



**AUDIT REPORT**  
**ON**  
**THE ACCOUNTS OF**  
**MINISTRY OF FOREIGN AFFAIRS**  
**AUDIT YEAR 2021-22**

**AUDITOR GENERAL OF PAKISTAN**



## **PREFACE**

Articles 169 & 170 of the Constitution of the Islamic Republic of Pakistan 1973, read with Sections 8 and 12 of the Auditor General (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, require the Auditor-General of Pakistan to conduct audit of receipts and expenditure from the Federal Consolidated Fund and Public Account. The audit of these formations was conducted accordingly.

The report is based on audit of receipts and expenditure of Ministry of Foreign Affairs for the year 2020-21 and certain missions abroad for the financial years 2016-21, as selected under the Audit Plan for the year 2021-22. However, due to COVID travel restrictions, audit of some of the Missions abroad could not be conducted this year.

Audit findings indicate the need for adherence to the regularity framework besides institutionalizing and strengthening the internal controls to avoid recurrence of similar violations and irregularities.

The observations included in this report have been finalized in the light of discussions in the DAC meeting(s), where held.

The Audit Report is submitted to the President of Pakistan in pursuance of the Article 171 of the Constitution of Islamic Republic of Pakistan, 1973, for causing it to be laid before both houses of Majlis-e-Shoora [Parliament].

Islamabad  
Dated: 18-02-2022

**(Muhammad Ajmal Gondal)**  
**Auditor General of Pakistan**



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## ABBREVIATIONS AND ACRONYMS

AACL	Asian Aircraft Capital Limited
ADP	Attaché Defence Procurement
AFS(E)	Additional Finance Secretary (Expenditure)
AIR	Audit and Inspection Report
APS	Assistant Private Secretary
APTA	Association of Pakistan Travel Agents
APU	Auxiliary Power Unit
BOQ	Bill of Quantity
CAO	Chief Accounts Officer
CDA	Capital Development Authority
C&F	Carriage & Freight
CIF	Carriage, Insurance & Freight
CMA	Controller Military Accounts
CNIC	Computerized National Identity Card
CPAP	Continuous positive airway pressure
CPWD	Central Public Works Department
CRV	Certified Receipt Voucher
CSR	Composite Schedule of Rates
CJRS	COVID Job Retention Scheme
CWA	Community Welfare Attaché
DA	Daily Allowance
DAC	Departmental Accounts Committee
DCP	Deputy Chief of Protocol
DDO	Drawing & Disbursing Officer
DP	Defence Procurement
DSL	Digital Subscriber Loop
DSR	Dead Stock Register
EASA	European Aviation Safety Agency
ECC	Economic Coordination Committee
ECO	Economic Cooperation Organization
FMMA	Financial Management at Missions Abroad
FBR	Federal Board of Revenue
FIGOB	Funds for Improvement of Government Owned Buildings
FOH	Foreign Office Hostel
FOB	Free on Board
FOL	Foreign Office Lodges
FSO	Foreign Secretary Office
FTR	Federal Treasury Rules
GFR	General Financial Rules
GIDSH	Ghazi Illam Din Shaheed Hostel
GOP	Government of Pakistan



GSA	General Sales Agent
HBA	House Building Advance
HIVAC	Heating Ventilation Air Conditioning
HMRC	Her Majesty's Revenue & Custom
HOC	Head of Chancery
HOM	Head of Mission
HQ	Headquarters
HRA	House Rent Allowance
HRC	House Rent Charges
HSB	High Security Block
ICT	Islamabad Capital Territory
LPR	Leave Preparatory for Retirement
MCA	Motor Cycle Advance
MFDAC	Memorandum For Departmental Accounts Committee
MOFA	Ministry of Foreign Affairs
MOU	Memorandum of Understanding
NAB	National Accountability Bureau
NADRA	National Data Base & Registration Authority
NDC	National Defence Course
NICOP	National Identity Card for Overseas Pakistanis
NIH	National Institute of Health
NIPA	National Institute of Public Administration
NOC	No Objection Certificate
NTC	National Telecommunication Corporation
OIC	Organization of the Islamic Cooperation
PAC	Public Accounts Committee
PAHIC	Pakistan High Commission
PAO	Principal Accounting Officer
PAREP	Pakistan Permanent Representative
PAYE	Pay as You Earn
PBFH	Pak Brunei Friendship Hall
PCW&EF	Pakistan Community Welfare & Education Fund
PM	Prime Minister
POC	Pakistan Origin Card
POL	Petroleum Oil & Lubrication
PPRA	Public Procurement Regulatory Authority
PSDP	Public Sector Development Program
PTCL	Pakistan Telecommunication Corporation Limited
PWD	Public Works Department
SAARC	South Asian Association for Regional Cooperation
SAP	System Application & Products
SEC	SAARC Energy Centre
SECDIV	Strategic Export Control Division

SPD	Strategic Plans Division
SYK	Sahibzada Yaqub Khan
TA	Travelling Allowance
TDAP	Trade Development Authority of Pakistan
UK	United Kingdom
USA	United States of America
WTO	World Trade Organization

### **ABBREVIATIONS OF FOREIGN CURRENCIES**

£	Pound Sterling
€	Euro
PKR/Rs.	Pakistan Rupee
AZN	Azerbaijani Manat
Tanges	Kazakhstani Tenge
US\$	United States Dollar
CHF	Swiss Franc

## EXECUTIVE SUMMARY

The Directorate General Audit (Foreign & International) is mandated to conduct audit of the Ministry of Foreign Affairs, its 14 local formations, 123 Missions abroad and DG Hajj Jeddah. Further, it is also responsible for conducting audit of the allied wings of other Ministries and Divisions i.e. Defence, Commerce, TDAP, Information & Broadcasting, Interior, Overseas Pakistanis, Finance and Aviation Division (27 PIA offices located abroad).

During the audit year 2021-22, the Directorate General Audit (Foreign & International) planned audit of 52 formations that included 01 Financial Attest Audit and Compliance with Authority Audit of 14 local formations, 35 Pakistan Missions abroad and 02 Thematic Audits with 1,707mandays. However, audit of 17 Pakistan Missions Abroad and 01 Hajj Directorate Jeddah and 02 Thematic Audits could not be conducted due to current scenario of Covid-19. This office has conducted 32 audits up till now which includes 01 Financial Attest Audit, Compliance with Authority Audit of 14 local formations and 17 Pakistan Missions Abroad of the Ministry of Foreign Affairs utilizing 1,217 mandays. The achievement in terms of planned audits and mandays was 61.54% and 71.29% respectively. During the audit, the accounts relating to the financial years 2016-21 for Ministry of Foreign Affairs and Pakistan Missions abroad were scrutinized by selecting transactions on test check basis.

During audit, a number of cases pertaining to financial indiscipline, poor internal controls and violation of prescribed rules/regulations etc. were observed which were reported to the respective Secretaries/Administrative Heads, seeking departmental responses and for holding meetings of the Departmental Accounts Committees (DACs). After completion of the prescribed audit exercise, cases of serious nature have been selected for printing in Audit Report. Amount held under observations in these cases is Rs. 5,914.807 million. A statement indicating currency wise details of the amount pointed out in the audit observations is placed at Annex-II.

### **a. Scope of Audit**

Total expenditure of Ministry of Foreign Affairs, was Rs. 23,540.606 million and the expenditure audited was Rs. 14,749.750 million for the financial year 2020-21. In terms of percentage, the Audit coverage for the expenditure is 62.65 % of auditable expenditure.

**b. Recoveries at the Instance of Audit**

As a result of audit, recovery of Rs. 342.920 million was pointed out in this report. Recovery effected from January to December 2021 was Rs. 362.648 million which has been verified by Audit.

**c. Audit Methodology**

The audit activity for the year started with desk audit which included examining the monthly cash accounts, permanent files, computer generated data, bank account statements, other related documents along with study of the policies followed which facilitated better understanding of the systems, procedures and audit entity(s). Field audit activity included review of record including detailed vouchers, cash books, budget files, bank statements, and other related records including site visits, where necessary, and discussion with the Management.

**d. Audit Impact**

On the observation of audit, the Ministry of Foreign Affairs has stopped Foreign Allowance to ongoing Chevening and Australian Awards Scholars besides recovery. Moreover, on the instance of audit, the Management has got approved 05 days DA to Accountants for overlapping period.

Furthermore, in pursuance of audit paras DAC directed to re-evaluate and stop payment of health insurance benefits to locally hired staff at Missions in USA.

**e. Comments on Internal Controls**

Internal control system is the most effective tool for good governance and efficient use of available resources. During audit it was observed that the accounts at the MOFA Headquarters were maintained on SAP system, whereas, Missions abroad were maintaining their accounts manually. Further, the pre-audit functions are performed at HQs level and few of the selected Missions only. In the rest of the Missions abroad, such pre-audit functions on behalf of CAO are performed by the Missions staff themselves. The Ministry has started the process to bring the accounts of all Pakistan Missions abroad on SAP system which will help to streamline the accounting process but the pre-audit functions in all Missions abroad are yet to be implemented. Weaknesses of internal controls have resulted in following irregularities:

- Non-production of record
- Mis-appropriation of funds
- Un-authorized appointment of contingent paid staff
- Overpayment / non-adjustment of TA/DA advances
- Non-adjustment of advances to other Departments
- Overpayment of pay & allowances
- Irregularities in payments of education subsidy
- Irregularities in medical treatment.
- Mis-procurement of physical assets
- Un-authorized expenditure out of PCW&EF and FIGOB
- Cash payments instead of crossed cheques
- Irregularities in repair & maintenance of office and residential buildings
- Irregularities in payment of legal charges.

**g. Recommendations**

The concerned Principal Accounting Officer(s) is / are requested to:

- make sure that all auditable record is provided to audit team(s) on time and cases of non-production of record should be dealt strictly under E&D Rules.
- Investigate cases of financial embezzlement for fixing of responsibility and taking action for recovery.
- Take necessary action for prompt recovery of Government dues and credit the recovered amount into Government Treasury.
- review method of hiring of health insurance services.
- Follow PPRA rules in letter & spirit.
- ensure pending adjustment of advances granted to other departments.
- Stream line retention of PCW&EF and FIGOB funds in private accounts as per Finance Division instructions.
- ensure strengthening of Internal and financial controls, as prescribed in rules and regulations, in Ministry and Pakistan Missions abroad.



## CHAPTER 1 PUBLIC FINANCIAL MANAGEMENT ISSUES

### 1.1 Audit Paras

#### 1.1.1 Non-provision of detailed accounts of expenditure - Rs. 22.745 million.

In terms of Rules-668 of Federal Treasury Rules, advances granted under special orders of competent authority to Government officers for departmental or allied purposes may be drawn on the responsibility and receipt of the officer for whom they are sanctioned, subject to adjustment by submission of detailed accounts supported by vouchers or by refund, as may be necessary.

Contrary to the above, supporting documents/invoices etc. of expenditure of US\$ 137,995 incurred by UN New York were not attached with the vouchers in the following cases.

S. No.	Description	Vr. No.	US\$	Amount in PKR (in millions)
1	Non-provision of invoice of insurance claim from insurance company	22 of 9/2020	52,088	8.725
2	Non-provision of invoice of insurance claim from insurance company	02 of 4/2021	28,833	4.429
3	Non-provision of invoice of electricity charges	69 of 2/2021	4,986.13	0.802
4	Non-provision of invoice of insurance claim from insurance company	17 of 7/2020	52,088	8.789
		<b>Total</b>	<b>137,995.13</b>	<b>22.745</b>

Audit is of the view that due to weak internal and managerial controls Ministry failed to provide the requisite record.

The matter was reported to the Management on 11.10.2021. Management replied that concerned missions have been requested to furnish their response.

DAC meeting was held on 04.11.2021 and the management informed that the cases have been taken up with the UN New York for provision of detailed account. No further progress was shared with the audit till the finalization of this report.

Audit recommends that detailed vouched account may be provided to audit for justification of the expenditure besides issuance of necessary instructions to avoid such lapses in future.

*(Para-3 Certification Audit 2020-21)*

**1.1.2 Misclassification of expenditure for purchase of miscellaneous items- Rs.3.260 million.**

As per para-12 of GFR Vol-I, a controlling officer must see not only that the total expenditure is kept within the limits of the authorized appropriation but also that the funds allotted to spending units are expended in the public interest and upon objects for which the money was provided.

In violation of the above, an expenditure of Rs.3.260 million was wrongly charged to irrelevant heads of account as detailed below:

<b>Sl. No.</b>	<b>Vr. No. &amp; Month</b>	<b>Brief particulars</b>	<b>Debited to the Head</b>	<b>To be debited to the head</b>
01	58 of 06/2021	Purchase of crystal crockery items worth Rs. 627,345	A09701- Purchase of furniture and fixture	A03970-Others
02	2382 of 12/2020	Payment of Rs. 2,623,110 on account of accommodation charges for the stay of chairman of the Presidency of Bosnia and his delegation during 4-6 November, 2020.	A06301 - Entertainment and Gift	A03960 - Expenditure on Foreign delegation arriving in Pakistan

Audit is of the view that due to weak internal and financial controls Ministry debited the expenditures to the wrong heads of accounts.

The matter was reported to the Management on 11.10.2021. Management replied that the matter has been taken up for regularization.

DAC in its meeting held on 04.11.2021 directed the Ministry to get the expenditure regularized from the competent authority. No further progress was reported till the finalization of this report.

Audit recommends that the expenditure may be got regularized from the competent forum / PAO and such instances be avoided in future.

**(Para-11 Certification Audit 2020-21)**



## **CHAPTER 2            MINISTRY OF FOREIGN AFFAIRS**

### **2.1    Introduction**

Ministry of Foreign Affairs, under the Rules of Business of the Federal Government, has been assigned to formulate, implement and monitor the foreign policy and deal with the matters listed below:

1.     Relations and dealings with other countries.
2.     Matters (other than those handled by other Divisions) relating to:
  - (a) International organizations and bodies and their decisions.
  - (b) Agreements and treaties with other countries.
3.     Diplomatic, consular, trade and other representation abroad.
4.     Declaration of war upon, and the making of peace with any country.
5.     Offences against the laws of nations.
6.     Foreign and extra-territorial jurisdiction.
7.     Negotiations for settlement of Kashmir dispute and implementation of agreements reached.
8.     Administration of:
  - (a) Foreign Service of Pakistan.
  - (b) Pakistan Missions abroad.
  - (c) Security and operation of cypher communications.
9.     Visits of the Heads of States and foreign dignitaries to Pakistan and the Head of the Government of Pakistan to foreign countries.
10.    Matters relating to:
  - (a) Protocol and foreign representatives in Pakistan.
  - (b) Federal Government Guest Houses.
11.    Preparation of policies regarding:
  - (a) Extradition to and from other countries.
  - (b) Repatriation of Pakistan nationals from abroad.
12.    Foreign awards to Pakistanis.
13.    Pakistan Institute of International Affairs.
14.    Coordination of all works pertaining to Economic Cooperation Organization (ECO).

**Table-1 Audit Profile “Ministry of Foreign Affairs”***(Rupees in millions)*

<b>Sr. No.</b>	<b>Description</b>	<b>Total Nos.</b>	<b>Audited</b>	<b>Amount held audit observation FY2020-21</b>
1	Ministry and its Formations	136	31	5,914.807
2	Assignments Accounts(excluding FAP)	01	01	Nil
3	Authorities / Autonomous Bodies etc. under the PAO	02	02	Nil

## **2.2 Sectoral Analysis**

Ministry of Foreign Affairs is guided by the following foreign policy objectives:

- Promotion of Pakistan as a dynamic progressive, moderate and democratic Islamic country.
- Developing friendly relations with all countries of the world, especially major powers and immediate neighbours.
- Safeguarding national security and geo-strategic interests.
- Consolidating commercial and economic cooperation with international community
- Safeguarding the interests of Pakistani diaspora abroad.
- Ensuring optimal utilization of national resources for regional and international cooperation.

To achieve these goals, the Ministry was provided a budget of approximately Rs. 24 billion during financial 2020-21 to cater to needs of headquarter and 123 Missions abroad. The Ministry was unable to devise an effective financial management system. The payments made in Missions on behalf of other ministries remain unadjusted thus causing budgetary problems during the year and accounting issues at the end of the year. Monthly adjustments with other ministries for payments made in Missions abroad would allow for greater transparency in expenditure and accounting.

Pension payments for officers and staff are released only after clearance of all audit objections and other recoveries. This is an effective control measure but audit observations are not communicated to the serving officers and staff on a regular basis for timely response. It is only at the end of the service that officers and officials come to

know of recoveries in their name. It is difficult for the persons at this later stage to dig out evidences. Immediate intimation of observations and recoveries to concerned would elicit a well-timed and suitable response and save them from the agony at the time of their retirement.

Some cheques especially of tax deducted at source from vendors remain outstanding till the end of the financial year. This requires close coordination between administrative section, DDO and office of Chief Accounts Officer for timely submission of cheques in state treasury. This also points out to non-reconciliation between different wings. Monthly reconciliation between administrative wing and office of Chief Accounts Officer is required for appropriate adjustments.

The Ministry has been delegated powers to undertake the repair and maintenance of buildings under its control, however no technically qualified staff is available to undertake the various small and big projects. The maintenance of record is not up to the mark and the BOQs are also made in a very rudimentary form without defining the quantity and rate of work to be undertaken. There is no reference to any CSR available in Pakistan PWD or provincial building departments for rate determination or comparison.

Pakistan Community Welfare and Education Fund (PCW&EF) and Fund for Improvement of Government Owned Buildings (FIGOB) are funded through 10% surcharge on consular fees collected in Missions abroad for each of the two funds. The funds at Headquarter-Ministry of Foreign Affairs are being kept in a single account whereas it is required to be kept in separate accounts. Further the extended scope of PCW&EF approved by the Prime Minister of Pakistan includes certain services like maintenance of Foreign Office Dispensary, bus service for staff of Ministry of Foreign Affairs, etc. Such utilization of fund is inconsistent with the spirit of the fund whereby it is to be used for the welfare of Pakistani Diaspora in various countries.

There have been instances noted where the appointments of contingent basis are being made without the approval of Ministry of Finance. TA/DA advances are also not being adjusted for long periods of time. There is a strong need to develop a coordination mechanism between administration wing and office of Chief Accounts Officer for timely resolution of these issues. Despite repeated observations of audit in previous audit reports these issues have not be resolved by the Ministry. The medical claims especially in Missions abroad also continue to rise year after year. The cases test checked by audit

reflect non-adherence to laid down procedure and also reimbursement of inadmissible items. Ministry may consider introduction of medical allowance on the analogy of medical allowance allowed in Pakistan in consultation with the Ministry of Finance.

Visa Fee collected by NADRA on issuance of E visa is being remitted to Ministry of Foreign Affairs on a monthly basis but there is no verification mechanism as to what NADRA is remitting. Ministry needs to develop verification and reconciliation mechanism with NADRA regarding authenticity of visa fee collected and remitted.

### 2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs. 5,914.807 million were raised as a result of this audit. This amount also includes recoverable of Rs. 342.920 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

*(Rupees in millions)*

Sr. No.	Classification	Amount
1	Non-production of record	22.745
2	Reported cases of fraud, embezzlement and misappropriation	174.951
3	Irregularities / Overpayments	
	A- HR / Employees relates irregularities	167.969
	B- Procurement related irregularities	1,816.818
	C- Management of Accounts with Commercial Banks	264.169
4	Value for money and service delivery issues	423.001
5	Others	3,045.154
<b>Total</b>		<b>5,914.807</b>

## 2.4 Brief comments on the Status of Compliance with PAC Directives

Year of Audit Report	Total Paras	Compliance Received	Compliance not Received	Percentage of Compliance
1986-87	11	4	7	36
1987-88	5	3	2	60
1988-89	6	2	4	33
1985-86	3	1	2	33
1989-90	8	1	7	13
1990-91	13	7	6	54
1991-92	9	2	7	22
1992-93	11	8	3	73
1993-94	10	0	10	0
1994-95	9	1	8	11
1995-96	19	5	14	26
1996-97	30	11	19	37
1997-98	31	0	31	0
1998-99	65	25	40	38
OIC	7	5	2	71
SAR Mexico	28	0	28	0
1999-2000	19	0	19	0
2000-01	26	3	23	12
2001-02	25	20	5	80
2002-03	20	7	13	35
2003-04	25	8	17	32
2004-05	47	22	25	47
2005-06	34	3	31	9
2006-07	23	8	15	35
2007-08	17	6	11	35
2009-10	52	28	24	54
2010-11	47	14	33	30
2013-14	05	0	05	0
2015-16	25	1	24	4
2017-18	18	14	04	78
2019-20	10	02	08	20
<b>Total</b>	<b>658</b>	<b>211</b>	<b>447</b>	<b>32</b>

The overall compliance in respect of Ministry of Foreign Affairs is comparatively low.

## **2.5 AUDIT PARAS**

### **Non-Production of Record**

#### **2.5.1 *Non-production of auditable record***

According to Section 14 of the Auditor General's (Function, powers and Terms/conditions of Service) ordinance 2001, the Auditor General shall in connection with the performance of his duties under this ordinance, have authority to require 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.

Further, Section 14(3) of the said ordinance provides that any person or authority, hindering the auditoria 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.

Audit observed that contrary to above statutory provisions, Ministry did not provide the following auditable record to the Audit team during the course of audit of the accounts of the MOFA (HQ) for the year 2020-21, despite repeated requests.

1. Dead Stock Register and Annual Physical Verification Report
2. Files / record regarding contracts / agreements with the travel agents
3. TA/DA advance register
4. HBA / MCA advance register
5. Appropriation Register
6. Sanctioned & available strength of all cadres
7. Details / list of gift items received during the visits abroad (President & Prime Minister / Foreign Minister / Advisor / Delegation of MOFA)
8. Details / list of gifts received and deposited (from Foreign delegates) in Tosha Khana
9. Details / list of gift items purchased & distribution list by the Protocol Division (MOFA)
10. Log books of 38 official vehicles maintained by MOFA
11. Movement registers of 18 vehicles
12. Monthly reconciliation statements

13. Detail of bank accounts
14. Fixed assets register
15. Details of vital project / valuable properties and assets owned by the Ministry of Foreign Affairs and their insurance status
16. Record pertaining to repair / renovation of washrooms
17. Record pertaining to daily wages / contingent paid staff
18. Files regarding hiring of transaction advisor for commercial utilization of State Guest House Lahore

Audit is of the view that in the absence of record the propriety and probity of expenditure could not be ascertained. Non-provision of record may create doubts as to the actual existence of any such record at all, which may make the public money vulnerable to misuse.

The matter was reported to the Management in 1<sup>st</sup> week of December, 2021 Ministry replied that record is available and will be provided to Audit.

The DAC meeting was held on 05.01.2022 and the Management informed that the requisite record will be provided for audit scrutiny in due course of time. No further progress was intimated till finalization of this report.

Audit recommends that responsibility may be fixed on the account against person(s) at fault besides production of the above record to audit for scrutiny.

***(Para-98, MOFA (HQ) 2020-21)***

## **Fraud / embezzlement & Misappropriation**

### **2.5.2 *Fraudulent claim of transportation charges and overpayment - Rs. 1.284 million.***

According to Sr.No.10.7.6 of the book titled FMMA (Vol-II), the entitlement of the married officers of BPS-17 and above for transportation of personal effects on transfer from Headquarter to Missions Abroad and Missions to Headquarter is 2240 KG or 25M3.

Audit observed that, contrary to above, an officer of Ministry upon his posting transported personal effects from Washington to Tehran (through Karachi) vide a Bill of Lading bearing No.FDCU02320135 by booking a container of 1x40' for transportation of personal effects containing weight of 11,566 Kg. Further, the officer vide his letter No. Admn-I/1/2019 dated 21-11-2019, addressed to custom authorities also confirmed that he had booked 1x40' container for transportation of personal effects. According to the above rule, the officer was entitled to only 2240Kg/25M3 (1x20' container) for transportation of personal effects instead of 11,566 Kg (1x40') container.

As a result, an overpayment of US\$ 7,257 was made against the personal effects resulting into a undue loss to the Government exchequer.

Audit holds that due to weak managerial and internal control unauthorized payment was made in excess of the entitlement.

The matter was reported to the management in 1<sup>st</sup> week of December, 2021 and the Ministry replied that detailed record in this regard will be shared with Audit in due course of time.

DAC meeting was held on 05.01.2022 and the Ministry informed that the detailed record in this regard will be shown to Audit for verification. No further progress was made till finalization of this report.

Audit recommends that responsibility be fixed against person(s) at fault besides recovery of the overpaid amount under intimation to audit.

*(Para-10, MOFA (HQ) 2020-21)*



## Irregularities / Overpayments

### A- HR / Employees Related Irregularities

#### 2.5.3 Un-authorized expenditure on employment of contingent paid staff - Rs. 27.079 million.

As per Para-11 (A) (VI) of Finance Division's O.M. No. F.3 (2) Exp.III/2006 dated 13.09.2006, contingent paid staff cannot be appointed without the approval of Additional Secretary (Expenditure) Finance Division.

Audit observed that Ministry at Headquarters and at Pakistan Mission at U.N. Geneva incurred an expenditure of Rs. 27,078,972 (Rs. 9,402,852 & CHF 92,400) respectively on account of employment of contingent paid staff without prior approval of the Finance Division. The details are as under:

Sl. No.	Mission	Period of AIR	Para No of AIR	Amount	Remarks
1	MOFA (HQ)	2020-21	69	Rs. 9,402,852	Paid salaries of 106 contingent paid employees at MOFA (HQ).
2	UN Geneva	2016-21	11	CHF 92,400	Paid salaries of one contingent paid gardeners for the period July 2016 to June, 2021.
				<b>Rs.9,402,852 &amp;CHF 92,400</b>	

Audit is of the view that the appointment of contingent paid staff and expenditure thereof without approval of Finance Division is unauthorized.

The matter was reported to the management in 1<sup>st</sup> week of December, 2021, the management replied that matter has been taken up with the Finance Division for regularization.

DAC in its meetings held on 05.01.2022 and 25.01.2022 directed the Ministry to get the expenditure regularized from Finance Division. No further progress was reported till finalization of this report.

Audit recommends that the irregularity may be got regularized from the Finance Division under intimation to Audit and further the irregular practice may be stopped forth with.

#### **2.5.4 Non-recovery of misappropriated amount from the employees -Rs.25.732 million**

According to Para-28 of GFR-Vol-I, no amount due to Government should be left outstanding without sufficient reason, and where any dues appear to be irrecoverable the orders of competent authority for their adjustment must be sought.

Contrary to the above, it was observed that Ministry did not recover an amount of Rs. 25.732 million, on account of misappropriation by its employees, despite lapse of considerable time. The details are as under:

*(Amount in millions)*

Sl. No.	Formations	AIR Para No.	Period of AIR	Name & Designation M/s	No of Persons	Amount (Rs.)
1	MOFA (HQ)	1	2020-21	Sajid Hussain, Former Assistant	01	16.644
2	MOFA (HQ)	2	2020-21	Muhammad Tufail Qazi, Former Assistant	01	9.088
				<b>TOTAL</b>	<b>02</b>	<b>25.732</b>

Audit is of the view that due to weak internal and managerial controls the above recovery could not be effected.

The matter was reported to the management in 1<sup>st</sup> week of December, 2021. The management replied that the cases are subjudice in the Federal Services Tribunal and Senior Civil judge and recovery in the regard will be made in accordance with the verdict of the courts.

DAC meeting was held on 05.01.2022 and the Ministry informed that the cases will be pursued in the relevant court of law for recovery of the outstanding amount. No further progress was reported till finalization of this report.

Audit recommends that recovery of Rs. 25.732 million may be effected from the officers/officials concerned besides taking strict disciplinary action against the persons at fault.

#### **2.5.5 Excess payments on account of TA/DA and recovery of Rs. 14.946 million.**

According to Rule at Sl. No. 10.20.3 of FMMA Vol-II, in case of inter-change of Ambassadors between one Mission to another, their families and servants may travel to their next place of posting by a route other than the approved route, as may be considered economical and administratively feasible by the Ministry. The families and servants can spend preparation time partly or wholly at a third place en-route, daily allowance for such preparation time would be admissible for the place where it is actually spent.

According to S.R. 114 of the book titled F.R. &S.R. that, TA/DA will not be allowed to the officers/officials transferred from one station to another on own request.

According to Para-10.7.6 the entitlement of the officers/officials for packing/crating, insurance, dispatch and clearance of personal effects on transfer from Headquarters to Mission Abroad are as under:

Grade of officers	Entitlement by Rail, Road or sea	
	Packing/Crating	Rate Per Kg (Rs.)
B-17 and Above		
Married	2240 Kg or 25M <sup>3</sup>	12
Single	1490 Kg or 17 M <sup>3</sup>	12

Contrary to the above, it was observed that the Ministry at its Headquarters and five Missions abroad paid an amount of US\$ 84,462 (Rs. 14,946,396) to fifty seven (57) officers/officials on account of TA/DA without justification and entitlement. ***The details are at Annex-III.***

Audit is of the view that payments made in violation of rules are unauthorized and recoverable from the officers/officials.

The matter was reported to the management in 1<sup>st</sup> week of December, 2021. The management replied that the recovery process has been initiated and the progress in this regard will be shared with Audit in due course of time.

DAC in its meetings held on 05.01.2022 & 25.01.2022 directed the Ministry to effect recoveries within one month. No further progress was intimated till finalization of this report.

Audit recommends that the amount of US\$ 84,462 may be recovered from the officers/officials concerned under intimation to audit.

#### ***2.5.6 Unauthorized payment on account of medical charges – Rs. 12.953 million.***

According to Rule at Sl. No. 6.3.1 of FMMA Vol-II, dental treatment includes treatment of alveolar (gum and jaw bone) disease, extraction of teeth, treatment for dental caries, gingivitis, pyorrhea and filling (temporary or permanent) or dental cavities including root canal treatment, scaling, but does not include dental implants, orthodontic appliances, bridging, crowning and provision of dentures.

As per Clause-6.2.1 of the Foreign Missions Manual Abroad, treatment means the use of all medical and surgical facilities required for the treatment of Government servants and includes: (i) employment of such pathological, bacteriological, radiological or other methods as are considered necessary by the Authorized Medical Attendant; (ii)

supply of such medicines, vaccines, sera or other therapeutic substances as are considered necessary by the Authorized Medical Attendant; (iii) provision of artificial limbs, joints and implants; (iv) cost of giving injection; (v) sterility and the expenditure incurred on the treatment of sterility.

Audit observed that contrary to above five Pakistan Missions abroad paid US\$ 33,570, CHF 21,405, £ 4,989, AZN 2,902 and SOM 3,477,786 (Rs. 12,952,519) on account of irregular and inadmissible medical treatment. ***The details are at Annex-IV.***

Audit is of the view that due to weak internal and financial controls unauthorized / irregular payments were made on account of medical treatment.

The irregularity was pointed out in November, 2021, the management replied that payments in most of the cases were made with the approval of AMA and in remaining cases detailed reply will be furnished.

DAC in its meetings held on 25.01.2022 & 01.02.2022 directed the Ministry to effect recoveries for inadmissible items within one month. No further progress was intimated till finalization of this report.

Audit recommends that the unauthorized/inadmissible reimbursed amount on account of medical treatment may be got recovered from officers/officials concerned under intimation to Audit.

**2.5.7 Irregular payment of pay and allowances beyond the maximum deputation period to an officer - Rs. 11.558 million.**

According to Sl. No.27 of Chapter 3 of ESTA Code “conveying the directives of the Prime Minister requiring the period of appointment to be clearly specified in each case of contract, secondment or deputation, the following policy is laid down for deputation of government servants:”

- i. The normal period of deputation for all categories of government servants would be three years. This would be extendable by two years with prior approval of the competent authority.
- ii. All cases of initial deputation of government servants holding posts in BPS-17 and above would be referred to the Establishment Division for approval of the competent authority.
- iii. The competent authority to grant extension in deputation beyond the initial period of 3 years would be as below:

c. Government Servants in BPS-17 and 19 Secretary of the  
Administration of  
Ministry concerned.

d. Cases of government servants in BPS-20 and above would be referred to the Establishment Division.

iv. On completion of the maximum period of five years both the borrowing and the lending organizations should ensure immediate repatriation of the deputationist.

v. In case it is not possible to repatriate a person to his parent organization for compelling reasons, the case should be referred to the Establishment Division before the expiry of the maximum period of 5 years, fully explaining their circumstances due to which immediate repatriation is not possible and measures taken to obtain or groom a replacement as early as possible.

Audit observed that Ministry hired the services of Mr. Zafar Ali, Director General (BPS-20) on deputation basis vide MOFA notification No. Estt (III)-49/09/2012 dated 31.12.2014 and subsequently the said notification was superseded by even number of notification dated 12.01.2015 by which the officer assumed the charge of the post of Director General (BPS-20) in Strategic Export Control Division (SEC DIV), MOFA on 01.06.2013. The officer was a contractual employee of Strategic Plans Division, Rawalpindi so he could not be posted on deputation basis being not a civil servant. However, the officer completed his maximum period of deputation of 05 years on 31.05.2018. Despite the fact that the officer should have been repatriated after completion of five years as per prevailing rules his services were retained and Ministry made payment of pay and allowances as follows:-

01-06-2018 to 30-06-2020	Rs. 7,832,741
01-07-2020 to 30-06-2021	Rs. 3,724,971

**Total Rs. 11,557,712**

The payment of pay & allowances after completion of 05 years of deputation period without approval of competent authority was held irregular.

Audit is of the view that due to weak internal and financial controls the officer was retained after completion of maximum deputation period without approval of competent authority.

The matter was reported to the management in 1<sup>st</sup> week of December, 2021. The management replied that the officer has been relieved from Ministry w.e.f. 30.11.2021.

DAC in its meeting held on 05.01.2022 directed the Ministry that the matter may be taken up with Establishment Division / Prime Minister's office for regularization of his services under intimation to Audit.

Ministry did not share updated status till finalization of this Audit Report.

Audit recommends that:-

1. The case may be submitted to Prime Minister for ex-post facto approval as per audit recommendations.
2. The irregular payment of pay and allowances amounting to Rs. 11,557,712 may be got regularized from the competent authority.

*(Para-17, MOFA (HQ) 2020-21)*

**2.5.8 Non-recovery of security deposits against hired accommodations – Rs. 5.735 million.**

As per para-8.6.1(a) of FMMA Vol-II, Pakistani Missions abroad are required to ensure recovery of the security deposits from the landlord at the time of vacation of accommodations occupied by the officers/officials. The cost of the cleaning or breakage must be borne by the occupant and not by the state.

Contrary to the above, it was observed that security deposits/Bank Guarantee amounting to CHF 29,978 (Rs. 5,734,791) was not recovered from the landlords / occupants upon vacation of the houses during the period 2016-2021 in cases detailed as under:

Sl. No.	Formation	AIR Para No.	Period of AIR	Person(s) Involved	Amount (CHF)
1	UN Geneva	27	2016-21	02	21,578
2	UN Geneva	29	2016-21	01	8,400
<b>TOTAL</b>				<b>03</b>	<b>29,978</b>

Audit is of the view that due to weak internal and managerial control, security deposits could not be refunded resulting in loss to the Government.

The irregularity was pointed out in October 2021 and Ministry replied that in one case Bank Guarantee has been refunded and in other case matter is under litigation with the landlord progress will be shared with Audit.

DAC in its meeting held on 25.01.2022 directed the Ministry to provide evidence of recovered amount and effect remaining recovery within one month. No further progress was intimated till finalization of this report.

Audit recommends that recovery may be either effected from the landlord(s) or from the officers / officials concerned under intimation to Audit.

**2.5.9 Non-recovery of overpayment on account of pay & allowances-Rs. 5.261 million**

In terms of Rule-28 of GFR Vol-I, no amount due to government should be left outstanding without sufficient reason and where any dues appear to be irrecoverable the orders of competent authority for their adjustment must be sought.

Contrary to above rule, an amount of Rs. 5.261 million on account of pay & allowances was found outstanding/ recoverable from the officers/officials as detailed below:

*(Amount in millions)*

Sl. No.	Formations	AIR Para No.	Period of AIR	No of Persons	Amount (Rs.)	Remarks
1	MOFA (HQ)	3	2020-21	28	2.153	Pay & Allowances as per LPCs
2	MOFA (HQ)	4	2020-21	78	1.964	Pay & Allowances as per LPCs
3	MOFA (HQ)	13	2020-21	01	0.476	Pay & Allowanced not stopped after retirement
4	MOFA (HQ)	16	2020-21	05	0.390	Non-recovery of Driver facility charges.
5	MOFA (HQ)	37	2020-21	01	0.278	Recovery of Pay & Allowances as per LPC
			<b>TOTAL</b>	<b>113</b>	<b>5.261</b>	

The amount in question has not been recovered from the officers / officials concerned despite lapse of considerable time.

Audit is of the view that due to weak internal controls the above recovery could not be effected.

The matter was reported to the management in 1<sup>st</sup> week of December, 2021. The management replied that concerned quarters have been directed to effect recoveries.

DAC in its meeting held on 05.01.2022 directed the Ministry to effect recoveries within one month and also take corrective measures to avoid this kind of lapse in future.

Audit recommends that recovery of Rs.5.261 million may be effected from the officers/officials concerned besides taking corrective measures in this regard to avoid such lapses in future.

**2.5.10 Overpayment & non-recovery on account of HRA, HRC and Standard Rent - Rs. 1.855 million.**

In terms of Rule-26(5) of Accommodation Allocation Rule 2002 , A Federal Government Servant who vacates a house or quarter or flat or government accommodation, shall be allowed house rent allowance only after obtaining a certificate from concerned Estate Office that the official is not occupying a government or hired accommodation.

Further, Estate Office vide letters No. 5.4. 31.7/2015-16/Rent/E.O dated 18.01.2018 and No.5.4.31.7/2015-16/Rent/E.O dated 19.02.2019 imposed recovery amounting to Rs. 1,054,826 on account of house rent ceiling/standard rent against a Senior Auditor.

As per Annexure E of S.R.O 749(1)/2002 Accommodation Allocation Rules, 2002 minimum covered area for house hired for Federal Government Servant has been fixed and rent are paid accordingly.

Audit observed that contrary to above rules provisions, the Ministry did not stop payment of House Rent Allowance; failed to recover House Rent Charges and Standard Rent despite allotment of accommodations. Moreover, payments of rent of hired houses were made for covered area less than the prescribed area. The details of recoverable amounts are as under:

*(Amount in millions)*

Sl. No.	Formations	AIR Para No.	Period of AIR	No of Persons	Amount (Rs.)	Remarks
1	MOFA (HQ)	6	2020-21	01	1.055	Non-recovery of standard rent/ceiling as pointed out by Estate Office for the period 1991 to 2010
2	MOFA (HQ)	14	2020-21	08	0.220	Non-recovery of advance rent paid, despite the fact that accommodations were de-hired due to posting abroad.
3	MOFA (HQ)	22	2020-21	03	0.580	Paid excess rent for accommodations hired having less covered area than the entitlement.
			<b>TOTAL</b>	<b>12</b>	<b>1.855</b>	

Audit is of the view that due to weak internal controls, excess payments were made and recovery could not be effected from the persons concerned.



The matter was reported to the management in 1<sup>st</sup> week of December, 2021. The management replied that recoveries will be effected.

DAC in its meeting held on 05.01.2022 directed the Ministry to effect recoveries within one month and also take corrective measures.

Audit recommends that recovery of Rs.5.261 million may be effected from the officers/officials concerned besides taking corrective measures in this regard to avoid such lapses in future.

**2.5.11 Non-deduction of foreign allowance & entertainment allowance during NDC course - Rs. 1.487 million.**

According to Ministry of Foreign Affairs (Training and CP Section) letter No.T&CP-5/24/2003, dated 22.06.2004, all officers who shall be called to the headquarters on official duty temporarily to undertake NIPA and NDC mandatory courses shall be governed by the following criteria:

- Full Foreign Allowance for the first month
- 75% Foreign Allowance for subsequent months
- No entertainment or daily allowance for the entire period
- No foreign Allowance, if an officer stays in Pakistan beyond the course period

Contrary to the above rules provision Pakistan Mission at Baku paid full Foreign Allowance and Entertainment allowance to the Ambassador during the NDC from September, 2017 to January 2018. This resulted into excess payment of US\$ 8,405 (Rs. 1.487 million). The details of overpayments are as under:

Period	FA Admissible (US\$)	FA Drawn (US\$)	FA Excess Drawn (US\$)	EA Admissible	EA Drawn (US\$)	EA Excess Drawn (US\$)	
Oct-17	3,306.75	4,409	1,102.25	0	1,307	1,307	
Nov-17	3,306.75	4,409	1,102.25	0	1,307	1,307	
Dec-17	3,306.75	4,409	1,102.25	0	1,307	1,307	
Jan. 18 (01.01.18 to	3,911	4,409	498	0	679	679	
<b>Totals</b>	<b>13,831.25</b>	<b>17,636</b>	<b>3,804.75</b>	<b>0</b>	<b>4,600</b>	<b>4,600</b>	
<b>Grand Total</b>	<b>(3,805 + 4,600)</b>					<b>US\$ 8,405</b>	

Audit is of the view that due to weak financial and internal controls Foreign Allowance and Entertainment Allowance were paid to the officer in excess of entitlement which resulted into loss to Government.

The irregularity was pointed out in November, 2021 and conveyed to the Management, Ministry replied that matter has been taken up with the officer for views/comments.

DAC in its meeting held on 25.01.2022 directed the Ministry to effect recoveries within one month. No further progress was intimated till finalization of this report.

Audit recommends that recovery may be effected from the officer concerned and take corrective measures to avoid such lapses in future.

*(Para-1& 2, Baku, 2015-21)*

**2.5.12 Non-recovery of outstanding pension contribution of an officer - Rs. 1.355 million.**

According to Sr. No.7.211(iii) of the book titled “DDO Hand Book” The foreign employer (and where foreign employer is not agreeable to pay the pension contribution) the Government servant concerned as the case may be, will during the period of foreign service, pay to the Government of Pakistan pension contribution. The contribution will be paid in foreign currency if the Foreign Service is outside Pakistan in accordance with the relevant rules and at the rates prescribed from time to time by the government of Pakistan.

Furthermore, as per S.R. 307 if a contribution for pension, due in respect of a Government servant in foreign service is not paid within fifteen days from the end of the month in which the pay on which it is based has been drawn by the Government servant concerned, interest must be paid to Government on the unpaid contribution, unless it is specifically remitted by the President, at the rate of [two paisa] a day per Rs.100, from the date of expiry of the period of fifteen days up to the date on which the contribution is finally paid. The interest shall be paid by the Government servant or the foreign employer according as the contribution is paid by the former or the latter.

Contrary to the above rules provision, it was observed that an officer of Ministry remained on deputation at OIC Jeddah from 08-01-2015 to 07-01-2020. However, his pension contribution was neither paid by the OIC Jeddah nor by the officer concerned. The CAO, MOFA, Islamabad vide its letter No. PC/101-181/2019-20/7418 dated 19-02-2020 intimated the officer to pay the outstanding amount of Rs. 1.355million which is still outstanding.

Audit is of the view that due to weak internal and financial controls the recovery of pension contribution could not be effected.

The matter was reported to the management in 1<sup>st</sup> week of December, 2021. The management replied that the officer has deposited Rs. 25,000 and remaining amount will be recovered in monthly installments.

DAC in its meeting held on 05.01.2022 directed the Ministry to effect recovery and get it verified from Audit.

Audit recommends that the pension contribution may be recovered immediately besides recovery of interest on the pension contribution for undue retention of Government funds.

***(Para-08, MOFA (HQ) 2020-21)***

## **B- Procurement Related Irregularities**

### **2.5.13 Irregular expenditure without tendering in violation of Public Procurement Rules -Rs. 83.424million.**

As per Rule-12(1) of Public Procurement Rules 2004, purchases over Rs. 500,000 and up to the limit of Rs. three million shall be advertised on Public Procurement Regularity Authority's website. These procurement opportunities may also be advertised in print media as deemed necessary by the procuring agency.

Further as per Rule-12(2) *ibid*, all procurement opportunities over three million rupees should be advertised on the Authority's website as well as in other print media or newspapers having wide circulation.

Furthermore, as per Cabinet Division's O.M. No. 4/1/2008 dated 09-04-2008 financial limits for open tender(s) for Pakistan's Mission abroad have been fixed as under:

<b>Sl. No.</b>	<b>Kind of Tender</b>	<b>Monetary Limits.</b>
1.	Open tender	US\$ 4,000 or € 3,000 & above
2.	Limited tender	Less than US\$ 4,000 or € 3,000 & above US\$ 2,000 &€ 1,500
3.	Single tender	Up to US\$ 2,000 or € 1,500

Contrary to above rules provisions, it was observed that certain Pakistan Missions abroad incurred expenditure worth US\$ 66,055, CHF 63,231, £ 230,347, AZN 7,920 & Rs. 3,815,161 (Rs. 83.424 million) on purchase of physical assets etc., without observing codal formalities. ***Details are at Annex-V.***

Audit is of the view that due to weak internal and managerial controls irregular expenditure was incurred without fulfillment of the codal formalities.

The irregularity was pointed out in December, 2021. The Management replied that in New York expenditure was incurred with the approval of competent authority after following due process. In London expenditure was incurred in emergency. Further, rules / procedures laid down in CPW Code are not applicable to the Missions.

The reply is not tenable, being irrelevant as the MOFA has not been exempted from procedures laid down in CPW Code.

DAC in its meetings held on 25.01.2022& 01.02.2022 directed the Ministry to get the violations regularized from competent forum and provide advertisement, approvals, tendering details, Minutes of the meeting of procurement Committee for Audit

verification. DAC further directed to issue instructions to Missions, for maintenance of repair / renovation register of each buildings / apartments.

Audit recommends that expenditure be got regularized from the competent forum, besides fixation of the responsibility against person(s) at fault under intimation to Audit.

**2.5.14 Irregular award of repair works without completion of codal formalities – Rs. 70.295 million.**

Para-56 of CPWD Code provides that for each individual work proposed to be carried out, properly detailed estimate must be prepared for the sanction of competent authority; this sanction was known as the technical sanction to the estimate. As its name indicates, it amounts to no more than a guarantee that the proposals are structurally sound, and that estimates are accurately calculated and based on adequate data.

As per paras-208-11 of Central Public Works Account Code, payment to the contractors or suppliers shall be made on the basis of detailed measurement of work done recorded in the Measurement Book.

Contrary to the above, it was observed that the following Missions abroad incurred heavy expenditure of US\$ 183,777 and £158,189 (Rs. 70.295 million) on repair and renovation of office and residential buildings without technical sanctions, detailed engineering estimates and measurements etc., as detailed below

Sl. No.	Name of Mission	Period of Audit	Para No of AIR	Amount	Remarks
1	CG New York	2019-20	11	US\$ 76,568	Repair of official residence of CG (Including whitewash, sanding, refurbishment of wooden floor, replacement of bathroom fixtures)
2	UN New York	2019-20	2	US\$ 107,209	Repair & maintenance work of Mission building
3	London	2019-21	5	£ 158,189	Repair of government owned building from FIGOB
				<b>US\$ 183,777 &amp; £158,189</b>	

Audit is of the view that due to weak managerial and internal controls, codal formalities relating to civil work were not fulfilled and as a result the economy and propriety of the work cannot be ascertained.

The irregularity was pointed out in 1<sup>st</sup> week of December, 2021. The Management replied that on some Missions expenditure was incurred on different

occasions and each voucher does not fall under tender limit. In some cases, expenditure was incurred in line with the PPRA Rules. In Switzerland local firms don't respond to quotations. Sometimes due to emergency and late receipts of funds at the end of June tender cannot be called.

DAC in its meetings held on 25.01.2022 & 01.02.2022 directed the Ministry to get the irregularity regularized in case of Parep Berne, London, Tashkent & UN New York. In remaining cases, DAC directed to provide tender documents, bids, minutes of meeting of Committee and relevant record to Audit for verification.

Audit recommends that the matter may be investigated for fixing responsibility on person (s) at fault besides the irregularity be got regularized from the competent authority.

**2.5.15 Un-authorized advance payment for repair & maintenance of building-Rs. 10.972 million.**

As per Rule-397 of FTR Vol-I, no advance payment can be made to the contractor / supplier except for work actually done or supplies actually received.

Contrary to the above, it was observed that Consulate General of Pakistan at New York made advance payments amounting to US\$ 62,000 (Rs. 10.972 million) for repair and maintenance of the official residence of the head of mission as detailed below:

S. No	Cheque No	Date	Amount (US\$)	Remarks
1	1305	23-08-2019	12,000	Advance Payment
2	1306	13-09-2019	10,000	Advance Payment
3	1308	11-10-2019	20,000	Advance Payment
4	1309	25-10-2019	20,000	Advance Payment
<b>Total</b>			<b>62,000</b>	

Audit holds that due to weak internal and financial controls, Mission made advance payments in violation of the rules & procedure.

The irregularity was pointed out in 1<sup>st</sup> week of December, 2021 and Ministry replied that in New York it is not uncommon for contractors to ask for advance payment, as they have to purchase special material.

DAC in its meeting held on 25.01.2022 directed the Ministry to provide details of work done with relevant record and adjustment of advance payment. No further progress was intimated till finalization of this report.

Audit recommends that the matter may be investigated for fixing responsibility on person(s) at fault besides regularization of the irregularity under the orders of the competent forum.

*(Para-6, CG New York 2019-20)*

**2.5.16 Un-authorized expenditure on repair/ renovation of washrooms – Rs. 5.889 million.**

Finance Division vide U.O. No. 44-DS-Exp(FA)/2021, dated 26.02.2021 clarified that powers of Ministries / Divisions mentioned at Annex-I of System of Financial Control & Budgeting 2006 updated in October 2018 are effective unless further amendments are issued in the delegated powers. Therefore, at present the powers of Rs. 500,000 at Sl. No. 9(46) of Annex-I are still effective. However, if Ministry of Foreign Affairs requires any specific approval of Finance Division the case may be re-submitted with details.

As per Para-53 of CPW Code (Central Public Works Code), there are four main stages in the project for a central work, namely, administrative approval, expenditure sanction, technical sanction, and the appropriation or re-appropriation of funds.

Contrary to the above, it was observed that the Ministry incurred expenditure amounting to Rs. 5.889 million vide Vr.28 dated 27.07.2020 on repair / renovation of washrooms without power of sanction. Further the press advertisement was made in local newspapers only. No estimates were prepared nor it was technically sanctioned from the competent authority.

The matter was reported in 1<sup>st</sup> week of December, 2021. Ministry replied that the repair work was carried out in light of administrative powers through amendment in Rules of Business in 2017.

The reply is not tenable as Finance Division has clarified that Ministry's financial powers are restricted to Rs. 500,000 only. Other codal formalities relating to civil work were also not complied with.

DAC in its meetings held on 05.01.2022 & 01.02.2022 directed the Ministry to get the expenditure regularized from Finance Division.

Audit recommends that the matter may be investigated for fixing responsibility against persons at fault besides the irregularity be got regularized from the Finance Division.

*(Para-88, MOFA (HQ) 2020-21)*

**C- Management of Accounts with Commercial Banks**

**2.5.17 Unjustified retention of balances in bank account of PCW&EF & FIGOB – Rs. 264.169 million.**

As per Para-5(ii) of Accounting Procedures for extended scope of PCW&EF and FIGOB in Pakistan, a working balance of Rs. 5 million shall be maintained in the bank accounts. Funds above this limit shall be invested in the short term / long term schemes offered by the scheduled banks with the approval of PAO.

Contrary to the above, it was observed that a balance of Rs. 264.169 million on account of PCW&EF & FIGOB was lying unspent (Welfare Account).

Audit is of the view that non-observance of accounting procedures for extended scope of PCW&EF and FIGOB is serious lapse on part of the Ministry. The idle funds should have been invested in a profitable scheme as per policy for benefit of community.

Audit holds that due to weak financial and managerial controls a huge amount of funds remained idle / unutilized in Bank account.

The matter was reported to the management in 1<sup>st</sup> week of December, 2021. Management replied that 20% surcharge collected in Missions abroad is received through NADRA and matter is under pursuance with NADRA and State Bank of Pakistan for making necessary arrangements to send back the share of Missions.

DAC in its meeting held on 05.01.2022 directed the Ministry to observe the accounting procedures limit for working balance and maintain separate accounts. Ministry did not share any record till finalization of this Audit Report.

Audit recommends that the funds may be invested in a profitable scheme with the approval of competent forum besides violation of the accounting procedures be got regularized under the order of competent forum.

*(Para-60, MOFA (HQ) 2020-21)*



## **Value for Money & Service Delivery Issues**

### **2.5.18 Loss to Government due to mishandling of Hyderabad Fund Case – Rs. 2,682.184 million.**

According to para-23 of GFR Vol-I, “every government officer should realize fully and clearly that will be held personally responsible for any loss sustained by the government through fraud or negligence on his part”. Ministry of Foreign Affairs vide letter No. Ind (I)-8/2/2016 dated 28.10.2016, conveyed to PAHIC London instructions of the Advisor to the Prime Minister on Foreign Affairs that “PAHIC London should not accept the lawyers bills, without carefully examining of claims”.

Audit observed during scrutiny of the record of Pakistan High Commission, London for the year 2019-21, that Pakistan High Commission London incurred an expenditure of £ 11,232,395 (Rs. 2,682,183,602) on mishandling of Hyderabad Fund Casein 2013

The brief study of the case revealed that the last Nizam of Hyderabad Mir Osman Ali Khan deposited £1 million in the UK account in 1948, held by the then Pakistan high commissioner, Habib Ibrahim Rahimtoola. For over 70 years, the sum accrued interest and valued at £35million by 2013. Nizam VII sought the return of funds in 1950s, claiming that the transfer had been made without his authority but the Bank was unwilling to return the fund without the agreement of Pakistan, which had legal title to the fund. The case reached the House of Lords, which held that the question of ownership of the fund could not be decided because of sovereign immunity claimed by Pakistan. In 2013, Mr. Wajid Shams-ul-Hassan, the then Pakistan High Commissioner waived off Pakistan's immunity without the consent / prior approval of Ministry of Foreign Affairs, by claiming a beneficial interest in the fund that opened the way for the current case to proceed. Pakistan applied to withdraw the suit months later, but the court dismissed the plea and issued notice to Nizam's sons / Government of India informing them about Pakistan's claim. ***Details are at Annex-VI.***

The Pakistan's Lawyer Khawar Qureshi failed in establishing the point that Nizam had transferred the money in the purchase of weapons in order to resist India's attempts to forcibly annex Hyderabad. UK High Court Judge ordered the Government of Pakistan to pay nearly £ 5.800 million in legal costs in addition to granting Nizam of Hyderabad the right over £ 35.000 million funds. Details of legal costs are as under:

Sl. No.	Description	Amount £	Remarks
1	Prince MuffakhamJah	1,835,446	65% of legal cost
2	India	2,802,192	-
4	HE VIII Nizam	795,065	65% of legal cost
5	Bank's costs	367,388	-
	<b>Total</b>	<b>5,800,091</b>	

Moreover, Pakistan paid £ 5.232 million in legal costs to firm hired to defend the case.

Audit observed the following irregularities during the course of sample audit:

1. Due to injudicious claim of funds filed by the then High Commissioner, Government of Pakistan was put into loss of £ 11.032 million (£ 5.232 million to the legal firms and £ 5.800 Million as legal cost imposed by court).
2. An amount of £ 5,800,091 was paid out of FIGOB irregularly.
3. It was learnt that the Government of India was ready for out of court settlement. This option was not availed by the mission.
4. The criterion for selection of the Lawyer / firm to precede the court case was not made available to audit.
5. The Ministry has approved the payment with the condition that the High Commissioner of Pakistan, London should not accept the lawyer's bills without carefully/technically examining the lawyer's claims. Till June 2021, about 56 invoices had been paid by PAHIC London and the typical examination is that "the invoice has been examined and seems to be in order" and payment was released to the legal firm. The legal firm in its invoice mentioned that their lawyers reviewed the documents for so and so period and other allied staff worked for this case for this duration. The management of the mission released the payment as per the outputs achieved/inputs rendered as *conveyed/claimed* by the legal firm and did not develop any systematic and objective evaluation criteria to carefully examine and evaluate the law firms' bills and then process these for payment.

Audit is of the view that the Hyderabad Fund Case has been dealt by Mission's management in injudicious manner leading to a loss of £11,232,395. In addition to losing right over the fund valuing at £ 35 million.

The observation was discussed with the DDO and HOM in November 2021, the management didn't render any reply.

The matter was reported to Ministry in December, 2021. Ministry replied that the matter is under investigation by NAB and relevant record is in possession of NAB.

DAC in its meeting held on 25.01.2022 directed Ministry to share the TORs of Inquiry/investigations being carried out by NAB. No progress was reported till finalization of this Audit Report.

Audit recommends that the updated status of inquiry by NAB be shared with the Audit to proceed further in the matter.

*(Para-1, London 2019-21)*

**2.5.19 Non-investment of surplus funds of PCW&EF and FIGOB - Rs. 255.048 million**

As per para-11.3.5 of FMMA Vol-I and Ministry's letter No.Rules-4/6/95 dated 30.08.1995, surplus fund in the PCW&EF and FIGOB should be invested in fixed deposit.

Contrary to the above, it was observed that Pakistan Missions at New York, Berne and Tashkent did not invest the surplus funds amounting to US\$ 1,243,454 & CHF 182,990 (Rs. 255.048 million) of PCW&EF and FIGOB. Details are as under:

Sl. No.	Name of Mission	Period of Audit	Para No of AIR	Amount	
				PCW&EF	FIGOB
1	CG New York	2019-20	3	US\$ 505,237	US\$ 614,865
2	Berne	2016-21	4	CHF 110,430	-
3	Berne	2016-21	7	-	CHF 72,560
4	Tashkent	2017-21	19	US\$ 66,497	US\$ 56,855
			<b>TOTAL</b>	<b>US\$ 571,734 &amp; CHF 110,430</b>	<b>US\$ 671,720 &amp; CHF 72,560</b>

Due to non-investment of surplus funds, the Government sustained considerable loss of profit/ interest.

This reflects weak financial Management and internal control on part of Pakistan Missions abroad.

The irregularity was pointed out in December, 2021 and Ministry replied that due to shifting to online Visa system, Consular receipts of Missions have decreased and Missions have insufficient funds to invest. In some cases funds were also transferred to other Missions with the approval of competent authority. In case of Tashkent local Banking laws don't allow to open saving account.

DAC in its meetings held on 25.01.2022 & 01.02.2022 directed the Ministry to review its earlier instructions regarding investment of 80% surplus funds and issue revised circular. DAC further, directed to share the copy of Finance Division's letter regarding arrangement for purchase/construction of properties abroad and copy of the local banking laws. No further progress was intimated till finalization of this report.

Audit recommends that the surplus funds may immediately be invested in profitable fixed deposit schemes.

**2.5.20 Loss to Government due to non-utilization of government property- Rs. 113.670 million**

According to para-23 of GFR Vol-I, every Government officer should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part and that he will also be held personally responsible for any loss arising from fraud or negligence.

Contrary to the above, it was observed that the Government owned buildings at Washington have not been rented out during the FY 2019-20 and remained vacant. If these buildings could have been used by the employees of the mission, the Government would have benefited equivalent to an amount of US\$ 642,348 (Rs. 113.670 million) which was otherwise spent on payment of hiring to third parties. Details are given below:

Sr. No.	Name of Government. owned Building	No. of floors	No. of officers that could have been accommodated	Loss that would have been avoided (US\$)
1	2315, Massachusetts Avenue, NY Washington DC 20008	4	12	<b>642,348</b>
2	2201, R Street NW Washington DC 20008	4	12	
<b>Total</b>			<b>24</b>	<b>642,348</b>

Audit holds that due to weak managerial and internal controls a huge amount is being paid on account of rent and taxes despite availability of Government owned buildings.

The irregularity was pointed out in November, 2021 and Ministry replied that the building at Massachusetts Avenue is used for hosting cultural event and efforts are being made to rent it out also. Government has decided to dispose of R-Street building and Mission has hired a real estate agent to identify a suitable buyer.

DAC in its meeting held on 25.01.2022, directed Ministry to share the record showing the efforts of Ministry for renting out and disposal of buildings. No further progress was intimated till finalization of this report.

Audit recommends that non-utilization of Government owned buildings may be justified besides taking remedial measures to rent out these buildings immediately.

*(Para-19, Washington 2019-20)*

**2.5.21 Unjustified expenditure / non refund of advance paid for reservation of hotel for VVIPs for participation in World Economic Forum annual meeting in Davos – Rs. 54.284 million.**

According Para 23 of GFR, Vol. I, “every government officer should realize fully and clearly that he will be held personally responsible for any loss sustained by the government through fraud or negligence on his part”.

Audit observed during scrutiny of the accounts of Pakistan Permanent Mission to United Nations Geneva for the period 2016-21 that the Mission made unjustified & irregular payments amounting to US\$ 130,621 & CHF 162,932 (Rs. 54.284 million) on account of hotel reservation at Zurich, Geneva & Davos. *(Details are at Annex-VII-A)* on account of reservations of hotels for delegations for participation in annual meeting of World Economic Forum in Davos. Audit observed the following:

1. Annual meeting was being held in Davos but hotel were being booked in Geneva and Zurich which were 424 and 148 kilometers away from place of meeting and paid US\$ 64,296 & US\$ 66,325 respectively.
2. No delegates stayed at hotel RexcusFelula during 17.01.2017 to 21.01.2017, however, refund of advance payment amounting to CHF 150,312 was not effected which resulted in loss to government to the stated amount.
3. The family members of PM and other delegates such as spouses of Foreign Minister, Military Secretary to the PM, Secretary to PM and one MNA were also treated as part of delegation without having any role in the WEF meeting and expenditure on their stay was made out of public exchequer irregularly.
4. Extra payment of 50% of hotel charges, amounting to CHF 12,620 was paid for PMs early arrival at about 11:30 AM before check in time of 03:00 PM. The claim was not supported with the hotel bill. Moreover, flight arrival time was not shared with the Audit.

Audit held that due to weak financial and internal controls unjustified expenditure has been incurred which resulted in loss to the government exchequer.

The irregularity was pointed out in Oct 2021 and discussed with the management of the mission; the management did not provide any justification.

The matter was reported to Ministry in December, 2021. Ministry replied that Hotel RexosFluela was booked for camp office of the Mission. The Hotel Desbergues Geneva was booked in anticipation of stay of the PM.

DAC in its meeting held on 25.01.2022, requested for provision of record. No further progress was intimated till finalization of this report.

Audit recommends that:

1. The payment for reservations of hotels at Geneva and Zurich may be justified and responsibility be fixed on the person(s) at fault for unjustified expenditure.
2. Payment for accommodation at Hotel RexosFluela Davos may be justified with provision of final bill / refund if any otherwise amount may be recovered and credited into Government exchequer.
3. Expenditure on unauthorized delegates with no role in WEF annual meeting may be justified.
4. Extra payment of 50% of hotel charges, may be justified.

*(Para-6, UN Geneva, 2016-21)*

## **Others**

### **2.5.22 *Non recovery / refund of amounts forfeited by the orders of the court in Broad Sheet case from NAB - Rs. 821.644 million.***

As per Rule 7.1.4 of FMMA Vol-1, inevitable payments on behalf of other Governments / Departments can be made only in exceptional circumstances and that too under orders of the heads of the Missions. Such payments should be shown in the main statement of expenditure, under the relevant head of account and schedules/vouchers etc. in respect thereof should be sent to the CAO with the monthly account for adjustment and recovery of the amount from the concerned Ministry Department. As per Rule 26 of GFR Vol-1, it is the duty of the departmental Controlling officers to see that all sums due to Government: are regularly and promptly assessed, realized and duly credited in the Public Account.

Audit observed during scrutiny of accounts of PHC London for the period 2019-21 that the United Bank Limited London paid £4,115,382 on the orders of the London High Court to the Broad sheet from the bank accounts maintained by the Pakistan High Commission London without any authority on behalf of NAB. The payments were drawn from FIGOB and PCW&EF. The NAB has yet not refunded the amount valuing at £ 3,440,865 (Rs. 821,644,153) to the Mission Accounts. The detailed record of the case was not produced to Audit as the Mission's Management stated that NAB expenditure is not part of the Mission's Imprest Account owing to which audit couldn't ascertain the exact situation.

Audit was of the view that lack of internal control resulted in irregular drawl of funds from Mission Accounts by the bank without any authority. Moreover, Mission could not get refund from NAB.

The observation was discussed with the Mission in November 2021, the mission didn't render their written response / reply.

The matter was reported to the Ministry in December, 2021. Ministry replied that the amount of US\$ 2,553,127 has been transferred back to PCW&EF and FIGOB accounts in August 2021.

DAC in its meeting held on 25.01.2022, directed the Ministry to provide evidence of recovery of entire amount and its confirmation for Audit verification. No further progress was intimated till finalization of this report.

Audit recommends that the amount due from NAB may be recovered and verified from Audit at the earliest.

*(Para-2, London 2019-21)*

**2.5.23 Non-clearance of huge pending liabilities / payments of PIA-Rs. 349.388 million.**

As per Para-14 of GFR Vol-I, delay in the payment of money indisputably due by Government is contrary to all rules and budgetary provisions and should be avoided.

Further, as per para-105 of GFR Vol-I, it is an important financial principle that money indisputably payable should not, as far as possible, be left unpaid.

Contrary to the above, it was observed that an amount of Rs. 349.388 million on account of cargo / diplomatic mail and pre-covid operations was due to be paid to PIAC, which was pending since 2008.

*(Amount in millions)*

<b>Sl. No.</b>	<b>Particulars pending liabilities</b>	<b>Amount (Rs.)</b>
1	During Covid-19 operations	46.922
2	Pre-Covid Operations	287.567
3	Cargo / Diplomatic Mail	53.229
	<b>Total</b>	<b>387.718</b>
4	(-) Paid for 08- Special flights during Covid for period April-June, 2020	(38.330)
	<b>Net Outstanding Amount</b>	<b>349.388</b>

Audit is of the view that non-payment of long outstanding dues of PIA is negligence and mismanagement on the part of Ministry.

The matter was reported to the Ministry in 1<sup>st</sup> week of December, 2021. Ministry replied that it is trying to clear the liabilities.

The DAC in its meeting held on 05.01.2022 directed the Ministry to expedite efforts for clearing the outstanding dues and share the record with Audit.

Audit recommends that the long outstanding government liabilities may be cleared at the earliest.

*(Para-63, MOFA (HQ) 2020-21)*

**2.5.24 Unjustified expenditure incurred on payment of rent of residential buildings to third parties instead of taking out mortgage– Rs. 313.717 million.**

GFR 10 (i) provides that every officer incurring or authorizing expenditure from public funds should be guided by high standards of financial propriety. Every public



officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys as a person of ordinary prudence would exercise in respect of expenditure of his own money.

Contrary to the above, it was observed that huge amounts of US\$ 1,772,815 (Rs. 313.717 million) were incurred during the FY 2019-20 on payment of rent of residential buildings occupied by the officers/ officials working in Pakistan Missions at UN New York and Washington.

Audit is of the view that the amount spent at hiring of buildings goes to clearing of liabilities. However, if Missions had considered the option of mortgaging the buildings for residential requirements of officers/ officials the same amount could have been utilized in building government assets.

The option was pointed out in 1<sup>st</sup> week of December, 2021 and Ministry replied that Audit observation has been noted and would further explore this recommendation.

DAC in its meeting held on 25.01.2022 pended the para with the direction to devise a mechanism to avoid recurring expense to the government exchequer on account of payment of rental liabilities.

Audit recommends that a cost-benefit analysis of ‘rent vs mortgage’ be carried out and assets be procured for Government of Pakistan to avoid huge rental payments.

*(Para-18, Washington & Para-32, UN New York 2019-20)*

**2.5.25 Non-surrender of unspent amount of SAARC COVID-19 Emergency Fund - Rs. 235.943 million.**

According to Para-95 of GFR Vol-1, all anticipated savings should be surrendered to government immediately they are foreseen but not later than 31<sup>st</sup> March of each year in any case, unless they are required to meet excesses under some other unit or units which are definitely foreseen at the time. No savings should be held in reserve for possible future excesses.

Contrary to the above, it was observed that Finance Division vide UO No. 523-DS-Exp(FA)/2020 dated 07.09.2020 released regular supplementary grant of Rs. 509.250 million for the “SAARC Covid-19 Emergency Fund”. Out of this grant an expenditure of Rs. 273.057 million was incurred on provision of Covid related medical equipments and cash distribution to four SAARC member countries (Sri Lanka, Nepal, Maldives & Bangladesh). Unspent balance of Rs. 235.943 million was not surrendered to the Government account.

Audit is of the view that as the SAARC Covid-19 Emergency Fund was allocated for a specific purpose, the unspent funds should have been surrendered to Federal Consolidated Fund, so that same could have been utilized by the government.

Due to weak internal and financial controls Ministry failed to surrender the amount resulting lapse of funds.

The matter was reported to the Ministry in 1<sup>st</sup> week of December, 2021. Ministry did not furnish any response.

The DAC in its meeting held on 05.01.2022 directed the Ministry to get the irregularity regularized from Finance Division.

Audit recommends that non-surrender of unspent funds amounting to Rs. 235.943 million may be got regularized by obtaining the sanction of Ministry of Finance under intimation to Audit.

*(Para-125, MOFA (HQ) 2020-21)*

**2.5.26 Irregular expenditure on VVIP visits for participation in World Economic Forum annual meetings in Davos – Rs. 91.961 million.**

As per Rule at Sl. No.10 of GFR-Vol-1, every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys as a person of ordinary prudence would exercise in respect of expenditure of his own money.

According to Para-2.38.4 of FMMA (Vol-II), Cabinet Division's O.M. No. 4/1/2008/PPRA-RA-III dated 09.04.2008 fixed financial limits for open tender(s) for Pakistan's Mission abroad as under:

<b>Sl. No.</b>	<b>Kind of Tender</b>	<b>Monetary Limits.</b>
1.	Open tender	US\$ 4,000 or € 3,000 & above
2.	Limited tender	Less than US\$ 4,000 or € 3,000 & above US\$ 2,000 & € 1,500
3.	Single tender	Up to US\$ 2,000 or € 1,500

As per para-13.12.1 of FMMA (Vol-II), the limits of cash payment in respect of Pakistan's Missions abroad has been fixed at Rs. 5,000. Payments more than Rs. 5,000 has to be made through cheque in compliance of Rule-157 of FTR Vol-I.

During scrutiny of the accounts of Pakistan Permanent Mission to United Nations Geneva for the period 2016-2021, it was noticed that a sum of Rs. 91.961 million (*Details are at Annex-VII-B*) was expended on the logistics (US\$ 26,685 & CHF

456,032) for Prime Minister of Pakistan delegation to Davos for participation in the WEF annual meetings during January 2017 & January 2018.

The expenditure was irregular on following grounds:-

- i. Heavy amounts valuing at CHF 15,426 & US\$ 4,528 were paid on account of rent of 38 mobiles with SIMS card and data charges without any plausible reason.
- ii. Similarly, expenditure of CHF 31,817 & US\$ 22,157 was incurred on purchase of stationery and other items without calling tender. Moreover, the store was not taken on stock and no utilization was shared with Audit.
- iii. Heavy expenditure of CHF 383,487 was made on hiring of transport for VVIP visit of PM and entourage delegation from M/S Gulf Services without providing any details regarding usage of these vehicles.
- iv. Scrutiny revealed that rates offered were inclusive of driver service and Gas / Oil for 160 KM / day but the firm charged CHF 25,302 in their bill against the driver service.
- v. Payments were mostly done in cash instead of cross cheques in violation of Government rules.

Audit held that due to weak financial and internal controls, expenditure was made on PM visit without observing codal formalities & propriety which resulted in irregular, uneconomical & unjustified expenditure to the stated extent.

The matter was pointed out in October, 2021 and discussed with the top management of the mission; the management did not offer any comments.

The matter was reported to the Ministry in 1<sup>st</sup> week of December, 2021. Ministry replied that advance payments were made partially to the hotels as per practice in Switzerland in order to avoid any chance of non-availability of accommodation for delegations. Tender process for hiring of vehicles was done. Further, the cash payments were made as the delegates had no bank accounts in Geneva.

DAC in its meeting held on 25.01.2022, pended the Para for detailed verification/Audit. No further progress was intimated till finalization of this report.

Audit recommendations that:

- 1 Plausible reasons may be provided for expenditures on rent of mobiles alongwith provisions of IMEI numbers of cell phones rented.
- 2 Expenditure on purchase of stationery may be got regularized from the Finance Division. Moreover utilization report may be shared with Audit.

- 3 Detailed utilization report for usage of vehicles alongwith detail of delegates and tour plan may be shared with the Audit.
- 4 Justification for additional payments for driver service may be shared with the Audit.
- 5 Payment made in cash be justified and got regularized from the Finance Division.

*(Para-4 &5, UN Geneva, 2016-21)*

**2.5.27 Irregular payments in cash instead of crossed cheques – Rs. 95.949 million.**

As per para-13.12.1 of FMMA (Vol-II), the limit of cash payment in respect of Pakistan's Missions abroad has been fixed at Rs. 5,000. Payment more than Rs. 5,000 has to be made through cheque in compliance of Rule-157 of FTR Vol-I.

Contrary to the above, it was observed that the Ministry irregularly drew funds amounting to Rs. 39.097 million through DDO cheques and made payments in cash. Further, certain Missions abroad also made payments of Rs. 56.852 million (US\$ 194,075, AZN 130,221 &Rs. 48,144,208) on various accounts in cash instead of crossed cheques. ***The details are at Annex-VIII.***

Audit is of the view that weak internal and financial control led to the irregular cash payments.

The matter was reported to the management in 1<sup>st</sup> week of December, 2021. Ministry informed that it was not possible to make payment through cheques in various cases due to various reasons.

The reply is not tenable as payments through cheques to third parties and government employees was requirement of treasury rules.

The DAC in its meetings held on 05.01.2022, 25.01.2022& 01.02.2022 directed the Ministry to get the irregularity regularized from the Finance Division. No progress has been shared with Audit till finalization of this report.

Audit recommends that the irregularity may be got regularized from the Finance Division.

**2.5.28 Wasteful expenditure on repair and payment of tax of government owned buildings - Rs.86.055 million.**

Para 23 of GFR Vol-I states that every Government officer should realize fully and clearly that he will be held personally responsible for any loss sustained by

Government through fraud or negligence on his part and that he will also be held personally responsible for any loss arising from fraud or negligence.

Contrary to the above, it was observed that an amount of US\$ 486,296 (Rs. 86.055 million) was spent from FIGOB on repairs of Government Owned Buildings and payment of taxes during the FY 2019-20 despite the fact that these buildings were neither used by Embassy nor were rented out. Details are given below:

Sr. No.	Vr. No.	Date (DD-MM-YY)	Cheque No.	Name of Government. Owned Building	Nature of Payment	US\$
1	1	07-08-19	0301	2315 Massachusetts avenue	Repair & maintenance	4,606
2	2	16-07-19	0302	2201 R Street/ Old Chancery		4,920
3	3	22-07-19	0303	2315 Massachusetts avenue		10,747
4	4	30-09-19	0304	2315 Massachusetts avenue		2,406
5	5	10-04-19	0305	2315 Massachusetts avenue		7,380
6	7	27-11-19	0307-12	2201 R Street	Tax Levied	452,426
7	15	15-04-20	0313	2201 R Street/ Old Chancery	Repair & maintenance	3,811
<b>Total (US\$)</b>						<b>486,296</b>

Audit holds that due to weak managerial and financial controls, Mission incurred expenditure on repair of buildings and payment of taxes.

The irregularity was pointed out in 1<sup>st</sup> week of December, 2021 and Ministry replied that as both the buildings were government properties and as per local law it was responsibility of Mission to maintain the buildings.

DAC in its meeting held on 25.01.2022 directed Ministry to beef up efforts for utilizing / renting / selling of the buildings and provide copy of the local tax laws to Audit.

Audit recommends to share the detail of efforts done so far to utilize / rent / sell the building.

*(Para-17, Washington 2019-20)*

#### **2.5.29 Non-adjustment of advances paid to government departments – Rs. 52.688 million.**

As per Rule 668 of FTR, advances granted under special orders of the competent authority to government officers for departmental or allied purposes may be drawn on the responsibility & receipt of the officer for whom they are sanctioned subject to adjustment by submission of detailed accounts supported by vouchers or refund.

Contrary to the above, it was observed that Ministry made advance payments amounting to Rs. 52.688 million to the following departments on different accounts. The same have not been adjusted by providing detailed vouched accounts.

(Amount in millions)

Sl. No.	Particulars	Vr No. & Date	Amount (Rs)
1	Advance to DG Rangers, Sindh	4838 /09.06.2021	8.976
2	Advance to DG Rangers, Punjab	4225 /28.04.2021	13.464
3	PWD, Islamabad	-	30.248
		<b>TOTAL</b>	<b>52.688</b>

Audit holds that due to weak internal and financial controls the adjustment of advances is still outstanding.

The matter was reported to the management in 1<sup>st</sup> week of December, 2021. Ministry informed that concerned quarters are being approached and requisite record will be shared with Audit.

The DAC in its meeting held on 05.01.2022 directed the Ministry to provide all relevant record to Audit. Ministry did not provide any record till finalization of this Audit Report.

Audit recommends that the adjustment of the advances along with complete vouched account be provided to Audit.

*(Para-67 &102, MOFA (HQ) 2020-21)*

**2.5.30 Un-authorized payment / expenditure on account of services of security agency- Rs. 39.077 million.**

As per para-18(10) of Schedule-II of Rules of Business, 1973, Interior Division has been assigned the function regarding security measures for the Federal Secretariat, attached departments and sub-ordinate offices.

Further, as per para-2/N of Ministry's file No. C(&S)-1/14/2019(Security) dated 21.07.2020, the sanctioned strength of 53 ICT Police personnel was allowed for security of office buildings of MOFA.

Contrary to the above, it was observed that Ministry entered into an agreement for three years from 01.09.2019 to 31.08.2022 with M/s Askari Guards to provide 106 Security Guards for MOFA (HQ) & hostel buildings at monthly rate of Rs. 2,938,118. It was further observed that against the sanctioned strength of 53, there was shortage of 25 policemen, whereas Ministry hired the services of 106 Security Guards and paid an amount of Rs. 39.077 million on this account during the financial year 2020-21.

The expenditure on security arrangements was held irregular as it was the responsibility of Interior Division (Islamabad Police) to provide security services for Foreign Office buildings.

Audit holds that due to weak financial and managerial controls Ministry incurred irregular expenditure on account of security services.

The matter was reported to the management in 1<sup>st</sup> week of December, 2021. Ministry replied that due to security threats and non-provision of security by police this arrangement was made.

DAC in its meeting held on 05.01.2022 directed the Ministry to get the irregularity regularized from M/o Interior/ Cabinet Division.

Audit recommends that the matter may be taken up for regularization of the expenditure from competent authority.

*(Para-83 & 84, MOFA (HQ) 2020-21)*

**2.5.31 Loss due to purchase of incompatible Ventilators & Continuous Positive Air Pressure (CPAP) out of SAARC COVID-19 Emergency Fund-Rs. 24.975 million.**

According to para-2/N of note portion of approval for expenditure out of SAARC Covid-19 Emergency Fund, Pakistan's Missions to SAARC countries, approached the host authorities (apart from India) for seeking their requirements regarding science & technology products indigenously manufactured in Pakistan and shared the lists of products/requirement provided by the host Government. Accordingly, approval was granted for provision of Ventilators and CPAP to Government of Maldives.

Contrary to the above, it was observed that Ministry purchased 30 ventilators and 30 CPAP for Rs.5.199 million and Rs.19.776 million respectively out of SAARC Covid-19 Emergency Funds for donation to Government of Maldives. Further, PAHIC Male vide e-mail message No. Pol-1/18/2021 dated 18.07.2021 & 01.08.2021, intimated the Ministry that Maldives Health Ministry informed the Pakistan High Commission that donated ventilators & CPAP do not fulfill their requirements. Mission's fax message dated 18.07.2021 transpired that the equipment was lying in the Mission.

Audit is of the view that due to lack of coordination and weak managerial control, the donated medical equipments did not meet the requirement of Health Ministry of the host country and lying useless in Pakistan Mission, which resulted into loss to national exchequer.

The matter was reported to the management in 1<sup>st</sup> week of December, 2021. Ministry replied that matter was under pursuance with the concerned Mission and outcome will be shared with Audit.

The DAC in its meeting held on 05.01.2022 directed the Ministry to share the relevant record including decision/directions of ECC in this regard with Audit. Ministry did not share any record till finalization of Audit Report.

Audit recommends that the matter may be investigated for fixing responsibility against person(s) at fault besides informing the latest status about the delivery of medical equipments.

*(Para-96, MOFA (HQ) 2020-21)*

**2.5.32 Inadmissible/irregular payment out of PCW&EF - Rs. 23.589 million.**

As per Sl. No. 10.4.1 of FMMA provides that the Head of Mission is competent to authorize expenditure from the fund for various purposes laid down in the aforementioned rule.

Contrary to the above, it was observed that Embassy of Pakistan, Washington incurred expenditure amounting to US\$ 133,300 (Rs. 23.589 million) on 14.02.2020 for purchase of 05 Thermo Scanner Machines on behalf of Directorate of Central Health, NIH, Government of Pakistan from the PCW&EF which was unauthorized/ inadmissible under prevailing rules. The expenditure was to be borne by the Directorate of Central Health.

The matter was reported to the Mission in 1<sup>st</sup> week of December, 2021. Ministry replied that due to Covid-19 pandemic, Ministry of Health approached MOFA to make payment for purchase of 05 thermo Scanners, accordingly payment was made out of PCW&EF.

DAC in its meeting held on 25.01.2022 directed the Ministry to provide the request of M/o Health and approval of competent authority to Audit. No further progress was intimated till finalization of this report.

Audit recommends early recovery from Directorate of Central Health under intimation to Audit.

*(Para-9(1), Washington 2019-20)*



**2.5.33 *Unauthorized charging of interest from embassy imprest account against loan obtained from FIGOB for purchase of government residential accommodation – Rs. 20.152 million.***

As per Para-25 of GFR Volume-I, all departmental regulations in so far as they embody orders or instructions of a financial character or have important financial bearing should be made by, or with the approval of the Ministry of Finance.

Para-11.4.1(iv&v) of FMMA-Vol-I provides, in case the amount from FIGOB / PCW & EF is taken for the purpose of purchase of a building for any of our Mission Abroad, Chancery Building or residence the amount will be repaid by the borrowing Mission from their annual rental provisions allocated by the Finance Division. The borrowing Mission will repay the actual amount, received on transfer from the lending Mission, without any mark up until and unless any such clear directions are given from the Ministry in this regard.

Para-11.4.2 further provides that, any further query in this regard may kindly be got clarified from Finance Division or MB & SP Directorate.

Audit observed during scrutiny of record of CG New York that a loan of US\$ 1.500 million was obtained from FIGOB & PCW&EF Account of CG New York during the year 2006 for purchase of property and repayment of loan alongwith interest @ 3% was made from imprest account/ regular budget of the Consulate General. Under the Ministry of Foreign Affairs letter No. MB-1/89/2005 dated March 07, 2006, an amount of US\$ 113,877 (Rs. 20,151,674) was to be recovered upto June 2020 as interest which was held unauthorized as approval from Ministry of Finance was not obtained in this regard. Moreover, there is no provision in rules for charging interest from one Government Account to other maintained by same formation. ***Details are at Annex-IX.***

The matter was reported to the Ministry/Mission in 1<sup>st</sup> week of December, 2021. Mission replied that 3% interest on loan refunded from regular budget to FIGOB was applied with the approval of Ministry.

The reply is not tenable as Audit is of the view that charging of interest on refund of loan from regular budget to FIGOB is authority of Finance Division rather the Ministry.

DAC in its meeting held on 25.01.2022 directed the Ministry to get the irregularity regularized from Finance Division. No further progress was intimated till finalization of this report.

Audit recommends that approval of Finance Division may be shown to audit otherwise matter may be investigated to fix responsibility.

*(Para-2, CG New York 2019-20)*

**2.5.34 Irregular payment to a private hospital out of SAARC COVID-19 Emergency Fund -Rs. 17.897 million.**

As per para-4 of Ministry of Foreign Affairs summary for the Prime Minister office vide U.O. No. SIFs/AP-23/2021 dated 11.02.2021, the Prime Minister's approval was solicited for disbursement of SAARC Covid-19 Emergency Fund among the member states bilaterally, while meeting the necessary codal requirements. Accordingly, the summary was approved by the ECC & Cabinet and Prime Minister.

Contrary to the above, it was observed from the relevant record i.e. para-6/N of note portion of approval for expenditure out of SAARC Covid-19 Emergency Fund by the relevant Committee & Foreign Secretary, that in case of Bangladesh, due to reluctance on the part of host government, Pakistan's High Commission in Dhaka proposed donation of 10 ventilators and CPAP machines amounting to Rs. 17.898 million for the COVID ward of the biggest charitable hospital in Dhaka i.e. Ahsania Mission Cancer and General Hospital.

Audit is of the view that ECC & Cabinet had approved the disbursement of fund to SAARC member countries bilaterally; hence the disbursement should have been made through Government to Government, instead of disbursement to a private hospital. The expenditure/payment to a hospital was therefore irregular.

The matter was reported to the management in 1<sup>st</sup> week of December, 2021. Ministry informed that payment was made on recommendation of Pakistan High Commission Dhaka and with the approval of competent authority.

The reply is not tenable as the payment was made to a private hospital, rather to the Bangladesh Government.

The DAC in its meeting held on 05.01.2022 directed the Ministry to share the relevant record including decision/directions of ECC in this regard with Audit. Ministry did not share any record till finalization of this Audit Report.

Audit recommends that the violation of directions of ECC/Cabinet may be got condoned /regularized from the competent forum besides providing documentary evidence of receipt of amount by the concerned hospital authorities.

*(Para-97, MOFA (HQ) 2020-21)*

**2.5.35 Un-authorized transfer of funds from FIGOB account to mission main US\$ Account -Rs. 15.572 million.**

According to Rule at 11.1.1 of FMMA, Vol-I, the purpose of Fund for Improvement of Government Owned Buildings (FIGOB) is to generate resources for the maintenance and up keep of buildings owned by the Government of Pakistan in foreign countries.

Contrary to the above, it was observed that Pakistan Mission at Baku transferred funds amounting to US\$ 88,000 (Rs. 15,572,480) during the period 2015-21 from FIGOB account to Embassy Main Dollar account. Details are as under:-

<b>Vr.No. and month</b>	<b>Brief particulars</b>	<b>Amount in US\$</b>
Dec-2015	Transfer of funds from FIGOB account to main embassy dollar account	18,000
Sept-2016		10,000
July-17		20,000
36 of 10/2017		20,000
09 of 03/2016		20,000
	<b>Total</b>	<b>88,000</b>

Audit holds that due to weak financial and managerial controls Mission made unauthorized transfer of amount from FIGOB to Main Account.

The irregularity was pointed out in November, 2021. Ministry replied that the funds from FIGOB were transferred to the main imprest account due to delay of monthly recoupment of imprest to meet obligatory payments. The amounts borrowed were transferred back to imprest upon receipt of remittance.

DAC in its meeting held on 25.01.2022 directed Ministry to provide evidence of recoupment of FIGOB for Audit verification. No further progress was intimated till finalization of this report.

Audit recommends that the irregularity may be justified and the fund may immediately be refunded back to FIGOB besides stoppage of this practice in future.

*(Para-9, Baku, 2015-21)*

**2.5.36 Un-authorized expenditure incurred on account of repair of residential building - Rs. 13.620 million.**

Finance Division vide U.O. No. 44-DS-Exp(FA)/2021, dated 26.02.2021 clarified that powers of Ministries / Divisions mentioned at Annex-I of System of Financial Control & Budgeting 2006 updated upto October 2018 are effective unless further amendments are issued in the delegated powers. Therefore, at present the powers of Rs. 500,000 at Sl. No. 9(46) of Annex-I are still effective. However, if Ministry of

Foreign Affairs requires any specific approval of Finance Division the case may be re-submitted with details.

Further, as per Para-192 of GFR-Vol-I, when works allotted to a civil department other than the Public Works Department are executed departmentally, whether direct or through contractors, the form and procedure relating to expenditure on such works should be prescribed by departmental regulations framed in consultation with the Accountant General generally on the principles underlying the financial and accounting rules prescribed for similar works carried out by the Public Works Department.

Contrary to the above, it was observed that Ministry incurred huge expenditure of Rs. 13.620 million on repair of residential houses owned by CDA/PWD allotted to the officers of Foreign Service officers and residences in Foreign Office lodges without any financial authority. Further, Ministry has no Engineering and technical wing having the required expertise to carry out such repair works. Ministry has neither framed any procedures nor followed the prevailing procedures of Pak PWD as required under Para-192 of GFR-Vol-I. Ministry did not follow the procedures which require technical sanctions, detailed estimates and measurement etc., ***Details are at Annex-X.***

Incurring of expenditure on repairs without delegation of financial powers and in violation of PWD procedures is held un-authorized and irregular.

Audit holds that due to weak financial and managerial controls Ministry incurred unauthorized expenditure on repair and maintenance of residential buildings.

The matter was reported to the management in 1<sup>st</sup> week of December, 2021. Ministry replied that expenditure was incurred after obtaining NOC from PWD/CDA and in light of administrative powers delegated through amendment in the Rules of Business.

The DAC in its meeting held on 05.01.2022 directed the Ministry to provide NOCs of CDA/PWD and get the expenditure and violation of laid down procedures condoned from the competent forums. Ministry did not share any record till finalization of this Audit Report.

Audit recommends that the matter may be investigated to fix responsibility on person(s) at fault for violation of Government rules besides regularization of irregular expenditure of Rs. 13,619,983 incurred on account of repair/maintenance of residential buildings from the competent authority under intimation to Audit.

***(Para-99, MOFA (HQ) 2020-21)***

**2.5.37 Irregular payment of pending liabilities of contractors out of PCW&EF and FIGOB - Rs. 9.386 million.**

According to Para-125 of GFR-Vol-I and Rules at Para-136 of FTR, the claims against Government, which are barred by time under the provisions contained in section 3 read with the First Schedule of the Limitation Act of 1908 or under any other provisions of law relating to limitation, should ordinarily be refused and no claim on account of such a time-barred item should be paid without the sanction of Government. The onus is upon the claimant to establish a claim to special treatment for a time-barred item.

Moreover, as per rules laid down in FMMA Vol-I, the PCW&EF can be utilized for the welfare of Pakistan Community only.

Contrary to the above, it was observed that Ministry paid Rs. 4.918 million to M/s A.S. Khan Construction Company (Pvt) Ltd vide cheque No. 0000026 dated 20.10.2020 against pending liabilities on account of External Development work of High Security Block (HSB) at MOFA pertaining to year the 2015-16 and also made a payment of Rs. 4,467,472 out of PCW&EF and FIGOB to M/s Chirag Din & Co vide Cheque No. 00000039 dated 01.04.2021 on account of payments for supply of furniture & fixture for HSB pending since 2014-2018

The payment was held irregular, as it should have been made out of regular budget of PSDP of HSB instead of PCW&EF and FIGOB. Further, the claims pertain to the years 2015-16 & 2014-18 respectively and cannot be paid without investigation of the claim and consultation of Finance Division.

Audit holds that due to weak financial and managerial controls irregular payments out of PCW&EF and FIGOB were made.

The matter was reported to the management in 1<sup>st</sup> week of December, 2021. Management replied that due to escalation payments were made to the contractors.

DAC in its meeting held on 05.01.2022 directed the Ministry to share the record pertaining to escalation, PC-I, reasons for delay and all relevant record. Ministry did not share any record till finalization of this Audit Report.

Audit recommends that the matter may be investigated as to why the expenditure of HSB was not cleared when the PSDP budget was available and how the project was closed without clearing the pending liabilities of Contractor, besides regularization of irregularity from the competent forum.

***(Paras-61 & 62 MOFA (HQ) 2020-21)***

### 2.5.38 Irregular payment of taxes –Rs. 4.892 million

According to Para 8.12.2 of FMMA Vol-II, Missions in Pakistan are exempted from all taxes other than service tax viz. Conservancy and Water Taxes on reciprocal basis. Our Mission should also be exempted from such taxes.

Contrary to the above, it was observed that Real State (Property) Tax amounting to US\$ 27,645 was levied on Government owned Apartment No. 171-J occupied by Consul General which was required to be exempted from taxes. Moreover, no such tax has been levied on another Government owned building occupied by HOC. Details are given below:

S. No	Name of vender and invoice	Vr& date	Tax type	Amount of Tax in US\$	Remarks
1	Real Estate Tax on Government owned Apartment No. 171J	July-Dec 2019	RE Tax	13,567	There is no Real Estate Tax on other Government Owned Apartment occupied by HOC
2	-do-	Jan-June	-do-	14,078	
<b>Total</b>				<b>27,645</b>	

Audit holds that due to weak financial and managerial controls avoidable payment of taxes was made by the Mission.

The irregularity was pointed out in 1<sup>st</sup> week of December, 2021. Ministry replied that the state Department of USA had taken away the tax-exemption from the Embassies and all consulates w.e.f April, 2019 and the same were restored w.e.f February 2020.

DAC in its meeting held on 25.01.2022 directed the Ministry to provide evidence for taking back of VAT exemption by the local Government. No further progress was intimated till finalization of this report.

Audit recommends that the matter may be taken up with the host Government for refund of paid tax.

*(Para-4 CG New York 2019-20)*

### 2.5.39 Irregular / unauthorized sanction of expenditure on Prime Minister's visits to foreign countries – Rs. 3.634 million.

As per Rules-9 of GFR (Vol-I) "As a general rule no authority may incur any expenditure or enter into any liability involving expenditure from public funds until the expenditure has been sanctioned by general or special orders of the President or by an authority to which power has been duly delegated in this behalf and the expenditure has been provided for in the authorized grants and appropriations for the year.

Furthermore, as per Sr. No.38 of Re-delegation of Financial Powers issued by M/o Foreign Affairs vide No. Rules-18/1/2021(Del/Fin) dated 17-05-2021 (the same was in supersession of circular No. Rules-18/1/2011(Del/Fin) dated 06-09-2011) Director General (HQ&F) has full powers to sanction the expenditure in connection with Pakistani delegations to Foreign Countries i.e. under the minor head of account A03912.

Audit observed that an amount of Rs.3,633,616 was sanctioned in twelve (12) cases by the Chief of Protocol, Ministry Foreign Affairs for expenditure on account of cost of air tickets, reimbursement of cost of Covid test, payment for iftar dinner etc in connection with Prime Minister's Visit to Sri Lanka w.e.f. 23.02.2021 to 24.02.2021. ***Details are at Annex-XI.***

According to above stated rule position Chief of Protocol, M/o Foreign Affairs was not authorized to sanction the above mentioned expenditure.

Audit holds that due to weak internal, financial and managerial controls Ministry incurred expenditure in violation of delegated financial powers.

The matter was reported to the management in 1<sup>st</sup> week of December, 2021. Ministry replied that Chief of Protocol has been delegated financial powers in this regard.

The reply is not tenable as Ministry failed to provide orders of competent authority for the relevant delegation of financial powers.

DAC in its meeting held on 05.01.2022 directed the Ministry to provide orders of competent authority containing delegation of financial powers to the Chief of Protocol.

Audit recommends that:

1. The expenditure amounting to Rs. 3,633,616 may be got regularized through ex-post facto sanction of the competent authority in terms of Rule -58 of GFR (Vol-I).
2. All other expenditure sanctioned by Chief of Protocol, M/o Foreign Affairs may also be calculated and got regularized under intimation to audit.

***(Para-33, MOFA (HQ) 2020-21)***

***2.5.40 Irregular payment to SAARC Energy Centre, Islamabad on account of rent of building – Rs. 3.600 million.***

As per FTR Rules-205, a government officer entrusted with the payment of money shall obtain for every payment he makes, a voucher setting forth full and clear

particulars of the claim and all information necessary for its proper classification, identification in the accounts.

Contrary to the above, it was observed that Ministry paid Rs. 3.600 million during April and June, 2021 to SAARC Energy Centre, Islamabad on account of rent of office building occupied by the Centre for the period January 2021 to December, 2021.

The payment / expenditure was held irregular on the following grounds:

- i. The assessment report of PWD showing the covered area was not available as required under the rule to ensure that rent has been paid according to the rates prescribed by the government.
- ii. The payment was made to the SAARC Energy Centre, Islamabad instead of the owner of the building.
- iii. Payee's receipt / acknowledgement was also not available on record.
- iv. Income tax was also not deducted from the payment of rent.

Audit holds that due to weak financial and managerial controls Ministry incurred irregular expenditure on account of rent of building occupied by the SAARC Energy Centre, Islamabad.

The matter was reported to the management in the 1<sup>st</sup> week of December, 2021. Ministry replied that funds were transferred to SAARC Energy Centre as per delegated financial powers and record has been shared with Audit.

The reply is not tenable as except lease agreement relevant record has not been shared with Audit.

The DAC in its meeting held on 05.01.2022 directed the Ministry to provide assessment of PWD, acknowledgment receipt of the owner, evidence for deduction of income tax on rent and the rule under which payment has been made to SAARC Energy Centre. Ministry did not share any record till finalization of this Audit Report.

Audit recommends that the matter may be investigated for fixing responsibility for lapses besides its regularization from the competent authority. Further, the requisite record as directed by the DAC may also be provided to Audit.

*(Para-86, MOFA (HQ) 2020-21)*

**2.5.41 Irregular appointment of staff without advertisement and paid salaries thereof - Rs. 2.688 million.**

As per Para-11 of Part-III and Rule-19 of Part-VI of Section-A to Chapter-II, of ESTTA Code, initial appointment, adhoc and temporary recruitments may be made after advertisement in the newspapers.



Audit observed from the scrutiny of PCW&EF record that contrary to above Ministry appointed 07-Clerks and 4-Staff on contract basis w.e.f 01.07.2020 to 30.06.2021 for consular hall at MOFA (HQ) out of PCW&EF without advertisement. Ministry paid monthly Rs.224,000 and for the year Rs.2.688million. **Details are at Annex-XII.**

Audit held the appointments as well as payments of salary w.e.f. 01.07.2020 to 30.06.2021 amounting to Rs. 2,688,000 irregular.

The matter was reported to the management in 1<sup>st</sup> week of December, 2021. Ministry replied that the staff was recruited from PCW&EF funds on daily wages with the approval of competent authority.

The reply is not tenable as recruitment was made on contract basis without advertisement.

DAC in its meeting held on 05.01.2022 directed the Ministry to get the irregularity condoned from Establishment Division. Ministry did not share any record till finalization of this Audit Report.

Audit recommends that the matter may be investigated for fixing responsibility besides regularization of the irregular expenditure from the Establishment Division.

**(Para-65, MOFA (HQ) 2020-21)**

**2.5.42 Difference due to non-reconciliation of consular receipts - Rs. 2.595 million.**

As per para-3.3.1 of FMMA Vol-I, any money received by a Mission on account of the revenues of the State shall not be kept out of the Public Account of the Federal Government. All transactions to which an officer of a Mission is a party in his official capacity must be brought to account without delay.

Contrary to the above, it was observed that there was a difference of US\$ 14,664 (Rs. 2.595 million) for the month of March 2020 between the amount of Consular receipts as per Consular Fee Report and amount of Consular receipts credited into Main Imprest Account as per detailed below:

Consular Fee Report (Receipts in US\$)			As per Imprest account Cash Book (in US\$)	Difference (US\$)
Money Order	Credit Card	Total		
6,875	27,472	34,347	49,010.50	14,663.50

Audit holds that due to weak financial and managerial controls the figures of Consular Fee Report Receipts and Cash Book of Imprest Account were not reconciled.

The irregularity was pointed out in 1<sup>st</sup> week of December, 2021. Ministry replied that the correct figures were communicated to the CAO through the monthly cash account of the said month and thus the difference was adjusted.

The reply is not tenable as the reconciliation of figures has not been provided to Audit.

DAC in its meeting held on 25.01.2022 directed the Ministry to provide the reconciliation of consular receipts with relevant evidences. No further progress was intimated till finalization of this report.

Audit recommends that the figures may be reconciled to tally amounts of receipt besides devising a mechanism for timely reconciliation of consular receipts under intimation to Audit.

*(Para-12, Washington 2019-20)*

**2.5.43 Wasteful expenditure on printing of book from PCW&EF - Rs. 2.077 million.**

As per Sr. No. 2.1.1 of FMMA (Vol-II), 2.1.1, every officer authorized to incur public expenditure should observe high standards of financial propriety. Some of these standards are as follows:

- i. Every public servant is expected to exercise the same kind of vigilance in respect of expenditure from public money, as a person of ordinary prudence would exercise in respect of his personal expenditure.
- ii. The expenditure should not be prima facie more than the occasion demands.

Contrary to the above, it was observed that the Embassy of Pakistan, Noor Sultan incurred expenditure amounting to LC 39,847,000 (US\$ 11,736) (Rs. 2.077 million) in July & December 2017 for Translation and Printing of 1,500 copies of the book "The Struggle of Pakistan". Upon physical verification, it was noticed that large number of copies (books) were still found undistributed in racks. No proper stock register was maintained.

Audit held this expenditure wasteful as it is not covered under the rules for PCW&EF. Further, a number of books were got printed without any real assessment of demand/need of occasion.

The irregularity was pointed out in October, 2021. Ministry replied that the books were printed with approval of the competent authority, books have been taken into account and are being distributed in accordance with the requirement.

DAC in its meeting held on 25.01.2022 directed the Ministry to provide updated record of distribution of books and certified copy of stock register. No further progress was intimated till finalization of this report.

Audit recommends that the wasteful expenditure out of PCW &EF on printing of books may be justified besides regularization of irregularity from the competent authority.

*(Para-17, Noor Sultan 2017-21)*



## CHAPTER 3      CIVIL AVIATION

### *3.1 Introduction*

The Aviation Division works in coordination with different aviation related organizations under its umbrella to promote aviation services in Pakistan.

- Aircraft and air navigation, administration of the Civil Aviation Ordinance, 1960 (XXXII 1960).
- Development of civil aviation in Pakistan.
- Provision of aerodromes.
- Airports Development Agency.
- Regulation, organization and safety of air traffic and of aerodromes and administration of Airports Security Force.
- Pakistan International Airlines Corporation.
- Air Service agreements with other countries, liaison with International Civil Aviation Organization and other international agencies concerned with aviation.
- Federal Meteorological Organizations and Meteorological observations; World Meteorological Organizations.

**3.2 Brief comments on the status of compliance with PAC directives**

	<b>Year of Audit Report</b>	<b>Total Paras</b>	<b>Compliance received</b>	<b>Compliance not received</b>	<b>Percentage of compliance</b>
<b>Aviation Division</b>	2001-02	50	34	16	68
	2004-05	5	2	3	40
	2006-07	2	-	2	0
	2009-10	16	1	15	6
	2015-16	2	1	1	50
	2017-18	03	-	03	0
	<b>TOTAL</b>	<b>78</b>	<b>38</b>	<b>40</b>	<b>49</b>

The overall compliance in respect of Aviation Division is comparatively moderate.

### **3.3 Audit Paras**

#### **Fraud, Embezzlement & Misappropriation**

##### **3.3.1 Irregular fraudulent practice committed for obtaining funds under UK Furlough Scheme – Rs. 173.667 million.**

The UK Government announced the Corona virus Job Retention Scheme on 20 March 2020. The purpose of the Scheme was to provide grants to employers to ensure that they could retain and continue to pay staff, despite the effects of the COVID-19 pandemic. As per scheme, if an employer makes an error in a claim that has resulted in an over claimed amount, it must pay this back to HMRC. The scheme initially covered 80% of an employee's wages (up to £ 2,500 per month) as well as employer National Insurance and pension contributions.

Audit observed during scrutiny of the accounts of PIA Office London for the period 2017-2021, that the Manager London claimed 100% pay from HRMC whereas 80% of pay was paid to the furlough staff. In this way 20% pay amounting to £ 727,278 (Rs. 173,666,714) was excess claimed and put Pakistan's integrity at risk for wrong claim as only 80% of pay could be claimed for further payment to the furlough staff.

Audit held that due to weak financial and internal controls, excess claim of furlough pay put Pakistan's integrity at stake due to wilful act of the management.

The matter was discussed with PIAC authorities in exit meeting and reported to the Ministry in January 2022. Ministry did not respond.

The matter was reported to the Ministry for holding of DAC meeting on 17.01.2022 and 31.01.2022 but no response received till finalization of the report.

Audit recommends fixing responsibility on person(s) responsible for this financial dishonesty which put Pakistan's integrity at stake and excess amounts refunded to the HMRC.

*(Para-7, PIAC London 2017-21)*

## **Irregularities / Overpayments**

### **3.3.2 Irregular / wasteful expenditure on transfer of Finance/ Station Managers to (London / Bradford) during EASA Ban and Covid -19 Pandemic - Rs. 26.012 million.**

Clause – vii of Code of Corporate Governance requires that, “The directors of listed companies shall exercise their powers and carry out their fiduciary duties with a sense of objective judgment and independence in the best interests of the listed company”. European Aviation Safety Agency (EASA) suspended PIA flights in July 2020 due to safety issues.

Audit observed during audit of the accounts of Pakistan International Airline Corporation (PIAC), London for the period 2017-21 that one Station Manager and two Finance Managers were transferred from Pakistan and posted at Manchester, London and Bradford despite the fact that PIAC has stopped flight operation due to Covid-19 pandemic as all international flights were stopped in early March 2020. Subsequently, the European Aviation Safety Agency (EASA) has imposed ban on PIA in July 2020. There was no requirement of the staff at UK as there were no flights and hence no work at London. But the authorities posted these staff members without any work and paid salaries amounting to £ 108,932 to the officers which has put PIAC in monetary loss to the stated extent. *Details are at Annex-XIII.*

The matter was discussed with PIAC authorities in exit meeting and reported to the Ministry in January 2022. Ministry did not respond.

The matter was reported to the Ministry for holding of DAC meeting on 17.01.2022 and 31.01.2022 but no response received till finalization of the report.

Audit recommends fixing responsibility on person(s) at fault for such unnecessary posting of staff in the event of Covid-19 and EASA ban and wasteful expenditure to the stated extent.

*(Para-12, PIAC London 2017-21)*



## Procurement Related

### 3.3.3 *Non fulfillment of the obligation of the contract with M/S Peregrine/AerCap one vs PIAC. Expenditure incurred on hiring services of legal firm - Rs. 27.266 million.*

Rule-5 of Public Sector Companies (Corporate Governance), 2013 states that the Board shall exercise its powers and carry out its fiduciary duties with a sense of objective judgment and independence in the best interest of the company. Rule 12 of Public Procurement Rules 2004 states that all procurement opportunity over two million should be advertised on the Authority's website as well as in other print media or newspaper having wide circulation. The advertisement in the newspaper shall principally appear in at least two national dailies, one in English and other in Urdu. Rule-42 of PPRA states that a procuring agency shall only engage in direct contracting if only one manufacturer or supplier exists for the required procurement.

Audit observed during audit of the accounts of PIAC London office for the period 2017-21 that PIAC entered into a leasing contract with AerCap Ireland Capital Limited for Boeing 777-200 ER (first lease) (32716) on 1<sup>st</sup> October 2015. It also entered into second lease for BOEING 777-200 ER (32717) on the same date. The agreement with the firm was not made available to check whether all codal formalities including PPRA Rules were observed or not. The PIAC entered into a deed of notation in March 2018 and agreed to assume, rights, liabilities and obligations of AerCap but could not fulfill the obligation. As a result, the AerCap claimed \$13,077,056 against breach of contract, late payments, interest and costs. PIAC engaged a lawyer firm Norton Rose Fulbright to take the PIAC's matter on board without any tender for consultancy of lawyer firm. The PIAC has paid £ 114,185 to the firm due to its negligence. *Details are at Annex-XIV.*

The matter was discussed with PIAC authorities in exit meeting and reported to the Ministry in January 2022. Ministry did not respond.

The matter was reported to the Ministry for holding of DAC meeting on 17.01.2022 and 31.01.2022 but no response received till finalization of the report.

Audit recommends that relevant record of all contract process with the firm M/S AerCap Ireland Capital Limited as well as contract with the legal firm may be shared with the Audit. Responsibility be fixed for non-fulfilling the contract clauses which led to the court case against PIAC which may lead to loss in millions of rupees to PIAC.

*(Para-11, PIAC London 2017-21)*

## **Value for Money & Service Delivery Issues**

### **3.3.4 *Poor performance of Management of PIAC London due to decrease in net sales – Loss of Rs. 4,154.574 million.***

Rule- 5 of Public Sector Companies (Corporate Governance) Rules, 2013 states that the Board shall exercise its powers and carry out its fiduciary duties with a sense of objective judgment and independence in the best interest of the company. Further, rule 10 of General Financial Rules states that every public officer is expected to exercise the same vigilance in respect of expenditure incurred from the public money as a person of ordinary prudence would exercise in respect of expenditure of his own money.

Audit observed during comparison of net sale data at PIAC London for the period 2017 to 2019, that there was a trend of decrease in net sales in corresponding years due to which PIAC suffered a loss of £ 26,073,234 (Rs. 4,154,573,713) (*Details are at Annex-XV*). Neither any reasons were recorded nor was the matter inquired at higher level for fixing responsibility for such decrease in net sales.

The matter was discussed with PIAC authorities in exit meeting and reported to the Ministry in January 2022. Ministry did not respond.

The matter was reported to the Ministry for holding of DAC meeting on 17.01.2022 and 31.01.2022 but no response received till finalization of the report.

Audit recommends thorough probe of the decrease in sales besides fixing responsibility for the loss sustained to PIAC under intimation to audit.

*(Para-1, PIAC London 2017-21)*

### **3.3.5 *Loss due to mishandling and lost/stolen baggage, Passenger's layover and other uninsured losses - Rs. 2,713.682 million.***

Passenger Handling Manual of PIAC provides standard operating procedure for baggage acceptance at check-in of the passenger for carriage on international and domestic flights for all classes of travel. The procedure states:

- Before acceptance of baggage, check its condition. If the baggage is open, torn, perishable, damaged, fragile, improperly packed, bring it to the notice of the passenger and affix a "Limited Release Tag" on it. While using "Limited Release Tag", make sure that the signature of passenger is on it and in case of a manual UR tag; ensure that the tag number is entered in the system.
- Check if the baggage is name labeled or not. If not, then ask the passenger on

the spot to fill in a Self-Adhesive Name Sticker and affix it on the baggage. Also ensure that no baggage without the name sticker is accepted.

- Remove all old tags from the baggage before affixing new tags.
- Ask the passenger to take out all valuables from the baggage in order to avoid any financial loss to the airline or to the passenger in case of theft, pilferage and/ or mishandling of the baggage.

Audit observed during the audit of PIAC London office for the years 2017-21 that the management paid a sum of £ 11,364,304 (Rs. 2,713,682,152) during the period to the passengers as compensation of damage, pilferages and lost pax baggage, passenger layover and other uninsured losses in transit or at the destination. ***The details are at Annex-XVI.***

This loss to PIAC has been caused due to non-adopting the standard procedure and careless handling of passenger's baggage by PIAC ground staff. These payments are indicative of negligence of PIA staff which resulted in losses on this account. Thus, weak internal controls prevalent in the corporation put the corporation to a loss of £11.364 million.

The matter was discussed with PIAC authorities in exit meeting and reported to the Ministry in January 2022. Ministry did not respond.

The matter was reported to the Ministry for holding of DAC meeting on 17.01.2022 and 31.01.2022 but no response received till finalization of the report.

Audit recommends fixing responsibility on person(s) at fault for mishandling of passengers baggage which were lost / stolen during travel besides recovery of the stated amount.

***(Para-2, PIAC London 2017-21)***

## Others

### 3.3.6 *Loss due to late payment of rent and other expenses to Asia Aircraft Capital Limited of aircraft Airbus A320 operating leases MSN 2926 (19<sup>th</sup> October 2015) and MSN 2944 (11<sup>th</sup> September 2015) –Rs. 1,210.406 million.*

Rule- 5 of Public Sector Companies (Corporate Governance) Rules, 2013 states that the Board shall exercise its powers and carry out its fiduciary duties with a sense of objective judgment and independence in the best interest of the company.

Audit observed during audit of the PIAC London for the period 2017-21, that PIAC had contracted with the AACL for hiring of aircrafts for 6 years paying the monthly rent of \$265,000 each and the associated monthly charges for the rental and maintenance of the engines, landing gear, and auxiliary power units. PIAC did not pay the monthly rental and associated charges for a period from December 2019 to March 2020. As a result, AACL issued proceedings in the High Court on 23<sup>rd</sup> December 2019, and claimed the sum of US\$7,842,820 (equivalent to £6,031,913, at the date of issue) which were granted to them by the court. The PIAC has made following payments on this account so far:-

<b>Date of Payment</b>	<b>Amount (US\$ in millions)</b>
24/12/2019	2.000
17/01/2020	0.500
21/01/2020	0.500
30/01/2020	1.040
11/02/2020	1.000
05/03/2020	1.500
31/03/2020	0.300
<b>Total</b>	<b>6.840</b>

Audit was of the view that PIAC should have considered how it could have satisfied the outstanding sum due to Asia Aircraft Capital Limited (AACL), and also meet the ongoing fixed monthly charges under the leases, which approximate to US\$565,000 per month. The maintenance charges in respect of the engines and APUs should have been reduced if the aero planes were not in use.

The matter was discussed with PIAC authorities in exit meeting and reported to the Ministry in January 2022. Ministry did not respond.

The matter was reported to the Ministry for holding of DAC meeting on 17.01.2022 and 31.01.2022 but no response received till finalization of the report.

Audit recommends fixing responsibility on person(s) at fault for breach of contract which put PIAC in financial loss to the stated extent.

*(Para-3, PIAC London 2017-21)*

**3.3.7 Loss due to payment in pursuance of Court case to M/s Times Travel & Nottingham Travel –Rs. 38.206 million.**

Rule- 5 of Public Sector Companies (Corporate Governance) Rules, 2013 states that the Board shall exercise its powers and carry out its fiduciary duties with a sense of objective judgment and independence in the best interest of the company.

Audit observed from the PIAC London case for the years 2017-21 that UK court of law gave a verdict that it was the right of travel agents to receive commission on fuel surcharge part of the cost of ticket. When PIAC tried to file an appeal against this decision, court refused to admit their appeal with comments that there is no reason to believe that appeal would have any effect on the decision already made. It was also commented that the decision of this case would open door for all the travel agents operating across UK and Europe to claim commission on fuel surcharge part of the price of the ticket. Taking advantage of the APTA case, M/s Times Travel and M/s Nottingham Travels (Non APTA members) also approached the Court of Law in UK for claiming benefits as provided to APTA members and claimed £ 3.558 million. The PIAC hired legal firms to contend the case however, they could not get any relief and has so far paid £ 3,228,829 to M/s Times Travel and M/s Nottingham Travels.

Audit is of the view that in presence of such clear decision by the court there was no reason to defend the case filed by M/s Times Travel and M/s Nottingham Travels. PIAC could have resolved the matter out of court which could have resulted in saving of £ 160,000 (Rs. 38.206 million) paid to legal counsel M/s Farani & Taylor. Hence, PIAC sustained a loss to the stated extent due to injudicious decision.

The matter was discussed with PIAC authorities and reported to the Ministry in January 2022, however, Ministry did not respond.

The matter was reported to the Ministry for holding of DAC meeting on 17.01.2022 and 31.01.2022 but no response received till finalization of the report.

Audit recommends that inquiry may be conducted to fix responsibility for financial loss sustained by PIAC and initiate disciplinary action against the person(s) at fault.

*(Para-4, PIAC London 2017-21)*

**3.3.8 Loss due to payment of compensation for delayed flights - Rs. 342.050 million.**

The Flight Compensation Regulation 261/2004 is a regulation in EU law establishing common rules on compensation and assistance to passengers in the event of denied boarding, flight cancellations, or long delays of flights. It requires compensation of €300 to €600 depending on the flight distance for delays over 3 hours, cancellations, or being denied boarding from overbooking. Airlines must provide refreshments and accommodation where appropriate. The Court of Justice of the European Union has interpreted passenger rights strictly, so that there are virtually no exceptions for airlines to evade their obligations for breach of contract.

As per EU Regulation 261 adopted by the UK, the passengers can claim compensation within 06 years. The purpose of the regulation is to protect passengers against the inconvenience caused by long flight delays or cancellations. Passengers are only entitled to claim under the law if the delay or cancellation was within the airline's control. To avoid paying compensation, the airline must prove that the delay was caused by an 'extraordinary circumstance' and it took all reasonable steps to prevent the delay.

Audit observed during audit of the accounts of PIAC office London for the period 2017-21, that payment of £ 1,432,430 (Rs. 342,049,960) was made on account of compensation to the passengers for delayed flights from London Station during the period audited. The flights were frequently late / delayed due to poor maintenance of aircrafts by the engineering department or some other reasons best known to the administration. From 31 Jul 2018 till January 2019 total 28 flights (PK702/Manchester) were delayed. PK758 had 9 flights delayed and PK786 had 8 flights delayed since December 2018. PIAC has over 100 flights being delayed within the last 6 years. Many cancellations or delays were due to technical faults. The compensation was purely suffered by the airline due to delays and cancellations at the short period of time. There was no proper data kept at the airport terminals and most details in Departure performance reports are conflicting with the actual events which makes it nearly impossible to defend the claims. The direct effect of a delay or cancellation is that PIAC had to pay € 600 per person as compensation. *The details are at Annex-XVII.*

Audit held that due to weak administrative and internal controls, flights were delayed due to maintenance and other problems without taking notice timely which resulted in loss to the PIAC.

The matter was discussed with PIAC authorities in exit meeting and reported to the Ministry in January 2022. Ministry did not respond.

The matter was reported to the Ministry for holding of DAC meeting on 17.01.2022 and 31.01.2022 but no response received till finalization of the report.

Audit recommends that:

- 1 The responsibility may be fixed for such negligence on person(s) at fault besides recovery of the pointed amount.
- 2 The flight scheduling and handling be improved, it was possible to minimise the compensation against such claims.
- 3 The cabin crew, engineers and staff at the airports needed to improve the reporting mechanism and training might be required in this area. Also, call centre or customer support lines need to be improved to tackle claims.
- 4 There was provision in the EU law that if the airline informs the passengers of any schedule change or cancellation at least 14 days prior to departure date the airline may avoid paying compensation.
- 5 Cases of similar nature may be intimated to audit besides taking the similar action.

*(Para-5, PIAC London 2017-21)*

**3.3.9 Unauthorized expenditure on account of legal charges – Rs. 227.314 million.**

As per para-9(23) of F.D OM No.F.3(2) Exp-III/2006 dated 13.9.2006, full powers have been delegated to HOM for incurring expenditure on legal fees subject to the concurrence of Law Division.

Audit observed during scrutiny of expenditure statements of PIAC London for the period 2017-21, that an expenditure of Rs. 227,314,012 was incurred on account of legal charges. Record of payments, legal cases dealt and vouchers were not made available to audit. The approval of the Law Division for engagement of lawyers during 2016 to 2021 was also not made available to audit. In the absence of complete record, Audit was unable to ascertain the authenticity of the claims and regularity of the expenditure. *The details are at Annex-XVIII.*

The matter was discussed with PIAC authorities in exit meeting and reported to the Ministry in January 2022. Ministry did not respond.

The matter was reported to the Ministry for holding of DAC meeting on 17.01.2022 and 31.01.2022 but no response received till finalization of the report.

Audit recommends production of all record of expenditure incurred on legal cases and regularization of the expenditure from Law Division.

*(Para-14, PIAC London 2017-21)*

**3.3.10 Loss due to non-recovery from defaulted agent – Rs. 139.230 million.**

Clause 3.06 of Credit Policy of Pakistan International Airlines Corporation (PIAC) states that, credit to non-IATA agents and GSAs should be available against bank guarantees or similar financial arrangements depending on business risk involved, financial viability of the party and the local circumstances. Station Head will be responsible for ensuring that losses are not incurred due to insufficient security of the credit extended. In case of defaults and delays the stock of revenue documents and further issuance to be completely stopped.

Under the provision of Article-9 of Passenger Sales Agency Agreement, the PSA shall be under obligation to submit sales reports and remittances on fortnightly basis in the following manner:-

- i) Sales from 1<sup>st</sup> to 15<sup>th</sup> day of the month will be settled on 30<sup>th</sup> of the same month.
- ii) Sales from 16<sup>th</sup> to the last day of the month will be settled on 15<sup>th</sup> of the following month.

Article-27 of PSA Agreement states that PSA will be liable for any outstanding amounts in default and immediately upon notification of default, ticketing authority will be de-linked and held guarantee(s) will be en-cashed to cover the amounts in default.

Audit observed during audit of the PIAC London, for the period 2017-21, that M/S AAN TRAVEL(IATA No. 91213220) did not deposit the amount of £ 583,064 to PIA on account of Sales of tickets, which was required to be deposited fortnightly with PIA. Details are as under:



<b>list of defaulted agent (pax) as at 30 September 2021 (£)</b>					
<b>Original amount</b>	<b>date of default</b>	<b>Lon R-8 InvNo.Date</b>	<b>S.R Period</b>	<b>BG Encashed</b>	<b>O/S as per R-8 £</b>
637,372	30/10/2015	570/150108 - 31 OCT 2015	01-30/09/2015	54,307.38	583,064
45,692		TBA	01-07/10/2015	45,692.62	-
<b>683,064</b>					<b>583,064</b>

The above position clearly transpires that a considerable amount of £583,064 (Rs. 139,229,853) was lying un-recovered against the customers in question. Despite the lapse of more than 05 years which shows slackness of the management who could not devise an effective mechanism against the defaulting agents.

Audit is of the view that the agents are given undue favour by extending limit/capping of the sale without bank/cash guarantee by the Country Managers/district managers.

The matter was discussed with PIAC authorities in exit meeting and reported to the Ministry in January 2022. Ministry did not respond.

The matter was reported to the Ministry for holding of DAC meeting on 17.01.2022 and 31.01.2022 but no response received till finalization of the report.

Audit recommends that:

1. Action may be taken against the persons found at fault for non-collection of the amount timely.
2. It may be intimated as to what legal action has been taken against the concerned defaulter?
3. Amount of loss may be recovered from the concerned agent or the person at fault under intimation to audit.

*(Para-8, PIAC London 2017-21)*

### **3.3.11 Non recovery of amounts from Ministry of Foreign Affairs on account of handling of VVIP flights - Rs. 56.823 million.**

According to para-28 of GFR Vol-I, no amount due to government should be left outstanding without sufficient reasons and where any dues appear to be irrecoverable the order of competent authority for their adjustment must be sought.

Audit observed during scrutiny of record of PIAC London for the period 2017-21, that a sum of £ 237,962 (Rs. 56,822,946) was outstanding against MOFA on account

of handling of VVIP flights since long. No concrete efforts were made to recover the amounts from MOFA.

The matter was discussed with PIAC authorities in exit meeting and reported to the Ministry in January 2022. Ministry did not respond.

The matter was reported to the Ministry for holding of DAC meeting on 17.01.2022 and 31.01.2022 but no response received till finalization of the report.

Audit recommends for early recovery of the long outstanding amounts or adjustments in accounts under intimation to audit.

*(Para-10, PIAC London 2017-21)*

**3.3.12 Imposition of penalties due to violation of UK Health Protection Amended Regulations 2021 – Rs. 1.433 million.**

According to UK Health Protection Amended Regulations 2021, all carriers were requested to fulfill Corona virus pre-departure testing and operator liability and completion of relevant locator form on arrival etc.

Audit observed during audit of the accounts of PIAC London for the period 2017-21, that PIAC London management has violated the regulations in number of cases. The CAA UK has issued fixed penalties notices for not complying with the local laws/regulations. The detail is as under:-

<b>FPN Reference</b>	<b>Penalty £</b>
V000571/14-02-21-PLF	2,000
V000449/07-02-21-PLF	2,000
V000447/07-02-21-PLF	2,000
<b>Total</b>	<b>6,000</b>

Audit checked the record randomly; the PIAC may work out and communicate all such penalty cases to audit.

The matter was discussed with PIAC authorities in exit meeting and reported to the Ministry in January 2022. Ministry did not respond.

The matter was reported to the Ministry for holding of DAC meeting on 17.01.2022 and 31.01.2022 but no response received till finalization of the report.

Audit recommends fixing responsibility on person(s) at fault for this negligence and loss recovered from the persons held responsible.

*(Para-15, PIAC London 2017-21)*

## **CHAPTER 4            MINISTRY OF COMMERCE**

### ***4.1    Introduction***

Under the Rules of Business of the Federal Government, Ministry of Commerce has been assigned the functions of trade and commerce between provinces and with other countries including trade agreements with other countries and promotion of International Trade. Commercial wings functioning in Pakistan Missions abroad play an important role in promoting international / bilateral trade and thus earning substantial foreign exchange. These trade wings fall under the audit jurisdiction of DG Audit (F&I). The major functions of the Ministry are as under;

- i.            Commercial intelligence and statistics.
- ii.          Trade marks.
- iii.         Organization and control of Chambers and Associations of Commerce and Industry.
- iv.         Tariff (protection) policy and its implementation.
- v.          Law of insurance, regulation and control of Insurance Companies, actuarial work, insurance of war, riot and civil commotion risks and life insurance but excluding health and unemployment insurance for industrial labour and post office insurance.
- vi.         Export promotion.
- vii.        Anti-dumping duties, countervailing and safeguard laws.
- viii.       Management of EDF / EMDF with representation of Textile Industry Division on their Boards.
- ix.         Management of Trade Development Authority of Pakistan (TDAP).

**4.2 Brief comments on the status of compliance with PAC directives**

<b>Name of Ministry</b>	<b>Year of Audit Report</b>	<b>Total Paras</b>	<b>Compliance received</b>	<b>Compliance not received</b>	<b>Percentage of compliance</b>
Ministry of Commerce	1990-91	2	0	2	0
	1992-93	1	1	0	100
	1994-95	1	0	1	0
	1995-96	3	0	3	0
	1996-97	6	2	4	33
	1998-99	6	4	2	67
	1999-00	3	3	0	100
	2000-01	3	1	2	33
	2001-02	10	5	5	50
	2002-03	1	1	0	100
	2004-05	1	0	1	0
	2005-06	9	3	6	33
	2006-07	6	4	2	67
	2009-10	21	2	19	10
	2010-11	4	2	2	50
	2013-14	1	1	0	100
	2015-16	2	-	2	0
	2017-18	2	-	2	0
	2018-19	1	-	1	0
	<b>TOTAL</b>		<b>83</b>	<b>29</b>	<b>54</b>

The overall compliance in respect of Ministry of Commerce is comparatively low.

### 4.3 AUDIT PARAS

#### *Irregularities / Overpayments*

#### *A- HR / Employees related irregularities*

#### *4.3.1 Unauthorized payment of entertainment allowance - Recovery of - Rs. 11.540 million.*

According to rule at Sr. No. 4.7.2 of FMMA Vol-II, officers belonging to other /Divisions/Departments who are not Heads of Divisions will continue to receive Ministries Entertainment Allowance at 50 percent of the normal rate as heretofore and no deduction will be made from this amount on account of their marital status.

Audit observed during scrutiny of accounts record of WTO Geneva for the period 2016-21, that following officers were drawing full entertainment allowance according to officers of diplomatic wing. They were entitled to 50% of entertainment allowance as per rule quoted above. The details are as under: -

<b>Vr. No. /Month</b>	<b>Name of Officer</b>	<b>Amount Drawn</b>	<b>Entitled Amount</b>	<b>Excess Amount</b>
08, 09/2017	Mr. Tariq ViqarBakhshi, Minister	1115*12*3 = 40,140	557.50*12*3 =20,070	20,070
09, 09/2016	Mr. M. MoshinRafiq, Counsellor	836*12*3 = 30,096	418*12*3 = 15,048	15,048
10, 09/2016	Mr. Mohammad Irfan, Counsellor	836*12*3 = 30,096	418*12*3 = 15,048	15,048
20, 06/2020	Mr. MajidMohsin Panhwar T & I, Counsellor	836*12*3 = 30,096	418*12*3 = 15,048	15,048
<b>Total</b>				<b>65,214</b>

Audit held that due to weak financial and internal controls, excess payment was made on account of entertainment allowance than admissible to the officers of non-diplomatic wing which resulted in overpayment to the stated extent.

The irregularity was pointed out in November 2021 and discussed with the top management of the mission; the management did not offer their written comments.

The matter was discussed with Mission authorities in exit meeting and reported to the Ministry in January 2022. Ministry did not respond.

The matter was reported to the Ministry for holding of DAC meeting on 05.01.2022 and 31.01.2022 but no response received till finalization of the report.

Audit recommends that the excess amount of entertainment allowance as mentioned above be recovered from above named officers under intimation to audit.

*(Para-5, WTO Geneva, 2016-21)*

**4.3.2 Irregular payment of education subsidy for third child - Rs. 8.213 million.**

According to Rule at Sl. No. 5.6.2- (A) of FMMA Vol-II, education subsidy @ 90% of the total cost of education in the approved schools, for two children between the age of 05 and 20 at Pakistan Missions Abroad where this facility is available.

Audit observed during scrutiny of record Voucher No. 18 of 8/2008 that education subsidy of 3<sup>rd</sup> child of an officer amounting to CHF 42,934 (Rs. 8,213,274) was paid from public exchequer contrary to above mentioned rule position. The officer was already availing facility of education subsidy for his two daughters namely Sana Mohsin and Sajal Mohsin from public exchequer and education subsidy for his son Mr. Shayaan Mohsin was, therefore, held un-authorized. ***The details are at Annex-XIX.***

Audit held that due to weak of financial and internal controls, unauthorized payment was made on account of education subsidy for third child which resulted in overpayment to the stated extent.

The irregularity was pointed out in November 2021 and discussed with the top management of the mission; the management did not offer their written comments.

The matter was discussed with Mission authorities in exit meeting and reported to the Ministry in January 2022. Ministry did not respond.

The matter was reported to the Ministry for holding of DAC meeting on 05.01.2022 and 31.01.2022 but no response received till finalization of the report.

Audit recommends recovery of CHF 42,934 at current rate of exchange from the officer under intimation to audit.

*(Para-3, WTO Geneva, 2016-21)*

**4.3.3 Irregular payment of Education Subsidy to the Child of PR/HOM – Recovery of - Rs. 1.413 million.**

As per Rule 2.2.2 of FMMA Vol-II, no money shall be drawn from the bank unless it is required for immediate disbursement. It is not permissible to draw money from the bank in anticipation of demands or to prevent the lapse of Budget Grants. Further as per Rule 5.6.1(vi) of FMMA Vol-II, the education subsidy will not be admissible for a child of officials receiving education in a country other than the country of posting.

Audit observed that contrary to the above rule, the Mission has paid an amount of CHF 7,385 (Rs. 1,412,751) vide Vr. No.02 of 06/2018 on account of education subsidy of the child of Permanent Representative/Ambassador for upcoming academic year with the consent of officer that in case of his earlier return, he would refund the said expenditure into government treasury. After that, the officer proceeded back to headquarters in the month of August, 2018 before the start of academic year. This irregular payment on account of education subsidy resulted in loss to public exchequer.

Audit is of the view that such anticipated expenditure was incurred in violation of rules and was recoverable from the officer. The irregularity was pointed out in November 2021 and discussed with the top management of the mission; the management did not offer their written reply.

The matter was discussed with Mission authorities in exit meeting and reported to the Ministry in January 2022. Ministry did not respond.

The matter was reported to the Ministry for holding of DAC meeting on 05.01.2022 and 31.01.2022 but no response received till finalization of the report.

Audit recommends that the stated amount may be recovered from concerned HOM and credited into the Government treasury.

*(Para-19, WTO Geneva, 2016-21)*

## **B- Procurement**

### **4.3.4 Irregular expenditure on purchase of video conferencing equipment – Rs. 3.272 million.**

As per PPRA Rule 20, the procuring agency shall use open competitive bidding as a principal method of procurement for the procurement of goods, services and works. Furthermore, PPRA Rule 9 specifies that a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned.

Further as per Para-2.38.4 of FMMA (Vol-II), Cabinet Division vide its OM No. 4/1/2008/PPRA-RA-III dated 09.04.2008 fixed financial limits for open tender(s) for Pakistan's Missions abroad as under:

<b>Sl. No.</b>	<b>Kind of Tender</b>	<b>Monetary Limits.</b>
1.	Open tender	US\$ 4,000 or € 3,000 & above
2.	Limited tender	Less than US\$ 4,000 or € 3,000 & above US\$ 2,000 & € 1,500
3.	Single tender	Up to US\$ 2,000 or € 1,500

Audit observed during audit of WTO Geneva for the year 2016-21, that mission incurred expenditure of CHF 17,106 (Rs.3,272,378) vide voucher No. 13 of 06/2017 on account of purchase of video conferencing equipment without calling open tender through PPRA. Further, the bill of the firm was also not attached with the claim.

Audit held that due to weak of financial and internal controls, expenditure was incurred without open tender through PPRA which resulted in irregular expenditure to the stated extent.

The irregularity was pointed out in November 2021 and discussed with the top management of the mission; the management did not offer their written comments.

The matter was discussed with Mission authorities in exit meeting and reported to the Ministry in January 2022. Ministry did not respond.

The matter was reported to the Ministry for holding of DAC meeting on 05.01.2022 and 31.01.2022 but no response received till finalization of the report.

Audit recommends the regularization of the expenditure with the sanction of competent authority i.e., Finance Division or Cabinet Division under intimation to Audit.

**(Para-10, WTO Geneva, 2016-21)**



## ***Others***

### ***4.3.5 Loss to government due to negligence in accommodation contract- Rs. 5.739 million.***

As per clause No 25 of Rent agreement in r/o HOM, “Starting the 2<sup>nd</sup> year of rental, the tenant will have the possibility to cancel the lease contract with 3 months advance notice for the end of a month, should the Ambassador and Permanent Representative of Pakistan to the WTO, be transferred out of the Lake Geneva area or Switzerland for professional reasons. The same goes should the tenant be changing employer or laid off. The clause can be used as of July 15<sup>th</sup> 2016 and upon presentation of an adequate attestation delivered by the tenant’s employer”.

Audit observed during audit of the WTO Geneva for the period 2016-21 that HOM was directed to finalize administrative and logistic arrangements within 8 weeks by the Ministry of Commerce vide Letter No. 2(1)/2015-Admn.II Dated; Islamabad, the 20<sup>th</sup> June,2018. He relinquished charge on 19<sup>th</sup> August 2018. In light of the clause 25 (Diplomatic Clause) of contract mentioned above, the notice to Lessor should have been served in June 2018 for discontinuation of the contract and this notice would have averted the loss of CHF 30,000 (Rs. 5,739,000) as only one-month penalty out of three months could have been affected.

The irregularity was pointed out in November 2021 and discussed with the top management of the mission; the management did not offer their written reply.

The matter was discussed with Mission authorities in exit meeting and reported to the Ministry in January 2022. Ministry did not respond.

The matter was reported to the Ministry for holding of DAC meeting on 05.01.2022 and 31.01.2022 but no response received till finalization of the report.

Audit recommends fixing responsibility on person at fault besides recovery from the concerned under intimation to Audit.

***(Para-7, WTO Geneva, 2016-21)***



## **CHAPTER 5            MINISTRY OF DEFENCE PRODUCTION**

### **5.1    *Introduction***

Following functions were assigned to Defence Production Division vide SRO No. 433(I)/2003, (F.No.4-10/2002-Min) dated 20.05.2003.

- i. Laying down policies or guidelines on all matters relating to Defence Production.
- ii. Procurement of arms, firearms, weapons, ammunition, equipment, stores and explosives for the Defence forces.
- iii. Declaration of industries necessary for the purpose of defence or for the prosecution of war.
- iv. Research and development of defence equipment and stores.
- v. Co-ordination of defence science research with civil scientific research organizations.
- vi. Indigenous production and manufacture of defence equipment and stores.
- vii. Negotiations of agreements or MOUs for foreign assistance or collaboration and loans for purchase of military stores and technical know-how or transfer of technology.
- viii. Export of defence products.
- ix. Marketing and promotion of activities relating to export of defence products.
- x. Co-ordinate production activities of all defence production organizations or establishments.

**5.2** *Brief comments on the status of compliance with PAC directives*

<b>Name of Ministry</b>	<b>Year of Audit Report</b>	<b>Total Paras</b>	<b>Compliance received</b>	<b>Compliance not received</b>	<b>Percentage of compliance</b>
Ministry of Defence Production	1992-93	8	0	4	0
	1996-97	8	3	5	38
	2005-06	3	0	3	0
	2015-16	2	1	1	50
	<b>TOTAL</b>	<b>21</b>	<b>04</b>	<b>13</b>	<b>19</b>

The overall compliance in respect of Ministry of Defence Production is comparatively low.

### **5.3 AUDIT PARAS**

#### ***Irregularities / Overpayments***

##### ***A- HR / Employees Related Irregularities***

###### ***5.3.1 Un-authorized payment of 100% entertainment allowance to the officers of other than diplomatic wings -Rs. 12.830 million.***

As per Finance Division OM No. 9(9) Reg-1/2008 Dated; 24<sup>th</sup> August 2011, 100% entertainment allowance is admissible to the diplomatic officials of corresponding ranks. Officers belonging to other ministries/ divisions/ departments who are not heads of their wings will however receive entertainment allowance at the rate of 50% of their normal rates (MOFA No. Rules-11/3/82 Dated; 27-04-1982).

As per rule 3.18.1 FMMA Vol-II “Heads of the non-diplomatic and technical wings will receive 100 percent of the Foreign Allowance and Entertainment Allowance as admissible to the diplomatic officials of their corresponding ranks. Similarly, where military Missions are established, the senior military liaison officers will be treated as heads of the military divisions.

Audit observed during audit of the accounts of PAHIC London for the FY 2019-21, that officers of Defence Wing are also drawing 100% entertainment allowance against the rule. Thus an amount of US\$ 72,504 was paid to them in excess of their entitlement. ***Details are at Annex-XX.***

Audit is of the view that due to weak financial and internal controls entertainment allowance was paid in excess than admissible which resulted in loss to public exchequer.

The observation was served and dully discussed with the DDO and HOM in November 2021, however, no written response was rendered to Audit.

The matter was reported to the Ministry in December, 2021. Ministry did not respond.

DAC meeting was held on 27.01.2022 but this para could not be discussed as the Ministry did not furnish reply to the para.

Audit recommends stoppage of this practice in future besides recovery of overpaid amount from person(s) responsible under intimation to the audit.

***(Para-16, London 2019-21)***

## ***B- Procurement related irregularities***

### ***5.3.2 Un-authorized payment of contracts on account of purchase of various items - Rs. 1,615.700 million.***

As per clause R(1) (Chapter VIII) of Defense Purchase Procedures and Instructions, “the dispute shall be referred for adjudication to two arbitrators one to be nominated by each party, who before entering upon the reference shall appoint an umpire by mutual agreement, and if they do not agree a judge of the Superior Court will be requested to appoint the umpire. The arbitration proceedings shall be held in Pakistan and under Pakistan Law.”

As per clause 5 (a) (chapter XII) of the said manual, in case of FOB/FAS/C&F/CIF Contracts(1) 80%-90% of the net FOB/FAS etc. value of the accepted stores plus the ocean freight at actual (in case of C&F/CIF contracts only) will be paid to the suppliers/principal through LC or by the Accounts Officer working with ADP as applicable on delivery of stores for the shipment supported by relevant shipping documents, production of relevant Inspection Note, submission of insurance documents and BG as the case may be. Remaining 20%-10% of payment would be released on receipt of claim duly supported by CRV issued by consignee within 30days of receipt of stores after due satisfaction.

In violation of the above, it has been observed that contrary to the above rules and instructions Defence Wing in Pakistan Missions at Washing & London finalized contract worth US\$ 1,358,570 & £ 5,759,401 (Rs. 1,615.700 million) without observing codal formalities (*Annex-XXI*), therefore, the expenditure incurred was held unauthorized. During scrutiny of record it was observed that:

- i- There was no proof indicating that the suppliers were the authorized agents of the OEMs or otherwise.
- ii- Arbitration clause was inserted with remarks that “The parties shall make their attempt to settle all disputes arising under this contract through friendly discussions in good faith” which was contrary to the relevant rules.
- iii- Purchase committee was not formed before finalizing the contract as no such document was found attached with the contract agreement.
- iv- No documents regarding Invitation of Tender were found attached.
- v- No documents regarding comparative statement and LPR were found attached.
- vi- No CRV was found attached with the contract agreement.

The observations were served and dully discussed with the management in November 2021. However, the management did not offer their written response / reply.

The matter was reported to the Ministry in December, 2021. The Management informed the DAC that they are in process of revision of rules / procedures and other record such as invitation for tender, comparative statement, bid committee approval, OEM certificate and CRVs are available and will be provided to Audit for verification.

DAC in its meeting held on 27.01.2022 directed the Ministry to get the record verified from audit within 15-days. Ministry did not share any progress till finalization of this report.

Audit recommends that relevant record may be provided to Audit for scrutiny / verification.

## ***Others***

### ***5.3.3 Non refund of special remittances lying idle in accounts – Rs. 831.006 million.***

Para 11 GFR Volume-I states that each head of a department is responsible for enforcing financial order and strict economy at every step. He is responsible for observance of all relevant financial rules and regulations both by his own office and by subordinate disbursing officers.

Further, as per rule 7 (i) of the Chapter I of the Defence Purchase Procedure and Instructions-35, issued by Government of Pakistan Ministry of Defence Production, the Attaches for Defence Procurement are responsible for managing efficient working of DP offices within allocated funds/ resources.

Audit observed during scrutiny of record at PAHIC London for the year 2019-21, that certain amounts US\$ 13,125, € 663,000 & £ 2,916,017 (Rs. 831,006,249) of special remittances were lying idle without utilization in different accounts of Defence Wing. The ADP London received money from Pakistan for purchase of Naval /PAF stores against some contracts but these contracts could not be finalized. Audit observed that despite the non-finalization of these contracts in considerable time period, the amounts in precious foreign exchange were lying in current bank account as detailed below:

<b>S. No.</b>	<b>Title of A/C</b>	<b>Outstanding Balances</b>
1	Navel Store	<b>US\$13,125.00</b>
2	Navel Store £	47,487.57
3	PAF Store £	2,868,529.18
<b>Total £</b>		<b>2,916,016.75</b>
4	Navel Store Euro	<b>663,000.00</b>

Audit is of the view that the non-finalization of contracts requires justification and audit may be apprised about actions taken by the management against parties who failed to execute contracts and whether any penalties etc have been imposed or not. Audit is also of the view that the management should not have kept these significant balances in current account for the benefit of a commercial bank and should have sought approval of the competent authority and remitted the funds back to Government of Pakistan. However, this was not done which shows that supervisory and monitoring controls are required to be more vigilant to safeguard the interests of the government.

The matter was reported to the Ministry in December, 2021. Ministry informed the DAC that balances held in the Defence Procurement Accounts of the Mission cannot be



surrendered in order to ensure the contractual obligations and to avoid legal complications in case of default.

DAC in its meeting held on 27.01.2022 directed the Ministry to provide contract wise status of procurements and payments. It also directed to justify the non utilization of funds pertaining to the contracts lying pending since last 05-06 years. Further, DAC directed the Ministry to issue instructions to the concerned Missions to repatriate unspent balances to the government treasury.

Audit recommends that:

1. A reconciliation exercise may be carried out aiming at identifying all contracts for at least last 10-15 years and justification for each balance available at ADP London.
2. Amounts which are not required and for which no valid functional contract exists may immediately be remitted back to government.
3. Existing internal, financial and management controls at the ADP/High Commission level be reviewed and strengthened to ensure that government money is timely remitted and not allowed to lie idle in private bank.
4. CMA DP should strengthen its oversight function and while reimbursing/releasing amounts to the ADPs, the needs of the missions be examined carefully to avoid release of funds which are not immediately required and to ensure that the previous releases are regularly adjusted.

*(Para-15, London 2019-21)*

**Annex-I MFDAC PARAS**

<b>Sl. No.</b>	<b>Formation</b>	<b>Period</b>	<b>Title of Paras</b>	<b>AIR Para No.</b>	<b>Amount</b>
1	MOFA (HQ)	2020-21	Un-authorized payment on account of Orderly Allowance	15	Rs. 140,000
2	MOFA (HQ)	2020-21	Non-recovery of 45% House Rent Allowance	5	Rs. 911,927
3	MOFA (HQ)	2020-21	Wrong payment of House Rent Allowance and Non deduction of 5% House Rent Charges from an officer	50	Rs.206,745
4	MOFA (HQ)	2020-21	Non-adjustment of advances granted to three officer	18	Rs. 5,761,070
5	MOFA (HQ)	2020-21	Excess/un-justified payment on account of transportation charges of personal effects	39	Rs.76,744
6	MOFA (HQ)	2020-21	Irregular appointment of Content Developer against MP-II scale	26	-
7	MOFA (HQ)	2020-21	Irregular lease agreement signed for hiring of office building for camp office Lahore	66	Rs. 3,288,000
8	MOFA (HQ)	2020-21	Irregular expenditure on repair of vehicles due to non-maintenance of vehicle log books	72	Rs. 4,425,251 million
9	MOFA (HQ)	2020-21	Irregular expenditure due to irregular award of contract to M/s DHL for courier services of Diplomatic Bags.	75	Rs. 7,618,983
10	MOFA (HQ)	2020-21	Irregular expenditure due to Mis-procurement of Photo Copier Machines.	76	Rs. 5,540,000
11	MOFA (HQ)	2020-21	Irregular 100% advance payment from SAARC COVID-19 emergency fund	78	Rs. 95,584,000
12	MOFA (HQ)	2020-21	Irregular payment on account of honorarium	79	Rs.6,776,268
13	MOFA (HQ)	2020-21	Non-adjustment of advance payment and expenditure against defective sanction	81	Rs. 1,727,560
14	MOFA (HQ)	2020-21	Irregular expenditure due to irregular award of contract for installation of wooden work stations, cupboards and file cabinets.	85	Rs. 3,860,222
15	MOFA (HQ)	2020-21	Mis-procurement of services of security agency (m/s Askari Guards)	89	Rs. 35,225,411
16	MOFA (HQ)	2020-21	Irregular and unjustified retention of store / stationery items in excess of requirement	90	Rs. 8,694,559
17	MOFA (HQ)	2020-21	Irregular award of various contracts of procurement due to defective tendering.	92	-
18	MOFA (HQ)	2020-21	Non-accountal of dead stock items and Non-carrying of Annual Physical Verification	93	Rs.54.260 million
19	MOFA (HQ)	2020-21	Irregular payments of grants-in-Aid –	94	Rs. 161,841,950

Sl. No.	Formation	Period	Title of Paras	AIR Para No.	Amount
20	MOFA (HQ)	2020-21	Irregular remittance on account of Financial Assistance out of SAARC COVID-19 emergency fund	95	Rs. 137,614,166
21	MOFA (HQ)	2020-21	Non-signing of integrity pacts in respect of five contracts in violation of public procurement rules	101	Rs. 196.081 million
22	MOFA (HQ)	2020-21	Irregular award of contract for procurement of telephone sets	103	Rs.2,504,069
23	MOFA (HQ)	2020-21	Unjustified payment on account of utility charges and irregular fixation of room rent for the hostels	104	Rs. 18,063,023
24	MOFA (HQ)	2020-21	Loss due to payment of late surcharge on Electricity, Gas and Water bills	108	Rs. 644,006
25	MOFA (HQ)	2020-21	Irregular payment to PIA without verification.	112	Rs.8,321,705
26	MOFA (HQ)	2020-21	Non-implementation of treasury single account policy under Public Finance Management Act 2019.	120	-
27	MOFA (HQ)	2020-21	Non-maintenance of required record of PCW&EF & FIGOB.	54	-
28	MOFA (HQ)	2020-21	Improper maintenance of Cash Book	122	-
29	MOFA (HQ)	2020-21	Irregular opening of combined Bank Account for PCW&EF & FIGOB under the extended scope	123	-
30	MOFA (HQ)	2020-21	Non / Improper maintenance of separate cash books of PCW&EF and FIGOB	124	-
31	DCP Karachi	2020-21	Unauthorized grant of HBA	1	Rs.454,312
32	CAO	2020-21	Unauthorized grant of HBA	7	Rs.2,254,935
33	CAO	2020-21	Non recovery of HBA/MCA Advance	2	Rs.2,563,576
34	CAO	2020-21	Unauthorized payment of cash instead of cross cheque	5	Rs.3,706,945
35	CAO	2020-21	Non recovery of outstanding government due	8	Rs.2,334,164
36	DCP Peshawar	2020-21	Unauthorized payment on account of hiring of office accommodation	5	Rs.1,393,920
37	UN New York	2019-20	Expenditure without vouchers	21	US \$ 40,121
38	Tashkent	2017-21	Unjustified expenditure on account payment to translator	14	US \$ 14,500
39	UN Geneva	2016-21	Irregular payment of 13 <sup>th</sup> salary to local based staff	2	CHF 164,780
40	UN Geneva	2016-21	Non recovery of utility charges	48	CHF 2,479
41	Berne	2016-21	Irregular payment of 13 <sup>th</sup> salary to local based	8	CHF 47,175

Sl. No.	Formation	Period	Title of Paras	AIR Para No.	Amount
			staff		
42	Nur Sultan	2017-21	Irregular payment of education passage	11	Rs.136,857
43	SGH Lahore	2020-21	Loss due to non utilization of State Guest House	1	Rs. 8.610 million
44	CG New York	2019-20	Minus balance/Overdraft appearing in various main statements of cash accounts for the year 2019-21	1	US\$ 518,195
45	Washington	2019-20	Minus balance/Overdraft appearing in various main statements of cash accounts for the year 2019	1	US\$ 739,251
46	London	2019-21	Minus balance/Overdraft appearing in various main statements of cash accounts for the year 2019	6	£ 167374 & US\$ 43197
47	Washington	2019-20	Non-reconciliation of main imprest account	8	Rs. 85.837 million
48	UN Geneva	2016-21	Unjustified re-imburement and Co-payments on account of medical charges Despite availing Expensive Health Insurance Plans	12	Rs. 56.777 million
49	London	2019-21	Un-authorized/exorbitant expenditure out of Public Diplomacy Fund (PDF)	7	Rs. 20.788 million
50	MOFA (HQ)	2020-21	Misclassification of expenditure under various heads of accounts	91	Rs. 14.819 million
51	London	2019-21	Non remittance of Bhasha and Mohmand Dam Funds	8	Rs. 14.135 million
52	MOFA (HQ)	2020-21	Non-clearance of cheques before 30th June for the financial year 2020-21 due to mismanagement / avoidable negligence	19	Rs. 8.992 million
53	MOFA (HQ)	2020-21	Unauthorized expenditure incurred on account of internet/wifi charges to M/S NAYATEL -	71	Rs. 5.836 million
54	UN Geneva	2016-21	Irregular appointment of local based staff resulting into loss to Government	1	CHF 691,425
55	Berne	2016-21	Irregular appointment of local based staff resulting into loss to Government	6	CHF 79,077
56	MOFA (HQ)	2020-21	Non-recovery on account of penalty from the employees	7	Rs. 1,799,062
57	London	2019-21	Irregular payment of Foreign Allowance	10	US\$ 35,646
58	Tashkent	2017-21	Irregular payment of Foreign Allowance	01	US\$ 33,348
59	UN New York	2019-20	Excess payment of salaries to the local based staff over and above maximum of approved	25	US\$ 16,724

Sl. No.	Formation	Period	Title of Paras	AIR Para No.	Amount
			pay scales		
60	UN Geneva	2016-21	Excess payment of salaries to the local based staff over and above maximum of approved pay scales	18	CHF 45,000
61	Washington	2019-20	Non surrender of anticipated savings	11	US\$ 24,738,447
62	London	2019-21	Non surrender of anticipated savings	14	£ 4,787,098
63	MOFA (HQ)	2020-21	Non recovery of air fare from stranded Pakistanis on account of special flights	64	Rs. 38.330million.
64	UN Geneva	2016-21	Un-authorized expenditure on account of repair of HOM & staff car beyond the prescribed limit	21	Rs. 4.454 million
65	Washington	2019-20	Unjustified payment of health insurance to the scholars of HEC directly instead of insurance company or to the university concerned	11	Rs. 3.816 million
66	London	2019-21	Unauthorized payment on maintenance of garden	26	£ 7,799
67	Baku	2015-21	Unauthorized payment on maintenance of garden	30	AZN 2,074
68	PIAC London	2017-21	Loss due to non-adoption of UK Furlough Scheme for all the staff (Local/Pak based) -	6	Rs. 328.345 million
69	PIAC London	2017-21	Irregular & wasteful expenditure on undue retention of un-required staff due to closure of PIA services in UK during Covid-19/EASA ban	9	Rs. 134.923 million
70	WTO Geneva	2016-21	Unauthorized payment on account of education subsidy for inadmissible items - Recovery of	14	Rs. 2.835 million
71	PIAC London 2017-21	2017-21	Irregular payment of excess pay than due under UK Furlough Scheme	13	£ 19,824

## Annex-II Currency Table

		Rate	1	176.96	238.79	191.3	103.37	0.41	199.65
	DP No.	Amount PKR	PKR	US\$	Pound	CHF	AZN	SOM	Euro
NPR	1.1.1		22,745,000						
		<b>22.745</b>	22.745	-	-	-	-	-	-
	2.5.1		-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
Fraud	2.5.2			7,257					
		<b>1.284</b>	-	1.284	-	-	-	-	-
	3.3.1		-	-	727,278	-	-	-	-
<b>173.667</b>		-	-	173.667	-	-	-	-	
HR Related Irregularities	2.5.4		25,732,000	-	-	-	-	-	-
		<b>25.732</b>	25.732	-	-	-	-	-	-
	2.5.3		9,402,852	-	-	92,400	-	-	-
		<b>27.079</b>	9.403	-	-	17.676	-	-	-
2.5.5		-	84,462	-	-	-	-	-	

	<b>14.946</b>	-	14.946	-	-	-	-	-
		-	33,570	4,989	21,405	2,902	3,477,786	-
2.5.6	<b>12.953</b>	-	5.941	1.191	4.095	0.300	1.426	-
		11,557,712	-	-	-	-	-	-
2.5.7	<b>11.558</b>	11,558	-	-	-	-	-	-
		-	-	-	29,978	-	-	-
2.5.8	<b>5.735</b>	-	-	-	5.735	-	-	-
		5,261,000	-	-	-	-	-	-
2.5.9	<b>5.261</b>	5,261	-	-	-	-	-	-
		1,855,000	-	-	-	-	-	-
2.5.10	<b>1.855</b>	1,855	-	-	-	-	-	-
		-	8,405	-	-	-	-	-
2.5.11	<b>1.487</b>	-	1,487	-	-	-	-	-
		1,355,000	-	-	-	-	-	-
2.5.12	<b>1.355</b>	1,355	-	-	-	-	-	-
		-	-	108,932	-	-	-	-
3.3.2	<b>26.012</b>	-	-	26,012	-	-	-	-
4.3.1		-	65,214	-	-	-	-	-

		<b>11.540</b>	-	11.540	-	-	-	-	-
	4.3.2	<b>8.213</b>	-	-	-	42,934	-	-	-
	4.3.3	<b>1.413</b>	-	-	-	7,385	-	-	-
	5.3.1	<b>12.830</b>	-	12.830	-	-	-	-	-
Procurement Related Irregularities	2.5.13	<b>83.424</b>	3,815,161	66,055	230,347	63,231	7,920	-	-
	2.5.14	<b>70.295</b>	-	183,777	158,189	-	-	-	-
	2.5.15	<b>10.972</b>	-	62,000	-	-	-	-	-
	2.5.16	<b>5.889</b>	5,889,000	-	-	-	-	-	-
	3.3.3	<b>27.266</b>	-	-	114,185	-	-	-	-
	4.3.4		-	-	-	17,106	-	-	-



		<b>3.272</b>	-	-	-	3.272	-	-	-
	5.3.2		-	1,358,570	5,759,401	-	-	-	-
		<b>1,615.700</b>	-	240.413	1,375.287	-	-	-	-
Mgt of Accounts	2.5.17		264,169,000	-	-	-	-	-	-
		<b>264.169</b>	264.169	-	-	-	-	-	-
Value for Money	2.5.18	-	-	-	-	-	-	-	-
			-	1,243,454	-	182,990	-	-	-
	2.5.19	<b>255.048</b>	-	220.042	-	35.006	-	-	-
			-	642,348	-	-	-	-	-
	2.5.20	<b>113.670</b>	-	113.670	-	-	-	-	-
			-	130,621	-	162,932	-	-	-
	2.5.21	<b>54.284</b>	-	23.115	-	31.169	-	-	-
			-	-	-	-	-	-	-
	3.3.4	-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-
	3.3.5	-	-	-	-	-	-	-	-
Others	1.1.2		3,260,000	-	-	-	-	-	-

	<b>3.260</b>	3.260	-	-	-	-	-	-
		-	-	3,440,865	-	-	-	-
2.5.22	<b>821.644</b>	-	-	821.644	-	-	-	-
		349,388,000	-	-	-	-	-	-
2.5.23	<b>349.388</b>	349,388	-	-	-	-	-	-
		-	1,772,815	-	-	-	-	-
2.5.24	<b>313.717</b>	-	313.717	-	-	-	-	-
		235,943,000	-	-	-	-	-	-
2.5.25	<b>235.943</b>	235,943	-	-	-	-	-	-
		-	26,685	-	456,032	-	-	-
2.5.26	<b>91.961</b>	-	4.722	-	87,239	-	-	-
		48,144,208	194,075	-	-	130,221	-	-
2.5.27	<b>95.949</b>	48,144	34,344	-	-	13,461	-	-
		-	486,296	-	-	-	-	-
2.5.28	<b>86.055</b>	-	86,055	-	-	-	-	-
		52,688,000	-	-	-	-	-	-
2.5.29	<b>52.688</b>	52,688	-	-	-	-	-	-
2.5.30		39,077,000	-	-	-	-	-	-

	<b>39.077</b>	39.077	-	-	-	-	-	-
		24,975,000	-	-	-	-	-	-
2.5.31	<b>24.975</b>	24.975	-	-	-	-	-	-
		-	133,300	-	-	-	-	-
2.5.32	<b>23.589</b>	-	23.589	-	-	-	-	-
		-	113,877	-	-	-	-	-
2.5.33	<b>20.152</b>	-	20.152	-	-	-	-	-
		17,898,000	-	-	-	-	-	-
2.5.34	<b>17.898</b>	17.898	-	-	-	-	-	-
		-	88,000	-	-	-	-	-
2.5.35	<b>15.572</b>	-	15.572	-	-	-	-	-
		13,620,000	-	-	-	-	-	-
2.5.36	<b>13.620</b>	13.620	-	-	-	-	-	-
		9,386,000	-	-	-	-	-	-
2.5.37	<b>9.386</b>	9.386	-	-	-	-	-	-
			27,645	-	-	-	-	-
2.5.38	<b>4.892</b>	-	4.892	-	-	-	-	-
2.5.39		3,633,616	-	-	-	-	-	-

	<b>3.634</b>	3.634	-	-	-	-	-	-
		3,600,000	-	-	-	-	-	-
2.5.40	<b>3.600</b>	3.600	-	-	-	-	-	-
		2,688,000	-	-	-	-	-	-
2.5.41	<b>2.688</b>	2.688	-	-	-	-	-	-
		-	14,664	-	-	-	-	-
2.5.42	<b>2.595</b>	-	2.595	-	-	-	-	-
		-	11,736	-	-	-	-	-
2.5.43	<b>2.077</b>	-	2.077	-	-	-	-	-
		-	6,840,000	-	-	-	-	-
3.3.6	-	-	-	-	-	-	-	-
		-	-	160,000	-	-	-	-
3.3.7	<b>38.206</b>	-	-	38.206	-	-	-	-
		-	-	1,432,430	-	-	-	-
3.3.8	<b>342.050</b>	-	-	342.050	-	-	-	-
		227,314,012	-	-	-	-	-	-
3.3.9	<b>227.314</b>	227.314	-	-	-	-	-	-
3.3.10		-	-	583,064	-	-	-	-

		<b>139.230</b>	-	-	139.230	-	-	-	-
			-	-	237,962	-	-	-	-
	3.3.11	<b>56.823</b>	-	-	56.823	-	-	-	-
			-	-	6,000				
	3.3.12	<b>1.433</b>	-	-	1.433	-	-	-	-
						30,000			
	4.3.5	<b>5.739</b>	-	-	-	5.739	-	-	-
	5.3.3	-	-	-	-	-	-	-	-
	<b>Grand Total</b>	<b>5,914.807</b>							

### Annex-III (Para-2.5.5)

Sl. No.	Formations & AIR period	AIR Para No.	No of Persons	Amount (US\$)	Remarks
1	MOFA (HQ) 2020-21	20	01	1,134	Official claimed DA for specified Hotel without production of Hotel receipt.
2	MOFA (HQ) 2020-21	35	01	24,046	Paid TA/DA to the officer who was posted on his own request.
3	MOFA (HQ) 2020-21	36	01	974	Paid transportation charges of personal effects of an officer for 28M3 instead of 25 M3
4	UN New York 2019-20	3	01	1,720	Availed full DA for 06 days joining time despite availability of accommodation
5	UN New York 2019-20	4	01	3,583	Paid TA/DA to the official but he didn't join the HQ and was granted two years leave.
6	UN New York 2019-20	13	01	2,153	Officer travelled without family members but claimed full transportation charges.
7	Berne 2016-21	24	01	3,735	The Ambassador spent joining time at place of posting and claims 06-days joining time
8	Berne 2016-21	33	01	1225	Paid excess DA to Cat-I officer who himself arranged accommodation.
9	London 2019-21	20	18	32,632	Claims 06-days DA despite availability of accommodation.
10	London 2019-21	21	03	5159	Claims 06-days joining time DA while availing leave exceeding four months.
11	Baku 2015-21	03	09	3784	Claimed DA for specified hotel without hotel receipt
12	Noor Sultan 2017-21	03	18	2920	Claimed DA for specified hotel without hotel receipt
13	Noor Sultan 2017-21	14	01	1397	Claimed full joining time DA despite availability of accommodation
			<b>57</b>	<b>84,462</b>	

## Annex-IV (Para-2.5.6)

Sl. No.	Name of Mission	Para of AIR	Year of Audit	Amount	No of Persons involved	Remarks
1	UN New York	5	2019-20	US\$ 4,245	03	Sealant of teeth, Orthodontics, Occlusal adjustment of teeth
2	UN New York	28	2019-20	US\$ 28,957	01	Psychotherapy and Attention Deficit Hyperactivity Disorder which is not covered under the rules.
3	Berne	14	2016-21	CHF 21,405	06	Orthodontic treatment and Bridging
4	London	28	2019-21	£ 4,989	13	Medical treatment from specialized hospitals without AMA's reference, inadmissible dental treatment and reimbursement of inadmissible items
5	Baku	13	2015-21	AZN 2,902	02	Physiotherapy Without prescription/ diagnosis of AMA, unauthorized purchase bandage, lavipoluampul serum and massage, paraffin, Shampoo & Vitamins.
6	Tashkent	20	2017-21	SOM 3,477,786 & US\$ 368	05	Teeth cleaning and polishing, Hair growing, Vitamins and mineral complexes, Shampoo and creams.
				<b>US\$ 33,570, CHF 21,405, £ 4,989, AZN 2,902 &amp; SOM 3,477,786</b>	<b>30</b>	

**Annex-V (Para-2.5.13)**

<b>Sl. No.</b>	<b>Formations</b>	<b>Period of AIR</b>	<b>AIR Para No.</b>	<b>Amount</b>	<b>Remarks</b>
1	UN New York	2019-20	7	US\$ 7,998	Purchase of furniture & Fixture and misc items for embassy residence through splitting in the same month 12/2019
2	UN New York	2019-20	9	US\$ 24,358	Incurred expenditure on insurance of vehicle without calling tender
3	UN New York	2019-20	19	US\$ 32,000	Advertisement was only made on PPRA web site.
4	UN Geneva	2016-21	17	CHF 49,144 & US\$ 1,699	Purchase of computers, scanners and 22 lenovo PCs without tender
5	Berne	2016-21	15	CHF 14087	Purchase of CCTV and installation of telephone exchange
6	London	2019-21	05	£ 158,189	Repair of office and residential buildings in piece meal
7	London	2019-21	09	£ 42,950	Insurance of vehicle without tendering
8	London	2019-21	13	£ 29,208	Contract for insurance of government owned building and lifts
9	Baku	2015-21	8	AZN 7,920	Rent of cars hired during PM visit without quotations and payment made in cash.
10	Tashkent	2017-21	6	Rs. 3,815,161	Purchased furniture & fixture, machinery & equipment, computers etc
			<b>TOTAL</b>	<b>US\$ 66,055, CHF 63,231, £ 230,347, AZN 7,920 &amp;Rs. 3,815,161</b>	



**Annex-VI (Para-2.5.18)**

<b>Sr. No.</b>	<b>Name of legal firm</b>	<b>Period</b>	<b>Amount (£)</b>
1	Different advocates	2015	1,309,668.79
2	FaridiJavid Taylor	2016	935,000.00
3	Hardwood LLP	2016	663,450.36
4	Stephen Harwood LLP	2017	166,820.90
5	Stephen Harwood LLP	2018	625,406.81
6	Stephen Harwood LLP	2019	1,440,574.38
7	Stephen Harwood LLP	2019-20 (1/20 to 6/20)	91,473.87
	<b>Total</b>		<b>5,232,395.11</b>
	<b>Payment of legal cost imposed by Court</b>		<b>6,000,000</b>
	<b>Total Loss</b>		<b>11,232,395.11</b>
<b>Payments made to Solicitors for Hyderabad Fund from FIGOB</b>			
1-	Devenshires Solicitors LLP A/C No63895378, 20-36-47 Barclays	1,835,445.83	payment of interpleaded claimant cost
2-	Withers LLP A/C 80250020, 15-99-00, C house & Co bank	795,064.63	payment of interpleaded claimant cost
3-	TLT LLP A/C no 43071685, 20-13-94, Barclays	367,387.90	
	total payment	2,997,898.36	
	Balance	2,691,446.80	
	Funds arranged by MOFA through Jeddah, Dubai, Abu Dhabi	5,689,345.16	
	payments made by mission	2,997,898.35	
	Balance available	2,691,446.80	
31-01-21	current payment to be made	2,802,192.22	TLT LLP A/C no 80589683, Barclaays Bank
	Short fall to be met from Mission FIGOB	110,745.42	
	Total payments made	<b>£ 5,800,090.58</b>	

**Annex-VII-A (Para-2.5.21)**

**Expenditure incurred on VVIP Visit to attend meeting at WEF Davos during January 2017**

<b>S. No</b>	<b>VR No</b>	<b>Date</b>	<b>Particulars of expenditure</b>	<b>US\$</b>	<b>Object charged</b>
1	6	6/9/2016	reservation of hotel for PM visit to Devos (Hotel RexosFleula, Davos (Contract 16-01-17 to 21-01-17 (5 nights)	123,324	A03912-TA (HQ), special remittance
2	9	19-09-16	reservation of hotel for PM visit to Devos ((Hotel RexosFleula, Davos	26,988	A03912-TA (HQ), special remittance
3	2	16-Dec	Advance payment to hotel intercontinental Devos for VVIP visit	13,000	--do--
4	3	16-Dec	Advance payment to hotel Deldor Grand Zurich for VVIP visit (early check in at 11.0 AM	12,620	--do--
5	4	16-Dec	Advance payment to hotel Deldor Grand Zurich for VVIP visit	25,120	--do--
6	21	16-Dec	Payment to Grand hotel Bad Ragas for VVIP visit to Devos	46,395	--do--
7	2	6/1/2017	Advance payment to hotel Dolder Grand Zurich for VVIP visit for reservation of additional rooms	5,775	--do--
8	5	11/1/2017	Advance payment to hotel Des Burgees Four season Geneva for VVIP visit	42,605	--do--
9	9A	17-01-17	Advance payment to hotel Metro pole Geneva for crew members during VVIP visit	12,860	--do--
10	9	16-02-17	Final payment to hotel Dolder Grant, Zurich	22,810	--do--
11	10	16-02-17	Final payment to hotel Inter-Continental Davos	41,137	--do--
12	12	16-02-17	Final payment to hotel Desbergues (four-season Geneva)	8,831	--do--
13	15	16-02-17	Final payment to hotel Grand Resort, Bad RegazDevos	33,712	--do--
			<b>Total</b>	<b>415,177</b>	
			Less Hotels Booked at Davos	284,556	
			<b>Net Payment for hotels booking other than Davos</b>	<b>130,621</b>	

**Annex-VII-B (Para-2.5.26)**

<b>S. No</b>	<b>VR No</b>	<b>Date</b>	<b>Particulars of expenditure</b>	<b>Amount</b>
1	7	16-02-17	rent of telephone and services charges for VVIP visits	CHF 15,426
2	28	23-02-18	Hiring of Mobiles and Sims for VVIP Visit	US\$ 4,528
			<b>Total of Mobile Phones</b>	<b>CHF 15,426 &amp; US\$ 4,528</b>
3	73	25-02-17	Purchase of stationery	CHF 3,956
4	44	30-01-17	Stationery for VVIP visit	CHF 9,140
5	8	12/1/2017	Advance payment for hiring of photocopier and fax machine for VVIP visit at Devos (Hotel Intercontinental)	CHF 1,542
6	9	13-01-17	Hiring of computers, printers and other necessary items for VVIP visit	CHF 15,000
7	16	20-01-17	Expenditure on misc items for camp office at Dolder Grand Zurich	CHF 2,179
8	9	23-02-18	stationery for VVIP visit	US\$ 7,451
9	13	17-04-18	M/S Zesta Bureatistc (Hiring of machinery & Equipment, computers and printers for VVIP visit)	US\$ 11,669
10	20	26-04-18	M/S Creatronic Event Solution, Zurich (Rent of IT equipment, fax machine, Photostat and phone connections at hotel Intercontinental, Davos)	US\$ 3,037
			<b>Total for Stationery</b>	<b>CHF 31,817 &amp; US\$ 22,157</b>
11	40	30-03-17	Gulf Services for hiring of transport for VVIP visit	CHF 191,955
12	1	of 5/2018	Gulf Services SA (Limousine and Chauffeur Service) Hiring of vehicles for VVIP visit to Davos from 23-25-1/18 (CHF 216,835 – 25,302)	CHF 191,532
			<b>Total for hiring of transport</b>	<b>CHF 383,487</b>
13	1	of 5/2018	Drivers Services paid being separately (Included in the bill for hiring of transport)	<b>CHF 25,302</b>

### Annex-VIII (Para-2.5.27)

Sl. No.	Formations	Period of AIR	AIR Para No.	Amount	Remarks
1	Baku	2015-21	04	US\$ 65,387 & AZN 118,541	Payment on account of pay of cook, pay of Gardner, Petrol, repair of car, purchase of carpet, stationery, furniture, lap top, air conditioner, CCTV Camera, etc.
2	Baku	2015-21	08	AZN 7,920	Rent for hiring of Car
3	Baku	2015-21	12	AZN 3,760	Purchase of Mobile phones
4	Tashkent	2017-21	06	Rs. 3,815,161	Purchase of Camera, computer, LCD, UPS, Photocopier, printers, T.,V, Dispenser, Cabinet, sofa, chairs, stationery, laptop etc.
5	Tashkent	2017-21	13	US\$ 15,278 & Rs. 5,232,047	-
6	Noor Sultan	2017-21	01	US\$ 113,410	Rent of building
7	MOFA (HQ)	2020-21	100	Rs. 39.097 million	Irregular drawl of funds through DDO cheques and disbursement in cash
				<b>US\$ 194,075 AZN 130,221 &amp;Rs. 48,144,208</b>	

### Annex-IX (Para-2.5.33)

Year	Interest amount in US\$
2006	30,252
2007	9,913
2008	9,524
2009	9,082
2010	8,586
2011	8,037
2012	7,434
2013	6,776
2014	6,062
2015	5,292
2016	4,466
2017	3,583
2018	2,642
2019	1,643
2020	585
<b>TOTAL</b>	<b>113,877</b>

**Annex-X (Para-2.5.36)**

S #	Location / Address of Residencies repaired	Amount (Rs.)
1	House No.33-I, St. No.10, F-6/3, Islamabad	1,887,828
2	House No.34, St.No.12, Sector F-6/3, Islamabad	522,941
3	House No.21, Street No.12, F-6/3, Islamabad	597,150
4	Flat No.9/2-F, St.No.51, F-6/4, Islamabad	359,600
5	House No.18, Street No.10, F-6/3, Islamabad	3,263,820
6	House No.36, School Road, F-6/3, Islamabad	66,849
7	House No.26-H, School Road, F-6/3, Islamabad	134,354
8	House No.66, St.No.1, Sector F-6/3, Islamabad	570,891
9	House No.72, St.No.55, F-6/4, Islamabad	195,000
10	House No.15/4F, F-6/4, Islamabad	49,822
11	Various Residential Apartments of Foreign Office Lodges	5,971,728
	<b>TOTAL</b>	<b>13,619,983</b>

**Annex-XI (Para-2.5.39)**

S/ No.	Sanction No. /Date	Particulars	Amount Rs	
1	P(A&A)-4/03/2020-2021 Dated 02.03.2021	Cost of Air Tickets of the members of Delegation of PM Visit to Sri Lanka (23-24 Feb, 2021)	1,025,970	
2	P(A&A)-4/03/2020-2021 Dated 29.06.2021	Regularization of expenditure incurred on Prime Minister's Visit to Sri Lanka(23-24 February, 2021)	2,062,703	
3	P(A&A)-4/03/2020-2021 Dated 16.03.2021	Re-imbusement of COVID test charges for the members of Delegation of Prime Minister's Visit to Sri Lanka (23-24 Feb, 2021)	6,200	
4	P(A&A)-4/03/2020-2021 Dated 07.06.2021		6,200	
5	P(A&A)-4/03/2020-2021 Dated 07.06.2021		6,200	
6	P(A&A)-4/03/2020-2021 Dated 07.06.2021		6,200	
7	P(A&A)-4/03/2020-2021 Dated 07.06.2021		6,200	
8	P(A&A)-4/03/2020-2021 Dated 07.06.2021		6,200	
9	P(A&A)-4/03/2020-2021 Dated 07.06.2021		6,200	
10	P(A&A)-4/02/2020-2021 Dated 16.12.2020		Cost of Air Tickets of Delegation of PM Visit to Kabul, Afghanistan, 19 <sup>th</sup> November, 2020)	464,000
11	P(A&A)-4/05/2020-2021 Dated 15.06.2021		Iftar Dinner served to Delegation of PM's at Aircraft during visit to Saudi Arabia on 7 <sup>th</sup> May, 2021	37,543
		<b>Total</b>	<b>3,633,616</b>	

**Annex-XII (Para-2.5.41)**

Sl. No.	Name of Employee	Monthly Pay (Rs.)	Remarks
1	Ms. NageenaQasim, Clerk	22,000	Included in the list later on through hand written entry
2	Ms. Almas Shahid, Clerk	22,000	Volunteer
3	Mr. YasirJaved, Clerk	22,000	
4	Mr. Mohsin Khan, Clerk	22,000	-
5	Mr. Faizan-ur-Rehman, Clerk	22,000	-
6	Mr. SajjadHaider, Clerk	22,000	-
7	Mr. Muhammad Muneeb, Clerk	22,000	-
8	Ms. IrumBibi, Staff	17,500	Included in the list later on through hand written entry
9	Ms. FahmidaBibi, Staff	17,500	Daughter of Mr. Said Akbar an employee of hostel.
10	Mr. Muhammad Usman, Staff	17,500	Not in the list of applicants
11	Mr. Irtaza Ahmed, Staff	17,500	
		<b>224,000</b>	

**Annex-XIII (Para-3.3.2)**

Expenditure incurred on new staff posted at PIAC UK Stations during Covid/EASA Ban period							
Sl. No	Name / Designation /Posting	P-No	PG	Dep.	DOJ - UK	Monthly Salary	Total Paid
1	NadeemMurtaza / Station Manager / Manchester	P-53004	VIII	PHS	43908	4333.32	64,999.80
2	AftabJamilAbbasi / Finance Manager / London	P-61386	VIII	Finance	44158	3897.62	23,385.72
3	Shabbir A. Abbasi / Finance Manager / Bradfort	P-53020	VI	Finance	44179	3424.43	20,546.58
<b>Total</b>							<b>108,932.10</b>

**Annex-XIV (Para-3.3.3)**

<b>Invoice No / Date</b>	<b>Claim for</b>	<b>Remarks</b>	<b>Amount £</b>
9205067354, 31 December 2020	12/2020	Professional Services Rendered to 23 December 2020	15,247.80
9205066683, 24 December 2020	11/20	Professional Services Rendered to 30 November 2020	14,610.60
9205064198, 27 November 2020	10/20	Professional Services Rendered to 30 October 2020	15,477.60
9205064191, 27 November 2020	10/20	Professional Services Rendered to 30 October 2020	10,107.60
9205062466, 29 October 2020	9/20	Professional Services Rendered to 30 September 2020	16,239.60
9205062462, 29 October 2020	9/20	Professional Services Rendered to 30 September 2020	11,679.60
9205060455, 28 September 2020	8/20	Professional Services Rendered to 31 August 2020	6,143.40
9205058349, 14 August 2020	7/20	Professional Services Rendered to 31 July 2020	3,641.40
9205056834, 14 July 2020	6/20	Professional Services Rendered to 02 July 2020	21,037.20
<b>Total</b>			<b>114,185</b>

**Annex-XV (Para-3.3.4)**

<b>TOTAL NET SALE-UK(STN-WISE)(BSP+CNTR)</b>						
<b>STN</b>	<b>MONTH</b>	<b>year 2016</b>	<b>year 2015</b>	<b>INCRSE/DCRSE</b>	<b>% CHANGE</b>	
<b>BHX</b>	01_JAN	1,492,585.75	1,734,864.44	- 242,278.70	-14%	
	02_FEB	1,529,445.82	1,972,802.11	- 443,356.29	-22%	
	07_JUL	1,444,037.10	1,474,364.20	- 30,327.11	-2%	
	09_SEP	1,191,208.41	1,282,960.26	- 91,751.86	-7%	
<b>BRF</b>	02_FEB	1,620,317.79	1,964,872.39	- 344,554.60	-18%	
	03_MAR	1,794,791.51	2,069,088.38	- 274,296.87	-13%	
	05_MAY	899,587.00	1,316,385.59	- 416,798.59	-32%	
	06_JUN	973,369.22	1,206,900.43	- 233,531.21	-19%	
	07_JUL	1,688,559.34	1,964,552.59	- 275,993.25	-14%	
	08_AUG	1,233,343.67	1,301,367.09	- 68,023.42	-5%	
	09_SEP	1,068,813.91	1,475,877.35	- 407,063.45	-28%	
	10_OCT	1,076,062.33	1,503,175.80	- 427,113.47	-28%	
	11_NOV	908,808.27	1,399,176.87	- 490,368.59	-35%	
<b>GLA</b>	02_FEB	15,620.32	17,346.00	- 1,725.68	-10%	
	04_APR	15,265.73	22,047.45	- 6,781.72	-31%	
	05_MAY	11,990.89	14,565.33	- 2,574.44	-18%	
	06_JUN	14,806.81	18,065.70	- 3,258.88	-18%	
	07_JUL	14,394.45	18,990.58	- 4,596.12	-24%	
	08_AUG	7,603.62	21,907.87	- 14,304.25	-65%	
	10_OCT	18,916.45	25,079.56	- 6,163.12	-25%	
	11_NOV	16,772.76	20,319.90	- 3,547.14	-17%	
<b>LON</b>	02_FEB	2,658,485.96	3,708,101.54	- 1,049,615.57	-28%	
	03_MAR	3,861,330.89	4,410,335.16	- 549,004.27	-12%	
	04_APR	2,751,906.37	3,111,958.12	- 360,051.75	-12%	
	05_MAY	2,258,128.78	2,761,538.25	- 503,409.47	-18%	
	06_JUN	2,059,194.35	2,798,446.52	- 739,252.16	-26%	
	07_JUL	3,197,971.26	3,556,222.49	- 358,251.23	-10%	
	08_AUG	2,914,369.16	3,043,338.89	- 128,969.72	-4%	
	09_SEP	2,825,883.53	3,196,257.86	- 370,374.33	-12%	
	10_OCT	2,657,341.88	2,857,012.82	- 199,670.94	-7%	
	11_NOV	2,409,871.81	2,846,641.54	- 436,769.73	-15%	
<b>MAN</b>	01_JAN	1,094,991.69	1,216,182.67	- 121,190.98	-10%	



	02_FEB	703,216.80	1,107,022.78	-	<b>403,805.98</b>	<b>-36%</b>
	03_MAR	936,551.18	1,173,952.87	-	<b>237,401.69</b>	<b>-20%</b>
	04_APR	598,366.08	794,863.09	-	<b>196,497.01</b>	<b>-25%</b>
	05_MAY	538,650.89	788,346.32	-	<b>249,695.43</b>	<b>-32%</b>
	06_JUN	529,397.78	731,733.16	-	<b>202,335.38</b>	<b>-28%</b>
	07_JUL	854,905.76	976,409.75	-	<b>121,503.99</b>	<b>-12%</b>
	09_SEP	678,633.86	800,771.30	-	<b>122,137.45</b>	<b>-15%</b>
	10_OCT	677,703.30	737,689.44	-	<b>59,986.14</b>	<b>-8%</b>
	11_NOV	688,607.54	810,559.63	-	<b>121,952.09</b>	<b>-15%</b>
<b>Total</b>		<b>51,931,810.04</b>	<b>62,252,094.11</b>	-	<b>10,320,284.07</b>	
<b>Conversion into PKR</b>		£ 10,320,284 x 126.193			<b>PKR. 1,302,347,599</b>	
<b>STN</b>	<b>MONTH</b>	<b>year 2017</b>	<b>year 2016</b>	<b>INCRSE/DCRSE</b>	<b>% CHANGE</b>	
<b>BHX</b>	04_APR	1,287,802.46	1,431,919.49	-	<b>144,117.03</b>	<b>-10%</b>
	05_MAY	971,180.07	1,140,063.30	-	<b>168,883.23</b>	<b>-15%</b>
	06_JUN	681,956.18	1,058,850.84	-	<b>376,894.66</b>	<b>-36%</b>
	07_JUL	825,032.08	1,444,037.10	-	<b>619,005.02</b>	<b>-43%</b>
	08_AUG	709,415.62	1,155,902.53	-	<b>446,486.91</b>	<b>-39%</b>
	09_SEP	730,577.91	1,191,208.41	-	<b>460,630.49</b>	<b>-39%</b>
	10_OCT	872,730.98	1,180,796.10	-	<b>308,065.12</b>	<b>-26%</b>
	11_NOV	699,741.62	1,018,266.33	-	<b>318,524.70</b>	<b>-31%</b>
	12_DEC	779,629.24	1,100,338.85	-	<b>320,709.61</b>	<b>-29%</b>
<b>BRF</b>	01_JAN	1,862,218.30	2,235,549.03	-	<b>373,330.73</b>	<b>-17%</b>
<b>LON</b>	01_JAN	2,775,316.95	4,174,556.49	-	<b>1,399,239.54</b>	<b>-34%</b>
<b>Total</b>		<b>12,195,601.41</b>	<b>17,131,488.45</b>	-	<b>4,935,887.05</b>	
<b>Conversion into PKR</b>		£ 4,935,887 x 149.12			<b>PKR. 736,039,469</b>	
<b>STN</b>	<b>MONTH</b>	<b>year 2018</b>	<b>year 2017</b>	<b>INCRSE/DCRSE</b>	<b>% CHANGE</b>	
<b>BHX</b>	01_JAN	1,183,383.78	1,495,521.36	-	<b>312,137.58</b>	<b>-21%</b>
	02_FEB	1,112,382.64	1,816,681.08	-	<b>704,298.44</b>	<b>-39%</b>
	03_MAR	1,047,136.13	2,079,607.10	-	<b>1,032,470.97</b>	<b>-50%</b>
	04_APR	706,993.04	1,287,802.46	-	<b>580,809.42</b>	<b>-45%</b>
	05_MAY	725,401.19	971,180.07	-	<b>245,778.88</b>	<b>-25%</b>
	07_JUL	788,850.35	825,032.08	-	<b>36,181.73</b>	<b>-4%</b>
	08_AUG	593,101.23	709,415.62	-	<b>116,314.39</b>	<b>-16%</b>
<b>BRF</b>	01_JAN	2,390,864.18	1,893,587.30		<b>497,276.88</b>	<b>26%</b>
	02_FEB	2,055,013.14	3,038,297.26	-	<b>983,284.12</b>	<b>-32%</b>
	03_MAR	2,202,174.82	2,413,966.77	-	<b>211,791.95</b>	<b>-9%</b>

	04_APR	1,204,898.41	1,421,440.07	-	<b>216,541.66</b>	<b>-15%</b>
	05_MAY	1,101,450.96	1,139,682.04	-	<b>38,231.08</b>	<b>-3%</b>
	07_JUL	1,187,679.95	1,724,474.66	-	<b>536,794.71</b>	<b>-31%</b>
	08_AUG	1,033,381.10	1,468,768.59	-	<b>435,387.49</b>	<b>-30%</b>
	09_SEP	1,010,338.82	1,524,614.76	-	<b>514,275.94</b>	<b>-34%</b>
	10_OCT	1,328,190.07	1,749,967.53	-	<b>421,777.46</b>	<b>-24%</b>
	11_NOV	1,123,729.70	1,423,758.06	-	<b>300,028.36</b>	<b>-21%</b>
	12_DEC	1,273,793.98	1,767,462.36	-	<b>493,668.38</b>	<b>-28%</b>
<b>GLA</b>	02_FEB	21,441.00	23,583.94	-	<b>2,142.94</b>	<b>-9%</b>
	06_JUN	22,831.12	31,558.21	-	<b>8,727.09</b>	<b>-28%</b>
	07_JUL	12,345.90	30,131.98	-	<b>17,786.08</b>	<b>-59%</b>
	08_AUG	13,040.40	39,926.82	-	<b>26,886.42</b>	<b>-67%</b>
	09_SEP	5,219.00	26,346.95	-	<b>21,127.95</b>	<b>-80%</b>
	10_OCT	18,227.00	41,765.02	-	<b>23,538.02</b>	<b>-56%</b>
	11_NOV	14,599.00	26,929.77	-	<b>12,330.77</b>	<b>-46%</b>
	12_DEC	6,748.00	25,296.20	-	<b>18,548.20</b>	<b>-73%</b>
<b>LON</b>	07_JUL	3,862,349.97	3,981,843.89	-	<b>119,493.92</b>	<b>-3%</b>
	08_AUG	3,144,134.21	4,008,698.70	-	<b>864,564.49</b>	<b>-22%</b>
<b>Total</b>		<b>29,189,699.09</b>	<b>36,987,340.65</b>	-	<b>7,797,641.56</b>	
<b>Conversion into PKR</b>		£ 7,797,642 x 177.99			<b>PKR. 1,387,902,300</b>	
<b>STN</b>	<b>MONTH</b>	<b>Year 2019</b>	<b>Year 2018</b>	<b>INCRSE/DCRSE</b>	<b>% CHANGE</b>	
<b>BHX</b>	year	1,102,541.74	1,112,382.64	-	<b>9,840.90</b>	<b>-1%</b>
<b>BRF</b>	01_JAN	1,700,857.76	2,390,864.18	-	<b>690,006.42</b>	<b>-29%</b>
	02_FEB	1,282,543.02	2,055,013.14	-	<b>772,470.12</b>	<b>-38%</b>
	03_MAR	1,260,370.05	2,137,979.82	-	<b>877,609.77</b>	<b>-41%</b>
<b>GLA</b>	01_JAN	17,040.00	35,739.90	-	<b>18,699.90</b>	<b>-52%</b>
	02_FEB	15,531.00	21,441.00	-	<b>5,910.00</b>	<b>-28%</b>
	03_MAR	12,519.00	35,981.50	-	<b>23,462.50</b>	<b>-65%</b>
<b>MAN</b>	02_FEB	1,877,798.64	1,949,845.74	-	<b>72,047.10</b>	<b>-4%</b>
	05_MAY	2,076,717.53	2,247,732.97	-	<b>171,015.44</b>	<b>-8%</b>
	06_JUN	2,282,665.42	2,420,385.89	-	<b>137,720.47</b>	<b>-6%</b>
	08_AUG	2,160,968.48	2,401,607.10	-	<b>240,638.62</b>	<b>-10%</b>
<b>Total</b>		<b>13,789,552.64</b>	<b>16,808,973.88</b>	-	<b>3,019,421.24</b>	
<b>Conversion into PKR</b>		£ 3,019,421 x 241.20			<b>PKR. 728,284,345</b>	
<b>Grand Total</b>						<b>£ 26,073,234 (PKR 4,154,573,713)</b>

### Annex-XVI (Para-3.3.5)

<b>Year</b>	<b>Department</b>	<b>Location</b>	<b>Account</b>	<b>Account Desc</b>	<b>Amount Paid</b>
2017	LAS	UKLLONB	83102002	Uninsured Losses – Pax	104,639
2017	LAS	UKLLONA	81703003	Passenger Layover	120,161
2017	LAS	UKLLONA	83102002	Uninsured Losses – Pax	173,088
2017	LAS	UKLLONA	83102002	Uninsured Losses – Pax	2,154,851
2018	LAS	UKLLONB	83102002	Uninsured Losses – Pax	1,055,395
2018	LAS	UKLLONA	81703003	Passenger Layover	3,899,188
2018	LAS	UKLLONA	83102002	Uninsured Losses – Pax	182,277
2019	LAS	UKLLONB	83102002	Uninsured Losses – Pax	1,330,847
2019	LAS	UKLLONA	83102002	Uninsured Losses – Pax	335,124
2020	LAS	UKLLONB	83102002	Uninsured Losses – Pax	718,499
2020	LAS	UKLLONA	83102002	Uninsured Losses – Pax	468,642
2021	LAS	UKLLONA	83102002	Uninsured Losses – Pax	821,592
<b>Total</b>					<b>11,364,304</b>

**Annex-XVII (Para-3.3.8)**

<b>S. No</b>	<b>Month</b>	<b>Compensation £</b>
1	Feb-17	43,086.55
2	Mar-17	57,689.37
3	Apr-17	11,350.00
4	May-17	23,877.12
5	Jun-17	25,560.80
6	Jul-17	22,042.03
7	Aug-17	36,183.06
8	Sep-17	18,782.78
9	Oct-17	16,019.78
10	Nov-17	15,894.45
11	Dec-17	32,472.44
12	Jan-18	33,123.40
13	Feb-18	48,115.91
14	Mar-18	15,987.08
15	Apr-18	14,958.31
16	May-18	8,324.96
17	Jun-18	3,843.11
18	Jul-18	16,109.51
19	Aug-18	24,189.50
20	Sep-18	53,273.46
21	Oct-18	46,672.67
22	Nov-18	103,921.94
23	Dec-18	71,557.88
24	Jan-19	67,890.09
25	Feb-19	12,581.99
26	Mar-19	87,509.87
27	Apr-19	74,402.73
28	May-19	103,094.16
29	Jun-19	44,973.17
30	Jul-19	90,027.59
31	Aug-19	61,155.30
32	Sep-19	96,504.79
33	Oct-19	51,253.76
<b>Total</b>		<b>1,432,429.56</b>

**Annex-XVIII (Para-3.3.9)**

<b>Detail of expenditure incurred on legal charges</b>					
<b>Year 2017</b>					
<b>SBU</b>	<b>Department</b>	<b>Location</b>	<b>Account</b>	<b>Account Desc</b>	<b>Actual</b>
11	MPM	UKLLONB	83901001	Legal Fees	28,394,185
<b>Year 2018</b>					
16	MCM	UKLLONB	83901001	Legal Fees	2,784,770
11	MPM	UKLLONB	83901001	Legal Fees	92,118,993
<b>Year 2019</b>					
16	MCM	UKLLONB	83901001	Legal Fees	6,267,764
11	MPM	UKLLONB	83901001	Legal Fees	28,324,586
<b>Year 2020</b>					
11	MPM	UKLLONB	83901001	Legal Fees	31,578,022
<b>Year 2021</b>					
11	MPM	UKLLONB	83901001	Legal Fees	37,845,694
<b>Total</b>					<b>227,314,012</b>

**Annex-XIX (Para-4.3.2)**

<b>VR &amp; Month</b>	<b>Name of officer</b>	<b>Name of child</b>	<b>Amount CHF</b>	
21 of 9/2016	<b>Mr. MohsinRafique, HOC</b>	Sana Mohsin Daughter	33,100	
-do-		SajalMohsin Daughter	35,250	
2 of 8/17		SajalMohsin Daughter	35,700	
3 of 8 /17		<b>ShayaanMohsin son</b>	<b>31,620</b>	
3 of 8/2016		Sana Mohsin and SajalMohsin Daughter	8,200	
10 of 9/18		Sana Mohsin and SajalMohsin Daughter (Admission Fee)	900	
2 of 7/17		Sana AP fee	915	
30 of 1/2019		<b>ShayaanMohsin son (22618/2=11314)</b>	<b>11,314</b>	
		SajalMohsin Daughter	11,314	
<b>Total un-authorized for 3<sup>rd</sup> Child against voucher No. 3 of 8/17 31620 +Vr. 30 of 1/2019+ 11314 – (CHF 42,934)</b>			<b>74,554</b>	

### Annex-XX (Para-5.3.1)

Sr #	Name	Entertainment Paid 2019-21 £	Entertainment Entitlement	Recovery (GB)
1	Col. Rana Muhammad Asif Khan	24 * 697 = 16,728	24 * 348.5 = 8,364	8,364
2	Col. Muhammad Waqas	24 * 697 = 16,728	24 * 348.5 = 8,364	8,364
3	Major Wajahat Ali	24 * 581 = 13,944	24 * 348.5 = 8,364	8,364
4	CaptAbidRafique	24 * 930 = 22,320	24 * 465.0 = 11,160	11,160
5	MrRehmatullah Khan	24 * 581 = 13,944	24 * 290.5 = 6,972	6,972
6	MrNazarHussain	24 * 581 = 13,944	24 * 290.5 = 6,972	6,972
7	Col. Jaffar Sultan	24 * 697 = 16,728	24 * 348.5 = 8,364	8,364
8	Major UmerShaukat Ali Khan	24 * 581 = 13,944	24 * 290.5 = 6,972	6,972
9	Muhammad Iqbal	24 * 581 = 13,944	24 * 290.5 = 6,972	6,972
<b>Total</b>				<b>72,504</b>

### Annex-XXI (Para-5.3.2)

Sl. No.	Para No. of AIR	Amount of contract	Remarks
<b>London 2019-21</b>			
1	11	£ 3,099,637	Supply of CAD/PAD items, MB Seat Spares and PK-16 LE Ejection Seat Kits for JF-17 bearing No. DSF/1300/P-45/2019-20
2	10	£ 1,414,528	Supply of MB Seat Spares (147 Line/Items) bearing No. DSF/1301/P-45/2019-20
3	09	£ 637,382	Supply of PK-16 LE Ejection Seat Kits for JF-17 A/C (149 Line items) bearing No. DSF/1302/P-45/2019-20
4	13	£ 132,687	supply of Flare CM 118 MK3 Type I Product Code 58500 and Chaff Pack BOL Mk2 Type I Product Code 00627 bearing No. DSF/1303/P45/2019-20
5	05	£ 91,500	Supply of Life Preserver Yoke item bearing No DSN/10636/5339/902470/B-1912/340416/2019-20
6	03	£ 83,648	Supply of Survival Pack 25 Men Life raft Emer 25/A/1/18/ Solas item bearing No. DSN/10632/5341/902362/B-1911/340222/2019-20
7	06	£ 78,275	Supply of Lube Oil OM 33 NATO H-576 with QC Petroleum Anti wear Hydraulic fluid item bearing No. DSN/10635/5347/924354 /B-1910/340148/2019-20
8	04	£ 69,240	Supply of Tyne Air Intake Filter item bearing No DSN/10665/5342/987428/B-1912/320398/2019-20
9	12	£ 45,576	Supply of overhauling of EMG Oxygen Set and CO2

			Cylinders bearing No. DSF/1299/P-45/2019-20
10	08	£ 42,885	Supply of Argus MI-TIC 320 3BTN Camera MI-TIC 320-3 item bearing No DSN/10631/5345/902402/B-1910/340133/2019-20
11	07	£ 38,184	Supply of Kittiwake OTC with Heated Viscometer with Tan Cell item bearing No. DSN/10667/5348/987531/B-1912/340415/2019-20
12	02	£ 17,769	Supply of Shear Pin coupling item bearing No. DSN/10669/5346/987113/B-1904/320798/2019-20
13	01	£ 8,090	Supply of Inter smooth 7460 HS SPC, Black and Interhane 870 Acrylic Polyurethane Finish DK Grey items bearing No. DSN/10593/5320
<b>Washington 2019-20</b>			
14	04	US\$ 497,255	Supply of spares for helmet and oxygen mask (14 l/items) bearing No AF/DPD/27539/A/ Washington
15	06	US\$ 233,100	Supply of Helmet flyer's (HGU-55/P) (02l/items) bearing No AF/DPD/27531/Washington
16	09	US\$ 162,348	Supply of dye smoke (red & green) bearing No AF/DPD/27541/Washington
17	07	US\$ 150,600	Supply of helmet flyer's (SPH-4B) regular & x large item bearing No AF/DPD/27533/Washington
18	05	US\$ 110,852	Supply of spares for helmet and oxygen mask (06 l/items) bearing NO AF/DPD/27539/C/Washington
19	01	US\$ 66,800	Supply of diesel filtration skid/ element for HSDO (VELCON) bearing NO. N/DPD/13111/872270/WASH/AAIM/12382C
20	08	US\$ 63,726	Supply of ANTI "G" SUITS bearing No AF/DPD/27530/Washington
21	10	US\$ 48,684	Supply of sunglasses aircrew bearing No AF/DPD/27532/Washington
22	03	US\$ 16,209	Supply of Calibration of PME (10 L/ITEMS) bearing NO AF/DPO/27538/Washington
23	02	US\$ 8,996	Supply of Driven Shaft and Drive Shaft Model VXE 232-85/2/N bearing No. N/DPD/13207/955420/SPO-43/WASH/AAIM
	<b>TOTAL</b>	<b>£ 5,759,401 &amp; US\$ 1,358,570</b>	