QUARTERLY INTERNAL AUDIT REPORT OF
HESCO INTERNAL AUDIT
FOR PERIOD 07-2024 TO 09-2024

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Annexure-"A"

HESCO

FINANCIAL & COMPLIANCE AUDIT

EXECUTIVE SUMMARY

ACTIVITY WISE DETAIL OF IRREGULARITIES FOR THE QUARTER 07-2024 TO 09-2024

S. NO:	AUDIT ACTIVITIES	AMOUNT INVOLVED(M)	IMPLICATIONS	RECOMMENDATIONS	RESPONSIBILITY	NO OF FORMATIONS INVOLVED
1	General and Administrative Expenses	**6,713.189**	. Administrative failure of all such Controls.	Strict instructions may be issued for compliance of directives issued regarding every matter. Responsibility may be fixed and action taken against responsible employees for un-verified amount.	H. CLERK/ DAO/ R.O/XEN	**04**
2	Cash and Treasury Management	**165.11**	Resulted into huge financial loss to HESCO.	Efforts should be made to recover the amounts pointed out by audit, after fixing the responsibility. Control on expenditures and allocation of budget may be ensured. Efforts should be made to fully comply with company policies.	H. CLERK/ DAO/ R.O/XEN	**04**
3	Inventory and Material Management	**270.60**	Due to non - Accountal of Store Material, there is chance of mis-appropriation or Mis-use of material.	Strict instructions may be issued regarding getting verified the record of non-accountal of store materials or efforts should be made to recover the Loss sustained, if any. It may also be ensured that rules and regulation should be followed while maintaining reports and records for received material and material returned to Store.	DAO/LS's/XEN	**03**
4	Revenue and Receivables	**27121.55**	HESCO facing Liquidity issues due to non-recovery of heavy arrears / detection amount.	Efforts should be made to ensure correct and proper billing and recover the receivable amount from the consumers.	LSs/SDOs/ROs/ XEN	**03**
5	Purchasing and	**9.61**	Due to non-clearance of outstanding	Efforts may be taken to clear the		**01**

	Payables		payments the adjustment account will be delayed.	outstanding payments.		
6	Planning, Budgeting and Forecasting	**520.46**	Excess expenditures incurred leads to Mis-Management of financial resources.	Ensure that data has been completely and accurately reported and get the excess expenditure regularized from the competent authority.		**04**
7	Accounting & Financial Reporting	**55.44**	The above irregularities indicate serious weaknesses in financial discipline and internal control. Preparation of fictitious records and non-production of essential documents during audit raises suspicion of concealment of irregular expenditure.	Ensure preparation of authentic and verifiable trial balances with proper supporting records. Enforce timely preparation and reconciliation of bank statements. Direct the Finance Directorate to extend full cooperation by producing all required documents to audit without delay. Rectify incorrect booking of head codes through proper journal adjustments. Take immediate steps to recover WWF dues from the concerned Director Accounts and Funds. Ensure that all vouchers and cash memos bear the mandatory "Paid" stamp to establish authenticity. Fix responsibility on the officers/officials responsible for preparation of bogus records and initiate disciplinary action under relevant rules.	R.O/XEN/ DAO	**03**
	TOTAL	**19,271.487**				

01 GENERAL & ADMINISTRATIVE

NAME OF FORMATION	AUDIT OBSERVATION	RECOMMENDATIONS	MANAGEMENT RATING

S NO:	NAME OF FORMATION	PERIOD	I.R. PARA NO.	AMOUNT INVOLVED
1	Revenue Office HESCO Latifabad	07--21 to 06-22	2, 3, 6, 7, 8, 9, 10, 11, 12, 13, 26, 27	74.78
2	XEN Operation Division HESCO Digri	07--22 to 06-23	1,8,10,11,12,13,23, 26,29,30,31,44,45,46,47,48,49,50,51,52 ,53,54	40.83
3	XEN Operation Division HESCO Latifabad	07--21 to 06-22	2, 3, 4, 6, 8, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25, 27, 62,	371.10
4	XEN Operation Division HESCO Thatta	07--22 to 06-23	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 26, 27, 32, 42, 43, 48, 63	6361.13
			TOTAL	**6847.83**

Non-maintenance/ production of essential auditable record i.e. Salary Audit Register, TA-DA BILLS/ Off Day Wages claims of employees, nonavailability of record / P.Vs against expenditure incurred on stationery, photostat & Local purchase register caused non verification of record and payments un-authenticated. Vehicle Log Books Part-I, II. Non-compliance of procedure for disposal of off-road vehicles.

IMPLICATIONS

Administrative failure of all such Controls.

Strict instructions may be issued for compliance of directives issued regarding every matter.

Responsibility may be fixed and action taken against responsible employees for un-verified amount

High Risk

RESPONSIBILITY	H. CLERK/ DAO/ R.O/XEN

02 CASH & TREASURY MANAGEMENT

NAME OF FORMATION	AUDIT OBSERVATION	RECOMMENDATIONS	MANAGEMENT RATING
	Irregular/Bogus/excessive amounts in the bank lists were recorded through irregular means by adding duplicate which was possibly drawn wrongfully. Various irregular payments were made. Non-remittances of 5% Quarter Rent, Abnormal expenditure on repair of computers, stationery, photostat, Blockage of funds due to non-reimbursement of W.W.Fund, Unjustified payment against different heads, non-remittance of electricity bills amount by the banks which were paid by the consumers, Doubtful payment of salaries due to non-production of record, less amounts were disbursed against expenditure than the amount Released from CFO HESCO Office.	Efforts should be made to recover the amounts pointed out by audit, after fixing the responsibility. Control on expenditures and allocation of budget may be ensured. Efforts should be made to fully comply with company policies. **IMPLICATIONS** Resulted into huge financial loss to HESCO.	High Risk

S #	NAME OF FORMATION	PERIOD	I.R. PARA NO.	AMOUNT INVOLVED
1	XEN Operation Division HESCO Thatta	07--22 to 06-23	26, 28, 30, 31, 38, 39, 40, 44, 45, 46, 49, 50, 51	40.93
2	XEN Operation Division HESCO Latifabad	01--22 to 06-23	1, 57, 58, 59, 60, 61	110.08
3	XEN Operation Division HESCO Digri	07--22 to 06-23	2, 3, 4, 5, 6, 7, 14, 15, 19, 33	9.55
4	Revenue Office HESCO Latifabad	07--22 to 06-23	1, 4, 5,	4.55
			TOTAL	**165.11**

RESPONSIBILITY	H. CLERK/ DAO/ R.O/XEN

03 INVENTORY & MATERIAL MANAGEMENT

NAME OF FORMATION	AUDIT OBSERVATION	RECOMMENDATIONS	MANAGEMENT RATING
	During the audit, the Line Superintendents of the concerned formations did not produce the accountal/consumption record of store material drawn from stores. The audit was unable to ascertain the authenticity or verification of the installation of store materials. Also, non-production of line T&P register resulted into non-verification of distribution and balance of line T&P items. **IMPLICATIONS** Due to non - Accountal of Store Material, there is chance of mis-appropriation or Mis-use of material.	Strict instructions may be issued regarding getting verified the record of non-accountal of store materials or efforts should be made to recover the Loss sustained, if any. It may also be ensured that rules and regulation should be followed while maintaining reports and records for received material and material returned to Store.	High Risk

S #	NAME OF FORMATION	PERIOD	I.R. PARA NO.	AMOUNT INVOLVED
1	XEN Operation Division HESCO Digri	07--22 to 06-23	32, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43	41.14
2	XEN Operation Division HESCO Latifabad	07--21 to 06-22	28, 29, 30, 31, 32, 33, 34, 34-A, 35, 36, 37, 38	145.19
3	XEN Operation Division HESCO Thatta	07--22 to 06-23	29, 47,	84.27
			TOTAL	**270.60**

RESPONSIBILITY	DAO/LSs/XEN

04	REVENUE & RECEIVABLE

NAME OF FORMATION	AUDIT OBSERVATION	RECOMMENDATIONS	MANAGEMENT RATING
	During the audit it was found that receivable amount was increased day by day caused by imposing of detections charges and billing to the consumers, amount held under abeyance, deferred or set a side due to so many reasons but efficiency towards recovery or settlement of such cases was not upto the mark. **IMPLICATIONS** HESCO facing Liquidity issues due to non-recovery of heavy arrears / detection amount.	Efforts should be made to ensure correct and proper billing and recover the receivable amount from the consumers.	High Risk

S #	NAME OF FORMATION	PERIOD	I.R. PARA NO.	AMOUNT INVOLVED
1	XEN Operation Division HESCO Latifabad	07--21 to 06-22	25, 26, 27, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52	14088.49
2	XEN Operation Division HESCO Thatta	07--22 to 06-23	54, 55, 56, 57, 58, 59, 60, 61, 62, 64, 65, 66	9781.74
3	Revenue Office HESCO Latifabad	07--21 to 06-22	14, 15, 16, 17, 18, 19, 20, 21	3251.32
			TOTAL	**27121.55**

RESPONSIBILITY	LSs/SDOs/ROs/XEN

05 PURCHASE & PAYABLE

<table>
<tr><th>NAME OF FORMATION</th><th>AUDIT OBSERVATION</th><th>RECOMMENDATIONS</th><th>MANAGEMENT RATING</th></tr>
<tr><td>
<table>
<tr><th>S #</th><th>NAME OF FORMATION</th><th>PERIOD</th><th>I.R. PARA NO.</th><th>AMOUNT INVOLVED</th></tr>
<tr><td>1</td><td>XEN Operation Division HESCO Thatta</td><td>07--22 to 06-23</td><td>37,</td><td>9.61</td></tr>
<tr><td></td><td></td><td></td><td>TOTAL</td><td>9.61</td></tr>
</table>
</td><td>While checking Monthly Accounts for the year ending 06/2023 of the concerned formations it was found that amounts were shown against Head of Account 312200 (Accrued Liabilities HESCO) & 312400 (Other Liabilities) which should be clear at the time of Trial Balance at the closing of the period.

<u>IMPLICATIONS</u>

Due to non-clearance of outstanding payments the adjustment account will be delayed.</td><td>Efforts may be taken to clear the outstanding payments.</td><td>High Risk</td></tr>
<tr><td colspan="2">RESPONSIBILITY</td><td colspan="2">XEN/DAO</td></tr>
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06 BUDGETING, PLANNING & FORCASTING

NAME OF FORMATION	AUDIT OBSERVATION	RECOMMENDATIONS	MANAGEMENT RATING
	While checking General Ledger, Monthly Account and Sanctioned Budget files of the concerned formations it was disclosed that Excess Expenditure beyond the sanctioned budget / without allocated budget was incurred without any re-appropriation of budget which is quite irregular and against the HESCO Accounting Manual. **IMPLICATIONS** Excess expenditures incurred leads to Mis-Management of financial resources.	Ensure that data has been completely and accurately reported and get the excess expenditure regularized from the competent authority. Excess expenditures incurred leads to Mis-Management of financial resources.	High Risk

S #	NAME OF FORMATION	PERIOD	I.R. PARA NO.	AMOUNT INVOLVED
1	XEN Operation Division HESCO Digri	07--22 to 06-23	16, 17, 18,	79.84
2	XEN Operation Division HESCO Latifabad	07--21 to 06-22	53, 54, 55, 56,	333.53
3	XEN Operation Division HESCO Thatta	07--22 to 06-23	34, 35, 36,	50.58
4	Revenue Office HESCO Latifabad	07--21 to 06-22	22, 23, 24, 25,	56.52
			TOTAL	**520.46**

07 ACCOUNTING & FINANCIAL REPORTING

NAME OF FORMATION	AUDIT OBSERVATION	RECOMMENDATIONS	MANAGEMENT RATING

S #	NAME OF FORMATION	PERIOD	I.R. PARA NO.	AMOUNT INVOLVED
1	XEN Operation Division HESCO Digri	07--22 to 06-23	9, 20, 21, 22, 24, 25, 27, 28	55.44
2	XEN Operation Division HESCO Thatta	01--22 to 06-23	33, 41, 52, 53	-
			TOTAL	**55.44**

Preparation of bogus trial balances and fictitious accounting records. Failure to prepare bank reconciliation statements. Non-response from the Finance Directorate regarding requested financial documents. Failure to produce essential supporting documents during the audit period. Incorrect booking of Head of Account codes. Non-recovery of a huge amount from the Director Accounts and Funds on account of WWF. Absence of "Paid" stamp on payment vouchers and cash memos.

IMPLICATIONS

The above irregularities indicate serious weaknesses

Ensure preparation of authentic and verifiable trial balances with proper supporting records. Enforce timely preparation and reconciliation of bank statements. Direct the Finance Directorate to extend full cooperation by producing all required documents to audit without delay. Rectify incorrect booking of head codes through proper journal adjustments. Take immediate steps to recover WWF dues from the concerned Director Accounts and Funds. Ensure that all vouchers and

High Risk

	in financial discipline and internal control. Preparation of fictitious records and non-production of essential documents during audit raises suspicion of concealment of irregular expenditure.	cash memos bear the mandatory "Paid" stamp to establish authenticity. Fix responsibility on the officers/officials responsible for preparation of bogus records and initiate disciplinary action under relevant rules.	
RESPONSIBILITY	RO/XEN/DAO		

GENERAL & ADMINISTRATIVE

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT
1	XEN Operation Division HESCO Latifabad	4763-24	2	07-21 to 06-22	No production of record regarding expenditure incurred on different heads	Inquire the matter for fixing the responsibility against person responsible report to audit.	29,914,493
2	XEN Operation Division HESCO Latifabad	4763-24	3	07-21 to 06-22	Non production of salary audit register resulting non verification of disbursement of salaries to employees	Inquire the matter for fixing the responsibility against person responsible report to audit.	275,721,297
3	XEN Operation Division HESCO Latifabad	4763-24	4	07-21 to 06-22	Non production of original salaries bills, demand files resulting non verification of excess expenditure incurred for payment of salaries	Inquire the matter for fixing the responsibility against person responsible report to audit.	41,743,297
4	XEN Operation Division HESCO Latifabad	4763-24	5	07-21 to 06-22	Non production of transfer of salaries demand (Additional demand of salaries) resulted into non verification of additional demand received million of ruppes on account of salaries.	Inquire the matter for fixing the responsibility against person responsible report to audit.	-
5	XEN Operation Division HESCO Latifabad	4763-24	6	07-21 to 06-22	Abnormal expenditure incurred for maintenance of computers, furniture, Misc Equipment, Purchase of Stationary items and Photostat but accountal not produced	Accountal of expenditure be got maintained and produced for verification to audit.	3,337,463
6	XEN Operation Division HESCO Latifabad	4763-24	7	07-21 to 06-22	Non remittance of 5% maintenance charges to XEN Civil Works Division HESCO Hyderabad	Management look into the matter personally and needful may please be done now under report to audit.	85,680
7	XEN Operation Division HESCO Latifabad	4763-24	8	07-21 to 06-22	Irregular / Unjustified payment of WAPDA Special Relief Allowance to Mr. Mujahid Ali Khan DAO	Recovery made Rs.7800 from employee vide letter No.578-84 dated: 19-03-2025	7,800
8	XEN Operation Division HESCO Latifabad	4763-24	9	07-21 to 06-22	Huge amount kept in balance in pension imprest cash book		-
9	XEN Operation Division HESCO Latifabad	4763-24	10	07-21 to 06-22	Non Updating record of pensioners (Pension section)	DDO should got maintain the CNIC/Alive Certificate on quarterly basis	-
10	XEN Operation Division HESCO Latifabad	4763-24	11	07-21 to 06-22	Non production of record of metering section of all sub divisions	All relevant record of metering section of all sub divisions may be got produced to audit for verification.	-

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT
11	XEN Operation Division HESCO Latifabad	4763-24	12	07-21 to 06-22	Non-Production / Non maintenance of Administrative and general record	Controlling officer must get all relevant record maintained properly under intimation to audit.	-
12	XEN Operation Division HESCO Latifabad	4763-24	13	07-21 to 06-22	Non settlement of Court Cases	Management needs to expedite concrete action be taken for early disposal of the cases pending with court under intimation to audit.	4,699,383
13	XEN Operation Division HESCO Latifabad	4763-24	14	07-21 to 06-22	Abnormal / Doubtful Consumption of P.O.L	Inquire the matter and get the POL control register produced to audit for verification	7,330,743
14	XEN Operation Division HESCO Latifabad	4763-24	15	07-21 to 06-22	Non production of vehicle log book part-II resulted into non verification of utilization of POL	Inquire the matter and direct all the official concerned for producing the POL control register and log book part-II	7,330,743
15	XEN Operation Division HESCO Latifabad	4763-24	16	07-21 to 06-22	Non fixing of POL MPG/KMPL against vehicle running in division	Management needs to look and compliance be got done now without further loss.	-
16	XEN Operation Division HESCO Latifabad	4763-24	17	07-21 to 06-22	Non production of vehicle maintenance register / dismantled parts register into non verification of expenditure incurred on maintenacne / repair of vehicles	Inquire the matter and get the Vehicle maintenance register produced to audit for verification.	924,740
17	XEN Operation Division HESCO Latifabad	4763-24	19	07-21 to 06-22	Non maintenance of vehicle on charge register	Management needs that the same register may be got maintained	-
18	XEN Operation Division HESCO Latifabad	4763-24	20	07-21 to 06-22	Serious violation of authority instruction and use of vehicle without registeration book/papers	Management needs to be got registered from the excise & taxation department to avoid any complication at later stage	-
19	XEN Operation Division HESCO Latifabad	4763-24	21	07-21 to 06-22	Non submission of quarterly statement of WAPDA vehicles to director transport	Management needs to implement the authority instructions under intimation to audit.	-
20	XEN Operation Division HESCO Latifabad	4763-24	22	07-21 to 06-22	Serious irregularties found in log books	Management needs to look into and inqurie the matter and direct the user / holding the charge of vehicles to maintain log book part-II	-
21	XEN Operation Division HESCO Latifabad	4763-24	23	07-21 to 06-22	Non carried out technical inspection of WAPDA vehicles	Management look into the matter and got complied with authority instructions under	-

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT
						intimation to audit.	
22	XEN Operation Division HESCO Latifabad	4763-24	24	07-21 to 06-22	Non carried out annual medical checkup and driving test of drivers	Management look into the matter and above requirement may be fulfilled in letter & Spirit under intimation to audit.	-
23	XEN Operation Division HESCO Latifabad	4763-24	18	07-21 to 06-22	Non disposal of off road vehicles	Management to make disposed off the vehicels without any further delay.	-
24	XEN Operation Division HESCO Latifabad	4763-24	62	07-21 to 06-22	Non maintenance / Non Production of General Ledger, Subsidiary Ledger and Journal	Management needs to look into the matter and get prepare all ledgers	-
25	Revenue Office HESCO Latifabad	4761-24	2	07-21 to 06-22	Abnormal expenditure incurred for maintenance of computers, furniture, Misc Equipment, Purchase of Stationary items and Photostat but accountal not produced	Management look into the matter personally and accountal of above expenditure be got maintained.	-
26	Revenue Office HESCO Latifabad	4761-24	3	07-21 to 06-22	Non production of record regarding expenditure incurred on different heads	Inquire the matter for fixing the responsibility against person responsible report to audit.	18,505,249
27	Revenue Office HESCO Latifabad	4761-24	6	07-21 to 06-22	Non production of original salaries bills, demand files resulting non verification of excess expenditure incurred for payment of salaries	Inquire the matter for fixing the responsibility against person responsible report to audit.	4,875,234
28	Revenue Office HESCO Latifabad	4761-24	7	07-21 to 06-22	Non production of salary audit register resulting non verification of disbursement of salaries to employees	Inquire the matter for fixing the responsibility against person responsible report to audit.	39,886,234
29	Revenue Office HESCO Latifabad	4761-24	8	07-21 to 06-22	Serious irregularties noticed in payment vouchers	Inquire the matter for fixing the responsibility against person responsible report to audit.	-
30	Revenue Office HESCO Latifabad	4761-24	9	07-21 to 06-22	Huge amount kept in balance in pension imprest cash book	DDO should got maintain the CNIC/Alive Certificate on quarterly basis	-
31	Revenue Office HESCO Latifabad	4761-24	10	07-21 to 06-22	Non Updating record of pensioners (Pension section)	DDO should got maintain the CNIC/Alive Certificate on quarterly basis	-
32	Revenue Office HESCO Latifabad	4761-24	11	07-21 to 06-22	Non maintenance of CP-100 A register showing details of difference (Debit/Credit)	all CP forms may be maintained/reconciled under report to audit.	-
33	Revenue Office HESCO	4761-24	12	07-21 to 06-22	Non production / non maintenance of	Controlling officer must get all relevant	

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT
	Latifabad				administrative and general record	record maintained properly under intimation to audit.	-
34	Revenue Office HESCO Latifabad	4761-24	13	07-21 to 06-22	Improper maintenacne of service books	Controlling officer must reattested the service books after every 5 years and duplicate service books handed over to officials.	-
35	Revenue Office HESCO Latifabad	4761-24	26	07-21 to 06-22	Non maintenance / Non Production of General Ledger, Subsidiary Ledger and Journal	Management needs to look into the matter and get prepare all ledgers	-
36	Revenue Office HESCO Latifabad	4761-24	27	07-21 to 06-22	Non reimbursement of WWF Funds	Management needs efforts should be made to clear the claim and got verfied from audit.	11,508,731
37	XEN Operation Division HESCO Thatta	4760-24	1	07-22 to 06-23	Delay in provision of auditable record to audit team	Constitute and enquriy to investigate the matter regarding extra ordinary delay in provision of record	6,131,810,344
38	XEN Operation Division HESCO Thatta	4760-24	2	07-22 to 06-23	Non maintenance of retirement register	Implement authority instruction in letter and spirit	-
39	XEN Operation Division HESCO Thatta	4760-24	3	07-22 to 06-23	Non maintenance of EPF Advance register	Direct the concerned officials for maintenance of said register.	-
40	XEN Operation Division HESCO Thatta	4760-24	4	07-22 to 06-23	Non maintenance of Officer / Officials Salary audit register	Implement authority instruction in letter and spirit	-
41	XEN Operation Division HESCO Thatta	4760-24	5	07-22 to 06-23	Non maintenance of register of free electricity to WAPDA / HESCO Employees	Implement authority instruction in letter and spirit	-
42	XEN Operation Division HESCO Thatta	4760-24	6	07-22 to 06-23	Non maintenance of Medical Facility register control the reimbursemnt of medical charges	Maintained the said register and control over reimbursement of medcial charges	-
43	XEN Operation Division HESCO Thatta	4760-24	7	07-22 to 06-23	Non maitenance of auditable record	Direct the concerned officials for maintenance of said register.	-
44	XEN Operation Division HESCO Thatta	4760-24	8	07-22 to 06-23	Non submission of quarterly statement of telephone bills	Implement authority instruction in letter and spirit	-
45	XEN Operation Division HESCO Thatta	4760-24	9	07-22 to 06-23	Non submission of decleration of assests for the financial year 2022-23	Implement authority instruction in letter and spirit	-
46	XEN Operation Division HESCO Thatta	4760-24	10	07-22 to 06-23	Non mainteance of property register	Implement authority instruction in letter and spirit	-

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT
47	XEN Operation Division HESCO Thatta	4760-24	11	07-22 to 06-23	Common irregularties noticed in payment vouchers	Implement authority instruction in letter and spirit	-
48	XEN Operation Division HESCO Thatta	4760-24	12	07-22 to 06-23	Non remittance of cash on daily basis	Bank may be approached to do the needful as per agreement in between bank and HESCO.	-
49	XEN Operation Division HESCO Thatta	4760-24	13	07-22 to 06-23	Common irregularties noticed in service books	Matter be addressed promptlty and necessary actions may be taken to ractify these deficencies	-
50	XEN Operation Division HESCO Thatta	4760-24	14	07-22 to 06-23	Non mainteance of duplicate service books	Implement authority instruction in letter and spirit	-
51	XEN Operation Division HESCO Thatta	4760-24	15	07-22 to 06-23	Violation of authority instructions regarding maintenance of telephone trunk call register	Implement authority instruction in letter and spirit	-
52	XEN Operation Division HESCO Thatta	4760-24	16	07-22 to 06-23	Non reattestation of 1st page of service books after every five years	Implement authority instruction in letter and spirit	-
53	XEN Operation Division HESCO Thatta	4760-24	17	07-22 to 06-23	Non maintenance of CP-51 & CP-26	Direct the concerned officials for maintenance of said register.	-
54	XEN Operation Division HESCO Thatta	4760-24	18	07-22 to 06-23	Irregular practice of issuance of open cheques	Conduct thorogh investigation into this matter.	1,285,910
55	XEN Operation Division HESCO Thatta	4760-24	19	07-22 to 06-23	Non disposal of off road vehicles	Expedite the disposal of off road vehicles to prevent further devaluation.	-
56	XEN Operation Division HESCO Thatta	4760-24	20	07-22 to 06-23	Unregistered vehicles operating in division pose financial and legal risks to HESCO	Direct the relevant personal in this office to obtain the necessary registeration books and documents from the director transport	-
57	XEN Operation Division HESCO Thatta	4760-24	21	07-22 to 06-23	Use of vehicles having defective milometers or without milometers	Repair or replace all defective milo meters and ensure strict adherence to the authority instructions	-
58	XEN Operation Division HESCO Thatta	4760-24	22	07-22 to 06-23	Non production of monthly account and final trial balance resulted into non verification of utilzation of budget	Immediate submission of the required monthly accounts and final trial balance	127,068,000
59	XEN Operation Division HESCO Thatta	4760-24	23	07-22 to 06-23	Non accountal of Expenditure incurred in cashbook	Strict compliance with established financial regulations and promptly address these documentation lapses.	770,073

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT
60	XEN Operation Division HESCO Thatta	4760-24	24	07-22 to 06-23	Non verification of salary disbursement due to non provsion of supporting documents	Direct the DAO to produce the necessary documents for the verification of salary payments	82,775,659
61	XEN Operation Division HESCO Thatta	4760-24	26	07-22 to 06-23	Non maintenance of POL control register and log books Part-I & Part-II	Thoroghly investigate and responsibility be fixed and the amount of unverified may be recovered by DAO	5,260,716
62	XEN Operation Division HESCO Thatta	4760-24	27	07-22 to 06-23	Non production of TA/DA Bills for verification	Improper payments are identified in this regard DAO is accountable for recovery of the amount	12,154,633
63	XEN Operation Division HESCO Thatta	4760-24	32	07-22 to 06-23	Non allotment of EPF numbers to Regular employees	Immediate action is required to ensure that all regular employees are assigned EPF numbers.	-
64	XEN Operation Division HESCO Thatta	4760-24	42	07-22 to 06-23	Irregular payroll expenditure due to non production or incomplete production of attendence record	Delinquency mentioned above the entire amount of payroll expenditure is deemed irregular.	-
65	XEN Operation Division HESCO Thatta	4760-24	43	07-22 to 06-23	Manual Modifications in MIS generated paybills	DAO is accountable for this serious irregulartity XEN is required to impletent strength controls over unauthorized manual modifications in paybills	-
66	XEN Operation Division HESCO Thatta	4760-24	48	07-22 to 06-23	Lack of maintenance and review of complaint register	To enhance service quality and acountability, it is imperative to ensure that consumers receive timely updates	-
67	XEN Operation Division HESCO Thatta	4760-24	63	07-22 to 06-23	Non settlement of Court Cases	Concerned quarters be directed to dealt the court cases diligently and concerete action be taken.	-
68	XEN Operation Division HESCO Digri	4758-24	1	07-22 to 06-23	Delay in provision of auditable record to audit team	An enquiry committee may please be constituted to investigate the matter	3,343,058
69	XEN Operation Division HESCO Digri	4758-24	8	07-22 to 06-23	Missing record of funeral charges in payment voucher no.08 dated:31-03-2023	Action may be taken against the person at fault and ensure the payment made to the widow of concerned employee	15,000
70	XEN Operation Division HESCO Digri	4758-24	10	07-22 to 06-23	Unauthorized issuance of open cheques in violation of HESCO accounting manual	An enquiry committee may please be constituted to investigate the matter	152,550

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT
71	XEN Operation Division HESCO Digri	4758-24	11	07-22 to 06-23	Non production of 104 records / payment vouchers	An enquiry committee may please be constituted to investigate the matter	16,871,457
72	XEN Operation Division HESCO Digri	4758-24	12	07-22 to 06-23	Production of 31 payment vouchers without supporting documents/payment voucher	An enquiry committee may please be constituted to investigate the matter	5,403,729
73	XEN Operation Division HESCO Digri	4758-24	13	07-22 to 06-23	Bills vouchers without approval memo number and date	The all cash memos may be approved / pass to the concerned XEN	31,875
74	XEN Operation Division HESCO Digri	4758-24	23	07-22 to 06-23	Incomplete documentation for 06 payment vouchers	An enquiry committee may please be constituted to investigate the matter	1,275,365
75	XEN Operation Division HESCO Digri	4758-24	26	07-22 to 06-23	Non maintenance of General Ledger	Maintain the said important record with intimation to audit	-
76	XEN Operation Division HESCO Digri	4758-24	29	07-22 to 06-23	Non disposal of off road vehicles	NIL	-
77	XEN Operation Division HESCO Digri	4758-24	30	07-22 to 06-23	Frequently purchase of Oil & other related accessiories for vehicle	NIL	-
78	XEN Operation Division HESCO Digri	4758-24	31	07-22 to 06-23	Heavy expenditure on vehicle repairs without compliance to required	NIL	-
79	XEN Operation Division HESCO Digri	4758-24	44	07-22 to 06-23	Non submission of required from CFO	CFO office be directed to provide the requested record promptly to facilitate thorogh and timely audit.	-
80	XEN Operation Division HESCO Digri	4758-24	45	07-22 to 06-23	Non production of record for audit verification	Promptly arrnage for the production of these documents for audit verification	13,738,827
81	XEN Operation Division HESCO Digri	4758-24	46	07-22 to 06-23	Non maintenance of auditable record	Address this matter and instruct the concerned officials to immediately maintain and update the following registers	-
82	XEN Operation Division HESCO Digri	4758-24	47	07-22 to 06-23	Non maintenance of property register	Ensure that the property register is created properly and maintained	-
83	XEN Operation Division HESCO Digri	4758-24	48	07-22 to 06-23	Non maintenance of EPF Advance register	Ensure that the EPF register is created properly and maintained	-
84	XEN Operation Division HESCO Digri	4758-24	49	07-22 to 06-23	Non maintenance of salary audit register	Ensure that the Salary Audit register is created properly and maintained	-
85	XEN Operation Division HESCO Digri	4758-24	50	07-22 to 06-23	Non maitenance of retirement register	Ensure that the Retirement register is created properly and maintained	-

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT
86	XEN Operation Division HESCO Digri	4758-24	51	07-22 to 06-23	Non maintenance of incumbency register	Ensure that the Incumbency register is created properly and maintained	-
87	XEN Operation Division HESCO Digri	4758-24	52	07-22 to 06-23	Non maintenance of vehicle on charge register	Ensure that the Vehicle on charge register is created properly and maintained	-
88	XEN Operation Division HESCO Digri	4758-24	53	07-22 to 06-23	Non conduct of annual technical inspection of wapda vehicles	Arrange technical inspecton of all WAPDA vehicles	-
89	XEN Operation Division HESCO Digri	4758-24	54	07-22 to 06-23	Non compliance with MPG/KMPL recording requirement for WAPDA vehicle	Ensure that all vehicles in the formation have their MPG/KMPL fixed and recorded in their respective Log Books	-
					G. TOTAL		**6,847.83 M**

CASH AND TREASURY MANAGEMENT

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT
1	XEN Operation Division HESCO Latifabad	4763-24	1	07-21 to 06-22	Embazzlement of authority cash amount	Investigate the matter by conducting an enquiry to probe into the case and result may be intimated to audit	3,337,463
2	XEN Operation Division HESCO Latifabad	4763-24	57	07-21 to 06-22	Blockage of HESCO funds due to non recovery of WAPDA Welfare funds	Management look into the matter and recovery of WAPDA Welfare Fund may be got recovered	70,984,240
3	XEN Operation Division HESCO Latifabad	4763-24	58	07-21 to 06-22	Unclear / Unpresented cheques regarding payment pension	Management require to get cancelled all unpresented cheques by the banks	8,490,467
4	XEN Operation Division HESCO Latifabad	4763-24	59	07-21 to 06-22	Non cancellation of uncleared / un presented cheques	Management require to get cancelled all unpresented cheques by the banks	25,977,580
5	XEN Operation Division HESCO Latifabad	4763-24	60	07-21 to 06-22	Non recovery of advances for travelling expenditure	Management to recover/adjust the advances from concerned quarters	199,280
6	XEN Operation Division HESCO Latifabad	4763-24	61	07-21 to 06-22	Non recovery of temporary advances	Management to recover/adjust the advances from concerned quarters	1,093,014
7	Revenue Office HESCO Latifabad	4761-24	1	07-21 to 06-22	Likely misappropiration of authority cash	Management requires to investigate the matter by conducting an inquiry committee.	1,677,445
8	Revenue Office HESCO Latifabad	4761-24	4	07-21 to 06-22	Irregular / wrong payment made on account of collection expenses to the staff deputed for collection of bank scrolls by RO	Inquire the matter for fixing the responsibility against person responsible report to audit.	853,129
9	Revenue Office HESCO Latifabad	4761-24	5	07-21 to 06-22	Irregular / Unjustified huge amount paid on account of offday wages / overtime allowance to staff of RO	Inquire the matter for fixing the responsibility against person responsible report to audit.	2,018,037
10	XEN Operation Division HESCO Thatta	4760-24	25	07-22 to 06-23	Irregular payment through unapproved payment vouchers	Conduct to investigate these unapproved vouchers and recovery proceedings should be initiated	445,096

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT
11	XEN Operation Division HESCO Thatta	4760-24	28	07-22 to 06-23	Unauthorized payments made to employees without approval of XEN	DAO provide detailed explaination for these actions and justify the lack of required approvals in processing these payments.	332,239
12	XEN Operation Division HESCO Thatta	4760-24	30	07-22 to 06-23	Suspecious payment vouchers due to lack of supporting documents	Recovery proceeding shoud be intiated against DAO and XEN.	1,164,371
13	XEN Operation Division HESCO Thatta	4760-24	31	07-22 to 06-23	Irregular payment of convience allowance during earned leave	Immediate recovery of all amounts improperly paid as conveyance allowane to employee as earned leave.	3,672
16	XEN Operation Division HESCO Thatta	4760-24	38	07-22 to 06-23	Non clearance of WWF from WAPDA trustee account	Provide comprehensive explaination for the delay in the clearance of this recoverable amount.	1,876,281
17	XEN Operation Division HESCO Thatta	4760-24	39	07-22 to 06-23	Non recovery of TA Advance	DAO held accountable for the clearance of the advance	430,541
18	XEN Operation Division HESCO Thatta	4760-24	40	07-22 to 06-23	Non recovery of other advnaces	DAO held accountable for the clearance of the advance	39,301
19	XEN Operation Division HESCO Thatta	4760-24	44	07-22 to 06-23	Unaccounted reslease of funds and potential misuse	High Level investigation is strongly recommended to thoroghly examine the circumtances surrounding the unaccounted funds.	844,844
20	XEN Operation Division HESCO Thatta	4760-24	45	07-22 to 06-23	Unaccounted reslease of funds and discrepancies in financial records	The DAO require to submit the comprehensive documentation substaining the utilization of the funds.	36,023
21	XEN Operation Division HESCO Thatta	4760-24	46	07-22 to 06-23	Excessive fund demand and misappropiration of pay and allowances funds	Immediate recovery should be initated against the DAO for the excess funds drawn under pay and allowances.	4,931,636
22	XEN Operation Division HESCO Thatta	4760-24	49	07-22 to 06-23	Excess expenditure beyond funds released from Finance Direcotrate	Immediate recovery of all excess amounts expended over the funds release under each respective head	2,174,562
23	XEN Operation Division HESCO Thatta	4760-24	50	07-22 to 06-23	Irregular excess funds demanded than expensed	Thorogh investigation is undetaken to understand why excess funds were not surrendered	27,780,775

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT
24	XEN Operation Division HESCO Thatta	4760-24	51	07-22 to 06-23	Unauthorized and irregular payment of off day wages and overtime allowances	The DAO is held accountable for the lack of oversight in processing these unauthorized payments.	868,205
25	XEN Operation Division HESCO Digri	4758-24	2	07-22 to 06-23	Less amount disbursed to employees than amount released from CFO HESCO Hyderabad against salary head	The amount is recovered vide DR No.36607 dated: 21-11-2024 for Rs.27,00,000.00	2,699,408
26	XEN Operation Division HESCO Digri	4758-24	3	07-22 to 06-23	Excess payment in salary disbursement	An enquiry committee may please be constituted to investigate the matter	65,000
27	XEN Operation Division HESCO Digri	4758-24	4	07-22 to 06-23	Excess payment in salary disbursement	An enquiry committee may please be constituted to investigate the matter	86,230
28	XEN Operation Division HESCO Digri	4758-24	5	07-22 to 06-23	Excess payment in salary disbursement	An enquiry committee may please be constituted to investigate the matter	70,630
29	XEN Operation Division HESCO Digri	4758-24	6	07-22 to 06-23	Irregular payment of job allowance & washing allowance during dismissed from service	Recovery of above name employee and intimate to audit.	114,069
30	XEN Operation Division HESCO Digri	4758-24	7	07-22 to 06-23	Irregular payment of conveyence allowance, job allowance and washing allowance during availed earned leave	An enquiry committee may please be constituted to investigate the matter	8,394
31	XEN Operation Division HESCO Digri	4758-24	14	07-22 to 06-23	Calculation error in cashbook for march 2023 leading excess amount	Necessary counter back by the Head of formation should be carried out after completetion of monthly cashbook	80,000
32	XEN Operation Division HESCO Digri	4758-24	15	07-22 to 06-23	Excess payment release than demanded from CFO	Excess released amount on account of pension head may be returned to CFO office	2,233,188
33	XEN Operation Division HESCO Digri	4758-24	19	07-22 to 06-23	Non cancellation of time barred cheques	Immediate cancellation procedure should be taken for all cheques	2,788,759
34	XEN Operation Division HESCO Digri	4758-24	33	07-22 to 06-23	Double payment against material bills for december 2022	Immeditely initiate recovery of excess payment made to ASM field store HESCO Mirpurkhas	1,402,107
						G. TOTAL	**165.11 M**

INVENTORY AND MATERIAL MANAGEMENT

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT
1	XEN Operation Division HESCO Latifabad	4763-24	28	07-21 to 06-22	Non production of consumption record of store material by Line Superintendents	Investigate the matter and relevant record be got maintained and early production of record for verification	31,017,743
2	XEN Operation Division HESCO Latifabad	4763-24	29	07-21 to 06-22	Non Fixing the responsibility against burnt/damaged transformers	Management needs to holding inquiries for fixing the responsibility of damaged transformers under intimation to audit.	43,100,960
3	XEN Operation Division HESCO Latifabad	4763-24	30	07-21 to 06-22	Loss to the HESCO due to Non return of damaged transformers to store by LSs	Investigate the matter and damaged transformers may be got returned to store and MRNs thereof produced to audit for verification.	51,394,681
4	XEN Operation Division HESCO Latifabad	4763-24	31	07-21 to 06-22	Non return of serviceable transformers removed from renovation/augmentation works by LSs	Investigate the matter and ensure early return of removed serviceable transformers to stores.	2,710,000
5	XEN Operation Division HESCO Latifabad	4763-24	32	07-21 to 06-22	Non return of serviceable transformers removed from sites of Extension in load of industrial connections by LSs	Investigate the matter and ensure early return of removed serviceable transformers to stores.	965,608
6	XEN Operation Division HESCO Latifabad	4763-24	33	07-21 to 06-22	Purchasing of store material by the consumer but non availability of purchase receipts from purchasers and non obtaining of non availability certificate from regional store.	Management investigate the matter and ensure production of purchase receipts of store material from purchasers and non availability certificate from regional store HESCO Hyderabad may be got obtained.	296,376
7	XEN Operation Division HESCO Latifabad	4763-24	34	07-21 to 06-22	Non maintenance / Non production of transformers trolly register, resulted into non verification of accounting record of transformers trolly	Management investigate the matter and arrange to produce the record regarding transformers trolly	3,325,277
8	XEN Operation Division HESCO Latifabad	4763-24	34-A	07-21 to 06-22	New 3 Phase and Single Phase meters drawn for MCO purpose but the disposal of removed meters not produced	Management needs to inquire the matter and all relevant record be got maintained and produced to audit for verification	6,191,740
9	XEN Operation Division HESCO Latifabad	4763-24	35	07-21 to 06-22	Non production / Non maintenance of CP-78 & CP-79 resulted into non accounting of energy meters by LSs	LSs to maintain the above said record besides explain the reasons for omissions	6,191,740

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT
10	XEN Operation Division HESCO Latifabad	4763-24	36	07-21 to 06-22	Non production / Non maintenance of materials management and technical by LSs	Management look into the matter and all records of material and technical may be got maintained besides fix the responsibility against person at fault	-
11	XEN Operation Division HESCO Latifabad	4763-24	37	07-21 to 06-22	Non maintenance of Transformers inventory and movement record	Management look into the matter and authority instructions may be implemented in letter & Spirit under intimation to audit.	-
12	XEN Operation Division HESCO Latifabad	4763-24	38	07-21 to 06-22	Non maintenance of consolidated register of line T&P by Divisional Office	Management look into the matter and direct the Divisional Accounts Officer to maintain the required consolidated line T&P register and shown to audit for verification.	-
13	XEN Operation Division HESCO Thatta	4760-24	29	07-22 to 06-23	Non accountal of material drawn by LSs	XEN enforce immediate recovery of the full value of the materials forthcoming	84,270,887
14	XEN Operation Division HESCO Thatta	4760-24	47	07-22 to 06-23	Failure to maintain burnt meters register in sub division	This action should be prioritized and confirmation of compliance should be communicated to the audit department.	-
15	XEN Operation Division HESCO Digri	4758-24	32	07-22 to 06-23	Non Fixing the responsibility against burnt/damaged transformers	An enquiry committee may please be constituted to investigate the matter	-
16	XEN Operation Division HESCO Digri	4758-24	34	07-22 to 06-23	Non production of store consumption record	Submit the outstanding store requisition record for audit verification	5,601,099
17	XEN Operation Division HESCO Digri	4758-24	35	07-22 to 06-23	Non production of store consumption record	Submit the outstanding store requisition record for audit verification	9,824,876
18	XEN Operation Division HESCO Digri	4758-24	36	07-22 to 06-23	Non production of store consumption record	Submit the outstanding store requisition record for audit verification	2,561,745
19	XEN Operation Division HESCO Digri	4758-24	37	07-22 to 06-23	Non production of store consumption record	Submit the outstanding store requisition record for audit verification	110,916
20	XEN Operation Division HESCO Digri	4758-24	38	07-22 to 06-23	Non production of store consumption record	Submit the outstanding store requisition record for audit verification	7,934
21	XEN Operation Division HESCO Digri	4758-24	39	07-22 to 06-23	Non production of store consumption record	Submit the outstanding store requisition record for audit verification	10,400,420
22	XEN Operation Division HESCO Digri	4758-24	40	07-22 to 06-23	Non production of store consumption record	Submit the outstanding store requisition record for audit verification	11,118,923
23	XEN Operation Division HESCO Digri	4758-24	41	07-22 to 06-23	Non production of store consumption record	Submit the outstanding store requisition record for audit verification	4,631,723

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT
24	XEN Operation Division HESCO Digri	4758-24	42	07-22 to 06-23	Non production of store consumption record	Submit the outstanding store requisition record for audit verification	14,121,263
25	XEN Operation Division HESCO Digri	4758-24	43	07-22 to 06-23	Non production of store consumption record	Submit the outstanding store requisition record for audit verification	867,320
						TOTAL	**270.60 M**

REVENUE AND RECEIVABLES

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT (M)
1	XEN Operation Division HESCO Latifabad	4763-24	25	07-21 to 06-22	Non energizing of RIPE industrial connections due to non receipt of necessary documents	Inquire the matter be investigated at personal level and needful may be done now.	-
2	XEN Operation Division HESCO Latifabad	4763-24	26	07-21 to 06-22	Late installation of industrial connections resulted into revenue loss to HESCO	Management needs to investigate the matter for the late installation of industrial and tube well connections.	-
3	XEN Operation Division HESCO Latifabad	4763-24	27	07-21 to 06-22	Non reconciliation of CP-13 & CP-41 which resulted into less billing/excess billing	Management look into the matter and direct the concerned staff for reconciliation of the same.	-
4	XEN Operation Division HESCO Latifabad	4763-24	39	07-21 to 06-22	Recoverable loss from the consumer m/s Dawood Mart having independent feeder	Management investigate the matter for fix responsibility upon the person at fault besides recovery of loss from the consumer	30,141,030
5	XEN Operation Division HESCO Latifabad	4763-24	40	07-21 to 06-22	Loss to the HESCO due to abnormal line losses beyond NEPRA targets	Management require to investigate the matter and fix the responsibility regarding revene loss	1,627,620,256
6	XEN Operation Division HESCO Latifabad	4763-24	41	07-21 to 06-22	Un due generation of Revenue through over billing	Management require to investigate the matter and fix the responsibility regarding overbilling	50,636,596
7	XEN Operation Division HESCO Latifabad	4763-24	42	07-21 to 06-22	Excess units billed on various feeders by the SDOs	Management require to investigate the matter and fix the responsibility	77,613,518
8	XEN Operation Division HESCO Latifabad	4763-24	43	07-21 to 06-22	Excessive line losses beyond permissible limit fixed by the NEPRA resulted into hesco sustained loss	Management require to investigate the matter and fix the responsibility	-
9	XEN Operation Division HESCO Latifabad	4763-24	44	07-21 to 06-22	Inefficent application of billing and collection procedure entailing huge receivables against government private consumers	Management require to investigate the matter and fix the responsibility	21,062,334,151
10	XEN Operation Division HESCO Latifabad	4763-24	45	07-21 to 06-22	Non removal of electrical equipment by implementation of EROs and non recovery of arrears	Management require to investigate the matter and fix the responsibility	14,034,142,648

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT (M)
11	XEN Operation Division HESCO Latifabad	4763-24	46	07-21 to 06-22	Huge receviables amount from dead defaulters consumers (Government & Private)	Management require to investigate the matter and fix the responsibility	25,779,593
12	XEN Operation Division HESCO Latifabad	4763-24	47	07-21 to 06-22	Huge receviables amount from running defaulters consumers (Government & Private)	Management require to investigate the matter and fix the responsibility	25,133,886
13	XEN Operation Division HESCO Latifabad	4763-24	48	07-21 to 06-22	Irregular billing due to non replacement of defective meters as per CP-90	Management require to investigate the matter and fix the responsibility	-
14	XEN Operation Division HESCO Latifabad	4763-24	49	07-21 to 06-22	Non supply reading of various connections and shown same to same	Management require to investigate the matter and fix the responsibility	-
15	XEN Operation Division HESCO Latifabad	4763-24	50	07-21 to 06-22	Non energizing of industrial connections (private) despite payment has been made by the consumers	Management require to investigate the matter and fix the responsibility	3,391,956
16	XEN Operation Division HESCO Latifabad	4763-24	51	07-21 to 06-22	Non recovery of grouting charges and 13% sindh sales tax from industrial and domestic consumers	Management look into the matter and emount worked out be got recovered from the consumer.	23,504
17	XEN Operation Division HESCO Latifabad	4763-24	52	07-21 to 06-22	Non recovery of feeder rehablitation charges from industrial consumer	Management look into the matter and emount worked out be got recovered from the consumer.	17,500
18	Revenue Office HESCO Latifabad	4761-24	14	07-21 to 06-22	Low rate charge against domestic connections during charging of detections	Matter may be investigated by conducting an inquiry committee and also get stopped this practice	-
19	Revenue Office HESCO Latifabad	4761-24	15	07-21 to 06-22	Irregular / Unjustified detection bills charged to the consumers for 12 months without detection proforma and approval of competent authority	Charge detection bills according to the instructions of HESCO authority besides approval from XEN	2,209,223,761
20	Revenue Office HESCO Latifabad	4761-24	16	07-21 to 06-22	Irregular / Unjustified charging of detection units wihtout fulfil the codal formalities only to maintain the line losses by the XEN and SDOs	Management may control over the unjustified detection billing and increase billing through 21 C and all codal formalities may please be got completed.	-
21	Revenue Office HESCO Latifabad	4761-24	17	07-21 to 06-22	Non adjustment of reserve for bad debts	Management look into the matter and cases for writing off of irrecoverable arrears may	480,097,583

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT (M)
						be prepared and adjusted after getting approval	
22	Revenue Office HESCO Latifabad	4761-24	18	07-21 to 06-22	Irregular credit balances against consumers	Matter may inquired for reasons for such irregular credit balances	92,074,255
23	Revenue Office HESCO Latifabad	4761-24	19	07-21 to 06-22	Huge amount kept in set a side	Matter needs to be inquired besides recovered authority's amount from the concerned consumers	122,944,653
24	Revenue Office HESCO Latifabad	4761-24	20	07-21 to 06-22	Heavy amount shown in CP-107 un-identified cash	Matter may please be looked into and needful done to reduce the piles/blockage of unidentified cash	13,149,568
25	Revenue Office HESCO Latifabad	4761-24	21	07-21 to 06-22	Non maintenance of CP-51 & CP-26 resulted non verification of security deposit by the consumers	Registers may be maintained along with all other documents	333,826,807
26	XEN Operation Division HESCO Thatta	4760-24	54	07-22 to 06-23	Non recovery of grouting charges from industrial / commercial / tubewell consumers	Direct the concenred for recvoery of grouting charges from the power consumers.	268,581
27	XEN Operation Division HESCO Thatta	4760-24	55	07-22 to 06-23	Non resolving the matter of credit balances against various consumers	Reasons for the credit balance besides correcting / updating the same irregularties under report to audit.	16,356,100
28	XEN Operation Division HESCO Thatta	4760-24	56	07-22 to 06-23	Non remittance of electricity bills by the banks	Discuss the matter with bank authorities for non remiitance of amount of electricity bills paid by the consumers at HESCO main account	35,845,300
29	XEN Operation Division HESCO Thatta	4760-24	57	07-22 to 06-23	Non implementation of ERO	ERO implemented so that HESCO arrears may be recovered besides stating the reasons for omission	1,743,770,000
30	XEN Operation Division HESCO Thatta	4760-24	58	07-22 to 06-23	Violation of authority instructions regarding billing of neon signs	Ensure correct billing so that Authority may not sustained further revenue loss under intimation to audit.	-
31	XEN Operation Division HESCO Thatta	4760-24	59	07-22 to 06-23	Non recovery of arrears from defaulter consumers	All cases may please be reffered to HESCO recovery team for effecting recovery.	12,290,030

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT (M)
32	XEN Operation Division HESCO Thatta	4760-24	60	07-22 to 06-23	Non reconciliation of CP-13 & CP-41 which resulted into less billing/excess billing	Direct the concerned staff for reconciliation of the same	-
33	XEN Operation Division HESCO Thatta	4760-24	61	07-22 to 06-23	Line losses	Efforts should be made to reduce the line losses.	-
34	XEN Operation Division HESCO Thatta	4760-24	62	07-22 to 06-23	Heavy Arrears against Govt/Private consumer as per CP-41	Recover the heavy arrears from Govt/Private consumers and progress achieved in this matter may please be intimated to audit.	9,691,762,705
35	XEN Operation Division HESCO Thatta	4760-24	64	07-22 to 06-23	Huge amount kept in set a side	Stating the reasons for non recovery of legitimate dues arrears from the consumers	77,686,983
36	XEN Operation Division HESCO Thatta	4760-24	65	07-22 to 06-23	Unrealistic / Abnormal / Fictious / Repeated detections allowed to the consumers by the SDO of thatta wihtout M&T & S&I	Direct the quarter concenred for immediate implementation above guidelines and Chapter No.9 of consumer service manual	-
37	XEN Operation Division HESCO Thatta	4760-24	66	07-22 to 06-23	Late installation of industrial connections resulted into revenue loss to HESCO	Investigate the reasons for non installation of connection intime besides taking action against the person at fault.	-
						TOTAL	**27,121.55**

PURCHASING AND PAYABLES

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT (M)
1	XEN Operation Division HESCO Thatta	4760-24	37	07-22 to 06-23	Non clearance of liability	Provide justification for the continued presence of this payable amount.	9,608,316
					G. TOTAL		**9.61**

PLANNING, BUDGETING AND FORECASTING

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT (M)
1	XEN Operation Division HESCO Latifabad	4763-24	53	07-21 to 06-22	Expenditure incurred in excess of the budget grant	Management justify the expenditure over the budget grant without reappropriation of funds	45,167,481
2	XEN Operation Division HESCO Latifabad	4763-24	54	07-21 to 06-22	Expenditure incurred without existing budget grant	Management justify the expenditure incurred may be got regularized.	96,904,361
3	XEN Operation Division HESCO Latifabad	4763-24	55	07-21 to 06-22	Excess budgetary provisions	DDO and CFO should ensure that budgetary allocation should be rationally determined	91,295,361
4	XEN Operation Division HESCO Latifabad	4763-24	56	07-21 to 06-22	Non utilization of development budget due to poor financial management	Management require to investigate the matter and fix the responsibility	100,161,489
5	Revenue Office HESCO Latifabad	4761-24	22	07-21 to 06-22	Expenditure incurred in excess of the budget grant	Management needs to excess expenditure be got regularized from authority	6,345,100
6	Revenue Office HESCO Latifabad	4761-24	23	07-21 to 06-22	Unauthorized expenditure incurred without existing budget grant	Expenditure incurred may be got regularized from authority	49,411,192
7	Revenue Office HESCO Latifabad	4761-24	24	07-21 to 06-22	Excess budgetary provisions	DDO and CFO should ensure that budgetary allocation should be rationally determined	721,171
8	Revenue Office HESCO Latifabad	4761-24	25	07-21 to 06-22	Non recovery of advances from employees	Management to recover / adjust the advances from concerned quarter	40,000
9	XEN Operation Division HESCO Thatta	4760-24	34	07-22 to 06-23	Irregular expenditure incurred in excess of budget grant	Immediate corrective action be taken along with the reasons for incurring expenditure over the approved budget grant without necessary reappropriation should be investigated	19,590,452
10	XEN Operation Division HESCO Thatta	4760-24	35	07-22 to 06-23	Irregular expenditure incurred without allocation of budget grant	Provide comprehensive explanation for incurring expenditure without budget allocation and without necessary reappropriation of funds	4,203,694
11	XEN Operation Division HESCO Thatta	4760-24	36	07-22 to 06-23	Irregularity due to violation of instructions regarding surrendering the saving for	Provide justification for the failure to notify higher management regarding these	26,784,686

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT (M)
					further allocation	savings	
12	XEN Operation Division HESCO Digri	4758-24	16	07-22 to 06-23	Excess expenditure beyond budget grant as of June 2023	conduct thorough review of the accounts to identify the causes of excess expenditure and take corrective actions	1,644,116
13	XEN Operation Division HESCO Digri	4758-24	17	07-22 to 06-23	Unallocated expenditure incurred without budget for fy-2022-23	Un allocated expenditure may be regularized from CFO Office	9,612,802
14	XEN Operation Division HESCO Digri	4758-24	18	07-22 to 06-23	Unutilized budget savings not communicated to finance director	Established a systematic process for monitoring budget utilization and to ensure timely communication of any savings to the FD	68,581,928
						G. TOTAL	**520.46**

ACCOUNTING & FINANCIAL REPORTING

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT (M)
1	XEN Operation Division HESCO Thatta	4760-24	33	07-22 to 06-23	Preparation of bogus trial balance	Detailed report of the corrective measures taken should be submitted to the audit department to facilitate a comprehensive financial verification	-
2	XEN Operation Division HESCO Thatta	4760-24	41	07-22 to 06-23	Failure to prepare bank reconciliation statement	XEN is strongly urged to prioritized the immediate updating of the bank reconciliation statement	-
3	XEN Operation Division HESCO Thatta	4760-24	52	07-22 to 06-23	Non response from finance directorate regarding requested financial documents	High Level investigation to asses the reasons for this failure to comply with audit inquiries, as non cooperation could be indicative of underlying irregularties.	-
4	XEN Operation Division HESCO Thatta	4760-24	53	07-22 to 06-23	Failure to produce essential documents during audit period 02-09-2024 to 15-11-2024	High level inquiry should be initiated to examine the reasons behind the non production of records	-
5	XEN Operation Division HESCO Digri	4758-24	9	07-22 to 06-23	Incorrect booking of head of account codes	An enquiry committee may please be constituted to investigate the matter	836,347
6	XEN Operation Division HESCO Digri	4758-24	20	07-22 to 06-23	Payment vouchers and cash memos prepared without XEN HESCO Digri	corrective measures be taken to ensure that no payment vouchers or cash memos are processed	-
7	XEN Operation Division HESCO Digri	4758-24	21	07-22 to 06-23	Non recoverable of Huge amount from Director accounts and funds on account of WWF	Recover outstanding amount from concerned employees	4,811,270
8	XEN Operation Division HESCO Digri	4758-24	22	07-22 to 06-23	Absence of Paid Stamp on payment voucher and cash memos	Process of affixing the paid stamp on all payment vouchers and cash memos be strictly enforced	4,811,270
9	XEN Operation Division HESCO Digri	4758-24	24	07-22 to 06-23	Ficitious prepration of Trial Balance	A detail reconciliation between cashbook and trial balance should be conducted immediately to correct discrepancies	-
10	XEN Operation Division HESCO Digri	4758-24	25	07-22 to 06-23	Fictious entreis in trial balance under head TA/DA Advance 140102	A thorogh investigation should be conducted to trace the origion of this entry	133,520

S.NO.	FORMATIONS	FILE NO.	PARA NO.	PERIOD OF AUDIT	NATURE OF PARA	RECOMMENDATIONS	AMOUNT (M)
						and identify the responsible.	
11	XEN Operation Division HESCO Digri	4758-24	27	07-22 to 06-23	Unresolved balance of working fund as per trial balance	Investigate the reasons for the outstanding balance in working fund	74,926
12	XEN Operation Division HESCO Digri	4758-24	28	07-22 to 06-23	Pending adjustment of Free Electricity and other transactions	ensure that immediate action is taken to resolve the adjust amount	44,769,380
						G. TOTAL	**55.44**