para pending.

7.9.2016 The Department explained that incompliance with last PAC directive, the inquiry had been conducted and the case for initiation of disciplinary proceedings against the defaulters was under process.

The Committee directed/recommended the department that disciplinary action against the defaulters should be completed within 60 days.

The para was kept pending.

7. **Para No.1.2.2 Pages 7 & 8 of Audit Report for the year 2010-11; Non-Production of Record - Rs.27.663 Million.**
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1.2.2.2 Government College University, Faisalabad – Rs.7,423,772/-

8. **Para No.1.2.5 Pages 11 & 12 of Audit Report for the year 2010-11; Irregular Award of Personal Pay Scale – Rs.0.324 Million.**
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(1.2.5(b) Para No.29 of AIR – BZU, Multan – 2009-10)

9. **Para No.1.2.23 Pages 37 & 38 of Audit Report for the year 2010-11; Non-remittance of University Share – Rs.69.439 Million.**
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10. **Para No.1.2.27 Pages 41 to 43 of Audit Report for the year 2010-11; Non-Adjustment of Advances – Rs.74.885 Million.**
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1.2.27.4 U.E.T, Taxila AIR.64 – Rs.269,170/-

1.2.27.5 University of Education, Lahore – Rs.3,438,526/-

11. **Para No.1.2.37 Pages 51 & 52 of Audit Report for the year 2010-11; Fraudulent Payment by Carrying Forward Incorrect Amounts – Rs.22.506 Million.**
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(Para No.4 of AIR – G.C University, Faisalabad 2010-11)

12. **Para No.1.2.40 Pages 54 & 55 of Audit Report for the year 2010-11; Non-Recovery of Mobilization/Secured Advance and Non-Forfeiture of Insurance Bonds/Performance Security – Rs.17.220 Million.**
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13. **Para No.1.2.41 Pages 55 & 56 of Audit Report for the year 2010-11; Loss Due to Non-Encashment of Insurance Bond- Rs.10.725 Million.**
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14. **Para No.1.2.50 Pages 66 & 67 of Audit Report for the year 2010-11; Unjustified Payment Due to Non Obtaining Job Mix Formula – Rs.6.848 Million.**
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(Para No.2C of AIR – UET, Taxila – 2008-09)

15. **Para No.1.2.56 Page 71 of Audit Report for the year 2010-11; Unjustified Provision of Contingent Expenditure – Rs.1.631 Million.**

(Para No.3D & 7 of AIR – UET, Taxila – 2008-09)

16. **Para No.1.2.57 Pages 71 & 72 of Audit Report for the year 2010-11; Overpayment Due to Higher Rates – Rs.1.079 Million.**

17. **Para No.1.2.58 Pages 72 & 73 of Audit Report for the year 2010-11; Overpayment Due to Incorrect Rates – Rs.1.060 Million.**

(Para No.3C, 4B & 4C of AIR – BZU, Multan – 2008-09)

18. **Para No.1.2.63 Pages 76 & 77 of Audit Report for the year 2010-11; Non-recovery Due to Use of Unpacked Bitumen – Rs.0.980 Million.**

19. **Para No.1.2.68 Pages 80 & 81 of Audit Report for the year 2010-11; Payment of Inadmissible Item of Work – Rs.0.330 Million.**

(Para No.16, 20 and 25 of AIR – UET, Taxila – 2007-08)

13.8.2015 The Department explained that all the necessary actions in respect of above paras had already been taken and relevant record had also been got verified by Audit.

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

20. **Para No.1.2.2 Pages 7 & 8 of Audit Report for the year 2010-11; Non-Production of Record – Rs.27.663 Million.**

1.2.2.3 Government College for Women, Kasur A.I.R No.05 – Rs.331,734/-

11.4.2014 The Department explained that the relevant record could not produce to Audit for verifications due to the negligence of the concerned staff.

The Committee directed/recommended the department to provide all the record to Audit within one month and an inquiry against responsible be held and report be submitted to PAC-I within one month.

The para was kept pending.

12.8.2015 The Department explained that an inquiry was ordered and the proceedings against officials had been started.

The para was kept pending with the directions that inquiry proceedings be finalized under intimation to the PAC.

7.9.2016 The Audit pointed out that PAC directed the department to produce all the record within one month and inquiry against responsible be held and report be submitted to PAC within one month and inspite of PAC direction the department had neither produced the relevant record nor the probe report regarding embezzlement of the said amount.

The Department explained that inquiry had been completed but the decision of inquiry was still pending by the Competent Authority.

The Committee directed/recommended the department to finalize the matter within 30 days.

The para was kept pending.

21. Para No.1.2.3 Pages 8 & 9 of Audit Report for the year 2010-11; Less Collection of Electricity Charges from the Residents – Rs.3.633 Million.

1.2.3 (a) para No.10(b) of AIR – UET, Lahore – 2008-09 – Rs.2,474,991/-.

6.9.2016 The Department explained that a sub-committee had been constituted by syndicate to thrash out the matter and set guidelines for paying electricity bills for in-campus and off-campus employees of the university.

The Committee directed/recommended the department to complete the inquiry within 30 days under intimation to PAC.

The para was kept pending.

**22. Para No.1.2.3
1.2.3(b) AIR.08 Lawrence College, Murree – Rs.1,158,017/-**

12.8.2015 The Department explained that Board of Directors approved the agreement of bulk supply of electricity on subsidies rates. However request for installation of separate meters at each residence had already been made to the IESCO authorities.

The Committee settled the para and directed/recommended that separate meters should be installed at each residence at the earliest.

7.9.2016 The Department explained that in compliance with last PAC, directive separate meter were installed at each residence.

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

23. Para No.1.2.4 Pages 10 & 11 of Audit Report for the year 2010-11; Loss Due to Theft of Motorcycles & Laptop – Rs.0.482 Million.

1.2.4.2 Fatima Jinnah Women University, Rawalpindi A.I.R No.2 – Rs.127,222/-.

13.8.2015 The Department explained that partial recovery had been effected through imposing the financial penalties upon the Officers/Officials who were involved in the theft and the remaining loss had been written off from the Syndicate of the University.

The Director (Monitoring) Finance Department opined Syndicate was not competent to write-off and the loss required to be written-off from Finance Department.

The para was settled subject to the regularization by Finance Department.

7.9.2016 The Department explained that total amount of recovery had been effected and FIR had registered against all the concerned person and matter had been forwarded to Finance Department for write off sanction while all concerned person were dismissed from their services with the approval of syndicate.

The Committee **settled the para subject to** verification of write off sanction by Finance Department within 30 days.

24. Para No.1.2.5 Pages 11 & 12 of Audit Report for the year 2010-11; Irregular Award of Personal Pay Scale – Rs.0.324 Million.

1.2.5(a) Para No.39 of AIR - UET, Taxila 2009-10 – Rs.324,120/-

6.9.2016 The Department explained that the draft services statues of the University were placed before the Syndicate in its meeting and sent to the Chancellor through Secretary HED for approval and department further stated the Syndicate resolved that this university should follow the Statutes of UET, Lahore being the mother institution of this University till the approval of the worthy Chancellor in this effect.

The Committee directed/recommended the department to hold inquiry within 60 days whether it was within the law or not.

The Committee **kept the para pending** till the decision of Chancellor.

25. Para No.1.2.6 Pages 12 & 13 of Audit Report for the year 2010-11; Short Realization of Dues – Rs.12.513 Million.

1.2.6.1 Govt. Post-Graduate College for Women Katchery Road, Multan (AIR No.03) – Rs.10,206,417/-

13.8.2015 The Department explained that partial recovery had been made and efforts were being made to effect balance recovery. However, total recoverable amount calculated by Audit was not correct and needs reconciliation.

The Committee directed/recommended the department to reconcile the matter with Audit. The para was reduced to the extent of recovery verified by Audit and its remaining portion was kept pending for recovery of outstanding dues.

6.9.2016 The Department explained that all huge relevant record was available for verification. Therefore, requested to depute any audit officer for spot verification.

The Committee directed/recommended the Audit to complete the physical verification of record within 60 days.

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

26. **Para No.1.2.6**
1.2.6.2 University of Engineering & Technology, Taxila A.I.R No.35, 40, 49 & 66 – Rs.1,618,074/-.

7.9.2016 The Department explained that this sub- para consists of four parts which were as under :-

- i) In reply of AIR para No.35 (Rs.1,326,225/-), whole amount had been recovered and record was available for verification.

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

- ii) In reply of AIR para No.40 (Rs.82,624/-), the Benevolent Fund Statutes Punjab had been adopted by the University through Syndicate in its meeting 39/2015 then deduction had been made accordingly and got verified by Audit.

On the recommendation of Audit, the **part of sub-para was settled.**

- iii) In reply of AIR para No.49 (Rs.102,000/-), actual amount had been recovered and remaining amount of Rs.18,700/- had been waived off by the Vice Chancellor and record was available for verification.

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

- iv) In reply of AIR para No.66 (Rs.107,225/-), total amount had been recovered and deposited in University account and got verified by Audit.

On the recommendation of Audit, the **part of sub-para was settled.**

27. **Para No.1.2.6**
1.2.6.3 Govt. Emerson College Bosan Road, Multan AIR No.4 – Rs.688,200/-.

11.4.2014 The Department explained that all the relevant record was available for verification.

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

7.9.2016 The Department explained that all the relevant record was available for verification and there was no irregularity committed.

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

28. **Para No.1.2.7 Pages 13 & 14 of Audit Report for the year 2010-11; Irregular Expenditure on Printing of College Magazine – Rs.0.890 Million.**

(Para No.04 of AIR – Government Post Graduate College (W), Multan – 2009-10)

13.8.2015 Audit apprised that tender for printing of college magazine was not advertised through DGPR and department didn't produced any record and regularization by Finance Department was required in the matter.

The Committee settled the para subject to the regularization by Finance Department.

6.9.2016 The Department explained that the expenditures on printing of college magazine were incurred out of the student fund which were approved by the Student Council.

The Finance Department clarified that student fund was not part of the public fund and contention of department was correct.

The Committee was satisfied and **the para was settled.**

29. **Para No.1.2.8 Pages 14 & 15 of Audit Report for the year 2010-11; Irregular Appointment on Tenure Track System – Rs.13.902 Million.**

6.9.2016 The Department explained that all the necessary action had been taken and outstanding recovery had been made and got verified by Audit.

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

30. Para No.1.2.9 Pages 16 & 17 of Audit Report for the year 2010-11; Irregular Appointments of Professors – Rs.5.881 Million.

1.2.9 (a) Irregular Payment – Rs.5.511 Million.

1.2.9 (b) Irregular Payment – Rs.370,000/-.

8.9.2016 The Department explained that Dr. Khawaja Tahir Mahmood was already on study leave from health department and he was engaged as part time consultant @ Rs.10,000/- per month while the appointment was made by the selection Board and Syndicate of the University through advertisement in the newspapers and the said professor had also obtained prior permission from his parent department to work as part-time consultant during his leave period in this university.

The Committee directed/recommended the department to probe the matter and submit its probe report to PAC within 90 days.

The para was kept pending.

31. Para No.1.2.10 Pages 17 to 19 of Audit Report for the year 2010-11; Irregular Appointments in Universities

1.2.10.1 Bahauddin Zakariya University, Multan - NIL

1.2.10.3 Bahauddin Zakariya University, Multan – NIL

1.2.10.4 Bahauddin Zakariya University, Multan - NIL

13.8.2015 Audit contended that above para was consist of four sub-paras regarding irregular appointment due to non-approval of statute by the Chancellor.

The Department explained that mentioned staff was appointed through advertisement and selection committee and their salaries were fixed on provisionally basis and statutes of the said posts had also been referred to the administrative department for approval.

The Committee was not satisfied with the explanation of the department and observed recruitments were made without adopting the proper selection process.

The Committee **kept the above parts of para pending with** the directions/ recommendations that Administrative Secretary should probe into the matter and report be submitted to the PAC within 60 days

7.9.2016 The Audit pointed out that in its last meeting PAC directed the department to probe the matter and hold an inquiry but there was no compliance of PAC directions.

The Committee **re-iterated its earlier decision** for 90 days.

1.2.10.5 Bahauddin Zakariya University, Multan (AIR – 18 & 19) - NIL

13.8.2015 The Department explained that all the necessary action in respect of above part of para had already been taken and relevant record had also been got verified by Audit.

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

32. Para No.1.2.10
1.2.10.2 University of Education, Lahore A.I.R No.10 – Rs.NIL.

7.9.2016 The Department explained that the university was made newly and employees of professor rank were not available. The contractual appointments were made by Vice Chancellor of that time to fulfill the requirements of statues and administration and academic responsibility was given to them and according to act of that time these appointments were correct in which no any anomaly involved.

The Committee directed/recommended the Administrative Secretary and Vice Chancellor of university to inquire the matter and report to PAC within 90 days.

The **para was kept pending.**

33. Para No.1.2.11 Pages 20 & 21 of Audit Report for the year 2010-11; Irregular Investment – Rs.200.548 Million.

1.2.11.1 Bahauddin Zakariya University, Multan A.I.R No.05 – Rs.146,138,962/-.

7.9.2016 The Audit pointed out that the contention of the department was not acceptable as the competent authority to regularize the irregular investment mentioned in the draft para was Finance Department instead of Syndicate as per prevailing rules of business, and that instructions of the Finance Department had been violated.

The Committee directed/recommended the department to constitute a Committee of representatives of BZU, Finance Department and Administrative Secretary and Committee would finalize the relevant policy regarding investment within 60 days.

The **para was kept pending.**

34. Para No.1.2.11
1.2.11.2 Lahore College for Women University, Lahore – Rs.35,000,000/-.

8.9.2016 The Department explained that an investment of Rs.35.00 million had been made with the approval of investment committee constituted by the Syndicate and the bids were called from different Banks and after comparative analysis, the investment committee decided to invest the amount with highest bidder and no irregularity had been committed.

The Committee **settled the para and directed** the department that in future this investment should be gradually shifted in Bank of Punjab.

35.

Para No.1.2.11

1.2.11.3 BISE, Rawalpindi AIR No.12 – Rs.18,814,148/-

12.8.2015 The Department explained that the investment had been made on competitive basis and the funds had been invested in the bank with highest profit rates. Moreover, as per regulations of the Board the Chairman and the Secretary were competent to make any decision regarding the investment.

The Committee directed/recommended that rational and uniform policy regarding the investment decisions for Intermediate & Secondary Educational Boards be adopted in compliance of the government instruction. The Committee further directed that any proposals in that regard should also be got vetted by the Administrative as well as Finance Department within 60 days.

The para was kept pending.

7.9.2016 The Department explained that incompliance with last PAC directive, the uniform Policy regarding investment had been followed by the department and discussion was done in PBCC forum.

The Finance Department apprised the Committee that already a policy circulated regarding investment and there were five banks from which the department could take quotation included The Bank of Punjab.

The Committee directed/recommended the department to follow up the PAC direction properly within 60 days.

The **para was kept pending**.

1.2.11.3 BISE Rawalpindi A.I.R No.13 – Rs.595,165/-

12.8.2015 The Department explained that the investment had been made on competitive basis and the funds had been invested in the bank with highest profit rates. Moreover, as per regulations of the Board the Chairman and the Secretary were competent to make any decision regarding the investment.

The Committee directed/recommended that rational and uniform policy regarding the investment decisions for Intermediate & Secondary Educational Boards be adopted in compliance of the government instruction. The Committee further directed that any proposals in that regard should also be got vetted by the Administrative as well as Finance Department within 60 days.

The para was kept pending.

7.9.2016 The Department explained that competitive rate of interest on the investments be made by the Board from four banks i.e. H.B.L. AL-Falah, Bank of Punjab and Faisal Bank Limited were obtained. The comparative statement was also prepared. During verification of record, it was noticed that no loss was accrued to the Board. All formalities were seen observed as per record and rules.

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

36. Para No.1.2.12 Pages 21 to 25 of Audit Report for the year 2010-11; Unauthorized Payment of Pay & Allowances – Rs.237.631 Million.

1.2.12.1 BZU Multan A.I.R No.02 – Rs.141,622,845/-.

7.9.2016 The Department explained that this sub-para consists of two parts which were as under :-

- i) In reply of Medical Allowances amounting to Rs.76,349,745/-, The Department explained that matter was pending in the court of law and Court had re-opened and Vice Chancellor had strictly advised to Legal Advisor for vacate stay of medical allowance.

The Committee directed/recommended the department to resolve the matter within 60 days and **part of para was kept pending.**

- ii) In reply of Conveyance Allowance amounting to Rs.37,880,640/-, the Department explained that the PAC in its meeting held on 5 July 2005 had been settled the same nature para regarding Conveyance Allowance being paid to the employees including the employees who are residing in the Campus and got verified by Audit.

On the recommendation of Audit, **the part of sub-para was settled.**

37. Para No.1.2.12 Pages 21 to 25 of Audit Report for the year 2010-11; Unauthorized Payment of Pay & Allowances – Rs.237.631 Million.

1.2.12(2) para No. 29 of AIR, Islamia University, Bahawalpur 2008-09 – Rs.411,792/-

38. Para No.1.2.27 Pages 41, 42 & 43 of Audit Report for the year 2010-11; Non-Adjustment of Advances – Rs.74.885 Million.

1.2.27(1) B.I.S.E,Rawalpindi – Rs.32,295,423/-
1.2.27(7) B.I.S.E, Sargodha – Rs.1,329,407/-

39. **Para No.1.2.30 Pages 45 & 46 of Audit Report for the year 2010-11; Non/Less Deduction of Income Tax – Rs.4.126 Million.**
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1.2.30(1) Para No.44 of AIR UET, Taxila – Rs.488,264/-
1.2.30(4) Queen Marry College, Lahore – Rs.99,923/-

40. **Para No.1.2.47 Pages 62 & 63 of Audit Report for the year 2010-11; Overpayment Due to Application of Incorrect Rates – Rs.0.725 Million.**
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(Para No.6 of AIR - BZU, Multan - 2007-08)
(Para No.17 & 24 of AIR - UET, Taxila - 2007-08)

41. **Para No.1.2.60 Page 74 of Audit Report for the year 2010-11; Less Deduction of Security Deposit Than The Prescribed Rate – Rs.1.098 Million.**
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(Para No.4 of AIR-UET, Taxila 2010-11 – Rs.247,457/-)
(Para No.5 of AIR-UET, Taxila 2010-11 – Rs.250,000/-)

11.4.2014 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made in respect of the above paras and got verified by Audit.

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

42. **Para No.1.2.12 Pages 21 to 25 of Audit Report for the year 2010-11; Unauthorized Payment of Pay & Allowances – Rs.237.631 Million.**
-

1.2.12.3 UET, Taxila A.I.R No.34 & 37 – Rs.24,261,120/-

6.9.2016 The Department explained that the University has suspended payment of the said allowances w.e.f. 01.10.2012 and the statutes for pay and allowance had been submitted through HED for approval of the Chancellor.

The Committee directed/recommended the university to get the matter regularized from Finance Department within 60 days.

The **para was kept pending.**

43. **Para No.1.2.12**
1.2.12.4 (AIR.6, 20) University of Sargodha – Rs.16,350,000/-
1.2.12.4 (AIR.09) University of Sargodha – Rs.857,793/-

12.8.2015 The Committee was informed that Vice Chancellor, University of Sargodha was not present in the meeting due to the official engagement with Chinese delegation.

The Committee expressed its displeasure on the absence of aforesaid officer without any prior intimation. Therefore, Committee deferred the consideration of the business relating to University of Sargodha with the direction that complete programme regarding Chinese delegation be produced to the PAC before the adjournment of the meeting.

The paras were kept pending till the next date i.e. 13.8.2015.

13.8.2015 The Department explained that Syndicate had full powers for the payment of such allowances and the approval of Chancellor was not required in the matter as the Chancellor had already handed over the powers to the Syndicate.

Audit contended that departmental stance was not justified as the approval of the Chancellor was mandatory in the subject paras. Director (Monitoring) Finance Department, also endorsed the contention of the Audit.

After detailed deliberations, the Committee directed/recommended the Department that a comprehensive reference be moved to Law Department to seek an advice and proceed in the matter accordingly.

The paras were kept pending.

7.9.2016 The Department explained that acting Vice Chancellor was working and the matter was pending in the court of law.

The Committee directed/recommended that the Administrative Secretary should pursue the matter and resolve the issue within 30 days.

The paras were kept pending.

44. **Para No.1.2.12**
1.2.12.5 Fatima Jinnah Women University, Rawalpindi A.I.R No.8 – Rs.14,520,138/-

1.2.12.5 Fatima Jinnah Women University, Rawalpindi A.I.R No.9 – Rs.91,200/-

1.2.12.5 Fatima Jinnah Women University, Rawalpindi A.I.R No.10 – Rs.3,637,543/-

13.8.2015 The representative of University explained that the summary had already been moved to the Chancellor through Higher Education Department which was still under process.

The Committee settled the paras subject to regularization by the competent authority.

7.9.2016 The Department explained that incompliance with last PAC directive, the summary had been moved to the Chancellor through Higher Education Department which was still under process.

The Committee directed/recommended the department to get approval of summary by Chancellor within 60 days.

The **paras were kept pending.**

45. **Para No.1.2.12**
1.2.12.6 UET, Lahore A.I.R No.08 – Rs.14,169,627/-
1.2.12.6 UET, Lahore A.I.R No.14 – Rs.4,683,893/-

6.9.2016 The Audit pointed out that the department had not effect the recovery from the concerned and also not get the approval of the chancellor.

The Department explained that the para pertains to the year of 2009-10 whereas the payments had approved by the competent authority in 2013.

The Committee was satisfied and the **paras were settled.**

46. **Para No.1.2.12**
1.2.12.7 University of the Punjab, Lahore A.I.R No.3 – Rs.4,572,000/-
. + A.I.R No.15 - Rs.550,000/-.

6.9.2016 The Department explained that this sub-para consist of two AIRs and in reply of AIR No.3 in compliance with PAC directive, the payment of orderly allowance had been stopped w.e.f 01-03-2011 but as far as payment of previous orderly allowance was concerned, a summary for regularization had been moved through HED for approval of the Chancellor followed by a couple of reminders. While In reply of AIR No.15 the appointment of Director P & D and project allowance had been approved by the Syndicate and a summary regarding project allowance had already been moved through HED for regularization by the chancellor.

The Finance Department stated that the appointment of Director P&D was made without advertisement which should be got regularized. The Finance Department clarified that no appointment can be made without advertisement except daily wagers.

The Committee directed /recommended the department to send a reminder to the Chancellor with reference to PAC meeting for regularization of this irregularity within 90 days.

The **para was kept pending.**

47. **Para No.1.2.12**
1.2.12.8 Government Murray College, Sialkot A.I.R No.05 –
Rs.1,041,675/-

11.4.2014 The Department explained that College was a nationalized institution and the residency portion of the college had never been accepted as part of college premises or handed over to this college by Chappal authorities who claimed it to be the part of Chappal. Therefore, all the occupants of different residences paid rent of their houses to Chappal administration.

The Committee settled the para subject to verification.

12.8.2015 The Department explained that the residing portion of the college had never been handed over to the college by Chapel authorities. Therefore, all the occupants paid their rents to the Chapel Authorities.

The Committee directed/recommended that Administrative Secretary should constitute a departmental committee to verify the contention of the department in collaboration with Revenue Authorities under intimation to the PAC.

The para was settled subject to the verification of the report of the departmental committee by Audit.

7.9.2016 The Department explained that in compliance with last PAC directive, the Inquiry Committee had constituted and the resident would be vacated from retired employee and according to findings of inquiry this land was declared as government's land.

The Committee directed/recommended the department that the recommendations of the Inquiry Committee should be followed up properly.

The para was kept pending.

48. Para No.1.2.12

- i) 1.2.12.9 Lahore College for Women University, Lahore A.I.R No.17 – Rs.984,960/-.

8.9.2016 The Department explained that this part was settled by SDAC and the part had been printed inadvertently.

The Committee settled the part of para.

- ii) 1.2.12.9 Lahore College for Women University, Lahore A.I.R No.04 – Rs.829,582/-.

8.9.2016 The Department explained that the residence was not designated residence of the Vice-Chancellor. It was build for the Principal of the Lahore College for Women and after up-gradation of the College to the status of the University, the said house remained under the use of the Vice-Chancellor and Audit verified the contention of the department.

On the recommendation of Audit, the Committee settled the part of the para.

**49. Para No.1.2.12
1.2.12.10 Government Degree College for Women Murree, Rawalpindi
A.I.R No.02 – Rs.448,032/-**

11.8.2015 The Department explained that partial recovery had been made and strenuous efforts were being made to effect the outstanding dues and the recovery would be effected very soon.

On the request of P.A.O. the Committee deferred the consideration of the above para till 13.08.2015 with the directions that complete details of the matter should be brought before the PAC.

13.8.2015 The Department explained that entire outstanding amount had been recovered and complete record in support of departmental contention could be verified by Audit.

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

8.9.2016 The Department explained that in compliance with last PAC directive, the Director of Education Colleges Rawalpindi had probed the matter and recommended that the calculation of Audit was not based on facts but Rs.30,000/- had been deposited by the department which was pointed out by the Audit and record was available for verification.

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

**50. Para No.1.2.12
1.2.12.11 BISE Gujranwala A.I.R No.20 – Rs.381,352/-**

12.8.2015 The Department explained that the drivers of the B.I.S.E boards were being paid fixed over time @ 50% of their basic pay due to their day and night duties as per the decision of Board of Directors in their meeting dated 19-07-1999. It was further added that Honorable High Court had also declared the Boards independent in financial and administrative matters.

The Audit contended that B.I.S.E had adopted the Pay scales of the Government and there was no provision of fixed over time allowance to the drivers @ 50% of their current basic pay per month.

The Finance Department opined that such allowances couldn't be paid without obtaining the prior approval from the Government.

The Committee observed that no proper reply what so ever was tender in the working papers and the decision/directions by the Honorable High Court had not been narrated in latter in spirit and the facts had misleadingly been quoted/narrated before the Committee.

The Committee took serious notice of casual attitude of the concerned officer towards the PAC business which caused loss of precious time of the committee and directed/recommended that Administrative Secretary should probe into the matter and report be submitted to the PAC at the earliest.

The para was kept pending.

7.9.2016 The Department explained that the inquiry had conducted and according to inquiry recovery of Rs.127,000/- was undue and one employee had died and second one had been retired.

The Committee accepted the explanation of department and **the para was settled with direction to be careful in future.**

51. **Para No.1.2.12**
1.2.12.12 Government College University, Faisalabad A.I.R No.5 – Rs.360,000/-
1.2.12.12 Government College University, Faisalabad A.I.R No.4 – Rs.337,603/-

13.8.2015 The Department explained that Syndicate had full powers for the payment of such allowances and the approval of Chancellor was not required in the matter as the Chancellor had already handed over the powers to the Syndicate.

Audit contended that departmental stance was not justified as the approval of the Chancellor was mandatory in the subject paras. Director (Monitoring) Finance Department, also endorsed the contention of the Audit.

After detailed deliberations, the Committee directed/recommended the Department that a comprehensive reference be moved to Law Department to seek an advice and proceed in the matter accordingly.

The paras were kept pending.

7.9.2016 The Department explained that incompliance with last PAC directive, a complete reference had been submitted to Admin branch of law department and waiting for their reply.

The Committee directed/recommended the department to resolve the matter within 30 days.

The paras were kept pending.

52. **Para No.1.2.12**
1.2.12.13 Secretary Higher Education Punjab, Lahore A.I.R No.13 – Rs.141,713/-.

11.4.2014 The Department explained that all the employees had been advised to deposit 5% maintenance charges in the Government Treasury.

The Committee kept the para pending and directed / recommended that the outstanding recoveries be made at the earliest.

8.9.2016 The Department explained that in compliance with last PAC directive partial recovery had been effected from the four persons out of total and in one case the person had four rooms according to allotment letter and he was bound to pay Rs.100/- per living room and rent clearance certificate was also available but Audit was not agreed.

The Committee reduced the para up to the recovered amount and directed the department to effect the outstanding recovery at earliest.

The para was kept pending.

53. Para No.1.2.13 Pages 26 & 27 of Audit Report for the year 2010-11; Non-Recovery of Dues – Rs.15.113 Million.

1.2.13.1 Government Post Graduate College (W) Katchery Road, Multan (AIR No.02) – Rs.4,646,174/-

13.8.2015 The Department explained that the contract of canteen was awarded after fulfilling all the codal formalities to Mr. Mqsood Ahmad on 09.09.2003 for a period of three years @ Rs.1,350,000/- per year. The contract was further extended to the same contractor for the period of one year (i.e. 2006-07) @ 10% increase. The college administration again decided to lease out the canteen for another term of three years from 2007-2010 but the previous lessee filed a suit in the Civil Court Multan and got Stay Order which continued till 20.08.2009. The department further added that actual outstanding amount was Rs.3,278,299/- instead of Rs.4,646,174/- and efforts were being made for recovery.

The Committee kept the para pending with the directions that recovery should be expedited through Arrears of Land Revenue under Land Revenue Act at the earliest.

6.9.2016 The Department explained that 10% increase in annual rent was not included in rent agreement with contractor due to non-awareness of rules by the concerned college staff posted at that time.

The Committee observed that if the clause of 10% increase was not included in the agreement then the contractor was not at fault.

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

54. Para No.1.2.13
1.2.13.2 Fatima Jinnah Women University, Rawalpindi A.I.R No.02 – Rs.3,299,500/-

13.8.2015 The Department explained that entire outstanding amount had been recovered and complete record in support of departmental contention could be verified by Audit.

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

7.9.2016 The Department explained that entire outstanding amount had been recovered and complete record in support of departmental contention could be verified by Audit.

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

55. **Para No.1.2.13**
1.2.13.3 Bahauddin Zakariya University, Multan A.I.R No.09 – Rs.2,708,706/-

1.2.13.3 Bahauddin Zakariya University, Multan A.I.R No.16 – Rs.1,724,782/-

1.2.13.3 Bahauddin Zakariya University, Multan A.I.R No.11 – Rs.736,476/-

1.2.13.3 Bahauddin Zakariya University, Multan A.I.R No.13 – Rs.507,827/-

7.9.2016 The Department explained that the all relevant record was available for verification.

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

56. **Para No.1.2.13**
1.2.13.4 University of Education, Lahore A.I.R No.01 – Rs.175,000/-

7.9.2016 The Department explained that university acquired some land for construction of hostel from contractors and plants on it were destroyed. Both contractors had applied for compensation and the concerned director had approved the same on the recommended of Auction Committee in Pursuance of section 2.2.1.16 (d) of delegation of financial power of university of Education, Lahore Financial Rules. All record was available for verification.

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

57. **Para No.1.2.13**
1.2.13.5 University of the Punjab, Lahore AIR No.5 – Rs.1,102,488/-

6.9.2016 The Department explained that all the necessary action had been taken and outstanding recovery had been made and got verified by Audit.

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

1.2.13.5 University of the Punjab, Lahore AIR No.7 – Rs.212,500/-.

6.9.2016 The Audit pointed out that some shops were demolished but the entry was not made in the Rent and Demand register which may be corrected.

The Department explained that the said shops were demolished while the Audit was asking about rent of these demolished shops.

The Committee **settled the para subject to** verification of record by audit and directed the university to be careful in future.

58. Para No.1.2.14 Pages 27 to 29 of Audit Report for the year 2010-11; Overpayment of Pay & Allowances Rs.4.828 Million.

1.2.14 (a) Overpayment of Encashment of Earned Leave – Rs.4.562 Million.

12.8.2015 The Department explained that the drivers of the B.I.S.E boards were being paid fixed over time @ 50% of their basic pay due to their day and night duties as per the decision of Board of Directors in their meeting dated 19-07-1999. It was further added that Honorable High Court had also declared the Boards independent in financial and administrative matters.

The Audit contended that B.I.S.E had adopted the Pay scales of the Government and there was no provision of fixed over time allowance to the drivers @ 50% of their current basic pay per month.

The Finance Department opined that such allowances couldn't be paid without obtaining the prior approval from the Government.

The Committee observed that no proper reply what so ever was tender in the working papers and the decision/directions by the Honorable High Court had not been narrated in latter in spirit and the facts had misleadingly been quoted/narrated before the Committee.

The Committee took serious notice of casual attitude of the concerned officer towards the PAC business which caused loss of precious time of the committee and directed/recommended that Administrative Secretary should probe into the matter and report be submitted to the PAC at the earliest.

The para was kept pending.

7.9.2016 The Department explained that an amount of Rs.1,097,631/- had been recovered through deduction from the monthly Salary of the employees of Board.

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

**59. Para No.1.2.14
1.2.14(b) Overpayment of Salary – Rs.266,496/-.**

(Para No.1 of AIR – Government College for Women, Murree – 2002-10)

11.8.2015 The Department explained that partial recovery had been made and strenuous efforts were being made to effect the outstanding dues and the recovery would be effected very soon.

On the request of P.A.O. the Committee deferred the consideration of the above para till 13.08.2015 with the directions that complete details of the matter should be brought before the PAC.

13.8.2015 The Department explained that recovery was not due in respect of above para because the extra ordinary leave was not availed by the Principle Government Degree College for Women Murree, Rawalpindi.

As there was difference of opinion between Audit and administrative department Committee desired that matter be trashed out by the Administrative Secretary and relevant record be got verified by Audit within 30 under intimation to the PAC.

The para was kept pending.

8.9.2016 The Department explained that in compliance with last PAC directives, the Director of Education Colleges Rawalpindi had been probed the matter and recommended that the department calculation was correct and the due amount had been deposited.

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

**60. Para No.1.2.15 Pages 29 to 31 of Audit Report for the year 2010-11;
Irregular Expenditure on Hiring of Buses – Rs.6.425 Million.**

7.9.2016 The Department explained that the all observations were addressed which were pointed out by Audit but during verification of record audit had raised some new observations.

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

**61. Para No.1.2.16 Pages 31 & 32 of Audit Report for the year 2010-11;
Irregular Award of Contract – Non Recovery of Rent – Rs.1.633
Million.**

(para No.32 & 33 of AIR – BZU Multan - 2009-10)

7.9.2016 The Department explained that the matter was subjudice in court of law.

The Committee directed/recommended the department to persue the matter in the court vigorously and resolve the matter within 60 days.

The **para was kept pending.**

**62. Para No.1.2.17 Pages 32 & 33 of Audit Report for the year 2010-11;
Irregular Purchase During Ban – Rs.3.035 Million.**

11.4.2014 The Department explained that vehicle was purchased with the approval of the Chief Minister and record of approval was available and LCD was purchased for security purposes of the office without approval.

The Committee settled the para subject to regularization of the purchase of LCD from Finance Department and verification of record by Audit.

12.8.2015 The Department explained that all the necessary actions in respect of above para had already been taken and relevant record had also been got verified by Audit.

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

**63. Para No.1.2.18 Pages 33 & 34 of Audit Report for the year 2010-11;
Irregular Payment of Salaries – Rs.4.772 Million.**

11.4.2014 The Department explained that posting of Assistant and Private Secretary was made by S & GAD. When any lecturer and professor were directed to give their joining in the Higher Education then Higher Education Department was bound to give his/her salary till their further posting in the colleges. And the present staff was working according to the sanctioned strength of Higher Education Department.

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

8.9.2016 The Department explained that the posting of Assistant and Private Secretary was made by S & GAD while any lecturer and Professor were directed to give their joining in the Higher Education then Higher Education Department was bound to give his/her salary till their further posting in the colleges and present staff was working according to the sanctioned strength of Higher Education Department and due to shortage of staff temporary charge of Section Officer had been given to the Private Secretary but latter on he removed from the this Post of Section Officer.

The Committee **settled the para subject to** regularization of irregular payment by Finance Department.

64. Para No.1.2.19 Pages 34 & 35 of Audit Report for the year 2010-11; Unauthorized Payment of House Rent Allowance.

13.8.2015 The Department explained that there was no designated residence for Vice Chancellor and there was misunderstanding of guest house being called V.C house because previous Vice Chancellor resided there and didn't draw house rent.

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

65. Para No.1.2.20 Pages 35 & 36 of Audit Report for the year 2010-11; Unauthorized Grant of BPS-8 to Drivers – Rs.0.854 Million.

11.4.2014 The Department explained that by following the practice of BISE, Rawalpindi, the said issue would also be placed before the Board of Governor in its upcoming meeting.

The Committee was not satisfied with the contention of the department and directed/recommended that the matter should be got regularized from the Finance Department.

The para was settled subject to regularization by Finance Department.

12.8.2015 The Department explained in compliance to the directions of the PAC in its meeting held on 11.04.2014 the case for regularization by Finance Department had been forwarded through administrative department on 17.06.2015.

The Committee expressed its displeasure on non-compliance of its previous directives despite the lapse of more than one year and directed/recommended that the department should take up the matter with Finance Department for regularization and report be submitted to the PAC in the next meeting.

The para was kept pending.

7.9.2016 The Audit pointed out that Drivers of autonomous bodies were not entitled while the department had violated the rules out rightly.

The Committee directed/recommended the department to regularize the expenditures and revert the drivers to their previous scales within 60 days.

The **para was kept pending.**

66. Para No.1.2.21 Pages 36 & 37 of Audit Report for the year 2010-11; Irregular Purchase Under Different Heads – Rs.0.260 Million.

(Para No.3 of AIR – Government College Civil Lines, Multan – 2005-10)

11.4.2014 The Department explained that all the relevant record was available for verification.

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

13.8.2015 The Department explained that all the necessary action in respect of above para had already been taken and relevant record had also been got verified by Audit.

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

67. Para No.1.2.22 Page 37 of Audit Report for the year 2010-11; Irregular Payment of Salary Under Tenure Track System – Rs.2.097 Million.

6.9.2016 The Department explained that the matter had been subjudice in Lahore High Court.

The Committee **kept the para pending** till the Decision of Court.

68. Para No.1.2.24 Pages 38 & 39 of Audit Report for the year 2010-11; Less Collection of Sui Gas Charges – Rs.2.667 Million.

6.9.2016 The Department explained that out of 458 residences, separate meters for 301 residences had been installed and the installation of 157 meters was in progress and the SNGPL had started issuing bills to 301 residents and they were paying their bills according to the tariff of the SNGPL and sub-meters were installed in the residential colony and the consumers were being charged as per their consumption/meter reading and all record was available.

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

69. Para No.1.2.25 Pages 39 & 40 of Audit Report for the year 2010-11; Irregular Purchases – Rs.50.643 Million.

1.2.25.1 Government Post Graduate College (W) Katchery Road, Multan A.I.R No.5 – Rs.2,865,882/-

1.2.25.1 Government Post Graduate College (W) Katchery Road, Multan A.I.R No.6 – Rs.1,470,021/-

1.2.25.1 Government Post Graduate College (W) Katchery Road, Multan A.I.R No.7 – Rs.593,490/-

1.2.25.1 Government Post Graduate College (W) Katchery Road, Multan A.I.R No.11 – Rs.165,580/-

13.8.2015 The Department explained that essential purchases were being made after observing all the codal formalities and the relevant record in support of departmental contention was also available for verification by Audit.

The Committee was not satisfied with the explanation of the department and directed/recommended that Administrative Secretary should probe into the matter and report be submitted to the PAC within 60 days.

The paras were kept pending.

6.9.2016 The Department explained that in compliance of the last PAC directive and inquiry had been conducted by Director Education Colleges, Multan according to which no embezzlement and irregularity had occurred.

The Audit and Finance department pointed out that inquiry report should be got vetted from the competent authority.

The Committee directed/recommended the Vice Chancellor of university to get the inquiry report vetted from syndicate and **paras were settled subject to** verification of vetted inquiry report by Audit.

70. **Para No.1.2.25**
1.2.25.2 University of Education, Lahore A.I.R No.07 – Rs.285,116/-
1.2.25.2 University of Education, Lahore A.I.R No.04 – Rs.217,752/-

7.9.2016 The Department explained that the consumption and stock register was under the custody of Mr. Amir Ali Zaidi, Senior clerk who was expired on 22.06.2012 and it was certified that the stationery items were purchased on cash basis on the requirement of staff as needed and all record was available for verification.

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

71. **Para No.1.2.25**
1.2.25.3 Bahauddin Zakariya University, Multan A.I.R No.39 – Rs.2,735,901/-
1.2.25.3 Bahauddin Zakariya University, Multan A.I.R No.40 – Rs.5,041,744/-

7.9.2016 The Audit pointed out that department had not provided the complete record.

The Department explained that whole record was available for verification.

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

72. **Para No.1.2.25**
1.2.25.4 UET Taxila A.I.R No.8 – Rs.3,158,022/-

6.9.2016 The Department explained that all relevant record regarding purchase of different articles was available for verification.

The Committee directed/recommended the department to verify the all relevant record by Audit.

The **para was kept pending.**

73. **Para No.1.2.25**
1.2.25.4 University of Engineering & Technology, Taxila A.I.R No.14 – Rs.2,667,569/-.

1.2.25.4 University of Engineering & Technology, Taxila A.I.R No.15 – Rs.4,578,099/-.

1.2.25.4 University of Engineering & Technology, Taxila A.I.R No.16 – Rs.8,467,300/-.

7.9.2016 The Department explained that whole amount had been recovered and record was available for verification.

The Committee **settled all these parts of sub para subject to** verification of record by Audit.

1.2.25.4 University of Engineering & Technology, Taxila A.I.R No.43 – Rs.961,862/-.

7.9.2016 The Department explained that this sub-para consists of two parts which were as under :-

- i) In reply of AIR para No.43-A (Rs.219,272/-), the expenditure on purchase of furniture was incurred from the regular budget and not against PC-1 for the scheme/project viz “Up-gradation of Lab equipment of various Laboratories of Electrical Engineering Department and got verified by Audit.

On the recommendation of Audit, the **part of sub-para was settled.**

- ii) In reply of AIR para No.43-B (Rs.748,590/-), the purchase was made in accordance with the university purchase rules and procedure-2008. The

tender was advertised in national dailies, bids were collected and items/equipment was purchased from lowest bidders. Therefore, there was no irregularity in purchase.

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

74. Para No.1.2.26 Pages 40 & 41 of Audit Report for the year 2010-11; Irregular Auction of Trees and Agriculture Land – Rs.0.907 Million.

6.9.2016 The Department explained that a 4-member committee had been constituted to inquire the matter which will submit its report within 30 days.

The Committee directed/recommended the university to submit probe report of that committee within 30 days to PAC.

The **para was kept pending.**

75. Para No.1.2.27 Pages 41 to 43 of Audit Report for the year 2010-11; Non-Adjustment of Advances – Rs.74.885 Million.

1.2.27.2 BISE, Bahawalpur – Rs.19,455,000/-

11.4.2014 The Department explained that all the relevant record was available for verification.

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

12.8.2015 The Department explained that all the necessary actions in respect of above para had already been taken and relevant record had also been got verified by Audit.

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

**76. Para No.1.2.27
1.2.27.3 BISE, Gujranwala – Rs.9,717,349/-**

12.8.2015 The Department explained that partial adjustments of the advances had been made, while in case of remaining advances the requisite record was still awaited from the concerned EDOs of various districts.

The Committee reduced the para to the extent of recovery verified by Audit and directed/recommended that the outstanding recovery be made.

The para was kept pending.

7.9.2016 The Department explained that out of Rs.91,093,491/- only Rs.8,700,000/- had been recovered and not mentioned in inquiry report and record was available.

The Committee directed/recommended that Administration Secretary should probe the matter within 60 days.

The **para was kept pending.**

77. Para No.1.2.27
1.2.27.4 U.E.T, Taxila AIR. 22 – Rs.6,532,830/-

6.9.2016 The Department explained that all the advance had been adjusted and were verified except amounting Rs,492,000/- Remaining adjustment of advances have been made and available for verification.

The representative of Finance Department explained that loans /advances were taken in names of employees.

The Committee observed that there was a contradiction between the university and Finance Department stance and directed the Special Secretary HED to personally look into the matter and report to PAC within 60 days.

The **para was kept pending.**

78. Para No.1.2.27
1.2.27(6) BISE, Faisalabad – Rs.1,847,600/-

11.4.2014 The Department explained that the necessary action had been taken and record was available for verification.

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

12.8.2015 The Department explained that all the necessary actions in respect of above para had already been taken and relevant record had also been got verified by Audit.

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

79. Para No.1.2.30 Pages 45 & 46 of Audit Report for the year 2010-11;
Non/Less Deduction of Income Tax – Rs.4.126 Million.

1.2.30.1 UET Taxila AIR No.33 – Rs.1,507,231/-

6.9.2016 The Department explained that recovery had been started on monthly basis which can be verified by audit.

The Committee directed/recommended the university to verify the recovery by Audit within 90 days.

The **para was kept pending.**

80. Para No.1.2.30
1.2.30.2 B.I.S.E. Gujranwala A.I.R No.01 & 03 – Rs.1,889,032/-

12.8.2015 The Department explained that hectic efforts were being made to recover the outstanding amount an account of less deduction of Income Tax and a letter had also been written to the FBR for the recovery.

The Committee directed/recommended that recovery should be pursued vigorously through the F.B.R. authorities for at source deduction of the outstanding amount.

The para was kept pending.

7.9.2016 The Department explained that the Audit was done on 2008-09 and the income tax was deducted @ 3.5% while this rate of Income Tax was increased @ 5% in 2009 instead of 3.5% and Audit demanded that Income Tax would be deducted @ 5% but the rate was 3.5% in 2008 and 5% in 2009. The differences which were made with difference percentage that had deposited by department.

The Committee directed/recommended the department to re-submit the matter to Audit for verification and report to PAC within 30 days.

The para was kept pending.

81. Para No.1.2.30
1.2.30.3 Government College Civil Line, Multan (AIR No.08 & 15) – Rs.112,894/-

11.4.2014 The Department explained that income tax and sales tax had been deposited into the Government Treasury. And all the relevant record was available for verification by Audit.

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

13.8.2015 The Department explained that para consist of two components out of which in case of A.P No. 08 all the necessary steps had been taken and relevant record had also been verified by Audit. However, in case of A.P No. 15 the efforts were being made to produce the relevant record to the Audit.

The Committee settled the para with the directions/recommendation that such lapses should strictly be avoided in future.

7.9.2016 The Department explained that an amount of Rs.112,894/- out of which Rs.6,000/-had been deposited into Govt. Treasury and remaining amount would be recovered while reminder had forwarded to concerned because contract was closed three years ago and contractor had gone away from contract. The department further stated that

this para was discussed in the last PACs meeting and Committee settled the para with directions that such lapses should strictly be avoided in future and all relevant receipts were available and verified by Audit.

The Committee **settled the para.**

82. Para No.1.2.31 Pages 46 & 47 of Audit Report for the year 2010-11; Overpayment of Allowances – Rs.3.699 Million.

7.9.2016 The Department explained that appointments of Vice Chancellor like Senior Administrators were envisaged under special dispensation of TTS. The system aims to search the professionals to serve in management positions. The terms and conditions of appointment orders under TTS were silent about the deductions of House Rent and in case of Residence provided which already had been declared as camp office of the Vice Chancellor.

The Committee reduced the para to extent of recovered amount and directed the department to effect the outstanding amount within 90days.

The **para was kept pending.**

83. Para No.1.2.32 Pages 47 & 48 of Audit Report for the year 2010-11; Unauthorized Grant of Presumptive Selection Grade – Rs.2.770 Million.

(Para No.4 of AIR – BISE Faisalabad – 2009-10)

11.4.2014 The Department explained that the necessary action had been taken and record was available for verification.

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

12.8.2015 The Department explained that entire outstanding amount had been recovered which could be verified by Audit.

The para was settled subject to verification of relevant record by Audit within one week.

7.9.2016 The Department explained that the matter was subjudice in the court and notices were issued to 14 employees for recovery.

The Committee directed/recommended the department to effect the recovery within 90 days.

The **para was kept pending.**

84. Para No.1.2.33 Pages 48 & 49 of Audit Report for the year 2010-11; Overpayment of Salary and Allowance – Rs.0.696 Million.

13.8.2015 The Department explained that Project Director was not hired as a part of PC-I and special Pay package for the Project Director had been forwarded to Higher Education Department for the approval by the Chancellor. It was further added that Project Director left the job.

The Committee directed/recommended that an inquiry be conducted by the Administrative Secretary to thrash out the matter and report be submitted to the PAC within 60 days.

The para was kept pending.

7.9.2016 The Department explained that incompliance with last PAC directive, an inquiry had been conducted and inquiry report was available along with its recommendations.

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

85. Para No.1.2.34 Page 49 of Audit Report for the year 2010-11; Non Establishment of Scheme of General Provident Fund.

(Para No.07 of AIR – BISE, Multan – 2009-10)

11.4.2014 The Department explained that office had issued notification to get willingness of the employees to introduce G. P. Fund scheme. Majority of the employees were rejected to adopt the G.P. Fund scheme due to that reason this office did not adopt the G. P. Fund scheme.

The Audit contended that the scheme of Provident Fund should be introduced in compliance with the rules.

The Committee supported the contention of Audit and settled the para subject to amendment in the relevant rules.

12.8.2015 The Department explained in compliance of PAC directives the case had been forwarded to controlling authority for amendment in the relevant rules which was still under process. And all the employees had adopted the option of pension.

The Committee directed/recommended that option of G.P. Fund should be excluded from the relevant rules.

The para was settled subject to the verification of amendment in the relevant rules by Audit within 30 days under intimation to the PAC.

7.9.2016 The Department explained that in compliance with last PAC directive, required amendment in the relevant regulations had made and the option of G.P. Fund scheme had been excluded from the rules and regulations of the Board.

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

86. Para No.1.2.36 Pages 50 & 51 of Audit Report for the year 2010-11; Undue Financial Benefit Due to Non-Obtaining of the Performance Guarantee – Rs.3.403 Million.

87. Para No.1.2.54 Pages 69 & 70 of Audit Report for the year 2010-11; Overpayment due to Higher Rates – Rs.2.615 Million.

(para No.3A & 8 of AIR - UET, Taxila 2008-09).

88. Para No.1.2.59 Page 73 of Audit Report for the year 2010-11; Non Recovery of Secured Advance – Rs.0.399 Million.

89. Para No.1.2.60 Page 74 of Audit Report for the year 2010-11; Less Deduction of Security Deposit Than the Prescribed Rate – Rs.1.098 Million.

(para No.6 of AIR - UET, Taxila 2010-11 – Rs.250,000/-).
(para No.11 of AIR - UET, Taxila 2010-11 – Rs.250,000/-).

7.9.2016 The Department explained that a 4 member Committee had been constituted to effect the recovery under arrears of land revenue.

The Committee directed/recommended the department to effect the recovery under arrears of Land Revenue Act within 90 days.

The paras were kept pending.

90. Para No.1.2.38 Pages 52 & 53 of Audit Report for the year 2010-11; Overpayment Due to Adoption of Incorrect Market Rates – Rs.1.306 Million.

(Para No.2 of AIR – G.C. University, Faisalabad 2010-11)

91. Para No.1.2.43 Pages 57 & 58 of Audit Report for the year 2010-11; Loss/Excess Payment – Rs.6.164 Million.

(Para No.2 & 3 of AIR – G.C. University, Faisalabad – 2000-08)

13.8.2015 The Department explained that price variations were applied on the basis of working inputs rates of subsequent quarters to the contractors in accordance with clause 70 of the contract agreement.

Audit contended that payment of price variation on the quarterly rates instead of monthly notified rates was against the laid down policy of the department and undue financial benefit was executed to the contractor.

As there was difference of opinions between department and Audit, the Committee directed/recommended that matter should be referred to the technical wing, Finance Department to seek expert opinion within 30 days.

The paras were kept pending.

7.9.2016 The Audit pointed out that instead of last PAC direction to forward the case for technical opinion to Finance Department the Admin department nominated the SE Provincial building Circle Faisalabad as probing officer in the matter. The probing officer in its probe report recommended to seek expert opinion from the Finance Department.

The Committee directed/recommended the department to get the technical opinion from Finance Department within 30 days.

The paras were kept pending.

92. Para No.1.2.39 Pages 53 & 54 of Audit Report for the year 2010-11; Irregular Award of Work – Rs.65.149 Million.

11.4.2014 The Department explained that work had been awarded to the lowest bidder by the approval of the Vice Chancellor of University and all codal formalities were observed. Therefore, no irregularity had been made.

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

6.9.2016 The Audit pointed out that contract was awarded before the administrative approval which was the violation of financial rules.

The representative of Finance Department endorsed the statement of Audit and Suggested that the matter should be got regularized.

The Committee directed/recommended the department to hold inquiry on the matter and fix responsibility against culprits within 60 days under intimation to PAC.

The para was kept pending.

93. Para No.1.2.42 Pages 56 & 57 of Audit Report for the year 2010-11; Non Recovery of Compensation Due to Delay in Completion of Work – Rs.6.720 Million.

6.9.2016 The Department explained that a 4 member committee had been constituted to effect the recovery under arrears of land revenue.

The Committee directed/recommended the university to effect the recovery under arrears of land revenue within 60 days.

The para was kept pending.

94. Para No.1.2.44 Pages 58 to 60 of Audit Report for the year 2010-11; Overpayment Due to Incorrect Rate Analysis – Rs.4.562 Million.

(para No.7 of AIR - UET, Taxila 2007-08 – Rs.2,264,195/-).

(para No.14 of AIR - UET, Taxila 2007-08 – Rs.950,800/-).

(para No.2 of AIR - UET, Taxila 2007-08 – Rs.841,327/-).

(para No.31 of AIR - UET, Taxila 2007-08 – Rs.506,197/-).

7.9.2016
verification.

The Department explained that all relevant record available for

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

95. Para No.1.2.45 Pages 60 & 61 of Audit Report for the year 2010-11; Irregular Expenditure on Providing and Fixing of Aluminum Partitions – Rs.1.289 Million.

(Para No.22 of AIR – G.C University, Faisalabad – 2008-09)

96. Para No.1.2.61 Pages 74 & 75 of Audit Report for the year 2010-11; Un-authorized Acceptance of Tender Beyond the Permissible Limit – Rs.0.554 Million.

(Para No.8 of AIR – G.C University, Faisalabad 2010-11)

97. Para No.1.2.65 Page 78 of Audit Report for the year 2010-11; Loss Due to Acceptance of Higher Tendered Rates – Rs.83.310 Million.

(Para No.09, 10 & 11 of AIR – G.C University, Faisalabad – 2000-08)

13.8.2015 The Department explained that matter regarding subject paras would be referred to the Finance Department for seeking expert opinion.

The Committee directed/recommended that a clarification in the matters be sought from the Finance Department at the earliest.

The paras were kept pending.

7.9.2016 The Audit pointed out that instead of last PAC direction to forward the case for technical opinion to Finance Department the Admin department nominated the SE Provincial building Circle Faisalabad as probing officer in the matter. The probing

officer in its probe report recommended to seek expert opinion from the Finance Department.

The Committee directed/recommended the department to get the technical opinion from Finance Department within 30 days.

The paras were kept pending.

98. Para No.1.2.46 Pages 61 & 62 of Audit Report for the year 2010-11; Non Recover of Difference in Rates – Rs.0.886 Million.

7.9.2016 The Department explained that the work was started in 2003 and due to earthquake in 2005 the schedule was revised and rates were paid according to contract agreement in 2003. Revised estimate was also within the limit and requested that recovery would not be made in this case.

The Committee directed/recommended the department to probe the matter and the probe report should be approved by university syndicate and then submit the probe report to PAC within 90 days.

The para was kept pending.

99. Para No.1.2.48 Pages 63 to 65 of Audit Report for the year 2010-11; Overpayment Due to Allowing Higher Rate – Rs.0.808 Million.

a. (para No.17 & 8 of AIR – BZU Multan - 2007-08)

b. (para No.11 of AIR – BZU Multan - 2007-08)

c. (para No.09 of AIR – BZU Multan - 2007-08)

7.9.2016 The Department explained that the recovery had been made and all relevant record was available.

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

100. Para No.1.2.49 Pages 65 & 66 of Audit Report for the year 2010-11; Overpayment Due to Application of Incorrect Rates – Rs.0.418 Million.

(para No.6 & 29 of AIR-UET, Taxila – 2007-08)

7.9.2016 The Department explained that the rate differences which were pointed out by audit had been recovered and record was available for verification.

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

**101. Para No.1.2.51 Pages 67 & 68 of Audit Report for the year 2010-11;
Loss Due to Defective Design – Rs.37.104 Million.**

7.9.2016 The Department explained that in compliance with last PAC directive, a written request had been forwarded by the HED to C&W department to probe the matter but probe report was awaiting.

 The Committee directed/recommended the department to submit the probe report within 60 days to PAC.

 The **para was kept pending.**

**102. Para No.1.2.52 Page 68 of Audit Report for the year 2010-11;
Overpayment Due to Incorrect Rate – Rs.9.787 Million.**

8.9.2016 The Department explained that this was basically HEC funded project and after approval of the project University was being the executing agency supposed to implement the approved projects as per provision in the PC-1 and guidelines provided by the planning commission of Pakistan and next time department would follow the procedure of Punjab Government.

 The Committee was satisfied with the reply of department and **the para was settled.**

**103. Para No.1.2.53 Pages 68 & 69 of Audit Report for the year 2010-11;
Non-Recovery of De-Escalation in Rates – Rs.5.959 Million.**

7.9.2016 The Audit had pointed out that the advice in the case of payment of escalation and recovery against De-Escalation be obtained from Finance Department for decision.

 The Committee directed/recommended the department to submit the case for advice from Finance Department and the **para was kept pending.**

**104. Para No.1.2.55 Pages 70 & 71 of Audit Report for the year 2010-11;
Non-Recovery of Advance Payment – Rs.2.340 Million.**

7.9.2016 The Department explained that acquired land for provided direct excess to the existing area of the sub campus Balkasar. The Assistant Commissioner, Chakwal had adjusted the amount of Rs.2,339,949/- towards cost of newly acquired land and the relevant record was available for verification.

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

105. Para No.1.2.62 Pages 75 & 76 of Audit Report for the year 2010-11; Loss Due to Allowing Higher Rates in Rate Analysis – Rs.1.765 Million.

(para No.02, 05, 12, 16 & 9 of AIR – BZU Multan - 2010-11)

106. Para No.1.2.64 Pages 77 & 78 of Audit Report for the year 2010-11; Non Recovery on Account of Price De-escalation – Rs.0.667 Million.

(para No.22 of AIR – BZU Multan - 2010-11)

7.9.2016 The Department explained that necessary evidences were available for perusal and consideration.

The Committee directed/recommended the department to re-verify the record by Audit within 30 days.

The paras were kept pending.

107. Para No.1.2.66 Pages 78 & 79 of Audit Report for the year 2010-11; Overpayment by Applying Incorrect Labour Factor for Price Variation – Rs.5.203 Million.

(Para No.4, 5 & 6 of AIR – G.C. University, Faisalabad – 2000-08)

13.8.2015 The Department explained that the price variation was allowed as per contract bidding document which were prepared by NESPAK. However, department assured that recovery as pointed out by Audit, would be effected from the contractor.

The Committee kept the para pending with the directions that recovery be effected at the earliest.

7.9.2016 The Department explained that all the necessary actions had been taken and outstanding recovery had been made and got verified by Audit in above para.

On the recommendation of Audit, the Committee **settled the above para.**

108. Para No.1.2.67 Pages 79 & 80 of Audit Report for the year 2010-11; Overpayment by Applying Incorrect Rate for Price Variation – Rs.8.849 Million.

1.2.67(b) AIR Para No.1, 3 and 7 UET, Lahore – Rs.1,392,444/-

11.4.2014 The Department explained that this case was sub-judice in Court of law.

The Committee kept the para pending till the decision of the court and directed the department to pursue the case vigorously.

6.9.2016 The Department explained that the para was subjdice in the court of Provincial Mohtasib.

The Committee directed/recommended the department to pursue the case vigorously.

The **para was kept pending.**

109. **Para No.1.2.67**
1.2.67(b) UET Taxila AIR Para No.10, 18, 21, 34 and 37 – 2007-08 – Rs.2,115,615/-

1.2.67(c) UET Taxila AIR Para No.15, 27 & 33 – 2007-08 – Rs.732,547/-

7.9.2016 The Committee took up the para items wise as under :-

- i) AIR para No.18, 21, 34, 15, 27 & 37, the amounts had been recovered and got verified by Audit.

On the recommendation of Audit, the above **parts of para were settled.**

- ii) AIR para No.10 & 33, Audit had pointed out that department had not provided the relevant record along with final bill.

The Department explained that all relevant record was available for verification along with final bill.

The Committee **settled the parts of para subject to** verification of Final bill by Audit.

HOME

The Committee examined the Accounts of the Home Department in its meetings held on 11.9.2014, 11.11.2015, 11.7.2016, 12.7.2016, 13.7.2016 and 10.11.2016 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

(HOME)

1. Grant No.PC21010/PC24010 (010) – General Administration : Pages 286 to 288 of Appropriation Accounts for the year 2010-11.

- i) 03-Public Order And Safety Affairs
036-Administration of Public Order
0361-Administration
036101-Secretariat/Administration
LQ4064-Home Department.

Final Grant	Rs.238,029,000/-
Actual Expenditure	Rs.222,120,536/-
Saving	(-) Rs. 15,908,464/-
Percentage	6.68%

1.9.2014 The Department explained that the savings had occurred mainly under the sub-heads of Pay & Allowances because several posts laying vacant during last quarter of the financial year and posting/transfer of officers were under control of Services and General Administration Department, whereas in case of savings under the sub-head of Grants, Subsidies & Write Off Loans for disbursement to the victims of Bomb blast and payment of internal security claims remained less incident by the grace of Allah.

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

- ii) 03-Public Order And Safety Affairs
036-Administration of Public Order
0361-Administration
036101-Secretariat/Administration
LQ4095-Crises Management & Control Centre.

Final Grant	Rs.2,308,000/-
Actual Expenditure	Rs.2,220,994/-
Saving	(-) Rs. 87,006/-
Percentage	3.77%

1.9.2014 The Department explained that saving had occurred because some posts were laying vacant during the last quarter of the financial year.

The **item was settled accordingly.**

- iii) 03-Public Order And Safety Affairs

036-Administration of Public Order
0361-Administration
036101-Secretariat/Administration
LQ4096-District Public Safety Commission.

Final Grant	Rs.8,275,000/-
Actual Expenditure	Rs.5,149,502/-
Saving	(-) Rs.3,125,498/-
Percentage	37.77%

1.9.2014 The Department explained that original grant was Rs.80,874,000/- in financial year 2010-11. An amount of Rs.72,533,000/- then surrendered in the Second Statement of Excess and Surrender and Rs.8,275,000/- were retained to fulfill the financial requirement of the Department for the last quarter but S&GAD didn't post the Officers/Officials and numerous seats laying vacant.

The Department further apprised the Committee that District Public and Police Complaint Commission (DPPCC) had great importance and been entrusted in task of bringing harmony between public and police as well as eliminating notorious "Thana Culture" but unfortunately the Commission had not been further notified since 2011.

The Committee observed that the role of DPPCC was very important as far as the present scenario is concerned as it acts as a bridge between public and police by receiving the grievances of people so that police discharges its duties appropriately without causing any harm or injury to any community and desired that commission should be revived in letter and in spirit.

With above observations the item was settled.

11.11.2015 The Department explained that accounts had been reconciled with A.G. Punjab and only Rs.8.275 million were retained under the head of Pays & Allowances due to expected posting of officers/officials in any of the 35 offices of District Public Safety Commission in Punjab. The department further stated that the funds of Rs.5.149 million were utilized and only Rs.3.125 million remained unutilized contrary to expectations and since 2009 the PSCP was dysfunctional and no more funds were being provided.

The Committee was satisfied with the departmental explanation and **the item was settled.**

(DIRECTORATE OF RECLAMATION AND PROBATION PUNJAB)

2. Grant No.PC21010/PC24010 (010) – General Administration : Page 285 of Appropriation Accounts for the year 2010-11.

03-Public Order And Safety Affairs
034-Prison Administration & Operation
0341-Prison Administration & Operation
034120-Others (Other Places of Detention & Co)

LQ4103-Reclamation & Probation Department.

Final Grant	Rs.66,584,000/-
Actual Expenditure	Rs.65,716,995/-
Saving	(-) Rs. 867,005/-
Percentage	1.30%

1.9.2014 The Department explained that there was an overall saving of 1.30%, which was very nominal. However, excess expenditure incurred under the sub-heads of Pay of Officers and Pay of Other Staff which was unavoidable as Government of the Punjab had granted monthly special allowance @ one pay equal to initial of relevant pay scales to all the Officers/Officials.

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

**(FORENSIC SCIENCE LABORATORY, BIRDWOOD ROAD
PUNJAB LAHORE)**

**3. Grant No.PC21010/PC24010 (010) – General Administration : Page 289 of
Appropriation Accounts for the year 2010-11.**

03-Public Order And Safety Affairs
036-Administration of Public Order
0361-Administration
036101-Secretariat/Administration
LQ4097-Forensic Science Laboratory Punjab.

Final Grant	Rs.13,555,000/-
Actual Expenditure	Rs.12,676,304/-
Saving	(-) Rs. 878,696/-
Percentage	6.48%

1.9.2014 The Department explained that savings mainly occurred in the sub-head of Pay & Allowances due to the vacant seats in the Department and requested for the settlement.

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

**(PROJECT MANAGEMENT UNIT/DIRECTORATE OF
MONITORING)**

**4. Grant No.PC21010/PC24010 (010) – General Administration: Page 290 of
Appropriation Accounts for the year 2010-11.**

03-Public Order And Safety Affairs

036-Administration Public Order
0361-Administration
036101-Secretariat/Administration
LQ4457-Directorate of Monitoring.

Final Grant	Rs.80,058,000/-
Actual Expenditure	Rs.61,858,327/-
Saving	(-) Rs.18,199,673/-
Percentage	22.73%

1.9.2014 The Department explained that mainly savings occurred under the sub-heads of Pay & Allowances, Operating Expenses and Physical Assets due to number of vacant posts whereas the process of recruitment had already been started in August 2009 but it couldn't be completed within the stipulated time due to variety of reasons.

The Director General further apprised the Committee that the Directorate of Monitoring (DOM) was established in 2005 as an attached department of Home Department. Its mandate was to carry out independent third party monitoring and evaluation of the Punjab Highway Patrol (PHP) but from 2009 to onwards the department came under cloud because Police Department didn't willing to be remained under the monitoring of PMU.

The Committee directed/recommended that Finance Department should write to the Authorities that the scope of the PMU be restored in the same preview as it was established.

The grant was settled.

(CHILD PROTECTION & WELFARE BUREAU)

5. Grant No.PC21010/PC24010 (010) – General Administration : Page 293 of Appropriation Accounts for the year 2010-11.

03-Public Order And Safety Affairs
036-Administration Public Order
0361-Administration
036101-Secretariat/Administration
LQ5362-Child Protection.

Final Grant	Rs.137,000,000/-
Actual Expenditure	Rs.108,591,976/-
Saving	(-) Rs. 28,408,024/-
Percentage	20.74%

1.9.2014 The Department explained that savings were mainly under the sub-heads of Pay & Allowances and Operating Expenses because recruitment process on 268 posts

of officers of different cadres couldn't be completed during the financial year. Moreover, the posts, which were to be filled through Deputation, also remained vacant as requisite staff was not posted and due to the non appointment of the officers the operational process of two districts (Bahawalpur & Rahim Yar Khan) couldn't be initiated.

The Committee **settled the grant with the directions/recommendations** that Optimum utilization of funds should be ensured in future.

(PRISONS)

6. Grant No.PC21012 (012) – Jails and Convict Settlements (All Voted) : Pages 294 to 300 of Appropriation Accounts for the year 2010-11.

- i) 03-Public Order And Safety Affairs
 034-Prison Administration And Operation
 0341-Prison Administration And Operation
034101-Jails And Convict Settlement
LQ4118-Direction.

Final Grant	Rs.51,179,000/-
Actual Expenditure	Rs.50,641,194/-
Saving	(-) Rs. 537,806/-
Percentage	1.05%

1.9.2014 The Department explained that out of total budgetary allocations, only meager amounts couldn't be utilized and requested for the settlement of item.

The item was settled accordingly.

- ii) 03-Public Order And Safety Affairs
 034-Prison Administration And Operation
 0341-Prison Administration And Operation
034101-Jails And Convict Settlement
LQ4119-Central Jails.

Final Grant	Rs.1,807,800,000/-
Actual Expenditure	Rs.1,766,811,623/-
Saving	(-) Rs. 40,988,377/-
Percentage	2.27%

1.9.2014 The Department explained that savings mainly occurred under the sub-head of Physical Assets because funds were granted through supplementary grant for the installation of Cellular Jammers but the procurement couldn't be finalized during the financial year 2010-11.

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

- iii) 03-Public Order And Safety Affairs
 034-Prison Administration And Operation

0341-Prison Administration And Operation
034101-Jails And Convict Settlement
LQ4120-District Jail.

Final Grant	Rs.1,947,552,000/-
Actual Expenditure	Rs.1,936,157,868/-
Saving	(-) Rs. 11,394,132/-
Percentage	0.59%

1.9.2014 The Department explained that excess expenditure was incurred under the sub-head of Regular Allowances because Finance Department did not allocate sufficient funds against this head as per demand. Since the regular allowances of concerned employees couldn't be stopped, therefore, expenditure was incurred.

The **item was settled with the direction/recommendation** that such lapses should be avoided in future.

- iv) 03-Public Order And Safety Affairs
034-Prison Administration And Operation
0341-Prison Administration And Operation
034101-Jails And Convict Settlement
LQ4121-Lock Ups.

Final Grant	Rs.39,344,000/-
Actual Expenditure	Rs.37,369,386/-
Saving	(-) Rs. 1,974,614/-
Percentage	5.02%

1.9.2014 The Department explained that savings mainly occurred under the sub-head of Operating Allowances because some Contingent Bills couldn't be entertained after the expiry of the last date 22-06-2011 fixed by the A.G. Punjab for submission of bills.

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

- v) 03-Public Order And Safety Affairs
034-Prison Administration And Operation
0341-Prison Administration And Operation
034101-Jails And Convict Settlement
LQ4122-Jails (Manufactures) Central Jails.

Final Grant	Rs.54,379,000/-
Actual Expenditure	Rs.54,137,378/-
Saving	(-) Rs. 241,622/-
Percentage	0.44%

1.9.2014 The Department explained that there was an overall saving of 0.44% of the final grant which was very nominal. However, excess expenditure incurred under the sub-head of Pay of Other Staff which was unavoidable.

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

- vi) 03-Public Order And Safety Affairs
034-Prison Administration And Operation
0341-Prison Administration And Operation
034101-Jails And Convict Settlement
LQ4123-Jails (Manufactures) District Jails.

Final Grant	Rs.340,000/-
Actual Expenditure	Rs.340,232/-
Excess	(+) Rs. 232/-
Percentage	0.07%

- vii) 03-Public Order And Safety Affairs
034-Prison Administration And Operation
0341-Prison Administration And Operation
034101-Jails And Convict Settlement
LQ4124-Works.

Final Grant	Rs.5,500,000/-
Actual Expenditure	Rs.5,417,627/-
Saving	(-) Rs. 82,373/-
Percentage	1.50%

1.9.2014 The Department explained that minor excess / saving were involved in above items and requested for settlement.

The Committee accepted the explanation of the department and **settled the above items.**

7. Grant No.PC21031 (031) – Miscellaneous (All Voted) : Page 317 of Appropriation Accounts for the year 2010-11.

03-Public Order And Safety Affairs
034-Prison Administration And Operation
0341-Prison Administration And Operation
034120-Others (Other Places of Detention and)
LQ4287-State Prisoners and Detenues.

Final Grant	Rs.150,000/-
Actual Expenditure	Rs.150,000/-
Excess/Saving	Rs.0/-
Percentage	0.00%

1.9.2014 The Department explained that the grant was fully utilized with no excess or saving.

The grant was settled accordingly.

(BALOCH LEVY, DERA GAZI KHAN)

8. Grant No.PC21013 (013) – Police (All Voted) : Page 308 of Appropriation Accounts for the year 2010-11.

03-Public Order And Safety Affairs

032-Police

0321-Police

032103-Local Police

DQ4006-Baluch Levy DG Khan.

Final Grant Rs.59,842,000/-

Actual Expenditure Rs.58,912,324/-

Saving (-) Rs. 929,676/-

Percentage 1.55%

1.9.2014 The Department explained that out of total budgetary allocations, only meager amounts couldn't be utilized and requested for the settlement of grant.

The grant was settled accordingly.

(BORDER MILITARY POLICE DERA GHAZI KHAN)

9. Grant No.PC21013 (013) – Police (All Voted) : Page 307 of Appropriation Accounts for the year 2010-11.

03-Public Order And Safety Affairs

032-Police

0321-Police

032103-Local Police

DQ4005-Border Military Police (DG Khan).

Final Grant Rs.106,052,000/-

Actual Expenditure Rs. 99,228,747/-

Saving (-) Rs. 6,823,253/-

Percentage 6.43%

1.9.2014 The Department explained that savings mainly occurred in the sub-heads of Pay & Allowances and Repair & Maintenance because some posts remained vacant and due to heavy flood during the year 2010-11 in the District Dera Gazi Khan. Therefore, no repair and maintenance work could take place due to emergent situation.

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

(BORDER MILITARY POLICE, RAJANPUR)

10. Grant No.PC21013 (013) – Police (All Voted) : Page 309 of Appropriation Accounts for the year 2010-11.

03-Public Order And Safety Affairs
032-Police
0321-Police
032103-Local Police
RQ4002-Border Military Police (Rajanpur).

Final Grant	Rs.47,050,000/-
Actual Expenditure	Rs.53,245,701/-
Excess	(+) Rs. 6,195,701/-
Percentage	13.17%

1.9.2014 The representative of A. G. Punjab contended that there was variation of expenditure figures between his office and the Department in case of above grant.

The grant was settled subject to reconciliation of expenditure.

10.11.2016 The Department explained that account had been reconciled with A.G. Punjab and the savings were occurred due to different vacant posts which were not filled due to some political issues.

The Committee directed the department that funds must be timely surrendered in future and **the grant was settled.**

(POLICE)

11. Grant No.PC21013 (013) – Police (All Voted) : Pages 301 to 306 & 310 to 314 of Appropriation Accounts for the year 2010-11.

i) 03-Public Order And Safety Affairs
032-Police
0321-Police
032102-Provincial Police
LQ4125-Direction.

Final Grant	Rs.1,412,138,000/-
Actual Expenditure	Rs.1,237,158,888/-
Saving	(-) Rs. 174,979,112/-
Percentage	12.39%

1.9.2014 The Department explained that saving had occurred mainly under the sub-heads of Pay & Allowances and Operating Expenses because some posts of Gazetted / Non-Gazetted staff remained vacant and a sum of Rs.123,548,991/- under the sub head A03906-Uniform & Protective Clothing had been lapsed because Bills were not entertained by A.G. Office after 22nd June 2011.

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

- ii) 03-Public Order And Safety Affairs
032-Police
0321-Police
032102-Provincial Police
LQ4126-Superintendence.

Final Grant	Rs.220,872,000/-
Actual Expenditure	Rs.219,003,180/-
Saving	(-) Rs. 1,868,820/-
Percentage	0.85%

1.9.2014 The Department explained that out of the total budgetary allocations only meager amounts couldn't be utilized. Moreover, there was an excess expenditure which was incurred under the sub-heads of Pay of Officer and Regular Allowances because the funds of some vacant posts were surrendered in the 2nd statement of excess and surrender but the said posts were got filled later.

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

- iii) 03-Public Order And Safety Affairs
032-Police
0321-Police
032102-Provincial Police
LQ4127-District Police.

Final Grant	Rs.42,353,770,000/-
Actual Expenditure	Rs.42,071,079,891/-
Saving	(-) Rs. 282,690,109/-
Percentage	0.67%

1.9.2014 The Department explained that out of the total budgetary allocations only meager amounts couldn't be utilized. Moreover, there was an excess expenditure which was incurred under the sub-heads of Pay of Officer and Regular Allowances because the funds of some vacant posts were surrendered in the 2nd statement of excess and surrender but the said posts were got filled later.

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

- iv) 03-Public Order And Safety Affairs
032-Police
0321-Police
032102-Provincial Police

LQ4128-Crime Investigation.

Final Grant	Rs.511,907,000/-
Actual Expenditure	Rs.450,859,265/-
Saving	(-) Rs. 61,047,735/-
Percentage	11.93%

1.9.2014 The Department explained that saving had occurred mainly under the sub-heads of Pay & Allowances because some posts of Officers couldn't be filled and funds were retained for the last quarter of the financial year.

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

- v) 03-Public Order And Safety Affairs
032-Police
0321-Police
032102-Provincial Police
LQ4129-Special Branch.

Final Grant	Rs.1,483,130,000/-
Actual Expenditure	Rs.1,443,768,762/-
Saving	(-) Rs. 39,361,238/-
Percentage	2.65%

1.9.2014 The Department explained that there was nominal savings against various sub-heads and requested for settlement of the above item.

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

- vi) 03-Public Order And Safety Affairs
032-Police
0321-Police
032102-Provincial Police
LW4120-Elite Police Force.

Final Grant	Rs.326,294,000/-
Actual Expenditure	Rs.305,008,499/-
Saving	(-) Rs. 21,285,501/-
Percentage	6.52%

1.9.2014 The Department explained that saving occurred mainly under the sub-head of Operating Expense because Ex. Commandant, Elite Police Training School didn't surrender the charge/powers of DDO and allocated funds out of financial budget for the year 2010-11 were lapsed.

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

- vii) 03-Public Order And Safety Affairs
032-Police
0321-Police
032111-Training
LQ4136-Police Training Institute.

Final Grant	Rs.1,230,039,000/-
Actual Expenditure	Rs.1,112,282,176/-
Saving	(-) Rs. 117,756,824/-
Percentage	9.57%

1.9.2014 The Department explained that saving had occurred mainly under the sub-heads of Pay & Allowances because recruitment against 200 posts of Constables couldn't be finalized till the close of financial year which resulted in saving.

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

- viii) 03-Public Order And Safety Affairs
032-Police
0321-Police
032113-Other Civil Armed Forces
LQ4131-Punjab Constabulary.

Final Grant	Rs.3,177,787,000/-
Actual Expenditure	Rs.3,098,261,667/-
Saving	(-) Rs. 79,525,333/-
Percentage	2.50%

1.9.2014 The Department explained that savings mainly occurred under the sub-head of Pay and Allowances because the contract of Guard Battalion was further extended with a lapse of one month.

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

- ix) 03-Public Order And Safety Affairs
032-Police
0321-Police
032150-Others
LQ4133-Police Supplied to Public Departments Private Bodies and Persons.

Final Grant	Rs.199,428,000/-
Actual Expenditure	Rs.183,755,767/-
Saving	(-) Rs. 15,672,233/-

Percentage 7.86%

1.9.2014 The Department explained that saving occurred mainly under the sub-head of Pay and Allowances because expenditure out of this grant was unforeseen in nature. As such, un-spent amount couldn't be surrendered in time.

The Committee accepted the explanation of department and **settled the item with the direction** that surplus funds should be surrendered well in time.

- x) 03-Public Order And Safety Affairs
032-Police
0321-Police
032150-Others
LQ4134-Qaumi Razakar Organization.

Final Grant	Rs.386,195,000/-
Actual Expenditure	Rs.369,130,824/-
Saving	(-) Rs. 17,064,176/-
Percentage	4.42%

1.9.2014 The Department explained that savings mainly occurred under the sub-head of Operating Expenses because PQRs were directed to open their Bank Account for payment of Traveling Allowance according the directions of PAC hence the funds were lapsed. As, such the meager excess expenditure was incurred on account of Pay of Officer which was unavoidable.

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

- xi) 03-Public Order And Safety Affairs
032-Police
0321-Police
032150-Others
LQ4135-Works.

Final Grant	Rs.35,000,000/-
Actual Expenditure	Rs.34,689,933/-
Saving	(-) Rs. 310,067/-
Percentage	0.89%

1.9.2014 The Department explained that out of total budgetary allocations, only meager amounts couldn't be utilized and requested for the settlement of item.

The **item was settled accordingly.**

12. Grant No.PC22036 (036) – Development (All Voted) : Page 321 of Appropriation Accounts for the year 2010-11.

03-Public Order And Safety Affairs
032-Police

0321-Police
032102-Provincial Police
LE4207-Provincial Police.

Final Grant	Rs.5,705,000/-
Actual Expenditure	Rs.5,700,993/-
Saving	(-) Rs. 4,007/-
Percentage	0.07%

1.9.2014 The Department explained that the overall savings were within the permissible limits and requested for the settlement of grant.

The grant was settled accordingly.

(Political Assistant, Dera Ghazi Khan)

13. Grant No.PC21031 (031) – Miscellaneous (All Voted) : Page 315 of Appropriation Accounts for the year 2010-11.

01-General Public Service
019-Public Services Not Elsewhere Define
0191-Public Services Not Elsewhere Define
019120-Others
DQ4007-Miscellaneous Expenditure on Tribes in D.G. Khan.

Final Grant	Rs.186,000/-
Actual Expenditure	Rs.0/-
Saving	(-) Rs. 186,000/-
Percentage	100%

(Political Assistant, Rajanpur)

14. Grant No.PC21031 (031) – Miscellaneous: (All Voted) Page 316 of Appropriation Accounts for the year 2010-11.

01-General Public Service
019-Public Services Not Elsewhere Define
0191-Public Services Not Elsewhere Define
019120-Others
RQ4066-Miscellaneous Expenditure on Tribes in Rajanpur.

Final Grant	Rs.67,000/-
Actual Expenditure	Rs.0/-
Saving	(-) Rs.67,000/-
Percentage	100%

10.11.2016 The Department explained that accounts had been reconciled with A.G. Punjab and the amount allocated could not be utilized as no cash award was announced for personal in lieu of extra-ordinary work by any authority and this was secret service fund.

The Committee accepted the explanation of department and **the above grants were settled.**

(PUNJAB EMERGENCY SERVICE) (RESCUE 1122)

15. Grant No.PC21031 (031) – Miscellaneous (All Voted) : Page 318 of Appropriation Accounts for the year 2010-11.

03-Public Order And Safety Affairs
036-Administration Public Order
0361-Administration
036101-Secretariat/Administration
LQ4509-Rescue 1122 (Punjab Emergency Service).

Final Grant	Rs.921,717,000/-
Actual Expenditure	Rs.847,324,213/-
Saving	(-) Rs. 74,392,787/-
Percentage	8.07%

1.9.2014 The representative of A. G. Punjab contended that there was variation of expenditure figures between his office and the Department.

The grant was settled subject to reconciliation of expenditure.

10.11.2016 The Department explained that in compliance with last PAC directive dated 1.9.2014 the expenditures had been reconciliation with the A.G. Punjab and there was no irregularity found.

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

(CIVIL DEFENCE)

16. Grant No.PC21032 (032) – Civil Defence (All voted) : Pages 319 & 320 of Appropriation Accounts for the year 2010-11.

- i) 03-Public Order And Safety Affairs
033-Fire Protection

0331-Fire Protection
033101-Administration
LQ4301-Administration.

Final Grant	Rs.36,382,000/-
Actual Expenditure	Rs.36,030,953/-
Saving	(-) Rs. 351,047/-
Percentage	0.96%

- ii) 03-Public Order And Safety Affairs
033-Fire Protection
0331-Fire Protection
033102-Operations
LQ4302-Medical Establishment.

Final Grant	Rs.3,116,000/-
Actual Expenditure	Rs.2,991,736/-
Saving	(-) Rs. 124,264/-
Percentage	3.99%

1.9.2014 The Department explained that out of total budgetary allocations, only meager amounts couldn't be utilized and requested for the settlement of items as the savings were within the permissible limits.

The items were settled accordingly.

(PUNJAB FORENSIC SCIENCE AGENCY)

17. Grant No.PC22036 (036) – Development: (All Voted) : Page 322 of Appropriation Accounts for the year 2010-11.

03-Public Order And Safety Affairs
036-Administration Public Order
0361-Administration
036101-Secretariat/Administration
LE4278-Secretariat Administration.

Final Grant	Rs.2,816,397,000/-
Actual Expenditure	Rs.2,141,535,923/-
Saving	(-) Rs. 674,861,077/-
Percentage	23.96%

1.9.2014 The representative of A. G. Punjab contended that there was variation of expenditure and budget figures and requires reconciliation with his office, Finance Department and Administrative Department.

The grant was therefore, kept pending with the direction that accounts be reconciled at the earliest.

10.11.2016 The Department explained that in compliance with last PAC directive dated 1.9.2014, accounts had been reconciled with A.G. Punjab and matter had been referred to Finance Department for regularization of expenditure incurred under the said item.

The Committee directed the department to get regularize the expenditures by Finance department.

The grant was kept pending.

Audit Paras (Civil) for the year 2010-11

(PRISONS)

18. Para No.6.2.5 Pages 193 & 194 of Audit Report for the year 2010-11; Non-Deposit of Government Receipts – Rs.32.291 Million.

6.2.5.2 District Jail, Faisalabad – Rs.4,670,000/-

6.2.5.7 I.G. Prisons Punjab, Lahore – Rs.10,251,000/-

6.2.5.8 Central Jail, Rawalpindi – Rs.10,250,000/-

11.11.2015 The Department explained that the matter had been taken up with the Home Department and hopefully next week the matter would be settled which would be placed before the PAC for its final decision.

On the assurance of I.G. Prisons that this matter would be resolved with the Home Department in next week, the Committee kept the paras pending.

11.7.2016 The Department explained that in compliance with previous PAC directive all the codal formalities had been fulfilled and the department further stated that Punjab Prisons Foundation had been approved by the Chief Minister and Board of Revenue had clarified the allotment of land to Prisons Foundation.

The Committee was satisfied and the **paras were settled.**

19. Para No.6.2.14 Pages 205 & 206 of Audit Report for the year 2010-11; Irregular Purchase of Consumable Dietary Articles – Rs.1.00 Million.

11.11.2015 The Department explained that the contractor had defaulted and the local purchases were made on the same prices as per contracted rates and the security of the defaulted contractor had also been forfeited.

As no loss had been occurred to government exchequer the Committee directed/recommended the department that in future this practice should not be repeated and all codal formalities should be fulfilled according to the procurement rules.

The para was settled.

- 20. Para No.6.2.15 Page 206 of Audit Report for the year 2010-11; Cost of Prison Factory Manufactured Articles not Recovered – Rs.12.426 Million.**
-

(Para No.01 of AIR of Central Jail Rawalpindi – 2009-10)

11.11.2015 The Department explained that whole recovery had been effected and challans were available for verification.

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

11.7.2016 The Department explained that all the relevant record as per direction of PAC had been verified by Audit.

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

- 21. Para No.6.2.17 Pages 208 & 209 of Audit Report for the year 2010-11; Non Deduction of Income Tax – Rs.1.887 Million.**
-

6.2.17.7 Central Jail, Rawalpindi – Rs.300,000/-

11.11.2015 The Department explained that all necessary actions had been taken and outstanding recoveries had been made and got verified by Audit.

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

(POLICE)

- 22 Para No.6.2.1 Pages 188 & 189 of Audit Report for the year 2010-11; Loss to Government Due to Theft/Snatch/Accident of Vehicles & Arms – Rs.22.463 Million.**
-

6.2.1.1 DPO Rahim Yar Khan – Rs.2,900,000/-

11.11.2015 The Department explained that an inquiry had been conducted according to which the police officials had been declared innocent in two different cases. The department further stated that the total write off amount was of 2-3 cases and the department was competent to write off it.

The Audit pointed out that write off sanctioned was done without regular approval of the Competent Authority.

The Finance Department clarified that if the amount exceeds Rs.8 lac then the department should get approval from Finance Department of written off sanction.

The Committee settled the para subject to reconciliation of written off amount with the audit and its sanction by the competent authority.

11.7.2016 The Department explained that inquiry had been conducted and police officials were found innocent and the matter had forwarded to Finance Department for write off the amount of Rs.2,900,000/-.

The Committee directed/recommended the department that the amount of para should be write off from Finance Department within 60 days and representative of PPRA should attend the next meeting.

The **para was kept pending.**

**23. Para No.6.2.1
6.2.1.2 DPO, Shekhupura – Rs.300,000/-**

11.7.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in above para.

On the recommendation of Audit, the Committee **settled the above para.**

**24. Para No.6.2.1
6.2.1.3 CCPO Lahore – Rs.970,000/-**

13.7.2016 The Department explained that findings of inquiry were available, according to inquiry report concerned employee had dismissed from service and after that he had been reinstated by the court of Law.

The Committee directed/recommended the department to write off procedure must be adopted for this matter.

The **para was kept pending**

**25. Para No.6.2.1
6.2.1.4 CCPO, Lahore – Rs.1,155,000/-**

13.7.2016 The Audit pointed out that the department did not produce any record in support of its contention contained in the working paper as per direction of SDAC.

The Department explained that all record was available for verification.

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

**26. Para No.6.2.1
6.2.1.5 DPO, Narowal – Rs.4,085,000/-**

12.7.2016 The Department explained that according to the inquiry report and court's orders no one had been found responsible for the said loss and it could be write off only.

The Committee directed/recommended the department to write off the said loss by the competent authority at the earliest.

The para was kept pending.

27. **Para No.6.2.1**
6.2.1.6 CPO, Faisalabad – Rs.12,940,000/-

11.7.2016 The Department explained that recovery was not possible because the vehicles were burnt during sectarian agitation in Ghulam Muhammad Abbad, Faisalabad and matter had been forwarded to Finance Department to write off the amount.

The Committee directed/recommended the department to write off the amount within 90 days from Finance Department.

The para was kept pending.

28. **Para No.6.2.1 Pages 188 & 189 of Audit Report for the year 2010-11; Loss to Government Due to Theft/Snatch/Accident of Vehicles & Arms - Rs.22.463 Million.**

6.2.1.7 CTO, Lahore – Rs.113,400/-

29. **Para No.6.2.4 Pages 191 to 193 & 329 of Audit Report for the year 2010-11; Unauthorized Disbursement of Pay and Allowances – Rs.56.698 Million.**

6.2.4.3 CTO, Lahore – Rs.555,920/-

30. **Para No.6.2.4**
6.2.4.9 Principal Elite PTS, Lahore – Rs.355,820/-

10.11.2016 The Department explained that total amount had been recovered and record was available.

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

31. **Para No.6.2.1 Pages 188 & 189 of Audit Report for the year 2010-11; Loss to Government Due to Theft/Snatch/Accident of Vehicles & Arms – Rs.22.463 Million.**

6.2.1.8 SP MT Lahore – NIL

12.7.2016 The Department explained that Vehicle No.4969 was damaged due to accident and got repaired by the concerned officer by his own expenses, Vehicle No.2953 was damaged in a Bomb Blast near Civil Lines Lahore, and Vehicle No.1166 and RIG-1172 Toyota Pick Up on Escort Duty with Hon'ble Chief Justice of Pakistan which met an accident and the vehicle was totally damaged.

The Audit pointed out that the log books of Vehicle No.4969 should be verify and a case should be move for write off sanction in respect of others vehicles.

The Committee **settled the para subject to** verification of log books of Vehicle No. 4669 and write off sanctions by the competent authority in respect of damaged vehicles.

32. Para No.6.2.2 Pages 189 & 190 of Audit Report for the year 2010-11; Irregular Consumption of POL Beyond Entitlements – Rs.80.986 Million.

6.2.2.1 Addl. IGP CID, Lahore – Rs.386,384/-

6.2.2.3 CCPO, Lahore – Rs.906,778/-

13.7.2016 The Department explained that the matter of enhancement of POL limit had been pending in Cabinet Sub-Committee on law and order as discussed in previous PAC.

The Committee directed/recommended the department that this matter of revision of POL limits should be resolve within 45 days through Cabinet Sub-Committee on law and order.

The **paras were kept pending.**

**33. Para No.6.2.2
6.2.2.2 Addl. IGP PHP, Lahore – Rs.4,278,104/-**

12.7.2016 The Department explained that the vehicles were operating inside and outside the municipal limits to control the crime rate, So, the consumption of POL was necessary for achieving this objective through aggressive patrolling and keen vigilance in the best areas.

The Committee was satisfied with the department explanation and the **para was settled.**

**34. Para No.6.2.2
6.2.2.4 CPO, Faisalabad – Rs.402,360/-**

11.7.2016 The Department explained that POL Limit was not imposed on Pool vehicles as per rules while audit had imposed the limit on pool vehicles.

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

35. **Para No.6.2.2**
6.2.2.5 CPO Rawalpindi – Rs.11,520,288/-
6.2.2.9 DPO Bahawalnagar – Rs.613,415/-
6.2.2.13 DPO Mianwali – Rs.2,726,739/-
6.2.2.14 DPO Muzaffargarh – Rs.2,632,540/-
6.2.2.16 DPO Pakpattan – Rs.8,503,604/-
6.2.2.17 DPO Sargodha – Rs.10,942,222/-
6.2.2.19 RPO Multan – Rs.832,609/-

11.11.2015 The Police Department explained that it was not possible to meet the expenditure of POL charges according to the notification issued by the Chief Secretary, keeping in view law and order situation. The department further explained that I.G. had revised the limits of POL but the audit was not accepting it and had asked to follow the ceiling according to the notification issued in 1991.

The Finance Department apprised that the department had moved a summary for revision of POL limits but the summary was returned for the comments of Home Secretary.

The Special Secretary, Home Department stated that this matter could be taken to Cabinet Sub-Committee on law and order where Finance Department had also its representation and matter could be resolved in 30 days.

On the request of Special Secretary Home, the Committee referred the matter to the Cabinet Sub-Committee on law and order issues and decision of the Cabinet Sub-Committee should implemented for revision of P.O.L limits.

The paras were kept pending.

36. **Para No.6.2.2**
6.2.2.6 CTO, Faisalabad – Rs.1,582,231/-
6.2.2.18 DPO, Sheikhpura – Rs.362,727/-

11.7.2016 The Department explained that the matter of enhancement of POL limit had been pending in Cabinet Sub-Committee on law and order as discussed in previous PAC.

The Committee directed/recommended that this matter of revised POL limits should be resolve within 45 days through Cabinet Sub-Committee on law and order.

The paras were kept pending.

37. **Para No.6.2.2**
6.2.2.7 CTO, Lahore – Rs.3,353,392/-

38. **Para No.6.2.2**
6.2.2.8 DIG VVIP Security, Lahore – Rs.6,303,443/-

10.11.2016 The Department explained that the matter of enhancement of POL limit had been pending in Cabinet Sub-Committee on law and order as discussed in previous PAC.

The Committee directed/recommended that this matter of revised POL limits should be resolve within 45 days through Cabinet Sub-Committee on law and order.

The paras were kept pending.

39. **Para No.6.2.2**
6.2.2.10 DPO, Gujrat – Rs.4,324,252/-
6.2.2.11 DPO, Hafizabad – Rs.5,616,662/-
6.2.2.12 DPO, Mandi Bahaudin – Rs.5,878,560/-
6.2.2.15 DPO, Narowal – Rs.9,819,498/-

12.7.2016 The Department explained that the matter of enhancement of POL limit had been pending in Cabinet Sub-Committee on law and order as discussed in previous PAC.

The Committee directed/recommended the department that this matter of revised P.O.L. limits should be resolve within 45 days through Cabinet Sub-Committee on law and order.

The paras were kept pending.

40. **Para No.6.2.3 Pages 190 & 191 of Audit Report for the year 2010-11; Non Recovery of Police Guards Charges – Rs.61.532 Million.**

6.2.3.1 DPO Bahawalpur – Rs.6,579,462/-

41. **Para No.6.2.3**
6.2.3.4 DPO Rahim Yar Khan – Rs.2,988,240/-

42. **Para No.6.2.4 Pages 191, 192, 193, 329 & 330 of Audit Report for the year 2010-11; Unauthorized Disbursement of Pay and Allowances – Rs.56.698 Million.**

6.2.4.2 SSP PC-2 Rawalpindi – Rs.1,487,400/-

6.2.4.4 Commandant Police College, Sihala – Rs.513,800/-

6.2.4.8 DPO Bahawalnagar – Rs.734,415/-

6.2.4.12 CPO Multan – Rs.766,600/-

6.2.4.16 DPO Rahim Yar Khan (AIR 01 & 02)– Rs.1,808,903/-

6.2.4.17 DPO Jhang (AIR 02 & 07) – Rs.3,428,528/-

6.2.4.28 DPO Kasur – Rs.772,064/-

43. **Para No.6.2.8 Page 197 of Audit Report for the year 2010-11; Non Receipt of Stores – Rs.30.240 Million.**

(Para No.19 of AIR AIG Logistic CPO Lahore – 2009-10)

44. **Para No.6.2.12 Pages 202 & 203 of Audit Report for the year 2010-11; Doubtful Expenditure on Cost of Investigation – Rs.3.060 Million.**

6.2.12.2 CPO Multan – Rs.485,187/-

45. **Para No.6.2.17 Pages 208 & 209 of Audit Report for the year 2010-11; Non Deduction of Income Tax – Rs.1.887 Million.**

6.2.17.5 DPO Rajanpur – Rs.82,252/-

46. **Para No.6.2.17
6.2.17.10 DPO Bahawalpur – Rs.84,382/-**

11.11.2015 The Department explained that all necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in all above paras.

On the recommendation of Audit, the Committee **settled all the above paras.**

47. **Para No.6.2.3 Pages 190 & 191 of Audit Report for the year 2010-11; Non Recovery of Police Guards Charges – Rs.61.532 Million.**

6.2.3.2 CPO, Faisalabad – Rs.1,592,000/-

11.7.2016 The Department explained that strenuous efforts were being made for recovery of outstanding amounts from Radio Pakistan.

The Committee directed/recommended the department to recover the amount within 90 days.

The **para was kept pending.**

48. **Para No.6.2.3
6.2.3.3 CCPO, Lahore – Rs.50,372,310/-**

10.11.2016 The Audit pointed out that this Para of Rs.61.532 million was a clubbed Para out of which an amount of Rs.50,372,310/- pertains to CCPO, Lahore and the department had contended that actual amount comes to Rs.22,904,210/- instead of Rs.50,372,310/- which was not verified. The department had recovered a sum of Rs.12,862,247/- from the concerned and deposited into government treasury leaving a balance of Rs.37,510,063/- which had been seen by Audit.

The Committee reduced the para to extent of recovered amount and directed the department to affect the outstanding recovery at earliest.

The para was kept pending.

49. **Para No.6.2.4 Pages 191 to 193, 329 & 330 of Audit Report for the year 2010-11; Unauthorized Disbursement of Pay and Allowances – Rs.56.698 Million.**
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6.2.4.1 DPO, Mandi Bahaudin – Rs.2,055,672/-

12.7.2016 The Department explained that partial recovery had been effected and efforts were being made to recover the remaining amount.

The Committee reduced the para up to recovered amount and its verification by audit and directed the department to effect the remaining recovery within 90 days.

The para was kept pending.

50. **Para No.6.2.4**
6.2.4.5 CPO, Faisalabad – Rs.909,070/-

11.7.2016 The Department explained that partial recovery had been made and efforts were being made for balance recovery.

The Committee directed/recommended the department to recover remaining amount within 90 days.

The para was kept pending.

51. **Para No.6.2.4**
6.2.4.6 CPO Rawalpindi (AIR 12 & 15) – Rs.53,302/-

11.11.2015 The Department stated that the entire recovery had been effected and record was available for verification.

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

52. **Para No.6.2.4**
6.2.4.7 CTO Faisalabad – Rs.6,160,000/-

12.7.2016 The Department explained that this sub-para consists of two parts which were as under:-

- i) In reply of AIR para No.1, whole amount had been recovered and record was available for verification.

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

- ii) In reply of AIR para No.2 the department stated that after court orders recovery process had been started from the salaries of 126 employees.

The Committee directed/recommended the department to effect the recovery within 90 days from all employees. The **part was kept pending.**

**53. Para No.6.2.4
6.2.4.10 DIG T&T Lahore – Rs.85,004/-**

13.7.2016 The Department explained that the matter was subjudice in Supreme Court of Pakistan and department had stopped the 20% special allowance to respondent and recovery would be on the base of the decision of the Supreme Court of Pakistan.

The Committee **kept the para pending.**

**54. Para No.6.2.4
6.2.4.11 CCPO, Lahore – Rs.6,674,503/-**

13.7.2016 The Department explained that no recovery could be made from the dismissed constable and co-accused had been got declared as Proclaimed Offender.

The Committee directed/recommended the department to effect the recovery within 90 days under intimation to PAC.

The **para was kept pending.**

**55. Para No.6.2.4
6.2.4.13 CTO, Lahore – Rs.10,769,043/-**

10.11.2016 The Department explained that this para had two parts and in reply of part (A), it was stated that Lahore high Court had allowed special Allowance to all constable and head constable @ Rs.2,000/- per month and all record was available.

The Committee **settled the part (A) of para subject to** verification of record by Audit.

While in reply of part (B), department stated that an amount of Rs.211,158/- had been recovered and efforts were being made to affect the outstanding recovery.

The Committee **reduced the part (B)** of para upto the recovered amount and directed the department to affect the outstanding amount at earliest.

56. Para No.6.2.4

6.2.4.14 DPO, Muzaffargarh – Rs.4,476,864/-

11.7.2016 The Department explained that the amount which was pointed out by the audit was not correct and only Rs.840/- was outstanding which had been recovered and deposited and verified by the audit.

Audit apprised the Committee that contention of department was wrong.

The Committee directed/recommended the department to verify the all record by Audit and reconcile the recovery amount with audit within 60 days.

The para was kept pending.

57. Para No.6.2.4 Pages 191, 192, 193, 329 & 330 of Audit Report for the year 2010-11; Unauthorized Disbursement of Pay and Allowances – Rs.56.698 Million.

6.2.4.15 DPO Pakpattan – Rs.785,060/-

6.2.4.27 DPO Sargodha (AIR 08 & 10) – Rs.444,317/-

58. Para No.6.2.5 Pages 193 & 194 of Audit Report for the year 2010-11; Non-Deposit of Government Receipts – Rs.32.291 Million.

6.2.5.4 DPO Mianwali – Rs.95,964/-

59. Para No.6.2.17 Pages 208 & 209 of Audit Report for the year 2010-11; Non Deduction of Income Tax – Rs.1.887 Million.

6.2.17.8 DPO Mianwali – Rs.233,600/-

11.11.2015 The Department explained that partial recoveries had been made and efforts were being made to recover the outstanding amounts.

On the request of department the Committee granted three months time limit to effect the recovery.

All above paras were kept pending for recovery.

60. Para No.6.2.4 Pages 191, 192, 193, 329 & 330 of Audit Report for the year 2010-11; Unauthorized Disbursement of Pay and Allowances – Rs.56.698 Million.

6.2.4.18 DPO Lodhran – Rs.174,900/-

11.11.2015 The Department explained that the matter was subjudice in the court of law and department was pursuing it vigorously.

The para was kept pending being subjudice.

**61. Para No.6.2.4
6.2.4.19 DPO, Narowal – Rs.1,280,166/-**

11.7.2016 The Department explained that partial amount had been recovered and outstanding amount would be recovered within 30 days.

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

**62. Para No.6.2.4
6.2.4.20 SP MT Lahore – Rs.5,193,087/-**

12.7.2016 The Department explained that this sub-para had two parts, and in reply of AIR para No.1, the matter was in court of law and court had directed the department to make payments of Special Technical Allowance to the petitioner and up till now department pursued the case vigorously in court of law. In reply of AIR para No.4 the department explained that Rs.170,318/- had been recovered and efforts were being made to effect the remaining balance.

The Committee directed/recommended the department to recover the remaining amount within 90 days and reduced the para upto recovered amount and its verification by Audit.

The **para was kept pending.**

**63. Para No.6.2.4
6.2.4.21 DPO, Gujrat – Rs.1,668,355/-**

12.7.2016 The Department explained that major amount had been recovered with outstanding amount of Rs.26,545/- which was difficult to recover due to the death of certain employees.

The Committee directed/recommended the department to move a case for write off amount of Rs.26,545/- by the competent authority.

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

**64. Para No.6.2.4
6.2.4.22 Addl. IGP CID, Lahore – Rs.266,950/-**

13.7.2016 The Department explained that partial recovery had been effected and efforts were being made for outstanding recovery.

The Committee reduced the para to extent of recovered amount and directed the department to recover the remaining amount within 90 days.

The **para was kept pending.**

**65. Para No.6.2.4
6.2.4.23 AIG Logistic CPO Lahore – Rs.386,778/-**

10.11.2016 The Department explained that the officers as mentioned in Audit observation were assigned some duties which they were performed accordingly and they remained on duty during the said period, therefore, they were entitled for the payment of Risk Allowance and Fixed Daily Allowance all record was available.

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

**66. Para No.6.2.4
6.2.4.24 RPO Multan – Rs.241,275/-**

11.11.2015 The Audit had objection that Ms Nabila Naheed Rana SP was posted at Chung therefore she should get the salary according to the pay package at Chung and not from Lahore where she was performing her duties and drawing pay package including big city allowance.

The Department explained that due recoveries had been made on account of risk allowance and fixed daily allowance.

The Committee agreed with the departmental contention and **settled the para.**

**67. Para No.6.2.4
6.2.4.25 Addl. IGP Investigation, Lahore – Rs.351,540/-**

12.7.2016 The Department explained that the recovered amount was deposited into wrong head of account while an amount of Rs.206,040/- was outstanding.

The Committee directed/recommended the department to adjust the wrong head of account within 30 days and recover the outstanding amount within 90 days.

The **para was kept pending.**

**68. Para No.6.2.4
6.2.4.26 DPO, Hafizabad – Rs.4,298,648/-**

12.7.2016 The Department explained that partial recovery had been effected and efforts were being made to recover the remaining amount.

The Committee reduced the para up to recovered amount and its verification by audit and directed the department to effect the remaining recovery within 60 days.

The **para was kept pending.**

**69. Para No.6.2.5 Pages 193 & 194 of Audit Report for the year 2010-11;
Non-Deposit of Government Receipts – Rs.32.291 Million.**

6.2.5.1 CCPO, Lahore – Rs.203,415/-

13.7.2016 The Department explained that as per direction of SDAC whole amount had been deposited into Government Treasury vide challan No.5367/10 dated 7.12.2010 and verified by Treasury Officer and seen by Audit. However, no action was taken due to death of accused person.

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

**70. Para No.6.2.5
6.2.5.5 CTO, Faisalabad – Rs.1,130,275/-**

11.7.2016 The Department explained that on the direction of Lahore High Court, it was decided that the collection of receipt through maintenance of fork lifters had to deposit into Police Welfare fund.

 The Audit pointed out that matter should be regularized from Finance Department.

 The Committee **settled the para subject to** regularization by Finance Department.

**71. Para No.6.2.5
6.2.5.6 Principal Elite PTS, Lahore – Rs.1,687,283/-**

10.11.2016 The Department explained that the canteen of Elite police Training School was a Welfare Project which provides facilities to the staff and trainees of EPTS. The income received from canteen in the shape of profit/rent was deposited into Welfare Account of Elite Police Training School which was further utilized for the welfare of EPF officials and grieved families of Shuhadas of EPF Punjab who had scarified their lives for the nation and country and an amount of Rs.2,881,223/-had been paid for the welfare of officials and families of Shuhadas.

 The Committee referred the matter to Finance Department for its opinion within 20 days.

 The **para was kept pending.**

**72. Para No.6.2.5
6.2.5.9 RPO, Gujranwala – Rs.3,606,000/-**

12.7.2016 The Department explained that Police Welfare Committee had approved and notified SOPs regarding Police Brass Band and the funds collected through the services of Police Brass Band were deposited in District/Regional Police Welfare Funds.

The Committee **settled the para subject to** verification of Police Welfare rules by Audit.

73. Para No.6.2.6 Pages 194 to 196 of Audit Report for the year 2010-11; Irregular Expenditure on Purchase of Stationery and Printing - Rs.45.855 Million.

6.2.6.1 CTO, Lahore – Rs.8,931,723/-

6.2.6.12 CTO, Lahore – Rs.8,675,738/-

10.11.2016 The department explained that the matter had been referred to Finance Department for regularization of expenditures and hopefully the issue would be resolved within 30 days.

The Committee **settled the above paras subject to** verification of regularization of expenditure by Finance Department.

74. Para No.6.2.6
6.2.6.2 SSP Tele, Lahore – Rs.1,130,000/-

13.7.2016 The Department explained that no irregularity had been made because the amount was less than one lac and no bill was more than Rs.25,000/-.

The Audit pointed out that the power of limited tender was Rs.100,000/-.

The Committee directed/recommended the department to increase the rate of tender limit from Rs.25,000/- to Rs.100,000/-.

The **para was settled.**

75. Para No.6.2.6
6.2.6.3 CTO, Faisalabad – Rs.2,148,513/-

6.2.6.4 CTO, Faisalabad – Rs.103,031/-

11.7.2016 The Department explained that whole record was available for verification and matters were pending in Cabinet Sub-Committee and would be settled in 45 days.

The **paras were kept pending.**

76. Para No.6.2.6 Pages 194 to 196 of Audit Report for the year 2010-11; Irregular Expenditure on Purchase of Stationery and Printing – Rs.45.855 Million.

6.2.6.5 Addl. IGP PHP, Lahore – Rs.3,389,344/-

**77. Para No.6.2.11 Pages 200 to 202 of Audit Report for the year 2010-11;
Irregular Expenditure on Repair of Vehicles – Rs.8.510 Million.**

6.2.11.4 Addl. IGP PHP, Lahore – Rs.2,383,256/-

13.7.2016 The Department explained that as per direction of SDAC two cases had been sent to the Finance Department on 11 August 2011 which were under process.

The Finance Department apprised the Committee that it needs to be regularized.

The Committee **settled the paras subject to** regularization of expenditure by Finance Department and its verification by Audit.

**78. Para No.6.2.6 Pages 194 to 196 of Audit Report for the year 2010-11;
Irregular Expenditure on Purchase of Stationery and Printing –
Rs.45.855 Million.**

6.2.6.6 DPO Muzaffargarh – Rs.1,284,746/-

11.11.2015 The Department explained that in compliance with SDAC directive, the expenditure had been regularized by Finance Department and got verified by Audit.

The Committee was satisfied with reply of department and the **para was settled.**

**79. Para No.6.2.6
6.2.6.7 Addl. IGP CID, Lahore – Rs.1,279,566/-**

13.7.2016 The Department explained that tender was invited for the purchase of different stationery items through DGPR and advertisement was published in Daily Newspapers and all other codal formalities were followed and the amount of the bill was paid through cheques and contract was made under the provision of Purchase Manual and purchase was Advertised on 20-08-2009. Whereas PPRA Rules were enforced on 02.10.2009.

The Committee **settled the para.**

**80. Para No.6.2.6
6.2.6.8 AIG Logistic CPO Lahore – Rs.4,824,307/-**

10.11.2016 The Department explained that all purchase was made with the approval of the competent authority and provincial police officer was full power to sanction the expenditure on items specifically shown in the current budget estimates while PPRA rules were duly observed during the procurement and all the purchase was made on demand and dire need of the offices of the provincial police directorate.

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

**81. Para No.6.2.6
6.2.6.9 RPO Multan – Rs.883,864/-**

11.11.2015 The Department explained that there was no splitting expenditure because all the purchases were made on different dates from different firms by advertising tenders in the local newspaper where necessary and there was no violation of P.P.R.A. Rules.

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

11.7.2016 The Department explained that whole record had been provided to audit for verification and purchase of all articles had made by calling tenders.

The Committee directed/recommended that the department to be careful in future to follow the PPRA Rules.

The **para was settled.**

**82. Para No.6.2.6
6.2.6.10 DPO, Gujrat – Rs.2,836,146/-**

12.7.2016 The Department explained that in compliance of the SDAC instructions the matter had been sent to Finance Department for regularization of irregular expenditures.

The Finance Department endorsed the statement of department.

The Committee directed/recommended the department to provide all relevant record to Finance Department for regularization of expenditures within 30 days.

The **para was kept pending.**

**83. Para No.6.2.6 Pages 194 to 196 of Audit Report for the year 2010-11;
Irregular Expenditure on Purchase of Stationery and Printing –
Rs.45.855 Million.**

6.2.6.11 CCPO, Lahore – Rs.9,264,394/-

**84. Para No.6.2.10 Pages 198 to 200 of Audit Report for the year 2010-11;
Irregular Expenditure on Repair of Building – Rs.20.198 Million.**

6.2.10.4 CCPO, Lahore – Rs.2,155,129/-

**85. Para No.6.2.16 Pages 207 & 208 of Audit Report for the year 2010-11;
Irregular Purchase of Uniforms – Rs.4.465 Million.**

13.7.2016 The Department explained that on the direction of SDAC, the cases had been forwarded to the Administrative Department for onward transmission to Finance Department for regularization of the irregular expenditure which was yet under process.

The Committee **settled the paras subject to** regularization of expenditures by Finance Department and its verification by Audit.

86. Para No.6.2.6 Pages 194 to 196 of Audit Report for the year 2010-11; Irregular Expenditure on Purchase of Stationery and Printing – Rs.45.855 Million.

6.2.6.13 AIG Logistic CPO Lahore – Rs.296,500/-

10.11.2016 The Department explained that expenditures were incurred on printing after fulfillment of all the codal formalities and with the sanction of competent authority on different dates on the demand of immediate requirement and dire need of the offices while PPRA rules were duly observed during the procurement.

The Committee **settled the para subject to** regularization of expenditures by Finance Department.

**87. Para No.6.2.6
6.2.6.14 Addl. IGP Investigation, Lahore – Rs.806,820/-**

12.7.2016 The Audit pointed out that financial rules were not followed while making expenditure on purchase of stationery articles.

The Finance Department apprised the Committee that expenditure was misclassified that needs to be regularized by Finance Department.

The Committee **settled the para subject to** regularization by the Finance Department and its verification by Audit.

88. Para No.6.2.7 Page 196 of Audit Report for the year 2010-11; Undue Retention of Public Money – Rs.7.361 Million.

6.2.7.1 DPO, Gujrat – Rs.6,963,012/-

12.7.2016 The Department explained that an inquiry had been conducted by DSP Lines Gujrat according to which money was disbursed honestly by the DPO Office and no irregularity had found.

The Committee was not satisfied with the inquiry report and observed that DSP was not competent to conduct the inquiry. The Committee directed/recommended the department to depute some senior officer to conduct inquiry within 45 days under intimation to PAC.

The **para was kept pending.**

**89. Para No.6.2.7
6.2.7.2 DPO Muzaffar Garh – Rs.397,503/-**

11.11.2015 The Audit pointed out that the department had opened an account in commercial bank and made disbursements to the concerned in violation of Punjab Financial Rules.

The Finance Department endorsed the statement of Audit.

The Committee directed/recommended the department to refer the case to Finance Department for regularization and the para was settled subject to regularization by Finance Department and later its verification by audit.

11.7.2016 The Department explained that payment of widows had been delayed due to their family matters and later on payment was made when family matters were resolved.

The Committee settled the para.

90. Para No.6.2.9 Page 198 of Audit Report for the year 2010-11; Non Disposal of Un-Serviceable Vehicles and Stores – Rs.21.996 Million.

6.2.9.1 CCPO, Lahore – Rs.1,002,000/-

10.11.2016 The Department explained that an amount of Rs.901,000/- had been deposited into government treasury and duly verified by the treasury officer.

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

**91. Para No.6.2.9
6.2.9.2 DPO, Narowal – Rs.2,550,000/-**

12.7.2016 The Department explained that all the unserviceable vehicles and stores had been auctioned, the record of which was available for verification.

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

**92. Para No.6.2.9
6.2.9.3 Principal Elite PTS, Lahore – Rs.604,305/-**

11.7.2016 The Department explained that in AIR para 13 the used empty cases of bullets had been sent to the Farooqabad store for further disposal and in AIR para 14 total amount of Rs.104,305/- had been deposited and challan was duly verified by the Treasury Officer.

The Committee **settled the para.**

**93. Para No.6.2.9
6.2.9.4 SP MT Lahore – Rs.17,839,410/-**

12.7.2016 The Audit pointed out that department had not provided the relevant record for verification.

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

94. Para No.6.2.10 Pages 198 to 200 of Audit Report for the year 2010-11; Irregular Expenditure on Repair of Building – Rs.20.198 Million.

6.2.10.1 Commandant Police College, Sehala – Rs.300,000/-

11.11.2015 The Audit pointed out that the expenditure was incurred in pieces by splitting up the vouchers just to avoid the required sanction by the higher authority.

The Department explained that expenditure was rightly incurred and all the codal formalities were fulfilled before utilizing the funds.

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

**95. Para No.6.2.10
6.2.10.2 DPO, Hafizabad – Rs.9,996,171/-**

12.7.2016 The Department explained that Chief Minister relaxed all the rules and procedures for utilization of funds.

The Committee **settled the para subject to** verification of record of relaxation of rules and procedure by the Chief Minister.

**96. Para No.6.2.10
6.2.10.3 Principal Elite PTS, Lahore – Rs.1,199,800/-**

10.11.2016 The Audit pointed out that the paid vouchers revealed that all the work was done by the M/S Karmaq Builders and the sanctions and payments (paid vouchers) were made on frequent dates in pieces by splitting up the vouchers just to avoid the open tendering and sanction of higher authority and the department was required to get the irregular expenditure regularized from the Finance Department.

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

**97. Para No.6.2.10
6.2.10.5 DIG T&T Lahore – Rs.409,365/-**

13.7.2016 The Department explained that due to late release of funds tendering was avoided and repairing of barak was an emergency.

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

98. Para No.6.2.10
6.2.10.6 Addl. IGP CID, Lahore – Rs.299,168/-

13.7.2016 The Department explained that some buildings of CID were very old and their repair and maintenance like repair of ceiling, repair of toilets, pipelines etc, were necessary to be carried out urgently to avoid any future damage in sever climate conditions. The department further stated that the estimates of repair were got obtained from Govt. Building Department and all the codal formalities were observed.

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

99. Para No.6.2.10
6.2.10.7 DPO Bahawalnagar – Rs.297,820/-

11.11.2015 The Department explained that all requirement of the audit had been completed and record was available for verification.

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

11.7.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in above para.

On the recommendation of Audit, the Committee **settled the above para.**

100. Para No.6.2.10
6.2.10.8 RPO, Gujranwala – Rs.5,540,698/-

12.7.2016 The Department explained that Chief Minister had relaxed all the rules and procedures for utilization of funds.

The Committee was not satisfied and kept the para pending till tomorrow and directed the department to bring relevant summary in support of departmental contention.

13.7.2016 The Department explained that orders of Chief Minister for relaxation of rules and procedures were available. The department further stated that advice could be forwarded only if the legal background of summary was available and requested that this matter should be regularized because the money was remained in accounts.

The Committee **kept the para pending** for verification of record/approval of summary by Audit and directed the Finance Department and Audit to resolve this matter at earliest collectively.

101. Para No.6.2.11 Pages 200 to 202 of Audit Report for the year 2010-11; Irregular Expenditure on Repair of Vehicles - Rs.8.510 Million.

6.2.11.1 CTO, Lahore – Rs.829,402/-

10.11.2016 The Department explained that 90% vehicles were condemnable and an amount of Rs.800,000/-was spent on repair of the vehicles in 2010 and the department had total 10 thousands vehicles. The department further explained that the vehicles were got repaired by obtaining sealed quotations on the lowest market rates and the expenditures were sanctioned by the DIG being the competent authority, NOC was obtained from the SSP/MT Punjab, Lahore and History sheets were already maintained.

The Finance Department endorsed the statement of department.

The Committee was satisfied with the reply of department and **the para was settled.**

**102. Para No.6.2.11
6.2.11.2 SSP PC-2 Rawalpindi – Rs.3,514,547/-**

11.11.2015 The Department explained that the said vehicles were very old and got repaired and all the repairs were remained under Rs.1 lac and the department was fully competent to incur the expenditure.

Audit pointed out that the work was done without getting N.O.C.

The Committee directed the department that irregularity should be condoned by Finance Department and settled the para subject to verification by Audit.

11.7.2016 The Department explained that NOC issued by the SSP/MT Punjab Lahore was available with bills and payment had been made through cash instead of cheque and department would be remain careful in future for payment through cheque.

The Committee directed/recommended that the matter be got regularized by Finance Department and **settled the para subject to** regularization of irregular expenditures by Finance Department.

**103. Para No.6.2.11
6.2.11.3 SSP Tele, Lahore – Rs.352,428/-**

13.7.2016 The Department explained that all the repair work had been done after obtaining NOC from the SSP/MT Punjab, Lahore and different kind of repairs were carried out from different workshops on different dates. The department further stated

that repair work had carried out after fulfillment of all codal formalities and no irregularity was made.

The Committee **settled the para.**

**104. Para No.6.2.11
6.2.11.5 DPO, Sheikhpura – Rs.1,067,054/-**

11.7.2016 The Department explained that all relevant record was verified by the Audit and the contention of the audit regarding splitting was not correct.

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

**105. Para No.6.2.11
6.2.11.6 RPO Multan – Rs.362,981/-**

11.11.2015 The Department explained that the said vehicles were very old and got repaired and all the repairs were remained under Rs.1 lac and the department was fully competent to incur the expenditure.

Audit pointed out that the work was done without getting N.O.C.

The Committee directed the department that irregularity should be condoned by Finance Department and settled the para subject to verification by Audit.

11.7.2016 The Department explained that due to perform field duty in emergency conditions vehicles were repaired and PPRA rules were avoided in emergency Conditions.

The Committee directed/recommended the department that in future PPRA rules should be followed properly.

The **para was settled.**

**106. Para No.6.2.12 Pages 202 & 203 of Audit Report for the year 2010-11;
Doubtful Expenditure on Cost of Investigation – Rs.3.060 Million.**

6.2.12.1 CPO Rawalpindi (AIR 01 & 03) – Rs.2,574,422/-

11.11.2015 The Audit pointed out that there was not an established link between the cost of investigation and the relevant FIR ledger register.

The Department explained that whole record was available for verification.

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

**107. Para No.6.2.13 Pages 203 & 204 of Audit Report for the year 2010-11;
Irregular Purchase of Tyres – Rs.10.638 Million.**

6.2.13.1 CTO, Faisalabad – Rs.980,954/-

11.7.2016 The Department explained that matter had been sent to Home department for regularization and the department had pursued the matter vigorously for regularization by Finance Department.

 The Committee **settled the para subject to** regularization of irregular purchase by Finance Department within 45 days.

**108. Para No.6.2.13
6.2.13.2 CCPO, Lahore – Rs.9.656,962/-**

10.11.2016 The Department explained that the PPRA rules were introduced newly at that time and the quotation had been obtained from various firms and purchase of tyres was made from the firms with lowest rate after the recommendation of purchase Committee. The department further explained that quotations comparative statement and NOC from the competent authority and recommendations of the purchase committee were available for verification.

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

**109. Para No.6.2.17 Pages 208 & 209 of Audit Report for the year 2010-11;
Non Deduction of Income Tax – Rs.1.887 Million.**

6.2.17.1 DPO, Mandi Bahaudin – Rs.108,920/-

12.7.2016 The Department explained that 3.5% Income Tax on supply of parts and 6% on labour charges was deducted by the DAO, Mandi Bahud Din at source from the bills and all record was available for verification.

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

**110. Para No.6.2.17
6.2.17.2 CTO, Lahore – Rs.220,683/-**

10.11.2016 The Department explained that at source deduction of income tax at the prescribed rates prevailing at that time was made from all the bills mentioned in the Audit Para, by the AG Punjab while pre-auditing the bills in question. The department further sales tax invoices were also available for necessary verification.

 The Audit pointed out that the less income tax was deducted at source.

The Committee reduced the para up to the source deducted income tax and directed the department to affect the outstanding income tax amount at earliest.

The para kept pending.

**111. Para No.6.2.17
6.2.17.3 CCPO, Lahore – Rs.151,197/-**

13.7.2016 The Department explained that at source deduction of Income Tax at the prescribed rates prevailing at that time was made from all the bills mentioned in the audit para by the A.G. Punjab which was @3.5%.

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

**112. Para No.6.2.17
6.2.17.4 AIG Logistics CPO Lahore – Rs.176,508/-**

10.11.2016 The Department explained that supplier stated that the goods supplied to department were without any value addition and were imported by them and the tax there on had duly been paid under section 148 of the income Tax ordinance 2001 to the collector of custom at the time of clearance of consignment. As per notification issued by the Government of Pakistan, Revenue Division, Central Board of Revenue vide No. SRO 97(1)/2002 dated 12.02.2002 “9(B) the provisions of sub-section 50 shall not apply in respect of payment received by a resident person for supply of such goods as were imported by the same person and on which tax has been paid under sub-section (5) of section 50”. Therefore, further tax is not deductible under section 153 of the income tax ordinance 2001 from the bill.

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

**113. Para No.6.2.17
6.2.17.6 CTO, Faisalabad – Rs.262,474/-**

12.7.2016 The Department explained that actual amount of recovery was Rs.209,000/- instead of Rs.262,474/- under section 12 of Income Tax Ordinance 2001.

The Committee reduced the para upto Rs.209,000/- subject to verification by audit and directed the department to effect the recovery within 30 days.

The para was kept pending.

**114. Para No.6.2.17
6.2.17.9 DPO, Muzafargarh – Rs.57,447/-**

11.7.2016 The Department explained that Income Tax was not leviable on the expenditure incurred under head cost of investigation as per clarification issued by Federal Board of Revenue, Government of Pakistan and record was available.

The Committee **settled the para.**

**115. Para No.6.2.17
6.2.17.11 Addl. IGP Investigation, Lahore – Rs.210,000/-**

12.7.2016 The Department explained that Income Tax was deducted at source by A.G. Punjab according to the prescribed limits on the whole and record was available for verification.

The Committee **settled the para subject to** verification of record by Audit within 15 days.

116. Para No.6.2.18 Page 209 of Audit Report for the year 2010-11; Training Fee Not Deposited into the Government Treasury – Rs.1.958 Million.

10.11.2016 The Department explained that the amount received from the trainees was being spent on training of the Civil Security Guards including all services/facilities enjoyed by them during the training period and the expenditures were being genuine and justified.

The Committee directed the department to regularize the expenditures by Finance Department within 30 days.

The **Para was kept pending.**

117. Para No.6.2.19 Page 210 of Audit Report for the year 2010-11; Doubtful Expenditure on Purchase of Stores - Rs.1.559 Million.

10.11.2016 The Department explained that entries of all the articles had already been made in the stock register and consumption account was also maintained and available for necessary verification.

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

118. Para No.6.2.20 Page 211 of Audit Report for the year 2010-11; Procurement of Stores Without Immediate Requirement - Rs.26.547 Million.

10.11.2016 The Department explained that these items were periodic and for official use and department had near about 2500 office and extensions of telephone were also near about 2500 which were very essential for the department and 97 cameras were

available for 702 police stations, while the supplier of the firm had promised that they would be responsible if there would be any defect in the newly opened machinery article.

The Committee was satisfied with the reply of department and **settled the para.**

**HOUSING, URBAN
DEVELOPMENT
AND
PUBLIC HEALTH
ENGINEERING**

The Committee examined the Accounts of the Housing, Urban Development and Public Health Engineering Department in its meetings held on 3.8.2015, 4.8.2015, 5.8.2015, 3.5.2016, 4.5.2016 and 1.6.2016 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010/24010 (010) – General Administration Page 329 of Appropriation Accounts for the year 2010-11.

06-Housing & Community Amenities
 061-Housing Development
 0611-Housing Development
061101-Administration
LQ4076-Housing & Physical Planning Department.

Final Grant	Rs.43,123,000/-
Actual Expenditure	Rs.42,077,048/-
Saving	(-) Rs. 1,045,952/-
Percentage	2.43%

3.8.2015 The Department explained that accounts had been reconciled and there was an overall saving of Rs.11,045,952/- which was 2.43 % of the final grant and saving mainly occurred under the sub-head of Regular Allowances because certain posts remained vacant during the last quarter of financial year. However, nominal excess expenditure was incurred under the sub-head Pay of Other Staff which was unavoidable.

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

2. Grant No.PC21017 (017) – Public Health Pages 332 & 333 of Appropriation Accounts for the year 2010-11.

i) 06-Housing & Community Amenities
 063-Water Supply
 0631-Water Supply
063101-Administration
LQ4201-Chief Engineer (North Zone).

Final Grant	Rs.168,440,000/-
Actual Expenditure	Rs.148,652,809/-
Saving	(-) Rs. 19,787,191/-
Percentage	11.75%

3.8.2015 The Department explained that saving was mainly occurred because certain posts of Officers/Officials remained vacant during the last quarter of the financial year 2010-11. However, the excess expenditure was incurred under the sub-head of Pay of Officer because fewer funds were provided and expenditure was mandatory in nature.

The **item was settled subject to** condonation of excess expenditure by the Finance Department. It was further directed/recommended that timely reconciliation and re-appropriation of the funds be insured in future.

- ii) 06-Housing & Community Amenities
063-Water Supply
0631-Water Supply
063101-Administration
LQ4202-Chief Engineer (South Zone).

Final Grant	Rs.149,928,000/-
Actual Expenditure	Rs.127,121,821/-
Saving	(-) Rs. 22,806,179/-
Percentage	15.21%

3.8.2015 The Department explained that savings occurred mainly under the sub-heads of Pay of Officer, Regular Allowances and Operating Expenses because some posts of officers were laying vacant and lesser expenditure was incurred due several reasons.

The Committee was not satisfied with the explanation of the department and shown its displeasure as no proper explanation what so ever been provided by the department.

However, the **item was settled with the directions /recommendations** that such lapses should strictly be avoided in future and the Finance Department may direct all the departments for the training of D.D.Os.

3. Grant No.PC21017 (017) – Public Health Pages 333 to 334 of Appropriation Accounts for the year 2010-11.

- i) 06-Housing & Community Amenities
063-Water Supply
0631-Water Supply
063103-Grants, Loans & Subsidies
LQ4901-MD PHA Faisalabad.

Final Grant	Rs.212,040,000/-
Actual Expenditure	Rs.144,259,006/-
Saving	(-) Rs. 67,780,994/-
Percentage	31.97%

3.8.2015 The item was kept deferred till the next meeting because audit comments were not incorporated in the working papers.

1.6.2016 The Department explained that accounts had been reconciled with A.G Punjab and overall saving was 31.97% which occurred because funds were received late which could not be surrendered and some posts were remained vacant due to ban imposed by the government.

The Committee **settled the item with direction** that department should remain careful in surrendering of funds in future.

- ii) 06-Housing & Community Amenities
063-Water Supply
0631-Water Supply
063103-Grants, Loans & Subsidies
LQ4340-Director General Parks & Horticulture Authority.

Final Grant	Rs.883,763,000/-
Actual Expenditure	Rs.883,550,637/-
Saving	(-) Rs. 212,363/-
Percentage	0.02%

3.8.2015 The Department explained that there was nominal saving and requested for settlement of the above item.

The Committee accepted the explanation of the department and **settled the item**

4. Grant No.PC21026 (026) – Housing & Physical Planning Pages 336 & 337 of Appropriation Accounts for the year 2010-11.

- i) 06-Housing & Community Amenities
061-Housing Development
0611-Housing Development
061101-Administration
LQ4275-Headquarter Establishment.

Final Grant	Rs.58,045,000/-
Actual Expenditure	Rs.55,761,790/-
Saving	(-) Rs. 2,283,210/-
Percentage	3.93%

3.8.2015 The Department explained that accounts had been reconciled and the saving mainly occurred under the sub-head of 'Pay & Allowances' due to the fact that certain posts of officer/officials remained vacant. Furthermore, less expenditure incurred under the sub-head Repair & Maintenance and Operating Expenses which resulted in to the lapse of funds.

The item was settled.

- ii) 06-Housing & Community Amenities
061-Housing Development
0611-Housing Development
061102-Low Cost Housing
LQ4762-Field Formation.

Final Grant	Rs.146,498,000/-
Actual Expenditure	Rs.128,883,369/-
Saving	(-) Rs. 17,614,631/-
Percentage	12.02%

3.8.2015 The Department explained that accounts had been reconciled and the saving had occurred mainly under the sub-heads of Pay & Allowances due to the fact that certain posts of officer/officials remained vacant during the financial year. Whereas, bulk of the saving was under the sub- head of Operating Expenses had occurred due to less receipt of Utility bills, Telephone/water charges.

The Committee **settled the item with the directions/recommendations** that surplus funds should be surrendered in 2nd statement of excess & surrenders and such lapse should strictly be avoided in future.

5. Grant No.PC21026 (026) – Housing & Physical Planning Page 338 of Appropriation Accounts for the year 2010-11.

06-Housing & Community Amenities
062-Community Development
0621-Urban Development
062120-Urban Development
LQ4538-Punjab Land Development Company.

Final Grant	Rs.66,938,000/-
Actual Expenditure	Rs.66,938,000/-
Excess/Saving	Rs. 0/-
Percentage	0.0%

3.8.2015 The Department explained that all the allocated funds had been fully utilized.

The grant was settled.

6. Grant No.PC22036 (036) – Public Health Pages 340 to 343 of Appropriation Accounts for the year 2010-11.

i) 06-Housing & Community Amenities
063-Water Supply
0631-Water Supply
063102-Works (Construction) & Operations
LE4281-Chief Engineer North PHE.

Final Grant	Rs.3,211,756,000/-
Actual Expenditure	Rs.3,950,650,836/-
Excess	(+) Rs. 738,894,836/-
Percentage	23.01%

3.8.2015 The representative of A.G. Punjab stated that the above item was required to be reconciled its budget figures with Finance Department as well as expenditure Figures with A.G. Punjab.

The item was kept pending for reconciliation within two weeks.

	<u>A.G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.3,211,756,000/-	Rs.4,349,211,000/-
Actual Expenditure	Rs.3,950,650,836/-	Rs.4,329,731,000/-
Excess/Savings (+)	Rs. 738,894,836/-	(-) Rs. 19,480,000/-
Percentage	23.01%	0.45

4.5.2016 The Committee showed its displeasure on the submission of incorrect working papers. All the members of the Committee expressed their concern that the working papers were not be able to consider in the meeting. The Committee directed the department to make proper preparation and for submission of up-to-date working papers in the next meeting.

1.6.2016 The Department explained that as per direction of PAC accounts had been reconciled with Finance Department, A.G. Punjab/D.G. Accounts (Works) and overall saving was 0.45% which occurred due to some vacant posts during the Financial year as ban was imposed by the Government on recruitment and there was some excess in pay and regular allowances and it was unavoidable.

The Committee **settled the item subject to** regularization of excess expenditures by Finance Department.

- ii) 06-Housing & Community Amenities
 - 063-Water Supply
 - 0631-Water Supply
 - 063102-Works (Construction) & Operations
 - LE4282-Chief Engineer South PHE.

Final Grant	Rs.4,061,054,000/-
Actual Expenditure	Rs.3,094,754,886/-
Saving (-)	Rs. 966,299,114/-
Percentage	23.79%

3.8.2015 The representative of A.G. Punjab stated that the above item was required to be reconciled its budget figures with Finance Department as well as expenditure Figures with A.G. Punjab.

The item was kept pending for reconciliation within two weeks.

4.5.2016 The Committee showed its displeasure on the submission of incorrect working papers. All the members of the Committee expressed their concern that the working papers were not be able to consider in the meeting. The Committee directed the department to make proper preparation and for submission of up-to-date working papers in the next meeting.

	<u>A.G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.4,061,054,000/-	Rs.3,414,539,000/-
Actual Expenditure	Rs.3,094,754,886/-	Rs.3,210,369,359/-
Saving	(-) Rs. 966,299,114/-	(-) Rs. 20,416,641/-
Percentage	23.79%	5.98%

1.6.2016 The Department explained that the expenditures had been got reconciled with the A.G. Punjab/D.G. Accounts (Works) and Finance Department in compliance with last PAC directive and after reconciliation overall saving was 5.98%, the department further explained that saving had occurred due to some posts of officers and officials were remained vacant during the financial year due to ban imposed by the government.

The Committee was satisfied and **the item was settled.**

- iii) 06-Housing & Community Amenities
063-Water Supply
0631-Water Supply
063102-Works (Construction) & Operations
LE4394-Chief Engineer Public Health Engineering.

Final Grant	Rs.3,332,048,000/-
Actual Expenditure	Rs.2,583,805,620/-
Saving	(-) Rs. 748,242,380/-
Percentage	22.46%

3.8.2015 The representative of A.G. Punjab stated that the above item was required to be reconciled its budget figures with Finance Department as well as expenditure Figures with A.G. Punjab.

The **item was kept pending** for reconciliation within two weeks.

7. Grant No.PC22036 (036) – Public Health Page 340 of Appropriation Accounts for the year 2010-11.

06-Housing & Community Amenities
062-Community Development
0621-Urban Development
062103-Urban Planning
LE4280-Urban Planning.

Final Grant	Rs.5,172,824,000/-
Actual Expenditure	Rs.4,775,544,051/-
Saving	(-) Rs. 397,279,949/-
Percentage	7.68%

3.8.2015 The grant was kept deferred till the next meeting because audit comments were not incorporated in the working papers and the Committee showed its displeasure to the department on incomplete submission of working papers.

	<u>A.G. Figures</u>		<u>Departmental Figures</u>
Final Grant	Rs.5,172,824,000/-		Rs.5,514,526,826/-
Actual Expenditure	Rs.4,775,544,051/-		Rs.4,775,544,051/-
Saving	(-) Rs. 397,279,949/-	(-)	Rs. 738,982,775/-
Percentage	7.68%		13.40%

1.6.2016 The Department explained that accounts had been reconciled with A.G. Punjab and after reconciliation overall saving was 13.40% which occurred due to non-availability of material, site constraints during the execution of work and late submission of bills by the contractors.

The Committee was satisfied and **the grant was settled.**

8. Grant No.PC12040 (040) – Town Development (All Voted) Page 344 of Appropriation Accounts for the year 2010-11.

06-Housing & Community Amenities
061-Housing Development
0611-Housing Development
061102-Low Cost Housing
LE4200-Low Cost Housing.

Final Grant	Rs.287,491,000/-
Actual Expenditure	Rs.230,743,109/-
Saving	(-) Rs. 56,747,891/-
Percentage	19.74%

3.8.2015 The representative from A.G. Punjab apprised that there was variation of figures between office of the Accountant General Punjab and the administrative department in case of certain sub-heads and it was required to be reconciled.

The grant was kept pending for reconciliation.

1.6.2016 The Department explained that as per direction of PAC accounts had been reconciled with A.G. Punjab and overall saving was 19.74% which occurred due to the land compensation paid to Land Acquisition Collector but Land Acquisition proceedings could not be completed by the LAC, while the payments were made to the contractor as per work done at site and the balance payment was not made because the work was not completed at site.

The Committee directed/recommended the department to issue displeasure notices to the all the concerned who were responsible and Administrative Secretary personally inquire the matter under intimation to PAC.

The Committee **settled the grant subject to** regularization by Finance Department.

3.5.2016 The representative of Accountant General Punjab pointed out that working papers submitted by the department for consideration in the PAC meeting were without the comments of A. G. Punjab.

The Committee showed its displeasure and directed the department to submit working paper properly along with A. G. comments and **appropriation accounts discussion was pended till 04.5.2016.**

Audit Paras (Works) for the year 2010-11

9. Para No.2.2.1 Pages 147 to 153 of Audit Report for the year 2010-11; Non- Recovery of Charges on Account of Demolition of Illegal Building Structure – Rs.83.67 Million.

2.2.1.1 Director ADS-II, Urban Development Wing, LDA, Lahore – Rs.22,189,059/-

2.2.1.2 Director ADS-II, Urban Development Wing, LDA, Lahore – Rs.18,360,225/-

2.2.1.3 Director ADS-I, Urban Development Wing, LDA, Lahore – Rs.13,144,180/-

2.2.1.4 Director ADS-I, Urban Development Wing, LDA, Lahore – Rs.12,541,135/-

2.2.1.5 Director Building-II, Urban Development Wing, LDA, Lahore – Rs.6,361,616/-

2.2.1.6 Director ADS-I, Urban Development Wing, LDA, Lahore – Rs.6,109,116/-

2.2.1.7 Director ADS-I, Urban Development Wing, LDA, Lahore – Rs.2,632,159/-

2.2.1.8 Director ADS-I, Urban Development Wing, LDA, Lahore – Rs.1,378,772/-

2.2.1.9 Director ADS-I, Urban Development Wing, LDA, Lahore – Rs.966,000/-

5.8.2015 The Department explained that matter was regarding the non-recovery of charges on account of demolition of illegal building structure and the matter had been referred to Directorate of Town Planning for effecting necessary recoveries and the notices for the purpose had also been issued to the owners of the various plazas. It was further added that recovery cases involved in the paras were also subjudice in the Honorable Supreme Court. However strict disciplinary action had also been taken against the responsables including removal from service.

The Committee directed/recommended that details of court cases and disciplinary actions taken against the responsible be furnished within 30 days.

The paras were kept pending being subjudice.

4.5.2016 The Committee showed its displeasure on non-presence of D.G, LDA without any intimation and pended all above paras relating to Lahore Development Authority and directed/recommended the D.G, LDA to attend the next meeting personally.

1.6.2016 The Department explained that the record pertaining to all the inquiry proceeding in Administration Directorate was burnt in the tragic fire incident at LDA plaza on 09th May, 2013 and according to institutional memory, several officers/official were proceeded against for their negligence & involvement as a result of which several High Rise Buildings were constructed, but the record of inquiry proceeding prior to 09.05.2013 was not available in Administration Directorate, LDA Town Planning Wing, while LDA has recovered Rs.18.194 million from the owner of the plazas up-till now and all such cases were being proceeded in Honorable Supreme Court of Pakistan.

The Committee was not satisfied with the departmental explanation and directed/ recommended the department to submit a detailed comprehensive report on the matter to PAC along with latest position of the cases in Honorable Supreme Court of Pakistan within 30 days.

The above paras were kept pending.

10. Para No.2.2.2 Page 153 of Audit Report for the year 2010-11; Non-Recovery of Cost of Land and Development Charges – Rs.51.82 Million.

4.8.2015 The Department explained that previously there was no proper mechanism available to recover the outstanding dues from the allottees of the Kachi Abadies but now the SOPs had been devised in that regard which would also be presented in upcoming DAC meeting. The department assured that the process would be started at the earliest.

The Committee kept the para pending with the directions that recovery of outstanding dues should be recovered within 90 days.

3.5.2016 The Audit pointed out that the decisions of PAC-I in its meetings held on 3-5 August 2015 were not complied by the department in the above para.

The Committee directed / recommended the Administrative Secretary that the recommendation/direction in the above para be complied with its true spirit and all necessary actions be taken and report be submitted to PAC within 30 days.

The para was kept pending.

11. Para No.2.2.3 Pages 154 & 155 of Audit Report for the year 2010-11; Undue Benefit of Tender Rate Instead of Approved Estimated Rate - Rs.36.23 Million.

4.8.2015 The Department explained that security deposit of Rs.44 millions of the firms had been withheld on account of overpayment as the schemes became unfunded for last several years and requested for settlement.

 The Audit contended that verification of final bill of the contractor was required in the matter.

 The Committee kept the para pending till the production of final bill to the Audit and directed/recommended that security deposit of the contractor should be withheld till the preparation of final bill of the project.

3.5.2016 The Department explained that Rs.44.818 Millions had been recovered by the department from the contractors running bill as pointed out by the Audit in connection with variation of rates and the final bill was pending due to non-availability of funds.

 The **para was kept pending**, till the final bill.

12. Para No.2.2.4 Page 155 of Audit Report for the year 2010-11; Loss Due to Non-Recovery on Account of Dishonored Cheques - Rs.35.62 Million.

4.8.2015 The Department explained that just after signing of Advertising Agreement a dispute pertaining to the installation of the poles signs arisen and these companies filed writ petition in the Honorable Lahore High Court, Lahore and the cases were being pursuing vigorously in court of law.

 It was further submitted that the agreements with these companies had also been cancelled and the matter of dishonored cheques had also been reported to the relevant Police authorities.

 Audit contented that receipt of Government dues in shape of cheques was the severe violation of rule 2.5 of Punjab Financial Rules and responsibility should be fixed for such lapse.

 The Committee was not satisfied with the explanation of the department and directed/recommended that Administrative Secretary should personally conduct an inquiry and responsibility be fixed accordingly for the lapse.

 The para was kept pending with the directions that matter be pursued vigorously in the court of law.

4.5.2016 The Department explained that the inquiry had been initiated but the matter was sub-judice in court of law and efforts were made to settle the case out of court as there was no loss to government treasury.

The Committee directed that the matter should be resolved out of court within 60 days and action against responsible upon inquiry report be verified by Audit.

The para was kept pending.

13. Para No.2.2.5 Pages 155 & 156 of Audit Report for the year 2010-11; Non- Recovery of Scrutiny Fee and Penalty of Violation of Commercial Building Plan – Rs.32.47 Million.

5.8.2015 The Department explained that actual outstanding amount involved in the para was Rs.17.252 millions which had been recovered from the owners of the various plots and the record could be verified by Audit.

The Committee settled the para subject to the verification of relevant record after re-conciliation by Audit.

4.5.2016 The Committee showed its displeasure on non-presence of D.G, LDA without any intimation and pended above para relating to Lahore Development Authority and directed/recommended the D.G, LDA to attend the next meeting personally.

1.6.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in above para.

On the recommendation of Audit, the Committee **settled the above para**

14. Para No.2.2.6 Pages 156 & 157 of Audit Report for the year 2010-11; Undue Benefit to the Developer – Rs.31.85 Million.

5.8.2015 The Department explained that Millennium Housing Scheme was provisionally approved under Site Development & Housing Scheme Rules 2005, where Public Building requirement was 2 to 10% and internal roads width was 30 feet. However, the department had cancelled the said scheme in 2010.

The Committee directed/recommended that all the relevant record in support of departmental contention be produced to the Audit for verification.

The para was settled subject to verification of record.

3.5.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

15. **Para No.2.2.7 Pages 157 to 181 of Audit Report for the year 2010-11; Non-Recovery Due to De-Escalation in the Rate of Cement – Rs.30.20 Million.**

2.2.7.1 Executive Engineer, Public Health Engineering Division, Kasur – Rs.4,526,551/-

4.5.2016 The Department explained that the total recovery had been effected and record was available.

The Committee was satisfied and **the para was settled.**

2.2.7.2 Executive Engineer, Public Health Engineering Division, Lahore – Rs.3,555,815/-

4.5.2016 The Department explained that the contractor had submitted his price escalation claim of Rs.950,262/- while the efforts were being made to recover the outstanding amount of Rs.1.1 million.

The Committee reduced the para up to the extent of recovered amount and **kept the para pending** for outstanding recovery.

2.2.7.3 Project Engineer, PMU Sheikhpura – Rs.2,947,706/-

2.2.7.4 Project Engineer, PMU Sheikhpura – Rs.2,647,603/-

4.5.2016 The Department explained that full amount of recovery had been effected from the security deposits of Contractor and recoupment of security was not possible as contract had finalized and final bill was available for verification of both paras.

The Committee **settled the above paras subject to** verification.

2.2.7.5 Executive Engineer, Public Health Engineering Division, Gujranwala – Rs.1,532,895/-

4.5.2016 The Department explained that the cost of 40% which deducted from old material was accordingly as per T.S.Estimate of Finance Department and approved performa of Finance Department for MRS rules was available for verification.

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

2.2.7.6 Project Engineer, PMU, Attock – Rs.1,315,269/-

4.5.2016 The Department explained that recovery of Rs.1,279,517/- had been made against Rs.1,315,269/- and balance recovery of Rs.35,483/- had also been recovered from price escalation claim of contractor and whole record was available for verification.

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

2.2.7.13 Executive Engineer, Public Health Engineering Division, Lahore – Rs.715,646/-

4.5.2016 The Department explained that an amount of Rs.1,961,716/- had been recovered and efforts were being made to recover the outstanding amount.

The Committee reduced the para up to recovered amount after verification of Audit and **para was kept pending** for remaining recovery.

2.2.7.14 Executive Engineer, Public Health Engineering Division, Rawalpindi – Rs.674,587/-

4.5.2016 The Department explained that recovery of Rs.136,152/- had been effected from security deposit of contractor and recoupment of security deposit was not possible as the final bill had already paid.

The Committee **settled the para subject to** verification of final bill.

2.2.7.15 Project Engineer, PMU, Hafizabad – Rs.666,165/-

4.5.2016 The Department explained that an amount of Rs.944,224/- had been recovered with an outstanding amount of Rs.111,376/- and efforts were being made to recover it.

The Committee reduced the para up to recovered amount after verification of Audit and **para was kept pending** for remaining recovery.

2.2.7.19 Executive Engineer, Public Health Engineering Division, Gujrat – Rs.482,314/-

4.5.2016 The Department explained that the escalation and de-escalation scheme had become unfunded and necessary adjustment would be made as funds would release by the government.

The Committee **kept the para pending**.

2.2.7.22 Executive Engineer, Public Health Engineering Division, Gujrat – Rs.375,372/-

4.5.2016 The Department explained that partial amount had been recovered and efforts were being made to recover the outstanding amount.

The Committee reduced the para up to recovered amount after verification of Audit and **para was kept pending** for remaining recovery.

2.2.7.23 Project Engineer, PMU, Attock – Rs.361,258/-

4.5.2016 The Department explained that recovery had been effected from the security deposit of the contractor and bill had finalized while recoupment of security deposit was not possible as the final bill had been paid.

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

2.2.7.24 Project Engineer, PMU, Hafizabad – Rs.325,428/-

4.5.2016 The Department explained that whole amount had been recovered and got verified by Audit.

The Committee **settled the para.**

2.2.7.26 Executive Engineer, Public Health Engineering Division, Gujrat – Rs.275,658/-

4.5.2016 The Audit pointed out that the department had not provide the final bill for verification.

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

2.2.7.33 Project Engineer, P.M.U, Narowal – Rs.107,182/-

4.5.2016 The Department explained that monthly account was got verified from audit and the contention of audit regarding release of premature security was not correct and final bill had been paid.

The Committee **settled the para subject to** verification of final bill.

16. Para No.2.2.7 Pages 157 to 181 of Audit Report for the year 2010-11; Non-Recovery Due to De-Escalation in the Rate of Cement – Rs.30.20 Million.

2.2.7.7 Project Engineer, Project Management Unit Kasur – Rs.1,259,626/-

2.2.7.9 Project Engineer, PMU, Attock – Rs.967,367/-

2.2.7.17 Executive Engineer, Public Health Engineering Division, Gujrat – Rs.581,461/-

2.2.7.31 Project Engineer, PMU, Nankana Sahib – Rs.139,174/-

2.2.7.32 Project Engineer, P.M.U, Nankana Sahib – Rs.109,637/-

17. Para No.2.2.64 Page 253 of Audit Report for the year 2010-11; Loss Due to Incorrect of Rate – Rs.0.160 Million.

4.5.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in all above paras.

On the recommendation of Audit, the **Committee settled the all above paras.**

18. Para No.2.2.7 Pages 157 to 181 of Audit Report for the year 2010-11; Non-Recovery Due to De-Escalation in the Rate of Cement – Rs.30.20 Million.

2.2.7.8 Director Construction-II WASA, LDA, Lahore – Rs.1,016,992/-

4.8.2015 The Department explained that partial recovery had been effected and hectic efforts were being made for balance recovery.

The Committee reduced the para to the extent of recovery verified by the Audit with the directions that balance recovery should be expedited.

The para was kept pending

3.5.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

**19. Para No.2.2.7
2.2.7.10 Deputy Director PHATA Sub-region, Rawalpindi – Rs.861,525/-**

4.8.2015 The Department explained that recovery pointed by Audit was not justified. Whereas, the actual excess payment was Rs.275,600/- which had been recovered which could be verified by Audit.

Audit pointed out that reconciliation in this para was required.

The para was kept pending for reconciliation.

4.5.2016 The Department explained that an amount of Rs.253,315/- had been recovered with an outstanding amount of Rs.124,582/- and efforts were being made to recover it.

The Committee reduced the para up to recovered amount after verification of audit and **para was kept pending** for remaining recovery.

20. **Para No.2.2.7 Pages 157 to 181 of Audit Report for the year 2010-11; Non-Recovery Due to De-Escalation in the Rate of Cement – Rs.30.20 Million.**
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2.2.7.11 Executive Engineer, Public Health Engineering Division, Faisalabad – Rs.785,529/-

2.2.7.12 Project Engineer, Project Management Unit Vehari – Rs.736,716/-

21. **Para No.2.2.61 Pages 240 to 248 of Audit Report for the year 2010-11; Undue Financial Benefit Due to not Obtaining of Performance Security – Rs.80.40 Million.**
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2.2.61.9 Project Engineer, Project Management Unit Layyah – Rs.2.88 Million.

3.5.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in all above paras.

On the recommendation of Audit, the Committee **settled the all above paras.**

22. **Para No.2.2.7 Pages 157 to 181 of Audit Report for the year 2010-11; Non-Recovery Due to De-Escalation in the Rate of Cement – Rs.30.20 Million.**
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2.2.7.16 Director Construction-II, WASA, FDA, Faisalabad – Rs.603,533/-

4.8.2015 The Department explained that all the recovery as pointed by Audit had been recovered except an amount of Rs.45,971/- which was paid on account of price variation of crushed stone. The department further explained that para of similar nature was discussed during the meeting of PAC-II and as there was difference of opinions between administrative department and Audit, therefore, a reference had also been referred to the Finance Department for the clarification which was still awaited.

The Committee kept the para pending on the request of the Finance Department as the matter would be decided at the earliest.

3.5.2016 The Department explained that partial amount had been recovered in the para and efforts were being made to effect the balance recovery.

The Committee reduced the para upto recovered amounts subject to verification and **kept the para pending** for balance recovery.

23. **Para No.2.2.7**

2.2.7.18 Project Engineer, Project Management Unit Pakpattan – Rs.496,086/-

3.5.2016 The Department explained that partial amount had been recovered and Rs.151,000/- were outstanding which would be effected after the finalization of bill.

The Committee reduced the para to the extent of recovered amount subject to verification by audit and **kept the para pending.**

2.2.7.25 Project Engineer, Project Management Unit Bahawal Nagar – Rs.297,783/-

3.5.2016 The Audit pointed out that recovery was effected from the security of the contractor which was not acceptable.

The Department admitted that recovery had been effected from the security of the contractor which was wrong while the scheme had been completed but the final bill had yet to be completed.

The Committee directed /recommended the department to finalize the bill and verify by audit within 30 days.

The **para was kept pending.**

**24. Para No.2.2.7
2.2.7.20 Director Engineering/Executive Engineer Division-III, MDA Multan – Rs.480,549/-**

5.8.2015 The Department explained that in compliance of directions of SDAC the recovery of the Rs.480,549/- on account of de-escalation of cement prices had been effected from the 9th running bill which had also been verified by Audit.

It was further added that the as Construction of Multan Southern Bypass became unfunded since 2012 therefore, the final bill couldn't be produced. So many requests had been made to the federal government through Planning & Development Department Punjab.

The Committee desired a letter should be written to the P&D to approach the federal government for the release of funds so that the project could be completed.

The para was conditionally settled subject to verification of final bill by Audit.

3.5.2016 The Department explained the scheme involved in above para had become unfunded from so many years, reasons thereby final bills could not be produced to audit for verifications. The department further explained that many request had been made to Planning and Development for the release of funds.

The Committee directed /recommended that a letter be written to the Chairman, Planning and Development Department Punjab from Public Accounts Committee and a copy of the same be sent to Chief Minister, Punjab for the allocation of funds to the schemes mentioned in above para.

The para was kept pending.

25. Para No.2.2.7
2.2.7.21 Director Engineering/Executive Engineer Division-III, MDA
Multan – Rs.444,066/-

5.8.2015 The Department explained that total outstanding amount had been recovered from the running bill of the contractor but the final bill couldn't be produced because the scheme was lying unfunded for the last several years.

The Committee kept the para pending with the direction/recommendation that total recovery be made and got verified by audit.

3.5.2016 The Department explained the total recovery had been made and yet to be verified.

The Committee settled the para subject to verification by Audit.

2.2.7.30 Director Engineering/Executive Engineer Division-III, MDA
Multan – Rs.169,964/-

5.8.2015 The Department explained that recovery pointed out by audit would be made from the next bill of the contractor because the scheme was lying unfunded for the last several years.

The Committee kept the para pending for recovery.

3.5.2016 The Department explained the scheme involved in above para had become unfunded from so many years, reasons thereby final bills could not be produced to audit for verifications. The department further explained that many request had been made to Planning and Development for the release of funds.

The Committee directed /recommended that a letter be written to the Chairman, Planning and Development Department Punjab from Public Accounts Committee and a copy of the same be sent to Chief Minister, Punjab for the allocation of funds to the schemes mentioned in above para.

The para was kept pending.

26. Para No.2.2.7
2.2.7.27 Director Building-II, Urban Development Wing, LDA, Lahore –
Rs.265,562/-

5.8.2015 The Department explained that total recovery pointed out by Audit, had been made on account of over payment for certain items and relevant record could be verified by Audit.

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

4.5.2016 The Committee showed its displeasure on non-presence of D.G, LDA without any intimation and pended above para relating to Lahore Development Authority and directed/recommended the D.G, LDA to attend the next meeting personally.

1.6.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

27. Para No.2.2.7 Pages 157 to 181 of Audit Report for the year 2010-11; Non- Recovery Due to De-Escalation in the Rate of Cement – Rs.30.20 Million.

2.2.7.28 Director Engineering, PHA, FDA, Faisalabad – Rs.250,309/-

**28. Para No.2.2.7
2.2.7.29 Director Engineering, UD-Wing, FDA, Faisalabad – Rs.219,289/-**

29. Para No.2.2.34 Pages 214 & 215 of Audit Report for the year 2010-11; Loss Due to Missing of Machinery and Vehicles Valuing (Approx) – Rs.1.00 Million.

30. Para No.2.2.48 Page 229 of Audit Report for the year 2010-11; Non-Recovery of Rent and Additional Surcharge – Rs.0.256 Million.

31. Para No.2.2.55 Pages 235 & 236 of Audit Report for the year 2010-11; Non-Recovery of Professional Tax – Rs.0.176 Million.

4.8.2015 The Department explained that all the necessary actions in respect of above paras had already been taken and relevant record had also been got verified by Audit.

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

32. Para No.2.2.8 Pages 181 & 182 of Audit Report for the year 2010-11; Unauthentic Refund of Interest Bearing Securities – Rs.29.55 Million.

4.5.2016 The Department explained that the original file containing security release orders was misplaced for which disciplinary proceeding against officials of PHE Gujranwala Division were under process while the file had been reconstructed by taking photocopies of record from bank of Punjab which was provided to audit.

The Committee **settled the para subject to** verification of proceedings taken against the responsables by Audit.

33. Para No.2.2.9 Pages 182 & 183 of Audit Report for the year 2010-11; Loss due to Inclusion of Extra Overheads, etc in the Rate Analysis – Rs.26.91 Million.

5.8.2015 The Department explained that audit observation was based on misunderstanding as competent authority approved PC-I and technical sanction estimate for said work and payment was made in accordance with rules. No over payment was made to the contractors and the requisite record could be verified by Audit.

The Committee directed/recommended that the matter be reconciled with audit and kept the para pending.

4.5.2016 The Committee showed its displeasure on non-presence of D.G, LDA without any intimation and pended above para relating to Lahore Development Authority and directed/recommended the D.G, LDA to attend the next meeting personally.

1.6.2016 The Audit pointed out that department had not provided record for verification in compliance with last PAC directive.

The Committee directed/recommended the department to submit complete record to Audit for verification and reconciliation within 2 weeks.

The **para was kept pending.**

34. Para No.2.2.10 Pages 183 to 187 of Audit Report for the year 2010-11; Undue Benefit to the Developer – Rs.21.12 Million.

2.2.10.1 Directorate of Town Planning, MDA Multan – Rs.2,012,000/-

5.8.2015 The Department explained that Millennium Housing Scheme was provisionally approved under Site Development & Housing Scheme Rules 2005, where Public Building requirement was 2 to 10% and internal roads width was 30 feet. However, the department had cancelled the said scheme in 2010.

The Committee directed/recommended that all the relevant record in support of departmental contention be produced to the Audit for verification.

The para was settled subject to verification of record.

3.5.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

35. Para No.2.2.10

2.2.10.2 Directorate of Town Planning, MDA Multan – Rs.3,785,800/-

5.8.2015 The Department explained that recovery had been wrongly calculated by Audit and matter required reconciliation. However, strenuous efforts would be made for actual recovery on account of surcharge on unauthorized commercialization.

The Committee kept the para pending for recovery of outstanding dues and reconciliation of recoverable amount by Audit.

3.5.2016 The Audit pointed out that the decisions of PAC-I in its meetings held on 3-5 August 2015 were not complied by the department in the above para.

The Committee directed / recommended the Administrative Secretary that the recommendation/direction in the above para be complied with its true spirit and all necessary actions be taken and report be submitted to PAC within 30 days.

The para was kept pending.

2.2.10.3 Director Town Planning, Multan Development Authority Multan – Rs.2,967,850/-

5.8.2015 The Department explained that partial recovery had been effected and balance amount would also be recovered at the earliest.

The amount of the para was reduced to the extent of the recovery verified by Audit and kept pending for balance recovery within 90 days.

3.5.2016 The Department explained that all outstanding amount had been effected and record was available for verification.

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

2.2.10.4 Directorate of Town Planning, MDA Multan – Rs.2,628,202/-

5.8.2015 The Department explained that total outstanding dues had been recovered which could be verified by Audit.

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

3.5.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

2.2.10.5 Directorate of Town Planning, MDA Multan – Rs.1,047,011/-

5.8.2015 The Department explained that partial recovery had been effected and balance amount would also be recovered at the earliest.

The amount of the para was reduced to the extent of the recovery verified by Audit and kept pending for balance recovery within 90 days.

3.5.2016 The Department explained that an amount of Rs.416,909/- had been recovered and efforts were being made to recover the remaining amount.

The Committee reduced the para up to recovered amount and **kept it pending** for remaining balance recovery.

**36. Para No.2.2.10
2.2.10.6 Deputy Director PHATA Sub Region, Lahore – Rs.8,712,000/-**

4.8.2015 The Department explained that para deals with the recovery of the commercialization charges from the allottees which couldn't be implemented due the non-existence of any commercialization policy. However, a summary in this regard had already been referred to the Chief Secretary through Administrative Department.

After detailed deliberations the Committee directed/recommended that matter should be perused by the department vigorously and a detailed policy be made to resolve the issue and report be submitted to the PAC within 90 days.

The para was kept pending.

4.5.2016 The Department explained that policy intimated regarding commercialization was under process and a summary was being submitted by the Administrative Secretary to Chief Minister Punjab after the approval of summary.

The para was kept pending.

37. Para No.2.2.11 Pages 187 & 188 of Audit Report for the year 2010-11; Overpayment Due to Non-Reduction in Rate of Bitumen – Rs.17.72 Million.

2.2.11.1 Director Engineering/Executive Engineer Division No.III, MDA – Rs.10,826,246/-

5.8.2015 The Department explained that out of total outstanding dues of Rs.10.826 million, an amount of Rs.1,337,606/- had been effected from the running bill of the contractor but the final bill couldn't be produced because the work was still under process.

The Committee kept the para pending.

3.5.2016 The Department explained the scheme involved in above para had become unfunded from so many years, reasons thereby final bills could not be produced to audit

for verifications. The department further explained that many request had been made to Planning and Development for the release of funds.

The Committee directed /recommended that a letter be written to the Chairman, Planning and Development Department Punjab from Public Accounts Committee and a copy of the same be sent to Chief Minister, Punjab for the allocation of funds to the schemes mentioned in above para.

The para was kept pending.

**38. Para No.2.2.11
2.2.11.2 Director Engineering, UD-Wing, FDA, Faisalabad –
Rs.6,897,879/-**

4.8.2015 The Audit pointed out that the department required to produce the final bill for verification along with security deposit register and get it verified from Audit.

The Department explained that there were rate differences pointed out by audit which needed to be reconciled.

The para was kept pending for reconciliation with Audit.

3.5.2016 The Audit pointed out that the decisions of PAC-I in its meetings held on 3-5 August 2015 were not complied by the department in the above para.

The Committee directed / recommended the Administrative Secretary that the recommendation/direction in the above para be complied with its true spirit and all necessary actions be taken and report be submitted to PAC within 30 days.

The para was kept pending.

39. Para No.2.2.12 Page 189 of Audit Report for the year 2010-11; Non-Recovery of Refund of Electrification Cost from IESCO – Rs.16.33 Million.

4.8.2015 The Department explained that the Chief Engineer, IESCO Islamabad had approved the case for refund of Rs.12,424,202/- after deducting the Tender Charges and Services Charges to the PHATA and on the receipt of the requisite amount, the matter would be placed before the Audit for verification.

The para was kept pending with the direction/recommendation that the recovery be made within three months and report be submitted to PAC.

4.5.2016 The Department explained that IESCO after deduction of tender charges approved an amount of Rs.12,424,202/- for refund and a cheque of said amount had been issued by IESCO and available for verification.

The Committee settled the para subject to verification by Audit.

40. Para No.2.2.13 Pages 189 to 192 of Audit Report for the year 2010-11; Overpayment Due to Violation of JMF – Rs.15.40 Million.

2.2.13.1 Director Engineering/Executive Engineer Division-III MDA – Rs.5,509,375/-

2.2.13.2 Director Engineering/Engineer Division-III MDA – Rs.5,407,902/-

2.2.13.3 Director Engineering/Executive Engineer Division-III MDA – Rs.3,441,802/-

5.8.2015 The Department explained that outstanding amount couldn't be recovered because the said scheme was lying unfunded. However, the recovery would be made as soon as the funds would be available for the scheme.

The Committee kept the paras pending.

3.5.2016 The Department explained that payment regarding 4% bitumen used in the Asphaltic Base Course was correct and based on the bitumen extraction test report of Punjab Highway Laboratory, Bahawalpur. Hence the payment was rightly made.

The Committee directed/recommended that the bitumen extraction test be made from Road Research Laboratory, Lahore and **kept the paras pending** for verification of departmental contention.

41. Para No.2.2.13
2.2.13.4 Director Engineering, UD-Wing, FDA, Faisalabad – Rs.1,042,515/-

4.8.2015 The Department explained that an amount of Rs.1,042,515/- had been recovered from the security deposit of the contractor which was also got verified by Audit.

The Committee directed/recommended that the irregularity be condoned from the Finance Department and the para was settled subject to verification of condonation of irregularity.

3.5.2016 The Audit pointed out that the decisions of PAC-I in its meetings held on 3-5 August 2015 were not complied by the department in the above para.

The Committee directed / recommended the Administrative Secretary that the recommendation/direction in the above para be complied with its true spirit and all necessary actions be taken and report be submitted to PAC within 30 days.

The para was kept pending.

- 42. Para No.2.2.14 Pages 192 to 194 of Audit Report for the year 2010-11; Overpayment Due to Application of Incorrect Rates – Rs.15.34 Million.**
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2.2.14.1 Director Engineering/Executive Engineer Division-III MDA – Rs.14,504,067/-

5.8.2015 The Department explained that outstanding amount couldn't be recovered because the said scheme was lying unfunded. However, the recovery would be made as soon as the funds would be available for the scheme.

The Committee kept the para pending.

3.5.2016 The Department explained the scheme involved in above para had become unfunded from so many years, reasons thereby final bills could not be produced to audit for verifications. The department further explained that many request had been made to Planning and Development for the release of funds.

The Committee directed /recommended that a letter be written to the Chairman, Planning and Development Department Punjab from Public Accounts Committee and a copy of the same be sent to Chief Minister, Punjab for the allocation of funds to the schemes mentioned in above para.

The para was kept pending.

- 43. Para No.2.2.14**
2.2.14.2 Director Construction-II WASA LDA, Lahore – Rs.840,170/-.

4.8.2015 The Department explained that total recovery as pointed out by Audit, had been effected on account of over payment for certain items and relevant record could be verified by Audit.

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

3.5.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

- 44. Para No.2.2.15 Pages 194 & 195 of Audit Report for the year 2010-11; Loss due to Non-Auction of Car Parking Plaza and Shops – Rs.8.01 Million.**
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5.8.2015 The Department explained that highest bids in last two open auctions were Rs.7,858,000/- and Rs.8,005,000/- respectively for two years of Car Parking premises. It was further explained that after the expiry of the said contract on 21.10.2009, the facility was handed over to Project Director/Comptroller from 22.10.2009 to 31.12.2010 and the profit had been worked out to Rs.10,022,845/-. Hence no loss had been occurred to the Government.

After detailed deliberations, the Committee directed/recommended that all the details regarding rates, overhead and administrative expenditure of the project be provided to the Audit for reconciliation and verification.

The para was kept pending.

4.5.2016 The Committee showed its displeasure on non-presence of D.G, LDA without any intimation and pended above para relating to Lahore Development Authority and directed/recommended the D.G, LDA to attend the next meeting personally.

1.6.2016 The Audit pointed out that department had not provided record for verification in compliance with last PAC directive.

The Committee directed/recommended the department to submit complete record to Audit for verification and reconciliation within 2 weeks.

The para was kept pending.

45. Para No.2.2.16 Page 195 of Audit Report for the year 2010-11; Non-Recovery of Additional Cost from the Allottees of Gulzar-e-Quaid – Rs.7.57 Million.

4.8.2015 The Department explained that partial recovery had been effected and notices had been issued to the allottees for balance recovery.

The para was kept pending with the directions that the outstanding amount be recovered.

4.5.2016 The Department explained that an amount of Rs.6,114,572/- had been recovered and efforts were being made to recover the outstanding amount.

The Committee reduced the para up to recovered amount after verification of Audit and **para was kept pending** for remaining recovery.

46. Para No.2.2.17 Page 196 of Audit Report for the year 2010-11; Non-Recovery of Fine – Rs.7.54 Million.

5.8.2015 The Department explained that partial recovery in respect of above para had been effected and a number of challans in this regard had already been forwarded in the court of Judicial Senior Magistrate, LDA for further necessary trials because it was the discretionary power of the court to impose fine.

The Committee reduced the para to the extent of the recovery verified by the Audit and kept the para pending with the directions that complete recovery should be expedited and relevant record be got verified by Audit.

4.5.2016 The Committee showed its displeasure on non-presence of D.G, LDA without any intimation and pended the above para relating to Lahore Development

Authority and directed/recommended the D.G, LDA to attend the next meeting personally.

1.6.2016 The Department explained that some partial recovery had been effected on account of commercialization fee of different plots and only one property No.24 Hunza Block Allama Iqbal Town was sealed till date for non-payment of commercialization fee.

The Committee reduced the para up to the recovered amount and **kept it pending** for remaining recovery.

47. Para No.2.2.18 Pages 196 to 198 of Audit Report for the year 2010-11; Non-recovery of Dismantled Material – Rs.7.41 Million.

2.2.18.1 Director Engineering/Executive Engineer Division-III MDA Multan – Rs.6,349,372/-

48. Para No.2.2.26 Pages 206 to 208 of Audit Report for the year 2010-11; Loss due to Extra Provision Against Specification – Rs.1.85 Million.

2.2.26.1 Director Engineering/Executive Engineer Division-III MDA Multan – Rs.866,171/-

5.8.2015 The Department explained that partial recovery had been effected and balance amount would also be recovered at the earliest.

The amount of the paras were reduced to the extent of the recovery verified by Audit and kept pending for balance recovery.

3.5.2016 The Audit pointed out that the decisions of PAC-I in its meetings held on 3-5 August 2015 were not complied by the department in all above paras.

The Committee directed / recommended the Administrative Secretary that all the recommendations/directions in all above paras be complied with its true spirit and all necessary actions be taken and report be submitted to PAC within 30 days.

The paras were kept pending.

49. Para No.2.2.18 Pages 196 to 198 of Audit Report for the year 2010-11; Non- Recovery of Dismantled Material – Rs.7.41 Million.

2.2.18.2 Director Engineering, UD-Wing, FDA, Faisalabad – Rs.545,278/-

50. Para No.2.2.56 Page 236 of Audit Report for the year 2010-11; Overpayment of Price Variation Due to Wrong Calculation – Rs.0.174 Million.

4.8.2015 The Department explained that total recovery as pointed out by Audit, had been effected from the security deposit of the contractor.

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

3.5.2016 The Audit pointed out that the decisions of PAC-I in its meetings held on 3-5 August 2015 were not complied by the department in all above paras.

The Committee directed / recommended the Administrative Secretary that all the recommendations/directions in all above paras be complied with its true spirit and all necessary actions be taken and report be submitted to PAC within 30 days.

The paras were kept pending.

51. Para No.2.2.18 Pages 196 to 198 of Audit Report for the year 2010-11; Non- Recovery of Dismantled Material – Rs.7.41 Million.

2.2.18.3 Director Engineering/Executive Engineer Division-III MDA Multan – Rs.515,413/-

5.8.2015 The Department explained that total recovery as pointed out by Audit, had been effected and relevant record had also been got verified by Audit.

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

52. Para No.2.2.19 Pages 198 & 199 of Audit Report for the year 2010-11; Non-Recovery of Missing Installments with Interest – Rs.5.24 Million.

53. Para No.2.2.36 Pages 216 & 217 of Audit Report for the year 2010-11; Non-Recovery of Missing Installments and Surcharges – Rs.0.837 Million.

54. Para No.2.2.50 Pages 231 & 232 of Audit Report for the year 2010-11; Non-Recovery on Account of Excess Area of Plot – Rs.0.233 Million.

5.8.2015 The Department explained that all the necessary actions in respect of above paras had already been taken and relevant record had also been got verified by Audit.

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

55. Para No.2.2.20 Pages 199 & 200 of Audit Report for the year 2010-11; Excess Payment on Account of Disposal of Excavated Material – Rs.3.94 Million.

3.5.2016 The Department explained that the project had been funded by ADB in which entire procurement procedure had been followed as per ADB guidelines as mentioned in the agreement between Govt. of Punjab & ADB, therefore, the payment on account of disposal of excavated material was made according to the ADB guidelines which would be verified by the audit.

The Committee was not satisfied with the contention of the department and directed/recommended that all record be provided to audit for verification and the para was kept pending.

56. Para No.2.2.21 Pages 200 to 202 of Audit Report for the year 2010-11; Premature Release of Security Deposits Without Finalization of Accounts – Rs.3.63 Million.

2.2.21.1 Executive Engineer, Public Health Engineering Division, Sialkot – Rs.3,449,261/-

4.5.2016 The Department explained that the securities of all the contractors as pointed out by the Audit had been released after finalizing of accounts of the contractors and the relevant record was available for verification.

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

2.2.21.2 Executive Engineer, Public Health Engineering Division, Gujrat – Rs.180,000/-

4.5.2016 The Department explained that necessary action had been taken as pointed out by Audit.

The Committee was satisfied and **the para was settled.**

57. Para No.2.2.22 Pages 202 & 203 of Audit Report for the year 2010-11; Loss to Agency Due to Illegal Occupation of Rooms of Hockey Stadium – Rs.3.59 Million.

4.8.2015 The Department explained that PHA, Faisalabad as an agency of FDA, came into existence on 01-07-2009, whereas, the Hockey Association occupied those 09 rooms since 2003. Hence there was no way that PHA get the rooms vacated or occupied. The department further pointed out that Hockey stadium Faisalabad was a property of FDA and was under administrative control of FDA.

After detailed deliberations the Committee kept the para pending with the directions/recommendations that Administrative Secretary should take up the matter with Director General FDA and Director General PHA Faisalabad to develop a legal mechanism to resolve the issue and report to PAC.

3.5.2016 The Department explained that the said hockey stadium had been handed over to the Hockey Federation and therefore the charges of rent were not justified because the said rooms were allotted to the Federation for establishment of their offices.

The Committee was satisfied and **the para was settled.**

58. Para No.2.2.23 Page 203 of Audit Report for the year 2010-11; Loss due to Non-Remittance of Income Tax Deducted at Source – Rs.3.43 Million.

4.8.2015 The Department explained that all the necessary actions in respect of above para had already been taken and relevant record was available for verification.

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

4.5.2016 The Department explained that necessary action had been taken and outstanding recovery had been made and got verified by Audit in above para.

On the recommendation of Audit, the Committee **settled the above para.**

59. Para No.2.2.24 Page 204 of Audit Report for the year 2010-11; Overpayment Due to Application of Incorrect Input Rates – Rs.3.32 Million.

5.8.2015 The Department assured that amount pointed out by Audit would be recovered at the earliest.

The para was kept pending with the directions/recommendations that total recovery should be effected within 90 days.

4.5.2016 The Committee showed its displeasure on non-presence of D.G, LDA without any intimation and pended the above para relating to Lahore Development Authority and directed/recommended the D.G, LDA to attend the next meeting personally.

1.6.2016 The Audit pointed out that recovery had been effected but final bill was not provided for verification.

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

60. Para No.2.2.25 Pages 205 & 206 of Audit Report for the year 2010-11; Irregular Grant and Non-Adjustment of Advances – Rs.2.80 Million.

2.2.25.1 Director Finance, UD-Wing LDA, Lahore – Rs.2,746,096/-

5.8.2015 The Department explained that Director General, LDA was fully competent for grant of advances to the employees for works of urgent nature. Most of advances had been given in legal cases, however, efforts were being made for early adjustment of these advances.

The Committee kept the para pending with the directions that all the advances be adjusted and all the relevant record also be produced to the Audit for verification.

4.5.2016 The Committee showed its displeasure on non-presence of D.G, LDA without any intimation and pended the above para relating to Lahore Development Authority and directed/recommended the D.G, LDA to attend the next meeting personally.

1.6.2016 The Department explained that in a fire incident most of the record had burnt and it was very hard to find further record in respect of advance payment. The department further explained that the individuals were being contacted and requested to provide duplicate bills so that they could be produced to audit for verification.

The representative of Finance Department apprised the Committee that the LDA was not competent to make advance payments to the various officers for execution of work without seeking approval from the Government whereas according to the LDA Authorities, LDA was fully competent to make its own regulations.

The Committee directed/recommended the department to examine the matter properly and an advice on the matter be taken from the Finance Department.

The para was kept pending.

2.2.25.2 Director Finance, UD-Wing LDA, Lahore – Rs.100,000/-

5.8.2015 The Department explained that advances were provided by the Project Director IT, with the approval of D.G., LDA for refreshment to the employees as they were working beyond office hours even till late night.

The Committee kept the para pending for regularization by Finance Department with the directions that all the relevant record should also be produced to the Audit for verification at the earliest.

4.5.2016 The Committee showed its displeasure on non-presence of D.G, LDA without any intimation and pended the above para relating to Lahore Development Authority and directed/recommended the D.G, LDA to attend the next meeting personally.

1.6.2016 The Department explained that in a fire incident most of the record had burnt and it was very hard to find further record in respect of advance payment. The department further explained that the individuals were being contacted and requested to provide duplicate bills so that they could be produced to audit for verification.

The representative of Finance Department apprised the Committee that the LDA was not competent to make advance payments to the various officers for execution of work without seeking approval from the Government whereas according to the LDA Authorities, LDA was fully competent to make its own regulations.

The Committee directed/recommended the department to examine the matter properly and an advice on the matter be taken from the Finance Department.

The para was kept pending.

- 61. Para No.2.2.26 Pages 206 to 208 of Audit Report for the year 2010-11; Loss Due to Extra Provision Against Specification – Rs.1.85 Million.**
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2.2.26.2 Director ADS-II, UD-Wing LDA, Lahore – Rs.978,653/-

5.8.2015 The Department explained that recovery pointed out by Audit was not due as JMF was approved in technical sanction estimates by M/s NESPAK, being consultant of the project and the payments were made accordingly.

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

- 62. Para No.2.2.27 Page 208 of Audit Report for the year 2010-11; Double Payment on Account of Super Plasticizer – Rs.1.61 Million.**
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5.8.2015 The Department explained that plasticizer was used in foundation as per JMF and the consultant had also advised to use the chemical for early strength of the construction work.

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

4.5.2016 The Committee showed its displeasure on non-presence of D.G, LDA without any intimation and pended the above para relating to Lahore Development Authority and directed/recommended the D.G, LDA to attend the next meeting personally.

1.6.2016 The Department explained that plasticizer was used in foundation as per JMF and the consultant had also advised to use the chemical for early strength of the construction work.

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

- 63. Para No.2.2.28 Pages 208 & 209 of Audit Report for the year 2010-11; Non-Recovery of Cost of Land & Interest – Rs.1.52 Million.**
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4.8.2015 The Department explained that partial recovery had been effected and hectic efforts were being made for balance recovery.

The Committee reduced the para to the extent of recovery verified by the Audit with the direction that balance recovery should be expedited.

The para was kept pending

4.5.2016 The Department explained that an amount of Rs.402,913/- had been recovered with an outstanding amount of Rs.1,117,540/- and efforts were being made to recover it.

The Committee reduced the para up to recovered amount after verification of Audit and **para was kept pending** for remaining recovery.

64. Para No.2.2.29 Pages 209 & 210 of Audit Report for the year 2010-11; Unjustified Payment Due to Not Recording Proper Entries – Rs.1.43 Million.

4.5.2016 The Audit pointed out that necessary deficiency in the measurement book had been made good but superintending Engineer PHE Circle Gujranwala commented that tuff tiles of 7000 PSI were not available in the market, therefore, tuff tiles of 4500 to 6000 PSI were requested to be used. The Audit further apprised that the department's contention that necessary deficiency had been rectified in the measurement book was not acceptable.

The Committee directed/recommended the department to recover the outstanding amount at earliest.

The **para was kept pending**.

65. Para No.2.2.30 Pages 210 & 211 of Audit Report for the year 2010-11; Overpayment Due to Excess Measurement – Rs.1.27 Million.

4.8.2015 The Department explained that revision of PC-I was not required as there was no major variation involved in the scope of work but only the slight modification were executed as per site requirements in accordance to the technical sanction estimate. It was further added that revised design/X-section of the walls of nullah dully approved by the competent authority had also been provided to the Audit for verification.

After detailed deliberations the Committee settled the para subject to verification of the relevant record by Audit.

4.5.2016 The Department explained that the work had been executed within the agreement amount as per approved X-Section of Nullah and the design / X-Section of the walls of the Nullah stand approved by the Competent Authority.

The Committee directed/recommended that the compliance of direction of PAC-I dated 5.8.2015 be made within 30 days positively.

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

66. Para No.2.2.31 Pages 211 & 212 of Audit Report for the year 2010-11; Unauthorized Refund and Waiver of Liquidated Damages – Rs.1.24 Million.

5.8.2015 The Department explained that total outstanding amount had been recovered and the major penalty removal from service had been imposed on the officer

responsible for the lapse and all the relevant record was available for verification by Audit.

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

67. Para No.2.2.32 Pages 212 & 213 of Audit Report for the year 2010-11; Non-Recovery of Lease Money and Penalty – Rs.1.11 Million.

4.8.2015 The Department explained that principle outstanding amount of Rs.1,009,662/- had been recovered from the allottees and the penalty pointed out by audit was not justified.

Audit recommended the para for settlement.

The Committee directed/recommended that the penalty imposed should be written off and the para was settled subject to verification of that record.

3.5.2016 The Department explained that the actual amount of the para had been recovered and the matter would be resolved through its Governing Body because the penalty clause was not included in the contract.

The Committee **settled the para**.

68. Para No.2.2.33 Pages 213 & 214 of Audit Report for the year 2010-11; Overpayment of Price Variation on Account of Decrease in Cost of Steel – Rs.1.01 Million.

4.8.2015 The Department explained that total recovery as pointed out by Audit, had been effected on account of over payment for certain items and relevant record could be verified by Audit.

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

3.5.2016 The Department explained that whole amount had been recovered and got verified by audit.

The Committee was satisfied and the **para was settled**.

69. Para No.2.2.35 Pages 215 & 216 of Audit Report for the year 2010-11; Overpayment Due to Application of Incorrect Rates – Rs.0.956 Million.

5.8.2015 The Department explained that entire recovery as pointed out by Audit, had been effected and the relevant record was also available for verification by Audit.

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

4.5.2016 The Committee showed its displeasure on non-presence of D.G, LDA without any intimation and pended the above para relating to Lahore Development

Authority and directed/recommended the D.G, LDA to attend the next meeting personally.

1.6.2016 The Department explained that the main agreement file and final bills had been burnt in the fire incident of LDA Plaza on 09th May, 2013. The available record had been verified by audit and only measurement books could be produced to audit for verification.

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

70. Para No.2.2.37 Pages 217 to 219 of Audit Report for the year 2010-11; Overpayment Due to Arbitrary Reduction in Base Rate for the year Purpose of Price Variation – Rs.0.603 Million.

2.2.37.1 Project Engineer, PMU, Sheikhpura – Rs.257,665/-

2.2.37.2 Project Engineer, PMU, Sheikhpura – Rs.233,760/-

4.5.2016 The Department explained that full amount of recovery had been effected from security deposit of contractor and recoupment of security was not possible as contract had finalized.

The Committee **settled these paras subject to** verification of final bill by Audit.

71. Para No.2.2.37
2.2.37.3 Director Building-II, LDA, Lahore – Rs.111,586/-

5.8.2015 The Department explained that total recovery as pointed out by Audit, had been effected and the relevant record was available for verification.

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

4.5.2016 The Committee showed its displeasure on non-presence of D.G, LDA without any intimation and pended all above para relating to Lahore Development Authority and directed/recommended the D.G, LDA to attend the next meeting personally.

1.6.2016 The Department explained that the main agreement file and final bills had been burnt in the fire incident of LDA Plaza on 09th May, 2013. The available record had been verified by audit and only measurement books could be produced to audit for verification.

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

72. Para No.2.2.38 Page 219 of Audit Report for the year 2010-11; Non-Recovery on Account of Non-Completion of Building within the Specified Period - Rs.0.595 Million.

5.8.2015 The Department explained that partial recovery had been effected and hectic efforts were being made to effect the recovery.

The Committee kept the para pending with the directions that remaining amount be recovered within 90 days.

3.5.2016 The Department requested the Committee to grant some extra time for effecting balance recovery of Rs.157,720/-.

The Committee directed/recommended the department to effect the outstanding amount within 90 days.

The para was kept pending.

73. Para No.2.2.39 Pages 220 & 221 of Audit Report for the year 2010-11; Loss Due to Acceptance of Tender Beyond Permissible Limit – Rs.0.585 Million.

2.2.39.1 Executive Engineer, Public Health Engineering Division, Gujrat – Rs.352,342/-

2.2.39.2 Executive Engineer, Public Health Engineering Division, Gujrat – Rs.233,197/-

4.5.2016 The Department explained that the work for construction was awarded to the contractor against an estimated cost of Rs.223.185 million which was within the permissible limit of 4.5% and record of containing lowest bid, approval of tenders by Chief Engineer, PHE Lahore alongwith comparative statement and award of tenders by XEN, PHE Division Gujrat were available and there was no irregularity had been committed.

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

74. Para No.2.2.40 Pages 221 & 222 of Audit Report for the year 2010-11; Non-Recovery of Additional Cost from the Allottees of Scheme ADS-I – Rs.0.517 Million.

4.8.2015 The Department explained that partial recovery had been effected and hectic efforts were being made for balance recovery.

The Committee reduced the para to the extent of recovery verified by the Audit with the direction that balance recovery should be expedited.

The para was kept pending

4.5.2016 The Department explained that an amount of Rs.40,600/- had been recovered with an outstanding amount of Rs.136,153/- and efforts were being made to recover it.

The Committee reduced the para up to recovered amount after verification of Audit and **para was kept pending** for remaining recovery.

75. Para No.2.2.41 Pages 222 & 223 of Audit Report for the year 2010-11; Overpayment Due to Allowing Payment of Inadmissible Rate – Rs.0.512 Million.

5.8.2015 The Department explained that height of first floor from N.S.L was more than 20 feet, therefore, extra labour charges were allowed in technical sanction estimates and accordingly paid.

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

76. Para No.2.2.42 Pages 223 & 224 of Audit Report for the year 2010-11; Non-Recovery of Scrutiny Fee from Private Developers – Rs.0.511 Million.

5.8.2015 The Department explained that total outstanding dues had been recovered which could be verified by Audit.

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

3.5.2016 The Audit pointed out that the decisions of PAC-I in its meetings held on 3-5 August 2015 were not complied by the department in the above para.

The Committee directed / recommended the Administrative Secretary that the recommendation/direction in the above para be complied with its true spirit and all necessary actions be taken and report be submitted to PAC within 30 days.

The **para was kept pending.**

77. Para No.2.2.43 Pages 224 & 225 of Audit Report for the year 2010-11; Non-Recovery of Sale of Tender Fees – Rs.0.380 Million.

78. Para No.2.2.47 Pages 228 & 229 of Audit Report for the year 2010-11; Loss due to Procurement of Base Course Material from the Distant Source – Rs.0.258 Million.

5.8.2015 The Department explained that total outstanding amount in respect of above paras had been recovered from the security deposit of the contractors, which could be verified by Audit.

The paras were conditionally settled subject to verification of final bills by audit.

4.5.2016 The Committee showed its displeasure on non-presence of D.G, LDA without any intimation and pended all above paras relating to Lahore Development Authority and directed/recommended the D.G, LDA to attend the next meeting personally.

1.6.2016 The Department explained that the main agreement file and final bills had been burnt in the fire incident of LDA Plaza on 09th May, 2013. The available record had been verified by audit and only measurement books could be produced to audit for verification.

The Committee **settled the all above paras subject to** verification by Audit.

79. Para No.2.2.44 Page 225 of Audit Report for the year 2010-11; Non-Recovery of Miscellaneous Service Charges – Rs.0.334 Million.

5.8.2015 The Department explained that total outstanding amount in respect of above para had been recovered from the security deposit of the contractors, which could be verified by Audit.

The para was conditionally settled subject to verification of final bills by audit.

4.5.2016 The Committee showed its displeasure on non-presence of D.G, LDA without any intimation and pended the above para relating to Lahore Development Authority and directed/recommended the D.G, LDA to attend the next meeting personally.

1.6.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in above para.

On the recommendation of Audit, the Committee **settled the above para.**

80. Para No.2.2.45 Pages 226 & 227 of Audit Report for the year 2010-11; Loss Due to Extra Provision of Overhead Charges in the Estimate – Rs.0.301 Million.

2.2.45.1 Project Engineer, Project Management Unit (PMU)/PHED Bahawal Nagar – Rs.151,336/-

2.2.45.2 Project Engineer, Project Management Unit (PMU)/PHED Rahim Yar Khan – Rs.150,542/-

3.5.2016 The Audit pointed out that rules were violated during purchase of some articles.

The Chief Engineer stated that schemes had been completed and handed over to the concerned authorities and draft charge sheets against the officers & officials involved had been submitted to the department on 1-6-2015 for disciplinary action.

The Committee directed/ recommended the department that inquiry report be submitted within 60 days to PAC.

The paras were kept pending.

81. Para No.2.2.46 Pages 227 & 228 of Audit Report for the year 2010-11; Overpayment Due to Incorrect Application of Rates – Rs.0.298 Million.

4.8.2015 The Departments explained that efforts were being made and recovery would be effected at the earliest.

The para was kept pending with the directions that efforts for recovery should be expedited.

4.5.2016 The Department explained that efforts were being made for recovery and recovery would be effected at the earliest.

The Committee directed/recommended the department to effect the recovery under Land Revenue Act as arrears of land revenue.

The para was kept pending.

82. Para No.2.2.49 Pages 230 & 231 of Audit Report for the year 2010-11; Overpayment Due to Non-Reduction of Item RCC - Rs.0.252 Million.

2.2.49.1 Director Construction-II WASA LDA, Lahore – Rs.370,216/-.

4.8.2015 The Department explained that partial recovery had been effected and hectic efforts were being made for balance recovery.

The Committee reduced the paras to the extent of recovery verified by the Audit with the directions that balance recovery should be expedited.

The para was kept pending

3.5.2016 The Audit pointed out that recovery had been made and got verified and only final bill was required for verification.

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

83. Para No.2.2.49

**2.2.49.2 Project Engineer, Project Management Unit (PMU)/PHED
Bahawal Nagar – Rs.125,520/-**

3.5.2016 The Department explained that final bill had been submitted to audit for verification.

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

84. Para No.2.2.51 Page 232 of Audit Report for the year 2010-11; Overpayment Due to Non-Execution of Complete Item at Site – Rs.0.222 Million.

5.8.2015 The Department explained that there was a composite rate which included excavation of earth for making foundations along with the compaction of bottom layer and disposal of excavated material away from the Municipal limits.

The Committee accepted the explanation of the department and the para was settled subject to verification of record.

4.5.2016 The Committee showed its displeasure on non-presence of D.G, LDA without any intimation and pended all above para relating to Lahore Development Authority and directed/recommended the D.G, LDA to attend the next meeting personally.

1.6.2016 The Department explained that all the necessary actions had been taken and outstanding recovery had been made and got verified by Audit in the above para.

On the recommendation of Audit, the Committee **settled the above para.**

85. Para No.2.2.52 Page 233 of Audit Report for the year 2010-11; Undue Benefit to the Contractor Due to Less Deduction of Security – Rs.0.205 Million.

3.5.2016 The Department explained that a written request had been sent to Finance Department for condonation of the matter concerned and draft charge sheet against the officers & officials involved had also been forwarded to the Secretary HUD & PHE for disciplinary action.

The Committee directed/recommended the department to hold a fact finding inquiry and fix responsibility against culprits within 60 days under intimation to PAC.

The **para was kept pending.**

**86. Para No.2.2.53 Pages 233 & 234 of Audit Report for the year 2010-11;
Loss Due to Non-recovery of Income Tax - Rs.0.205 Million.**

4.8.2015 The Department explained that recovery of the overpayment would be effected at the earliest.

The para was kept pending for recovery of outstanding dues.

4.5.2016 The Department explained that remaining amount of Rs.96,800/- had been recovered and deposited in the government exchequer and record was available for verification by Audit.

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

**87. Para No.2.2.54 Pages 234 & 235 of Audit Report for the year 2010-11;
Overpayment Due to Non-Deduction of Area Manholes – Rs.0.204 Million.**

4.5.2016 The Department explained that full amount of recovery had been effected and verified by audit.

The Committee was satisfied and **the para was settled.**

**88. Para No.2.2.57 Pages 236 & 237 of Audit Report for the year 2010-11;
Overpayment Due to Incorrect Calculation of Quantity – Rs.0.163 Million.**

3.5.2016 The Department explained that the recovery had been made and record was available for verification.

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

**89. Para No.2.2.58 Pages 237 & 238 of Audit Report for the year 2010-11;
Overpayment Due to Inclusion of Extra Item in the Rate Analysis – Rs.0.160 Million.**

3.5.2016 The Department explained that the scheme had been completed and final bill submitted to audit for verification but audit requested to fix the suitable date for verification.

The Committee directed/recommended that recovery be made within 30 days and **kept the para pending.**

**90. Para No.2.2.60 Pages 239 & 240 of Audit Report for the year 2010-11;
Non-Recovery of Secured Advance – Rs.0.133 Million.**

4.5.2016 The Department explained that recovery of Rs.336,304/- out of total recovery of Rs.470,118/- had been effected from the security deposit of contractor and efforts were being made for outstanding amount of Rs.133,814/-.

The Committee reduced the para upto recovered amount and **kept the para pending.**

91. Para No.2.2.61 Pages 240 to 248 of Audit Report for the year 2010-11; Undue Financial Benefit Due to not Obtaining of Performance Security – Rs.80.40 Million.

2.2.61.1 Project Engineer, Project Management Unit/PHED Bahawal Nagar – Rs.29.20 Million

3.5.2016 The Department explained that scheme was 95% completed and handed over to the concerned TMA.

Audit pointed out it was violation of rules being not received the performance security from the contractor.

The Committee directed/recommended the department that action against the responsables be taken and report be submitted to PAC within 60 days and the irregularity be condoned from Finance Department.

The **para was kept pending.**

2.2.61.2 Project Engineer, Project Management Unit Pakpattan – Rs.13.693 Million

3.5.2016 The Department explained that partial recovery had been made and outstanding amount would be recovered within 30 days.

The Committee directed/recommended the department to effect the recovery within 30 days.

The **para was kept pending.**

2.2.61.7 Project Engineer, Project Management Unit Sahiwal – Rs.3,920,000/-.

3.5.2016 The Department explained that Rs.1.5 millions had been recovered and outstanding amount of Rs.2.4 million would be recovered within 30 days.

The Committee directed/recommended the department to effect the outstanding recovery within 30 days.

The **para was kept pending.**

92.

Para No.2.2.61

2.2.61.3 Director Works WASA (MDA) Multan – Rs.9.790 Million

2.2.61.4 Director Works WASA (MDA) Multan – Rs.7.149 Million

2.2.61.6 Director Works WASA (MDA) Multan – Rs.4.413 Million

4.8.2015 The Audited pointed out that department didn't obtain the performance security from the contractors, which resulted in huge undue financial benefit to contractors due to weak supervisory and financial controls.

The Administrative Secretary admitted the lapse on the part of department and apprised the Committee that a departmental inquiry had been initiated and strict disciplinary action would be taken against the responsible.

The Committee was of the view that the performance security should be obtained from the contractor and directed/recommended that an inquiry be held and fix the responsibility against the negligency and report be submitted to the PAC in the next meeting.

The paras were kept pending being subjudice.

3.5.2016 The Audit pointed out that the decisions of PAC-I in its meetings held on 3-5 August 2015 were not complied by the department in all above paras.

The Committee directed / recommended the Administrative Secretary that all the recommendations/directions in all above paras be complied with its true spirit and all necessary actions be taken and report be submitted to PAC within 30 days.

The paras were kept pending.

93.

Para No.2.2.61

2.2.61.5 Executive Engineer, Public Health Engineering Division, Gujrat – Rs.7.013 Million

2.2.61.8 Project Engineer, Project Management Unit Kasur – Rs.3,245,000/-

4.5.2016 The Department explained that the cases for condonation of irregularity had been sent to the Finance Department and the condonation sanctions were awaited.

The Committee directed/recommended the Finance department that the said cases be finalized at earliest and warnings be issued to the concerned official who committed the irregularities.

The paras were settled.

94. **Para No.2.2.61 Pages 240 to 248 of Audit Report for the year 2010-11; Undue Financial Benefit Due to Not Obtaining of Performance Security – Rs.80.40 Million.**
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2.2.61.10 Executive Engineer, Public Health Engineering Division, Gujranwala – Rs.1,289,000/-

95. **Para No.2.2.62 Page 248 to 252 of Audit Report for the year 2010-11; Premature Release of Additional Performance Security – Rs.10.14 Million.**
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2.2.62.3 Project Engineer, PMU, Hafizabad – Rs.2.787 Million

4.5.2016 The Audit pointed out that the department did not obtain the additional performance security in the shape of bank guarantee from the contractor within fifteen days of allotment of work in above paras.

The Committee directed/recommended the department to hold an inquiry on the matter and the responsibility be fixed and report be submitted to PAC within 60 days.

The paras were kept pending.

96. **Para No.2.2.61 Pages 240 to 248 of Audit Report for the year 2010-11; Undue Financial Benefit Due to not Obtaining of Performance Security – Rs.80.40 Million.**
-

2.2.61.11 Project Engineer, Project Management Unit Okara – Rs.304,023/- .

3.5.2016 The Department explained that recovery had been made and got verified by Audit.

The Audit pointed out the accountal of recovery in monthly account was still awaited

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

97. **Para No.2.2.62 Pages 248 to 252 of Audit Report for the year 2010-11; Premature Release of Additional Performance Security – Rs.10.14 Million.**
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2.2.62.1 Project Engineer, Project Management Unit Vehari – Rs.4.634 Million

3.5.2016 The Department explained that scheme had been completed and it was not possible to take additional performance guarantee from the contractor at this stage. The Chief Engineer further stated that draft charge sheet against the officers involved had been sent to the Secretary HUD & PHE for disciplinary action.

The Committee directed/recommended the department that the irregularity be got condoned from Finance Department and responsibility be fixed within 30 days.

The para was kept pending.

2.2.62.4 Project Engineer, Project Management Unit Sahiwal – Rs.2,228,664/-.

3.5.2016 The Department explained that the said contractor had been declared black listed and presently the matter was in a court of law.

The Committee kept the para pending till the decision of court.

2.2.62.5 Project Engineer, Project Management Unit Pakpattan – Rs.1.761 Million

3.5.2016 The Department explained that action against the responsible had been taken and condonation of irregularity was in process.

The Committee was not satisfied with the contention of the department and constituted a Committee headed by Secretary, HUD & PHE along with representatives from C & W Department, Irrigation Department, Finance Department and PPRA as well to resolve the issue of performance security within 90 days under intimation to PAC.

The para was kept pending.

**98. Para No.2.2.62
2.2.62.2 Project Engineer, Project Management Unit Rahim Yar Khan – Rs.2,969,534/-**

3.5.2016 The Department explained that draft charge sheet against the officers involved had been forwarded to the Secretary, HUD & PHE for disciplinary action.

The Committee directed/recommended the department that an inquiry be held against responsables and responsibility be fixed within 30 days and report be submitted to PAC.

The para was kept pending.

99. Para No.2.2.63 Page 252 of Audit Report for the year 2010-11; Overpayment Due to Allowing Payment at Higher Percentage – Rs.3.01 Million.

4.8.2015 The Department explained that total recovery as pointed out by Audit, had been effected on account of over payment for certain items and relevant record was available for verification by Audit.

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

3.5.2016 The Department explained that partial amount had been recovered in the para and efforts were being made to effect the balance recovery.

The Committee reduced the para upto recovered amounts subject to verification and **kept the para pending** for balance recovery.

INDUSTRIES, COMMERCE AND INVESTMENT

The Committee examined the Accounts of the Industries, Commerce and Investment Department in its meetings held on 4.6.2014 and 7.12.2016 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010/PC24010 (010) – General Administration Page 354 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
 044-Mining & Manufacturing
 0441-Manufacturing
044105-Administration
LQ4087-Industries Department.

Final Grant	Rs.44,825,000/-
Actual Expenditure	Rs.44,787,238/-
Saving	(-) Rs. 37,762/-
Percentage	0.08%

4.6.2014 The Department explained that the accounts had been reconciled with A.G. Punjab and the saving in this grant was very nominal and within the permissible limit.

The Committee was satisfied with the explanation of the department and the **grant was settled.**

2. Grant No.PC21010/PC24010 (010) – General Administration Pages 355 to 359 of Appropriation Accounts for the year 2010-11.

i) 04-Economic Affairs
 044-Mining & Manufacturing
 0441-Manufacturing
044105-Administration
LQ4106-Punjab Prices & Supply Board.

Final Grant	Rs.6,320,000/-
Actual Expenditure	Rs.5,231,504/-
Saving	(-) Rs.1,088,496/-
Percentage	17.22%

4.6.2014 The Department explained that accounts had been reconciled with A.G. Punjab and saving was occurred due to some vacant posts during the financial year.

The Committee accepted the explanation of the department, the **item was settled.**

- ii) 04-Economic Affairs
 044-Mining & Manufacturing
 0441-Manufacturing
044105-Administration
LQ4776-District Consumer Protection Council.

Final Grant	Rs.28,528,000/-
Actual Expenditure	Rs.26,914,779/-
Saving	(-) Rs. 1,613,221/-
Percentage	5.65%

- iii) 04-Economic Affairs
 044-Mining & Manufacturing
 0441-Manufacturing
044105-Administration
LQ5277-Punjab Consumer Protection Council.

Final Grant	Rs.19,975,000/-
Actual Expenditure	Rs.19,786,743/-
Saving	(-) Rs. 188,257/-
Percentage	0.94%

4.6.2014 The Department explained that the accounts had been reconciled with A.G. Punjab and the savings in both above items were very nominal and within the permissible limit.

The Committee was satisfied with explanation of the department and **settled both above items.**

- iv) 04-Economic Affairs
 044-Mining & Manufacturing
 0441-Manufacturing
044105-Administration
LQ5279-District Consumer Courts.

Final Grant	Rs.65,200,000/-
Actual Expenditure	Rs.65,660,363/-
Excess	(+) Rs. 460,363/-
Percentage	0.71%

4.6.2014 The Department explained that staff of District, Consumer Court was awarded allowances on the direction of High Court and resultantly the excess was occurred.

The A.G. Punjab pointed out that reconciliation of accounts had yet to be made with Finance Department.

The Committee settled the item subject to reconciliation with Finance Department.

7.12.2016 The Department explained that in compliance with last PAC directive, the accounts had been reconciled with Finance Department and there was meager excess of 0.71% which were relating to allowances of consumer Courts Judges.

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

3. Grant No.PC21022 (022) – Industries: (All Voted) Pages 360 to 370 of Appropriation Accounts for the year 2010-11.

- i) 04-Economic Affairs
 041-General, Economic, Commercial & Labour Affairs & Labour Affairs
 0412-Commercial Affairs
041214-Administration
LQ4533-Punjab Board of Investment & Trade.

Final Grant	Rs.100,000,000/-
Actual Expenditure	Rs. 50,000,000/-
Saving	(-) Rs. 50,000,000/-
Percentage	50.00%

4.6.2014 The A.G. Punjab pointed out that 50% funds were not utilized.

The Department explained that 50% of the amount was not released to PBIT and remained in Government Treasury.

The Committee kept the item pending for reconciliation with Finance Department and A.G. Punjab.

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.100,000,000/-	Rs.50,000,000/-
Actual Expenditure	Rs. 50,000,000/-	Rs.50,000,000/-
Saving	(-) Rs. 50,000,000/-	Rs. 0/-
Percentage	50.00%	0%

7.12.2016 The A.G. Punjab pointed out that compliance of last PAC directive had not yet made.

The Committee directed/recommended the department to reconcile the accounts with A.G. Punjab and Finance Department within 90 days.

The **item was kept pending** for reconciliation of accounts.

- ii) 04-Economic Affairs
 041-General, Economic, Commercial & Labour Affairs & Labour Affairs
 0413-General Labour Affairs
041305-Industrial Safety (Inspection of Boilers, Explosives, etc.)
LQ4220-Inspectorate of Boilers.

Final Grant	Rs.9,477,000/-
Actual Expenditure	Rs.9,397,501/-
Saving	(-) Rs. 79,499/-
Percentage	0.84%

- iii) 04-Economic Affairs
044-Mining and Manufacturing
0441-Manufacturing
044105-Administration
LQ4218-Headquarters Establishment.

Final Grant	Rs.56,629,000/-
Actual Expenditure	Rs.56,992,772/-
Excess	(+) Rs. 363,772/-
Percentage	0.64%

4.6.2014 The Department explained that the accounts had been reconciled with A.G. Punjab and the savings in above items were very nominal and within the permissible limit.

The Committee was satisfied with the explanation of the department and **settled the above items.**

- iv) 04-Economic Affairs
044-Mining and Manufacturing
0442-Mining
044120-Others
LQ4779-Sasti Roti Authority.

	<u>A.G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.7,372,000/-	Rs.7,372,000/-
Actual Expenditure	Rs.6,173,446/-	Rs.5,801,320/-
Saving	(-) Rs.1,198,554/-	Rs.1,570,680/-
Percentage	16.26%	Rs.21.31%

4.6.2014 The A.G. Punjab pointed out that reconciliation of the accounts had yet to be made in this item.

The Committee settled the item subject to reconciliation with Finance Department and A.G. Punjab.

Final Grant	Rs.7,372,000/-
Actual Expenditure	Rs.6,173,446/-
Saving	(-) Rs.1,198,554/-
Percentage	16.26%

7.12.2016 The Department explained that in compliance with last PAC directive, the cash book of SRA 2010-11 duly reconciled with Treasury Officer, Lahore, the expenditures incurred amounting to Rs.5,801,320/- while the books of accounts of A.G. Punjab showed Rs.6,173,446/- incurred and there was Rs.372,126/- excess incurred in the books of accounts of A.G. Punjab and department was unable to submit the working papers to A.G. Punjab.

The Committee directed/recommended the department to probe the matter and fix the responsibility within 90 days.

The item was kept pending.

4. Grant No.PC21022 (022) – Industries: (All Voted) Page 361 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
 041-General, Economic, Commercial & Labour Affairs & Labour Affairs
 0412-Commercial Affairs
041214-Administration
LQ4518-Pak China Bureau.

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs. 6,094,000/-	Rs.28,906,000/-
Actual Expenditure	Rs.21,907,995/-	Rs.21,907,995/-
Excess/saving	(+) Rs.15,813,995/-	(-) Rs. 6,998,005/-
Percentage	259.50%	24%

7.12.2016 The A.G. Punjab pointed out that department needs to reconcile its budget figures with Finance Department in this item.

The Committee directed/recommended the department to get the expenditure reconcile with Finance Department within 90 days.

The grant was kept pending.

5. Grant No.PC21022 (022) – Industries: (All Voted) Page 365 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
 044-Mining & Manufacturing
 0442-Mining
044120-Other
LQ4224-Grant in Aid to Punjab Small Industries Corporation.

Final Grant	Rs.265,000,000/-
Actual Expenditure	Rs.265,000,000/-
Excess/Saving	Rs.0/-

Percentage 0.00%

4.6.2014 The Department explained that account had been reconciled with A.G. Punjab and there was no excess and saving because the funds were 100% utilized.

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

6. Grant No.PC21029 (029) – Stationary and Printing: (All Voted) Pages 371 to 374 of Appropriation Accounts for the year 2010-11.

- i) 01-General Public Service
015-General Services
0154-Other General Services
015403-Centralized Printing & Publishing
LQ4279-Controller Printing & Stationery.

Final Grant	Rs.6,022,000/-
Actual Expenditure	Rs.5,905,375/-
Saving	(-) Rs. 116,625/-
Percentage	1.94%

- ii) 01-General Public Service
015-General Services
0154-Other General Services
015403-Centralized Printing & Publishing
LQ4280-Purchase of Stationery Stores.

Final Grant	Rs.29,700,000/-
Actual Expenditure	Rs.28,702,025/-
Saving	(-) Rs. 997,975/-
Percentage	3.36%

- iii) 01-General Public Service
015-General Services
0154-Other General Services
015403-Centralized Printing & Publishing
LQ4282-Government Press Lahore.

Final Grant	Rs.66,764,000/-
Actual Expenditure	Rs.65,497,104/-
Saving	(-) Rs. 1,266,896/-
Percentage	1.90%

4.6.2014 The Department explained that the accounts had been reconciled with A.G. Punjab and the savings in all above items were very nominal and within the permissible limit.

The Committee was satisfied with the explanation of the department and **settled the all above items.**

- iv) 01-General Public Service
015-General Services
0154-Other General Services
015403-Centralized Printing & Publishing
BO4005-Govt. Press Bahawalpur.

Final Grant	Rs.18,226,000/-
Actual Expenditure	Rs.17,855,803/-
Saving	(-) Rs. 370,197/-
Percentage	2.03%

4.6.2014 The A.G. Punjab pointed out that reconciliation of the accounts had yet to be made in this item.

The Committee settled the item subject to reconciliation with A.G. Punjab and Finance Department.

7.12.2016 The A.G. Punjab pointed out that earlier the grant was settled subject to reconciliation with A.G. Punjab and Finance Department but reconciliation had not yet made.

The Committee directed/recommended the department to get the expenditures be reconciled with the A.G. Punjab and Finance Department within 30 days.

The item was kept pending.

7. Grant No.PC22036 (036) – Development: (All Voted) Page 378 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
044-Mining & Manufacturing
0441-Manufacturing
044120-Others
LE4324-Others.

Final Grant	Rs.137,230,000/-
Actual Expenditure	Rs.133,106,701/-
Saving	(-) Rs. 4,123,299/-
Percentage	3.00%

7.12.2016 The Department explained that accounts had been reconciled with A.G. Punjab and there was overall saving of 3% which was nominal and within the permissible limit of 5%.

The Committee was satisfied with the explanation of the department and the **grant was settled.**

Audit Paras (Commercial) for the year 2010-11
(FAISALABAD INDUSTRIAL ESTATE DEVELOPMENT AND
MANAGEMENT COMPANY)

8. Para No.5.2.1.1 Pages 68 & 69 of Audit Report for the year 2010-11; Working Results.

7.12.2016 The Department explained the nature of Bank account of FIEDMC was changed in 2006-2007 from regular account to Assignment account which was a non interest bearing account and this change in bank account resulted in loss of other income substantially and nature of account was changed upon the directives of Finance Department.

The Committee was satisfied with the reply of department and the **para was settled.**

9. Para No.5.2.1.2 Page 69 of Audit Report for the year 2010-11; Working Results.

7.12.2016 The Audit pointed out that the contractor failed to complete the work within stipulated period of time and the liquidated damages were not deducted.

The Department explained that completion of work was delayed mainly due to changes in the design of boundary wall and changes in the master plan which was needed on that time and our BOD recommended these changes in the project. The department further stated that the other reason was the possession taking of land from landowner was time taking process, so, the project was delayed and not completed on time by the contractor.

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

10. Para No.5.2.1.3 Page 69 of Audit Report for the year 2010-11; Working Results.

11. Para No.5.2.1.4 Page 69 of Audit Report for the year 2010-11; Working Results.

7.12.2016 The Department explained that completion of main arterial road was delayed mainly due to non-availability of site, non-availability of bitumen, water logging, increase in scope of work, stoppage of work by locals, handing over of site in bits and pieces and storm water drain remained incomplete due to law and order situation as the locals were making hindrances in the completion of work and these hindrances from the locals was still being faced by FIEDMC and the locals claim that they had been compensated less or not paid by the revenue department. Therefore, extension of time was granted to contractor after taking approval by the BOD.

The Department further stated that against the liquidated charges the contractor had filed a writ petition in court of law and asking for more money to be paid on account of delay of project caused by the department.

The Committee was agreed with the contention of the department and the explanation regarding contractor's claims and liquidated damages was satisfied and the **paras were settled.**

12. Para No.5.2.1.5 Pages 69 & 70 of Audit Report for the year 2010-11; Working Results.

7.12.2016 The Audit pointed out the company planned to sell out 378 acres land as industrial and commercial plots but no sale could be materialized during the financial year.

The Department explained that there was severe global economic recession since year 2007 which severely affected business and the overall industrialization process halted and shown negative growth rate. The others reasons including power shortage, poor law & order situation and energy crisis also hit the country making it even worse and henceforth new sales were out of question at that time.

The Department further stated that overall situation in Pakistan was not favorable to start new industry at that time peoples were not able to start new business in Pakistan due to which sales of plots were not according to our forecasting. But now all the plots had been sale out and we were going to start our next project.

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

13. Para No.5.2.1.6 Page 70 of Audit Report for the year 2010-11; Working Results.

7.12.2016 The Audit pointed out that all relevant record was not provided for verification.

The Committee directed/recommended the department to submit all relevant record to audit for verification.

The para was kept pending.

**14. Para No.5.2.1.7 Page 70 of Audit Report for the year 2010-11;
Working Results.**

7.12.2016 The Audit pointed out the performance indicator of the company in which the company was totally dependent on loans and company was highly geared. The liquidated position of the company was very weak.

On the request of Administrative department the committee directed the Audit to get thoroughly audit of the pending years to identify the lapses.

The para was settled.

**15. Para No.5.2.1.8 Pages 70 & 71 of Audit Report for the year 2010-11;
Working Results.**

7.12.2016 The Audit pointed out the performance indicator of the company in which the current ratio was in 2009-2010 considerably low as 0.14:1 as for as the acceptable level of current ratio should be 2:1.

The Committee directed/recommended the department to improve its current ratio as audit said the ideal current ratio should be 2:1 and the **para was settled.**

**16. Para No.5.2.1.9 Page 71 of Audit Report for the year 2010-11;
Working Results.**

7.12.2016 The Department explained that the work in progress was the inventory of the company as the company was engaged in the business of development and sale of industrial estates. It has been classified as 'current asset' in accordance with the requirement of IAS-2 inventories. Moreover, the classification was also in line with the requirements of para 66(a) of IAS-1 presentation of financial statements and got verified by Audit.

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

(PUNJAB INDUSTRIAL DEVELOPMENT BOARD (DEFUNCT)).

**17. Para No.5.3.1.1 Page 72 of Audit Report for the year 2010-11;
Working Results.**

**18. Para No.5.3.1.2 Page 72 of Audit Report for the year 2010-11;
Working Results.**

**19. Para No.5.3.1.3 Pages 72 & 73 of Audit Report for the year 2010-11;
Working Results.**

**20. Para No.5.3.1.4 Page 73 of Audit Report for the year 2010-11;
Working Results.**

4.6.2014 The Department explained that all necessary actions had been taken and got verified by Audit in all above paras.

On the recommendation of Audit, Committee **settled all the above paras.**

(PUNJAB SMALL INDUSTRIES CORPORATION)

**21. Para No.5.4.1.1 Pages 74 & 75 of Audit Report for the year 2010-11;
Non Production of Record to Audit.**

4.6.2014 Audit pointed out that personal files of officers were not provided to Audit.

The Department explained that the personal files of officers were confidential and no body had permission to check it without orders of the competent authority.

The Committee kept the para pending and directed/recommended the department to provide whole relevant record to the Audit.

7.12.2016 The Audit pointed out that personal files of officers were not provided by the department on time.

The Department explained that personal files of officers were confidential and nobody had permission to check it without orders of competent authority and now after taking permission by the competent authority the relevant record had been provided to the audit for verification.

The Committee was agreed with the departmental contention and the **para was settled.**

**22. Para No.5.4.1.2 Pages 76 & 77 of Audit Report for the year 2010-11;
Non Recovery from Loanee – Rs.3.559 Million.**

**23. Para No.5.4.1.3 Pages 77 & 78 of Audit Report for the year 2010-11;
Doubtful Recovery from Chaudhery Dairy Farm a Chronic Defaulter
Loanee – Rs.1.327 Million.**

**24. Para No.5.4.1.4 Page 78 of Audit Report for the year 2010-11;
Doubtful Recovery from Asif Poultry Farm – Rs.1.290 Million.**

4.6.2014 The Department explained that the cases were pending in High Court and department pursuing them vigorously to finalize the cases.

The Committee kept the all above paras pending till the decision of the Court and being subjudice.

7.12.2016 The Department explained that we had won all these cases in the Banking Court but now all these cases were under trial in the Honorable High Court and department was pursuing vigorously to finalize these cases.

The **paras were kept pending** till the decision of the Court.

25. Para No.5.4.1.5 Pages 79 & 80 of Audit Report for the year 2010-11; Wasteful and Unjustified Expenditure on a Study – Rs.0.936 Million.

4.6.2014 The Department explained that it was ADP Scheme which was approved by Chief Secretary, Punjab and it was very beneficial study for PSIC especially for its restructuring.

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

Audit Paras (Civil) for the year 2010-11

26. Para No.7.2.1 Pages 219 & 220 of Audit Report for the year 2010-11; Non-Realization of Fee – Rs.2.457 Million.

7.12.2016 The Audit pointed out that the expected fee of Boiler inspection amounting to Rs.2.457 million was not recovered because the Chief Inspector Boiler Punjab Lahore issued office order in June 2004, regarding discontinuation of Boiler Inspection and the said officer violated the Ordinance 2002.

The Department explained that it was Federal Law and Federal Govt. amended the law in 2002, according to this amendment the authority for inspection of boilers were transferred to insurance companies and insurance companies would act as inspecting authority while in 2004-05 Industries Department was directed by the Chief Minister, Punjab to discontinue all the kind of industries inspection which was made by the Boilers/Electric Inspectors and it might be outsourced or transferred to insurance companies.

So the inspection during the said period was not carried out, hence, the fee amount was also not recovered.

The Committee was agreed with the departmental contention and **para was settled.**

IRRIGATION

The Committee examined the Accounts of the Irrigation Department in its meetings held on 4.5.2015, 5.5.2015, 6.5.2015, 9.12.2015, 10.12.2015 and 11.12.2015 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21009 (009) – Irrigation and Land Reclamation (All Voted): Pages 386, 388 to 410 of Appropriation Accounts for the year 2010-11.

- i) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042201-Administration
LQ4025-Chief Engineers.

Final Grant	Rs.196,087,000/-
Actual Expenditure	Rs.194,779,754/-
Saving	(-) Rs. 1,307,246/-
Percentage	0.67%

4.5.2015 The Department explained that out of total budgetary allocations, only a meager amount could not be utilized and requested for settlement. However, nominal excess in sub-head of physical assets was due to less receipt of funds.

The **item was settled subject to** condonation by Finance Department.

- ii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042201-Administration
LQ4026-Chief Engineer (Water Treaty Implementation Cell).

Final Grant	Rs.15,067,000/-
Actual Expenditure	Rs.16,327,691/-
Excess	(+) Rs. 1,260,691/-
Percentage	8.37%

- iii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042201-Administration
LQ4027-Chief Engineer (Planning and Review).

Final Grant	Rs.40,146,000/-
Actual Expenditure	Rs.41,087,579/-
Excess	(+) Rs. 941,579/-
Percentage	2.35%

- iv) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042201-Administration
LQ4028-Superintending Engineers.

Final Grant	Rs.216,254,000/-
Actual Expenditure	Rs.216,498,892/-
Excess	(+) Rs. 244,892/-
Percentage	0.11%

- v) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042203-Canal Irrigation
LQ4039-Canal Irrigation (SR).

Final Grant	Rs.991,617,000/-
Actual Expenditure	Rs.989,565,237/-
Saving	(-) Rs. 2,051,763/-
Percentage	0.21%

- vi) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042203-Canal Irrigation
LQ4764-Greater Thal Canal.

Final Grant	Rs.6,355,000/-
Actual Expenditure	Rs.7,779,257/-
Excess	(+) Rs.1,424,257/-
Percentage	22.41%

- vii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042205-Equipment Machinery Workshops
LQ4031-Excavator and Store Division.

Final Grant	Rs.184,390,000/-
Actual Expenditure	Rs.193,117,826/-
Excess	(+) Rs. 8,727,826/-
Percentage	4.73%

- viii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation

042206-Irrigation Research & Design
LQ4041-Research Institute.

Final Grant	Rs.97,473,000/-
Actual Expenditure	Rs.99,262,959/-
Excess	(+) Rs. 1,789,959/-
Percentage	1.84%

- ix) 10-Social Protection
107-Administration
1071-Administration
107105-Flood Control
LQ4043-Chief Engineer (Flood Cell).

Final Grant	Rs.13,492,000/-
Actual Expenditure	Rs.13,471,174/-
Saving	(-) Rs. 20,825/-
Percentage	0.15%

- x) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0423-Land Reclamation
042301-Administration
LQ4047-Director Land Reclamation.

Final Grant	Rs.60,839,000/-
Actual Expenditure	Rs.59,263,216/-
Saving	(-) Rs. 1,575,784/-
Percentage	2.59%

- xi) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0423-Land Reclamation
042302-Water Logging and Salinity Control
LQ4048-Water Logging and Salinity Control.

Final Grant	Rs.121,675,000/-
Actual Expenditure	Rs.138,590,072/-
Excess	(+) Rs. 16,915,072/-
Percentage	13.90%

4.5.2015 The Department explained that excess expenditures were incurred under the sub-heads of Pay & Regular Allowances because Finance Department didn't allocate sufficient funds against these sub-heads as per demand. Since, the expenditure regarding Pay and Allowances was unavoidable and couldn't be stopped.

The Committee directed/recommended that internal financial system of the department should be strengthen in order to avoid such lapses in future.

The Committee further recommended /directed that Administrative Secretary should probe into the matter to fix responsibility for financial indiscipline and report be submitted to PAC within 60 days.

With above directions/observations the **items were settled subject to** condonation of the expenditure by the Finance Department.

- xii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042203-Canal Irrigation
LQ4029-Canal Irrigation (Executive).

Final Grant	Rs.4,676,931,000/-
Actual Expenditure	Rs.4,512,479,493/-
Saving	(-) Rs. 164,451,507/-
Percentage	3.52%

4.5.2015 The Department explained that there was an overall saving of Rs.164,451,507/- which was 3.52% of the final grant. However an excess expenditure of Rs.829,431/- had been incurred under the sub-head of Pay of Officers because less funds were provided by the Finance Department as compared to the demand. However, saving was mainly under the sub-head of 'Repair & Maintenance of Durable Goods' because repair work couldn't be completed well in time.

The Committee observed that considerable amount of money had lapsed under the sub-head of 'Repair & Maintenance'. The Committee directed/recommended that Administrative Secretary should inquire into the matter to fix responsibility for the financial indiscipline and report be submitted to PAC within 60 days.

The Committee further directed/recommended that in order to avoid such lapse in future, the mechanism of monthly reconciliation statement should be streamline with proper coordination with Finance Department.

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

- xiii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042203-Canal Irrigation
LQ4030-Chashma Right Bank Canal.

Final Grant	Rs.5,995,000/-
Actual Expenditure	Rs.5,688,409/-
Saving	(-) Rs. 306,591/-
Percentage	5.11%

xiv) 04-Economic Affairs
 042-Agri, Food, Irrigation, Forestry & Fishing
 0422-Irrigation
042202-Irrigation Dams
LQ4038-Irrigation Dams.

Final Grant	Rs.96,498,000/-
Actual Expenditure	Rs.94,900,412/-
Saving	(-) Rs. 1,597,588/-
Percentage	1.66%

xv) 04-Economic Affairs
 042-Agri, Food, Irrigation, Forestry & Fishing
 0422-Irrigation
042204-Tubewells
LQ4040-Tubewells.

Final Grant	Rs.959,867,000/-
Actual Expenditure	Rs.952,969,858/-
Saving	(-) Rs. 6,897,142/-
Percentage	0.72%

xvi) 04-Economic Affairs
 042-Agri, Food, Irrigation, Forestry & Fishing
 0422-Irrigation
042205-Equipment Machinery Workshops
LQ4032-Moghalpura Irrigation Workshop.

Final Grant	Rs.104,405,000/-
Actual Expenditure	Rs.103,139,697/-
Saving	(-) Rs. 1,265,303/-
Percentage	1.21%

xvii) 04-Economic Affairs
 042-Agri, Food, Irrigation, Forestry & Fishing
 0422-Irrigation
042205-Equipment Machinery Workshops
LQ4033-Bhalwal Irrigation Workshop.

Final Grant	Rs.40,277,000/-
Actual Expenditure	Rs.39,291,430/-
Saving	(-) Rs. 985,570/-
Percentage	2.45%

xviii) 10-Social Protection
 107-Administration
 1071-Administration
107105-Flood Control

LQ4044-Director Hydrology.

Final Grant	Rs.11,140,000/-
Actual Expenditure	Rs.10,837,343/-
Saving	(-) Rs. 302,657/-
Percentage	2.72%

- xix) 01-General Public Service
014-Transfers
0141-Transfers (Inter-Governmental)
014110-Others
LQ4049-Grant in Aid to Engineering Academy Lahore.

Final Grant	Rs.20,855,000/-
Actual Expenditure	Rs.20,376,824/-
Saving	(-) Rs. 478,176/-
Percentage	2.29%

4.5.2015 The Department explained that there was minor savings against various sub-heads and requested for settlement of the above items.

The Committee accepted the explanation of the department and **settled the items.**

- xx) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042203-Canal Irrigation
LQ5309-Chashma Right Bank Irrigation Project 67 & 68 Stage III, Canal
Division Taunsa Sharif (Executive).

Final Grant	Rs.1,823,000/-
Actual Expenditure	Rs.1,515,998/-
Saving	(-) Rs. 307,002/-
Percentage	16.84%

4.5.2015 The Department explained that saving had occurred mainly under the sub-heads of 'Pay & Allowances' because some posts were remained vacant and less utility bills and TA/DA claims were received during the financial year.

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

- xxi) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042203-Canal Irrigation

LQ5310-Estab. Of Prog. Monitoring & Implementation Unit for Canals
Operation & Daily Discharge Data.

Final Grant	Rs.40,821,000/-
Actual Expenditure	Rs.35,106,910/-
Saving	(-) Rs. 5,714,090/-
Percentage	14.00%

4.5.2015 The Department explained that accounts had been reconciled and the saving had occurred mainly under the sub-head of 'Pay & Allowances' due to the fact that certain posts remained vacant and recruitment process couldn't be completed during the financial year 2010-11.

The Committee **settled the item with the directions** that surplus funds should be surrendered well in time during the Second Statement of Excess and Surrenders.

xxii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042206-Irrigation Research and Design
LQ4042-Director Design.

Final Grant	Rs.11,837,000/-
Actual Expenditure	Rs.14,520,272/-
Excess	(+) Rs. 2,683,272/-
Percentage	22.67%

4.5.2015 The Department explained that the excess expenditure was incurred under various sub-heads because Finance Department did not allocate the funds as per demanded by the Department in the Second List of Excess and Surrenders. Since the regular allowances of concerned employees couldn't be stopped, therefore, expenditure was inevitable.

The Committee observed that there was excess expenditure under the sub-head of 'Regular Allowances' in violation of financial rules. The Committee directed/recommended that Administrative Secretary should inquire into the matter to fix responsibility for financial indiscipline and report be submitted to the PAC within 60 days.

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

xxiii) 10-Social Protection
107-Administration
1071-Administration
107105-Flood Control
LQ4045-Drainage.

Final Grant	Rs.2,960,810,000/-
Actual Expenditure	Rs.2,728,469,684/-
Saving	(-) Rs. 232,340,316/-
Percentage	7.85%

4.5.2015 The Department explained that accounts were reconciled with A.G. office and there was an overall saving of Rs.232,340,316/- which came to 7.85% of the final grant. However, excess expenditure had mainly occurred under the sub-head of Pay & Allowances because less funds were provided by Finance Department as compared to the demand. However, there was saving mainly under the sub-head of 'Repair & Maintenance' due to the reason that funds were released in during the last week of May, therefore, the tendering process couldn't be completed till the end of financial year.

The Committee was not satisfied with the explanation by the Department and expressed displeasure on non utilization of huge amount of funds and directed/recommended that Administrative Secretary should probe into the matter and report be submitted to the PAC within 60 days.

The item was kept pending.

xxiv) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042250-Others
LQ5945-Suspense.

Final Grant	Rs.245,825,000/-
Actual Expenditure	Rs.71,567,347/-
Saving	(-) Rs.174,257,654/-
Percentage	70.89%

4.5.2015 The Department explained that there was an overall saving of Rs.174,257,654/- which comes to the tune of 70.89% of the final grant due to non maturing tendering process in various field offices because less rates were quoted by the contractors.

The Committee was not satisfied with the explanation of the department and took serious notice on the non-utilization of huge amount of funds and directed/recommended that Administrative Secretary should probe into the matter to fix responsibility for the lapse and report be submitted to the PAC within 60.

The item therefore, was kept pending.

2. Grant No.PC21010/PC24010 (010) – General Administration Page 413 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation

042201-Administration
LQ4086-Irrigation & Power Department.

Final Grant	Rs.80,581,000/-
Actual Expenditure	Rs.76,440,090/-
Saving	(-) Rs. 4,140,910/-
Percentage	5.14%

4.5.2015 The Department explained that accounts had been reconciled with the A.G. Punjab and saving was nominal under the sub-heads of pay and allowances because some posts of officers remained vacant.

The Committee **settled the grant with the direction**/recommendation that working paper should be prepared carefully and A.G. comments should also be depicted in the working papers.

3. Grant No.PC22036 (036) – Development: (All Voted) Pages 414 & 415 of Appropriation Accounts for the year 2010-11.

- i) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042202-Irrigation Dams
LE4289-Canal Irrigation.

Final Grant	Rs.27,150,000/-
Actual Expenditure	Rs. 7,913,484/-
Saving	(-) Rs.19,236,516/-
Percentage	70.85%

4.5.2015 The Department explained that recruitment process was not completed till the closing of financial year due to procedural formalities/recruitment policy, hence saving arised.

The Committee was not satisfied with the explanation of Department. The Committee deferred consideration of the item with the direction that proper explanation about the huge saving with proper preparation be given by the Administrative Secretary on next day i.e. 05 May 2015.

The item was kept pending.

5.5.2015 The Department explained that certain posts were remained vacant and recruitment process was started but it couldn't be completed within the financial year. Resultantly, saving occurred under the sub-head Pay & Allowances. Moreover, saving under the sub-head of Physical Assets and Repair & Maintenance due to the ban on purchase of durable goods and due to the less receipt of utility bills than anticipated.

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

- ii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042203-Canal Irrigation
LE4286-Canal Irrigation.

Final Grant	Rs.122,673,000/-
Actual Expenditure	Rs.107,438,814/-
Saving	(-) Rs. 15,234,186/-
Percentage	12.42%

4.5.2015 The Department explained that saving was mainly occurred under the sub-heads of Pay & Allowances, Operating Allowances and Grants Subsidies Write off of Loans because recruitment process couldn't be completed till the closing of financial year and due to the less receipt of utility bills less then expected.

The Committee was not satisfied with the explanation of the Department and showed its displeasure on non-utilization of huge amount of funds.

However, the Committee **settled the item with the directions/** recommendations that prompt co-ordination be ensured within the Department and with the Finance Department to avoid such lapses in future.

4. Grant No.PC22036 (036) – Development (All Voted) Pages 416 & 418 of Appropriation Accounts for the year 2010-11.

- i) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042203-Canal Irrigation
LE4290-Canal Irrigation.

Final Grant	Rs.100,000,000/-
Actual Expenditure	Rs. 0/-
Saving	(-) Rs.100,000,000/-
Percentage	100%

- ii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042204-Tubewells
LE4287-Tubewells.

Final Grant	Rs.14,000,000/-
Actual Expenditure	Rs. 911,940/-
Saving	(-) Rs.13,088,060/-

Percentage 93.49%

5. Grant No.PC12037 (037) – Irrigation Works: (Development) (All Voted) Pages 420 & 421 of Appropriation Accounts for the year 2010-11.

- i) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042203-Canal Irrigation
LE4223-Canal Irrigation.

	<u>D.G Accounts Works Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.1,199,032,000/-	Rs.1,199,032,000/-
Actual Expenditure	Rs. 756,423,550/-	Rs. 772,329,745/-
Saving	(-) Rs. 442,608,450/-	(-) Rs. 426,702,255/-
Percentage	36.91%	35.59%

- ii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042203-Canal Irrigation
LE4235-Canal Irrigation.

	<u>D.G Accounts Works Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.1,685,719,000/-	Rs.1,685,719,000/-
Actual Expenditure	Rs.1,133,839,925/-	Rs.1,023,106,572/-
Saving	(-) Rs. 551,879,075/-	(-) Rs. 662,612,428/-
Percentage	32.74%	39.31%

4.5.2015 The Department explained that savings due to the fact that Foreign Aid grant which was included in the budget but couldn't be included in the expenditure statement due to Notional grant.

The representative of A.G. Punjab contended that all the foreign funded projects were the part of Provincial Consolidated Fund and should be the part of expenditure statement.

After detailed deliberations, the Committee constituted a fact finding committee Headed by Director Budget, Finance Department and consisting of the D.G. Accounts Works, Secretary, Irrigation Department and representative from Planning & Development Department.

The Committee directed/recommended that fact finding should scrutinize all aspects of the matter as per deliberations of the in the meeting and report be submitted to PAC within 90 days.

The items were therefore, kept pending.

6. Grant No.PC22036 (036) – Development: (All Voted) Pages 416 & 417 of Appropriation Accounts for the year 2010-11.

- i) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042203-Canal Irrigation
LE4292-Canal Irrigation.

Final Grant	Rs.67,249,000/-
Actual Expenditure	Rs.60,262,775/-
Saving	(-) Rs. 6,986,225/-
Percentage	10.39%

- ii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042203-Canal Irrigation
LE4310-Canal Irrigation.

Final Grant	Rs.13,500,000/-
Actual Expenditure	Rs. 8,811,175/-
Saving	(-) Rs. 4,688,825/-
Percentage	34.73%

4.5.2015 The Department explained that saving mainly occurred under the sub-head of Pay & Allowances and Operating Allowances because some posts remained vacant and due to less receipt of utility bills than expected.

The Committee **settled the items with the directions/recommendations** that surplus funds should be surrendered in Second Statement of Excess and Surrenders.

7. Grant No.PC12037 (037) – Irrigation Works: (Development) (All Voted) Pages 420 & 421 of Appropriation Accounts for the year 2010-11.

- i) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042202-Irrigation Dams
LE4229-Canal Irrigation.

Final Grant	Rs.568,623,000/-
Actual Expenditure	Rs.241,886,912/-
Saving	(-) Rs.326,736,088/-
Percentage	57.46%

4.5.2015 The Department explained that saving was due to the fact that a cheque amounting Rs.320 Million was issued to Land Acquisition Collector Rawalpindi but was not cleared by the District Accounts Officer.

The Committee shown its displeasure on non-utilization of huge amount of funds and directed/recommended that all the necessary measures should be taken to improve the financial discipline and to avoid such lapses in future.

With these observations the item was settled conditionally the **item was settled subject to** verification of relevant record by the D.G. Accounts Works within 30 days.

- ii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0422-Irrigation
042203-Canal Irrigation
LE4230-Canal Irrigation.

	<u>D.G Accounts Works Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.29,127,000/-	Rs.29,127,000/-
Actual Expenditure	Rs.24,148,073/-	Rs.23,821,699/-
Saving	(-) Rs. 4,978,927/-	(-) Rs. 5,305,301/-
Percentage	17.09%	18.21%

4.5.2015 The Department explained that saving occurred due to the change in the scope in the work and due to the necessary procedural formalities.

The **item was settled conditionally subject to** verification of relevant record by the D.G. Accounts Works within 30 days.

8. Grant No.PC12037 (037) – Irrigation Works: (Development) (All Voted)
Pages 422 to 426 of Appropriation Accounts for the year 2010-11.

- i) 04-Economic Affairs
042-Agriculture, Irrigation, Forestry & Fishing
0422-Irrigation
042203-Canal Irrigation
LE4238-Canal Irrigation.

Final Grant	Rs.58,356,000/-
Actual Expenditure	Rs.52,482,190/-
Saving	(-) Rs. 5,873,810/-
Percentage	10.07%

5.5.2015 The Department explained that funds allocated for ‘Civil Works’ couldn’t be fully utilized due to the non removal of the trees from the banks of the canal by the Forest Department in spite of the repeated requests by the Irrigation Department.

The Committee **settled the item with the directions/recommendations** that the codal formalities should be fulfill well before the execution of the project and surplus funds should be surrendered well in time.

- ii) 04-Economic Affairs
042-Agriculture, Irrigation, Forestry & Fishing
0422-Irrigation
042203-Canal Irrigation
LE4240-Canal Irrigation.

	<u>D.G. Accounts Works Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.1,265,431,000/-	Rs.1,265,431,000/-
Actual Expenditure	Rs. 75,431,000/-	Rs. 591,797/-
Saving	(-) Rs.1,190,000,000/-	(-) Rs.1,264,839,203/-
Percentage	94.04%	99.95%

- iii) 04-Economic Affairs
042-Agriculture, Irrigation, Forestry & Fishing
0422-Irrigation
042203-Canal Irrigation
LE4242-Canal Irrigation.

Final Grant	Rs.1,205,120,000/-
Actual Expenditure	Rs. 199,685,984/-
Saving	(-) Rs.1,005,434,016/-
Percentage	83.43%

5.5.2015 The Department explained that saving due to the fact that Foreign Aid grant which was included in the budget but couldn't be included in the expenditure statement due to Notional grant.

The D.G. Accounts Works contended that all the foreign funded projects were the part of Provincial Consolidated Fund and should be the part of expenditure statement.

After detailed deliberations, the Committee constituted a fact finding committee Headed by Director Budget, Finance Department and consisting of the D.G. Accounts Works, Secretary, Irrigation Department and representative from Planning & Development Department.

The Committee directed/recommended that fact finding should scrutinize all aspects of the matter as per deliberations of the in the meeting and report be submitted to PAC within 90 days.

The items were therefore, kept pending.

- iv) 04-Economic Affairs
042-Agriculture, Irrigation, Forestry & Fishing

0422-Irrigation
042203-Canal Irrigation
LE4244-Canal Irrigation.

	<u>D.G. Accounts Works Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.10,550,000/-	Rs.10,550,000/-
Actual Expenditure	Rs. 3,936,593/-	Rs. 3,941,553/-
Saving (-)	Rs. 6,613,407/-	Rs. 6,608,447/-
Percentage	62.69%	62.64%

5.5.2015 The Department explained that saving occurred due to the fact that Rs. 6.600 million paid to the M/S KSB Pumps after successful operations of pumping machinery of scheme but the Cheque couldn't be encashed by the company.

The **Committee settled the item conditionally subject to** verification of the relevant record by the D.G. Accounts Works.

- v) 10-Social Protection
107-Administration
1071-Administration
107105-Flood Control
LE4227-Flood Control.

	<u>D.G. Accounts Works Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.300,001,000/-	Rs.300,001,000/-
Actual Expenditure	Rs.342,653,975/-	Rs.299,979,645/-
Excess/Saving (+)	Rs. 42,652,975/-	Rs. 21,355/-
Percentage	14.22%	0.01%

- vi) 10-Social Protection
107-Administration
1071-Administration
107105-Flood Control
LE4243-Flood Control.

Final Grant	Rs.150,000,000/-
Actual Expenditure	Rs.149,999,890/-
Saving (-)	Rs. 110/-
Percentage	0.00%

5.5.2015 The Department explained that out of total budgetary allocations, only a meager amount could not be utilized and requested for settlement.

The **items were settled** accordingly.

- vii) 10-Social Protection
107-Administration
1071-Administration
107105-Flood Control

LE4237-Flood Control.

	<u>D.G. Accounts Works Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.249,928,000/-	Rs.249,928,000/-
Actual Expenditure	Rs.230,632,563/-	Rs.263,587,060/-
Saving	(-) Rs. 19,295,437/-	(-) Rs. 13,659,060/-
Percentage	7.72%	5.47%

viii) 10-Social Protection
107-Administration
1071-Administration
107105-Flood Control
LE4246-Flood Control.

	<u>D.G. Accounts Works Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.27,760,000/-	Rs.27,760,000/-
Actual Expenditure	Rs.27,750,545/-	Rs.67,250,004/-
Saving /Excess	(-) Rs. 9,455/-	(+) Rs.39,490,004/-
Percentage	0.03%	142.26%

5.5.2015 The Department explained that there was variation of figures between D.G. Accounts Works and the Department in case of above items.

The **items were therefore, kept pending** with the direction that accounts be reconciled within 30 days.

ix) 10-Social Protection
107-Administration
1071-Administration
107105-Flood Control
LE4239-Flood Control.

	<u>D.G. Accounts Works Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.826,881,000/-	Rs.826,881,000/-
Actual Expenditure	Rs.523,683,030/-	Rs.604,103,614/-
Saving	(-) Rs. 303,197,970/-	(-) Rs.222,777,386/-
Percentage	36.67%	26.94%

5.5.2015 The Department explained that there was an overall saving of Rs.222,777,386/- which comes to the tune of 26.94% of the final grant due to non maturing of tendering process of 04 out of 14 projects.

The **Committee settled the item with the directions** that such lapses should be avoided in the future and proper utilization of development funds be insured in order to minimize the loss due to floods.

Audit Paras (Commercial) for the year 2010-11

9. **Para No.7.2.1.1 Page 85 of Audit Report for the year 2010-11; Working Results.**
10. **Para No.7.2.1.2 Page 85 of Audit Report for the year 2010-11; Working Results.**
11. **Para No.7.2.1.3 Page 85 of Audit Report for the year 2010-11; Working Results.**

5.5.2015 The Department explained that loss sustained to the organization was due to consistent rise in the salaries of the employees of Irrigation Workshop Mughalpura Lahore and due to the less recovery of the overhead charges from the productive work.

The Department further contended that aforesaid workshop was not a commercial organization and its existence was necessary to cater for emergent repair & maintenance works of mechanical equipment. A summary had already been submitted to the Chief Minister for exclusion of MIW from the purview of commercial Accounting system. Moreover, strenuous efforts being made to recover all the outstanding dues from responding Divisional Officers.

The Committee directed/recommended that Administrative Department, D.G. Commercial Audit and Finance Department should examine the matter in detail and joint report should be submitted to resolve the issue within 30 days.

The **paras were kept pending** till fate of the summary be decided by Chief Minister.

Audit Para (DRAPP) for the year 2010-11

12. **Para No.2.2.1 Page 7 of Audit Report for the year 2010-11; Misappropriation on Account of Approach Road – Rs.2.089 Million.**

5.5.2015 The Department explained that the matter had been investigated by the committee constituted on the directions of DAC and concluded that approach roads were provided for the construction of check dams and the constructions materials for eleven check dams couldn't be carted at site as there was no alternate road available.

The Audit contended that all the members of investigation committee belong to the same formation against which para was raised therefore; matter should be investigated at the Administrative level.

The Committee directed/recommended that Administrative Secretary should probe into the matter to thrash out the facts under intimation to the PAC.

The **para was kept pending.**

Audit Paras (Revenue Receipts) for the year 2010-11

13. **Para No.3.2.1 Pages 50 & 51 of Audit Report for the year 2010-11; Non-Realization of Charges of Canal Water Supplied for Non-Irrigation Purposes – Rs.43.660 Million.**
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3.2.1(1) Divisional Canal Officer, Sargodha – Rs.391,608/-

5.5.2015 The Department explained that partial recovery had been effected and efforts were being made to effect balance recovery at the earliest.

The Committee reduced the para to the extent of the recovery verified by Audit and remaining portion of **para was kept pending** with the directions that recovery should be pursued vigorously.

14. **Para No.3.2.1**
3.2.1(2) Divisional Canal Officer, Faisalabad Div. – Rs.1,340,996/-

5.5.2015 The Department explained that it was a clubbed para and total recovery pertains to above para was Rs.1,683,429/- instead of Rs.1,701,272/- out of which an amount of Rs.335,4287/- had been recovered from different agencies whereas, a stay order had been granted by Additional District Judge, Faisalabad in favor of WASA Faisalabad for an amount of Rs.1,335,142/-. However, now the case had been decided in favor of the department and the efforts were being made for balance recovery from WASA Faisalabad at the earliest.

The Committee reduced the para to the extent of the recovery verified by Audit and remaining portion of **para was kept pending with** the directions that recovery should be pursued vigorously.

15. **Para No.3.2.1**
3.2.1(3) Divisional Canal Officer, Kirana Div. Sargodha – Rs.64,629/-

5.5.2015 The Department explained that partial recovery had been made and efforts were being made for recovery of remaining outstanding dues of Rs.7,291/-.

The Committee reduced the para to the extent of the recovery subject to verification of record by Audit and remaining portion of **para was kept pending** for recovery of outstanding dues.

16. **Para No.3.2.1**
3.2.1(4) Divisional Canal Officer, Hafizabad – Rs.1,676,601/-

5.5.2015 The Department explained that out of total outstanding amount of Rs.1,676,601/-, an amount of Rs.114,792/- had been recovered and efforts were being made for balance recovery on account canal water charges.

The Committee reduced the para to the extent of the recovery verified by Audit and remaining portion of **para was kept pending** with the directions that recovery should be pursued vigorously.

**17. Para No.3.2.1
3.2.1(5) Divisional Canal Officer, Multan – Rs.8,970,300/-**

5.5.2015 The Department explained that the aforesaid para had also included in the Audit report of 2009-10 and already been discussed in the PAC-II meeting held on 30-04-2011 and requested for the deletion from the list of printed draft para.

Audit also endorsed the contention of the department.

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

**18. Para No.3.2.1
3.2.1(6) Divisional Canal Officer, Small Dam Div. Islamabad – Rs.31,216,142/-**

5.5.2015 The Department explained that raw water was supplied for drinking water from Rawal Dam to Rawalpindi City at the rate of Rs.0.19/ 1000 gallons. Meanwhile a summary to enhance the raw water rate was moved to Chief Minister Punjab, in response, Chief Minister constituted a committee to resolve the issue of water charges and arrears as pointed out by Audit. During their meeting held on 28.09.2010, the committee recommended enhancement in the rate of raw water from Rs.0.19 to Rs.2.65 per gallons but Chief Minister didn't approved the recommendations of the committee. Therefore, the recovery as pointed by Audit was not justified.

The Committee directed/recommended that Administrative Secretary as well as D.G. Audit, Punjab should examine the matter in detail and a joint report thereon should be submitted to resolve the issue within 30 days,

The **para was kept pending.**

19. Para No.3.2.2 Pages 51 & 52 of Audit Report for the year 2010-11; Loss to Government on Account of Tawan Due to Non Receipt of Khatounies by Revenue Authorities – Rs.75.564 Million.

3.2.2(1) Divisional Canal Officer, Faisalabad Div. Faisalabad – Rs.8,801,693/-

5.5.2015 The Department explained that Khatounies (Form 33-C) relating to the Tehsil Chiniot and Chak Jhumra had already been prepared and dispatched to the concerned revenue authorities for recovery but no recovery had effected yet.

Audit pointed out that the department had not provided any acknowledgement of receipt of Khatounies by the Revenue Department.

The Committee **kept the para pending** with the directions that relevant record should be produced to the Audit for verification and recovery should be pursued vigorously.

20. **Para No.3.2.2**
3.2.2(2) Divisional Canal Officer, Burala Div. Faisalabad –
Rs.52,690,770/-

5.5.2015 The Department explained that relevant Khatounies (Form 33-C) had already been prepared and dispatched to the concerned revenue authorities for recovery but no recovery had effected yet.

The Committee **kept the para pending** with the directions that directions that relevant record should be produced to the Audit for verification and recovery should be pursued vigorously.

21. **Para No.3.2.2**
3.2.2(3) Divisional Canal Officer, Lower Gugera Div. Faisalabad
Rs.5,807,602/-

5.5.2015 The Department explained that an amount of Rs.2,447,009/- had been remitted by the competent authority and also got verified by Audit out of total outstanding amount of Rs.5,807,602/-.

The Department further apprised the Committee that strenuous efforts were being made to recover the remaining outstanding dues and Tawan amount had also been incorporated in Khatounies (form 33-c) and the concerned Tehsildars had already been requested several times to recover the balance amount at the earliest.

The Committee directed/recommended that mechanism of imposing and recovery of the special charges (Tawan) should be rationalized and tangible efforts with proper coordination to Board of Revenue should be made to recover the outstanding dues and report should be submitted to the PAC within 30 days. The Committee further directed that concerned Member, Board of Revenue should also be invited to attend the future meetings on the subject in order to expedite the recovery of outstanding dues.

The Committee **kept the para pending**.

22. **Para No.3.2.2**
3.2.2(4) Divisional Canal Officer, Hafizabad Div. Faisalabad –
Rs.8,263,776/-

5.5.2015 The Department explained that Khatounies (Form 33-C) relating to the Tehsil Jaranwala, Chak Jhumra and Gojra had already been prepared and dispatched to the concerned revenue authorities for recovery but no recovery had effected yet.

The Committee **kept the para pending** with the directions that relevant record should be produced to the Audit for verification and recovery should be pursued vigorously.

23. Para No.3.2.7 Page 56 of Audit Report for the year 2010-11; Non Realization of Stamp Duty and Registration Fee on Contract/Lease for Toll Tax – Rs.1.341 Million.

5.5.2015 The Department explained that as per the practice prevailing in the province, there was no stamp duty and registration fee charged for the auction of Toll Tax. However, that was wrongly mentioned in the tender notice. Therefore recovery was not justified from the bidder, whereas the total bid amount had already been deposited by the contractor in Government Treasury and requested for the settlement of the para.

After detailed deliberations the Committee directed/ recommended that Administrative Secretary as well as D.G. Audit, Punjab and Finance Department should examine the matter in detail whether the recovery was justified or not and report be submitted to PAC within 30 days.

The **para was therefore kept pending.**

24. Para No.3.2.8 Page 57 of Audit Report for the year 2010-11; Non Recovery of Drainage Charges for Effluent Discharge – Rs.0.917 Million.

5.5.2015 The Department explained that the drainage charges from the various Government agencies and departments couldn't be recovered up till now in spite of several requests and requested that the matter may kindly be referred to Finance Department to recover the outstanding dues.

The Committee directed/recommended that a reference be moved to the Finance Department for the at source recovery of outstanding dues from various Government Departments within 90 days under intimation to PAC.

The **para was kept pending.**

25. Para No.3.2.10 Pages 58 & 59 of Audit Report for the year 2010-11; In-Admissible Allowance on Account of Lamberdari Fee – Rs.0.122 Million.

3.2.10(1) Divisional Canal Officer, Sargodha – Rs.34,813/-

5.5.2015 The Department explained that rules permits the payment of a Lamberdari Fee @ 6% to the Lumberdar or other person collecting water charges. Hence, recovery as mentioned by Audit was not justified.

The Committee **settled the para subject to** the clarification by Finance Department.

**26. Para No.3.2.10
3.2.10(2) Divisional Canal Officer, Sahiwal – Rs.87,171/-**

5.5.2015 The Department explained that all the outstanding amount had been recovered which could be verified by Audit.

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

Audit Paras (Works) for the year 2010-11

27. Para No.3.2.1 Page 265 of Audit Report for the year 2010-11; Loss Due to Payment of Commitment Charges – Rs.602.2 Million.

9.12.2015 The Department explained that loan had been taken from world Bank to rehabilitate the Taunsa Barrage and Rs.602.2 million was parked money and only Rs.8.89 million were commitment charges and commitment charges were part of contract agreement as per international loan standards.

The Finance Department endorsed the statement of the department.

The Committee was satisfied and the **para was settled.**

28. Para No.3.2.2 Pages 265 to 268 of Audit Report for the year 2010-11; Undue Benefit to the Contractor Due to Disproportionate Rates – Rs.115.19 Million.

3.2.2.1 Executive Engineer, Dallas Canal Division, Rahim Yar Khan - Rs.83.8 Million

9.12.2015 The Department explained that Audit had miscalculated the amount of disproportionate rate and actual amount was Rs.6.7 millions instead of Rs.115.19 million.

The Audit pointed out that department calculation were wrong.

The Committee **kept the para pending** for reconciliation of disproportionate rate amount by Audit.

**29. Para No.3.2.2
3.2.2.2 Executive Engineer, LCC (West) Division, Jhang - Rs.18.554 Million**

11.12.2015 The Department explained that the approved bid for the completion of work was 4.37% above the T.S. Estimate, However, the contractor had completed the work at 0.95% above the T.S. Estimate as per specifications which was within the approved % limit. The department further explained that the matter had already inquired and inquiry report had been finalized.

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

**30. Para No.3.2.2
3.2.2.3 Executive Engineer, Development Division, Rahim Yar Khan -
Rs.12.1 Million**

9.12.2015 The Department explained that there was no loss to government exchequer in this matter and a statement of imbalance rates had been prepared and ready for verification by Audit.

The Committee **kept the para pending** for verification of financial statement of department by Audit.

**31. Para No.3.2.2
3.2.2.4 Executive Engineer, Small Dams Division, Islamabad -
Rs.733,197 Million**

10.12.2015 The Department explained that the total amount had been recovered and the final bill was required.

The Committee **kept the para pending** till the completion of the final bill.

**32. Para No.3.2.3 Pages 268 & 269 of Audit Report for the year 2010-11;
Loss to Government Due to Commitment Charges – Rs.52.72 Million.**

6.5.2015 The Department explained that commitment charges were unavoidable because of late appointment of consultant, frequent transfers of Project Directors, late finalization of condition surveys and due to the delayed Asian Development Bank's procedures.

After detailed deliberations, the Committee kept the para pending with the direction/recommendation that matter be referred to the Law Department and Finance Department in order to seek expert opinions thereon to resolve the matter.

10.12.2015 The Department explained that loan was taken from ADB for the improvement of lower Bari Doab Canal and this project was public utility and commitment charges were part of contract agreement as per international loan standards.

The Finance Department endorsed the statement of department.

The Committee was satisfied with contention of the department and the **para was settled.**

**33. Para No.3.2.4 Pages 269 & 270 of Audit Report for the year 2010-11;
Non-Obtaining of Insurance Policy from Consultant – Rs.36 Million.**

34. **Para No.3.2.6 Pages 271 & 272 of Audit Report for the year 2010-11; Loss Due to Non-Disposal of Un-serviceable Machinery/Vehicle – Rs.20.6 Million.**
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3.2.6.2 Executive Engineer, Central Store Division, Lahore - Rs.4.965 Million

35. **Para No.3.2.21 Pages 295 to 297 of Audit Report for the year 2010-11; Loss Due to Non-Recovery of Income Tax – Rs.1.84 Million.**
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3.2.21.2 Executive Engineer, Irrigation Workshop Division, Bhalwal - Rs.553,616/-

36. **Para No.3.2.28 Pages 305 & 306 of Audit Report for the year 2010-11; Excess Payment Due to Allowing Price Variation on Incorrect Value of Work Done – Rs.0.711 Million.**
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37. **Para No.3.2.40 Page 315 of Audit Report for the year 2010-11; Irregular/Uneconomical Appointment of Consultants.**
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10.12.2015 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in all above paras.

On the recommendation of Audit, the Committee **settled the all above paras.**

38. **Para No.3.2.5 Pages 270 & 271 of Audit Report for the year 2010-11; Undue Financial Benefit Due to Non-Revalidation of Performance Guarantee – Rs.26.2 Million.**
-

10.12.2015 The Department explained that work had been completed and performance security had been deducted through 15th running bill of the contractor and record was available.

The Committee directed/recommended the department to verify the completion certificate of work and performance security by audit at the earliest.

The para was kept pending.

39. **Para No.3.2.6 Pages 271 & 272 of Audit Report for the year 2010-11; Loss Due to Non-Disposal of Un-serviceable Machinery/Vehicle – Rs.20.6 Million.**
-

3.2.6.1 Executive Engineer, Excavator Division, Faisalabad - Rs.15.561 Million

10.12.2015 The Department explained that out of total 23 items only 9 items were auctioned of worth Rs.8.509 million and rest of items would be auctioned within 90 days.

The Committee reduced the para upto recovered amount by auctioned and directed/recommended the department to auction the rest of items within 90 days.

The para was kept pending.

40. Para No.3.2.7.1 Pages 273 & 274 of Audit Report for the year 2010-11; Non-credit of Lapsed Deposits – Rs.9.75 Million.

3.2.7.1 Executive Engineer, Rachna Drainage Division, Sheikhpura - Rs.8.169 Million

11.12.2015 The Department explained that the whole amount had been recovered and record was available for verification.

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

41. Para No.3.2.7 Pages 273 & 274 of Audit Report for the year 2010-11; Non-Credit of Lapsed Deposits – Rs.9.75 Million.

3.2.7.2 Executive Engineer, Trimmu Barrage Division, Trimmu - Rs.875,879/-

42. Para No.3.2.22 Pages 298 & 299 of Audit Report for the year 2010-11; Non-recovery Due to De-Escalation in the Rates of Steel – Rs.1.80 Million.

3.2.22.1 Executive Engineer, Fordwah Canal Division, Bahawal Nagar - Rs.1,642,579/-

43. Para No.3.2.39 Pages 314 & 315 of Audit Report for the year 2010-11; Non-Recovery of Penal Rent Due to Retention of Official Residence Beyond Authorized Period – Rs.0.124 Million.

9.12.2015 The Department explained that entire amount had been recovered and the record was available for verification in all above paras.

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

44. Para No.3.2.7 Pages 273 & 274 of Audit Report for the year 2010-11; Non-Credit of Lapsed Deposits – Rs.9.75 Million.

3.2.7.3 Executive Engineer, Khanki Division LCC (E), Khanki - Rs.700,958/-

45. **Para No.3.2.35 Page 311 of Audit Report for the year 2010-11; Non-Recovery Due to Non-Imposition of Fine – Rs.0.206 Million.**
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46. **Para No.3.2.36 Pages 311 & 312 of Audit Report for the year 2010-11; Overpayment Due to Allowing Dressing with Compaction – Rs.0.200 Million.**
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47. **Para No.3.2.43 Pages 330 to 338 of Audit Report for the year 2010-11; Non-Recovery Due to De-Escalation in the Rate of Cement – Rs.22.83 Million.**
-

3.2.43.3 Executive Engineer, LCC (West) Division, Jhang - Rs.3.030 Million

11.12.2015 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in all above paras.

On the recommendation of Audit; the Committee **settled the all above paras.**

48. **Para No.3.2.8 Page 275 of Audit Report for the year 2010-11; Recovery Determined Against Officials Pursuant to Departmental Inquiry – Rs.7.61 Million.**
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10.12.2015 The Department explained that recovery imposed upon the accused officials had been set aside by the Supreme Court of Pakistan and other penalty was converted into stoppage of increment for two years, which was done. The department further stated that all record was available.

The Committee was satisfied and the **para was settled.**

49. **Para No.3.2.9 Pages 276 & 277 of Audit Report for the year 2010-11; Unauthorized Adjustment of Interest Bearing Security Against Recovery – Rs.5.66 Million.**
-

9.12.2015 The Audit pointed out that department had adjusted the amount of 5.56 million of the interest out of security deposit of the contractor which had violated the rules.

The Department explained that work was in progress and recovery would be effected from the next running bill of the contractor.

The Committee **kept the para pending** for recoupment of security from next running bill of the contractor.

50. **Para No.3.2.10 Pages 277 & 278 of Audit Report for the year 2010-11; Overpayment Due to Non-Adherence to the Agreement Percentage – Rs.5.29 Million.**
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3.2.10.1 Executive Engineer, Depalpur Canal Circle Division, Kasur - Rs.4.688 Million

10.12.2015 The Department explained that the payment was made to contractor on the basis of approved competitive tender rates and work had been completed. The department further stated that final bill was still kept unpaid, due to non-availability of funds.

The Committee **kept the para pending** till the final bill is paid.

51. **Para No.3.2.10**
3.2.10.2 Executive Engineer, Headworks Division, Punjnad - Rs.603,717/-

9.12.2015 The Department explained that the matter was subjudice in Lahore High Court.

The Committee directed/recommended the department to effect recovery from the security deposit of the contractor if no stay order had been issued by the Court.

The Committee **kept the para pending** for recovery and till decision of the Court.

52. **Para No.3.2.11 Pages 278 to 284 of Audit Report for the year 2010-11; Unjustified Provision of Contingencies – Rs.4.90 Million.**
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3.2.11.1 Executive Engineer, Rahimyar Khan Canal Division, Rahimyar Khan - Rs.2.853 Million

9.12.2015 The Department explained that no expenditure had been incurred against contingency and audit could verify the revised estimate.

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

53. **Para No.3.2.11**
3.2.11.2 Executive Engineer, Rachna Drainage Division, Sheikhpura - Rs.585,418/-

3.2.11.3 Executive Engineer, Drainage Division, Lahore - Rs.544,525 Million

3.2.11.4 Executive Engineer, Drainage Division, Lahore - Rs.274,137 Million

3.2.11.8 Executive Engineer, B.S. Link Division, Lahore - Rs.116,191/-

10.12.2015 The Department admitted that the repair and maintenance could not be expensed from contingency and now it could be regularize by Finance Department in all above paras.

The Committee directed/recommended the department to refer the matter to Finance Department for regularization.

The paras were kept pending.

54. **Para No.3.2.11**
3.2.11.5 Executive Engineer, Development Division-III, Sahiwal - Rs.217,182 Million

9.12.2015 The Department explained that condonation was required in this para and the department had referred the matter to Finance Department for condonation.

The para was kept pending for condonation by Finance Department.

55. **Para No.3.2.11**
3.2.11.6 Executive Engineer, LBDC Division, Sahiwal – Rs.213,157/-
3.2.11.7 Executive Engineer, LBDC Division, Okara – Rs.119,015/-.

6.5.2015 The Department explained that according to Para 2.26 of PWD Code, the provision of contingencies were made in Technical Sanction Estimates @ 2- 2.5% in order to meet unforeseen expenditures like photocopies, ring bindings and stationary etc.

The Committee directed/recommended that department should take up the matter with Audit as well as Finance Department for clarification the rules and further actions should be taken accordingly.

The paras were conditionally settled subject to verification of requisite action as per above advice.

9.12.2015 The Department admitted that the repair and maintenance could not be expensed from contingency and it could be regularize by Finance Department.

The Committee directed/recommended that the department to refer the matter to Finance Department for regularization.

The paras were kept pending.

56. **Para No.3.2.12 Pages 285 & 286 of Audit Report for the year 2010-11; Short Recovery of Drainage Charges – Rs.4.41 Million.**

3.2.12.1 Executive Engineer, Rachna Drainage Division, Sheikhpura - Rs.2.843 Million

10.12.2015 The Department explained that an amount of Rs.318,480/- had been recovered and got verified by audit and efforts were being made to effect the outstanding recovery.

The Committee reduced the para to the extent of recovered amount and directed/recommended the department to recover the outstanding amount from the concerned person under Land Revenue Act by the concerned D.C.O. within 90 days under intimation to PAC.

The para was kept pending.

57. Para No.3.2.12
3.2.12.2 Executive Engineer, Drainage Division, Lahore - Rs.1.596 Million

10.12.2015 The Audit pointed out that the department did not take any action to recover Rs.1,596,000/- as drainage charges from factory.

The Committee directed/recommended the department to recover the outstanding amount from the concerned factory through Land Revenue Act as arrear of Land Revenue by the concerned D.C.O. within 90 days under intimation to PAC.

The para was kept pending.

58. Para No.3.2.13 Pages 286 to 288 of Audit Report for the year 2010-11; Non-recovery on Account of Discount Offered by Contractor – Rs.3.62 Million.

3.2.13.1 Project Director, Punjab Barrages Rehabilitation & Modernization Project, Lahore - Rs.196.240 Million

3.2.13.2 Project Director, Punjab Barrages Rehabilitation & Modernization Project, Lahore - Rs.1.662 Million

59. Para No.3.2.26 Pages 303 & 304 of Audit Report for the year 2010-11; Non-Recovery of Rent – Rs.1.13 Million.

60. Para No.3.2.27 Pages 304 & 305 of Audit Report for the year 2010-11; Double Payment Due to Non-Utilization of Approved Items – Rs.0.886 Million.

61. Para No.3.2.32 Pages 308 & 309 of Audit Report for the year 2010-11; Doubtful Payment Due to Over Writings/Quoted Rates – Rs.0.485 Million.

62. Para No.3.2.43 Pages 330 to 338 of Audit Report for the year 2010-11; Non-Recovery Due to De-Escalation in the Rate of Cement – Rs.22.83 Million.

3.2.43.12 Executive Engineer, Layyah Canal Division - Rs.104,090/-

9.12.2015 The Department explained that all necessary actions had been taken and recoveries had been made and got verified by Audit in all above paras.

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

63. Para No.3.2.14 Pages 288 & 289 of Audit Report for the year 2010-11; Overpayment on Account of Price Variation on Labour – Rs.3.24 Million.

9.12.2015 The Department explained that an amount of Rs.1,546,358/- had been recovered from the contractors and efforts were being made to effect the outstanding amount of Rs.1,688,728/- from contractors.

The Committee reduced the para to the extent of recovered amount and **kept it pending** for remaining balance recovery.

64. Para No.3.2.15 Page 289 of Audit Report for the year 2010-11; Shortage of Tools/Plants and Stock Articles – Rs.3.00 Million.

10.12.2015 The Department explained that there was no loss to Govt. Exchequer and no recovery was involved in this matter. The department further stated that this was the issue of handing over the charge of stock and 5000 ft stone was available at Sikhan Wali quarry.

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

65. Para No.3.2.16 Page 290 of Audit Report for the year 2010-11; Non-Remittance of Sales Tax and Income Tax to FBR – Rs.2.90 Million.

10.12.2015 The Department explained that cheques were issued to the Income Tax and Sale Tax Department and the concerned department had issued the acknowledgment statement to the department.

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

66. Para No.3.2.17 Page 291 of Audit Report for the year 2010-11; Overpayment Due to Application of Wrong Conversion Factor – Rs.2.88 Million.

67. Para No.3.2.33 Pages 309 & 310 of Audit Report for the year 2010-11; Non-Recovery Due to De-Escalation in the Rates of Bitumen – Rs.0.287 Million.

68. Para No.3.2.43 Pages 330 to 338 of Audit Report for the year 2010-11; Non-Recovery Due to De-Escalation in the Rate of Cement – Rs.22.83 Million.

3.2.43.6 Executive Engineer, Multan Canal Division, Multan - Rs.2,283,585/-

9.12.2015 The Department explained that the outstanding amount had been recovered from the final bill of the contractor and got verified by Audit in all above paras.

The Committee was satisfied and the **paras were settled.**

69. Para No.3.2.18 Pages 291 & 292 of Audit Report for the year 2010-11; Overpayment on Account of Price Variation with Incorrect Base Rate – Rs.2.78 Million.

10.12.2015 The Department admitted the recovery as per audit objections and assured the Committee to effect recovery at earliest.

The Committee directed/recommended the department to effect recovery from contractor within 90 days under intimation to PAC.

The **para was kept pending.**

70. Para No.3.2.19 Pages 292 & 293 of Audit Report for the year 2010-11; Loss to Government Due to Shortage/Missing Materials – Rs.2.47 Million.

10.12.2015 The Department explained that inquiry against the incumbent was in process.

The Committee was not satisfied with the contention of the department and directed/recommended the department to recover the outstanding amount either from contractor or departmental staff within 90 days under intimation to PAC.

The **para was kept pending.**

71. Para No.3.2.20 Pages 293 & 294 of Audit Report for the year 2010-11; Overpayment Due to Wrong Calculations – Rs.1.87 Million.

3.2.20.1 Executive Engineer, Drainage Division, Lahore - Rs.1.165 Million

10.12.2015 The Department explained that work had been completed and no excess payment was made and all record was available for verification.

The Committee **settled the para subject to** verification of final bill and directed/recommended the department to issue warning to concerned DAO to be careful in future.

72. **Para No.3.2.20**
3.2.20.2 Executive Engineer, Ahmadpur Canal Division - Rs.448,301 Million

9.12.2015 The Department explained that an amount of Rs.1.87 million had been effected on account of wrong calculations under the head of secured advances and got verified by Audit.

The Committee **settled the para and directed**/recommended to take disciplinary action against the concerned officers/officials involved in this matter.

73. **Para No.3.2.21 Pages 295 to 297 of Audit Report for the year 2010-11; Loss Due to Non-Recovery of Income Tax – Rs.1.84 Million.**

3.2.21.1 Executive Engineer, Development Division No.1, Sidhnai - Rs.1,186,866/-

9.12.2015 The Department explained that the matter was subjudice in Lahore High Court.

The Committee **kept the para pending** till the decision of Lahore High Court.

74. **Para No.3.2.21**
3.2.21.3 Executive Engineer, Marala Division UCC Marala - Rs.282,500/-

11.12.2015 The Department explained that Income Tax Appellate Tribunal Lahore had decided for no recovery of Income Tax as contract was awarded on 29-6-2010 while Income Tax was applicable from 1-7-2010 by Federal Bureau of Revenue, So, department was not defaulter for recovery of Income Tax.

The Committee **settled the para.**

75. **Para No.3.2.21**
3.2.21.4 Executive Engineer, LBDC Division Sahiwal – Rs.218,351/-.

6.5.2015 The Department explained that all the necessary actions in respect of above para had already been taken and relevant record had also been got verified by Audit.

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

- 76. Para No.3.2.22 Pages 298 & 299 of Audit Report for the year 2010-11; Non-recovery Due to De-Escalation in the Rates of Steel – Rs.1.80 Million.**
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3.2.22.2 Executive Engineer, LCC (West) Division, Jhang - Rs.179,785/-

11.12.2015 The Department explained that the whole amount had been recovered which was pointed out by the Audit.

The Audit pointed out that department had recovered Rs.179,785/- from Security deposit which was not acceptable.

The Committee reduced the para to the extent of amount that had been recovered and directed/recommended the department to reconcile the outstanding amount with Audit.

The para was kept pending.

- 77. Para No.3.2.23 Pages 299 & 300 of Audit Report for the year 2010-11; Non-recovery of Loss from the Defaulting Official – Rs.1.56 Million.**
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10.12.2015 The Department explained that the concerned employee had been expired and the amount would be write off only after submission of his death certificate.

The Committee kept the para pending.

- 78. Para No.3.2.24 Pages 300 to 302 of Audit Report for the year 2010-11; Un-Justified Payment Due to Non-Implementation of Government Instruction – Rs.1.40 Million.**
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- i) **3.2.24.1 Executive Engineer, Jampur Construction Division, D.G Khan – Rs.894,000/-**
- ii) **3.2.24.2 Executive Engineer, D.G. Khan Canal Division, D.G Khan – Rs.296,592/-**
- iii) **3.2.24.3 Executive Engineer, D.G. Khan Construction Division, D.G Khan – Rs.277,000/-**

6.5.2015 The Department explained that expenditure incurred on publication of messages of Independence Day, Youm-e-Pakistan and Eid Festivals for the wide publicity of the big projects standing therein. However, a case of condonation sanction had already been referred to Finance Department which was still awaited.

Audit contented that unjustified expenditure incurred in violation of Government policy need to be recovered and responsibility should also be fixed against the incumbents.

After detailed deliberations the Committee directed/ recommended that Administrative Secretary as well as Audit and Finance Department should examine the matter in detail and joint report should be submitted to resolve the issue within 30 days.

The **paras were kept pending.**

79. Para No.3.2.25 Pages 302 & 303 of Audit Report for the year 2010-11; Overpayment Due to Higher Rate – Rs.1.23 Million.

9.12.2015 The Department explained that Rs.1.226 million had been recovered from the contractor through the running bills and work had been completed.

The Audit pointed out that final bill should be verified.

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

80. Para No.3.2.29 Page 306 of Audit Report for the year 2010-11; Overpayment Due to Allowing Payment on the Basis of Incorrect Rate – Rs.0.611 Million.

6.5.2015 The Department explained that matter was of technical in nature and rate for non schedule item had been approved by the Superintendent Engineer who was the competent authority and also sanctioned in the detailed T.S by the Chief Engineer, Irrigation, Multan Division.

After detailed deliberation the Committee **settled the para as a special case** as the incumbent had also been passed away and directed/recommended the department that this shouldn't be taken **as precedent.**

81. Para No.3.2.30 Page 307 of Audit Report for the year 2010-11; Excess Payment Due to Application of Incorrect Conversion Factor – Rs.0.610 Million.

82. Para No.3.2.34 Page 310 of Audit Report for the year 2010-11; Excess Payment Due to Excess Rate - Rs.0.213 Million.

11.12.2015 The Department explained that the whole amounts had been recovered which were pointed out by the Audit and final bills were also available for verification.

The Committee **settled the paras subject to** verification of final bill by Audit.

83. **Para No.3.2.31 Pages 307 & 308 of Audit Report for the year 2010-11; Excess Payment Due Measurements Over and Above the Approved Cross Sections – Rs.0.528 Million.**
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10.12.2015 The Department explained that only Rs.40,045/- were remained outstanding out of total amount and department assured the Committee that outstanding amount would be recover within 60 days.

The Committee **settled the para subject to** recovery of outstanding amount within 60 days.

84. **Para No.3.2.37 Pages 312 & 313 of Audit Report for the year 2010-11; Overpayment Due to Allowing Payment at Incorrect Rate – Rs.0.179 Million.**
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10.12.2015 The Department explained that PC-I of the project was revised and rates of revised PC-I were approved by the concerned Chief Engineer and payment was made to the contractor on his quoted rate of Rs.2,855/- per square ft of G.I. wire.

The Audit pointed out that original PC-I was on MRS rate which was Rs.1,489/- instead of quoted rate Rs.2,855/- and department had violated the Finance Department rules according to which revised technical sanctioned estimate should be on the basis of MRS rate.

The Committee directed/recommended that the matter be referred to the Finance Department for clarification.

The para was kept pending.

85. **Para No.3.2.38 Pages 313 & 314 of Audit Report for the year 2010-11; Overpayment Due to Application of Incorrect Rates – Rs.0.172 Million.**
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86. **Para No.3.2.41 Pages 316 to 325 of Audit Report for the year 2010-11; Undue Financial Benefit Due to Not-Obtaining Additional Performance Security – Rs.281.58 Million.**
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3.2.41.7 Executive Engineer, LCC (West) Division, Jhang - Rs.9.068 Million-

3.2.41.9 (DP-57) Executive Engineer, LCC West Division, Faisalabad – Rs.6.934 Million

3.2.41.10 (DP-61) Executive Engineer, LCC West Division, Faisalabad- Rs.6.934 Million-

11.12.2015 The Department explained that performance guarantee was obtained from both the contractors and works had been successfully completed.

The Committee **settled the paras subject to** verification of completion certificate by the department and directed/recommended the department to be careful in future.

87. Para No.3.2.41 Pages 316 to 325 of Audit Report for the year 2010-11; Undue Financial Benefit due to Not-Obtaining Additional Performance Security – Rs.281.58 Million.

3.2.41.1 Executive Engineer, Trimmu Barrage Division, Trimmu - Rs.79.526 Million

9.12.2015 The Department explained that after re-examining the relevant record, the additional performance security of Rs.28 lacs had been recovered through bills of contractor under clause 7 of contract agreement and department financial rules. The department further stated that the work had been completed since 2012.

The Committee directed/recommended the Department to remain careful in future and follow the rules properly and the **para was settled.**

88. Para No.3.2.41
3.2.41.2 Executive Engineer, Small Dams Division, Islamabad - Rs.71.441 Million.

10.12.2015 The Department explained that the additional performance security was obtained from the contractor, which expired on 20.01.2010. The work was rescinded on 25.03.2011 due to some reasons and the contractor applied for arbitration. As per decision of Arbitrators the final payment was released to the contractor and the work was finalized as per arbitration order.

As such no loss was suffered by the government and the work had been completed satisfactorily.

The explanation of the department was accepted and the **para was settled** with the direction/recommendation that warning be issued to the incumbents.

89. Para No.3.2.41
3.2.41.3 Executive Engineer, Rajanpur Canal Division, Rajanpur – (Rs.964,195/- + Rs.957,520/-) Rs.31.596 Million

6.5.2015 The Department explained that deposit on account of Performance Security at the rate of 10% had been obtained from the contractors instead of 5% and the record was also available for verification. It was further added that work had been completed satisfactory and there was no loss to the public exchequer and requested for settlement.

The Committee directed/recommended that internal audit mechanism should be strengthen within the department and such lapses should be strictly avoided in future.

The para was conditionally **settled subject to** submission of completion report by department and condonation by the Finance Department within 30 days under intimation to PAC.

3.2.41.4 Executive Engineer, Jampur Construction Division, D.G Khan –Rs.29,925,807/-

6.5.2015 The Department explained that work had been completed satisfactorily and a cheque of Rs.30 million had also been obtained from the contractor on account of additional performance security and all the relevant record was also available for verification by Audit.

The Committee directed/recommended the Administrative Secretary that warnings should be issued to the concerned officers/officials and such lapses should be avoided at administrative level in future.

The Committee **settled the para as a special** case with the directions that it should not be taken as precedent.

3.2.41.6 Executive Engineer, D.G. Khan Canal Division, D.G Khan – Rs.191.119 Million

6.5.2015 The Department explained that work was still under process and a cashier cheque had been obtained from the contractor on account of additional performance security.

The Committee was not satisfied with the explanation of the department and directed/recommended that Administrative Secretary should conduct an inquiry into the matter and take necessary disciplinary action against the responsible and Additional Performance Security should be obtained in shape of Bank Guarantee from the contractor within 30 days.

The **para was kept pending.**

**90. Para No.3.2.41
3.2.41.5 Executive Engineer, Drainage Division, Lahore - Rs.9.766 Million**

10.12.2015 The Department explained that work had been completed and there was no loss to government and all the record had been got verified by Audit.

The Committee directed/recommended the department to issue a warning to supervisory staff to be careful in future against such lapses.

The **para was settled.**

91. **Para No.3.2.41**
3.2.41.8 Executive Engineer, Fordwah Canal Division, Bahawalnagar -
Rs.7.483 Million

3.2.41.13 Executive Engineer, Rahim Yar Khan Canal Division, Rahim
yar Khan - Rs.2,528,362/-

9.12.2015 The Department had admitted the irregularity and explained that work had been completed and final bill had been produced to Audit related to above mentioned paras.

The Committee directed/recommended the department to remain careful in future and follow rules properly and the **paras were settled.**

92. **Para No.3.2.41**
3.2.41.11 Executive Engineer, Flood Bund Division, Narowal - Rs.4.286
Million

10.12.2015 The Department explained that work was in progress and additional performance security had been taken from the contractor and record was available.

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

93. **Para No.3.2.41**
3.2.41.12 Executive Engineer, Multan Canal Division, Multan -
Rs.3,153,767/-

9.12.2015 The Department explained that the initial amount of the para was Rs.3.153 millions and later on scope of work was reduced and Rs.19 lacs were declared an additional performance security which were recovered from the final bill of the contractor and got verified by Audit.

The Committee directed the department to remain careful in future and follow the rules properly and the **para was settled.**

94. **Para No.3.2.41**
3.2.41.14 Executive Engineer, Upper Chenab Canal Division,
Sheikhupura - Rs.1.078 Million

10.12.2015 The Department explained that work had been completed now and all relevant record was available.

The Committee **settled the para and directed** the department to be remain careful in future.

95. Para No.3.2.42 Pages 325 to 330 of Audit Report for the year 2010-11; Non-Recovery/Adjustment of Amounts Placed in Suspense Head – Rs.236 Million.

3.2.42.1 Executive Engineer, Drainage Division, Lahore - Rs.103,219 Million

3.2.42.2 Executive Engineer, CBDC Division, Lahore - Rs.110.082 Million

10.12.2015 The Audit pointed out that department had not recovered the amounts due to weak supervisory control from different officers/ officials.

The Department explained that these were the expenditures for which funds were not provided by Finance Department in different years.

The Finance Department stated that department was provided budget according to their requirements.

The Committee directed/recommended the Secretary Finance Department and Secretary Irrigation to resolve the matter within 60 days under intimation to PAC.

The paras were kept pending.

**96. Para No.3.2.42
3.2.42.3 Executive Engineer, Qadirabad Barrage Division, Qadirabad - Rs.7.611 Million**

11.12.2015 The Department explained that these were the expenditures for which funds were not provided by Finance Department in different years.

The Finance Department stated that department was provided budget according to their requirements.

The Committee directed/recommended the Secretary Finance Department and Secretary Irrigation to resolve the matter within 60 days under intimation to PAC.

The para was kept pending.

**97. Para No.3.2.42
3.2.42.4 Executive Engineer, LBDC Division, Okara – Rs.7.561 Million**

6.5.2015 The Department explained that strenuous efforts were being made for recovery/ adjustment of outstanding amount.

The Committee was not satisfied with the explanation and observed serious efforts had not been made to recover the outstanding dues and directed/recommended that total outstanding amount should be recovered within 60 days.

The para was kept pending

9.12.2015 The Finance Department stated that no budget was provided for suspense accounts. All the payments under suspense head were directly charged to the consolidated fund and the department should adjust the payments with the beneficiary Departments.

The Committee directed/recommended the department that the adjustments should be made with the beneficiary departments.

The para was kept pending.

98. **Para No.3.2.42**
3.2.42.5 Executive Engineer, Sulemanki Head Works, Sulemanki - Rs.3.142 Million

9.12.2015 The Department explained that very old cases were involved in this para and most of the people had been expired and recovery was not possible and it could be write-off only.

The Committee directed/recommended the department to send the case for write off sanction to Finance Department.

The para was kept pending.

99. **Para No.3.2.42**
3.2.42.6 Chief Engineer, Research Institute, Lahore - Rs.2.835 Million

9.12.2015 The Department explained that cases involved in this para pertains to the years 1971-1998 and it was related to research zone but unfortunately they had no funds for research, due to this reason department had used suspense accounts money for research purposes and now it would be adjusted against the matching grant of suspense accounts.

The Finance Department clarified that no budget was provided for suspense accounts and payments under suspense head were directly charged to the consolidated fund.

The Committee directed/recommended the department to get advice from Finance Department in the matter of suspense accounts.

The para was kept pending.

100. **Para No.3.2.42**
3.2.42.7 Executive Engineer, Khanpur Canal Division, Khanpur - Rs.1.499 Million

9.12.2015 The Department apprised that only Rs.6,031/- had been recovered from various persons out of Rs.1,499,824/- and then SDO had been expired and a case for

write off sanction had also been referred to Finance Department. The department further explained that expenditures and suspense accounts could be adjusted against the matching grant of suspense accounts.

The Finance Department clarified that the adjustments should be made from debit or credit to the other departments.

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

101. Para No.3.2.43 Pages 330 to 338 of Audit Report for the year 2010-11; Non-Recovery Due to De-Escalation in the Rate of Cement – Rs.22.83 Million.

3.2.43.1 Executive Engineer, LCC West Division, Faisalabad - Rs.3,949,883/-

11.12.2015 The Department explained that the whole amount had been recovered as pointed out by audit and record was available for verification.

The Audit pointed out that figures given by department were incorrect, So, reconciliation was required.

The Committee reduced the para to the extent of amount that had been recovered and directed/recommended the department to reconcile the amount with Audit.

The **para was kept pending.**

**102. Para No.3.2.43
3.2.43.2 Executive Engineer, Central Bari Doab Canal Division, Lahore - Rs.3.592 Million**

10.12.2015 The Department explained that out of Rs.3.592 millions Rs.392,025/- had been recovered from the contractor against de-escalation in rate of cement which got verified by audit.

The Committee reduced the para to the extent of recovered amount and directed the department to effect the outstanding balance within 60 days under intimation to PAC.

The **para was kept pending.**

**103. Para No.3.2.43
3.2.43.4 Executive Engineer, Development Division No.1, Sidhnai - Rs.2.911 Million**

9.12.2015 The Department explained that total amount of Rs.1.035 million had been recovered and the final bill of the contractor had also been finalized.

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

104. **Para No.3.2.43**
3.2.43.5 Executive Engineer, Small Dams Division, Chakwal - Rs.2.828 Million

10.12.2015 The Department explained that work had been completed in June 2012 and all the relevant record was available for verification.

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

105. **Para No.3.2.43**
3.2.43.7 Executive Engineer, Western Bar Division, Thingi - Rs.2.203 million

9.12.2015 The Department explained that Rs.1.4 million had been effected from the contractor.

The Audit pointed out that recoverable amount was Rs.2.2 million instead of Rs.1.4 million.

The Committee reduced the para subject to verification of Rs.1.4 million by Audit and **kept it pending** for reconciliation by Audit for recoverable amount.

3.2.43.11 Executive Engineer, Sulemanki Head Works Division, Sulemanki - Rs.272,534/-

9.12.2015 The Department explained that an amount of Rs.145,297/- had been effected and got verified by Audit and efforts were being made to effect the outstanding balance of Rs.127,237/- through land revenue Act by the concerned D.C.O.

The Committee reduced the para to the extent of recovered amount and **kept it pending** for remaining balance recovery.

106. **Para No.3.2.43**
3.2.43.8 Executive Engineer, DCC Division, Kasur - Rs.830,125/-

10.12.2015 The Department explained that the whole amount had been recovered and got verified by Audit.

The Committee **settled the para.**

107. **Para No.3.2.43**
3.2.43.9 Deputy Director, (Design Review) I&C Unit GTCP Adhi Kot Khushab - Rs.487,203/-

9.12.2015 The Department admitted the recovery and requested the Committee to grant 60 days to effect recovery.

The Committee directed/recommended the department to effect recovery within 60 days.

The para was kept pending.

**108. Para No.3.2.43
3.2.43.10 Executive Engineer, Fordwah Canal Division, Bahawalngar -
Rs.343,416/-**

9.12.2015 The Department explained that earlier the work was stopped due to lack of funds but now a notice had been issued to the contractor to restart the work after the revised PC-1.

The para was kept pending.

**109. Para No.3.2.44 Pages 338 & 339 of Audit Report for the year 2010-11;
Overpayment Due to Application of Incorrect Rates – Rs.0.340
Million.**

6.5.2015 The Department explained that total outstanding amount as pointed by Audit had been recovered which could be verified by Audit.

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

**110. Para No.3.2.45 Pages 339 & 340 of Audit Report for the year 2010-11;
Overpayment Due to Incorrect Measurement of Thickness of Bricks
– Rs.0.116 Million.**

9.12.2015 The Department explained that Rs.116,376/- had been recovered from 9th running bill of the contractor and got verified by audit.

The Audit pointed out that recovery of Rs.116,376/- was not acceptable became actual recoverable amount upto 9th running bill comes to Rs.890,717/- and full recovery needs to be made.

The Committee directed/recommended the department that the laboratory report be got verified to support to the contention of the department.

The para was kept pending.

**PROJECT AUDIT REPORT ON THE ACCOUNTS OF TAUNSA
BARRAGE EMERGENCY REHABILITATION AND
MODERNIZATION PROJECT**

Audit Paras (Works) for the year 2010-11

111. Para No.4.2 Pages 10 to 12 of Project Audit Report for the year 2010-11; Financial Management.
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4.2.1 Project Management Office, Lahore – Rs.2,285,768/-

4.2.2 Project Management – Rs.20,286,106/-

112. Para No.4.3 Pages 12 to 15 of Project Audit Report for the year 2010-11; Procurement and Contract Management.
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4.3.1 Project Management Office, Lahore – Rs13.400 Million

4.3.2 Project Management Office, Lahore – Rs1,798,590/-

113. Para No.4.4 Pages 15 to 21 of Project Audit Report for the year 2010-11; Construction and Works.
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4.4.1 Project Management Office, Lahore – Rs.1.204 Million

4.4.2 Project Management Office, Lahore – Rs.6,938,097/-

4.4.3 Project Management Office, Lahore – Rs.502,738,223/-

4.4.4 Project Management Office, Lahore – Rs.125,648,000/-

4.4.5 Project Management Office, Lahore – Rs.80.492 Million

11.12.2015 The Department explained that all the necessary action had been taken and outstanding recoveries had been made and got verified by Audit in all above paras.

On the recommendation of Audit, the Committee **settled the all above paras.**

**INFORMATION,
CULTURE
AND
YOUTH AFFAIRS**

The Committee examined the Accounts of the Information, Culture and Youth Affairs Department in its meetings held on 2.12.2015, 1.3.2016, 3.3.2016 and 2.5.2016 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

2.12.2015 The Committee observed that overall performance of the Information and Culture Department in dealing with the Appropriation Accounts, Audit Paras and presentation of working papers to PAC-I was not satisfactory. The working papers were submitted very late, almost few hours before the commencement of the meeting due to which no business relating to Information and Culture Department could be transacted.

The Committee showed its displeasure and took serious notice of the casual attitude of the concerned officers of the Information and Culture Department towards the PAC business which caused loss of precious time of the Committee as well as loss of huge amount of public money.

The Committee directed/recommended that the department should come well prepared in next meeting of PAC and working papers complete in all respect should be submitted at least ten days before the commencement of the meeting.

1.3.2016 The Director General, Punjab Institute of Language Art and Culture/Additional Secretary, Information and Culture was present on behalf of the Secretary to defend their Appropriation Accounts and Audit paras. He informed the Committee that Secretary and Director General Public Relations were busy with the media regarding news coverage relating to some sensitive issue.

The Chairman apprised the Committee that a written request from the Additional Secretary was also received regarding the postponement of the meeting due to the prevailing law and order situation in Punjab, the offices of Information and Culture Department and Directorate General Public Relations were preoccupied in coordination with the media and law and order authorities all across the Province.

In view of the above circumstances, the Committee accepted the explanation of the department and decided to postpone the meeting on the request of the department till 3 March 2016 (Thursday) at 11.00 a.m.

1. Grant No.PC21010/PC24010 (010) – General Administration Page 577 of Appropriation Accounts for the year 2010-11.

08-Recreational, Culture and Religion

086-Administration of Info. Recreational & Culture

0861-Administration of Info. Recreational & Culture

086101-Administration

LQ4069-Information, Culture & Youth Affairs Department.

Final Grant

Rs.32,721,000/-

Actual Expenditure	Rs.30,000,967/-
Saving	(-) Rs. 2,720,033/-
Percentage	8.31%

3.3.2016 The Department explained that accounts had been reconciled with A.G. Punjab and overall 8.31% savings had been occurred due to late release of funds from Finance Department which could not be utilized timely.

The Committee was satisfied with the explanation of the department and **the grant was settled.**

2. Grant No.PC21014 (014) – Museums (All Voted) Pages 579 & 578 of Appropriation Accounts for the year 2010-11.

- i) 09-Education Affairs And Services
095-Subsidiary Services To Education
0951-Subsidiary Services To Education
095101-Archives Library And Museums
LQ4528-Lahore Museum Lahore.

Final Grant	Rs.37,520,000/-
Actual Expenditure	Rs.37,446,400/-
Saving	(-) Rs. 73,600/-
Percentage	0.20%

- ii) 09-Education Affairs And Services
095-Subsidiary Services To Education
0951-Subsidiary Services To Education
095101-Archives Library And Museums
LQ4527-Bahawalpur Museums.

Final Grant	Rs.9,501,000/-
Actual Expenditure	Rs.9,315,929/-
Saving	(-) Rs. 185,071/-
Percentage	1.95%

3. Grant No.PC21023 (023) – Miscellaneous Departments Pages 444 & 446 of Appropriation Accounts for the year 2010-11.

- i) 08-Recreational, Culture and Religion
082-Cultural Services
0821-Cultural Services
082105-Promotion of Cultural Activities
LQ4525-Punjab Institute of Language Arts and Culture, Lahore.

Final Grant	Rs.18,256,000/-
Actual Expenditure	Rs.17,783,041/-
Saving	(-) Rs. 472,959/-

Percentage 2.59%

- ii) 08-Recreational, Culture and Religion
083-Broadcasting and Publishing
0831-Broadcasting and Publishing
083104-Public Relations
LQ4237-Public Relations.

Final Grant	Rs.340,034,000/-
Actual Expenditure	Rs.325,587,708/-
Saving	(-) Rs. 14,446,292/-
Percentage	4.25%

3.3.2016 The Department explained that accounts had been reconciled with A.G. Punjab and there were minor savings in all above items and within the permissible limit of 5%.

The Committee was satisfied with the explanation of the department and the **all above items were settled.**

4. Grant No.PC21023 (023) – Miscellaneous Departments Pages 442, 441, 440 & 445 of Appropriation Accounts for the year 2010-11.

- i) 08-Recreational, Culture and Religion
082-Cultural Services
0821-Cultural Services
082105-Promotion of Cultural Activities
LQ4523-Punjab Council of Arts, Lahore.

Final Grant	Rs.50,720,000/-
Actual Expenditure	Rs.51,973,856/-
Excess	(+) Rs. 1,253,856/-
Percentage	2.47%

3.3.2016 The representative of A.G. Punjab pointed out that reconciliation in the budget figures were required with the Finance Department.

The Committee directed/ recommended that the budget figures be reconciled with Finance Department.

The item was kept pending.

- ii) 08-Recreational, Culture and Religion
082-Cultural Services
0821-Cultural Services
082105-Promotion of Cultural Activities
LQ4522-Lahore Arts Council, Lahore.

Final Grant	Rs.33,260,000/-
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Actual Expenditure	Rs.33,260,000/-
Excess/Saving	() Rs. 0/-
Percentage	0.00%

3.3.2016 The Department explained that accounts had been reconciled with A.G. Punjab and the grant was fully used with no savings or excess.

The Committee was satisfied with the explanation of the department and **the item was settled.**

- iii) 08-Recreational, Culture and Religion
 - 082-Cultural Services
 - 0821-Cultural Services
 - 082105-Promotion of Cultural Activities
 - LQ4241-Promotion of Cultural Activities.

Final Grant	Rs.81,952,000/-
Actual Expenditure	Rs.78,432,825/-
Saving	(-) Rs. 3,519,175/-
Percentage	4.29%

3.3.2016 The representative of A.G. Punjab pointed out that the administrative department accepted the expenditures figures but did not agree with budget figures by the Finance Department.

The Committee **settled the item subject to** reconciliation of budget figures with Finance Department.

- iv) 08-Recreational, Culture and Religion
 - 083-Broadcasting and Publishing
 - 0831-Broadcasting and Publishing
 - 083103-Publicity
 - LQ4236-Compulsory Screening of Films.

Final Grant	Rs.815,000/-
Actual Expenditure	Rs.989,062/-
Excess	(+) Rs.174,062/-
Percentage	21.36%

3.3.2016 The representative of A.G. Punjab pointed out that the budget and expenditures were required to be reconciled with Finance Department and A.G. Punjab.

The Committee directed/recommended the department to reconcile its budget and expenditures with Finance Department and A.G. Punjab.

The item was kept pending.

5. Grant No.PC21023 (023) – Miscellaneous Departments Pages 435 & 436 of Appropriation Accounts for the year 2010-11.

- i) 04-Economic Affairs
041-General Economic, Commercial & Labour Affairs
0411-General Economic Affairs
041102-Anthropological, Archeological & Other
LQ4239-Archeological.

Final Grant	Rs.29,088,000/-
Actual Expenditure	Rs.28,611,500/-
Saving	(-) Rs. 476,500/-
Percentage	1.64%

- ii) 04-Economic Affairs
041-General Economic, Commercial & Labour Affairs
0411-General Economic Affairs
041102-Anthropological, Archeological & Other
LQ4358-Lahore Fort & Shalimar Gardens.

Final Grant	Rs.29,990,000/-
Actual Expenditure	Rs.30,661,095/-
Excess	(+) Rs. 671,095/-
Percentage	2.24%

6. Grant No.PC22036 (036) – Development: (All Voted) Page 450 of Appropriation Accounts for the year 2010-11.

08-Recreational, Culture and Religion
082-Cultural Services
0821-Cultural Services
082105-Promotion of Cultural Activities
LQ4285-Promotion of Culture.

Final Grant	Rs.61,664,000/-
Actual Expenditure	Rs.58,090,601/-
Saving	(-) Rs. 3,573,399/-
Percentage	5.79%

3.3.2016 The Committee **kept the grants pending** on the request of the department that it would be presented before the Committee in its next meeting.

Audit Paras (Civil) for the year 2010-11

7. Para No.8.2.1 Pages 226 & 227 of Audit Report for the year 2010-11; Fraudulent Payment – Rs.93.830 Million.

3.3.2016 The Department explained that a summary was moved on 22-06-2007 by the then Secretary Information and after approval by the competent authority, the funds of amounting to Rs.94.386 million were released by the Finance Department on 12-07-2007 and the payment was made to M/S Midas (Pvt) Limited to clear the outstanding dues regarding the advertisement of Punjab development fund (Crore Pati Scheme).

The Audit pointed out as follows:-

- i) an FIR in this case had been registered with the Anti-Corruption Establishment since 2009 and final report of the case was not produced so far;
- ii) Income Tax exemption certificate was not provided; and
- iii) the SPL register to justify the recording of SPL number was not produced by the department.

The Committee directed/recommended that the Director General, Anti Corruption Establishment, Punjab be called in the next meeting of PAC alongwith all the relevant record to apprise the Committee about the latest and complete position of the case moved by Information Department dated 29.01.2009.

The para was kept pending.

2.5.2016 The Department explained that a summary was moved on 22.06.2007 by the then Secretary Information and after approval by the competent authority, the funds of amounting to Rs.94.386 millions were released by the Finance Department on 12.07.2007 and the payment was made to M/S Midas (Pvt.) Limited to clear the outstanding dues regarding the advertisement of Punjab Development Fund (Crore Pati Scheme). The department further stated that department had approached several times to Bank of Punjab for confirmation of payment but Bank of Punjab stated that the department should reconcile its record with the Finance Department regarding payment of Rs.94.386 millions. The department further added that as far as the special number was concerned, it was related to D.G.P.R's advertisements and in this case the advertisement was made by Bank of Punjab and no special number was available with Bank of Punjab, so the temporary number was given.

The Director General, Anti Corruption Establishment had apprised the Committee that an FIR had registered against eight accused persons and in 2013 one of the accused filed a writ petition in Lahore High Court, Lahore against the Anti Corruption Establishment and the case was delayed while inquiry was kept pending.

The Committee directed/recommended that the inquiry be completed and report be submitted to PAC by the Director General, Anti Corruption in the next meeting and the President of Bank of Punjab be called in the next meeting to clarify the issue of payment amounting to Rs.93.830 million to M/s Midas (Pvt.) Limited.

The para was kept pending.

**8. Para No.8.2.2 Pages 227 to 229 of Audit Report for the year 2010-11;
 Doubtful/Bogus Payment – Rs.30.058 Million.**

3.3.2016 The Department explained that Chief Minister, Punjab had to participate in 23rd March parade in New York which was organized there by a private NGO and Chief Minister was desired to publicize the said tour, for which department had paid Rs.15.029 millions to M/s Midas instead of Rs.30.00 millions.

Audit pointed out that no record of payment was available and the selection of firm to award the work was irregular.

The para was kept pending.

2.5.2016 The Department explained that amount pointed out by Audit was not correct and the Chief Minister, Punjab had to participate in 23rd March parade in New York which was organized there by a private NGO and Chief Minister was desired to publicize the said tour, for which department had paid Rs.15.029 millions to M/s Midas instead of Rs.30.00 millions.

Audit pointed out that there was no record, no contract, no bidding and no clipping available for verifications.

The Committee directed/ recommended the department to provide all relevant record to Audit amounting to Rs.15.00 millions before next meeting and the Committee further directed the Audit that the appropriate wording should be used in headings of paras.

The para was kept pending.

**9. Para No.8.2.3 Pages 229 to 231 of Audit Report for the year 2010-11;
 Non-Production of Record – Rs.990.599 Million.**

8.2.3.1 (AIR No.2) DGPR, Lahore – Rs.952.904 Million

3.3.2016 The Department explained that all relevant record was available for verification.

The Committee directed/recommended the department to verify the record by Audit within 15 days.

The para was kept pending.

2.5.2016 The Department explained that all relevant record was available for verification.

The Committee directed/recommended the department to verify the record by Audit.

The para was kept pending.

10. **Para No.8.2.3**
8.2.3.2 (AIR No.1) Secretary IC&YA Department – Rs.5.538 Million

2.5.2016 The Department explained that an amount of Rs.5.538 million regarding non production of record but a fire incident was occurred in Information & Culture Department, LDA Complex, Lahore and the record was burnt and department had requested to A.G. Punjab several times for the copies of record but could not found.

The Committee directed/recommended the Administrative Secretary that the matter should be take up at personal level with A.G. Punjab and **para was kept pending.**

8.2.3.3 (AIR No.2) Secretary IC&YA Department – Rs.15.800 Million

2.5.2016 The Department explained that the department had issued cheque amounting to Rs.15.000 million in connection with Restoration of Sadequain Mural, as grant-in-aid to Director Lahore Museum Lahore and this was a difficult, slow and time taking project which was still in process. The department further explained that vouched accounts got verified by audit.

The Committee **settled the para.**

11. **Para No.8.2.3**
8.2.3.4 (AIR No.1, 3, 8, 12 & 19) Punjab Institute of Language, Art & Culture, Lahore (PILAC) – Rs.16.357 Million

The Committee took up the sub para item wise as under:-

i) **AIR. No.1**

2.5.2016 The Department explained that an amount of Rs.50,300/- had been recovered with an outstanding amount of Rs.1,600,000/- and efforts were being made to recover it. The department further stated that Midas (Pvt.) Limited had already paid Rs.2,500,000/- to Sachal Softec for purchasing of FM 95 operating machinery.

The Committee reduced the part up to recovered amount subject to verification by audit and **part was kept pending** for remaining recovery.

ii) **AIR. No.3**

2.5.2016 The Department explained that vouched account of Rs.400,000/- could not found yet but that would be produced to audit for verifications.

The **part was kept pending.**

iii) **AIR No.8**

2.5.2016 The Department explained that an amount of Rs.9,325,000/- was transferred to PLA of Secretary Information Department to PLA of D.G. PILAC for the arrangement of Waahdi Mela in 2007 but record could not be produced to audit but all record was available and this case had been sent to Finance department for regularization.

The Committee **settled the part subject to** regularization of irregularity from Finance Department.

iv) **AIR No.12**

2.5.2016 The Department explained that Institute had requested the Administrative Department for initiation of departmental proceedings under the PEDDA Act 2006 against Dr. Shaista Nuzhat, former Director, PILAC on account of misplacement of store items and inquiry was in process.

The Committee directed/recommended the department that inquiry should be completed within 90 days under intimation to PAC.

The **part was kept pending.**

v) **AIR No.19**

2.5.2016 The Department explained that the Dictionary Project was assigned to Mr. Saeed Khawar Bhutta, Associate Professor, Punjabi Department, University of the Punjab, Lahore and agreement was not made as it was between two Government Institutions while almost 50% work of Dictionary Project was completed by converting words from Gurmukhi to Sha-Mukhi which was a Persian script and record was available.

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

12. Para No.8.2.4 Pages 231 to 233 of Audit Report for the year 2010-11; Irregular Expenditure – Rs.1454.963 Million.

3.3.2016 The Department explained that Government rates for Advertising in print and electronic media were notified by the Government of Pakistan and it could not be negotiated and advertisement campaigns were granted only through registered advertisement agencies. The department further explained that M/S Midas (Pvt.) Ltd. was selected on the basis of presentations given by them on 22.2.2007.

The Audit pointed out that no relevant record was produced for verifications.

The para was kept pending with the direction that all the relevant record be got verified within 15 days.

2.5.2016 The Department explained that government rates for Advertising in print and electronic media were notified by the Government of Pakistan and it could not be negotiated and advertisement campaigns were granted only through registered advertisement agencies. The department further explained that M/S Midas (Pvt.) Ltd. was selected on the basis of presentations given by them on 22.2.2007.

The Committee directed / recommended the department that the procedures should be followed in future and **the para was settled.**

13. Para No.8.2.5 Pages 233 to 235 of Audit Report for the year 2010-11; Expenses Exceeding Budgetary Allocations – Rs.893.439 Million.

8.2.5.1(AIR No.3) DGPR, Lahore – Rs.13,143,508/- + Rs.717,461,997/- + Rs.64,527,851/- = Rs.884,578,446/-.

3.3.2016 The Department explained that Finance Department had released Rs.1230 Millions for publicity campaigns of different Government Departments through print and electronic media. The department further explained that Government had sanction Rs.10 millions against the supplementary grant while Audit had pointed out it as an excess expenditure over budget allocation which was not excess.

The Committee directed/recommended the department that the expenditures be got regularized from Finance Department within one month.

The para was kept pending.

2.5.2016 The Department explained that Finance Department had released Rs.1230 Millions for publicity campaigns of different Government Departments through print and electronic media. The department further explained that Government had sanction Rs.10 millions against the supplementary grant while Audit had pointed out it as an excess expenditure over budget allocation which was not excess.

The Audit pointed out that regularization was required in this para.

The Committee directed/recommended the department that the expenditures be got regularized from Finance Department.

The **para was kept pending.**

**14. Para No.8.2.5
8.2.5.2 (AIR No.9) Secretary IC&YA – Rs.50,532/- + Rs.5,287,287/- = Rs.5,337,819/-**

2.5.2016 The Department explained that the excess expenditure was due to award of Eid Package to the employees from BS-1 to BS-10 @ Rs.1,000/- per head and the matter had been forwarded to Finance Department for regularization of expenditures.

The Committee **kept the para pending.**

15. **Para No.8.2.5 Pages 233 to 235 of Audit Report for the year 2010-11; Expenses Exceeding Budgetary Allocations – Rs.893.439 Million.**
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8.2.5.3 (AIR No.8) Lahore Art Council, Lahore – Rs.177,392/- + Rs.609,550/- + Rs.414,710/- = Rs.1,201,652/-

8.2.5.4 (AIR No.5) Punjab Council of Arts, Lahore – Rs.397,343/-.

8.2.5.5 (AIR No.1) Punjab Council of Arts, Lahore – Rs.1,876,269/-.

16. **Para No.8.2.11 Pages 248 to 250 of Audit Report for the year 2010-11; Non/Less Deduction of Income Tax – Rs.41.997 Million.**
-

8.2.11(iii) para No.31 of AIR Punjab Council of Arts, Lahore – Rs.77,144/-

2.5.2016 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made and got verified by Audit in all above paras.

On the recommendation of Audit, the **Committee settled the all above paras.**

17. **Para No.8.2.6 Pages 235 & 236 of Audit Report for the year 2010-11; Non-Recovery of Outstanding Liabilities – Rs.205.566 Million.**
-

3.3.2016 The Department explained that Rs.195 millions had been recovered and efforts were being made for the outstanding amount of Rs.8.869 million.

The Committee reduced the para to the extent of recovered amount subject to verification by Audit.

The para was kept pending.

2.5.2016 The Department explained that special efforts had been made to recover the outstanding dues from the various Government departments and this was ongoing continuous process in which DGPR publicize the advertisement of departments and recover the dues from them.

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

18. **Para No.8.2.7 Pages 236 to 238 of Audit Report for the year 2010-11; Irregular Advance Payments – Rs.197.436 Million.**
-

3.3.2016 The Department explained that the payment was made to M/s Midas by the DGPR on the receipt of transmission certificates of concerned T.V. Channels and the payment was made against 15 minutes advertisement instead of 30 minutes.

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

19. Para No.8.2.8 Pages 238 to 241 of Audit Report for the year 2010-11; Doubtful/Bogus Payment – Rs.173.687 Million.

3.3.2016 The Audit pointed out that department did not produce the relevant record.

The Department explained that transmission certificates alongwith all relevant record was available and payments were made as per rules.

The Committee directed/recommended the department to reconcile the matter with Audit before its next meeting and all record be got verified by Audit.

The **para was kept pending.**

20. Para No.8.2.9 Pages 241 to 243 of Audit Report for the year 2010-11; Doubtful Payment – Rs.121.449 Million.

3.3.2016 The Department explained that awareness campaign of different programmes on electronic media was telecasted as per approved schedule and transmission certificates of concerned T.V channels were also available.

The Committee accepted the contention of the department and **para was settled with the direction/recommendation that** the Secretary of the department or D.G.P.R. should verify the transmission certificate in future.

21. Para No.8.2.11 Pages 248 to 250 of Audit Report for the year 2010-11; Non/Less Deduction of Income Tax – Rs.41.997 Million.

8.2.11(ii) para No.40 & 41 of AIR - Punjab Institute of Language, Art & Culture, Lahore – Rs.90,566/- + Rs.85,884/- = Rs.176,450/-

2.5.2016 The Department explained that out of total amount Rs.76,000/- had been recovered and in one case former Director, PILAC had passed away therefore amount of income tax would be write off in case of death matter.

The Committee reduced the para up to the extent of recovered amount and **kept it pending** for remaining recovery.

GENERAL DIRECTION:

3.3.2016 The Committee directed/recommended that all the required verifications in all the paras of the Information and Culture department should be made within 30 days positively.

LABOUR AND HUMAN RESOURCE

The Committee examined the Accounts of the Labour and Human Resource Department in its meeting held on 2.7.2015 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010/24010 (010) – General Administration Page 431 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
041-General Economic, Commercial & Labour Affairs
0413-General Labour Affairs
041310-Administration
LQ4075-Labour & Human Resource Department.

Final Grant	Rs.18,394,000/-
Actual Expenditure	Rs.17,735,200/-
Saving	(-) Rs. 658,800/-
Percentage	3.58%

2.7.2015 The Department explained that savings occurred mainly under the sub-head of Pay & Allowances and Other Allowances because some posts remained vacant and also due to the less expenditure on account of medical bills. The department added that the excess expenditure under the sub-head of Operating Expenses needed to be reconciled with Finance Department.

The grant was settled subject to reconciliation of account with Finance Department.

2. Grant No.PC21023 (023) – Miscellaneous Departments Pages 433, 434, 437 to 439 of Appropriation Accounts for the year 2010-11.

i) 03-Public Order And Safety Affairs
031-Law Courts
0311-Law Courts
031101-Courts/Justice
LQ4226-Labour Courts.

Final Grant	Rs.50,855,000/-
Actual Expenditure	Rs.49,756,125/-
Saving	(-) Rs. 1,098,875/-
Percentage	2.16%

2.7.2015 The Department explained that saving occurred mainly under the sub-head of Other Allowances due to less receipt of medical reimbursement claims. Moreover, the excess expenditure was incurred on account of Pay & Allowances which was inevitable.

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

- ii) 03-Public Order And Safety Affairs
031-Law Courts
0311-Law Courts
031101-Courts/Justice
LQ4475-Labour Appellate Tribunal Lahore.

Final Grant	Rs.15,105,000/-
Actual Expenditure	Rs.14,300,619/-
Saving	(-) Rs. 804,381/-
Percentage	5.33%

2.7.2015 The Department explained that saving and excess expenditure was due to misclassification by Accountant General Punjab and needed to be reconciled.

The **item was kept pending** with the direction that accounts should be reconciled at the earliest.

- iii) 04-Economic Affairs
041-General Economic, Commercial & Labour Affairs
0413-General Labour Affairs
041310-Administration
LQ4228-Directorate of Labour Welfare.

Final Grant	Rs.50,533,000/-
Actual Expenditure	Rs.45,029,931/-
Saving	(-) Rs. 5,503,069/-
Percentage	10.89%

2.7.2015 The Department explained that saving had occurred due to the vacant posts of certain Officers/Officials during the financial year. However, excess expenditure incurred under the sub-heads of Other Allowances and Operating Expenses was due to the payment of medical charges to the ex-employer of the department.

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

- iv) 04-Economic Affairs
041-General Economic, Commercial & Labour Affairs
0412-Commercial Affairs
041212-Trade Marks, Patent & Copyrights
LQ4225-Weights and Measures Trade Marks and Patent Rights.

Final Grant	Rs.7,892,000/-
Actual Expenditure	Rs.8,485,245/-
Excess	(+) Rs. 593,245/-

Percentage 7.52%

2.7.2015 The Department explained that excess expenditure under the sub-heads of Pay & Allowances and Operating Allowances had been incurred because requisite funds had not been released by Finance Department. In case of remaining sub-heads, there was minor saving.

The Committee **settled the item subject to** condonation of the excess expenditure by Finance Department with the direction that such lapses should strictly be avoided in future.

- v) 04-Economic Affairs
041-General Economic, Commercial & Labour Affairs
0413-General Labour Affairs
041308-Wage Regulation
LQ4229-Minimum Wages Board.

Final Grant	Rs.4,801,000/-
Actual Expenditure	Rs.4,614,326/-
Saving	(-) Rs. 186,674/-
Percentage	3.89%

2.7.2015 The Department explained that out of total allocations, only a meager amount couldn't be utilized and requested for settlement.

The item was accordingly settled.

3. Grant No.PC22036 (036) – Development: (All Voted) Page 448 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
041-Gen, Economic, Commercial & Labor Affairs
0413-General Labor Affairs
041310-Administration
LE4222-Administration.

Final Grant	Rs.33,005,000/-
Actual Expenditure	Rs.31,117,709/-
Saving	(-) Rs. 1,887,291/-
Percentage	5.72%

2.7.2015 The Department explained that accounts had been reconciled and the saving had occurred mainly under the sub-heads of Pay & Allowances due to the fact that certain posts remained vacant and less expenditure occurred under the sub-head of Operating Expenses. Whereas, there was nominal excess expenditure was incurred under various sub-heads.

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

Audit Paras (Commercial) for the year 2010-11

4. **Para No.8.2.1.1 Pages 87 & 88 of Audit Report for the year 2010-11; Non Production of Record of Civil Works (Rs.657.402 Million).**
5. **Para No.8.2.1.2 Pages 88 & 89 of Audit Report for the year 2010-11; Loss Due to Unauthorized Provision of Medical Treatment to the Patients Referred by PSSHMC – Rs.30.701 Million.**
6. **Para No.8.2.1.3 Pages 89 & 90 of Audit Report for the year 2010-11; Non Recovery of Social Security Contributions from Olampia Blended Fiber Mills Limited – Rs.13.431 Million.**
7. **Para No.8.2.1.4 Pages 90 & 91 of Audit Report for the year 2010-11; Non Recovery of Social Security Contribution from M/s Superior Textile Mills Ltd. And M/s Ellcot Spinning Mills Ltd. – Rs.10.369 Million.**
8. **Para No.8.2.1.5 Pages 91 & 92 of Audit Report for the year 2010-11; Overpayment to Toyota Sahara Motors on Account of Sales Tax – Rs.10.268 Million.**
9. **Para No.8.2.1.6 Pages 92 & 93 of Audit Report for the year 2010-11; Non Recovery from Defaulting Textile Units – Rs.5.281 Million.**
10. **Para No.8.2.1.7 Pages 93 & 94 of Audit Report for the year 2010-11; Non-Recovery from National Security Co, Lahore – Rs.2.387 Million.**
11. **Para No.8.2.1.8 Pages 94 & 95 of Audit Report for the year 2010-11; Loss Due to Expired Medicines – Rs.1.685 Million.**
12. **Para No.8.2.1.9 Pages 95 & 96 of Audit Report for the year 2010-11; Loss Due to Non-Availing of GST Exemption on Gas Bills – Rs.1.392 Million.**
13. **Para No.8.2.1.10 Page 96 of Audit Report for the year 2010-11; Non Recovery from Haseeb Spinning Mills, T.T. Singh – Rs.0.781 Million.**

2.7.2015 Audit pointed out that PESSI didn't provide requisite record demanded by Audit at the time of Audit; therefore, the financial transactions of involving Rs.657.402 millions remained unaudited.

The Department explained that PESSI was a financially self sustained organization and had its own very effective internal and as well as external audit

mechanism. It was added that a case for excluding the PESSI from purview of commercial accounting system had already been moved to the Finance Department.

The Finance Department Apprised the Committee that this matter had already been discussed in the meeting of PAC-II held on 29th of April 2015, whereby Department had been directed to move a comprehensive note which would be forwarded to the Additional Chief Secretary, Punjab to resolve the issue once for all.

The Committee endorsed the direction of PAC-II and **kept the business pending** and directed that matter be resolved within 60 days.

**LAW AND
PARLIAMENTARY
AFFAIRS**

The Committee examined the Accounts of the Law and Parliamentary Affairs Department in its meeting held on 10.9.2014 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010 / PC24010 (010) – General Administration Page 455 of Appropriation Accounts for the year 2010-11.

01-General Public Service
011-Executive & Legislative Organs, Financial
0111-Executive & Legislative Organs
011101-Parliamentary/Legislative Affairs
LQ4062-Law and Parliamentary Affairs Department.

Final Grant	Rs.63,471,000/-
Actual Expenditure	Rs.61,775,374/-
Saving	(-) Rs. 1,695,626/-
Percentage	2.67%

10.9.2014 The Department explained that savings mainly occurred under the sub-heads of Pay and Allowances because funds were retained for the last quarter of the financial year as the some officers were expected to be appointed on the recommendations of Punjab Public Service Commission, but the process of recruitment couldn't be finalized till the end of financial year. Moreover, bulk of the saving was under the sub-head of Grants, Subsidies and write of Loans because Bar Associations couldn't in cash their cheques from the Treasury Office. Whereas, the excess expenditure was incurred under the sub-head of Pay of Other Staff which was unavoidable.

The Committee accepted the explanation of the department and **settled the grant.**

2. Grant No.PC21011 / PC24011 (011) –Administration of Justice Pages 463, 464, 466 & 467 of Appropriation Accounts for the year 2010-11.

i) 03-Public Order And Safety Affairs
031-Law Courts
0311-Law Courts
031102-Attorneys/Legal Services
LQ5467-Solicitors Department.

Final Grant	Rs.16,796,000/-
Actual Expenditure	Rs.15,767,924/-
Saving	(-) Rs. 1,028,076/-
Percentage	6.12%

10.9.2014 The Department explained that the savings mainly occurred under the sub-head of Pay and Allowances because some posts were laying vacant due to the ban on the recruitment.

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

- ii) 03-Public Order And Safety Affairs
031-Law Courts
0311-Law Courts
031102-Attorneys/Legal Services
LQ5468-Mufassil Establishment.

Final Grant	Rs.251,114,000/-
Actual Expenditure	Rs.232,907,764/-
Saving	(-) Rs. 18,206,236/-
Percentage	7.25%

10.9.2014 The Department explained that savings were mainly under the sub-heads of Pay & Allowances due to the ban on recruitment and some posts of Officers/Officials also remained vacant and funds were retained for the last quarter of the financial year.

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

- iii) 03-Public Order And Safety Affairs
031-Law Courts
0311-Law Courts
031103-Punjab Judicial Academy
LQ4472-Punjab Judicial Academy.

Final Grant	Rs.34,995,000/-
Actual Expenditure	Rs.30,264,236/-
Saving	(-) Rs. 4,730,764/-
Percentage	13.52%

10.9.2014 The Department explained that savings were mainly under the sub-heads of Regular Allowances and Physical Assets due to none hiring of the staff and Austerity Committee didn't grant the Permission for purchase of new vehicle. Whereas, the excess expenditure was incurred under the sub-head of Pay of Officer was due to the increase in salary of the Director General vide Presidential Order.

The Committee directed/recommended that surplus funds should be surrendered well in time and the mechanism of monthly reconciliation statement should be streamline with proper coordination with Finance Department to avoid such lapses in future.

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

- iv) 03-Public Order And Safety Affairs
031-Law Courts
0311-Law Courts
031120-Others
LQ4110-Administrative-General and Official Trustee.

Final Grant	Rs.904,000/-
Actual Expenditure	Rs.903,496/-
Saving	(-) Rs. 504/-
Percentage	0.06%

10.9.2014 The Department explained that the accounts had been reconciled with A.G. Punjab and saving was nominal which was only 0.06% of the final grant.

The item was accordingly settled.

**LITERACY AND
NON-FORMAL BASIC
EDUCATION**

The Committee examined the Accounts of the Literacy and Non-Formal Basic Education Department in its meeting held on 10.9.2014 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010/PC24010 (010) – General Administration Page 102 of Appropriation Accounts for the year 2010-11.

09-Education Affairs & Services
093-Tertiary Education Affairs & Services
0931-Tertiary Education Affairs & Services
093103-Administration
LQ4073-Literacy Department.

Final Grant	Rs.15,151,000/-
Actual Expenditure	Rs.15,444,443/-
Excess	(+) Rs. 293,443/-
Percentage	1.94%

10.9.2014 The representative of A.G. Punjab stated that accounts had been reconciled and there was an overall excess of Rs.293,443/- which was 1.94% of the final grant.

The Department explained that there was no excess expenditure was involved but it was only the discrepancy as the budget released was not actually depicted in the printed budget books.

The Committee **settled the grant subject to** the condonation by the Finance Department.

2. Grant No.PC22036 (036) – Development : (All Voted) Page 149 of Appropriation Accounts for the year 2010-11.

09-Education Affairs & Services
091-Pre. & Primary Education Affairs & Services
0911-Pre. & Primary Education Affairs & Services
091103-Administration
LE4272-Administration.

Final Grant	Rs.52,538,000/-
Actual Expenditure	Rs.32,855,467/-
Saving	(-) Rs.19,682,533/-
Percentage	37.46%

10.9.2014 The representative of A.G. Punjab stated that accounts had been reconciled and there was an overall saving of Rs.19,682,533/- which was 37.46% of the final grant.

The Department explained that some posts were lying vacant and couldn't be filled due to the ban on new recruitment imposed by the government. Resultantly, saving occurred under the sub-head of Pay and Allowances. Moreover, bulk of the savings were under the sub-heads of Physical Assets and Operating Expense because non-clearance of procurement of machinery and equipment by the Austerity Committee and there was ban on purchase of new vehicles.

The Committee was not satisfied with the explanation of the department and showed its concern on non-utilization of funds/delay in surrendering surplus amount.

The Committee **settled the item with the directions/recommendations** that surplus funds should be surrendered well in time.

LIVESTOCK AND DAIRY DEVELOPMENT

The Committee examined the Accounts of the Livestock and Dairy Development Department in its meetings held on 14.5.2015, 3.12.2015 and 8.12.2016 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010/PC24010 (010) – General Administration Page 475 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042101-Administration/Land Commission
LQ4083-Livestock & Dairy Development Department.

Final Grant	Rs.26,163,000/-
Actual Expenditure	Rs.25,129,394/-
Saving	(-) Rs. 1,033,606/-
Percentage	3.95%

14.5.2015 The Department explained that saving was mainly under the sub-heads of Pay & Allowances and Operating Expense because few posts were lying vacant.

The Committee **settled the grant with the direction** that proper utilization of fund be ensured in future.

2. Grant No.PC21020 (020) – veterinary (All Voted) Pages 479 to 496 of Appropriation Accounts for the year 2010-11.

i) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042106-Animal Husbandry
JG4121-Directorate of RCCSC Jhang.

Final Grant	Rs.15,459,000/-
Actual Expenditure	Rs.15,403,284/-
Saving	(-) Rs. 55,716/-
Percentage	0.36%

14.5.2015 The Department explained that saving occurred mainly under the sub-head of Other Allowances due to less receipt of Medical reimbursement claims. Moreover, the excess expenditure was incurred on account of Pay & Allowances which was inevitable.

The Committee directed/recommended that mechanism of monthly reconciliation statement and internal financial system of the department should be strengthen in order to avoid such lapses in future.

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

3.12.2015 The Department explained that in compliance with PAC directive case was sent to the Finance Department for condonation of the excess expenditure which was under process.

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

8.12.2016 The Department explained that in compliance with last PAC directive, the above item had been got condoned from the Finance Department.

The Finance Department endorsed the statement of department.

The Committee was satisfied and **the item was settled.**

- ii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042106-Animal Husbandry
LQ4204-Direction-Extension.

Final Grant	Rs.78,224,000/-
Actual Expenditure	Rs.75,674,664/-
Saving	(-) Rs. 2,549,336/-
Percentage	3.26%

- iii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042106-Animal Husbandry
LQ4205-Direction-Research.

Final Grant	Rs.10,151,000/-
Actual Expenditure	Rs. 9,909,934/-
Saving	(-) Rs. 241,066/-
Percentage	2.37%

14.5.2015 The Department explained that there was minor saving against various sub-heads and requested for settlement of the above items.

The Committee accepted the explanation of the department and **settled the items.**

- iv) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042106-Animal Husbandry

LQ4206-Direction-Planning & Evaluation Cell.

Final Grant	Rs.10,972,000/-
Actual Expenditure	Rs.11,096,085/-
Excess	(+) Rs. 124,085/-
Percentage	1.13%

14.5.2015 The representative of A.G. Punjab stated that the above item needs reconciliation of Budget figures with Finance Department as well as expenditure Figures with Accountant General Punjab.

The item was kept pending with the directions that accounts be reconciled within two weeks.

3.12.2015 The Department explained that in compliance with PAC directive case was sent to the Finance Department for condonation of the excess expenditure which was under process.

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

8.12.2016 The Department explained that in compliance with last PAC directive, the above item had been got condoned from the Finance Department.

The Finance Department endorsed the statement of department.

The Committee was satisfied and **the item was settled.**

- v) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042106-Animal Husbandry
LQ4207-Superintendence.

Final Grant	Rs.83,166,000/-
Actual Expenditure	Rs.83,230,715/-
Excess	(+) Rs. 64,715/-
Percentage	0.08%

14.5.2015 The Department explained that saving was mainly under the sub-head of Operating Expenses because Utility and TA/DA bills received less than expected. However, excess expenditure incurred under the objects of Pay & Allowances because expenditure was ineluctable.

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

3.12.2015 The Department explained that in compliance with PAC directive case was sent to the Finance Department for condonation of the excess expenditure which was under process.

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

8.12.2016 The Department explained that in compliance with last PAC directive, the above item had been got condoned from the Finance Department.

The Finance Department endorsed the statement of department.

The Committee was satisfied and **the item was settled.**

- vi) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042106-Animal Husbandry
LQ4208-Veterinary Education and Research.

Final Grant	Rs.69,414,000/-
Actual Expenditure	Rs.69,173,542/-
Saving	(-) Rs. 240,458/-
Percentage	0.35%

14.5.2015 The Department explained that there was minor savings against various sub-heads and requested settlement of the above items.

The Accountant General apprised that there was variation of figures between their office and the Administrative Department in case of certain sub-heads.

The Committee expressed its displeasure on the non-reconciliation of figures after the lapse of long time and directed/recommended the Administrative Department that accounts should be reconciled with the A.G. Office at the earliest.

The item was settled conditionally subject to reconciliation of accounts between the Accountant General and the Administrative Department.

3.12.2015 The Department explained that in compliance with PAC directive case was sent to the Finance Department for condonation of the excess expenditure which was under process.

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

8.12.2016 The Department explained that in compliance with last PAC directive, the above item had been got condoned from the Finance Department.

The Finance Department endorsed the statement of department.

The Committee was satisfied and **the item was settled.**

- vii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042106-Animal Husbandry
LQ4209-Provincial Schemes (Research).

Final Grant	Rs.73,313,000/-
Actual Expenditure	Rs.71,934,111/-
Saving	(-) Rs. 1,378,889/-
Percentage	1.88%

14.5.2015 The Department explained that saving occurred mainly under the sub-heads of Other Allowances due to less receipt of Medical reimbursement claims. Moreover, the excess expenditure was incurred on account of Pay & Allowances which was inevitable.

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

3.12.2015 The Department explained that in compliance with PAC directive case was sent to the Finance Department for condonation of the excess expenditure which was under process.

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

8.12.2016 The Department explained that in compliance with last PAC directive, the above item had been got condoned from the Finance Department.

The Finance Department endorsed the statement of department.

The Committee was satisfied and **the item was settled.**

- viii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042106-Animal Husbandry
LQ4210-Mufassil Veterinary Hospitals & Dispensaries.

Final Grant	Rs.100,000/-
Actual Expenditure	Rs.100,000/-
Excess/Saving	() Rs.0/-
Percentage	0.00%

14.5.2015 The Department explained that all the allocated funds had been fully utilized.

The item was accordingly settled.

- ix) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042106-Animal Husbandry
LQ4211-Field Control And Diseases - Extension.

Final Grant	Rs.16,407,000/-
Actual Expenditure	Rs.16,697,432/-
Excess	(+) Rs. 290,432/-
Percentage	1.77%

14.5.2015 The Department explained that saving occurred mainly under the sub-heads of Other Allowances due to less receipt of Medical reimbursement claims. Moreover, the excess expenditure was incurred on account of Pay & Allowances which was inevitable.

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

3.12.2015 The Department explained that in compliance with PAC directive case was sent to the Finance Department for condonation of the excess expenditure which was under process.

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

8.12.2016 The Department explained that in compliance with last PAC directive, the above item had been got condoned from the Finance Department.

The Finance Department endorsed the statement of department.

The Committee was satisfied and **the item was settled.**

- x) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042106-Animal Husbandry
LQ4212-Field Control And Diseases-Research.

Final Grant	Rs.37,732,000/-
Actual Expenditure	Rs.31,280,156/-
Saving	(-) Rs. 6,451,844/-
Percentage	17.10%

- xi) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042106-Animal Husbandry
LQ4213-Breeding Operations-Government Farms LPRI (Research).

Final Grant	Rs.152,099,000/-
Actual Expenditure	Rs.152,681,657/-
Excess	(+) Rs. 582,657/-
Percentage	0.38%

14.5.2015 The Department explained that excess expenditure was incurred under the sub-heads of Pay-Allowances due to the fact that some Officers were paid their arrears of Pay. Whereas, in case of remaining Sub-heads, there was minor saving.

The items were settled conditionally subject to condonation of the excess expenditure by the Finance Department.

3.12.2015 The Department explained that in compliance with PAC directive all cases were sent to the Finance Department for condonation of the excess expenditure which were under process.

The items were settled conditionally subject to condonation of the excess expenditure by the Finance Department at the earliest.

8.12.2016 The Department explained that in compliance with last PAC directives, the above items had been got condoned from the Finance Department.

The Finance Department endorsed the statement of department.

The Committee was satisfied and **the items were settled.**

- xii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042106-Animal Husbandry
LQ4214-Breeding Operations-Government Farms.

Final Grant	Rs.331,345,000/-
Actual Expenditure	Rs.323,039,450/-
Saving	(-) Rs. 8,305,550/-
Percentage	2.51%

14.5.2015 The Department explained that saving had occurred due to the vacant posts of certain Officers/Officials and due to the less receipt of Medical reimbursement claims.

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

- xiii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042106-Animal Husbandry
LQ4215-Provincial Schemes (Farms).

Final Grant	Rs.5,265,000/-
Actual Expenditure	Rs.5,267,544/-
Excess	(+) Rs. 2,544/-
Percentage	0.05%

14.5.2015 The Department explained that there was minor savings against various sub-heads and there was a nominal excess expenditure under the sub-head of Regular Allowances which was unavoidable.

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

3.12.2015 The Department explained that in compliance with PAC directive case was sent to the Finance Department for condonation of the excess expenditure which was under process.

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

8.12.2016 The Department explained that in compliance with last PAC directive, the above item had been got condoned from the Finance Department.

The Finance Department endorsed the statement of department.

The Committee was satisfied and **the item was settled.**

- xiv) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042106-Animal Husbandry
LQ4392-Breeding Operation Government Farms (DLF).

Final Grant	Rs.297,080,000/-
Actual Expenditure	Rs.283,061,624/-
Saving	(-) Rs. 14,018,376/-
Percentage	4.72%

- xv) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042106-Animal Husbandry
LQ4393-Provincial Schemes (Extension).

Final Grant	Rs.17,101,000/-
Actual Expenditure	Rs.13,267,837/-
Saving	(-) Rs. 3,833,163/-
Percentage	22.41%

14.5.2015 The Department explained that funds couldn't be utilized because various posts of Officers/Officials remained vacant during the financial year.

The Committee expressed its displeasure on huge savings and directed/recommended that Department should surrender the surplus funds at the time of Second Statement of Excess and Surrenders after retaining the funds for last quarter of the financial year.

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

- xvi) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042106-Animal Husbandry
MP4091-Directorate of Punjab Small Ruminants Multan.

Final Grant	Rs.132,694,000/-
Actual Expenditure	Rs.131,614,277/-
Saving	(-) Rs. 1,079,723/-
Percentage	0.81%

- xvii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042106-Animal Husbandry
RA4134-Directorate of Poultry Research Institute

Final Grant	Rs.152,623,000/-
Actual Expenditure	Rs.150,388,827/-
Saving	(-) Rs. 2,234,173/-
Percentage	1.46%

14.5.2015 The Department explained that accounts had been reconciled and the saving occurred mainly occurred under the sub-head of Operating Expenses because of the less receipt of Utility Bills then expected. However, there was a nominal excess expenditure under the sub-head of Regular Allowance which was unavoidable.

The items were settled conditionally subject to condonation of the excess expenditure by the Finance Department.

3.12.2015 The Department explained that in compliance with PAC directive all cases were sent to the Finance Department for condonation of the excess expenditure which were under process.

The items were settled conditionally subject to condonation of the excess expenditure by the Finance Department at the earliest.

8.12.2016 The Department explained that in compliance with last PAC directives, the above items had been got condoned from the Finance Department.

The Finance Department endorsed the statement of department.

The Committee was satisfied and **the items were settled.**

xviii) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042106-Animal Husbandry
LQ4516-Provincial Schemes-Director B.I.

Final Grant	Rs.108,665,000/-
Actual Expenditure	Rs.102,667,841/-
Saving	(-) Rs. 5,997,159/-
Percentage	5.52%

14.5.2015 The Department explained that saving occurred under the sub-heads of Pay & Allowances and Operating Expenses because the number of posts remained vacant and due to the less receipt of utility bills.

The Committee accepted the explanation of the department and **settled the item with the direction** that surplus funds should be surrendered well in time.

xix) 04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042106-Animal Husbandry
LQ4521-University of Veterinary and Animal Sciences Lahore.

Final Grant	Rs.122,916,000/-
Actual Expenditure	Rs. 98,336,000/-
Saving	(-) Rs. 24,580,000/-
Percentage	20.00%

14.5.2015 There was variation of figures among the Finance Department, Office of the Accountant General and the Administrative Department in case of above item.

The Committee kept the item pending with the direction/recommendation that accounts be reconciled at the earliest.

3.12.2015 The Department explained that in compliance with PAC directive the case was sent to the Finance Department for reconciliation of Budget which was under process.

The Committee kept the item pending with the direction/recommendation that accounts should be reconciled at the earliest.

8.12.2016 The A.G. Punjab pointed out that reconciliation had not yet been carried out by the department with Finance Department.

The Department explained that in compliance of the last PAC directive, the Finance Department had been approached to reconcile the budget figures.

The Finance Department stated that reconciliation had been done.

The Committee was satisfied and **the item was settled.**

3. Grant No.PC21020 (020) – veterinary (All Voted) Page 496 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042106-Animal Husbandry
LQ4570-Punjab Livestock and Dairy Development Board.

Final Grant	Rs.50,000,000/-
Actual Expenditure	Rs.50,000,000/-
Excess/Saving	() Rs.0/-
Percentage	0.00%

3.12.2015 The Department explained that accounts had been reconciled with A. G. Punjab and was no excess/saving because the all allocated funds had been fully utilized.

The grant was accordingly settled.

4. Grant No.PC22036 (036) – Development (All Voted) Pages 500 & 501 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
042-Agri, Food, Irrigation, Forestry & Fishing
0421-Agriculture
042106-Animal Husbandry
LE4208-Animal Husbandry.

Final Grant	Rs.675,473,000/-
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Actual Expenditure	Rs.587,374,643/-
Saving	(-) Rs. 88,098,357/-
Percentage	13.04%

14.5.2015 The Department explained that saving occurred under the sub-heads of Pay & Allowances and Operating Expenses because the number of posts remained vacant and due to the less receipt of utility bills and due to non engagement of contingent paid staff. Moreover, saving under the sub-head of Physical Assets and Repair & Maintenance was due to the fact that two Toyota Hilux vehicles could not be purchased due to the ban and other vehicles were newly purchased and did not needed to be repaired.

The Committee was not satisfied with the explanation of the department and directed/recommended that an inquiry should be conducted to fix responsibility for the lapse of huge amount of funds and disciplinary actions should be taken against the responsible within 60 days under intimation to the PAC.

The grant was kept pending.

3.12.2015 The Department explained that in compliance with PAC directive an inquiry was conducted and warnings had been issued to the concerned DDOs as per fact findings of the Inquiry Committee.

The Committee was satisfied with the explanation of the department and **the grant was settled.**

Audit Paras (Civil) for the year 2010-11

5. Para No.9.2.1 Pages 258 & 259 of Audit Report for the year 2010-11; Shortage/Non-Consumption of Feed Ingredients – Rs.2.401 Million.

9.2.1(1) Director LPRI Kherimurat Attock – Rs.1,590,808/-

9.2.1(2) Director LPRI Kherimurat Attock – Rs.810,613/-

14.5.2015 The Department explained that out of the six incumbents the then DDO had been awarded major penalty of recovery of Rs.5,353,084/- by withholding the pension and GP fund. However, remaining 5 Officers/Officials had filed an appeal in PST, Lahore, which was still subjudice.

The Committee directed/recommended the Department that matter should be pursue vigorously for its early finalization and matter should be resolved within 60 days.

Being subjudice, the paras were kept pending.

3.12.2015 The Department explained that appeals of officers/officials had been rejected by the Punjab Service Tribunal, Lahore on 01.10.2015, but detail judgment was still awaited. The department ensured the Committee that amount would be recovered within one month.

The Committee directed/recommended that recovery should be effected within one month.

The paras were kept pending.

8.12.2016 The Department explained that the culprits had filed writ-petition in the court against the recovery and the Supreme Court of Pakistan decided the case in favour of the department.

The Committee directed/recommended the department to effect the recovery from the culprits within 90 days.

The paras were kept pending.

6. Para No.9.2.2 Pages 259 & 260 of Audit Report for the year 2010-11; Irregular Procurement of Stores – Rs.8.521 Million.

14.5.2015 The Department explained that in respect of Para No 03, 12, 13 and 14 the Income Tax and GST had been deposited accordingly. Whereas, in respect of Para No 04 a case had already been submitted for regularization to Finance Department.

The Finance Department contended that departmental contention was not tenable and irregular procurement process should be condoned.

After detailed deliberations the Committee settled the para conditionally subject to condonation of irregular expenditure by Finance Department.

3.12.2015 The Department explained that as per direction of PAC the case had been submitted to the Finance Department for the condonation of the irregular expenditure which was still awaited.

The Finance Department contended that we had received this case 15 days ago and it would be expedited.

The Committee kept the para pending.

8.12.2016 The Department explained that in compliance with last PAC directive, the matter had been forwarded to Finance department for condonation of the irregular expenditures.

The Finance Department endorsed the statement of the department and apprised the Committee that condonation had been sanctioned and advice would be issue soon.

The Committee **settled the above para subject to** verification of condonation of irregular expenditure by Audit.

7. Para No.9.2.3 Pages 260 to 262 of Audit Report for the year 2010-11; Irregular Expenditure on Construction of Building – Rs.2.50 Million.

14.5.2015 The Department explained that a case for regularization of the matter had already been referred to the Finance Department and the decision thereon still awaited.

The para was kept pending with the direction that matter should be pursued vigorously.

3.12.2015 The Department explained that a case for regularization of the matter had already been referred to the Finance Department and the decision was still awaited.

The Committee directed/recommended the department that matter should be pursued vigorously and verifications be made within one month.

The para was kept pending.

8.12.2016 The Department explained that in compliance with last PAC directive, the matter had been forwarded to Finance department for condonation of the irregular expenditures.

The Finance Department endorsed the statement of the department and apprised the Committee that condonation had been sanctioned and advice would be issue soon.

The Committee **settled the above para subject to** verification of condonation of irregular expenditure by Audit.

8. Para No.9.2.4 Pages 262 & 263 of Audit Report for the year 2010-11; Irregular Award of Contract of Farm and Non-recovery of Rent – Rs.1.685 Million.

14.5.2015 The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The Administrative Secretary assured the Committee that work had been completed and no financial loss sustained by the Government and requested for settlement.

On the assurance of PAO, the **Committee settled the para.**

9. Para No.9.2.5 Page 263 of Audit Report for the year 2010-11; Loss Due to Auction of Standing Wheat Crop – Rs.8.804 Million.

14.5.2015 The Department explained that a departmental inquiry had already been initiated and further action would be taken as per findings of the departmental inquiry.

The Committee kept the para pending with the directions that comprehensive report covering all aspects of the matter should be submitted to the PAC in the next meeting.

3.12.2015 The Department explained that in compliance with PAC directive an inquiry had been conducted, which concluded that the management had not made any loss as the contractors had to bear the expenditure of 6 to 7 mounds per acre on harvesting. Whereas bhoosa of 5 mounds per acre was also received from contractor and self harvested wheat was also the best crop.

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

10. Para No.9.2.6 Page 264 of Audit Report for the year 2010-11; Non-recovery of Government Dues – Rs.39.182 Million.

i) **9.2.6(1) Livestock Experiment Station Bahadurnagar, Okara – Rs.17,685,656/-**

14.5.2015 The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

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

ii) **9.2.6(2) AIR Para No.2 Livestock Experiment Station Jahangirabad Khanewal – Rs.18,298,361/-**

iii) **9.2.6(2) AIR Para No.10 Livestock Experiment Station Jahangirabad Khanewal – Rs.3,198,269/-**

14.5.2015 The Department explained that partial recovery had been made which had also been got verified by Audit and strenuous efforts being made to recover the remaining outstanding amount. The department further explained that the leases had been cancelled but the ejectment couldn't be made and the case had been referred to Revenue Department for recovery of under the Arrears of Land Revenue Act.

It was also apprised the Committee that Chief Minister had also formulated a high level negotiation Committee consisting of Minister, Zakat and Ushar Punjab and Senior Member, Board of Revenue Punjab to resolve the matter with Anjamaan-e- Mazarin Punjab.

The paras were reduced to the extent of recovery effected with the direction that progress report of the matter should be submitted to the PAC by the Administrative Secretary within 60 days and paras were kept pending.

3.12.2015 The Department explained that as per direction of PAC the meeting of high level negotiation Committee with Anjamaan-e-Mazarin Punjab was postponed due to

local government election. The department requested for one week time limit to resolve the matter.

The Committee directed/recommended the department that recovery should be effected within 60 days and proper mechanism should be made in this respect.

The paras were kept pending.

8.12.2016 The Department explained that in compliance with last PAC directive, an amount of Rs.1.19 million had been recovered and efforts were being made to effect the outstanding amount under the arrears of land revenue.

The Committee reduced the para upto the recovered amount after its verification by Audit.

The paras were kept pending.

11. Para No.9.2.7 Pages 264 & 265 of Audit Report for the year 2010-11; Non-Adjustment of Advances – Rs.7.929 Million.

14.5.2015 The Department explained that necessary action in respect of Audit observation had already been taken and relevant record had also been got verified by Audit.

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

12. Para No.9.2.8 Page 266 of Audit Report for the year 2010-11; Irregular Expenditure Without Budgetary provisions – Rs.7.093 Million.

14.5.2015 The Department explained that a case for condonation had already been referred to Finance Department.

The para was settled conditionally subject to condonation by Finance Department.

3.12.2015 The Department explained that as per direction of PAC a case for condonation of irregular expenditures had been referred to Finance Department which was still under process.

The para was settled subject to condonation by the Finance Department.

8.12.2016 The Department explained that in compliance with last PAC directive, the matter had been forwarded to Finance department for condonation of the irregular expenditure.

The Finance Department endorsed the statement of the department and apprised the Committee that condonation had been sanctioned and advice would be issue soon.

The Committee **settled the above para subject to** verification of condonation of irregular expenditure by Audit.

13. Para No.9.2.9 Page 267 of Audit Report for the year 2010-11; Non-Recovery of University Dues – Rs.0.517 Million.

14.5.2015 The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

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

14. Para No.9.2.10 Page 268 of Audit Report for the year 2010-11; Recovery on Account of Rent of Shop – Rs.0.297 Million.

14.5.2015 The Department explained that matter was subjudice in the court of Law.

Being subjudice the para was kept pending.

3.12.2015 The Department explained that matter was subjudice in the court of Law and next date of hearing i.e. 05.12.2015.

Being subjudice the para was kept pending.

8.12.2016 The Department explained that matter was subjudice in the court of Law and next date of hearing was 02-01-17.

The **para was kept pending being subjudice.**

Audit Paras (DRAPP) for the year 2010-11

15. Para No.5.2.1 Page 17 of Audit Report for the year 2010-11; (i) Unauthorized Maintenance of Bank Account (ii) Irregular Mode of Payment

(AIR Para No.7 & 8, District Livestock Officer, Mianwali)

14.5.2015 The Department explained that the case for relaxation in rules had been referred to concerned DCO for onward submission to the Finance Department.

The Finance Department opined that unauthorized Bank Account should be closed and the matter required to be condoned from Finance Department.

The para was settled conditionally subject to the condonation by Finance Department.

3.12.2015 The Department explained that in compliance with PAC directive the case of the sanction of condonation had been submitted to the Finance Department which was still under process.

The para was settled subject to condonation by Finance Department.

8.12.2016 The Department explained that in compliance of the last PAC directive, the Finance Department had been issued the sanction to regularize the irregular opening of bank account and got verified by Audit.

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

16. Para No.5.2.2 Pages 17 & 18 of Audit Report for the year 2010-11; Irregular Purchase of Medicines – Rs.2.800 Million.

14.5.2015 The Department explained that matter being taken up with District Government Bahawalnagar for onward submission to the Finance Department for regularization.

The para was settled conditionally subject to the condonation by Finance Department.

3.12.2015 The Department explained that in compliance with PAC directive the Finance Department had regularized the irregular purchase of medicines and got verified by Audit.

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

17. Para No.5.2.3 Pages 18 & 19 of Audit Report for the year 2010-11; Acceptance of Unlabeled Medicines – Rs.0.102 Million.

14.5.2015 The Department explained that necessary action in respect of Audit observation had already been taken and relevant record had also been got verified by Audit.

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

LOCAL GOVT. AND COMMUNITY DEVELOPMENT

The Committee examined the Accounts of the Local Government and Community Development Department in its meetings held on 2.6.2015 and 2.6.2016 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010/PC24010 (010) – General Administration Page 509 of Appropriation Accounts for the year 2010-11.

01-General Public Service
011-Executive & Legislative Organs, Financial
0111-Executive & Legislative Organs
011108-Local Authority Administration & Regulation
LQ4065-Local Government and Rural Development Department.

Final Grant	Rs.142,754,000/-
Actual Expenditure	Rs.141,600,772/-
Saving	(-) Rs. 1,153,228/-
Percentage	0.81%

2.6.2015 The Representative of A.G. Punjab stated that accounts had been reconciled and there was an overall saving of Rs.1,153,228/- which was 0.81% of the final grant.

The Department explained that excess expenditure was incurred under the sub-head of Pay & Allowances due to the devolution of Punjab Local Councils Election Authority after the submission of Second Statement of Excess & Surrenders and the Pay & Allowances of the concerned Employees could not be stopped.

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

2.6.2016 The Department explained that in compliance with last PAC directive, the matter had been referred to Finance Department for condonation of excess expenditure.

The Committee **settled the grant subject to** condonation of excess expenditure by Finance Department within 30 days.

2. Grant No.PC21031 (031) – Miscellaneous (All Voted) Pages 519 to 521 of Appropriation Accounts for the year 2010-11.

i) 06-Housing and Community Amenities
062-Community Development
0622-Rural Development
062202-Rural Works Programme
LQ4288-Provincial Directorate.

Final Grant	Rs.53,843,000/-
Actual Expenditure	Rs.52,102,272/-
Saving	(-) Rs. 1,740,728/-
Percentage	3.23%

2.6.2015 The Department explained that there was minor saving against various sub-heads and requested for settlement of the above item.

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

- ii) 06-Housing and Community Amenities
062-Community Development
0622-Rural Development
062202-Rural Works Programme
LQ4289-District Staff.

Final Grant	Rs.182,995,000/-
Actual Expenditure	Rs.197,713,878/-
Excess	(+) Rs. 14,718,878/-
Percentage	8.04%

2.6.2015 The Representative of A.G. Punjab stated that accounts had been reconciled and there was excess expenditures of Rs.14,718,878/- which was 8.04 % of the final grant.

The Department explained that saving was occurred because of vacant posts during the financial year 2010-11 due to the ban imposed by Government on recruitment. Moreover, the saving under the sub-head of Operating Expenses was due to the late receipt of revised budget from Finance Department. However, the excess expenditure under the sub-head of Regular Allowances and Grant, Subsidies & Write off Loans because 50% Adhoc relief was announced whereas the budget was finalized during the month of June 2010 prior to enforcement.

The Committee directed/recommended that mechanism of monthly reconciliation statement and internal financial system of the department should be strengthen in order to avoid such lapses in future.

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

2.6.2016 The Department explained that in compliance with last PAC directive, the matter had been referred to Finance Department for condonation of excess expenditure.

The Committee **settled the grant subject to** condonation of excess expenditure by Finance Department within 30 days.

- iii) 06-Housing and Community Amenities
062-Commuity Development

0622-Rural Development
062202-Rural Works Programme
MP4092-Southern Punjab Basic Urban Services Project.

Final Grant	Rs.7,173,000/-
Actual Expenditure	Rs.6,539,672/-
Saving	(-) Rs. 633,328/-
Percentage	8.83%

2.6.2015 The Department explained that saving occurred mainly under the sub-head of Pay & Allowances due to the non-payment of salary to the Project Director for the last 03 months of financial year as the concerned officer couldn't produce his LPC/Pay Slip.

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

3. Grant No.PC21031 (031) – Miscellaneous (All Voted) Page 750 of Appropriation Accounts for the year 2010-11.

09-Education Affairs and Services
097-Education Affairs, Services Not Elsewhere
0971-Education Affairs, Services Not Elsewhere
097120-Others
GU4001-Training Institute Lalamusa.

Final Grant	Rs.16,280,000/-
Actual Expenditure	Rs.14,443,091/-
Saving	(-) Rs. 1,836,909/-
Percentage	11.28%

2.6.2015 The Department explained that accounts had been reconciled and the saving had occurred mainly under the sub-head of 'Pay & Allowances' due to the fact that certain posts of Officers/Officials remained vacant. Furthermore, less expenditure incurred under the sub-head Repair & Maintenance which resulted in to the lapse of funds.

The Committee **settled the grant with the direction** that proper utilization of fund should be ensured in future.

4. Grant No.PC22036 (036) – Development (All Voted) Page 525 of Appropriation Accounts for the year 2010-11.

06-Housing & Community Amenities
062-Community Development
0622-Rural Development
062202-Rural Works Programme
LE4209-Rural Works Programme.

Final Grant	Rs.7,930,708,000/-
Actual Expenditure	Rs.4,919,211,524/-
Saving	(-) Rs.3,011,496,476/-
Percentage	37.97%

2.6.2015 The representative of A.G. Punjab stated that the above grant needs reconciliation of Budget figures with Finance Department as well as expenditure Figures with A.G. Punjab.

The grant was kept pending with the direction that accounts be reconciled within two weeks.

	<u>A.G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.7,930,708,000/-	Rs.4,953,259,000/-
Actual Expenditure	Rs.4,919,211,524/-	Rs.3,365,816,000/-
Saving	Rs.3,011,496,476/-	Rs.1,587,443,000/-
Percentage	37.97%	32%

2.6.2016 The A.G. Punjab pointed out that the department was not agree with the expenditure figures compiled by the Accountant General Punjab and Budget figures by Finance Department.

The Department explained that only final grant was Rs.4.9 billion out of which saving was occurred of Rs.1.5 billion and the Finance Department's contention of Rs.7.0 billion was wrong and department had not received that amount of Rs.7.0 billion.

The Committee directed/recommended the department to constitute a committee comprising of Additional Secretary, Local Government department, Additional Secretary (Monitoring), Finance Department and one senior representative from A.G. Punjab and resolve the matter within 60 days under intimation to PAC.

The grant was kept pending.

Audit Paras (DRAPP) for the year 2010-11

5. Para No.7.2.1 Pages 23 & 24 of Audit Report for the year 2010-11; Irregular Purchase of Machinery – Rs.0.078 Million.

2.6.2015 The Department explained that ex-post facto approval of the matter had already been obtained from the Administrative Secretary and technical sanction had also been revised accordingly.

Audit contended that unauthorized expenditure should be got regularized from Finance Department.

The Committee directed/recommended that irregularity be got regularized by the Finance Department within 30 days under intimation to the PAC.

The para was kept pending.

2.6.2016 The Department explained that in compliance with last PAC directive the matter had been forwarded to Finance Department for regularization of irregularity of purchase.

The Committee directed/recommended the department to resolve the matter within 60 days and **para was kept pending.**

Audit Paras (Works) for the year 2010-11

6. Para No.4.2.1 Page 349 of Audit Report for the year 2010-11; Unauthorized Payment Against the Works of Special Seats – Rs.29.30 Million.

2.6.2015 The Department explained that as per findings of the inquiry report Competent Authority had imposed the penalty of 'Censure' upon all the Accused.

The Committee directed/recommended that a reference should be moved to the Finance Department for condonation at the earliest.

The para was kept pending.

2.6.2016 The Department explained that in compliance with last PAC directive the matter had been forwarded to Finance Department for condonation.

The Committee directed/recommended the department to resolve the matter within 60 days and **para was kept pending.**

7. Para No.4.2.2 Page 350 of Audit Report for the year 2010-11; Non-Collection of Hire Charges of Machinery in Advance – Rs.1.35 Million.

2.6.2015 The Department explained that in one case of recovery of Rs.352,000/- the Contractor had filed a writ petition in the Court of Law, while in the other case regarding the recovery a case had already been referred to the Assistant Commissioner Khanewal to recover the outstanding amount as Arrears of Land Revenue.

The Committee directed/recommended that department should pursue the case vigorously in the Court of Law and all the necessary steps should be taken to recover the outstanding amount from defaulters within 90 days.

The para was kept pending.

2.6.2016 The Department explained that in this para one case was subjudice in court of law and pursuing by the department and the other case related to recovery of Rs.1.0 million the department had declared to recover the amount under arrears of Land

Revenue and department had requested to the D.C.O Khanewal to recover outstanding dues at the earliest.

The Committee directed/recommended that the Administrative Secretary took up the matter personally and resolve all the issues at the earliest.

The para was kept pending.

8. **Para No.4.2.3 Pages 350 & 351 of Audit Report for the year 2010-11; Non-Recovery on Account of De-Escalation in Rates of Cement and RCC Pipes – Rs.0.728 Million.**
-

4.2.3.1 Assistant Director, Local Government & Community Development, Bahawalpur – Rs.434,291/-

2.6.2015 The Department explained that amount pointed out by Audit had been erroneously calculated as the as per the contract agreement the amount of price variation had to be calculated on steel, Bajri, Cement Diesel, and labor etc and the Government had to pay the difference of price variation amount. Whereas, the overall difference come Rs.3,536/- payable to contractor.

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

9. **Para No.4.2.3 Pages 350 & 352 of Audit Report for the year 2010-11; Non-Recovery on Account of De-Escalation in Rates of Cement and RCC Pipes – Rs.0.728 Million.**
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4.2.3.2 Assistant Director, Local Government & Community Development, Lahore – Rs.294,666/-

10. **Para No.4.2.4 Pages 352, 353 & 354 of Audit Report for the year 2010-11; Non-Recovery Due to Less Utilization of Dismantled Material as Sub-Base Course – Rs.0.638 Million.**
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4.2.4.2 Assistant Director, Local Government & Community Development, Kasur – Rs.217,039/-

11. **Para No.4.2.6 Pages 355 & 356 of Audit Report for the year 2010-11; Overpayment Due to Adoption of Incorrect Rate in Technical Estimate – Rs.0.461 Million.**
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12. **Para No.4.2.7 Page 356 of Audit Report for the year 2010-11; Excess Payment on Account of Non-Deduction of Road Crust/Camber – Rs.0.181 Million.**
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13. **Para No.4.2.8 Page 357 of Audit Report for the year 2010-11; Overpayment Due to Allowing Carriage of Aggregate Materials from Distant Quarry – Rs.0.167 Million.**
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14. **Para No.4.2.9 Pages 357 & 358 of Audit Report for the year 2010-11; Overpayment Due to Allowing Payment for the Work More than Executed at Site – Rs.0.156 Million.**
-
15. **Para No.4.2.10 Pages 358 & 359 of Audit Report for the year 2010-11; Over-Payment Due to Allowing Payment at Inadmissible Rate – Rs.0.120 Million.**
-

2.6.2015 The Department explained that all the necessary actions in respect of above paras had already been taken and relevant record had also been got verified by Audit.

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

16. **Para No.4.2.4 Pages 352, 353 & 354 of Audit Report for the year 2010-11; Non-Recovery Due to Less Utilization of Dismantled Material as Sub-Base Course – Rs.0.638 Million.**
-

4.2.4.1 Assistant Director, Local Government & Community Development, Bahawalpur – Rs.421,528/-

2.6.2015 The Department explained that the recovery of Rs.240,447/- on account of un useable dismantled materials had already been made, as per actual conditions at the site from the contractor instead of Rs.421,582/- as pointed by audit and requested for settlement of the para.

The para was settled conditionally subject to condonation of the expenditure by the Finance Department within 60 days.

2.6.2016 The Department explained that in compliance with last PAC directive, matter had been referred to Finance department for condonation of un-authorized expenditure.

The Committee directed/recommended the Finance Department to resolve the matter within 60 days.

The **para was settled subject to** condonation.

17. **Para No.4.2.5 Pages 354 & 355 of Audit Report for the year 2010-11; Un-Authorized Payment on Account of Bitumen Density Without Job Mix Formula – Rs.0.539 Million.**
-

2.6.2015 The Department explained that Job Mix Formula was of 4.5% of density which was within the approved range of 3% to 6% density and efforts had also being made to get the lab test report from Road Research and Material Testing Laboratory Lahore.

The para was conditionally settled subject to the production lab test report to the Audit.

2.6.2016 The Department explained that in compliance of last PAC directive, the Assistant Engineer, LG& CD, Sialkot requested the in-charge of Road Research and Material Testing Institute, Lahore to visit site and to collect samples. The Assistant Director Road Research and Material Testing Institute Research Campus, Lahore has given remarks on the letter of Assistant Director, LG & CD, Sialkot as this Institute deal only lab-Testing not incorporate field testing of private Sector or other than C & W.

The Committee directed/recommended the department to hold an inquiry and fix responsibility against the culprits within 60 days under intimation to PAC.

The para was kept pending.

MANAGEMENT AND PROFESSIONAL DEVELOPMENT

The Committee examined the Accounts of the Management and Professional Development Department in its meeting held on 3.6.2015 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010/PC24010 (010) – General Administration (All Voted) Pages 570 & 571 of Appropriation Accounts for the year 2010-11.

- i) 01-General Public Service
015-General Services
0151-Personal Services
015102-Human Resources Management
LQ4383-Management and Professional Development Department.

Final Grant	Rs.22,442,000/-
Actual Expenditure	Rs.21,349,332/-
Saving	(-) Rs. 1,092,668/-
Percentage	4.87%

3.6.2015 The Department explained that accounts had been reconciled and the savings were mainly occurred under the sub-heads of Pay & Allowances and Operating Expenses due to the vacant posts of certain Officers/Officials and due to the less receipt of utility bills and TA/DA claims.

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

- ii) 01-General Public Service
015-General Services
0151-Personal Services
015102-Human Resources Management
LQ5992-Punjab Institute Management and Professional Development-II.

Final Grant	Rs.29,171,000/-
Actual Expenditure	Rs.28,405,143/-
Saving	(-) Rs. 765,857/-
Percentage	2.63%

3.6.2015 The Department explained that there was minor savings against various sub-heads and requested for settlement of the above item.

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

MINES AND MINERALS

The Committee examined the Accounts of the Mines and Minerals Department in its meeting held on 2.6.2014 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010/24010 (010) – General Administration Page 356 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
044-Mining & Manufacturing
0441-Manufacturing
044105-Administration
LQ4382-Mines & Minerals Department.

Final Grant	Rs.238,082,000/-
Actual Expenditure	Rs. 93,871,517/-
Saving	(-) Rs.144,210,483/-
Percentage	60.57%

2.6.2014 The Department explained that accounts had been reconciled with A.G. Punjab and funds were released late from Finance Department due to which funds were not utilized. Hence the saving was occurred.

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

2. Grant No.PC21022 (022) – Industries: (All Voted) Pages 367 to 370 of Appropriation Accounts for the year 2010-11.

i) 04-Economic Affairs
044-Mining & Manufacturing
0442-Mining
044201-Mining of Mineral Resources Other Than
LQ4221-Headquarters Establishment.

Final Grant	Rs.54,238.000/-
Actual Expenditure	Rs.51,850,342/-
Saving	(-) Rs. 2,387,658/-
Percentage	4.40%

ii) 04-Economic Affairs
044-Mining & Manufacturing
0442-Mining
044201-Mining of Mineral Resources Other Than
LQ4223-Inspectorate of Mines.

Final Grant	Rs.95,111,000/-
Actual Expenditure	Rs.94,253,804/-
Saving	(-) Rs. 857,196/-
Percentage	0.90%

- iii) 04-Economic Affairs
044-Mining & Manufacturing
0442-Mining
044201-Mining of Mineral Resources Other Than
LQ4331-Regional Establishment.

Final Grant	Rs.85,524,000/-
Actual Expenditure	Rs.83,404,896/-
Saving	(-) Rs. 2,119,104/-
Percentage	2.48%

2.6.2014 The Department explained that accounts had been reconciled with A.G. Punjab and savings in all above items were within the permissible limit.

The Committee was satisfied with explanation of the department and **settled all the above items**

- iv) 04-Economic Affairs
044-Mining & Manufacturing
0442-Mining
044201-Mining of Mineral Resources Other Than
LW4008-Regional Establishment.

Final Grant	Rs.54,712,000/-
Actual Expenditure	Rs.56,941,360/-
Excess	(+) Rs. 2,229,360/-
Percentage	4.07%

2.6.2014 The Department explained that accounts had been reconciled with A.G. Punjab and over all excess was 4.07% which was relating to salary and allowances which was unavoidable.

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

3. Grant No.PC22036 (036) – Development: (All Voted) Page 375 & 379 of Appropriation Accounts for the year 2010-11.

- i) 01-General Public Service
014-Transfers
0141-Transfers (Inter–Governmental)
014110-Others
LE4311-Others.

	<u>A.G. Figures</u>		<u>Departmental Figures</u>
Final Grant	Rs.23,789,000/-		Rs.23,789,000/-
Actual Expenditure	Rs.14,792,639/-		Rs.16,472,694/-
Saving	(-) Rs. 8,996,361/-	(-)	Rs. 7,316,306/-
Percentage	37.82%		30.75%

- ii) 04-Economic Affairs
042-Mining & Manufacturing
0442-Mining
044201-Mining of Mineral Resor. O/T Mineral
LE4312-Provision of Wholesale Drinking Water.

	<u>A.G. Figures</u>		<u>Departmental Figures</u>
Final Grant	Rs.4,503,000/-		Rs.4,503,000/-
Actual Expenditure	Rs.5,456,423/-		Rs.3,776,368/-
Excess/Saving	(+) Rs. 953,423/-	(-)	Rs. 726,632/-
Percentage	21.17%		16.13%

2.6.2014 The A.G. Punjab pointed out that reconciliation of the accounts had yet to be made in above items.

The Committee settled the above **items subject to** reconciliation.

(PUNJAB MINERAL DEVELOPMENT CORPORATION)

Audit Paras (Commercial) for the year 2010-11

- 4. Para No.9.2.1.1 Pages 98 & 99 of Audit Report for the year 2010-11;
Irregular Purchase of Timber – Rs.24.819 Million.**

2.6.2014 Audit pointed out that department had purchased mine timber without any competitive bidding as required under rules.

The Department explained that in mining operation it was not possible to predict the exact requirement of timber for the specific period and timber was purchased when required from the market and the record of purchase was available.

The Committee directed/recommended that the record be got verified.

The **para was kept pending.**

- 5. Para No.9.2.1.2 Pages 99 & 100 of Audit Report for the year 2010-11;
Overpayment of Leave Encashment – Rs.1.154 Million.**

2.6.2014 Audit pointed out that department paid leave encashment on full pay instead of basic pay and violated the rules.

The Department explained that BOD had approved the leave encashment on full pay instead of basic pay.

The Committee directed/recommended that the matter be got regularized by the Board.

The **para was kept pending.**

6. Para No.9.2.1.3 Page 100 of Audit Report for the year 2010-11; Non-Recovery of Advances – Rs.0.706 Million Involving Interest Loss of Rs.0.157 Million.

2.6.2014 The Department explained that principal amount of Rs.684,709/- had been recovered and got verified by Audit, while the remaining amount of Rs.21,514/- could not be recovered because the defaulter had died.

The Committee accepted the explanation of the department and **settled the para subject to** write off the amount of Rs.21,514/- by competent authority.

**OFFICE OF THE
ADVOCATE
GENERAL PUNJAB**

The Committee examined the Accounts of Office of the Advocate General Punjab in its meetings held on 10.9.2014 and 3.12.2015 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21011 / PC24011 (011) –Administration of Justice Page 465 of Appropriation Accounts for the year 2010-11.

03-Public Order And Safety Affairs

031-Law Courts

0311-Law Courts

031102-Attorneys/Legal Services

LQ5469-Advocate General.

Final Grant	Rs.262,900,000/-
Actual Expenditure	Rs.235,588,157/-
Saving	(-) Rs. 27,311,843/-
Percentage	10.39%

10.9.2014 The representative of A.G. Punjab apprised the Committee that audit comments hadn't been incorporated in the working papers.

The Committee kept the grant pending till next meeting with the direction/recommendation that audit comments should properly be incorporated in the working papers.

3.12.2015 The Department explained that the accounts had been reconciled with A.G. Punjab and saving was occurred because some posts of Additional Advocates General, Assistant Advocates General and other staff members remained vacant during the financial year due to ban imposed by the government.

The Committee directed/recommended the department that excess and surrender statement should be submitted timely in future and the **grant was settled.**

PLANNING AND DEVELOPMENT

The Committee examined the Accounts of the Planning and Development Department in its meeting held on 6.10.2015 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010 / PC24010 (010) – General Administration Pages 541 & 543 of Appropriation Accounts for the year 2010-11.

- i) 01-General Public Service
015-General Service
0152-Planning Service
015201-Planning
LQ4068-Planning & Development Department.

Final Grant	Rs.150,349,000/-
Actual Expenditure	Rs.151,682,014/-
Excess	(+) Rs. 1,333,014/-
Percentage	0.89%

6.10.2015 The Department explained that the accounts had been reconciled with A.G. Punjab and overall excess was 0.89% because the vacant slots were filled by transferring officers and officials from S&GAD. The pay against vacant slots was released in budget was of initial stage of basic scale, whereas against the vacant slots, the officers and officials transferred in P&D were already drawn pay at higher stage of basic scales as a result above budget allocation expenditure were utilized.

As the excess was related to salary which was inevitable, so the Committee **settled the item.**

- ii) 01-General Public Service
015-General Services
0152-Planning Services
015201-Planning
LQ4772-Director General Monitoring & Evaluation, P.& D. Department.

Final Grant	Rs.15,558,000/-
Actual Expenditure	Rs.13,597,200/-
Saving	(-) Rs. 1,960,800/-
Percentage	12.60%

6.10.2015 The Department explained that accounts had been reconciled with A.G. Punjab and there was 12.6% overall saving because many post of officers and officials were remained vacant during the financial year.

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

2. Grant No.PC21023 (023) – Miscellaneous Departments Page 432 of Appropriation Accounts for the year 2010-11.

01-General Public Service
015-General Services
0153-Statistics
015301-Statistics
LQ4238-Bureau of Statistics.

Final Grant	Rs.82,004,000/-
Actual Expenditure	Rs.81,516,607/-
Saving	(-) Rs. 487,393/-
Percentage	0.59%

6.10.2015 The A.G. Punjab pointed out that the budget was of Rs.82 Million while expenditure incurred by the department Rs.81 Million, along saving 0.59% of the final grant but it needed to be reconciled.

The Finance Department apprised that reconciliation was not required in this grant and this was error of the department in budget book and it required to be condoned from Finance Department.

The Committee **settled the grant subject to** condonation of re-appropriation by the Finance Department.

3. Grant No.PC21031 (031) – Miscellaneous (All Voted) Pages 544, 757, 734, 735, 755, 739 of Appropriation Accounts for the year 2010-11.

i) 01-General Public Service
015-General Services
0152-Planning Services
015201-Planning
LQ4286-Planning & Development Department.

Final Grant	Rs.22,019,000/-
Actual Expenditure	Rs.23,549,746/-
Excess	(+) Rs. 1,530,746/-
Percentage	6.95%

6.10.2015 The Department explained that there was overall 6.95% excess, because department demanded Rs.11,524,000/- for medical charges of the employees through 2nd excess and surrender statement to met the requirement for the financial year but the same was not provided by the government which resulted into excess.

The Committee **settled the item subject to** verification of record.

ii) 01-General Public Service
014-Transfers

0141-Transfers (Inter-Governmental)
014110-Others
LQ4429-Information and Technology Board.

Final Grant	Rs.460,554,000/-
Actual Expenditure	Rs.453,571,033/-
Saving	(-) Rs. 6,982,967/-
Percentage	1.52%

iii) 01-General Public Service
014-Transfers
0141-Transfers (Inter-Governmental)
014110-Others
BO4006-Grant to Cholistan Development Authority Bahawalpur.

Final Grant	Rs.62,123,000/-
Actual Expenditure	Rs.61,131,524/-
Saving	(-) Rs. 991,476/-
Percentage	1.60%

iv) 01-General Public Service
014-Transfers
0141-Transfers (Inter-Governmental)
014110-Others
LQ4427-Punjab Economic Research Institute Lahore.

Final Grant	Rs.20,584,000/-
Actual Expenditure	Rs.20,261,039/-
Saving	(-) Rs. 322,961/-
Percentage	1.57%

v) 01-General Public Service
015-General Services
0152-Planning Services
015201-Planning
LW4187-Punjab Developed Social Services Programme.

Final Grant	Rs.2,885,000/-
Actual Expenditure	Rs.2,884,823/-
Saving	(-) Rs. 177/-
Percentage	0.01%

6.10.2015 The Department explained that the accounts had been reconciled with A.G. Punjab and the savings in all above items were very nominal and within the permissible limit of 5%.

The Committee was satisfied with explanation of the department and **settled the all above items.**

- vi) 01-General Public Service
 014-Transfers
 0141-Transfers (Inter-Governmental)
014110-Others
LQ4534-Rural Project Department, Bahawalpur.

Final Grant	Rs.0/-
Actual Expenditure	Rs.16,305,870/-
Excess	(+) Rs.16,305,870/-
Percentage	100.00%

6.10.2015 The Finance Department apprised the Committee that this grant was related to Housing Department.

The Committee **deleted this grant.**

4. Grant No.PC22036 (036) – Development (All Voted) Page 547 of Appropriation Accounts for the year 2010-11.

01-General Public Service
 015-General Services
 0152-Planning Services
015201-Planning
LE4316-Planning.

Final Grant	Rs.658,854,000/-
Actual Expenditure	Rs.321,498,496/-
Saving	(-) Rs.337,355,504/-
Percentage	51.20%

6.10.2015 The Department explained that the accounts had been reconciled with A.G. Punjab and overall 51.20% saving occurred because payment of salaries could not be made due to ban on recruitment/ vacant slots of officers in some schemes. The department further explained that due to increase in prices of vehicles, machinery, equipment etc, there was excess expenditure under the heads, operating expenses and repair and maintenance physical assets.

The Committee directed/recommended that a detailed report regarding excesses and savings in this grant be submitted to PAC within one month.

The **grant was kept pending.**

Audit Para (Commercial) for the year 2010-11

- 5. Para No.6.2.1.1 Page 82 of Audit Report for the year 2010-11; Loss Due to Unauthorized Retention of Vehicle and Staff by the Minister – Rs.0.597 Million.**
-

6.10.2015 The Department explained that all the necessary action had been taken and outstanding recoveries had been made and got verified by Audit.

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

Audit Paras (DRAPP) for the year 2010-11

6. Para No.1.2.1 Pages 2 & 3 of Audit Report for the year 2010-11; Lack of System for Financial Monitoring.

6.10.2015 The Department explained that a letter containing the clear cut directions was issued to all DCOs and Executing Agencies to strictly incorporate correct codes for preparation of Statement of Expenditures (SOEs) and a copy of the letter was also endorsed to Director General Audit, DRAPP, Punjab.

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

7. Para No.1.2.2 Pages 4 & 5 of Audit Report for the year 2010-11; Overall Slow Progress of DRAPP Programme.

6.10.2015 The Audit pointed out that the department did not produce the progress report up to 11/2012 for verification and also explain the status of PC-IV and PC-V of the project and about non-completion of 46 schemes to PAC.

The Department explained that the whole record was available for verification and the project titled "Drought Emergency Relief Assistance Project" was closed with effect from 30.06.2013.

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

8. Para No.1.2.3 Page 5 of Audit Report for the year 2010-11; Unauthorized Expenditure on Account of Unauthorized Use of Motor Cycles – Rs.0.456 Million.

6.10.2015 The Department explained that as per directions of DAC, a Committee was constituted and on the recommendation of the Committee, all relevant record was examined. It had been revealed that provision for purchase of motorcycles were made in the PCs-I after approval by the competent authority and the motorcycles were purchased in the best interest of department after observing the all codal formalities.

The Committee was satisfied and **para was settled.**

Audit Paras (Works) for the year 2010-11

9. **Para No.5.2.1 Page 365 of Audit Report for the year 2010-11; Undue Financial Benefit to Contractor Due to not Obtaining Performance Security – Rs.5.64 Million.**

10. **Para No.5.2.2 Page 366 of Audit Report for the year 2010-11; Undue Financial Benefit Due to not Obtaining Additional Performance Security – R.1.78 Million.**

6.10.2015 The Audit pointed out that the Department did not taken performance guarantee from contractor in above paras and in SDAC meeting 2010 it was directed the department to obtain performance guarantee from contractor but the department did not got it.

The Department explained that:-

- i) disciplinary proceedings had been initiated against the responsables;
- ii) request had been made to Secretary, C&W to initiate proceedings against Mr Zahid Ishfar, the then Executive Engineer, CDA Bahawalpur; and
- iii) in compliance of the advice of the Finance Department, a probe had been ordered.

The Committee **kept the paras pending** till the submission of inquiry report to PAC.

11. **Para No.5.2.3 Page 367 of Audit Report for the year 2010-11; Overpayment Due to Non-Deduction of Crust – Rs.0.481 Million.**

6.10.2015 The Department explained that the amount had been recovered and record was available for verification.

The Committee **settled the para subject to** verification of final bill.

12. **Para No.5.2.4 Pages 367 & 368 of Audit Report for the year 2010-11; Overpayment Due to Allowing Price Variation to the Defaulting Contractor – Rs.0.223 Million.**

6.10.2015 The Department explained that all the necessary action had been taken and outstanding recoveries had been made and got verified by Audit.

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

POPULATION WELFARE

The Committee examined the Accounts of the Population Welfare Department in its meeting held on 3.6.2015 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010/PC24010 (010) – General Administration Pages 223 & 224 of Appropriation Accounts for the year 2010-11.

- i) 07-Health
074-Public Health Services
0741-Public Health Services
074107-Population Welfare Measures
LQ5364-Population Welfare Department.

Final Grant	Rs.27,682,000/-
Actual Expenditure	Rs.27,063,548/-
Saving	(-) Rs. 618,452/-
Percentage	2.23%

3.6.2015 The Department explained that accounts had been reconciled with A. G. Punjab and there was a nominal overall saving 2.23% of the final grant. However, excess expenditure incurred under the objects of Pay & Allowances because expenditure was ineluctable.

The Finance Department apprised the Committee that condonation had yet to be made in the sub-Heads Pay of Officer and Staff.

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

- ii) 07-Health
074-Public Health Services
0741-Public Health Services
074107-Population Welfare Measures
LQ4575-Director of P & P.

Final Grant	Rs.3,716,000/-
Actual Expenditure	Rs.0/-
Saving	(-) Rs.3,716,000/-
Percentage	100.00%

3.6.2015 The Department explained that due to the inducement of the 18th Constitution Amendment the department was not in position to utilize the funds, as the funds for 06 concerned Institutions were released at the end of June 2011 by Finance Department.

The Committee was not satisfied with the explanation of the department and showed its displeasure on non utilization of huge amount of funds. However, the **item was settled with** the directions that proper utilization of funds should be ensured in future.

2. Grant No.PC22036 (036) – Development Page 279 of Appropriation Accounts for the year 2010-11.

07-Health
074-Public Health Services
0741-Public Health Services
074107-Anti-Malaria
LE4210-Population Welfare Measures.

Final Grant	Rs.1,341,127,000/-
Actual Expenditure	Rs.1,745,551,641/-
Excess	(+) Rs. 404,424,641/-
Percentage	30.16%

3.6.2015 The Department explained that accounts had been reconciled and saving against various sub-heads occurred due to the fact that funds for the last quarter were released by the Federal Government to the department on 31.05.2011 and due to the late receipt, the funds couldn't be utilized. Moreover, the excess expenditure was incurred on account of Pay & Allowances due to the non release of funds as par PSDP by the Federal Government.

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

PUBLIC PROSECUTION

The Committee examined the Accounts of the Public Prosecution Department in its meetings held on 1.6.2015 and 5.10.2015 and made the following recommendations:-

1.6.2015 The Committee observed that overall performance of the Public Prosecution Department in dealing with the Appropriation Accounts and presentation of working papers to PAC-I was far from satisfactory. The working papers were submitted very late, almost few hours before the commencement of the meeting due to which no business relating to Public Prosecution Department could be transacted.

The Secretary to the Committee apprised the Committee that a meeting notice was issued on 5th of May 2015 followed by a D.O. letter addressed to the Secretary Public Prosecution Department on 20th May 2015 but Department submitted Working Papers very late i.e. 29th of May 2015.

The Committee took serious notice of the casual attitude of the concerned officers of the Public Prosecution Department towards the PAC business which caused loss of precious time of the Committee as well as loss of huge amount of public money and desired that displeasure of the Committee may be conveyed to the concerned officers through the Chief Secretary, Government of the Punjab Lahore.

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010 / PC24010 (010) – General Administration Pages 456 & 292 of Appropriation Accounts for the year 2010-11.

- i) 03-Public Order & Safety Affairs
036-Administration Public Order
0361-Administration
036101-Secretariat/Administration
LQ5276-Public Prosecution Department.

	<u>A.G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.39,792,000/-	Rs.39,792,000/-
Actual Expenditure	Rs.37,647,352/-	Rs.37,139,664/-
Saving	(-) Rs. 2,144,648/-	Rs. 2,652,336/-
Percentage	5.39%	6.67%

5.10.2015 The Department explained that accounts had been reconciled with A.G. Punjab and posts of clerical staff by the S&GAD were not filled due to which 6.67% saving was occurred.

The Committee was satisfied with the reply of the department and the **item was settled.**

- ii) 03-Public Order & Safety Affairs

036-Administration Public Order
0361-Administration
036101-Secretariat/Administration
LQ5283-Prosecutor General.

Final Grant	Rs.814,562,000/-
Actual Expenditure	Rs.626,914,427/-
Saving	(-) Rs.187,647,573/-
Percentage	23.04%

5.10.2015 The Department explained that accounts had been reconciled with A.G. Punjab and recruitment process for different posts was not completed and certain posts were remained vacant during the period due to which saving was occurred.

The Committee was satisfied with the contention of the department and the **item was settled.**

**PROVINCIAL
ASSEMBLY OF THE
PUNJAB**

The Committee examined the Accounts of the Provincial Assembly of the Punjab in its meeting held on 3.7.2015 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010/PC24010 (010) – General Administration Pages 531 to 533 of Appropriation Accounts for the year 2010-11.

- i) 01-General Public Service
011-Executive & Legislative Organs, Financial
0111-Executive & Legislative Organs
011101-Parliamentary/Legislative Affairs
LQ4053-Provincial Assembly.

Final Grant	Rs.338,622,000/-
Actual Expenditure	Rs.337,480,076/-
Saving	(-) Rs. 1,141,924/-
Percentage	0.34%

3.7.2015 The Department explained that there was an overall saving of Rs.1,141,924/- which was 0.34 % of the final grant. However nominal excess expenditures had been incurred under the sub-heads of Pay & Allowances due to the unexpected reversal of Ministers/Parliamentary Secretaries from the Cabinet.

Keeping in view the special circumstances narrated above, the Committee accepted the explanation of the department and **settled the item.**

- ii) 01-General Public Service
011-Executive & Legislative Organs, Financial
0111-Executive & Legislative Organs
011101-Parliamentary/Legislative Affairs
LQ4054-Provincial Assembly (Charged).

Final Grant	Rs.3,881,000/-
Actual Expenditure	Rs.3,667,106/-
Saving	(-) Rs. 213,894/-
Percentage	5.51%

3.7.2015 The Department explained that saving mainly occurred under due to less expenditure under the sub-head of Operating Expenses due to the less expenditure on account of TA/DA (Local) and Delegation Abroad of Hon'ble Speaker and Deputy Speaker.

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

- iii) 01-General Public Service
011-Executive & Legislative Organs, Financial

0111-Executive & Legislative Organs
011101-Parliamentary/Legislative Affairs
LQ4055-Provincial Assembly Department (Charged).

Final Grant	Rs.386,814,000/-
Actual Expenditure	Rs.374,240,064/-
Saving	(-) Rs. 12,573,936/-
Percentage	3.25%

3.7.2015 The Department explained that saving under the sub-head of Operating Expenses had occurred due to lesser expenditure on account of Utility bills, Telephone Charges etc. Whereas, bulk of the saving, under the sub-heads of Physical Assets was due to the fact that funds reserved for maintenance of the heavy machinery, security and computer equipment, couldn't be utilized.

The Committee accepted the explanation of the department and **settled the item**. The Committee appreciated the presentation of working papers by the Assembly Secretariat and desired that this format should be followed by other administrative departments.

Audit Paras (Civil) for the year 2010-11

2. **Para No.10.2.7 Page 280 of Audit Report for the year 2010-11; Irregular Payment of Residential Telephone Charges – Rs.2.380 Million.**
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3.7.2015 The Department explained that all the necessary actions in respect of above para had already been taken and relevant record had also been got verified by Audit.

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

3. **Para No.10.2.8 Pages 280 & 281 of Audit Report for the year 2010-11; Non Recovery of Room Rent Charges – Rs.2.308 Million.**
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Sr. No.1 Recovery of Room Rent Charges – Rs.1,604,000/-

3.7.2015 The Department explained that out of Rs.1,604,000/- a sum of Rs.1,292,725/- had been recovered and verified by Audit on account of room rent charges from the ex-Parliamentary Secretaries and efforts were being made for balance recovery.

The Committee reduced the para to the extent of recovered and verified amount.

The **para was kept pending**.

Sr. No.II Recovery of Room Rent Charges – Rs.703,900/-

3.7.2015 The Department explained that total amount had been recovered and verified by Audit.

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

SCHOOL EDUCATION

The Committee examined the Accounts of the School Education Department in its meetings held on 9.4.2014, 10.4.2014, 11.4.2014, 11.8.2015 and 8.9.2016 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

9.4.2014 The Committee showed its displeasure over the late submission of working papers. All the members of the Committee expressed their concern that without having a look into the working papers they would not be able to contribute in the meeting. The Committee reiterated its previous instructions that working papers should reach to PAC at least one week before the meeting so that all the members study thoroughly and can positively contribute in the meeting.

The Committee was not satisfied with the explanation of the department and the meeting was adjourned with a displeasure to the departments by the Chairman.

1. Grant No.PC21010/PC24010 (010) – General Administration Pages 104 & 105 of Appropriation Accounts for the year 2010-11.

- i) 09-Education Affairs & Services
093-Tertiary Education Affairs & Services
0931-Tertiary Education Affairs & Services
093103-Administration
LQ4451-School Education Department.

Final Grant	Rs.81,615,000/-
Actual Expenditure	Rs.79,884,152/-
Saving	(-) Rs. 1,730,848/-
Percentage	2.12%

10.4.2014 The Department explained that accounts had been reconciled with A.G. Punjab and over all savings was 2.12% which was within the permissible limit.

The above item was settled.

- ii) 09-Education Affairs & Services
093-Tertiary Education Affairs & Services
0931-Tertiary Education Affairs & Services
093103-Administration
LQ4766-Monitoring and Evaluation Cell.

Final Grant	Rs.6,975,000/-
Actual Expenditure	Rs.6,302,065/-
Saving	(-) Rs. 672,935/-
Percentage	9.65%

10.4.2014 The Department explained that accounts had been reconciled with A. G. Punjab and saving was occurred because the money was held for anticipated repair work of vehicles which could not be utilized.

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

2. Grant No.PC21015 (015) – Education (All Voted) Pages 107 to 146 of Appropriation Accounts for the year 2010-11.

- i) 09-Education Affairs & Services
091-Pre & Primary Education Affairs & Services
0911-Pre & Primary Education Affairs & Services
091103-Administration
LQ4478-Direction (Elementary Education LO4138).

Final Grant	Rs.39,066,000/-
Actual Expenditure	Rs.37,462,755/-
Saving	(-) Rs. 1,603,245/-
Percentage	4.10%

10.4.2014 The Department explained that accounts had been reconciled with A. G. Punjab and saving was occurred due to vacant posts and less expenditure under the sub head of repair and maintenance which could not be utilized.

The Committee was satisfied with the explanation of the department and **the item was settled.**

- ii) 09-Education Affairs & Services
091-Pre & Primary Education Affairs & Services
0911-Pre & Primary Education Affairs & Services
091120-Others
LQ4480-Elementary Teachers Training College.

Final Grant	Rs.611,343,000/-
Actual Expenditure	Rs.597,549,211/-
Saving	(-) Rs. 13,793,789/-
Percentage	2.26%

10.4.2014 The Department explained that accounts had been reconciled with A. G. Punjab and the overall saving was 2.26%, which was within the permissible limit.

The Committee observed that there was an excess of Rs.36 (Million) which came to 66.71% under the sub head of A012-2. The Committee directed/recommended the department to probe the matter of too much excess and report be submitted to PAC-I within 90 days.

The item was kept pending.

11.8.2015 The Department explained that excess expenditure had been incurred under the sub-head of Other Allowances because few claims of medical reimbursement received very late after the submission of 2nd Statement of Excess & Surrenders.

The Committee accepted the explanation of department and settled the item subject to condonation of excess expenditure by Finance Department.

8.9.2016 The Department explained that in compliance with last PAC directive, the excess expenditures in sub-head A012-2 “Other Allowances” had been condoned from the Finance Department.

The Committee was satisfied with the explanation of department and **the item was settled.**

- iii) 09-Education Affairs & Services
092-Secondary Education Affairs and Services
0921-Secondary Education Affairs and Services
092102-Administration
LQ4479-Direction (Secondary Education) (LO4139).

Final Grant	Rs.37,517,000/-
Actual Expenditure	Rs.36,650,287/-
Saving	(-) Rs. 866,713/-
Percentage	2.31%

- iv) 09-Education Affairs & Services
092-Secondary Education Affairs and Services
0921-Secondary Education Affairs and Services
092120-Others
LQ4487-Govt. Central Model School Lahore.

Final Grant	Rs.59,721,000/-
Actual Expenditure	Rs.59,606,000/-
Saving	(-) Rs. 115,000/-
Percentage	0.19%

- v) 09-Education Affairs & Services
092-Secondary Education Affairs and Services
0921-Secondary Education Affairs and Services
092120-Others
LQ4492-Punjab Education Assessment System (PEAS).

Final Grant	Rs.26,156,000/-
Actual Expenditure	Rs.25,515,916/-
Saving	(-) Rs. 640,084/-
Percentage	2.45%

- vi) 09-Education Affairs & Services
 092-Secondary Education Affairs and Services
 0921-Secondary Education Affairs and Services
092120-Others
LQ4494-Miscellaneous Grants School EDU (LO5318).

Final Grant	Rs.6,611,236,000/-
Actual Expenditure	Rs.6,586,736,502/-
Saving	(-) Rs. 24,499,498/-
Percentage	0.37%

10.4.2014 The Department explained that accounts had been reconciled with A.G. Punjab and over all savings were within the permissible limit.

The above items were settled.

- vii) 09-Education Affairs & Services
 092-Secondary Education Affairs and Services
 0921-Secondary Education Affairs and Services
092102-Administration
LQ4481-Programe Management & Implementation (PESRP).

Final Grant	Rs.2,537,755,000/-
Actual Expenditure	Rs.1,974,767,553/-
Saving	(-) Rs. 562,987,447/-
Percentage	22.18%

10.4.2014 The Department explained that accounts had been reconciled with A. G. Punjab and saving was occurred due to vacant posts which could not be filled within the financial year. The department further explained that the purchases were not made due to ban on purchase of durable goods.

The Committee was satisfied with the explanation of the department and **the item was settled.**

- viii) 09-Education Affairs & Services
 093-Tertiary Education Affairs & Services
 0931-Tertiary Education Affairs & Services
093103-Administration
LQ4144-Education Management Information System.

Final Grant	Rs.0/-
Actual Expenditure	Rs.410,508/-
Excess	(+) Rs.410,508/-
Percentage	100.00%

- ix) 09-Education Affairs & Services
 093-Tertiary Education Affairs & Services

0931-Tertiary Education Affairs & Services
093103-Administration
LQ4510-Grant in Aid to School Councils in Punjab.

Final Grant	Rs.0/-
Actual Expenditure	Rs.87,120/-
Excess	(+) Rs.87,120/-
Percentage	100.00%

- x) 09-Education Affairs & Services
092-Secondary Education Affairs and Services
0921-Secondary Education Affairs and Services
092102-Administration
LQ5366-Grant in Aid to School Councils in the Punjab.

Final Grant	Rs.1,236,770,000/-
Actual Expenditure	Rs.1,251,507,390/-
Excess	(+) Rs. 14,737,390/-
Percentage	1.19%

10.4.2014 The A.G. Punjab pointed out that reconciliation of the accounts had yet to be made.

The Committee settled these items subject to reconciliation with A.G. Punjab.

	<u>A.G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.1,236,770,000/-	Rs.1,251,210,000/-
Actual Expenditure	Rs.1,251,507,390/-	Rs.1,217,629,500/-
Excess/Saving	(+) Rs. 14,737,390/-	(-) Rs. 33,580,500/-
Percentage	1.19%	2.68%

11.8.2015 On the recommendation of A.G. Punjab the Committee **settled the item.**

- xi) 09-Education Affairs & Services
092-Secondary Education Affairs and Services
0921-Secondary Education Affairs and Services
092120-Others
LQ4002-Cadet College Hassanabdal.

Final Grant	Rs.71,660,000/-
Actual Expenditure	Rs.71,660,000/-
Excess/Saving	Rs.0/-
Percentage	0.00%

- xii) 09-Education Affairs & Services

092-Secondary Education Affairs and Services
 0921-Secondary Education Affairs and Services
092120-Others
BO4008-Sadiq Public High School Bahawalpur.

Final Grant	Rs.20,000,000/-
Actual Expenditure	Rs.20,000,000/-
Excess/Saving	Rs.0/-
Percentage	0.00%

10.4.2014 The Department explained that accounts had been reconciled with A.G. Punjab and the grant was fully utilized in the above items with no saving or excess.

The Committee **settled the above items.**

xiii) 09-Education Affairs & Services
 092-Secondary Education Affairs and Services
 0921-Secondary Education Affairs and Services
092120-Others
LQ4483-Punjab Examination Commission Lahore.

Final Grant	Rs.519,750,000/-
Actual Expenditure	Rs.446,167,182/-
Saving	(-) Rs. 73,582,818/-
Percentage	14.16%

10.4.2014 The Department explained that accounts had been reconciled with A. G. Punjab and saving was occurred due to vacant posts. The department further explained that there was ban on purchase of physical assets and funds were not utilized.

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

xiv) 09-Education Affairs & Services
 092-Secondary Education Affairs and Services
 0921-Secondary Education Affairs and Services
092120-Others
LQ4493-Chief Minister Monitoring Force / MON.

Final Grant	Rs.188,640,000/-
Actual Expenditure	Rs.160,475,714/-
Saving	(-) Rs. 28,164,286/-
Percentage	14.93%

10.4.2014 The Department explained that overall saving was occurred due to 93 vacant posts because of ban on recruitments.

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

- xv) 09-Education Affairs & Services
 092-Secondary Education Affairs and Services
 0921-Secondary Education Affairs and Services
092120-Others
LQ4496-In Service Teachers Training (LO 5319).

Final Grant	Rs.1,472,571,000/-
Actual Expenditure	Rs.1,394,850,181/-
Saving	(-) Rs. 77,720,819/-
Percentage	5.28%

10.4.2014 The Department explained that the budget of vacant posts of DTEs (non-Gazetted) staff in field was surrendered in 2nd statement of excess and surrender and it was anticipated that Rs.257.638 million would be sufficient. Later on, the competent authority decided to recruit the DTEs against the vacant posts for successful implementation of the CPD programme and as a result some excess was occurred in one head of the accounts while accounts had been reconciled with A. G. Punjab and overall saving was 5.28%.

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

- xvi) 09-Education Affairs & Services
 095-Subsidiary Services to Education
 0951-Subsidiary Services to Education
095101-Archives Library and Museums
LQ4418-Children Library Complex Lahore.

	<u>A. G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.56,162,000/-	Rs.26,820,000/-
Actual Expenditure	Rs.19,571,680/-	Rs.19,571,680/-
Saving	Rs.36,590,320/-	Rs. 7,248,320/-
Percentage	65.15%	27.02%

10.4.2014 The A.G. Punjab pointed out that reconciliation of the accounts had yet to be made.

The Committee kept the item pending for reconciliation with Finance Department and A.G. Punjab.

Final Grant	Rs.56,162,000/-
Actual Expenditure	Rs.19,571,680/-
Saving	Rs.36,590,320/-
Percentage	65.15%

11.8.2015 The Department explained that in compliance of the directions of the PAC, reconciliation of the budget figure had been done with Finance Department and the expenditures had yet to be reconciled with A.G. Punjab.

The item was settled subject to the reconciliation of accounts with A.G. Punjab.

8.9.2016 The Department explained that in compliance with last PAC directive, the expenditures had been reconciled with Accountant General Punjab.

The Committee was satisfied with reply of department and **the item was settled.**

3. Grant No.PC21015 (015) – Education (All Voted) Page 118 of Appropriation Accounts for the year 2010-11.

09-Education Affairs And Services
092-Secondary Education Affairs And Services
0921-Secondary Education Affairs And Services
092120-Others
LQ4497-Lawrence College Ghora Gali Murree.

Final Grant	Rs.10,596,000/-
Actual Expenditure	Rs.10,596,000/-
Excess/Saving	() Rs.0/-
Percentage	0.00%

11.8.2015 The Department explained that figures had been reconciled with A.G. Punjab and all the allocated funds had been fully utilized.

The grant was accordingly settled.

4. Grant No.PC22036 (036) – Development (All Voted) Pages 148 & 150 of Appropriation Accounts for the year 2010-11.

i) 09-Education Affairs And Services
091-Pre. & Primary Education Affairs & Services
0911- Pre. & Primary Education Affairs & Services
091102-Primary
LE4303-Primary.

Final Grant	Rs.102,347,000/-
Actual Expenditure	Rs. 80,135,455/-
Saving	(-) Rs. 22,211,545/-
Percentage	21.70%

11.8.2015 The Department explained that saving mainly occurred under the sub-head of Operating Expenses because funds were released very late so that it could not be utilized.

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

- ii) 09-Education Affairs And Services
092-Secondary Education And Affairs
0921- Secondary Education And Affairs
092101-Secondary Education
LE4299-Secondary Education.

Final Grant	Rs.9,402,647,000/-
Actual Expenditure	Rs.3,823,184,396/-
Saving	(-) Rs.5,579,462,604/-
Percentage	59.34%

11.8.2015 The Department explained that bulk of the saving occurred the sub-head of Civil Works due to the fact that considerable amount of funds for the development schemes were released by the Finance Department during the months of May and June of the corresponding financial year 2010-11. Due to late receipt, huge amount of funds couldn't be utilized.

A.G. Punjab pointed out that reconciliation of accounts had yet to be made.

The item was settled subject to the reconciliation of accounts with A.G. Punjab.

8.9.2016 The Department explained that in compliance with last PAC directive, the expenditures had been reconciled with Accountant General Punjab.

The Committee was satisfied with reply of department and **the item was settled.**

Audit Paras (Commercial) for the year 2010-11

- 5. **Para No.2.2.1.1 Pages 46 & 47 of Audit Report for the year 2010-11; Unauthorized Placement of Funds in Commercial Banks – Rs.52.448 Million.**

10.4.2014 Audit pointed out that the management of PEF deposited Rs.52,448,399/- in National Bank of Pakistan, Royal Bank of Scotland and Faysal Bank Limited instead of Bank of Punjab during 2008-09 in contradiction of the instructions of the Finance Department.

The Department explained that in compliance of Finance Committee decision, money was shifted in the Bank of Punjab after maturity of TDRs invested in

commercial banks and bank account maintained in Faysal Bank Limited was closed, National Bank account was used for salary of regular employees.

The Finance Department stated that there were clear instructions from the Government that Govt. money should be kept in Bank of Punjab whereas the Punjab Education Foundation was violating the Govt. instructions and was maintaining its accounts in private banks.

The Committee directed/recommended the department that all the funds should be transferred in Bank of Punjab within 3 months as per instructions of the Government of Punjab and report to PAC.

The para was kept pending.

11.8.2015 The Department explained that all the necessary actions in respect of above para had already been taken and relevant record had also been got verified by Audit.

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

6. Para No.2.2.1.2 Page 47 of Audit Report for the year 2010-11; Irregular Payment in Violation of Government Policy – Rs.1.688 Million.

10.4.2014 Audit pointed out that contract employees were not entitled of medical facility whereas Rs.1.688 million was paid to the contract employees in violation of Govt. instructions. It was further informed that SDAC had already directed the department that the expenditure be got regularized which was not complied with.

The Committee directed/recommended that the expenditures involved in this para be got regularized by the Finance Department.

The para was settled subject to regularization by Finance Department.

11.8.2015 The Department explained that all the necessary actions in respect of above para had already been taken and relevant record had also been got verified by Audit.

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

7. Para No.2.2.1.3 Page 48 of Audit Report for the year 2010-11; Unjustified Payment on Account of Project Allowance – Rs.0.840 Million.

10.4.2014 The Department was of the view that it was an autonomous body justifying the project allowance whereas the Finance Department was not agreed with it.

The Finance Department explained that project allowance to the regular employees was not acceptable under the Govt. instructions. It was further informed that

even after the direction of SDAC the expenditure could not got regularized from the Finance department.

The Committee directed/recommended that an advice in this regard be obtained from the Finance Department and the matter should be regularized by the Finance Department.

The above para was kept pending.

11.8.2015 The Department explained that according PEF Act, Rules and Regulations the board of PEF was fully competent to approve the allowances/incentives for the employees of the foundation. Accordingly the Project Allowance for the regular employees of the PEF was approved by Faineance Committee of the Board of Directors in its 10th meeting held on 27 December 2007.

Audit and Director (Monitoring), Finance Department contended that such allowances couldn't be paid without the prior approval of the Finance Department.

The para was kept pending.

8.9.2016 The Department explained that according to PEF Act, the Board of PEF was fully competent to approve the Allowance for employees of PEF.

The Finance Department was not agree with the contention of department and stated that any allowance could not be allowed without the approval of Finance Department.

The Committee directed/recommended the department to regularize said allowance by Finance Department.

The para was kept pending.

8. Para No.2.2.1.4 Pages 48 & 49 of Audit Report for the year 2010-11; Loss Due to Undue Favour to the Highest Bidder – Rs.0.622 Million.

10.4.2014 The Department was of the view that it was an autonomous body justifying the project allowance whereas the Finance Department was not agreed with it.

The Finance Department explained that project allowance to the regular employees was not acceptable under the Govt. instructions. It was further informed that even after the direction of SDAC the expenditure could not got regularized from the Finance department.

The Committee directed/recommended that an advice in this regard be obtained from the Finance Department and the matter should be regularized by the Finance Department.

The above para was kept pending.

11.8.2015 The Department explained that the said generators were purchased by the recommendation of the Finance Committee of the Board of Directors.

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

9. Para No.2.2.1.5 Pages 49 & 50 of Audit Report for the year 2010-11; Loss Due to Non Deduction of Sales Tax – Rs.0.180 Million.

10.4.2014 Audit pointed out that the required verification in the para had yet to be made.

The Committee kept the para pending with the direction/recommendation to produce the record to audit for verification.

11.8.2015 The Department explained that all the relevant record in support of departmental contention was available for verification by Audit.

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

8.9.2016 The Department explained that major amount had been recovered and verified by Audit and only an immaterial amount of Rs.2,396/- was pending for verification and the said company M/s Ghorla Monitor House had closed its business due to which documentary evidence could not be obtained.

The Committee was satisfied with the reply of department and **the para was settled.**

10. Para No.2.3.1.1 Page 51 of Audit Report for the year 2010-11; Financial Results.

10.4.2014 The Department was of the view that it was an autonomous body justifying the project allowance whereas the Finance Department was not agreed with it.

The Finance Department explained that project allowance to the regular employees was not acceptable under the Govt. instructions. It was further informed that even after the direction of SDAC the expenditure could not be regularized from the Finance department.

The Committee directed/recommended that an advice in this regard be obtained from the Finance Department and the matter should be regularized by the Finance Department.

The above para was kept pending.

11.8.2015 The Department explained that administrative costs and pay and allowances of the staff were fixed expenditure and according to rules & regulations of the Government of Punjab.

The Committee observed that performance of Punjab Teacher's Foundation was far away from its main objectives and directed/recommended that funds should be utilized for the benefit of serving and retired teachers of the Punjab. It was also noticed that Foundation didn't distribute any cash award/financial assistance for last several years.

The Committee directed/recommended that SOP's and rules be prepared for the welfare of teachers within 90 days.

The Committee further directed/recommended that an inquiry be held regarding irregularity as nobody could be served against the scope of authority.

The para was kept pending.

8.9.2016 The Department explained that in compliance with last PAC directive, SOPs/TORs had been framed for the welfare of Teachers and a Financial Assistance Scheme for Hepatitis-C patients for both in service and retired teachers of Punjab government had been launched by the Punjab Teachers Foundation.

The Committee was satisfied with the explanation of department and settled the para.

Audit Paras (Civil) for the year 2010-11

11. Para No.1.2.4 Pages 10 & 11 of Audit Report for the year 2010-11; Loss Due to Theft of Motorcycles & Laptop – Rs.0.482 Million.

1.2.4.1 Chief Minister's Monitoring Force, Lahore on Education (School) Department – Rs.355,000/-

11.4.2014 The Department explained that 2 motorcycles were snatched from Attock and Sheikupura and department had written a letter to both DPOs for tracing motorcycles and in another case inquiry had been conducted by the DMO and it was found that the officials were innocent and FIR had got registered against thieves.

The Committee directed/recommended that inquiries be held again in all the cases involved in this para by the concerned DPOs.

The para was kept pending.

11.8.2015 The Department explained that out of 05 districts, inquiries of 03 districts had been finalized. However, the inquiries reports from CCPO Lahore and DPO Shaikhupura were still awaited.

The para was settled subject to write off the amount and the Committee directed/recommended that a case to write off the amount be put up to the Finance Department.

8.9.2016 The Department explained that in compliance with last PAC directive, the matter had been forwarded to Finance Department for written-off and later Finance Department had directed that department should inquire the matter and Administrative Secretary had written-off the said amount after inquiring the whole matter.

The Committee was satisfied with the contention of department and **the para was settled.**

12. Para No.1.2.25 Pages 39 & 40 of Audit Report for the year 2010-11; Irregular Purchases – Rs.50.643 Million.

1.2.25(5) Directorate of Staff Development Lahore (AIR.04) – Rs.8,145,589/- and (AIR.03) – Rs.9,289,493/-

11.4.2014 The Department explained that the purchases were made according @ 3.5 % to the rules and procedure. All the relevant record was available for verifications.

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

11.8.2015 The Department explained that the purchases were made and income tax @ 3.5 according to the Income Tax Ordinance, 2001 and all the relevant record was available for verification by Audit.

The **para was settled.**

13. Para No.1.2.28 Pages 43 & 44 of Audit Report for the year 2010-11; Misuse of Amount Deducted as Income Tax – Rs.9.273 Million.

11.4.2014 The Department explained that Rs.8,010,576/- had been deposited in the Government Treasury and Rs.1,261,000/- were exempted. All the record was available for verification by Audit.

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

11.8.2015 The Department explained that an amount of Rs.9,583,713/- had been deposited into the Government treasury on 02.03.2012 and 30.6.2012.

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

14. Para No.1.2.29 Pages 44 & 45 of Audit Report for the year 2010-11; Non Deposit of Income Tax – Rs.1.101 Million.

- 15. Para No.1.2.30 Pages 45 & 46 of Audit Report for the year 2010-11; Non/Less Deduction of Income Tax – Rs.4.126 Million.**
-

1.2.30(5) Directorate of Staff Development, Lahore – Rs.28,456/-

11.4.2014 The Department explained that all the necessary actions had been taken and outstanding recoveries had been made in respect of the above paras and got verified by Audit.

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

- 16. Para No.1.2.35 Page 50 of Audit Report for the year 2010-11; Lapse of SDA Funds Due to Non Surrendering – Rs.393.535 Million.**
-

11.4.2014 The Department explained that funds were not surrendered to cope with the expenses to be incurred on teachers training during summer vacations for which case for drawl of advance was pending in the Finance Department.

The Committee **settled the para with the warning that** department be careful in future and should follow the rules strictly.

**SERVICES AND
GENERAL
ADMINISTRATION**

The Committee examined the Accounts of the Services and General Administration Department in its meeting held on 5.10.2015 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010/PC24010 (010) – General Administration Pages 555 to 574 of Appropriation Accounts for the year 2010-11.

- i) 01-General Public Service
011-Executive & Legislative Organs, Financial
0111-Executive & Legislative Organs
011103-Provincial Executive
LQ4058-Chief Ministers Secretariat.

Final Grant	Rs.324,647,000/-
Actual Expenditure	Rs.319,187,892/-
Saving	(-) Rs. 5,459,108/-
Percentage	1.68%

- ii) 01-General Public Service
011-Executive & Legislative Organs, Financial
0111-Executive & Legislative Organs
011103-Provincial Executive
LQ4059-Ministers.

Final Grant	Rs.153,976,000/-
Actual Expenditure	Rs.148,708,541/-
Saving	(-) Rs. 5,267,459/-
Percentage	3.42%

- iii) 01-General Public Service
011-Executive & Legislative Organs, Financial
0111-Executive & Legislative Organs
011110-General Commission & Enquiries
LQ4092-Public Service Commission.

Final Grant	Rs.152,165,000/-
Actual Expenditure	Rs.150,331,118/-
Saving	(-) Rs. 1,833,882/-
Percentage	1.21%

- iv) 01-General Public Service
015-General Service
0151-Personal Services
015101-Establishment Services & General Administration
LQ4090-Director General Protocol.

Final Grant	Rs.37,969,000/-
Actual Expenditure	Rs.37,915,689/-
Saving	(-) Rs. 53,311/-
Percentage	0.14%

- v) 01-General Public Service
015-General Service
0151-Personal Services
015101-Establishment Services & General Administration
LQ4445-Inter Provincial Coordination Wing of S&GAD.

Final Grant	Rs.5,526,000/-
Actual Expenditure	Rs.5,525,696/-
Saving	(-) Rs. 304/-
Percentage	0.01%

- vi) 03-Public Order & Safety Affairs
031-Law Courts
0311-Law Courts
031101-Courts/Justice
LQ4091-Punjab Services Tribunal.

Final Grant	Rs.39,323,000/-
Actual Expenditure	Rs.38,517,085/-
Saving	(-) Rs. 805,915/-
Percentage	2.05%

5.10.2015 The Department explained that the accounts had been reconciled with A.G. Punjab.

The Committee was satisfied with explanation of the department and **settled the all above items.**

- vii) 01-General Public Service
011-Executive & Legislative Organs, Financial
0111-Executive & Legislative Organs
011104-Administrative Inspection
LQ4060-Chief Minister Inspection Team.

Final Grant	Rs.40,902,000/-
Actual Expenditure	Rs.43,465,192/-
Excess	(+) Rs. 2,563,192/-
Percentage	6.27%

5.10.2015 The Department explained that accounts had been reconciled with A.G. Punjab and overall 6.27% excess was occurred because two Chairmen C.M.I.T., three members, Secretary and staff were paid arrears.

The Committee accepted the explanation of the department and the **item was settled subject to** condonation of excess expenditure by Finance Department.

- viii) 01-General Public Service
011-Executive & Legislative Organs, Financial
0111-Executive & Legislative Organs
011104-Administrative Inspection
LQ4061-Provincial Ombudsman.

Final Grant	Rs.94,469,000/-
Actual Expenditure	Rs.91,813,789/-
Saving	(-) Rs. 2,655,211/-
Percentage	2.81%

- ix) 01-General Public Service
015-General Service
0151-Personal Services
015101-Establishment Services General Administration
LQ4063-Services and General Administration Department.

Final Grant	Rs.918,138,000/-
Actual Expenditure	Rs.902,077,358/-
Saving	(-) Rs. 16,060,642/-
Percentage	1.75%

- x) 01-General Public Service
015-General Service
0151-Personal Services
015101-Establishment Services General Administration
LQ5994-Public Policy & Change Management Wing S&GAD.

Final Grant	Rs.6,257,000/-
Actual Expenditure	Rs.5,895,744/-
Saving	(-) Rs. 361,256/-
Percentage	5.77%

5.10.2015 The A.G. Punjab pointed out that reconciliation of the accounts had yet to be made in above items.

The Committee **settled the above items subject to** reconciliation with A.G. Punjab.

- xi) 01-General Public Service
015-General Service
0151-Personal Services
015101-Establishment Services & General Administration
LQ4504-VIP Flight Maintenance Operation Cell.

Final Grant	Rs.63,872,000/-
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Actual Expenditure	Rs.59,873,260/-
Saving	(-) Rs. 3,998,740/-
Percentage	6.26%

5.10.2015 The Department explained that accounts had been reconciled with A.G. Punjab and overall saving was 6.26% which occurred because funds were kept in order to meet the VIP Flight requirement and funds were not surrendered to avoid any inconvenience to the VIPs.

The Committee accepted the explanation of the department and on the recommendation of Finance Department **the item was settled.**

- xii) 01-General Public Service
015-General Service
0151-Personal Services
015101-Establishment Services General Administration
LQ4507-Aviation Flight (RW).

Final Grant	Rs.214,487,000/-
Actual Expenditure	Rs.193,859,548/-
Saving	(-) Rs. 20,627,452/-
Percentage	9.62%

5.10.2015 The Department explained that accounts had been reconciled with A.G. Punjab and saving was occurred because some posts were remained vacant during the financial year. The department further stated that money for medical charges was kept to meet emergency needs of the employees.

The Committee was satisfied with the explanation of the department and on the recommendation of the Finance Department **the item was settled.**

- xiii) 03-Public Order & Safety Affairs
032-Police
0321-Police
032108-Economic Crime Investigation
LQ4093-Anti Corruption Establishment.

Final Grant	Rs.406,842,000/-
Actual Expenditure	Rs.353,644,287/-
Saving	(-) Rs. 53,197,713/-
Percentage	13.08%

5.10.2015 The Department explained that accounts had been reconciled with A.G. Punjab and saving was occurred because 46 posts of Gazzetted officers and 206 posts of non-Gazzetted staff were advertised for recruitment in different region of Punjab but due to flood and Financial crunch the recruitment had been postponed.

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

xiv) 03-Public Order & Safety Affairs
032-Police
0321-Police
032108-Economic Crime Investigation
LQ4094-Special Judges Anti Corruption Courts.

Final Grant	Rs.44,073,000/-
Actual Expenditure	Rs.50,153,611/-
Excess	(+) Rs. 6,080,611/-
Percentage	13.80%

5.10.2015 The Department explained that accounts had been reconciled with A.G. Punjab and there was overall excess of 13.8% which occurred because some vacant posts of BPS 1-16 were filled on account of which salaries were drawn that resulted in excess payment under the head of pay of Staff. The department further explained that some posts of judges were upgraded from BS-20 to BS-21 due to which the drivers attached with such judges become entitled for over time that resulted in excess payment.

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

2. Grant No.PC21031 (031) – Miscellaneous (All Voted) Page 580 of Appropriation Accounts for the year 2010-11.

01-General Public Service
011-Executive and Legislative Organs, Financial
0111-Executive and Legislative Organs
011110-General Commission & Enquiries
LQ4284-Official Language Committee.

Final Grant	Rs.6,352,000/-
Actual Expenditure	Rs.6,359,525/-
Excess	(+) Rs. 7,525/-
Percentage	0.12%

5.10.2015 The Department explained that accounts had been reconciled and excess was occurred because Government of the Punjab announced adhoc relief @ 50% of the basic pay and 15% of the medical allowance which was paid to the employees during the financial year.

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

3. Grant No.PC21031 (031) – Miscellaneous (All Voted) Page 581 of Appropriation Accounts for the year 2010-11.

01-General Public Service

011-Executive and Legislative Organs, Financial

0112-Financial and Fiscal Affairs

011250-Others

LQ4285-Government Contribution to Group Insurance of Employees.

	<u>A.G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.43,773,000/-	Rs.43,773,355/-
Actual Expenditure	Rs.43,773,355/-	Rs.43,773,355/-
Excess/Saving	(+) Rs. 355/-	Rs.0/-
Percentage	0.00%	0.00%

4. Grant No.PC24045 (045) – Privy Purses: (All Charged) Page 584 of Appropriation Accounts for the year 2010-11.

01-General Public Service

019-Genneral Public Services not Elsewhere Definable

0191-General Public Services not Elsewhere Definable

019120-Others

LQ4319-Maintenancce Allowance to Ex-Rulers (Charged).

Final Grant	Rs.1,600,000/-
Actual Expenditure	Rs.1,600,000/-
Excess/Saging	() Rs. 0/-
Percentage	0.00%

5.10.2015 The Department explained that accounts had been reconciled with A.G. Punjab and the grants were fully utilized with no saving or excess in above items. Therefore, **the grants were settled.**

Audit Paras (Civil) for the year 2010-11

5. Para No.10.2.1 Pages 274 & 275 of Audit Report for the year 2010-11; Irregular Expenditure on the Entertainment and Gifts – Rs.23.022 Million.

5.10.2015 The Department explained that on the directions of the CM expenditure was incurred on entertainment and purchase of gifts for VIPS on the eleventh hour to meet the deadlines under abnormal circumstances. The department further explained that the procurement was made on urgent basis under Rule 59-D(iii) of PPRA Rules 2009.

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

**6. Para No.10.2.2 Pages 275 & 276 of Audit Report for the year 2010-11;
Non Recovery of Penal Rent from Occupants of Government
Accommodations – Rs.3.955 Millions.**

5.10.2015 The Department explained that the actual recoverable amount was Rs.2,822,549/- out of which Rs.1,280,703/- had been recovered while Audit accounted the recoverable amount of Rs.3,959,560/-.

The Audit apprised the Committee that there was difference of amount between Audit and Department. So, it needed reconciliation.

The Committee reduced the para to the recovered amount which had been verified by Audit and **kept the para pending for** reconciliation by Audit.

**7. Para No.10.2.3 Page 276 of Audit Report for the year 2010-11;
Irregular Payment of Previous Liabilities – Rs.1.178 Million.**

5.10.2015 The Department explained that the expenditure on account of entertainment could not assess before time because it reflects with schedule of Chief Minister engagements and expenditure occurred during the end of financial year 2008-2009 were not cleared due to the non availability of funds and expenditure for the financial year 2008-09 were cleared in the next financial year with completing all codal formalities and sanction from competent authority. The Finance Department endorsed the explanation of department.

The Committee **settled the para on** the recommendation of Finance Department and directed/recommended the department to maintain liability register in future.

**8. Para No.10.2.4 Page 277 of Audit Report for the year 2010-11;
Irregular Mode of Payment Rs.0.845 Million.**

5.10.2015 The Department explained that payment was made in cash due to emergency need of supplier.

The Finance Department apprised the Committee that payment made in cash had violated the Financial Rules.

The Committee **settled the para subject to** regularization of expenditure by Finance Department.

**9. Para No.10.2.5 Pages 277, 278 & 279 of Audit Report for the year
2010-11; Excess Payment of Overtime Allowance – Rs.0.648 Millions.**

5.10.2015 The Audit pointed out that the department had increased overtime of the drivers of D.G. Protocol from Rs.1,000/- to Rs.2,500/- without approval of the competent authority.

The Finance Department clarified that directorate enhanced overtime on its own whose approval/regularization from the competent authority was required.

The Committee **settled the para subject to** regularization from the Finance Department.

**10. Para No.10.2.6 Pages 279 & 280 of Audit Report for the year 2010-11;
 Loss Due to Non-Auction of Vehicles – Rs.7.791 Millions.**

5.10.2015 The Audit pointed out that the verification of record had yet to be made in this para.

The Committee directed the department to provide record to Audit for verification and the **para was kept pending.**

SOCIAL WELFARE AND BAIT-UL-MAAL

The Committee examined the Accounts of the Social Welfare and Bait-ul-Maal Department in its meeting held on 6.10.2015 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21031 (031) – Miscellaneous (All Voted) Pages 600 & 602 of Appropriation Accounts for the year 2010-11.

- i) 10-Social Protection
107-Administration
1071-Administration
107104-Administration
LQ4295-Directorate of Social Welfare Women Development and Bait-ul-Maal.

Final Grant	Rs.45,634,000/-
Actual Expenditure	Rs.44,030,702/-
Saving	(-) Rs. 1,603,298/-
Percentage	3.51%

6.10.2015 The Department explained that accounts had been reconciled with A.G. Punjab and there was only 3.15% overall saving which occurred because during the financial year an amount of Rs.747,498/- as the utility bills were not received timely.

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

- ii) 10-Social Protection
108-Others
1081-Others
108101-Social Welfare Measures
LQ4296-Social Services and Community Development.

Final Grant	Rs.293,513,000/-
Actual Expenditure	Rs.292,337,111/-
Saving	(-) Rs. 1,175,889/-
Percentage	0.40%

6.10.2015 The Department explained that the expenditure figures were required to be re-conciled and the Finance Department apprised the Committee that the condonation of excess expenditure was also required.

The Committee directed/recommended the department to condon the excess expenditure by Finance Department and reconcile the expenditures with A.G. Punjab.

The item was kept pending.

2. **Grant No.PC22036 (036) – Development (All Voted) Page 604 of Appropriation Accounts for the year 2010-11.**

10-Social Protection
108-Others
1081-Others
108101-Social Welfare Measures
LE4319-Social Welfare Measures.

	<u>A.G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.34.634,000/-	Rs.33,351,139/-
Actual Expenditure	Rs. 9,050,244/-	Rs. 9,050,244/-
Saving	(-) Rs.25,583,756/-	(-) Rs.10,282,861/-
Percentage	73.87%	3.7%

6.10.2015 The Department explained that accounts had been reconciled with A.G. Punjab, and there was overall saving of 3.7% but there was some excess under the head Ao11-1 and Ao11-2 because senior officers/senior officials were posted through transfer on newly created posts, due to which excess expenditure was occurred.

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

SPECIAL EDUCATION

The Committee examined the Accounts of the Special Education Department in its meeting held on 10.9.2014 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010 / PC24010 (010) – General Administration Page 106 of Appropriation Accounts for the year 2010-11.

09-Education Affairs & Services
094-Education Services Non-Definable By Level
0941-Education Services Non-Definable By Level
094101-School For Handicapped/Retarded Person
LQ4378-Special Education Department.

Final Grant	Rs.15,494,000/-
Actual Expenditure	Rs.14,728,774/-
Saving	(-) Rs. 765,226/-
Percentage	4.94%

10.9.2014 The Department explained that accounts had been reconciled with A.G. Punjab and mainly savings were occurred under the sub-heads of Pay & Allowances due to vacant posts and transfer/posting of certain employees who couldn't draw their salaries. Moreover the savings under the sub-heads of Operating Expense was due to the fluctuations in the fuel prices during the financial year.

The Department further explained that the excess expenditure under the sub-heads of Regular Allowances and Other Allowances due to the non-availability of funds because some employees were regularized during the year and accordingly their arrears bills of Pay & Allowances were drawn.

The Committee accepted the explanation of the department and **settled the grant.**

2. Grant No.PC21015 (015) – Education Page 132 of Appropriation Accounts for the year 2010-11.

09-Education Affairs & Services
094-Education Services No definable By Level
0941-Education Services No definable By Level
094101-School For Special Children
LQ4148-Directorate of Special Education.

Final Grant	Rs.116,773,000/-
Actual Expenditure	Rs.109,865,051/-
Saving	(-) Rs. 6,907,949/-
Percentage	5.92%

10.9.2014 The representative Of A.G. Punjab stated that accounts had been reconciled and there was an overall saving of Rs.6,907,949/- which was 5.92% of the final grant.

The Department explained that saving had occurred due to vacant posts and owing to imposition of ban on recruitment by the government. Moreover bulk of the saving under the sub-head of Subsidies and Write off Loans was because an amount of Rs.20,000,000/- was to be released as grant in aid but this amount was lapsed due to non production of record by the National Society for Mentally and Emotionally Handicapped Children, Lahore. However, there was excess expenditure under the sub-head of Pay of Other Staff due to non-availability of funds which was very nominal one.

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

3. Grant No.PC22036 (036) – Development: (All Voted) Page 154 of Appropriation Accounts for the year 2010-11.

09-Education Affairs & Services
094-Education Services No definable By Level
0941-Education Services No definable By Level
094101-School For Handicapped/Retarded Person
LE4273-School For Handicapped/Retarded Pers.

Final Grant	Rs.2,972,000/-
Actual Expenditure	Rs.0/-
Saving	(-) Rs.2,972,000/-
Percentage	100.00%

10.9.2014 The Department explained that funds were provided for completion of unfunded schemes of ADP 2009-2010. On 04.06.2011 Department approached to Finance Department to withdraw the advice of funds due to the reason that few days were left in closure of financial year, but despite of that funds were released at the disposal of Department by Finance Department on 21.06.2011. Furthermore, funds couldn't be utilized because the office of the Accountant General had fixed 18.06.2011 as cut off date for submission of bills.

The Committee was not satisfied with the explanation by the department and expressed its displeasure on non-utilization of huge amount and directed/recommended that prompt co-ordination be insured between the Department and Finance to avoid such lapses in future.

With above observations **the grant was settled.**

TRANSPORT

The Committee examined the Accounts of the Transport Department in its meeting held on 3.7.2015 and made the following recommendations:-

Appropriation Accounts for the year 2010-2011

1. Grant No.PC21010/PC24010 (010) – General Administration Page 589 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
045-Construction & Transport
0452-Road Transport
045201- Administration
LQ4088-Transport Department.

Final Grant	Rs.136,772,000/-
Actual Expenditure	Rs.111,442,918/-
Saving	(-) Rs. 25,329,082/-
Percentage	18.52%

3.7.2015 The Department explained that savings mainly occurred because several posts were remained vacant during the financial year. Moreover, bulk of the saving was under the sub-head of Grants, Subsidies & Write off Loans because subsidy couldn't be paid to the three Transport Companies due to some unavoidable circumstances.

The Committee was not satisfied with the explanation of the department. However, the **item was settled with the directions** that such lapses should strictly be avoided in future.

Audit Paras (Revenue Receipts) for the year 2010-11

2. Para No.4.2.1 Pages 66 & 94 of Audit Report for the year 2010-11; Non Surrender/Renewal of Expired Route Permits – Rs.2.954 Million.

4.2.1.1 Secretary DRTA, Kasur – Rs.123,700/-
4.2.1.2 Secretary DRTA, Sargodha – Rs.183,800/-
4.2.1.3 Secretary DRTA, Sahiwal – Rs.130,600/-
4.2.1.4 Secretary DRTA, Sheikhpura – Rs.207,700/-
4.2.1.5 Secretary DRTA, Jhang – Rs.88,000/-
4.2.1.6 Secretary DRTA, Rawalpindi – Rs.351,598/-
4.2.1.7 Secretary DRTA, Khushab – Rs.83,050/-
4.2.1.8 Secretary DRTA, Bahawalnagar – Rs.141,400/-
4.2.1.9 Secretary DRTA, Sialkot – Rs.15,300/-
4.2.1.10 Secretary DRTA, Hafizabad – Rs.83,050/-

3.7.2015 The Department explained that all the outstanding amount had been recovered also got verified by Audit.

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

4.2.1.11 Secretary DRTA, Gujrat – Rs.166,700/-

3.7.2015 The Department explained that out of Rs.166,700/- a sum of Rs.57,500/- had been recovered and efforts were being made to effect the balance recovery at the earliest.

The Committee reduced the para to the extent of the recovery verified by Audit and **kept the para pending.**

4.2.1.12 Secretary DRTA, Chakwal – Rs.1,379,500/-

3.7.2015 The Department explained that out of Rs.1,379,500/- a sum of Rs.1,157,150/- had been recovered and verified by Audit and efforts were being made to effect the balance recovery of Rs.222,350/- at the earliest.

The Committee reduced the para to the extent of the recovery verified by Audit and **kept the para pending.**

3. Para No.4.2.2 Pages 67 & 95 of Audit Report for the year 2010-11; Non-Realization of Renewal Fee From Bus Stands – Rs.2.087 Million.

4.2.2.1 Secretary DRTA, Kasur – Rs.26,000/-

3.7.2015 The Department explained that entire recovery in respect of above para had been effected and the relevant record had also been got verified by Audit.

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

4.2.2.2 Secretary DRTA, Sargodha – Rs.18,000/-

3.7.2015 The Department explained that out of total outstanding amount of Rs.38,000/- a recovery of Rs.20,000/- had already been verified by Audit and balance recovery of Rs.18,000/- had also been deposited in shape of adhesive stamps.

The Audit contended that same amount was to be deposited through bank challan as the Stamps issued in 2014 didn't correspond to the year of Audit para.

The Committee **settled the para with the directions** that department should remain careful in future and proper mechanism be adopted while depositing the Government dues

4.2.2.3 Secretary DRTA, Sahiwal – Rs.242,000/-

4.2.2.6 Secretary DRTA, Rawalpindi – Rs.250,000/-

4.2.2.7 Secretary DRTA, Faisalabad – Rs.116,710/-

4.2.2.8 Secretary DRTA, Khushab – Rs.118,000/-

4.2.2.9 Secretary DRTA, Bahawalpur – Rs.200,000/-

4.2.2.11 Secretary DRTA, Hafizabad – Rs.45,000/-

4.2.2.13 Secretary DRTA, Chakwal – Rs.23,000/-

3.7.2015 The Department explained that entire recovery in respect of above paras had been effected and the relevant record had also been got verified by Audit.

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

4.2.2.4 Secretary DRTA, Sheikhpura – Rs.160,000/-

3.7.2015 The Department explained that an amount of Rs.65,000/- had been recovered against the “C” class stand of Shaikhupura and also got verified by Audit. Whereas, observation of Audit regarding Farooqabad “C” class stand was not justified as no License had ever been issued in the name of Farooqabad “C” class stand.

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

4.2.2.5 Secretary DRTA, Jhang – Rs.135,000/-

3.7.2015 The Department explained that 04 “D” class stands had been sealed by the competent authority DCO/Chairman, DRTA Jhang on 28-08-2008 and the owners of these stands filed a write petition in the Lahore High Court and the recovery would be effected after the decision of the Court of Law.

Being subjudice, the **para was kept pending with the directions/** recommendations that for the early disposal the matter be perused vigorously in the Court of Law and the report regarding the progress of case be submitted to PAC within 30 days.

4.2.2.10 Secretary DRTA, Bahawalnagar – Rs.370,000/-

3.7.2015 The Department explained that an amount of Rs.309,000/- had been recovered and hectic efforts were being made to effect for balance recovery.

The para was reduced to the extent of recovery verified by Audit with the directions/recommendations that balance recovery should be made within 30 days.

The **para was kept pending.**

4.2.2.12 Secretary DRTA, Gujrat – Rs.383,500/-

3.7.2015 The Department explained that an amount of Rs.267,500/- had been recovered and hectic efforts were being made to effect for balance recovery of amounting Rs.116,000/-.

The Committee expressed its displeasure on non-recovery of Government dues even after the lapse of several years. However, the para was reduced to the extent of recovery verified by Audit with the directions/recommendations that the outstanding recovery be made under Land Revenue Act as arrears of land revenue and report to PAC within 30 days.

The para was kept pending.

**TECHNICAL
EDUCATION AND
VOCATIONAL
TRAINING
AUTHORITY**

The Committee examined the Accounts of the Technical Education and Vocational Training Authority in its meeting held on 3.6.2015 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21022 (022) – Industries: (All Voted) Page 363 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
044-Mining And Manufacturing
0441-Manufacturing
044101-Support For Industrial Development
LQ4219-Grant-in-Aid to TEVTA.

Final Grant	Rs.5,034,967,000/-
Actual Expenditure	Rs.5,040,965,791/-
Excess	(+) Rs. 5,998,791/-
Percentage	0.12%

3.6.2015 The Accountant General Punjab apprised the Committee that Budget figures had yet to be reconciled with Finance Department.

The **grant was kept pending with the directions** that accounts be reconciled within 30 days.

Audit Paras (Commercial) for the year 2010-11

- 2. Para No.10.2.1.1 Page 102 of Audit Report for the year 2010-11; Financial Results.**

- 3. Para No.10.2.1.4 Page 103 of Audit Report for the year 2010-11; Working Results.**

- 4. Para No.10.2.1.5 Page 103 of Audit Report for the year 2010-11; Working Results.**

- 5. Para No.10.2.1.7 Page 103 of Audit Report for the year 2010-11; Working Results.**

- 6. Para No.10.2.1.8 Page 103 of Audit Report for the year 2010-11; Working Results.**

- 7. Para No.10.2.1.9 Page 104 of Audit Report for the year 2010-11; Working Results.**

8. **Para No.10.2.1.10 Page 104 of Audit Report for the year 2010-11; Working Results.**

9. **Para No.10.2.2.6 Page 110 of Audit Report for the year 2010-11; Unjustified Payment of Special Allowance to Librarian of GCT, Railway Road – Rs.0.305 Million.**

3.6.2015 The Department explained that necessary actions in respect of above paras had already been taken and requisite record had also been got verified by Audit.

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

10. **Para No.10.2.1.2 Page 103 of Audit Report for the year 2010-11; Working Results.**

3.6.2015 The Department explained that increase in current investment was due to the current investment from Service Centers. The investments were made from the funds generated from the gain of manufacturing activities instead of grants.

Audit contended that funds could not properly utilized and due to non existence of any approved investment policy Department had to investment their surplus funds in short term deposit at a very low rate of return.

The Committee was not satisfied with the explanation of the department and directed/recommended that SOPs should be devised regarding the Term Deposit Investment of surplus funds within 90 days under intimation to PAC.

The **para was kept pending.**

11. **Para No.10.2.1.3 Page 103 of Audit Report for the year 2010-11; Working Results.**

3.6.2015 The Department explained that more than 500 institutions and offices being controlled by TEVTA and every Institution/office had its own non-salary bank account and separate DDO. These funds were used only for Operating Expenditure and couldn't be invested in term deposits.

The Committee expressed its displeasure on violation of Government Policy while investing the Surplus funds in to the bank accounts and directed/recommended that matter should be probed by a fact finding Committee headed by Additional Secretary, Industries Department and each member from Finance Department and TEVTA.

The Committee further directed/recommended that fact finding should scrutinize all aspects of the matter as per deliberations of the in the meeting and report be submitted to PAC in next meeting of PAC.

The para was therefore, kept pending.

**12. Para No.10.2.1.6 Page 103 of Audit Report for the year 2010-11;
Working Results.**

3.6.2015 The Department explained that actual figure of Conveyance charges was Rs.198,363/- and all the relevant record could be verified by Audit.

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

**13. Para No.10.2.1.11 Page 104 of Audit Report for the year 2010-11;
Working Results.**

3.6.2015 The Department explained that sale of service centers was increased from Rs.494.105 million to Rs.565.747 million due to which trade debts was also increased with an amount from Rs.21.219 million which mainly includes the receivables from different Government Departments/Agencies and efforts were being made to recover outstanding dues.

The Committee directed/recommended that matter of receivables from different Government Departments/Agencies should taken up with Finance Department for at source recovery.

The para was kept pending.

**14. Para No.10.2.2.1 Pages 105 & 106 of Audit Report for the year 2010-11;
Shortage of Store in GTTI, Mughalpura – Rs.6.211 Million.**

3.6.2015 The Department explained that a joint inquiry under PEEDA Act, 2006 had already been initiated against Mr Abdul Razzak, Store Keeper and Mr Zulqarnain Kashif, ex-Assistant Store Keeper. An amount of Rs.367,682/- had been recovered and verified by Audit out of total established outstanding amount of Rs.832,813/- and efforts were being made for recover remaining outstanding amount of Rs.465,131/-.

The para was reduced to the extent of the recovery verified by Audit with the direction that balance amount should be recovered at the earliest.

The para was kept pending

**15. Para No.10.2.2.2 Pages 106 & 107 of Audit Report for the year 2010-11;
Misappropriation of Store in GCT, Multan – Rs.0.532 Million.**

**16. Para No.10.2.2.3 Page 107 of Audit Report for the year 2010-11;
Doubtful Purchase of Stores by GCT, Multan – Rs.2.372 Million.**

17. **Para No.10.2.2.5 Page 109 of Audit Report for the year 2010-11; Doubtful Expenditure On Account of Tree Plantation – Rs.0.662 Million.**
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3.6.2015 The Department explained that a joint inquiry under PEEDA Act 2006 had been conducted against the responsible for the lapse and future action would be taken accordingly as the findings of the inquiry still awaited.

The **paras were kept pending for** finalization of inquiry report.

18. **Para No.10.2.2.4 Pages 108 & 109 of Audit Report for the year 2010-11; Irregular Payment Due to Irregular Appointment – Rs.1.760 Million.**
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3.6.2015 The Department explained that contract appointments were made prior to the ruling of Supreme Court regarding the re-employment after fulfilling all the codal formalities. However, in compliance with the directions of Honorable Supreme Court, department terminated the contract appointments immediately on 27.04.2011.

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

19. **Para No.10.2.2.7 Pages 110 & 111 of Audit Report for the year 2010-11; Doubtful Recovery of Electricity Charges by GCT, Raiwind Road – Rs.0.202 Million.**
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3.6.2015 The Department explained that an amount of Rs.168,657/- had been recovered from eight persons and Mr Abid Masood Bajwa, Instructor had died in road accident and his widow had requested that she was not able to deposit the outstanding dues against her deceased husband. Mr Javed Akhtar Lodhi, Store Keeper was absconded from service and later on his services were terminated by imposing major penalty of removal from service was imposed on the accused official.

The Committee directed that case for write off should be referred to Finance Department in respect of the recovery from deceased Mr. Javed Akhtar Lodhi Ex-store keeper and balance recovery be effected at the earliest.

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

**YOUTH AFFAIRS,
SPORTS,
ARCHEOLOGY AND
TOURISM**

The Committee examined the Accounts of the Youth Affairs, Sports, Archeology and Tourism Department in its meeting held on 10.9.2014 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

(SPORTS)

1. Grant No.PC21010 / PC24010 (010) – General Administration Pages 99 to 101 of Appropriation Accounts for the year 2010-11.

- i) 08-Recreational, Culture and Religion
 081-Recreational and Sporting Services
 0811-Recreational and Sporting Services
081105-Administration
LQ4379-Sports Department.

Final Grant	Rs.11,092,000/-
Actual Expenditure	Rs.11,098,875/-
Excess	(+) Rs. 6,875/-
Percentage	0.06%

10.9.2014 The Department explained that there was nominal overall excess which comes only 0.06% of the final grant and requested for settlement of the item.

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

- ii) 08-Recreational, Culture and Religion
 081-Recreational and Sporting Services
 0811-Recreational and Sporting Services
081105-Administration
LQ4152-Grants to Punjab Sports Board.

Final Grant	Rs.62,057,000/-
Actual Expenditure	Rs.62,057,000/-
Excess/Saving	Rs.0/-
Percentage	0.00%

10.9.2014 The Department explained that the grant was fully utilized.

The item was settled accordingly.

- iii) 08-Recreational, Culture and Religion
 081-Recreational and Sporting Services
 0811-Recreational and Sporting Services
081105-Administration

LQ4153-Directorate General Sports.

Final Grant	Rs.61,277,000/-
Actual Expenditure	Rs.60,967,711/-
Saving	(-) Rs. 309,289/-
Percentage	0.50%

10.9.2014 The Department explained that there was an overall saving of 0.50% of the final grant which was very nominal. However, excess expenditure incurred under the sub-head of Pay of Other Officers and Regular Allowances due to the increased sports activities across all over the province.

The Committee directed/recommended that in order to avoid such lapses in future, the mechanism of monthly reconciliation statement should be streamline with proper coordination with Finance Department.

The Committee **settled the item subject to** the condonation by the Finance Department.

(TOURISM)

2. Grant No.PC21010 / PC24010 (010) – General Administration Page 576 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
047-Other Industries
0472-Subsidies
047202-Tourism
LQ4384-Tourism and Resort Development Department.

Final Grant	Rs.9,868,000/-
Actual Expenditure	Rs.9,835,069/-
Saving	(-) Rs. 32,931/-
Percentage	0.33%

10.9.2014 The Department explained that out of total budgetary allocations, only meager amounts couldn't be utilized and requested for the settlement.

The grant was settled accordingly.

3. Grant No.PC22036 (036) – Development : (All Voted) Page 583 of Appropriation Accounts for the year 2010-11.

04-Economic Affairs
047-Other Industries
0472-Subsidies
047202-Tourism
LE4218-Tourism.

Final Grant	Rs.42,963,000/-
Actual Expenditure	Rs.34,967,305/-
Saving	(-) Rs. 7,995,695/-
Percentage	18.61%

10.9.2014 The Department explained that savings mainly under the sub-heads of Operating Allowances and Civil Works because projects of construction of Tourist Resort at Nankana Sahib and Development of Tourist Village Drawar Fort, Cholistan couldn't be executed despite of the consolidated efforts due to litigation by the local land owners, as a result Land couldn't be acquired for the projects.

The Committee was not satisfied with the explanation of the department and directed/recommended that inquiry should be conducted and responsibility be fixed for non-utilization of funds/delay in surrendering surplus amount and report be submitted to PAC within 60 days.

The grant was kept pending.

(DIRECTORATE GENERAL OF ARCHEOLOGY)

4. Grant No.PC21023 (023) – Miscellaneous Departments Pages 435 & 436 of Appropriation Accounts for the year 2010-11.

- i) 04-Economic Affairs
 - 041-General Economic, Commercial & Labour Affairs
 - 0411-General Economic Affairs
 - 041102-Anthropological, Archeological & Other
 - LQ4239-Archeological.

Final Grant	Rs.29,088,000/-
Actual Expenditure	Rs.28,611,500/-
Saving	(-) Rs. 476,500/-
Percentage	1.64%

- ii) 04-Economic Affairs
 - 041-General Economic, Commercial & Labour Affairs
 - 0411-General Economic Affairs
 - 041102-Anthropological, Archeological & Other
 - LQ4358-Lahore Fort & Shalimar Gardens.

Final Grant	Rs.29,990,000/-
Actual Expenditure	Rs.30,661,095/-
Excess	(+) Rs. 671,095/-
Percentage	2.24%

10.9.2014 The Committee kept the above items pending with the directions/recommendations that proper explanation for each item should be depicted in working paper according the approved pattern.

5. Grant No.PC22036 (036) – Development: (All Voted) Page 450 of Appropriation Accounts for the year 2010-11.

08-Recreational, Culture and Religion
082-Culture Services
0821-Culture Services
082105-Promotion of Culture Activities
LE4285-Promotion of Culture.

Final Grant	Rs.61,664,000/-
Actual Expenditure	Rs.58,090,601/-
Saving	(-) Rs. 3,573,399/-
Percentage	5.79%

10.9.2014 The Department explained that the mainly savings occurred under the sub-head of Operating Expenses which relates to the ADP schemes of IC&YA and also included the schemes of Lahore Museum. Out of total savings of Rs.3,231,267/- an amount of Rs.3,184,172/- relates to Lahore Museum which was separate entity and autonomous body and neither earlier nor at present was part of Archeology Department.

The Committee was not satisfied with the explanation of the department and directed that both Information and Culture Department and Youth Affairs, Sports, Archeology and Tourism Department should bring this grant in the next meeting of PAC-I regarding Information and Culture Department for discussion.

With above directions, the grant was kept pending.

Audit Paras (Commercial) for the year 2010-11

(Tourism Development Corporation of Punjab Limited)

6. Para No.11.2.1.1 Pages 114 & 115 of Audit Report for the year 2010-11; Non Production of Auditable Record.

10.9.2014 The Department explained that requisite record pertained to eleven schemes/ projects as pointed out by Audit was available for verification by Audit.

The Committee kept the para pending with the directions/recommendations to the department that all the relevant record should be produced to Audit for verification at the earliest.

7. Para No.11.2.1.2 Pages 115 & 116 of Audit Report for the year 2010-11; Non-Recovery of Outstanding Advances from Ex-Employees – Rs.0.949 Million.

10.9.2014 The Department explained that a sum of Rs.608,564/- had already been recovered, Moreover, efforts were being made to effect the balance recovery of Rs.330,192/-.

 The Committee reduced the para to the extent of the recovery and **kept the para pending** for balance recovery.

8. Annexure-2 Sr. No.11 Pages 121 of Audit Report for the year 2010-11; Non-submission of Accounts.

10.9.2014 The Director General, Commercial Audit apprised the Committee that accounts for the financial year of 2009-10 had been received on 10.11.2011 after the lapse of one year of the prescribed date of November 15, 2010.

 The Committee **settled the para with the directions**/recommendations that efforts should be made for timely submission of the required accounts to the Audit.

WOMEN DEVELOPMENT

The Committee examined the Accounts of the Women Development Department in its meetings held on 1.7.2015 and 6.10.2015 and made the following recommendations:-

1.7.2015 The Principle Accounting Officer apprised the Committee that she had assumed the charge few days before and unfortunately, her predecessor couldn't assigned due priority towards PAC business. The department requested that consideration of PAC business be deferred to enable them to make proper preparations and for submission of up-to-date working papers in the next meeting.

The Committee expressed its displeasure towards concerned department for not being prepared for PAC business and directed that up-to-date working papers should be prepared for the next meeting.

Appropriation Accounts for the year 2010-11

1. Grant No.PC21031 (031) – Miscellaneous (All Voted) Page 601 of Appropriation Accounts for the year 2010-11.

10-Social Protection
107-Administration
1071-Administration
107104-Administration
LW4189-Directorate of Women Development Punjab.

	<u>A.G. Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.10,590,000/-	Rs.10,590,000/-
Actual Expenditure	Rs.0/-	Rs.11,277,649/-
Saving/Excess	(-) Rs.10,590,000/-	(+) Rs. 687,649/-
Percentage	100.00%	6.49%

6.10.2015 The Department explained that there was overall excess of 6.49% which occurred due to transfer posting of the employee.

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

ZAKAT AND USHR

The Committee examined the Accounts of the Zakat and Ushr Department in its meeting held on 1.7.2015 and made the following recommendations:-

Appropriation Accounts for the year 2010-11

1. Grant No.PC21010/24010 (010) – General Administration Page 597 of Appropriation Accounts for the year 2010-11.

10-Social Protection
108-Others
1081-Others
108101-Social Welfare Measures
LQ4079-Zakat & Ushr Department.

Final Grant	Rs.18,035,000/-
Actual Expenditure	Rs.17,658,371/-
Saving	(-) Rs. 376,629/-
Percentage	2.09%

1.7.2015 The Department explained that there was an overall saving of Rs.376,629/- which was 2.09 % of the final grant. However an excess expenditure of Rs.51,053/- had been incurred under the sub-head of Pay of Officers due to the payment of leave encashment.

The Finance Department stated that the condonation on the excess expenditure was required by Finance Department.

The grant was settled subject to condonation by the Finance Department.

2. Grant No.PC21031 (031) – Miscellaneous (All Voted) Pages 598 & 599 of Appropriation Accounts for the year 2010-11.

i) 08-Recreational, Culture and Religion
084-Religious Affairs
0841-Religious Affairs
084105-Religious and Other Charitable Institute
LQ4299-Headquarters Establishment.

Final Grant	Rs.20,223,000/-
Actual Expenditure	Rs.19,176,045/-
Saving	(-) Rs. 1,046,955/-
Percentage	5.18%

1.7.2015 The Department explained that the overall saving was 5.18% in which 3.53% was excess under the sub head of pay of other staff due to non-provision of funds.

The Committee directed/recommended that in order to avoid such lapse in future, the mechanism of monthly reconciliation should be made.

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

- ii) 08-Recreational, Culture and Religion
084-Religious Affairs
0841-Religious Affairs
084105-Religious and Other Charitable Institute
LQ4300-District Establishment.

Final Grant	Rs.85,148,000/-
Actual Expenditure	Rs.71,457,226/-
Saving	(-) Rs.13,690,774/-
Percentage	16.08%

1.7.2015 The Department explained that saving under the sub-heads of Pay & Allowances was due to 04 vacant posts. And the saving was under the sub-heads of Physical Assets because ban imposed that time on the purchase of vehicles.

The Committee **settled the item with the direction**/recommendation that surplus funds should be surrendered at the time of second statement of Excess & Surrenders.