



**THE ACCOUNTANT GENERAL OF PAKISTAN
REVENUES (AGPR)**

A STUDY BY



**WAFAQI MOHTASIB'S SECRETARIAT,
REGIONAL OFFICE (DAVIS ROAD), LAHORE.**



**REPORT BY COMMITTEE CONSTITUTED BY
HONOURABLE WAFAQI MOHTASIB TO STUDY
PUBLIC COMPLAINTS AND ISSUES OF
CONCERN IN RESPECT OF THE ACCOUNTANT
GENERAL OF PAKISTAN REVENUES (AGPR)**



Prepared By:-

**ABDUL BASIT KHAN, ADVISOR
RIZWAN ULLAH BEG, DIRECTOR GENERAL**

ACKNOWLEDGMENT

We are grateful to Mr. Asif Hayat Malik, Senior Advisor Coordinator Punjab, Sayed Mohsin Asad, Senior Advisor (Incharge) Wafaqi Mohtasib's Secretariat Regional Office, Lahore for their insight and valuable advice. We are also highly indebted and grateful to Mr. Muhammad Azam Khan Ex-Accountant General Sindh and a senior officer of Audit and Accounts Group, Mr. Imran Iqbal Accountant General Punjab, Mr. Tariq Bashir Chatta Additional Accountant General Pakistan Revenues, Mr. Aquil Raza Khoja, General Manager Punjab Pension Fund Finance Department, Mr. M. Marghoob Khan Sajid, Accounts Officer AGPR Sub-Office Lahore.

TABLE OF CONTENTS

#	Contents	Page No.
1	INTRODUCTION	5
2	LEGAL FRAMEWORK OF THE PENSION AND GPF PAYMENT SYSTEM.	8
3	OPERATIONAL ROLE AND FUNCTIONS OF AGPR	9
4	ENDEMIC ISSUES & IDENTIFICATION OF SUCH AREAS THAT CAUSE PROBLEMS	10
5	RECOMMENDATIONS	16
6	CONCLUSION	21

“INTRODUCTION”

The Accountant General of Pakistan Revenues (AGPR) Department which deals with the pay and allowances/ pension cases and General Provident Fund (GPF) of Federal Government employees is working under the administrative control of Auditor General of Pakistan. The Accountant General of Punjab, Sindh, Balochistan, KPK, Azad Kashmir & Gilgit Baltistan are also working under the Controller General Accounts (CGA) office of Auditor General of Pakistan. It has been observed with great concern that retired employees of federal government departments as well as provincial government departments encounter enormous difficulties and hiccups in getting their cases of pensions & GPF settled. The officers / officials who complete their length of service and stand retired from service, face hardships in the acquisition of their Pension & Pay Orders (PPOs) & GPF payments. It is an open secret that the AGPR cannot be held responsible alone for all the issues and the problems of retired officers / officials as they were also found responsible for non-completion of their service records, missing GPF credits etc and do not follow the prescribed Rules & Regulations while discussing with the competent authorities of AGPR & AG Office. Most of them even initiate their pension / GPF cases after their retirement and face the real trauma and depression while visiting their administrative offices and AGPR. It will not be out of place to mention here that the administrative departments of the concerned retired officers / officials were also found responsible in aggravating the plight and sufferings of retired officers / officials as their officers and

lower staff do not find enough time to complete the record and in the most cases deliberately avoid to help the retiring persons.

The complaints of retiring government servants, and pensioners is a real matter of concern for the Government. In the recent past years, the volume of the complaints of pensioners to the Wafaqi Mohtasib (Ombudsman) and other relevant forums have increased considerably. The various analysis of annual reports of Wafaqi Mohtasib (Ombudsman) clearly demonstrates the fact of various flaws and shortcomings in the system of pension payments under Accountant General Pakistan Revenues (AGPR).

The retiring Government servants / pensioner have to visit their departments and the AGPR/AG/DAO's office several times to receive benefits they had earned over their lifetime. The competent authorities to help solve their problems sometimes ignore rules / orders which cause inordinate delay in finalization of the pension of the retiring government servants. One of the major reasons for such negligence is non-accountability of the functionaries of the concerned Departments.

The Hon'ble Wafaqi Mohtasib being so empowered under Article 18 of the President's Order No.1 of 1983, constituted a committee to study the issues involved in the public complaints and make recommendations for improvement in the working of AGPR so that the government servant's complaints are fully addressed and minimized. In terms of Section 9 (3) of the aforesaid Act, Ombudsman ascertain the root causes of corrupt practices and injustices through studies and research and makes general / appropriate recommendations for their eradication. The same provides general guidelines to the Government Departments and lays solid / empirical basis for policy action against various forms of violation of citizen's rights. Implementation of such recommendations and guidelines proves more

effective, fruitful and pragmatic in the course of the protection of citizen's rights compared to providing relief in each and every individual complaint.

The report of the Committee will focus on the following areas:-

- (i) Legal framework of the pension and GPF payment system.
- (ii) Operational role of AGPR in pension payment system.
- (iii) The endemic issues that have become the subject matter of public complaints (Government Servants).
- (iv) The identification of remedial measures, recommendations for improvement to overcome the problems.
- (v) Conclusion.

LEGAL FRAMEWORK OF THE PENSION AND GPF PAYMENT SYSTEM

1. In accordance with the Civil Servants Act-1973, on retirement from service, a civil servant shall be entitled to receive such pension and commutation as may be prescribed.

2. In the event of the death of a civil servant, whether before or after retirement, his family shall be entitled to receive such family pension, or commutation, or both, as may be prescribed.

3. The present Pension Scheme was introduced in 1954 in the form of pension-cum-gratuity scheme, as amended from time to time.

4. The pension papers of the retiring employee shall be prepared by his Department, and duly sanctioned, the same shall be forwarded to AGPR, for pension payment as per Rules.

5. The GPF is deducted from the salaries of the Federal Government employees as per prescribed rates, and the Government Servants are authorized to withdraw from their accounts advances (during Service) and final payment on retirement, as per prescribed Rules.

OPERATIONAL ROLE AND FUNCTIONS OF **AGPR**

The Accountant General Pakistan Revenues (AGPR) is established at Federal level, with its regional offices at Lahore, Karachi, Peshawar, Quetta and Gilgit. The AGPR is entrusted with the functions of payment of Service dues, including pay and allowances, pension and other employee related payments of federal government employees. The AGPR is also responsible to maintain record of History of Service of employees in BS-16 and above, maintain GP Fund accounts and other records pertaining to non- gazetted employees. This study will focus on the functions of AGPR with reference to Pension and GPF payment to retiring federal government employees. The pension is disbursed at treasuries and through Bank Accounts to the pensioners maintained in various Banks.

ENDEMIC ISSUES THAT HAS BECOME THE SUBJECT MATTER OF PUBLIC COMPLAINTS (GOVERNMENT SERVANTS) IDENTIFICATION OF SUCH AREAS THAT CAUSE PROBLEMS AND GENERATE COMPLAINTS.

1. Incomplete service records

- a. Incomplete Service Book and non- verification of qualifying Service.
- b. Incomplete History of Gazetted Service.
- c. Improper record keeping and linking arrangements in AGPR.
- d. Frequent non-availability of old record in AGPR.

1. Administrative problems

- a. Weak coordination and non-cooperation between the parent department and the accounts office (AGPR).
- b. Decentralized administrative structure of the departments.
- c. Dichotomy of control over the District Account Offices.
- d. Administrative complications and procedural issues.

2. Reasons in Delay of cases

The most important factor which causes problems to the civil servants is the conventional approach of indifference, inaction delay and non seriousness on the part of the department of employee while dealing with their service matters with the office of AGPR. In processing of all the cases of the retiring employees in their parent departments, it includes preparation of pension cases, sanction and submission to the accounts office.

Following are three areas where retired officers / pensioners face actual difficulties.

- a. Pension cases
- b. G. P. Fund cases.
- c. Miscellaneous cases.

The **reasons for delay** in cases are as under:-

- a. Indifferent attitude of the staff.
 - b. Lack of co-ordination in different sections rendering services to the same employees.
 - c. In-effective internal controls and monitoring.
 - d. Lack of Accountability.
 - e. Shortage of dealing staff, as compared to load of work.
 - f. Lack of training and shortage of skilled staff.
 - g. Non-automation, incomplete computerization and lack of coordination with other sections of the office
 - h. Lack of centralized record in computers.
 - i. Lengthy procedures and forms
 - j. Complicated and cumbersome procedures
 - k. Inefficient diary and dispatch systems.
 - l. Lack of control over movements of files and other records in AGPR and parent department.
 - m. Frequent queries and requests of clients.
 - n. Non-response of queries and requests of the clients by AGPR and parent Department.
 - o. Lack of interaction with the sister organization at top-level.
 - p. Tainted and bad image of the office amongst the public.
 - q. Insufficient financial resources for logistics and office stationary.
4. Majority of the complaints against the AGPR pertain to delays in payment or Non-payment of pension and General Provident Fund. Complaints pertaining to pension generally relate to initial sanction of pension by the parent department of the retired government

servant or sanction of pension in favour of the family of the deceased employee.

5. Non-payment of increases in the pension and other revisions from time to time by the government was another area of complaint. Transfer of the payment of pensions from the jurisdiction of one audit office to the jurisdiction of another audit office, non-restoration of commuted value of pension surrendered for gratuity etc. benefit of extra served of 2% each year of service rendered beyond 30 years, revision of pension due to any change in their pay and allowance, due to move-over / selection grade: promotion from a date prior to their date of retirement.

6. Complaints regarding G. P. Fund relate to non-allotment and incorrect account numbers, erroneous or non-posting of G.P. F balances in the ledgers of the employees. There are complaints of non-intimation of GP.F balances to the subscribers, non-inclusion or incorrect calculation of interest on GPF on retirement or difficulties in withdrawal of GPF advances during service. The problem of families in getting the final payment, in case of death of the employee is a serious one.

7. There are other problems that relate to the interpretation of the relevant financial rules or contradictory rules which cause difficulties in some cases. The problems of jurisdiction of AGPR over the sub-offices (District Accounts Offices) also cause administrative and coordination difficulties. The duality and dichotomy of control over these sub-offices is a significant impediment in the solution of the problems. The difficulty in resolution of these problems is also experienced where

administrative sanction / approval missing and the problems not redressed by the AGPR.

8. The following shall amplify these problems areas as well as the detailed outlook of some of the associated factors that cause these problems.

a. Departmental Indifference and Neglect:-

It is said that Justice delayed is justice denied. The major source of administrative injustice is a notorious reason of corruption and persistent cause of citizen's grievances is delaying tactics of AGPR officials. Neglect and indifference are really worst form of maladministration. In fact delay in the solution of the cases reflect the inefficiency of public service. And neglect indifference and careless approach depicts corrupt motives of their functionaries, organizational bottlenecks, deficiencies, red-tapism, cumbersome rules, intricate procedures and other kinks in the smooth flow of work. In fact delay in solution of cases is a blatant form of injustice.

b. Inefficiency & Ineptitude:-

Inefficiency, incompetency and ineptitude of the bureaucracy give rise to depression, despair and pessimism amongst the retired officers / officials and ultimately create obstacles in good governance. It only causes inconvenience to the public, even proves costly to the Government department. What to talk to redress the grievances, the inefficient functionaries even do not care to reply the retired persons. Avoiding to respond communication with public also generates maladministration and inefficiency.

c. Contrary to Law/Rules;-

The Violation of law/rules is a very common complaint. It has been observed that in most of the cases, Agencies do not follow rules/regulations in their entirety. At times these are used as tools to deny the relief provided for the rule or law under which the rules are framed. It is not realized that beneficial rule or legislation is to be interpreted liberally in favour of the people to grant them instead of denying them.

d. Discrimination and Favouritism:-

The Favoritism and nepotism lead to twin maladies as favored do not work to justify the trust reposed in them by the State. Those indulging in favoritisms and nepotism should understand or need to be educated, what damage they are inflicting on the society and should refrain from such practices. Steps should also be taken by the Governments that option of such activities does not arise where these activities have taken place, these are curbed and responsible be taken to task. To ensure good governance, it is incumbent to treat citizen equally and in accordance with the policy and prescribed procedures.

e. Arbitrary Decision:-

Arbitrary and unjust decision are source of mal-administration and inefficiency leading to flow of complaints showing resentments and deprivations among those who are resultantly effective in such cases. The mal-administration of a Government Agency Grievances would arise if cardinal principal of justice “Do not condemn a person unheard” is not observed. There can be no good governance, unless this requirement is met.

f. Administration Excessive:-

Misuse of power is another cause giving rise to grievance and injustice. Normally power should be understood to do something positive, constructive and is considered to have consequential effect to

redress the grievance of the affectees and retired persons and not to be used generously and sparingly for the self benefit of government functionaries.

g. Irrelevant Objections:-

[

The pensioners / retired persons are being put to great inconvenience and stress by means of raising irrelevant objections on their genuine cases. They are made to visit offices for number of times for trivial and flimsy objections.

h. Bias and Unjust Decision:-

Bias, malic and unreasonableness prevalent in Governmental Agencies are symptoms of bad motives. The functionaries, without proper examination of cases and fully appreciating the facts give decision, which are biased and unjust, owing to their stereotyped thinking, knowledge and understanding.

i. Corrupt Motives:-

Due to widespread notion of corruption, people have come to believe that nothing can be done except by offering bribe. Taking bribe is an offence and is also prohibited in our religion and is immoral and unethical. The officials of AGPR act on the dictum that a needy is blind. Not only the people need to be enlightened on the subject but the State must also ensure that its employees do not violate the E&D Rules as prescribed in the ESTA code and do not undermine the creditability of the Government.

RECOMMENDATIONS CONCERNING REMEDIAL MEASURES FOR THE SOLUTION OF IDENTIFIED PROBLEMS

1. The **analysis of this report** has identified the problem areas in the working of AGPR. The analysis has indicated certain regulatory; procedural; organizational and behavioral problem areas in the working of the AGPR. The AGPR has already taken a number of initiatives for re-activation of the working of the office.

2. **Administrative shortcomings** identified by various agencies including Ombudsman and other agencies reflect clearly the unwise and blind use of discretionary powers undermining the true spirit of justice and free play. These failings in the system most of which pertaining to AGPR, seem to be attributable more to human weakness and fall into one of the following classes:

- a. Assorted mistakes, errors and oversights
- b. Failing to impart information or provide adequate explanations.
- c. Giving inaccurate information and misleading advice.
- d. Misapplication of departmental rules and instructions
- e. Peremptory or inconsiderate behavior on the part of officials.
- f. Unjustifiable delay.

3. The **procedures and practices** need to be re visited, some of the areas are as under:-

- a. Simplification of the procedures of preparation of pension papers.
- b. Up-dating of History of Gazetted Civil Servants.
- c. Timely verification of qualifying service (completion of service books) of Non-Gazetted Employees by their Departments.

- d. Timely Pay-fixation of the Non-Gazetted Civil servants, both by the DDOs and its verification by the office of AGPR and its sub-offices.
4. The above steps may **further improve** the situation:-
 - a. It will ensure the payment of pension on due date.
 - b. It will ensure prompt finalization of all cases of pension at the earliest.
 5. The complaints in **family pension cases** can be controlled by taking following measures:-
 - a. The data and information regarding family be obtained at the time of processing of pension cases of retiring employees and be kept adequately, so that whenever the family pension case is received, it is linked promptly.
 - b. The Department concerned may continue updating this data frequently.
 - c. The pension application form is unnecessarily lengthy and cumbersome. It is experienced that a number of columns has become obsolete due to changes in the pension rules / policy. The form may be briefed and simplified.
 6. It goes without saying that for expediting the requisite action by the Accounts Offices, co-operation and feedback from the concerned Administrative Department is equally productive and fruitful. All Administrative Secretaries should to personally review and monitor the progress and finalization of these cases every month in their Department.
 7. The following steps are further suggested:-
 - a. New system for maintenance of record on computer under PIFRA must be strengthened. The bio-metric identification system be used for Pensioners. The data of NADRA may be used by AGPR, for government employees.

- b. The direct payment of pension system through their Bank Accounts, under PIFRA may be used for all the pensioners.
- c. Proper handing / taking over of charge must take place on transfer postings and be recorded in service records of government employees.
- d. The Communication between DDO and the Accounts Office is necessary (a monthly meeting is suggested)
- e. Speedy issuance of LPC/Service statement must be ensured.
- f. Clerical staff (Agents) of the client department must be discouraged to enter AGPR offices, without proper authorization by the DDO, to avoid malpractices.
- g. Training of the dealing staff matters concerning Pension and GPF must be given more importance.
- h. At least one model section of Pension and GPF should be established on experimental basis in each Office of AGPR.
- i. Improvement in dispatch / Diary sections in AGPR offices must be ensured.
- j. One day may be allocated in a month for Targets Review / Performance Monitoring of Pension cases in AGPR Offices.
- k. Internal Audit Section should be re-organized to make it effective in main Office as well as of AGPR and its sub-Offices.
- l. Surprise visits should be arranged, in sections / offices by supervisory staff.
- m. Formation of Vigilance Cell to monitor the daily progress of staff and incoming "Touts".
- n. Job descriptions of each employee may be displayed on his seat.
- o. Efforts should be made for the capacity building of the staff, and
- p. Intelligence Cell to be established to secretly monitor the working of employees.

8. The efficient enforcement of the Ordinance 2001 already promulgated for the establishment of separate Accounting arrangements under the Controller General of Accounts, Islamabad. This system must be strengthened; it will eliminate misconception about duality of administrative control.
9. The parent department should initiate the case for finalization of pension dues within the time frame fixed by the Government.
10. The competent authority, as allowed under the Rules, may sanction anticipatory pension, in case of any unforeseen delay; and commutation to the retiring employee.
11. The complaint handling system in the AGPR should be computerized. There is a need to evolve a strategy on the basis of analysis of the complaints to avoid its recurrence in future. For example, the major areas in pension cases have been identified as delay; therefore effective monitoring and persuasion can solve this recurring problem. Continuous mechanism of follow-up can further reduce the incidence of delay.
12. The “Special Services Unit” already established for monitoring of pension cases in (AGPR) should be re-activated. The computerization of basic records for effective monitoring can

enhance effectiveness of this cell, as well as records of the old pension cases.

13. There is a need of further improvement for better coordination between Pay and Pension Sections of the AGPR, it is therefore proposed:-

- a. In time completion of service statement of retiring employees.
- b. In time issuance of Last Pay certificate of retiring employees.
- c. Time limit may be fixed for issuance of pension payment order.

14. To keep proper discipline in the office, the union system or any corrupt network in the AG Office should be discouraged.

15. The pension sections should preferably be established on the ground floor for the convenience of pensioners and their problems be handled in a manner, that their visits to A.G Office are minimized.

16. In the month of June no cheque should be issued after 20th June as it creates problems for encashment. The payment of left over claims of the previous financial year should be carried forward automatically and to be adjusted in the first month of the new financial year.

17. All the cheques prepared should be dispatched by post to the concerned to avoid chances of corruption and malpractices.

18. Biometric system may be implemented for the proper entry and exit of the employees at the AGPR office to ensure punctuality.

CONCLUSION

In order to solve the problems of pensioners the foundation of new culture has been laid down. It is the administration which introduces new aspects of office management according to the changing environments and this responsibility has very well been taken up and executed by the AGPR. The good governance can further strengthen the process of complaint handling and settlement of these matters. There is a marked improvement in the situation; additional efforts are being made for further betterment of customer service. The malpractices among the functionaries of AGPR office are going to take some time before these are completely eradicated and wiped out. The solution of the identified problem areas in the various annual reports will enhance the effectiveness of the AGPR / AG Offices. The majority of the complaints pertain to delayed payments or non-payment of retirement dues, which mostly take place due to delay, and wrong calculation of the dues by the concerned Agencies. The complainants appeared to be victims of indifference and apathy which can be minimized by prompt dealing of the following cases:-

- a. Completion of Service Books / Service statement of the officers/officials regularly.
- b. Calculations and payment of commutation and gratuity, fixation of pay, addition of increments.

- c. Issuance of pension book, incorporation of revisions / increase in pension and approval of family pension's cases.
- d. Allotment of GPF number, transfer of General Provident Fund to the concerned District Accounts Officer on their transfers timely reconciliation of balance, correct calculation of profit and its proper credit in the Account and the ultimate / accurate payment.
- e. Intime clearance of the cases of GPF advances, and final payments.

Last but not the least mindset of the controlling authority and the supervisory staff along-with non-gazetted staff needs to be changed to redress the genuine grievances of the retired persons. It is pertinent to mention here that the public servants / civil servants wherever they serve, will have to share responsibility in addressing the solution of genuine problems by giving personal attention to their cases. It is pathetic to note that the officers / officials in the administrative departments or AGPR / AG's Offices do not give deserving and preferential treatment to the needy, old and depressed retired officers / officials, knowing fully that they may also face the same fate once they attain the status of senior citizen. I would like to recommend here that the pay and salary / perks of the non-gazetted staff of the AGPR may be increased by the Government to allow them to live honourably and respectfully. It is an open secret that bribery illegal gratification or undue advantages being enjoyed by the lower staff, working in such offices have abnormally large families, therefore, it becomes impossible for them to make both ends meet and that is why they fall victim to such temptation. In order to relieve them from such pressures in addition to their pay / salary, Government should take special measures to provide

them economic relief in the form of medical coverage, transport facilities and mandatory jobs for at least one child and loan facility to

start business for their family members. This will provide them much needed respite to work honestly without temptation of bribe. In the end opening of facilitation centers in all the offices working under the Auditor General office including AGPR and all AG's Offices of Pakistan may be ensured to provide relief to all the pensioners and retired persons. Such facilitation Centres should welcome pensioner and retired employees with great degree of respect, courtesy and hospitality matching with environment of private sector organizations.
