

AUDIT REPORT
ON
THE ACCOUNTS OF
CLIMATE CHANGE, ENVIRONMENT AND DISASTER
MANAGEMENT ORGANIZATIONS
OF GOVERNMENT OF BALOCHISTAN
AUDIT YEAR 2024-25



AUDITOR-GENERAL OF PAKISTAN
SERVING THE NATION BY PROMOTING ACCOUNTABILITY, TRANSPARENCY AND GOOD
GOVERNANCE IN THE MANAGEMENT AND USE OF PUBLIC RESOURCES

FOR THE CITIZENS 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's (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, requires the Auditor-General of Pakistan to conduct audit of receipts and expenditure of the Federation and the Provinces and the accounts of any authority or body established by the Federation or a Province.

This report is based on audit of the accounts of Climate Change, Environment and Disaster Management organizations of Government of Balochistan for the Financial Year 2023-24 and accounts of some formations for previous years. The Directorate General Audit (Climate Change & Environment), Islamabad conducted audit during the Audit Year 2024-25 on a test check basis, with a view to report significant findings to the relevant stakeholders. Audit Report includes systemic issues and audit findings having value of rupees one million or more. Relatively less significant issues are listed in the Annexure-I of the Audit Report. The audit observations listed in Annexure-I shall be pursued with the Principal Accounting Officers (PAOs) at the DAC level. In all cases where the PAOs do not initiate appropriate action, the audit observations will be brought to the notice of the Public Accounts Committee in the next year's Audit Report. Sectoral analysis has been added in this report covering strategic review and overall perspective of audit results.

Audit findings indicate the need for adherence to the regulatory framework, besides instituting and strengthening of internal controls to avoid recurrence of similar nature violations and irregularities in future.

Observations included in this report have been finalized in the light of the management response and discussion in the DAC meetings.

There are certain audit paras which were also reported in last year Audit Report for the Financial Year 2022-23. Recurrence of such issues/irregularities is matter of concern and needs to be addressed.

The Audit Report is submitted to the Governor of Balochistan in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan 1973, for causing it to be laid before the Provincial Assembly.

Islamabad
Dated: 26th February, 2025

-Sd/-
Muhammad Ajmal Gondal
Auditor-General of Pakistan

TABLE OF CONTENTS

ABBREVIATIONS & ACRONYMS	i
EXECUTIVE SUMMARY	iii
Chapter -1	1
<i>Provincial Disaster Management Authority, Balochistan and District Disaster Management Authorities</i>	1
1.1 Introduction	1
1.2 Classified Summary of Audit Observations	6
1.3 Brief comments on the status of compliance with PAC directives	7
1.4 AUDIT PARAS	8
Chapter-2	23
<i>Balochistan Environmental Protection Agency</i>	23
2.1 Introduction	23
2.2 Classified Summary of Audit Observations	27
2.3 Brief comments on the status of compliance with PAC directives	27
2.4 AUDIT PARAS	28
Annexures	35

ABBREVIATIONS & ACRONYMS

AAO	Assistant Accounts Officer
ABL	Allied Bank Limited
APPM	Accounting Policies and Procedures Manual
AQMS	Air Quality Monitoring Station
BEPA	Balochistan Environmental Protection Agency
BPPRA	Balochistan Public Procurement Regularity Authority
CBDRM	Community Based Disaster Risk Management
CBO	Community Based Organization
CSR	Composite Schedule Rates
DAC	Departmental Accounts Committee
DDMA	District Disaster Management Authority
DDO	Drawing & Disbursing Officer
DG	Director General
DHQ	District Headquarter
EIA	Environment Impact Assessment
EPA	Environmental Protection Agency
ERRA	Earthquake Reconstruction and Rehabilitation Authority
FAP	Foreign Aided Project
FAT	Factory Acceptance Test
FY	Financial Year
GFR	General Financial Rules
GST	General Sales Tax
IEE	Initial Environmental Examination
ISSAI	International Standards of Supreme Audit Institutions
M.A. Economics	Master of Economics
M/s	Messers
MHVRA	Multi Hazards Vulnerability Risk Assessment
NDMA	National Disaster Management Authority
NIT	Notice for Inviting Tenders
No.	Number
NOC	No Objection Certificate
NRTC	National Radio & Telecommunication Corporation
NSR	Non-Schedule Rates
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PC-I	Planning Commission-I
PDI	Pre-Delivery Inspection
PDMA	Provincial Disaster Management Authority

PDMF	Provincial Disaster Management Fund
PDWP	Provincial Development Working Party
PHED	Public Health Engineering Department
PSDP	Public Sector Development Program
PWB	Provincial Water Board
Qty.	Quantity
QWASA	Quetta Water & Sanitation Authority
Rs.	Rupees
SOP	Standard Operation Procedure
UAN	Universal Access Number
Vol.	Volume

EXECUTIVE SUMMARY

The Directorate General Audit (Climate Change & Environment) Islamabad conducts audit of expenditure and receipts of the climate change, environment and disaster related entities established at the Federal, Provincial and District levels. Its mandate includes Compliance with Authority Audit, Financial Attest Audit and Performance Audit along with Special Audit and Special Studies of entities like Ministry of Climate Change, Earthquake Reconstruction and Rehabilitation Authority (ERRA), National Disaster Management Authority (NDMA), Provincial Disaster Management Authorities (PDMAs), Environmental Protection Agencies (EPAs) and Civil Defense Organization.

However, in the wake of the increased global focus on measures to combat climate change, and not just disaster risk management, the government has formulated the ¹National Climate Change Policy (2021, updated from time to time). In the subject policy, the goal is stated as ‘To ensure that climate change is mainstreamed in the economically and socially vulnerable sectors of the economy and to steer Pakistan towards climate compatible development’.

It is moreover, stated with utmost clarity that ‘Mitigating and adapting actions are considered to be the two key ways of combating climate change. The more immediate and pressing task for the country is to prepare itself for adaptation to climate change.’ It also emphasizes that ‘the updated Policy document has been designed in accordance to the requirements of Paris Agreement on climate change, Sustainable Development Goals and Sendai Framework for Disaster Risk Reduction. Hence, appropriate measures relating to disaster preparedness, capacity building, institutional strengthening; technology transfer and international cooperation have also been incorporated as important components of the policy.’

In the light of this paradigm shift from merely tackling disaster risk reduction in the government spending, and focus on the various dimensions of climate change measures it is deemed appropriate that this office also adapts to this government transition from the traditional spending and slowly and gradually aligns audit with the government’s funding direction and, to say the least, attempts to draw assurance of the impact of government’s spending on climate change policy measures.

¹ <https://mocc.gov.pk/SiteImage/Policy/NCCP%20Report.pdf>

In line with the above, this office has begun transition from the traditional compliance audit of expenditure towards a greater focus on the impact of spending on mitigation and adaptation. For this purpose, with focus on public service delivery as the main area of consideration, the chapter ‘Climate Change and Environment Management has been added to this report, with the sections ‘Mitigation (Legal frame work, Governance & Impact) and ‘Adaptation (Legal frame work, Governance & Impact) to highlight observations that directly pertain to these areas. Also under public service delivery, Disaster Risk Management (Response, Rescue, Recovery and Rehabilitation) has been added as a separate chapter given its unique dynamics and to ensure that is not inadvertently considered as a main sub-component of climate change.

Gradually, this office plans to shift focus from traditional compliance audit towards area-specific audit activity which highlights government spending on mitigation, adaptation and disaster risk reduction, and not just climate change and environmental pollution in general. Also, surveys conducted by audit teams have been added, where possible, to give a glimpse of the general perception of the local populace regarding the functioning and spending impact of that specific department.

This office has a human resource of 28 personnel with 55,776 available person-hours during Audit Year 2024-25. The annual budget of the Directorate General for the financial year 2024-25 is Rs. 104.084 million.

This report covers the audit of Provincial Disaster Management Authority (PDMA) Balochistan along with six (06) District Disaster Management Authorities (DDMAs) at Quetta, Ziarat, Gawadar, Jaffarabad, Zhob & Awaran. Besides, the report includes audit of Balochistan Environmental Protection Agency (BEPA) at Quetta.

According to the Audit Plan, both expenditure and receipts (where applicable) of these formations were audited on test check basis by selecting main entities under audit jurisdiction.

As a result of audit, a number of issues have been noticed and presented in the following chapters for consideration of the management.

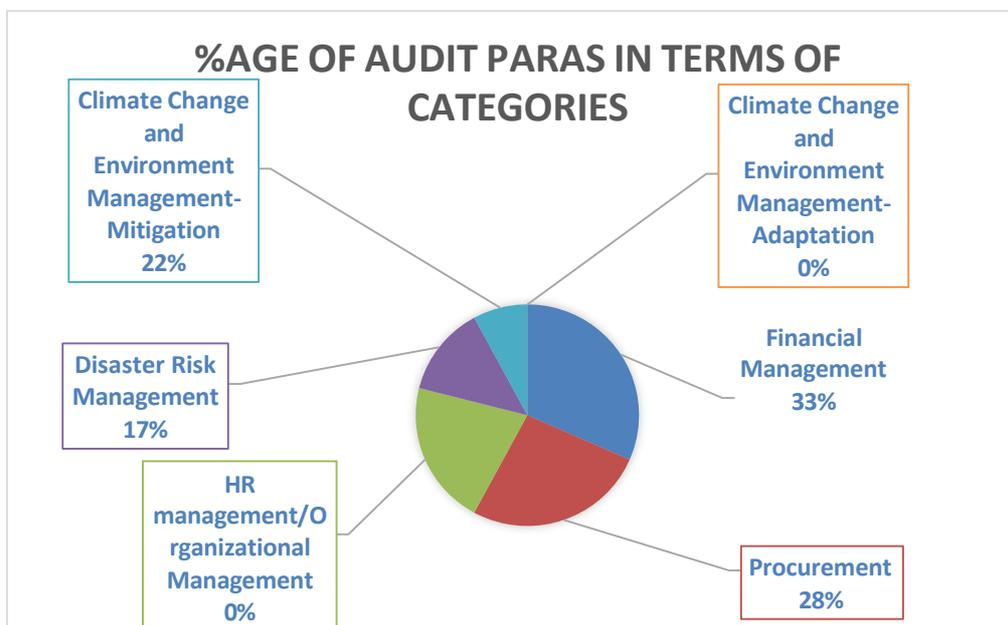
a. Scope of Audit

The audit universe of the Directorate General Audit (Climate Change & Environment) consists of 75 formations/offices working under three (03) PAOs / Departments of Balochistan. Total expenditure of these formations was Rs. 13,011 million for the financial year 2023-24.

This audit report relates to expenditure of seven (07) main formations under two (02) PAOs having a total expenditure of Rs. 10,321.198 million for the financial year 2023-24. In terms of percentage, the audit coverage for expenditure is 86% of auditable expenditure.

b. Overview of the Audit Report

Sr. No.	Categorizations of Audit Observations	No. of Paras	Amount
1.	Internal controls		
i	Financial Management	06	390.975
ii	Procurement Management	05	29.469
iii	HR management/Organizational Management	-	-
2.	Public Service Delivery / Performance		
A	Disaster Risk Management (Response, Rescue, Recovery and Rehabilitation)	3	-
B	Climate Change and Environment Management		
i	Mitigation (Legal frame work, Governance & Impact)	4	61.642
ii	Adaptation (Legal frame work, Governance & Impact)	-	-
Total number of observations in the report and total amount placed under audit observation		18	482.086
Recoveries pointed out in the report		2	63.647



c. Recoveries at the Instance of Audit

Recovery of Rs. 63.647 million has been pointed out in this report. No recovery was effected by the entities till finalization of this report.

d. Audit methodology

The Directorate General Audit (Climate Change & Environment) in Islamabad audits the revenues and outlays of federal, provincial, and district-level organizations that deal with climate change, the environment, and disasters. It carries out Compliance with Authority Audit, Financial Attest Audit, Performance Audit, Special Audit, and Special Studies of Entities as per its mandate and directions from the Department of the Auditor-General of Pakistan from time to time.

Keeping in view Pakistan’s international commitments to climate change, ²The National Climate Change Policy (2021, periodically amended) was developed by the government in response to the growing emphasis on climate change mitigation strategies worldwide, rather than only disaster risk reduction. According to the policy, the goal is to "steer Pakistan towards climate compatible development and ensure that

² <https://mocc.gov.pk/SiteImage/Policy/NCCP%20Report.pdf>

climate change is mainstreamed in the economically and socially vulnerable sectors of the economy."

Therefore, in order to drive greater audit assurance, the traditional methods of compliance were supplemented with modern research techniques.³ As per the INTOSAI Journal of Government Auditing "One of the distinguishing features of audit organizations and reports is the emphasis on evidence to support findings and recommendations, so any techniques that have the potential to make that evidence more powerful should be given high priority. One way that offers that potential is to closely examine three of the techniques used by audit organizations to collect evidence: surveys, semi-structured interviews, and data collection instruments (DCIs)."

Beginning this year, the Office of the Director General Audit Climate Change and Environment has started application of research-driven survey audit methodology, wherever possible, in addition to internal control tests in order to improve assurance of audit output and assess the impact of budgetary spending at the formation level for the Audit Year 2024-25. Using surveys carried out within the formation's or budgetary unit's catchment area, the methodology's objective was to appreciate public opinion and perceptions regarding an organization's operations, utility, and role in disaster risk reduction, climate change adaptation, and mitigation. This audit report includes narrative elaborations and graphical depictions of the responses pertaining to the formations pertaining to Balochistan.

Audit planning

During the planning phase, this office made considerable use of desk audit techniques. These methods included looking through permanent files, computer-generated data, and other relevant documents, as well as examining the rules, procedures, and regulatory framework that applied to the Auditee businesses. Internal control systems were analyzed and risk assessments were conducted for each company. Desk reviews helped auditors understand the environment, procedures, and systems of the examined company and identify risk areas.

Audit execution

⁴"It appears that a more targeted use of surveys and more frequent use of semi-structured interviews and data collection instruments have the potential to power up

³ https://www.intosai.org/fileadmin/downloads/about_us/IJGA_Issues/2023/EN_Q3_2023_v50n3.pdf

⁴ https://www.intosai.org/fileadmin/downloads/about_us/IJGA_Issues/2023/EN_Q3_2023_v50n3.pdf

audit evidence and maximize the positive impact of audit organizations.” (INTOSAI Journal of Government Auditing, Q3 2023 - Audit Methodologies for Impact Vol. 50, No. 3)

The audit was carried out in compliance with the Department of the Auditor-General of Pakistan's Financial Audit Manual (FAM), which complies with the International Standards of Supreme Audit Institutions (ISSAIs). Assessing adherence to laws, rules, regulations, and policies as well as the effectiveness of internal controls was the main goal of the audit. The main methods used to acquire the evidence were surveys, policy document and monitoring report reviews, payment voucher inspections, and the gathering, interpretation, and analysis of primary and secondary data. This Office also created some unique risk assessment tools which include the “risk-requisition-observation linkage and assessment tool” (Annexure-II) for a better appreciation of risk assessment and audit.

e. Audit impact

Major issues pointed out during audit were admitted by the management and the entities agreed to review the pointed out issues and take necessary corrective actions. The strengthening of internal control in the audited entities were well taken by the management for review and corrective measures. Audit cycle impact classified under two categories.

1. Action taken on observations issued during audit or after issuance of AIR

- i. PDMA Balochistan agreed and initiated steps to prepare and submit Annual Report of its activities to Provincial Assembly as required under the Act
- ii. PDMA achieved enhanced compliance with tax laws, and ensured transparency and proper utilization of funds. Key outcomes included adherence to financial regulations, cost savings, prevention of unnecessary expenditures, and strengthened asset and inventory management. Additionally, cashbooks were updated and reconciled, leading to improved financial record-keeping and transparency.
- iii. PDMA enhanced financial accountability and fund utilization, reducing risks and improving contract management. Ensured compliance with repair and maintenance policies.

- iv. PDMA ensured compliance with procurement rules, preventing irregular practices and enhancing accountability and governance. Achieved better planning and execution of procurement activities, improved monitoring of vehicle usage,
- v. BEPA adherence to environmental standards, and enhanced safeguarding of public assets with accurate inventory management.

2. **Action committed by the management during DAC meetings.**

- i. **Coordination for Relief Procurement:** PDMA committed to establishing close coordination with NDMA before procuring relief items to avoid duplication of efforts and resources.
- ii. **Annual Reporting Compliance:** PDMA committed to preparing an annual report in accordance with Section 41(2) of the National Disaster Management Act, 2010.
- iii. **Submission of Financial Statements:** PDMA was advised submitting financial statements to the Finance Department for review and retention of profit.
- iv. **Establishment of DRR Wing:** PDMA committed to expediting the establishment of a Disaster Risk Reduction (DRR) wing to facilitate the smooth functioning of organizational operations.
- v. **Regular Submission of Vouched Accounts:** PDMA directed to engage relevant stakeholders to ensure the provision of vouched accounts on a regular basis.
- vi. **Stockpiling Strengthening:** PDMA directed to regularly enhance stockpiling mechanisms to ensure preparedness.
- vii. **Enforcement of Internal Controls:** PDMA committed to implementing robust internal control measures throughout the organization.
- viii. **Development of Guidelines for IEE, EIA, and EMP:** BEPA committed to preparing guidelines for Initial Environmental Examination (IEE), Environmental Impact Assessment (EIA), and Environmental Management Plans (EMP). Once finalized, these guidelines will be approved by the competent forum and disseminated accordingly.

f. Comments on Internal Control and Internal Audit

Internal controls can be defined as ‘the policies, processes, tasks, behaviors and other aspects of an organization that taken together facilitate affective operation by enabling it to respond in an appropriate manner to significant business, operational, financial, compliance and other risks to achieve its objectives. This includes safeguarding of assets and ensuring that liabilities are identified and managed.

The audit team extensively studied and evaluated the internal controls in the audited entities so as to obtain an adequate understanding of the internal control systems. The objective was to identify the material and significant internal control weaknesses and report to management for taking corrective measures. Although the entities have put in place internal controls. However, there is a strong need for a periodic review of the internal control structures. Moreover, the system of internal audit was not found in place in the audited entities which requires the attention of the management.

g. Key Audit Findings of the Report

- i. Recoveries amounting to Rs. 63.647 million were pointed out in three (03) cases⁵.
- ii. Procurement related irregularities amounting to Rs.29.469 million were observed in five (05) cases⁶.
- iii. Disaster Risk Management (DRM) related issues were observed in 3 cases.⁷
- iv. Mitigation in Climate Change and Environment Management related issues were observed in 4 cases ⁸.
- v. Financial management related issues were observed in six (06) cases⁹.

h. Audit recommendations

Recommendations included in this audit report highlight actions that are expected to improve the financial management and overall governance of the audited

5 Para 1.4.1, 1.4.5 & 1.4.6.

6 Para 1.4.1 to 1.4.4, 2.4.6

7 1.4.10 to 1.4.12

8 Para 2.4.1 to 2.4.4

9 Para 1.4.5 to 1.4.9, 2.4.5

entities. Appropriate and timely implementation of audit recommendations is an important part to realize the full benefit of the audit activity.

Based on the findings of this audit report contained in the respective chapters, the following major recommendations are placed before the management of the audited entities:

- i. Recoveries as pointed out in the audit observations may be made from the respective suppliers/vendors and deposited in the government treasury.
- ii. All procurements may be made strictly as per Balochistan Public Procurement Rules, 2014 and so as to safeguard the interest of the government while making procurements.
- iii. Proper mechanism may be devised by the PDMA and DDMA's for receipt and distribution of relief items and record may be maintained by the relief agencies upto the level of end user for audit scrutiny.
- iv. PDMA Balochistan may prepare Annual Report giving a true and full account of its activities and shall forward the same to the provincial government which shall lay it before the Provincial Assembly.
- v. Balochistan Sustainable Development Fund may be established and operationalized as stipulated under Section 9(1) of Balochistan Environment Protection Act, 2012.
- vi. Measures may be taken to operationalize all non-functional District Environment Offices of Balochistan Environmental Protection Agency.
- vii. Undertakings may be obtained by EPA from the proponents at the time of granting environmental approvals of IEEs/EIAs. Moreover, the conditions stipulated in the conditional approval may be monitored regularly.

Chapter -1

Provincial Disaster Management Authority (PDMA), Balochistan and District Disaster Management Authorities (DDMAs)

1.1 Introduction

A. An Act No. XXIV of 2010 called National Disaster Management Act was promulgated for establishment of National Disaster Management Authority by the Parliament. In compliance of Serial No. 15 of the Act, Provincial government of Balochistan established Provincial Disaster Management Authority to deal with natural disasters and calamities occurring in Balochistan and to make a plan annually to take measures for prevention and mitigation of natural disasters. For the purpose of relief measures and expenditure, a fund was created called Provincial Disaster Management Fund (PDMF). The Federal and Provincial Governments make provisions for the said fund in their annual budgets for carrying out the activities and programs set out in its disaster management plans.

The purpose for establishment of PDMA Balochistan was to facilitate sustainable social, economic and environmental development in Balochistan. The objectives of PDMA include to develop a mechanism to reduce disaster risks and vulnerabilities particularly of the poor and marginalized groups in the province and enhance province's ability to manage all disasters (floods, earthquakes, tsunamis, droughts and landslides etc.).

The District Disaster Management Authorities (DDMAs), headed by Deputy Commissioners, were established under the National Disaster Management Act in 2010 in each District of Balochistan. The District Authority is responsible for planning, coordination and implementation activities related to disaster management in the district in accordance with the guidelines laid down by the National/Provincial Authority.

B. Comments on Budget and Accounts of audited entities (Variance Analysis)

(Rs. in million)

Financial Year	Department	Budget Allocated	Expenditure	Savings
2023-24	PDMA Balochistan	10,400.860	10,051.763	348.423
	DDMA Quetta	20.000	20.545	(0.545)
	DDMA Gawadar	20.000	21.297	(1.297)
	DDMA Jaffarabad	10.000	10.000	-
	DDMA Zhob	55.425	55.424	0.001
	DDMA Ziarat	13.700	13.700	-
Total		10,519.985	10,172.729	

Source: Budget and expenditure statements

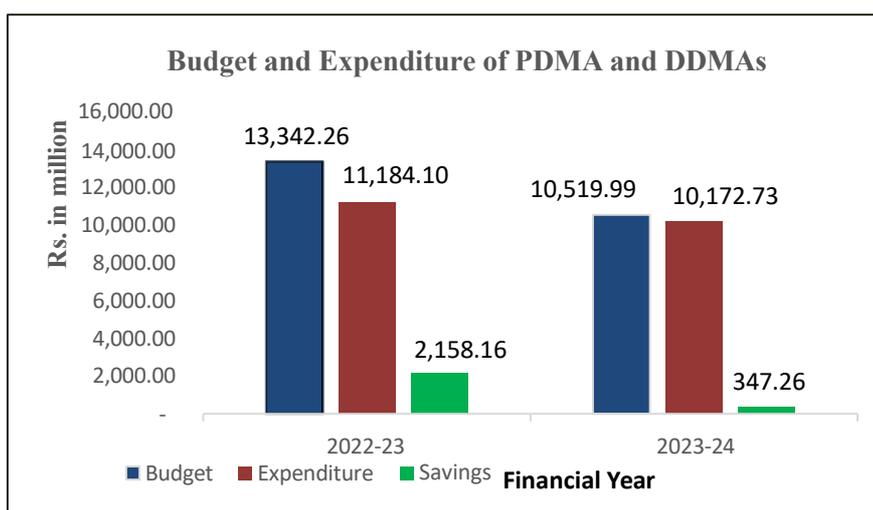
C. Sectoral Analysis

Details of budget and expenditure of selected formations of PDMA/DDMAs Balochistan for the current and previous financial year is tabulated below:

(Rs. in million)

Financial Year	Budget Allocated	Expenditure	Savings
2022-23	13,342.26	11,184.10	2158.16
2023-24	10,519.985	10,172.729	347.256
Percentage change in FY 2023-24 as compared to FY 2022-23	(21 %)	(9%)	-

The graphical representation of budget and expenditure for the last two financial years is given as follows:



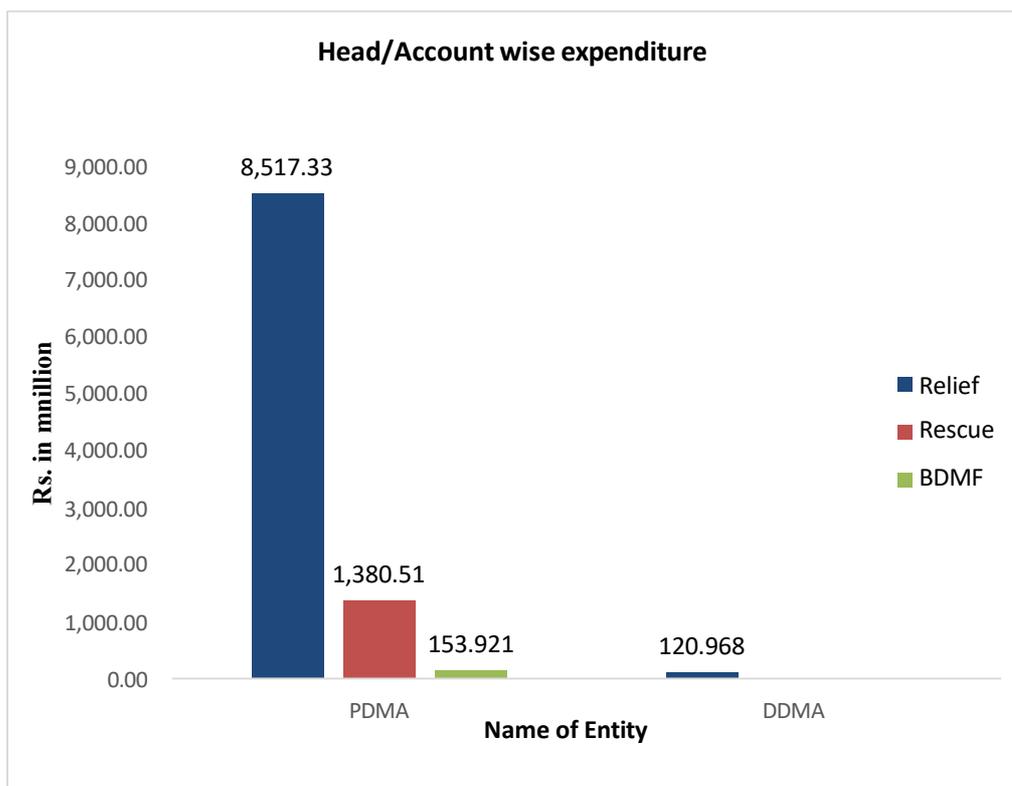
As part of Disaster Risk Reduction (DRR), the activities related to strengthening early warning systems and early response to hazards, enhancing institutional capacities at the provincial, district and community levels, including those related to technology, training, human and material resources are immensely important to effectively deal with hazards and its mitigation. A review of the activities carried out by PDMA Balochistan indicates that major thrust of the activities was on post-disaster activities and the relief activities were undertaken once the disaster had occurred. The range of activities carried out by PDMA during financial year 2023-24 reveals that DRR and mitigation measures were not catered for properly in the development schemes and effective policy interventions were not made to reduce the risk of disasters. This conclusion is strengthened through analysis of the current year expenditure, wherein out of total funds amounting to Rs 10,519.985 million (which also include the establishment charges), a major chunk i.e. Rs. 10,051.763 were spent by PDMA, Balochistan on post disaster relief activities. Details are as follows:

(Rs. in million)

S. No.	Name of Account	Expenditure incurred during financial year 2023-24	
		PDMA	DDMAs
1.	Relief Account	8,517.334	120.968
2.	Rescue & Shelter Account	1,380.506	--
3.	Balochistan Disaster Management Fund Account	153.921	--
Total		10,051.761	120.968

Source: Budget and expenditure statements of PDMA and DDMAs.

The graphical representation is as under:



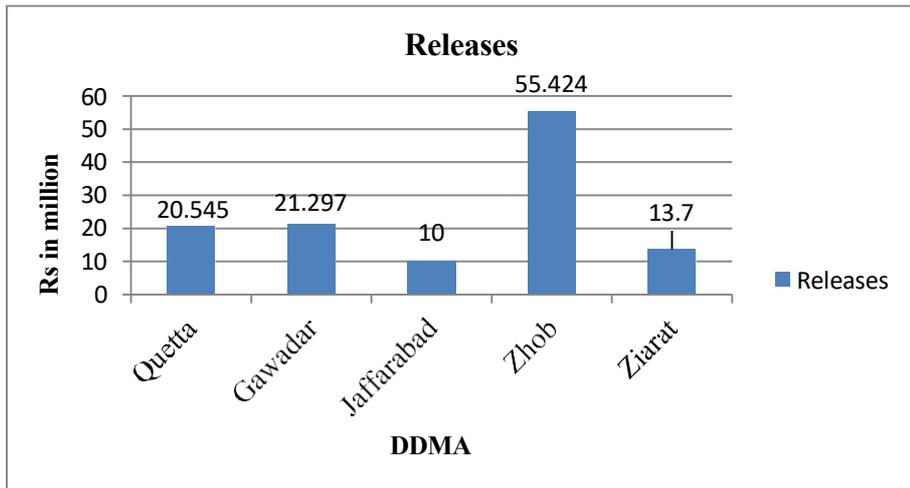
It is important to mention that District Disaster Management Authorities were established in all districts of Balochistan headed by Deputy Commissioners. However, no separate organizational setup of DDMA was established in the province. No separate accounts of the funds received from PDMA were being maintained by Deputy Commissioners/DDMAs and it was not possible for audit to segregate the relief related expenditure incurred by Deputy Commissioners in the capacity of head of respective DDMA. The funds transferred to various DDMA for carrying out relief activities during financial year 2023-24 is given as follows:

(Rs. in million)

Sr. No.	Name of DDMA	Amount
1.	Deputy Commissioner Quetta	20.545
2.	Deputy Commissioner Gawadar	21.297
3.	Deputy Commissioner Jaffarabad	10.000
4.	Deputy Commissioner Zhob	55.424
5.	Deputy Commissioner Ziarat	13.700
Total		120.966

Source: Data provided by PDMA

The graphical representation of release of funds to DDMA is as under:



The graph shows that a total of Rs. 120.966 million was released to the districts for relief activities.

One of the functions of PDMA was to prepare Provincial Disaster Management Plan (PDMP) as well as Community Based Disaster Risk Management (CBDRM) program in Balochistan. It was noticed that PDMA has prepared the PDMP and a program on CBDRM for different Community Based Organizations (CBOs) and other stakeholders for launching activities regarding CBDRM. Moreover, PDMA has also developed guidelines and sample modules for initiating CBDRM activities in the province, which is a good step for raising awareness in the community towards disaster risk reduction.

PDMA Balochistan has initiated the tasks of Multi Hazards Vulnerability Risk Assessment (MHVRA) in three districts of Balochistan namely Jaffarabad, Naseerabad and Jhal Magsi. Moreover, Disaster Risk Plans and monsoon contingency plans have also been devised to strengthen disaster management as per calamity resilience approach.

Table-I Audit Profile of Provincial Disaster Management Authority (PDMA), Balochistan and District Disaster Management Authorities (DDMAs) (Rs. in million)

Sr. No.	Description	Total Nos.	Audited	Expenditure audited FY 2023-24	Revenue / Receipts audited FY 2023-24
1.	Formations	36	7 (which includes main PDMA and 6 DDMAs)	10,172.729	Nil
2.	• Assignment Accounts	01	01	Nil	Nil
	• SDAs (Excluding FAP)	Nil	Nil	Nil	Nil
3.	Authorities / Autonomous Bodies etc. under the PAO	Nil	Nil	Nil	Nil
4.	Foreign Aided Project (FAP)	01	01	368.335	Nil

1.2 Classified Summary of Audit Observations

Audit observations amounting to Rs. 284.805 million and have been raised in this report pertaining to PDMA Balochistan and DDMAs. Recoveries amounting to Rs. 63.647 million has been pointed out. Summary of the audit observations classified by nature is as follows:

Table –II Overview of Audit Observations

Sr. No.	Classification	Amount
1.	Internal controls	
I	Financial Management	264.108
II	Procurement management	20.697
III	HR management/Organizational Management	-
2.	Public Service Delivery / Performance	
A	Disaster Risk Management (Response, Rescue, Recovery and Rehabilitation)	-
B	Climate Change and Environment Management	-
I	Mitigation (Legal frame work, Governance & Impact)	-
II	Adaptation (Legal frame work, Governance & Impact)	-

1.3 Brief comments on the status of compliance with PAC directives

The Directorate General Audit (CC&E) started auditing and reporting Provincial Disaster Management Authority, Balochistan and District Disaster Management Authorities since financial year 2016-17. No Audit Report has been discussed in PAC meeting so far.

1.4 AUDIT PARAS

Internal Controls

Procurement Management

1.4.1. Loss due to non-imposition of liquidated damages – Rs. 8.150 million

According to Special Condition No. 09 of Contract, final date for the delivery of machinery will be 03 months after the date of issuance of supply order. Moreover, according to the condition No.12, the rate of liquidated damages shall be 0.1% per day of undelivered goods valued up to 10% of the contract value

PDMA Balochistan entered into contract agreement with M/s Ghaznavi Traders for supply of Heavy Machinery amounting to Rs. 181.106 million during the financial year 2023-24.

During audit of PDMA Balochistan for Financial Year 2023-24, it was observed that the supplier failed to supply the equipment within stipulated time period and liquidated damages were not imposed amounting to Rs. 8,149,785 million. Detail is as under.

(Rs. in million)

Vendor Name	Description	Supply Order Date	Required Completion date	Actual Delivery Date	Contract Amount Rs.	Amount of L.D @ 10%
M/s Ghaznavi Traders	Supply Of 02-Hydraulic Truck Cranes& 02 Conventional Truck Cranes	19.10.2023	19.01.2024	04.03.2024	181.106	8.149
Total					181.106	8.149

Audit was of the view that despite late delivery, the liquidated damages were not imposed and recovered from the contractor which resulted in loss of Rs. 8,149,785 million.

Initial audit observation was issued on 09.08.2024. The management replied that M/S Ghaznavi Contractor was awarded a contract for purchase of 02 Cranes. Furthermore, these were imported items and need time. The machines were imported from China and as per bill of landing the machinery was got on board on Jan 9th 2024. The delay was made due to the holidays of new year and machinery docked at Karachi Port in the month of Feb 2024.

The reply of the department is not satisfactory the machinery was not received within the specified time which was violation of contract agreement.

DAC in its meeting held on 15.11.2024 directed to recover the LD charges from contractor and in future LD charges may be deducted at the time of payment.

Audit recommends the recovery of Liquidated Damages from contractor due to delay in delivery of machinery under intimation to Audit.

(Para No. 5 of AIR 2023-24 PDMA Balochistan)

1.4.2. Irregular expenditure on hiring of machinery/procurement of different items- Rs. 8.987 million.

According to Para 51(1) (a) (i) of Balochistan Public Procurement Rules 2014, Procuring Agency may request for quotation based on comparing price quotations obtained from at least three suppliers, contractors, and service providers, in the case of services other than consulting services, to assure competitive prices if the cost of object of procurement is below the prescribed limit of one hundred thousand rupees and above the financial limit prescribed for petty purchases.

District Disaster Management Authority (DDMA) Gwadar incurred an expenditure amounting to Rs. 8.987 million during the financial year 2023-24 in different heads. The details are as under:

Sr. No.	Head	Vendor	Cheque No. & Date	Amount (Rs.)
1	Supply of Goods (Sand)	M/s Rozi Khan & Brothers	43132715 dated 23.05.2024	836,500
2	Procurement of Pipes	M/s Baksh Machinery store	304277537 dated 27.11.2023	247,269
3	Hiring of machinery for flood disaster	M/s Rasheed Ahmed Jadgal	43132707 dated 15.03.2024	4,995,000
4	Supply of Food Items	M/s Rasheed Ahmed Jadgal	43132708 dated 15.03.2024	1,929,500
5	Supply/Procurement of water pumps	M/s Amir Baksh	43132704 dated 11.03.2024	978,320
Total				8,986,589

During the Audit of DDMA Gwadar for the financial year 2023-24, it was observed that the work was got done directly from the vendors without issuing Notice for Invitation of Quotation and accordingly no quotations were obtained from any other vendors.

Audit was of the view that the work was done in violation of procurement rules and thus expenditure incurred was irregular.

Initial audit observation was issued on 26.09.2024 with the request to furnish reply but no reply was received till finalization of this report.

In the DAC meeting held on 15.11.2024 the management informed that hiring of machinery was made during the emergency on quotation basis. DAC directed procurement without issuance of notice for invitation of quotations and without competitive bidding was not justified. Complete documentation related to notice for quotations, comparative statements and need assessment of procurement may be provided to audit for verification and scrutiny.

Audit recommends that management should look into the matter and share outcome with audit authorities. Moreover, internal control should be strengthened to avoid recurrence of such lapses in future.

(Para No. 1 of AIR 2023-24 DDMA Gwadar)

1.4.3. Irregular expenditure on account of Construction work Rs. - 1.199 million

According to Para 51(1) (a) (i) of Balochistan Public Procurement Rules 2014, Procuring Agency may request for quotation based on comparing price quotations obtained from at least three suppliers, contractors, and service providers, in the case of services other than consulting services, to assure competitive prices if the cost of object of procurement is below the prescribed limit of one hundred thousand rupees and above the financial limit prescribed for petty purchases.

District Disaster Management Authority (DDMA) Jaffarabad incurred an expenditure amounting to Rs. 1,199,932 during the financial year 2023-24 on Strengthening of weak embankments of different drains of District Jaffarabad. The details are as under:

S. No	Vendor Name	Description	Amount (Rs.)
1	M/s K.K. Khosa Construction Company	Strengthening of weak embankments of main Jhudair Drain	199,985
2		Strengthening of weak embankments of main Jhatpal Drain	199,975
3		Strengthening of weak embankments of main Jhalpat Drain	199,980
4		Strengthening of weak embankments of main Hair Din Drain	199,999
5		Strengthening of weak embankments of main Hair Din Drain	199,994
6		Strengthening of weak embankments of main Hair Din Drain	199,999
Total			1,199,932

During audit of DDMA Jaffarabad for financial year 2023-24, it was observed that work for strengthening of weak embankments of different drains of District Jaffarabad was got done directly from M/s K.K. Khosa Construction Company without issuing Notice for Invitation of Quotation and, accordingly, no quotations were obtained from any other supplier.

Audit was of the view that the work was done in violation of procurement rules, and thus, expenditure incurred was irregular.

Initial audit observation was issued on 26.09.2024. The management replied that due to heavy flood in the year 2022, the entire irrigation drainage system was damaged and no repair and rehabilitation work was carried out by the Irrigation Department due to unavailability of funds. Furthermore, as per procedure, the emergency quotations were invited from various firms for execution of emergency strengthening work and after rate analysis amongst the various firms the work was awarded to M/S KK Khosa construction company for execution of work due to an emergency situation.

The reply of the management was not cogent since the work for strengthening of weak embankments of drains was directly awarded to M/s K.K. Khosa Construction Company without issuing notice for invitation of quotations and in violation of Procurement rules.

In the DAC meeting held on 15.11.2024 the management informed that hiring of machinery was made during the emergency on quotation basis. DAC directed procurement without issuance of notice for invitation of quotations and without competitive bidding was not justified. Complete documentation related to notice for quotations, comparative statements and need assessment of procurement may be provided to audit for verification and scrutiny.

Audit recommends that management may look into the matter and share outcome with audit authorities. Moreover, internal controls should be strengthened to avoid recurrence of such lapses in future.

(Para No 1 of AIR 2023-24 DDMA Jaffarabad)

1.4.4. Procurement of food items in violation of procurement rules and non-entry in stock register – Rs. 2.361 million

According to Rule 148 of GFR Vol-I, all materials received should be examined, counted, measured or weighed as the case may be, when delivery is taken, and they should be taken in charge by a responsible Government officer who should see that the quantities are correct and their quality good, and record a certificate to that

effect. The officer receiving the stores should also be required to give a certificate that he has actually received the materials and recorded them in the appropriate stock register.

Moreover, according to Para 51(1) (a) (i) of Balochistan Public Procurement Rules 2014, Procuring Agency may request for quotation based on comparing price quotations obtained from at least three suppliers, contractors, and service providers, in the case of services other than consulting services, to assure competitive prices if the cost of object of procurement is below the prescribed limit of one hundred thousand rupees and above the financial limit prescribed for petty purchases.

District Disaster Management Authority (DDMA) Quetta incurred an expenditure amounting to Rs. 2.361 million on procurement of 485 food packets containing various items such as flour, ghee, sugar, tea, rice, and pulses etc. and made payment to M/s MDS Super Market, Quetta. The details are as under:

S. No	Name of vendor	Cheque No and date	Item description	Amount (Rs.)
1	M/s MDS Super Market, Quetta	287439258 dated 08.04.2024	50 Food Packets	506,000
2			100 Food Packets	512,600
3			200 Food Packets	750,200
4			135 Food Packets	592,110
Total			485 Food Packets	2,360,910

During audit of DDMA Quetta for financial year 2023-24, it was observed that food items were procured directly from M/s MDS Super Market, Quetta without issuing Notice for Invitation of Quotation and accordingly no quotations were obtained from any other supplier. Furthermore, these items were also not entered in stock register.

Audit was of the view that procurement of food items was made in violation of Balochistan Public Procurement Rules 2014, resulting in uneconomical procurement in the absence of competitive rates. Moreover, non-maintenance of complete record of relief items distributed among affectees by DDMA's was violation of rules and, therefore, the distribution of relief item to the affectees cannot be verified and authenticated by audit.

Initial audit observation was issued on 20.08.2024 with the request to furnish reply but no reply was received till finalization of this report.

DAC in its meeting held on 15.11.2024 directed to provide detail of stock entries and proper justification for procurement of food items on quotation basis.

Audit recommends that the management should look into the matter. Additionally, internal controls should be strengthened in the Authority to avoid recurrence of similar nature irregularities in future.

(Para No 10 of AIR 2023-24 DDMA Quetta)

Financial Management

1.4.5 Recoverable amount of Income Tax on account of excess deduction by Bank - Rs. 51.597 million

According to Para (1) of tenth schedule of Income Tax Ordinance 2001, where tax is required to be deducted or collected under any provision of this Ordinance from persons not appearing in the active taxpayers' list, the rate of tax required to be deducted or collected, as the case may be, shall be increased by hundred percent of the rate specified in the First Schedule to this Ordinance.

Provincial Disaster Management Authority (PDMA) Balochistan earned profit amounting to Rs. 343.980 m on 03 bank accounts maintained with Allied Bank Limited (ABL) during financial year 2023-24. Bank withheld Income Tax amounting to Rs. 103.194 million on profits earned as detailed under:

Rs. in million

Sr. No.	Title of account	Name of bank	Account number	Amount of profit (Rs.)	Withholding tax on profit @ 30% (Rs.)	Over deduction 15% Rs.
1	PDMA Establishment	ABL	10023955410012	25,952,737	7,785,820	3,892,910
2	PDMA Relief	ABL	10023955530013	293,785,299	88,135,590	44,067,795
3	PDMA Shelter	ABL	10023955550011	24,242,537	7,272,761	3,636,381
Total				343.980	103.194	51.597

During the audit of PDMA Balochistan for the FY 2023-24, it was observed that Income Tax withholding rate on profits earned was 15% for person whose name was included in Active Taxpayer List as per Income Tax ordinance, 2001. However, ABL withheld Income Tax on profits earned by PDMA Balochistan @ 30% as PDMA Balochistan was not included in Active Taxpayers List leading to 100% increase in Income Tax withholding rate by bank.

It was also observed that PDMA Balochistan being Government Department neither made any efforts for obtaining withholding of Income Tax exemption from concerned tax authorities nor attempt to get into Active Taxpayers List.

Audit held that non-obtaining of exemption from withholding of Income Tax was negligence on the part of management and deprived the organization from financial resources meant for Rescue & Relief activities.

Initial audit observation was issued on 09.08.2024. The management explained that the department has already applied for and requested FBR authorities not to deduct advance taxes on profit on debit. However, the same is still pending before FBR.

The Departmental Accounts Committee (DAC) meeting was held on 15.11.2024. DAC directed to peruse the case with FBR and recover the excess deducted Income Tax.

Audit recommends implementation of DAC decision.

Note: The issue was also reported earlier in the Audit Report for the Audit Year 2023-24 vide para number 1.4.5. Recurrence of same issue / irregularity is a matter of serious concern.

(Para No. 11 of AIR 2023-24 PDMA Balochistan).

1.4.6 Over payment to the vendor due to non-deduction of Balochistan Sales Tax on Services/Income Tax on hiring of machinery – Rs. 3.900 million.

According to Second Schedule, Part-B of Balochistan Sales Tax on Services (Amendment Act) 2019, Sales Tax @ 15% shall be charged on Services provided or rendered by specialized persons of businesses such as rent a car and automobile rental services.

Moreover, according to paragraph (2)(ii)(b) Division III, Part III, the First Schedule of Income Tax Ordinance amended from time to time, rate of withholding tax for services in any other case (in case of rendering of or providing of services other than sub clause (i) shall be 11% of the gross amount payable.

District Disaster Management Authority (DDMA) Quetta incurred an expenditure amounting to Rs. 14.999 million on hiring of machinery for cleaning of different nallahs of Quetta city at various points.

During audit of DDMA Quetta for the financial year 2023-24, it was observed that the payment was made to the vendor without deduction of Sales Tax on Services @ 15%/ without deduction of Income Tax @11%.

The details are as under:

S. No.	Vendor	Cheque No. & Date	Amount Paid (Rs.)	Amount of Sales Tax on Services Tax (Rs.)	Amount of Income Tax (Rs.)	Total Amount (Rs.)
1	A.K. Askari International	287439358 dated 11.11.2023	1,584,600	237,690	174,306	411,996
2	-do-	287439359 dated 11.11.2023	3,036,000	455,400	333,960	789,360
3	-do-	287439355 dated 11.11.2023	2,876,899	431,534.850	316,459	747,994
4	-do-	287438880 dated 20.05.2024	2,791,250	418,687.500	307,038	725,726
5	-do-	287438879 dated 20.05.2024	4,710,000	706,500	518,100	1,224,600
Total			14,998,749	2,249,813	1,649,863	3,899,676

Audit was of the view that an amount of Rs. 2.250 million and Rs. 1.650 million was not deducted as Sales Tax on services and Income Tax respectively from the vendor which resulted into overpayment to the vendor and loss to government revenues.

Initial audit observation was issued on 20.08.2024 with the request to furnish reply but no reply was received till finalization of this report.

DAC in its meeting held on 15.11.2024 directed to deduct the sales tax & Income tax from vendor and record may be provided for scrutiny of Audit

Audit recommends that overpaid amount of Rs. 3,899,676 may be recovered from the vendor and deposited in the treasury under intimation to audit.

(Para No 7, AIR DDMA, Quetta 2023-24)

1.4.7 Non-preparation of Statement of Accounts by PDMA

According to Rule 33(2) of Balochistan Provincial Disaster Management Authority Rules 2012, "A Statement of Accounts in the prescribed form audited by the auditors (Chartered Accountants) shall be furnished to the Provincial Government."

Moreover, Rule 35(1) of Provincial Disaster Management Authority, Balochistan Rules 2012, Statements of Accounts of the Authority together with report of Auditor General of Pakistan shall be laid down before the Provincial Assembly.

The Provincial Disaster Management Authority (PDMA) was maintaining the accounts of PDMA Establishment, PDMA Relief and Balochistan Disaster Management Fund (BDMF) for relief purposes.

During audit of Provincial Disaster Management Authority (PDMA) Balochistan for the financial year 2023-24, it was observed that statement of Accounts of the Authority was neither prepared not being laid down before the Provincial Assembly.

Audit held that non-preparation of Statement of Accounts was violation of PDMA Rules.

Initial audit observation was issued on 09.08.2024. The management replied that the point of Audit has been noted and statement of Accounts will be prepared.

DAC meeting was held on 15.11.2024. The DAC directed that the Statement of Accounts may be prepared and shared with Audit.

Audit recommends that statement of accounts for the Financial Year 2023-24 may be prepared, got audited from the Auditor General of Pakistan and also submitted to the provincial government as per rules.

Note: The issue was also reported earlier in the Audit Report for the Audit Year 2023-24 vide para number 1.4. 9. Recurrence of same issue / irregularity is a matter of serious concern.

(Para No. 06 of AIR 2023-24 PDMA Balochistan)

1.4.8. Non-utilization of Grant provided by Saudi Fund for Development US\$ 1.32 million (Rs. 203.55 million)

According to Section 2.04 of MoUs signed between Government of Pakistan and Saudi Fund for Development on 10th March 2016, the closing date shall be 31.01.2020 or such later date as shall be determined by the Fund.

Project Management Unit “Housing Reconstruction Awaran Project” was entrusted for utilization of US\$ 1.5 million equal to Rs.176.100 million in PC-I. The PDWP in its meeting held on 28.09.2023 revised the scope as well as cost of schemes to US\$ 1.32 million equal to Rs. 203.55 million.

The details are as under:

		Rs. (in million)
Sr. No	Particulars	Amount
1.	Excavation of 30 Community Livestock Ponds @ Rs. 553,000	16.590
2.	Construction of 40 Water Storage Tanks at a cost Rs. 1.8 million per unit	71.960
3.	Construction of 10 Water Diversion structure @ Rs. 2.80 M per structure	28.800
4.	Boring & drill well at District Awaran @ Rs. 1.5 M per well	15.00
5.	Construction of 150 rooms for deserving families @ Rs. 325,000 per unit	48.750
6.	Provision of sewing machines to widows deserving women in each in 116 villages = 580 machines @ Rs. 35,000 per machine	20.300
7.	Future adjustment for inflation and price fluctuations	2.150
Total		203.550

During audit of Project Management Unit, “Housing Reconstruction Awaran Project” for the financial year 2023-24, it was observed that since the date of signing of Memorandum of Understanding (MoUs), the amount was available with Program Management Unit (PMU) for the above schemes. However, none of the schemes were initiated which lead to non-utilization of grant.

Audit held that non-execution of these schemes and non-utilization of grant in a timely manner was not justified leading to termination of the grant and loss to the government.

The initial audit observation was issued on 26.09.2024. The management replied that schemes were not started yet due to the time-consuming process. The tender for the mentioned schemes were published on BPPRA website on March 20,2024 and bids were evaluated. The HRA-PMU has already requested for the release of Funds for the said Schemes.

Audit recommends that grant may be utilized properly and in a timely manner as well as steps may be taken to negotiate the extension of grant.

(OS 06 FAP Awaran 2023-24)

1.4.9 Irregular payments to suppliers / vendors in cash – Rs. 5.061 million

According to Rule 157 of FTR, Volume-I, the cheques drawn in favor of government officers and departments in settlement of government dues shall be crossed “A/c payee only-not negotiable. Moreover, the cheques drawn in favor of firms or private persons for payment shall also be crossed.

Moreover, according to Para 4.3.1 of Accounting Policies and Procedure Manual that all expenditure apart from inter-government transfers, certain salaries & pension payment, GP Fund payments and those meet imprest account will be paid through cheque.

District Disaster Management Authority (DDMA) Zhob incurred an expenditure amounting to Rs.5.061 million on account of miscellaneous charges during the financial years 2021-22 and 2023-2024.

During the Audit of District Disaster Management Authority (DDMA) Zhob for the financial years 2021-22 and 2023-2024, it was observed that an expenditure of Rs. 5.061 million was incurred on purchase of various items through different suppliers/vendors. The payments were made in cash instead of cross banking instrument in the name of concerned supplier or vendors. Details are at Annex-III:

Audit held that making payments to vendors in cash by DDO was against the rules. Payment in cash may lead to many risks i.e. risk of theft, wrong payments, paying less and recording more, payment to unauthorized persons, misappropriation and teeming and lading by an employee of the department.

Initial audit observation was issued on 10.09.2024. The management replied that all payments were made in emergency basis on proper acknowledgment receipt. Because that time flood emergency was imposed in the district.

The reply of the management was not acceptable as the department was required to procure items on credit basis as also required by the rules and make payment through cheques.

DAC meeting was held on 15.11.2024. The management apprised the forum that all payments were made on emergency basis on proper acknowledgement. DAC directed to stop the practice of cash payment and documentary evidence may be submitted to ascertain that payment was made to vendors after fulfilling all codal formalities.

Audit recommends that payments to vendors/suppliers may be made through cross cheques in the respective bank accounts only.

(Para 01 AIR DDMA Zhob)

Public Service Delivery/Performance

Disaster Risk Management (Response, Rescue, Recovery and Rehabilitation)

1.4.10 Non-availability of distribution record with PDMA/DDMAs in respect of relief items.

According to Rule 13 of General Financial Rules Vol-I, every controlling officer must satisfy himself not only that adequate provisions exist within the departmental organization for systematic internal checks calculated to prevent and detect errors and irregularities in the financial proceedings of its subordinate officers and to guard against waste and loss of public money and stores but also that the prescribed checks are effectively applied and effective system of internal check exists for securing regularity and propriety in the various transactions including receipt and issue of stores etc.

Provincial Disaster Management Authority (PDMA) Balochistan provided various relief items to the District Disaster Management Authorities (DDMAs) for emergency relief activities in various areas of Balochistan during the financial year 2023-24. The detail of relief items issued to DDMAs is at **Annexure-IV**

During audit of Provincial Disaster Management Authority (PDMA) Balochistan, District Disaster Management Authorities (DDMAs) Ziarat, Zhob, and Quetta for the financial year 2023-24. It was observed that neither PDMA nor DDMAs were able to keep track of the items receipt/issued and there was no mechanism to verify the distribution of items to end users and retrieval of the undistributed items for future use.

Audit held that non-maintenance of record of distribution of relief items provided to DDMAs was not justified as it might result into misuse of the items.

Initial audit observation was issued on 09.08.2024. The management replied that Authority has requested the Deputy Commissioners to provide list of distributed items to beneficiaries through the letter of receiving.

Moreover, regarding the stock balance position available with the Deputy Commissioners, it is stated that this Authority provides relief items only on the written request of DC's during the emergencies. Moreover, during emergencies it is not possible to take stock position from DDMA's before dispatching the relief items.

DAC in its meeting held on 15.11.2024 directed to take up the matter with DDMA's for provision of distribution record under intimation to Audit.

Audit recommends that stock may be issued to DDMAs on the basis of stock balance position of concerned Offices. Furthermore, DDMAs may be approached for

provision of their stock position on monthly basis for a clear picture by PDMA to deal with future disasters.

Note: The issue was also reported earlier in the Audit Report for the Audit Year 2023-24 vide para number 1.4.10. Recurrence of same issue / irregularity is a matter of serious concern.

(Para No 23,09,02,09 AIR PDMA Balochistan, DDMA Ziarat, DDMA Zhob, DDMA Quetta 2023-24)

1.4.11 Non-submission of annual report by PDMA/DDMAs to the Provincial Assembly

According to Section 41(2) of National Disaster Management Act 2010, Provincial Authority shall prepare once every year, in such form and at such time as may be prescribed by rules, an annual report giving a true and full account of its activities during the previous year and copies thereof shall be forwarded to the Provincial Government which shall lay it before the Provincial Assembly.

Provincial Disaster Management Authority (PDMA) Balochistan, District Disaster Management Authority (DDMAs) Quetta, Zhob, Ziarat, Gawadar and Jaffarabad were operating under the National Disaster Management Act, 2010 and was responsible for implementing policies and plans for disaster management in the province.

During the audit of PDMA Balochistan, DDMA Quetta, Zhob, Ziarat, Gawadar and Jaffarabad for the financial year 2023-24, it was observed that PDMA Balochistan and DDMA had not prepared and submitted Annual Report of its activities to Provincial Assembly as required under the Act.

Audit held that non-formulation and submission of Annual Report of its activities by PDMA /DDMAs to Provincial Assembly was negligence on the part of management and violation of the Act. Moreover, in absence of Annual Report, the parliamentary oversight over the affairs of PDMA/DDMAs could not be achieved.

Initial audit observation was issued on 09.08.2024. The management replied that the point of Audit for preparation of Annual Report has been noted for further compliance.

The Departmental Accounts Committee (DAC) meeting was held on 15.11.2024. The forum directed that annual report may be prepared and shared with Provincial Assembly.

Audit recommends that management may regularly prepare and submit annual report of its activities to the Provincial Assembly.

Note: The issue was also reported earlier in the Audit Report for the Audit Year 2023-24 vide para number 1.4.11. Recurrence of same issue / irregularity is a matter of serious concern.

(Para No. 24,11,09,07,06,12 of AIR PDMA Balochistan, DDMA's Quetta, Zhob, Jaffarabad, Ziarat, Gawadar 2023-24)

1.4.12 Non-approval of Balochistan Disaster Management Act

According to decision of Agenda No.6 of 3rd meeting of Provincial Disaster Management Commission dated 21.04.2022, the Commission directed the S&GAD to table the Balochistan Disaster Management Act before the Cabinet as soon as possible.

Provincial Disaster Management Authority (PDMA) Balochistan drafted an Act in 2018 and after necessary vetting from Law Department, the said draft act was submitted for placement before the Provincial Cabinet and the Provincial Assembly.

During audit of PDMA Balochistan for the financial year 2023-24, it was observed that after 18th amendment the PDMA was facing some legal issues by adopting National Disaster Management Act. The draft Balochistan Disaster Management Act was still under process for want of legislation despite lapse of considerable time.

Audit held that delay in non-implementation of decision of Provincial Disaster Management Commission resulted in non-approval of Balochistan Disaster Management Act.

Initial audit observation was issued on 09.08.2024. The management replied that this Authority had tabled this point in front of PDMC meeting held on 17th May,2024 requested the Commissioner that the PDMA has drafted an Act called PDMA Act 2024 and submitted to Secretary Law Department for vetting who directed Law Department to expedite the process of vetting and once the Act vetted, the Act should be placed before the Provincial Cabinet for approval through proper channel.

The Departmental Accounts Committee (DAC) meeting was held on 15.11.2024. The forum directed that the matter may be pursued till approval of Balochistan Disaster Management Act.

Audit recommends that the draft Balochistan Disaster Management Act may be got approved and enacted.

Note: The issue was also reported earlier in the Audit Report for the Audit Year 2023-24 vide para number 1.4.13. Recurrence of same issue / irregularity is a matter of serious concern.

(Para No.25 of AIR 2023-24, PDMA Balochistan)

Chapter-2

Balochistan Environmental Protection Agency

2.1 Introduction

A. Balochistan Environmental Protection Agency was established vide Notification No S.O (OHM)1(5)/2016-S&GAD /936-1025 dated 24.10.2016 under the administrative control of Secretary Climate Change and Environment Department Government of Balochistan Quetta.

Balochistan EPA is an attached department of the Climate Change and Environment Department, Balochistan and is responsible to implement the Balochistan Environmental Protection Act, 2012 in the Province. This Act provides for the protection, conservation, rehabilitation and improvement of environment; prevention and control of pollution and promotion of sustainable development. Environmental Protection Agency also provides technical assistance to the Climate Change & Environment Department Balochistan for formulation of environmental policies and programs.

B. Comments on Budget and Accounts of audited entities (Variance Analysis) (Rs. in million)

Financial Year	Department	Budget	Expenditure	Savings
2023-24	Balochistan EPA	156.391	148.469	7.922
Total		156.391	148.469	7.922

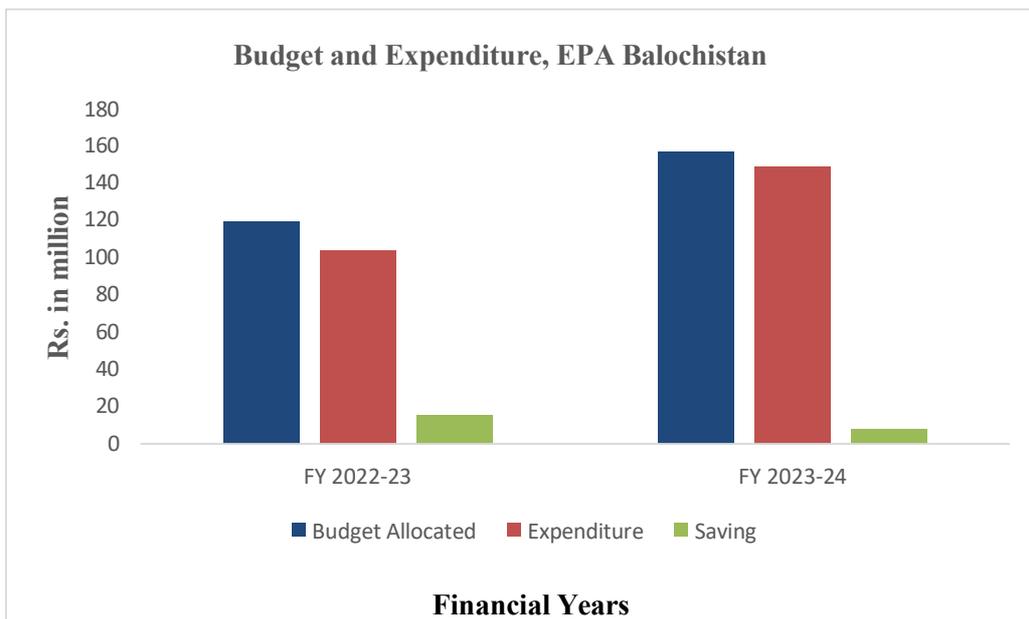
Source: Budget and expenditure statements

C. Sectoral Analysis

The details of the budget and expenditure of Balochistan Environmental Protection Agency for the current year and previous year is tabulated below:

(Rs. in million)				
Financial Year	Budget	Expenditure	Savings	
2022-23	118.956	103.401	15.550	
2023-24	156.391	148.469	7.922	
Percentage change in FY 2023-24 as compared to FY 2022-23	(31%)	(43%)	-	

The graphical representation of budget and expenditure of last two financial years is given as under:



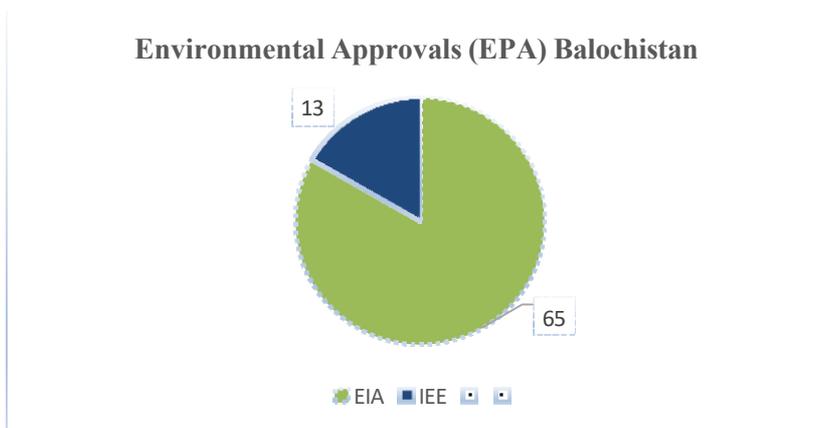
The above comparison indicates that there was 32% decrease in the budget of current year as compared to previous financial year.

One of the main function of Balochistan Environmental Protection Agency is to communicate its approval or otherwise within a period of four months from the date the Initial Environmental Examination (IEE) or Environmental Impact Assessment (EIA) is filed by the proponent. The Environment Protection Agency issued 155 environmental approvals in the province during the financial year 2023-24. Details are as under:

Sr. No.	Nature of Case	No. of approvals accorded during FY 2023-24
1.	IEE	65
2.	EIA	13
Total		78

Source: Data provided by Balochistan EPA

Graphical representation is as under:



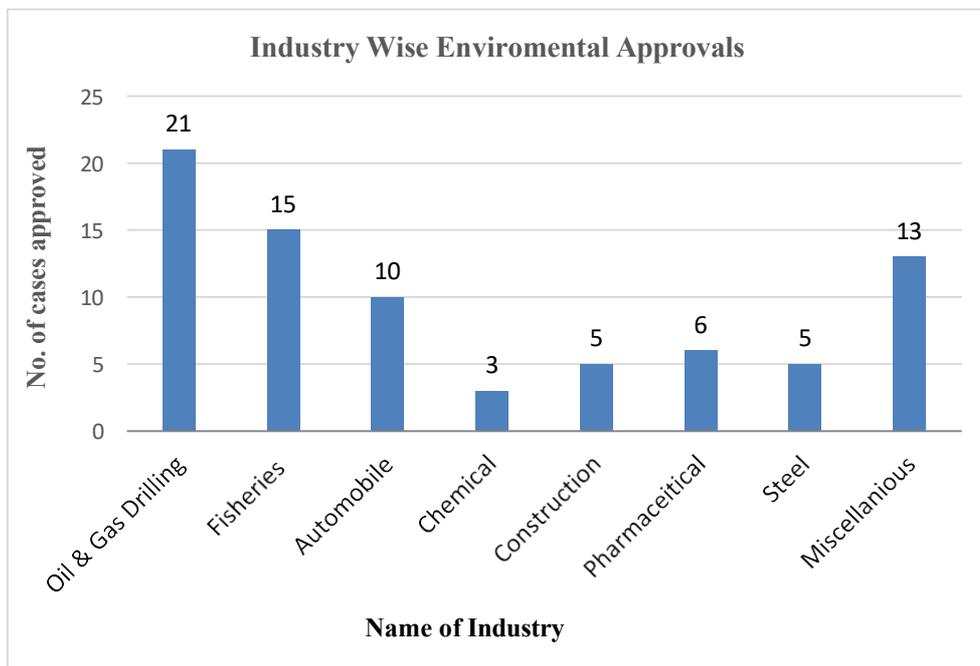
The graphical representation indicates that Initial Environmental Examination (IEE) was the major instrument of environmental approval in the province, as 84% of Environmental approvals constituted IEEs, while a negligible number of environmental approvals were accorded through Environmental Impact Assessment (EIA) which is a more comprehensive tool to assess and capture the environmental impact of the projects. The EPA is required to look into this aspect so that a proper and detailed assessment is made by the Agency before issuing environmental approvals in the province.

The detail of industry-wise approvals of IEE/EIA granted by Balochistan EPA during the financial year 2023-24 is as under:

Sr. No.	Name of Industry	No. of cases approved
1	Oil & Gas Drilling	21
2.	Fishery and fishing Industry	15
3.	Automobile Industry	10
4.	Chemical Industry	3
5.	Construction Industry	5
6.	Pharmaceutical Industry	6
7.	Steel Industry	5
8.	Misc Industry	13
Total cases		78

Source: Data provided by Balochistan EPA

The graphical representation of industry-wise cases of IEE/EIA approved by Balochistan EPA during the financial year 2023-24 is as under:



The above graph shows that maximum number of approvals were accorded in the Oil & Gas industry followed by the Fisheries industry. The approvals related to steel industry and chemical and construction industry were on a considerably lower side and require consideration.

Table-I Audit Profile of Balochistan Environmental Protection Agency

(Rs. in million)

Sr. No.	Description	Total Nos.	Audited	Expenditure audited FY 2023-24	Revenue / Receipts audit FY 2023-24
1.	Formations/offices	31 (including all regional offices)	01 (Balochistan EPA Hqs)	148.469	Nil
2.	<ul style="list-style-type: none"> • Assignment Accounts • SDAs (Excluding FAP) 	Nil Nil	Nil Nil	Nil Nil	Nil Nil
3.	Authorities/ Autonomous Bodies etc. under the PAO	Nil	Nil	Nil	Nil
4.	Foreign Aided Project (FAP)	01	01	368.335	Nil

2.2 Classified Summary of Audit Observations

Audit observations amounting to Rs. 197.281 million have been raised in this report pertaining to Balochistan Environmental Protection Agency. Summary of the audit observations classified by nature is as under:

Table –II Overview of Audit Observations

(Rs. in million)		
Sr. No.	Classification	Amount
1.	Internal controls	
I	Financial Management	126.867
ii	Procurement management	8.772
iii	HR management/Organizational Management	-
2.	Public Service Delivery / Performance	
A	Disaster Risk Management (Response, Rescue, Recovery and Rehabilitation)	-
B	Climate Change and Environment Management	
I	Mitigation (Legal frame work, Governance & Impact)	61.647
ii	Adaptation (Legal frame work, Governance & Impact)	-

2.3 Brief comments on the status of compliance with PAC directives

The Directorate General Audit (CC&E) started auditing and reporting Balochistan Environmental Protection Agency since financial year 2016-17. No Audit Report has been discussed in PAC meeting so far.

2.4 AUDIT PARAS

Public Service Delivery/Performance

Climate Change and Environment Management

Mitigation (Legal frame work, Governance & Impact)

2.4.1 Non-establishment of Balochistan Sustainable Development Fund

According to Section 9(1) of Balochistan Environment Protection Act, 2012, there shall be established in the Province a fund namely Balochistan Sustainable Development Fund.

Balochistan Sustainable Development Fund was required to be established for providing financial assistance to the projects in the public/ private sector designed for protection, conservation, rehabilitation and improvement of the environment, the prevention and control of pollution, the sustainable development of resources and for research in any aspect of environment.

During audit of Balochistan EPA for the financial year 2023-24, it was observed that the Balochistan Sustainable Development Fund was not established by EPA Balochistan.

Audit held that non-establishment of Balochistan Sustainable Development Fund was violation of the Act leading to non-fulfillment of the stated objectives.

Initial audit observation was issued on 09.08.2023. The management replied that Government of Balochistan, Finance Department had been requested to establish the Sustainable Development Fund Account as the competent Authority had already approved Rs. 200.00 million as seed money for establishment of the said account. The Sustainable Development fund will be established upon release of funds by the Finance Department.

The reply of the management was not satisfactory as Sustainable Development Fund was required to be established as per provisions of the Act.

The Departmental Accounts Committee (DAC) meeting was held on 15.11.2024. DAC directed to pursue and expedite the matter with the Finance Department and form the fund account accounting policy and procedure, with the approval of Finance Department.

Audit recommends the implementation of DAC decision.

Note: The issue was also reported earlier in the Audit Report for the Audit Year 2023-24 vide para number 2.4.1. Recurrence of same issue / irregularity is a matter of serious concern.

(OS No 13 of BEPA 2023-24)

2.4.2 Non-functional District Environment Offices of EPA Balochistan- Rs. 61.642 million

According to Section 8 of the Balochistan Environmental Protection Act 2012, the Government of Balochistan shall, by notification in the official Gazette, establish the Regional or District Environmental Protection Agency to exercise such powers and perform such functions as may be delegated to it by the Government. The Regional and District Environmental Agency shall be headed by an officer at least of the rank of Regional Director or Deputy Director. The Regional and District Environmental Agency shall have such administrative, technical and legal staff as the Government may specify.

Balochistan Environmental Protection Agency incurred an expenditure amounting to Rs. 61.642 million during financial year 2023-24 on account of pay & allowances of staff of eighteen (18) District Environment offices in various regions of the province.

During audit of Balochistan EPA for the financial year 2023-24, it was observed that out of total eighteen (18) District Environment Offices, nine (09) were non-functional. Pay & allowances amounting to Rs. 61.642 million were paid to staff of nine (09) non-functional District Environment Offices. The details are as under:

Rs. in million

Sr.No.	Name of District	Expenditure during FY 2023-24 (Rs.)	Status of office
1.	Awaran	5.933	Non-functional
2.	Jhal Magsi	6.733	--do--
3.	Kalat	2.833	--do--
4.	Khuzdar	24.565	--do--
5.	Musa Khail	4.557	--do--
6.	Noshki	7.357	--do--
7.	Killa Saifullah	2.102	--do--
8.	Sibi	3.486	--do--
9.	Ziarat	4.070	--do--
Total		61.642	--do--

Audit held that payment of pay & allowances amounting to Rs. 61.642 million to staff of non-functioning District Environment Offices was a wasteful expenditure and a recurring loss to the government.

Initial audit observation was issued on 23.07.2024. The management replied that Balochistan Environmental Protection Agency was working on restructuring plan and re-organization plan as discussed and directed by the Chief Secretary Balochistan in briefing / presentation of climate change and Environment department on 27th September 2023.

The Departmental Accounts Committee (DAC) meeting was held on 15.11.2024. It was decided that restructuring/re-organization plan would be finalized as early as possible and progress would be presented.

Audit recommends that the district offices may be restructured / re-organized to fulfill the assigned responsibilities for implementation of environmental laws.

Note: The issue was also reported earlier in the Audit Report for the Audit Year 2023-24 vide para number 2.4.2. Recurrence of same issue / irregularity is a matter of serious concern.

(OS#16 of BEPA 2023-24)

2.4.3 Non-verification of qualifications, educational documents and checking of character/antecedents and other credentials of regularized staff

According to Establishment Division Letter No. F.40/650-S.E.I. dated 21-6-1950, necessary to check thoroughly the genuineness of certificates where the bonafide of persons employed.

The Balochistan Environmental Protection Agency (Balochistan EPA) appointed staff during Financial Year 2023-24 subject to the verification of their qualifications, educational documents and checking of character/antecedents and other credentials.

During audit of Balochistan EPA Quetta for the financial years 2023-2024, it was observed that the qualifications and educational documents were not verified from concerned Board / Universities etc. to confirm the genuineness of educational certificates. Moreover, Medical Fitness Certificates were also not available as per record provided to audit, as detailed (**Annexure-V**).

Audit was of the view that in the absence of verification of qualifications, educational documents and checking of character/antecedents and other credentials, the

genuineness of the documents could not be authenticated. Furthermore, non-availability of medical fitness certificates of the recruited staff was also not justified.

Initial audit observation was issued on 23.07.2024. The management replied that the Agency recognizes the importance of setting up such a committee to oversee and ensure the effectiveness of environmental monitoring, guide the proponent in managing mitigation measures, and address public concerns. Furthermore, establishment of the EMC was delayed due to resource constraints.

Departmental Accounts Committee meeting was held on 15.11.2024. DAC directed to take up the matter with concern universities / issuing body for verification of educational documents within 60 days. The management also ensured to complete the verification process under intimation to the audit.

Audit recommends that the management should look into the matter and qualifications, educational documents and checking of character/antecedents and other credentials may be got verified from the quarters concerned.

(OS # 11 of BEPA 2023-24)

2.4.4 Non-implementation of Pakistan Environmental Commission’s decision on air and water pollution

According to 1st meeting of the Environment Commission on air and water pollution held on 17.11.2018 following decision were taken to be implemented by all the EPAs across the Pakistan:

Sr. No.	Decision	Action By
1	Conversion of all old technology Brick Kiln to Zig-Zag technology by the end of June 2019.	All Provinces
3	Dust control system will be ensured in all stone crushing with six months.	All EPAs
4	Polythene Bags laws will be amended and at least 40-micron think will be fixed. Secondly, one biodegradable shopping bag will also be encouraged of only those addition supplies shoes addition qualifies ASTM 6954 standards.	All EPAs
5	All Secretaries and MoCC Islamabad will take measures for the implementation of recommendations of Clean Air Commission & Directions of Honorable Lahore High Court passed in WP No. 6927/97 in letter & Spirit.	All EPAs

Moreover, according to Minutes of Consultative meeting to ‘Provide Easy Access to Capital for Conversion of Conventional Brick Kiln to Zig-Zag technology’ dated 07.02.2020, all the EPAs and EPDs were directed to develop a simple registration form within a week and circulate among all the brick kiln owners to register.

During audit of Balochistan Environment Protection Agency (BEPA) for the financial year 2023-24, it was observed that the office failed to convert the brick kilns in the province from conventional technology to Zig-Zag technology till the end of June 2024. The registration form was also not developed and circulated to all the brick kiln owners for registration with EPA.

Audit held that non-compliance with the directives of Pakistan Environmental Commission was serious lapse on the part of management of Balochistan EPA and also undermined adaptation efforts.

Initial audit observation was issued on 23.07.2024. The management replied that total number of approximately 86 brick kilns are still operational in the Province whereas 25 Brick Kilns have been converted into Zig-Zag technology. The management is committed to convert the remaining brick kilns in to Zig-Zag Technology.

DAC in its meeting held on 15.11.2024 directed to implement the order of the Honorable Court and convert all the brick kilns into zigzag technology within 6 months.

Audit recommends the implementation of DAC decision.

(OS # 17 of BEPA 2023-24)

Financial Management

2.4.5 Irregular payment on purchase of ambient air quality mobile monitoring station - Rs. 126.867 million

According to Rules 16 (1) of Balochistan Public Procurement Rules (BPPRA) 2014, The Procuring Agency shall give due consideration to the scope, magnitude and nature of procurement, while deciding the response time which shall not be less than fifteen (15) calendar days from the date of publication of Notice Inviting Tender in the newspapers or uploading on the website, as the case may be, in case of National Competitive Bidding, and shall not be less than forty five days (45) from the date of publication of Notice Inviting Tender in the newspapers or uploading on the website, in case of International Competitive Bidding: of Balochistan Public Procurement Rules 2014,

Furthermore, according to 33 (4) of BPPRA Rules 2014, All bids shall be opened publicly in the presence of all the bidders, or their representatives, who may choose to be present in person, at the time and place announced in the invitation to bid, and as per clause 6 (6), all bidders in attendance shall sign an attendance sheet.

The Balochistan Environmental Protection Agency (Balochistan EPA) incurred an expenditure amounting to Rs. 126.867 million on purchase of Ambient Air Quality Mobile Monitoring Station.

During audit of Balochistan EPA for the financial years 2023-2024, it was observed as under:

- a. The advertisement for procurement of the equipment was given on 24.04.2024 whereas the bid was opened on 06.05.2024 before fifteen days of the publication of advertisement.
- b. As per attendance sheet representatives of both the participants of the bid i.e. M/s Prime Scientific Corporation and M/s Enviro Pak Industrial Solutions were not available.
- c. At the time of Technical Evaluation of the bid, the Members of the procurement committee were different from the members of the procurement committee notified.
- d. The inspection report of the delivered equipment was signed by the persons other than the members notified in the procurement committee.

Audit held that in the light of above discrepancies/non-fulfillment of codal formalities, expenditure amounting to Rs. 126.867 million on purchase of Ambient Air Quality Mobile Monitoring Station and also undermined efforts for mitigation.

Initial audit observation was issued on 23.07.2024. The management replied that the advertisement for the procurement of the equipment was given electronically on 24-04-2024 and the bid was opened on 06-05-2024 according to the principles laid down in the BPPRA Rules, as the bidding and procurement process was to be completed before June 30, 2024. Physical presence of bidders and their representatives is not mandatory in the bidding rather they choose to be present or not. The inspection report was signed by the members of the technical committee already notified by the competent authority for the said purpose.

Departmental Accounts Committee (DAC) meeting was held on 15.11.2024. The management apprised the forum that procurement process was required to be completed before 30 June 2024. Therefore, the activity was executed on urgent basis as per requirement. DAC directed for verification of record from audit.

Audit recommends the implementation of DAC decision.

(OS 07, BEPA 2023-24)

Procurement Management

2.4.6 Non-preparation of annual procurement plan – Rs. 8.772 million.

According to Rule 11 of Balochistan Public Procurement Rules, 2014, for each financial year all Procuring Agencies shall prepare annual plans in detail for all their proposed procurements, determining the requirement of the Procuring Agency, within its available resources. The Procurements plans thus prepared shall be uploaded on Authority's website and on websites of the respective procuring agency if available.

Balochistan Environmental Protection Agency Quetta procured the services and goods amounting to Rs. 8.772 million as detailed below:

S.#	Head of Account	Expenditure (Rs.)
1.	Stationery	788,400
2.	Conference & Seminar	5,495,318
3.	Stationery	788,400
4	office Building	1,699,746
Total		8,771,864

During audit of Balochistan EPA for the financial year 2023-24, it was observed that expenditure was incurred in piecemeal to avoid open tendering process and fair competition.

Audit held that splitting of expenditure and non-formulation of procurement plan was not justified and was violation of procurement rules resulting in loss to the government.

Initial audit observation was issued on 23.07.2024. The management replied BEPA Office has obtained three quotations against each transactions and Finance Department release budget on quarterly / half yearly basis. Therefore, it is hard to procure on tender basis.

Departmental Accounts Committee (DAC) was held on 15.11.2024. DAC directed that procurement plan may be prepared for execution of activities in planned manner.

Audit recommends that annual procurement plan may be prepared at the start of the year for economical and efficient procurement.

(OS 02 of BEPA 2023-24)

Annexures

Annexure – I

(MFDAC)

Sr. No.	Para/OS No.	Name of Formation	Subject
1.	21	PDMA Balochistan	Non-Investment of General Provident Fund contribution
2.	15	PDMA Balochistan	Non-convening of Provincial Disaster Management Commission (PDMC) meeting.
3.	10	PDMA Balochistan	Non-obtaining of vouched accounts for the released funds
4.	02	PDMA Balochistan	Non-Functioning of Internal Audit
5.	12	DDMA Quetta	Non-maintaining of stockpiles/inventory for emergency situations
6.	05	DDMA Quetta	Lack of proper warehouse facilities at DDMA level
7.	01	DDMA Quetta	Non-Formulation of Standard Operating Procedures (SOPs) for Distribution of Relief Items to affectees
8.	10	DDMA Zhob	Non-maintaining of stockpiles for emergency situations
9.	08	DDMA Zhob	Lack of proper warehouse facilities at DDMA level
10.	07	DDMA Zhob	Non-formulation of guidelines for preparation of Disaster Management Plan by the Government Departments at District level
11.	03	DDMA Zhob	Non-Formulation of Standard Operating Procedures (SOPs) for Distribution of Relief Items to affectees
12.	02	DDMA Jaffarabad	Non-Formulation of Standard Operating Procedures (SOPs) for Distribution of Relief Items to affectees
13.	03	DDMA Jaffarabad	Improper Maintenance of Cash Book.
14.	06	DDMA Jaffarabad	Improper maintenance of stock register
15.	08	DDMA Jaffarabad	Non-maintaining of stockpiles for emergency situations.
16.	09	DDMA Jaffarabad	Lack of proper warehouse facilities at DDMA level
17.	01	DDMA Ziarat	Non-Formulation of Standard Operating Procedures (SOPs) for Distribution of Relief Items to affectees
18.	03	DDMA Ziarat	Non-formulation of guidelines for preparation of Disaster Management Plan by the Government Departments at District level.

19.	05	DDMA Ziarat	Improper maintenance of cash book
20.	07	DDMA Ziarat	Non-maintaining of stockpiles for emergency situations
21.	08	DDMA Ziarat	Lack of proper warehouse facilities at DDMA level
22.	10	DDMA Ziarat	Non-maintenance of stock register
23.	03	DDMA Gwadar	Non-Formulation of Standard Operating Procedures (SOPs) for Distribution of Relief Items to Effectees
24.	08	DDMA Gwadar	Non-formulation of guidelines for preparation of Disaster Management Plan by the Government Departments at District level
25.	13	DDMA Gwadar	Irregular payments to supplies/vendors in cash – Rs. 780,258
26.	14	DDMA Gwadar	Non-maintaining of stockpiles for emergency situations
27.	05	BEPA Balochistan	Non-implementation of commitments laid down in EIA/IEE approvals
28.	16	BEPA Balochistan	Non-conducting of Physical Verification of Assets.
29.	12	BEPA Balochistan	Irregular payment on purchase of Ambient Air Quality Mobile Monitoring Station - Rs. 126.867 million.
30.	15	BEPA Balochistan	Non- maintenance of Cash Book
31.	09	BEPA Balochistan	Non-framing of rules/regulations and procedure for submission of monitoring reports, data or information by any Government agency, local authority or local council in respect of Plastic Bag
32.	18	BEPA Balochistan	Irregular withdrawal of Pay and Allowances Rs. 15.685 Million.
33.	04	DDMA Gwadar	Non-deduction of Income Tax on hiring of machinery – Rs. 1.521 million
34.	19	BEPA	Non-holding of Balochistan Environmental Protection Council meetings
35.	03	FAP Awaran	Irregular payment to the contractors without obtaining performance securities/guarantees - Rs 5.186 million.
36.	12	DDMA Zhob	Un-verifiable expenditure on POL without specifying the purpose - Rs. 3.655 million.
37.	26,16,10	PDMA, DDMA (Gwadar, Jaffarabad)	Non-conducting of bi-annual stock inspection and physical verification
38.	07	BEPA	Non-Constitution of Environmental Monitoring Committee

Risk- Requisition- Observation

<u>IDENTIFIED RISK</u>	<u>REQUISITION</u>	<u>OBSERVATION</u>	
<u>AREAS FOR BALOCHISTAN AUDITIES</u>			
Following are the risk areas for audit of Balochistan Entities	1. Cash book	1	Loss to Government revenues due to non-deduction of stamp duty – Rs.4.188 million
<u>A. Financial risk</u>	2. Cheque books / cheque register	2	Non-Preparation of Annual Financial Statements
1. Cash books, Cheque books / cheque register, List of Bank Accounts, Bank Statements, paid vouchers	3. List of Bank Accounts	3	Un-authorized utilization of profit – Rs. 23.580 million
2. Detail of advances, donations, grants received during the financial year 2023-24	4. Bank Statements	4	Loss due to non-imposition of liquidated damages – Rs. 8.150 million
3. Detail of year wise investments and profit earned	5. Budget and Expenditure Statement along-with excess and surrender statements	5	Non-establishment of Balochistan Sustainable Development Fund
<u>B. Any excess or surrender</u>	6. Paid vouchers	6	Less Deduction of withholding tax on Purchase of items -Rs. 2.039 million
4. Budget and Expenditure Statement along-with excess and surrender statements	7. Reconciliation Statement with bank and AG office.	7	Irregular procurement by splitting of expenditure – Rs. 7.356 million
5. Reconciliation Statement with bank and AG office, Budget Control Register	8. Budget Control Register	8	Inordinate shortage of budget and expenditure for awareness of public and monitoring activities
<u>C. Transport related matters</u>	9. All record pertains to sustainable development fund account.	9	Non-obtaining of undertaking from proponent for acceptance of stipulated conditions of the environmental approval
6. Misuse of vehicles	10. Sanctioned and working strength with TORs	10	Non-submission of compliance report by proponent
7. POL and authorization to officers.	11. Complete detail of appointments/ recruitment.	11	Non-existence of proper follow up system for implementation of commitments laid down in EIA approvals
<u>D. Effective internal control</u>	12. Payrolls / Pay bills	12	Non-maintenance IEE/ EIA Register.
8. Internal Audit Report	13. Delegation of Financial Powers	13	Unauthorized submission of lab analysis by the certified laboratory
9. List of official vehicles, their allotment to officers and log books	14. Detail of Procurements along with complete record		
	15. Detail of key Contracts		
	16. Stock register / Assets register		
	17. Physical verification report of Assets and Store		
	18. List of official vehicles, their allotment to officers and log books		
	19. Internal Audit Report		
	20. Annual statement of accounts of the Sustainable Development Fund		
	21. Environmental Monitoring Report		
	22. Environmental Audit Report		
	23. List of cases referred to Environmental Protection Tribunals and Courts and their outcomes.		
	24. Internal Audit Report		
	25. List of cases referred to Environmental Protection Tribunals and Courts and their outcomes.		

<p>10. Physical verification report of Assets and Store and Stock register / Assets register</p> <p><u>E. Employee related risk</u></p> <p>11. Sanctioned and working strength with TORs, Personal Files of Officers, Payrolls</p> <p><u>F. Procurement related risk</u></p> <p>12. Annual Procurement Plan and its detail</p> <p>13. Bid Evaluation and BPRRA Violation.</p>	<p>26. Detail of advances, donations, grants received</p> <p>27. Statement of income generated since last audit</p>	
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Annex-III
(Para No. 1.4.9)

Irregular payments to suppliers / vendors in cash – Rs. 5.061 million

S.No	Financial Year	Vendor Name	Description	Bill Amount (Rs.)	Cheque Amount (Rs.)
1	2023-24	M/s Shoaib Supplier and Co	Construction Material machinery Charges, Labour Charges and lunch for labour	194,100	575,000
2				194,400	
3				186,500	
4		M/s AL bilal Goods and M/s Abdul Ahad General Order Supplier	Construction Material machinery Charges, Labour Charges and lunch for labour	200,000	200,000
5		M/s Viki Tent Service	03 Dagh Cooked Food and mineral water	52,800	500,000
6		M/s Syed Chuna Depot	Labour Charges for 3 days	39,600	
7		M/s Syed Chuna Depot	50 bags Cement	65,000	
8		M/s Al Kosar Bakers	Milk, Biscuit, Chocolate and water	50,000	
9		M/s Argshan General Store	50 packets Flour	70,000	
10		M/s Al sami General Store	Sugar, Pulses, Salt and Tea	87,450	
11		M/s Gul Sher Petroleum Service	570 liters of fuel for Vehicles	135,150	
12		M/s Balochistan Goods Transport Company	Construction Material, machinery Charges and Labour Charges	91,200	
13		M/s Zhob Goods Transport Company		102,500	
14				88,500	
15				117,430	
16	Utility Stores Corporation	Food Items (Dal channa, Rice, Tea, Surf)	239,991	239,991	
17	Nasir Khan Chona Cement	Not mentioned	100,000	100,000	
18	Bhotto and Co	Food Items (Ghee, Matchi, Salt, Sugar etc)	293,075	293,075	
19	Zhob Goods Transport	Hiring of mazda for transportation of relief items	105,000	105,000	
20	Balochistan Goods Transport	Hiring of Tractor	88,600	88,600	
21	Insaf Tent Service	Cooked Food	36,500	36,500	
22	Sami General Store	Food Item (Atta)	57,973	57,973	

23		Yar Muhammad Petroleum Service	POL	78,861	78,861
24	2022-23	New Prince Traders	Food Items	112,000	112,000
25		New Prince Traders	Food Items	6,72,000	6,72,000
26		New Prince Traders	Food Items	448,000	448,000
27		Al-Bilal Goods & Heavy Machinery Suppliers	Hiring of Pick up	240,000	240,000
28		New Prince Traders	Food Items	448,000	448,000
29		New Prince Traders	Food Items	336,000	336,000
30		Vicky Tent Service	Cooked Food	171,100	171,100
31		New Prince Traders	Food Items	448,000	448,000
32		New Prince Traders	Food Items	112,000	112,000
			Total		5,061,736

Annex-IV
(Para No. 1.4.10)

Non-Availability of Distribution Record with PDMA/DDMAs in respect of Relief Items.

S. No.	Name of Item	No. of Items sent to respective DDMA's			Total No of Items Delivered
		Ziarat	Zhob	Quetta	
1.	Tent	500	1400	530	2430
2.	Tarpaulin	500	1200	1120	2820
3.	Quilt	250		1100	1350
5.	Blanket	500	700	1625	2825
6.	Pillow	250			250
7.	Mosquito Net	1000	1400		2400
8.	Plastic Mat	500	400	500	1400
9.	Charpoy	250			250
10.	Solar Light	250	50	500	800
11.	Sleeping Bags	200		300	500
12.	Gas Cylinder	250	800	480	1530
13.	Kitchen Set	250			250
14.	Red Salt (50 kg each packet)	44,000			44,000
15.	Water Tank	05	05		10
16.	Soap	125	125		250
17.	Cholay (25 Kg each packet)	10	300		310
18.	Jerry Can		750		750
19.	Kitchen Set		400	390	790
20.	Food Packet		500	1305	1805
21.	Charpai		325		325
22.	Water Cooler		800	590	1390

**Annexure-V
(Para 2.4.3)**

Non-verification of qualifications, educational documents and checking of character/antecedents and other credentials of regularized staff

Sr. No.	Name & Designation	BPS	Nature of Verification not carried out/Certificate not obtained
1.	Mr. Mehmood Khan, Stenographer	14	Bachelor Degree verification
2.	Miss Bibi Nasreen, Photographer	10	-do-
3.	Mr. Niamat, Assistant Environment Inspector	09	Degree verification
4.	Mr. Hafeez Ahmed, Assistant Environment Inspector	09	-do-
5.	Mr. Shahid Ali, Assistant Environment Inspector	09	-do-
6.	Syed Amir Shah, Assistant Environment Inspector	09	-do-
7.	Mr. Abdul Saboor Khan, Assistant Environment Inspector	09	-do-
8.	Mr. Adnan Yousaf, Assistant Environment Inspector	09	-do-
9.	Mr. Sikandar Khan, Assistant Environment Inspector	09	-do-
10.	Miss Bibi Husna, Assistant Environment Inspector	09	-do-
11.	Mr. Karam Khan, Driver	04	Medical Fitness Certificate
12.	Mr. Muhammad Yousaf, Stenographer	14	-do-
13.	Mr. Muhammad Saleem, Assistant Environment Inspector	09	Medical Certificate from a specified practioner (It is for admission)
14.	Mr. Samiullah, Assistant Environment Inspector	09	Domicile to be re-verified as per issued domicile
15.	Mr. Muhammad Salman, Assistant Environment Inspector	09	Medical Fitness Certificate
16.	Mr. Naseer ahmed, Junior Clerk	11	-do-
17.	Mr. Zakir Hussain, Junior Clerk	11	-do-