



THE AUDITOR GENERAL'S (FUNCTIONS, POWERS, TERMS AND CONDITIONS OF SERVICE) ORDINANCE, 2001



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The Schedule

THE AUDITOR GENERAL'S (FUNCTIONS, POWERS, TERMS AND CONDITIONS OF SERVICE) ORDINANCE, 2001

ORDINANCE No. XXIII OF 2001

[17th May, 2001]

An Ordinance to determine the terms and conditions of service, the term of office and the powers and functions of the Auditor-General of Pakistan

WHEREAS it is expedient to determine, the terms and conditions of service, the term of office and the powers and functions of the Auditor General of Pakistan and for matters connected therewith or incidental thereto;

AND WHEREAS the National Assembly and the Senate stand suspended in pursuance of the Proclamation of Emergency of the fourteenth day of October, 1999, and the Provisional Constitution Order No. 1 of. 1999;

AND WHEREAS the President is satisfied that circumstances exist which render it necessary to take immediate action;

NOW, THEREFORE, in pursuance of the Proclamation of Emergency of the fourteenth day of October, 1999, and the Provisional Constitution Order No. 1 of 1999, read with the Provisional Constitution (Amendment) Order No.9 of 1999, and in exercise of all powers enabling him in that behalf, the President of the Islamic Republic of Pakistan is pleased to make and promulgate the following Ordinance:—

1. Short title, extent and commencement.—(1) This Ordinance may be called the Auditor-General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001.

(2) It extends to the whole of Pakistan.

(3) It shall come into force on the first day of July, 2001.

2. Definitions.—(1) In this Ordinance, unless there is anything repugnant in the subject or context,—

- (a) "accounts" in relation to commercial undertakings of a Government, includes trading, manufacturing and profit and loss accounts and balance sheets and other subsidiary accounts;
- (b) "Auditor-General" means the Auditor-General of Pakistan appointed under Article 168 of the Constitution of the Islamic Republic of Pakistan;
- (c) "Controller General of Accounts" means the Controller General of Accounts appointed under the Controller General of Accounts (Appointment, Functions and Powers) Ordinance, 2001;
- (d) "regulations" means regulation made under this Ordinance; and

(e) "rules" means rules made under this Ordinance.

3. Salary, Pension etc. The salary, pension and other terms and conditions of service of the Auditor General shall be as provided in the Schedule to this Ordinance.

4. Term of office. The Auditor-General shall, unless he sooner resigns or is removed from office in accordance with the Constitution, hold office for a fixed term of five years from the date on which he assumes such office or he attains the age of sixty-five years whichever is earlier.

Explanation.- For the purpose of this section the term of five years in respect of the Auditor-General holding office immediately before the commencement of this Ordinance shall be computed from the date on which he had assumed office.

5. Resignation. The Auditor-General may, at any time, by writing under his hand addressed to the President resign his office.

6. Leave.—(1) The Auditor-General may be granted leave on such terms and conditions as the President may, by order published in the official Gazette, prescribe.

(2) The power to grant or refuse leave to the Auditor-General, and revoke or curtail leave granted to him, shall vest in the President.

7. Auditor-General to certify accounts. The Auditor-General shall, on the basis of such audit as he may consider appropriate and necessary, certify the accounts, compiled and prepared by Controller General of Accounts or any other person authorized in that behalf, for each financial year, showing under the respective heads the annual receipts and disbursements for the purpose of the Federation, of each Province and of each district, and shall submit the certified accounts with such notes, comments or recommendations as he may consider necessary to the President or the Governor of a Province or the designated District Authority, as the case may be.

8. Provisions relating to Audit. The Auditor-General shall—

- (a) audit all expenditure from the Consolidated Fund of the Federation and of each Province and to ascertain whether the moneys shown in the accounts as having been disbursed were legally available for, and applicable to, the service or purpose to which they have been applied or charged and whether the expenditure conforms to the authority which governs it;
 - (b) audit all transactions of the Federation and of the Provinces relating to Public Accounts;
 - (c) audit all trading, manufacturing, profit and loss accounts and balance sheets and other subsidiary accounts kept by Order of the President or of the Governor of a Province in any Federal or Provincial Department; and
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- (d) audit, subject to the provisions of this Ordinance, the accounts of any authority or body established by the Federation or a Province, and in each case to report on the expenditure, transactions or accounts so audited by him.

9. Audit of receipts and expenditure of holders of authorities substantially financed by loans and grants. Where any body or authority is substantially financed by loans or grants from Consolidated Fund of Federal Government or of any Province or of any district, the Auditor-General shall, subject to the provisions of any law for the time being in force applicable to the body or authority, as the case may be, audit the accounts of that body or authority.

Explanation.— Where the loans or grants to a body or authority from the Consolidated Fund of Federal Government or of any Province or of any District in a financial year is not less than five million rupees and the amount of such grant or loan is not less than fifty per cent of the total expenditure of that body or authority, such body or authority shall be' deemed, for the purposes of this section, to be substantially financed by such loans or grants as the case may be.

10. Auditor-General to give information and undertake studies' etc. The Auditor-General shall, in so far as the accounts enable him so to do, give to the Federal Government, the Provincial Governments and the District Government, as the case may be, such information and to undertake such studies and analysis as they may, from time to time require.

11. Functions of Auditor-General in the case of grants or loans given to other authorities or bodies.—(1) Where any grant or loan is given for any specific purpose from the Consolidated Fund of Federal Government or of any Province or of any district to any authority or body, not being a foreign State or international organization, the Auditor-General may scrutinize the accounts by which the sanctioning authority satisfies itself as to the fulfillment of the conditions subject to which such grants or loans were given and for this purpose have the right of access, after giving reasonable previous notice, to the books and accounts of that authority or body:

Provided that the President, the Governor of a Province or the authority of a district, as the case may be, is of the opinion that it is not necessary to do so in the public interest.

(2) While exercising the powers conferred on him by sub-section (1), the Auditor-General shall not have right of access to the books and accounts of any authority or body if the law, by or under which such authority or body has been established, provides for the audit or the accounts of such authority or body by an agency other than the Auditor-General.

12. Audit of receipts of Federation or of Provinces or of districts. The Auditor-General shall audit all receipts which are payable into the Consolidated Fund or Public Account of the Federal Government and of each Province and in the accounts of each district and to satisfy himself that all such receipts which are payable into the Consolidated Fund, Public Account or any district account have been properly and correctly deposited and rules and procedures relating to which receipts are being fully observed and the systems are in place to ensure proper assessment and collection of government receipts.

13. Audit on accounts of stores and stock. The Auditor-General shall have authority to audit and report on the accounts of stores and stock kept in any office or department of the Federation or of a Province or of a district.

14. Powers of Auditor-General in connection with audit of accounts.—(1) The Auditor-General shall, in connection with the performance of his duties under this Ordinance, have authority —

- (a) to inspect any office of the accounts, under the control of the Federation or of a Province or of a district, including treasuries, and such offices responsible for the keeping of initial or subsidiary accounts;
- (b) to require that any accounts, books, papers and other documents which deal with, or form, the basis of or otherwise relevant to the transactions to which his duties in respect of audit extend, shall be sent to such place as he may direct for his inspection; and
- (c) to enquire or make such observations as he may consider necessary, and to call for such information as he may require for the purpose of the audit.

(2) The officer incharge of any office or department shall afford all facilities and provide record for audit inspection and comply with requests for information in as complete a form as possible and with all reasonable expedition.

(3) Any person or authority hindering the auditorial functions of the Auditor-General regarding inspection of accounts shall be subject to disciplinary action under relevant Efficiency and Discipline Rules, applicable to such person.

15. Audit of companies and corporations established in the public sector.—(1) The Auditor-General shall perform functions and exercise powers in relation to the audit including supplementary audit of the accounts of the public sector companies in accordance with the provisions of the Companies Ordinance, 1984 ([XLVII of 1984](#)).

(2) The duties and powers of the Auditor-General in relation to the audit of the accounts of corporations (not being companies) established by, or under, law shall be performed and exercised by him in accordance with the provisions of the respective laws.

(3) The Governor of a Province or the district authority may, where he is of opinion that it is necessary in the public interest so to do, request the Auditor-General to audit the accounts of a corporation established under provincial law and where such request has been made, the Auditor-General shall audit the accounts of such corporation and shall have, for the purposes of such audit, right of access to the books and accounts of such corporation.

16. Audit of accounts of certain authorities or bodies. Save as otherwise provided, in section 11 where the audit of the accounts of any body or authority has not been entrusted to the Auditor-General by or under any law, he shall, if requested so to do by the President, or the Governor of a Province, as the case may be, undertake the audit of the accounts of such body or authority and shall have, for the purposes of such audit, right of access to the books and accounts of that body or authority.

17. Power to dispense with detailed audit. The Auditor-General may dispense with, when circumstances so warrant, any part of detailed audit or any accounts or of transactions and to apply such limited check in relation to such accounts or transactions as he may determine.

¹[Provided that the Auditor-General shall exempt expenditure of secret service agencies certified by the Federal Government as relating to national security from the scope of the audit."]

18. Delegation of powers. Any power exercisable by the Auditor General under the provisions of this Ordinance, or any other law may be exercised by such officer of his department as may be authorised by him in this behalf by general or special order.

19. Budgetary provisions. The Auditor-General shall have the full powers to incur expenditures within the budgetary provisions.

²[**19A. Sanction accorded by the Auditor-General.—** The President may appoint an independent officer to audit sanctions to expenditure accorded by the Auditor-General. The Auditor-General shall produce for inspection by that officer all books and other documents relating thereto and give him such information as he may require for the purpose of audit.]

20. Power to amend the Schedule. The Federal Government may by notification in the official Gazette, amend the Schedule so as to add any entry thereto or modify or omit any entry therein.

21. Power to make rules. The President may by notification in the official Gazette make rules for carrying out the purpose of this Ordinance.

22. Power to make regulations. The Auditor-General may, with the previous approval of the Federal Government by notification in the official Gazette, make such regulations, not inconsistent with the provisions of this Ordinance and the rules made thereunder as he may consider necessary or expedient for carrying out the purpose of this Ordinance.

23. Repeal. The Pakistan (Audit and Accounts) Order, 1973 (P.O. 21 of 1973) is hereby repealed.

THE SCHEDULE

[See section 3]

PAY, ALLOWANCES AND PENSION

The Auditor-General shall be-

- ³[(a) paid a fixed pay package equal to maximum of MP-I scale, as amended from time to time.]
- (b) entitled to all such benefits including entitlement pertaining to travel, as are admissible to a Minister of State; and
- ³[(c) Gratuity equal to one month's basic pay for each completed year of service as Auditor General of Pakistan.]

¹ Added by Act XII of 2013, s.6.

² Ins. by Finance Act 2015, s. 7 (w.e.f. 1-7-2015).

³ Subs. by SRO 930(c)/2015 dt. 8/9/2015.

