

# NATIONAL ASSEMBLY SECRETARIAT

## SPECIAL REPORT OF THE PUBLIC ACCOUNTS COMMITTEE ON "EXCESS SALARY AND PRIVILEGES OF THE AUDITOR GENERAL OF PAKISTAN IN THE LIGHT OF SRO 1074(1)/2007.

I, the Chairman of the Public Accounts Committee, have the honor to present this Special Report, under Rule 234 of the Rules of Procedure and Conduct of Business in the National Assembly, 2007, on "Excess Salary and Privileges of the Auditor General of Pakistan in the light of SRO 1074(1)/2007.

2. The Committee comprises the following members:

1)	<b>Syed Khursheed Ahmed Shah</b>	<b>Chairman</b>
2)	Raja Muhammad Javed Ikhlas	Member
3)	Malik Iqbal Mehdi Khan	Member
4)	Dr. Darshan	Member
5)	Mr. Muhammad Pervaiz Malik	Member
6)	Shaikh Rohale Asghar	Member
7)	Mr. Muhammad Junaid Anwar Chaudhary	Member
8)	Sardar Muhammad Jaffar Khan Leghari	Member
9)	Sahibzada Muhammad Nazcer Sultan	Member
10)	Rana Afzaal Hussain	Member
11)	Syed Naveed Qamar	Member
12)	Dr. Azra Fazal Pechuho	Member
13)	Mr. Shafqat Mahmood	Member
14)	Dr. Arif Alvi	Member
15)	Mr. Abdul Rashid Godil	Member
16)	Dr. Khalid Maqbool Siddiqui	Member
17)	Ms. Shahida Akhtar Ali	Member
18)	Syed Kazim Ali Shah	Member
19)	Sheikh Rashid Ahmad	Member
20)	Mr. Mahmood Khan Achakzai	Member
21)	Sardar Ashiq Hussain Gopang	Member
22)	Ch. Pervez Elahi	Member
23)	Mian Abdul Manan	Member
24)	Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization	Ex-Officio Member

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3. A Meeting of the Public Accounts Committee was held on 5th March, 2014 to discuss the Appropriation Accounts/Audit Reports pertaining to Ministry of Water & Power. During the course of the meeting, the attention of the Committee was invited towards a news item published in the Daily "Nai Baat", Islamabad, dated 11<sup>th</sup> February, 2014 regarding illegal withdrawal of excess salary and privileges by the Auditor General of Pakistan. After detailed deliberations, the Public Accounts Committee under Rule 224 (1) of the Rules of Procedure and Conduct of Business in the National Assembly, 2007 constituted a Sub-Committee to probe into the matter. The composition and TORs of the Sub-Committee were as under:-

**Composition:-**

1) Mr. Muhammad Junaid Anwar Chaudhary, MNA	Convener
2) Dr. Arif Alvi, MNA	Member
3) Representative of Finance Division	Member
4) Representative of M/o Law, Justice & Human Rights	Member
5) Representative of AGPR/CGA	Member
6) Representative of Establishment Division	Member

**Terms of Reference:-**

"To examine and probe excess salary and privileges of the Auditor General of Pakistan in the light of SRO 1074(1)/2007".

4. The Sub-Committee held seven meetings on 18<sup>th</sup>, 25<sup>th</sup>, 26<sup>th</sup>, 27<sup>th</sup> March, 2<sup>nd</sup>, 8<sup>th</sup> and 30<sup>th</sup> April, 2014 and thoroughly probed/examined the subject matter and gave the opportunity of hearing to all the concerned. Mr. Muhammad Akhtar Buland Rana, Auditor General of Pakistan was also requested Vide this Secretariat's Notice No. F.13(1)/2014-PAC dated 2<sup>nd</sup> April, 2014 to attend the meeting of the Sub-Committee held on 8<sup>th</sup> April, 2014 but he did not turn up. During the meeting, as directed by the Sub-Committee, the Auditor General of Pakistan was once again requested on 8<sup>th</sup> April, 2014 telephonically by Ch. Sharafat Ali, Secretary Committee to attend the meeting, but Mr. Abdul Aziz Abbasi, Senior Private Secretary to the Auditor General of Pakistan attended the phone and informed that the Auditor General of Pakistan was available in the office and he was not willing to attend the meeting.

5. During the meeting of the Public Accounts Committee held on 28<sup>th</sup> May, 2014, Malik Khadim Hussain, Principal Accounting Officer/Additional Auditor General conveyed the message of Mr. Muhammad Akhtar Buland Rana, Auditor General of Pakistan that the case of Auditor General of Pakistan regarding illegal withdrawal of excess salary and privileges might be referred to an appropriate forum, i.e., the Supreme Judicial Council for necessary action under the relevant Article of the Constitution of the Islamic Republic of Pakistan.

6. The 'Sub-Committee finalized its report (Annexure-A) and submitted the same to the Public Accounts Committee which further considered/scrutinized the same at length and found that Mr. Muhammad Akhtar Buland Rana, the Auditor General of Pakistan:-

- i) being responsible to safeguard the interest of the Government of Pakistan, has not ensured accountability and fiscal transparency in Governmental Operations;
- ii) has tarnished the image of the subject high constitutional position and its credibility by drawing excessive salary and allowances;
- iii) has acted against the law in financial matters for his personal benefit contrary to the requirements of the Office of the Auditor General of Pakistan, causing loss to the National Exchequer; and
- iv) has deliberately violated the oath of Auditor-General's Office.

therefore, the Public Accounts Committee in its meeting held on 6<sup>th</sup> August, 2014 unanimously decided to place this Special Report of the Public Accounts Committee under rule 234 of the Rules, *ibid*, before the Assembly with the following recommendations:-

- a) That use of two vehicles over and above the illegal monetization of one car by the Auditor General of Pakistan is against the existing law. The Committee recommended to recover the expenditure incurred on any one of the cars whichever is less. Details of expenditure incurred up to March 2014 on Repair and POL of the vehicles which were under the use of the Auditor General of Pakistan are as under:-

Vehicles No.GV-767		Vehicle No.GK-091 use for AGP's protocol duties.	
POL	Repair	POL	Repair
Rs. 1,286,323	Rs. 215,266	Rs. 1,022,767	Rs. 237,254

- b) That an amount of Rs. 4,627,813/- be recovered from the Auditor General of Pakistan and the Accountant General of Pakistan Revenues should stop further

payments being paid under the different heads. Detail of the recovery from the relevant heads is as follows:

S.No.	Name of Allowance/Pay/Expenditure	Duration	Total Withdrawal/Expenditure
1	Monetization Allowance	01-01-2012	Rs. 3,107,484/-
	Rs. 115092/-per month	to 31-03-2014	
2	Special Pay	01-06-2012	Rs. 32,208/-
	Rs. 1464/-per month	to 31-03-2014	
3	Personal Pay	27-08-2011	Rs. 228,100/-
	Rs. 7320/-per month	to 31-03-2014	
		Total	Rs. 3,367,792

Vehicle No.GV-767		
POL	Repair	Total
Rs. 1,286,323	Rs. 215,266	Rs. 1,501,589

Vehicle No. GK-091 use for AGP's protocol duties		
POL	Repair	Total
Rs. 1,022,767	Rs. 237,254	Rs. 1,260,021

<b>Grand Total</b>	<b>Rs. 3,367,792 + Rs. 1,260,021 = Rs. 4,627,813</b>
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- c) That disciplinary action be initiated against Mr. Manzar Hafeez Mian, the then Accountant General of Pakistan Revenues and Mr. Farhad-Khan, the then Controller General of Accounts, who were responsible for allowing the above said payments to the Auditor General in violation of rules/regulations.
- d) That an External Audit or Oversight Mechanism be set up for the Office of the Auditor General and Accountant General of Pakistan Revenues to detect/oversee such irregularities in future.
- e) That a reference should be filed against Mr. Muhammad Akhtar Buland Rana through proper channel under clause (5) of Article 209 read with clause (5) of Article 168 of the Constitution of the Islamic Republic of Pakistan for his removal from the Office of the Auditor-General of Pakistan being guilty of misconduct/irregularities.

*Sd/-*  
(Syed Khursheed Ahmad Shah)  
Chairman  
Public Accounts Committee

*Sd/-*  
(Mohammad Riaz)  
Secretary,  
National Assembly Secretariat  
Islamabad, the 8<sup>th</sup> August, 2014.