

[AS PASSED BY THE NATIONAL ASSEMBLY]

A

Bill

*further to amend the Auditor-General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001*

WHEREAS it is expedient further to amend the Auditor-General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001 (XXIII of 2001), for the purposes hereinafter appearing;

It is hereby enacted as follows:—

1. **Short title and commencement.**— (1) This Act may be called the Auditor-General's (Functions, Powers and Terms and Conditions of Service) (Amendment) Act, 2017.

(2) It shall come into force at once.

2. **Amendment of section 2, Ordinance XXIII of 2001.**— In the Auditor-General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001, hereinafter referred to as the said Act, in section 2, in subsection (1),—

(a) after clause (a), the following new clauses shall be inserted, namely:—

“(aa) “appropriation accounts” means accounts relating to expenditure brought into account during a financial year to several items specified in the schedules of authorized expenditure authenticated under Article 83, or as the case may be, Article 123 of the Constitution of the Islamic Republic of Pakistan;

(ab) "audit" includes regularity audit, information technology audit, environmental audit, forensic audit, performance audit, management audit, special audit and any other kind of audit, report or analysis, deemed appropriate by the Auditor-General;

(b) in clause (d), after the semicolon, the word "and" shall be omitted;

(c) in clause (e), for the full stop, the semicolon and word "; and" shall be substituted; and

(d) after clause (e) amended as aforesaid, the following new clause shall be inserted:

"(f) "public sector enterprise" means a corporation or company established under any Act of the Parliament or a Provincial Assembly or Local Government or by any resolution or order of the Federal, Provincial or Local Government, or a company established under the Companies Ordinance, 1984 (XLVII of 1984) or previous Companies legislation which is owned or controlled by the Federal or a Provincial or Local Government."

3. **Amendment of section 4, Ordinance XXIII of 2001.** — In the said Ordinance, —

(a) in section 4, for the word "five" the word "four" shall be substituted; and

(b) the Explanation shall be omitted.

4. **Amendment of section 7, Ordinance XXIII of 2001.** — In the said Ordinance, in section 7, for the word “District”, occurring for the first time, the words “Local Government” shall be substituted and, for the word “District” the word “Local” shall be substituted.

5. **Amendment of section 8, Ordinance XXIII of 2001.** — In the said Ordinance, in section 8, for the clause (d), the following new clause shall be substituted, namely: —

“(d) audit the accounts of any authority or body established by, or under the control, of, the Federal or a Provincial Government or Local Government, including public sector enterprises, and determine the nature and extent of such audit”.

6. **Amendment of section 9, Ordinance XXIII of 2001.** — In the said Ordinance, in section 9, for the word “district”, wherever occurring, the words “Local Government” shall be substituted.

7. **Amendment of section 11, Ordinance XXIII of 2001.** — In the said Ordinance, in section 11,—

- (a) in sub-section (1), for the semicolon a full stop shall be substituted and the proviso shall be omitted; and
- (b) sub-section (2) shall be omitted.

8. **Amendment of section 12, Ordinance XXIII of 2001.** — In the said Ordinance, in section 12, —

- (a) for the word “district”, occurring in the marginal note and for the first time, the words “Local Government” shall be substituted; and
- (b) for the word “which”, occurring for the third time, the word “such” shall be substituted.

9. Amendment of section 13, Ordinance XXIII of 2001. — In the said Ordinance, in section 13, for the word “district”, the words “Local Government” shall be substituted.

10. Amendment of section 14, Ordinance XXIII of 2001. — In the said Ordinance, in section 14, —

(a) in sub-section (1), clause (a), for the word “ district”, the words “Local Government” shall be substituted; and

(b) in sub-section (2), after the word “record”, a comma shall be inserted and, after the comma inserted as aforesaid, the words and commas “whether manual or electronic, and access to information technology systems,” shall be inserted.

11. Amendment of section 15, Ordinance XXIII of 2001. — In the said Ordinance, for section 15, the following new section shall be substituted:-

“15. **Audit of public sector enterprises.**- Notwithstanding anything contained in any other law for the time being in force, the Auditor-General shall audit the accounts of a public sector enterprise in accordance with the provisions of this Ordinance and he shall have, for the purpose of such audit, right of access to the books and accounts of public sector enterprises, whether manual or electronic.”.

12. Amendment of section 16, Ordinance XXIII of 2001. — In the said Ordinance, section 16 shall be omitted.

13. Addition of new section 24, Ordinance XXIII of 2001. — In the said Ordinance, after section 23, the following new section shall be added, namely:-

“24. **Indemnity.**- No suit, prosecution or any other proceedings shall lie against the Auditor-General or any other authorized officer of the Department of Auditor General for any act which is done in good faith in connection with their responsibilities or duties under this Ordinance or the rules and regulations made thereunder.”.

**STATEMENT OF OBJECTS AND REASONS**

A number of amendments have been necessitated in the Auditor-General's (Functions, Powers and Terms and Conditions of Service) Ordinance No.XXIII of 2001 after the passage of 18<sup>th</sup> Amendment of Constitution of Islamic Republic of Pakistan. In addition to this, the latest trends in the field of auditing and resultant reforms also require amendment in the AGP's Ordinance 2001 in order to bring the organization at par with other Supreme Audit Institutions globally. The proposed amendments would enable the department of Auditor General of Pakistan to fulfill its constitutional responsibilities in an efficient and effective manner.

2. The Bill seeks to achieve the aforesaid objects.

**Senator Mohammad Ishaq Dar**  
Minister for Finance, Revenue,  
Economic Affairs, Statistics  
and Privatization

*Minister-in-Charge*