



**AUDIT REPORT  
ON  
THE ACCOUNTS OF  
DISASTER MANAGEMENT ORGANIZATIONS - PUNJAB  
AUDIT YEAR 2016-17**

**AUDITOR GENERAL OF PAKISTAN**



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## ABBREVIATIONS & ACRONYMS

AC	Assistant Commissioner
ADP	Annual Development Plan
AIR	Audit and Inspection Report
ANF	Anti-Narcotics Force
CGA	Controller General of Accounts
CNIC	Computerized National Identity Card
DAC	Departmental Accounts Committee
DCO	District Coordination Officer
DDMA	District Disaster Management Authority
DDO	Drawing & Disbursing Officer
DEO	District Emergency Officer
DG	Director General
FTR	Federal Treasury Rules
FY	Financial Year
IDPs	Internally Displaced Persons
INTOSAI	International Organization of Supreme Audit Institutions
LD	Liquidated Damages
NDMA	National Disaster Management Authority
NDMP	National Disaster Management Plan
NIDM	National Institute of Disaster Management
OBM	Out Boat Motor
PAO	Principal Accounting Officer
PDMA	Provincial Disaster Management Authority
PDMC	Provincial Disaster Management Commission
PDMF	Provincial Disaster Management Fund
PES	Punjab Emergency Service
PFC	Provincial Finance Commission
PFR	Punjab Financial Rule
PLS	Profit and Loss Sharing
POL	Petrol Oil Lubricant
PPRA	Punjab Procurement Regulatory Authority
PST	Punjab Sales Tax
SDA	Special Drawing Account
SMBR	Senior Member Board of Revenue
TDN	Total Digestible Nutrients
TMA	Tehsil Municipal Administration
XEN	Executive Engineer

## **PREFACE**

Articles 169 & 170 of the Constitution of the Islamic Republic of Pakistan read with Sections 8 and 12 of the Auditor General (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, require the Auditor General of Pakistan to conduct audit of receipts and expenditure of the Federation and the Provinces or the accounts of any authority or body established by the Federation or a Province.

The report is based on audit of the accounts of various disaster management departments and organizations of Government of the Punjab for the financial year 2015-16 and accounts of some formations for previous years. The Directorate General Audit (Disaster Management) conducted audit during 2016-17 on test check basis with a view to reporting significant findings to the relevant stakeholders. The main body of the Audit Report includes only the systemic issues and audit findings carrying value of Rs 1 million or more. Relatively less significant issues are listed in the Annexure-I of the Audit Report. The audit observations listed in the Annexure-I shall be pursued with the Principal Accounting Officers at the DAC level and 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 through the next year's Audit Report.

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

Most of the audit observations in this report were finalized without replies received from the departments. No DAC meeting could be arranged till finalization of this report.

The Audit Report is submitted to the Governor of the Punjab 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.

Dated:

(Rana Assad Amin)  
**Auditor-General of Pakistan**



## EXECUTIVE SUMMARY

This report contains three (3) chapters incorporating results of the regularity audit of the accounts of various disaster management related departments of Government of the Punjab for financial year 2015-16 and accounts of some formations for previous years.

The report in general highlights the issues of weak internal controls, inappropriate use of public funds, disregard to prescribed regularity framework, ineffectiveness of systems to curb irregularities, poor record management, lack of transparency and objectivity in public procurements and need for revamping and strengthening the overall capacity of the public officials to carry out the financial transactions in an efficient way.

The Director General Audit (Disaster Management) conducts the audit of receipts and utilization of funds of disaster management organizations. The office is mandated to conduct regularity audit, financial attest, compliance with authority audit, audit of sanctions and propriety and performance audit of disaster management organizations. The Director General Audit (Disaster Management) has a human resource of 52 personnel with 8,715 man days available. The annual budget of the Directorate General Audit (Disaster Management) for the financial year 2016-17 is Rs 56.760 million.

The Punjab Disaster Management Organizations includes two PAOs and 75 formations. As per Audit Plan for 2016-17 audit of both expenditure and receipts of 07 formations namely PDMA-Punjab alongwith two (2) DDMA's, Punjab Emergency Services (Rescue-1122) alongwith two (2) DEOs and Civil Defence Punjab was conducted during the Audit Year 2016-17 in Phase-I.

### **a. Scope of audit**

The audit was conducted in accordance with INTOSAI Auditing Standards as envisaged in Financial Audit Manual (FAM), Guidelines for the Audit of Disaster Management and the International Standards on Auditing. The overall audit objective was to assess compliance with financial rules and adequacy of internal controls. The audit covered issues of propriety, which extends beyond scrutinizing the mere formality of expenditure to its wisdom and economy. The audit also included review, analysis and comments on various Government policies.

Auditable expenditure under the jurisdiction of Director General Audit Disaster Management for Disaster Management Organizations of Punjab was Rs 24,593.628 million out of which an expenditure of Rs 6,409.535 million was audited which is 26.06%.

**b. Recoveries at the instance of audit**

Recovery of Rs 82.765 million was pointed out during the course of audit. As the departments failed to convene the DAC meeting, hence the exact volume of recoveries could not be ascertained at the time of compilation of this report.

**c. Audit Methodology**

The audit of disaster management organizations of the Government of Punjab was carried out by examining permanent files, computer generated data and other related documents along with the policies and rules followed. This facilitated the understanding of system, procedures and audit entities. In addition risk assessment was carried out by performing the analytical procedures, testing controls, substantive testing and evaluating the results.

**d. Audit Impact**

There were no changes in rules, practices and systems during the year on the recommendation of Audit. Hence, Audit impact in the scenario could not be discussed over here.

**e. Comments on Internal Control and Internal Audit Department**

Internal controls are the set of rules, regulations, technical memos, policy instructions and standard operating procedures which have been prescribed by the departments/ organizations for efficient operations & economic development activities. As defined by International Standard on Auditing (ISA) 400 Risk Assessment and Internal Controls, “Internal control system means all the policies and procedures (Internal Controls) adopted by the management of an entity to assist in achieving management’s objective of ensuring, as far as practicable, the orderly and efficient conduct of its business, including adherence to management policies, the safeguarding of assets, the prevention and detection of fraud and error, the accuracy and completeness of the accounting records, and timely preparation of reliable financial information. The internal control system extends beyond those matters



which relate directly to the functions of the accounting system and comprises control environment and control procedures.”

The management of Provincial / District Disaster Management Authorities, Punjab Emergency Service (Rescue-1122) and Civil Defence Punjab could not ensure the enforcement of adequate Internal Controls within their organizational setup. There have been irregularities which are mainly because of either deficiencies in the controls or ineffective use of controls.

Significant breach of internal controls is categorized as under;

- There are cases of overpayment/non-recovery. There are various reasons behind the instances of overpayment such as non-compliance of terms and conditions of the work orders, non-deduction of liquidated damages etc. The auditee organizations should ensure the working of intricate and coherent internal controls right from the start till completion of the works.
- The Income Tax, Sales Tax, Duties levied under stamp Act etc. are the sources of generating government revenue. Disregard of such sources of revenue deprives the government from resource formation. During the audit exercise on a test check basis, cases of non-recovery on account of Income Tax, Sales Tax, duties, etc. were noticed which have been highlighted in the report.
- The recurrence of such instances needs to be avoided by strengthening of internal controls and their follow up.

#### **f. Key audit findings of the report**

- i. Irregular payments/violation of rules was observed in 11 cases involving Rs 160.15 million.<sup>1</sup>
- ii. Recoveries were pointed out in 10 cases amounting to Rs 82.765 million.<sup>2</sup>
- iii. Lack of internal control was observed in 3 cases Rs 31.078 million.<sup>3</sup>
- iv. Non-compliance of NDM Act 2010 was observed in 8 cases.<sup>4</sup>

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<sup>1</sup>Para 1.2.1,1.2.2,1.2.3,1.2.4,1.2.5,1.2.7,1.2.15,1.2.16,1.2.18,2.2.2,3.2.2

<sup>2</sup> Para 1.2.6,1.2.8,1.2.9,1.2.10,1.2.11,1.2.13,2.2.4,2.2.5,3.2.1,3.2.3

<sup>3</sup> Para 2.2.6,2.2.7,2.2.8

<sup>4</sup> Para 1.2.19,1.2.20,1.2.21,1.2.22,1.2.23,2.2.9,2.2.10,2.2.11

## **g. Recommendations**

The Principal Accounting Officers needs to take necessary steps to evaluate the financial management and strengthen the institutionalized the internal controls.

The corrective measures required are:

- i. Irregular/ un-authorized payments made be got regularized.
- ii. Departments need to strengthen internal controls to ensure that lapses of the kind reported in this report are preempted and fair value for money is obtained from public spending.
- iii. Ensuring prompt recovery of government dues and overpayments, wherever applicable, and their deposit into the government treasury.
- iv. The inventory system needs to be strengthened.
- v. Adherence to canons of financial propriety, rules and regulations.
- vi. Punjab Procurement Rules for procurement of goods and services be adhered to.

## SUMMARY TABLES & CHARTS

Table 1 *Audit Work Statistics*

(Rs in million)			
S. No.	Description	No.	Budget
1	Total Entities (Ministries/PAO's) in Audit Jurisdiction	02	*
2	Total formations in audit jurisdiction	75	*
3	Total Entities(Ministries/PAO's) Audited	02	25,273.712
4	Total formations Audited	07	25,273.712
5	Audit & Inspection Reports	05**	25,273.712
6	Special Audit Reports	-	-
7	Performance Audit Reports	-	-
8	Other Reports	-	-

\* As this office has conducted the audit of Disaster Management organizations for the first time therefore budget figures of all formations were not available

\*\*Combine AIR of PDMA and (2) DDMA's was issued.

Table 2 *Audit observations regarding Financial Management*

S. No.	Description (Areas)	Amount Placed under Audit Observation (Rs in Millions)
1	Asset management	366.708
2	Financial management (specific)	-
3	Internal controls relating to financial management	29.129
4	Others	376.943
	Total	772.780

Table 3 **Outcome Statistics****(Rs in million)**

S.No.	Description	Expenditure on Acquiring Physical Assets (Procurement)	Civil Works	Receipts	Others	Total current year
1	Outlays Audited	2,943.842	-	-	21,649.786	24,593.628
2	Amount Placed under Audit Observations /Irregularities of Audit	3.742	-	-	686.273	690.015
3	Recoveries Pointed Out at the instance of Audit	-	-	-	82.765	82.765
4	Recoveries Accepted /Established at the instance of Audit	-	-	-	-	-
5	Recoveries Realized at the instance of Audit	-	-	-	-	-

Table 4 **Table of Irregularities pointed out**

<b>(Rs in million)</b>		
<b>S.No.</b>	<b>Description</b>	<b>Amount Placed under Audit Observation</b>
1	Violation of rules and regulations, violation of principle of propriety and probity in public operations.	680.577
2	Reported cases of fraud, embezzlement, thefts and misuse of public resources.	-
3	Accounting errors (accounting policy departure from IPSAS, misclassification, over or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements.	-
4	If possible quantify weaknesses of internal control systems.	-
5	Recoveries and overpayments, representing cases of establishment overpayment or misappropriations of public money	82.765
6	Non-production of record.	-
7	Others, including cases of accidents, negligence etc.	9.438

Table 5 **Cost-Benefit**

<b>S. No.</b>	<b>Description</b>	<b>Amount (in million)</b>
1	Outlays Audited (Items 1 of Table 3)	24,593.628
2	Expenditure on Audit	10.524
3	Recoveries realized at the instance of Audit	-
	Cost-Benefit Ratio	-

## ***Chapter-1***

### ***Provincial Disaster Management Authority (PDMA) - Punjab***

#### **1.1 Introduction of Authority**

The Provincial Disaster Management Authority (PDMA) is constituted under the NDM Act (National Disaster Management Act) in 2010, PDMA specializes in mitigation, preparedness and an organized response to a disaster. PDMA also acts as the coordinating authority, which articulates the coordination mechanism between key provincial departments. In case of emergencies, the PDMA works closely with District Governments to organize initial and subsequent assessment of disaster affected areas, and determine the course of action to ensure long-term rehabilitation of the affected population.

## 1.2 AUDIT PARAS

### Irregularity & Non Compliance

#### 1.2.1 Irregular Procurement of Fodder/ Cattle Feed –Rs 19.152 Million

As per Rule 12(2) of Punjab Procurement Rules (PPR) 2014, any procurement exceeding two million rupees shall be advertised on the website of the Authority, the website of the procuring agency, if any, and in at least two national daily newspapers of wide circulation, one in English and one in Urdu.

PDMA-Punjab called for quotations from 4 suppliers for provision of 42,000 bags (packing of 12kg in one bag) Fodder for Cattle of IDPs of North Waziristan on 12<sup>th</sup> July 2014 and fodder must contained the following nutrition value:

Sr. No.	Particulars	Percentage
1	Dry Matter	89.30
2	Crude Protein	17.10
3	Crude Fiber	18.10
4	Total Minerals	9.82
5	Total Digestible Nutrients (TDN)	72.0

On the recommendation of Departmental Purchase Committee, supply orders were issued on 14<sup>th</sup> July 2014 to M/s Ali Trading Corporation, Lahore (for 21000 bags) and M/s Alizeh Enterprises, Lahore (for 21,000 bags) for procurement of 42,000 bags being the lowest bidders. As per inspection note, both vendors provided the same and checked on 21<sup>st</sup> July 2014. Accordingly payment of Rs 19.152 million made to vendors.

Audit is of the view that:

- The value of these procurements was more than two million rupees which required to be advertised on the website of the Authority, the website of the PDMA-Punjab, if any, and in at least two national daily newspapers of wide circulation, one in English and one in Urdu. Non-observing the procedural/codal formalities is a serious lapse on the part of the management and it made the whole procurement irregular/ unjustified.

- Laboratory test report is not placed in the files to ascertain the quality of fodder whether the vendors provided the fodder according to specifications or not.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that the responsibility may be fixed on the person(s) for non-observing the codal and procedural obligations besides the regularization of the expenditure from the competent forum under intimation to Audit.

PDP-3 (2014-16, PDMA-Punjab)

### **1.2.2 Irregular Procurement of Branding of Relief Goods For IDPs –Rs 4.077 Million**

As per Para 12(2) of Punjab Procurement Rules (PPR) 2014, any procurement exceeding two million rupees shall be advertised on the website of the Authority, the website of the procuring agency, if any, and in at least two national daily newspapers of wide circulation, one in English and one in Urdu.

PDMA-Punjab called for quotations from 6 suppliers for provision of following items for branding of relief goods which were required to dispatch for IDPs of North Waziristan on 18<sup>th</sup> June 2014:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Quantity</b>	<b>Amount (Rs)</b>
1	Branded Polypropylene bags	100,000	2,700,000
2	Sticker	30,000	240,000
3	Plastic stickers	15,000	195,000
4	Printed message from Government of Punjab	10,000	50,000
5	Standees (Fiber)	120	102,000
6	Panaflex Banners 10x4	520	520,000
7	Panaflex Banners 4x3	150	45,000
8	Panaflex Banners 15x6	100	225,000
<b>Total (Rs)</b>			<b>4,077,000</b>



On the recommendation of Departmental Purchase Committee work orders were issued on 22<sup>nd</sup> June 2014 to M/s Dayan Brothers (for item No. 1) and M/s Perspective (for item No. 2 to 8) for procurement of above mentioned items being the lowest bidders and accordingly payment of Rs 4.077 million made to vendors.

Audit is of the view that the value of these procurements was more than two million rupees which required to be advertised on the website of the Authority, the website of the PDMA-Punjab, if any, and in at least two national daily newspapers of wide circulation, one in English and one in Urdu. Non-observing the procedural/codal formalities is a serious lapse on the part of the management and it made the whole procurement irregular/ unjustified.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that the responsibility may be fixed on the person(s) for non-observing the codal and procedural obligations besides the regularization of the expenditure from the competent forum under intimation to Audit.

PDP-4 (2014-16, PDMA-Punjab)

### **1.2.3 Irregular Procurement of Special Eid Gift Package for IDPs– Rs 31.400 Million**

As per Para 12(2) of Punjab Procurement Rules (PPR) 2014, any procurement exceeding two million rupees shall be advertised on the website of the Authority, the website of the procuring agency, if any, and in at least two national daily newspapers of wide circulation, one in English and one in Urdu.

PDMA-Punjab called for quotations on 21<sup>st</sup> July 2014 from 4 suppliers for provision of 20,000 Special Eid Package of Unstitched Suit (male/female) toy and sweets pouch items for which were required to dispatch for IDPs of North Waziristan. On the recommendation of Departmental Purchase Committee work orders were issued on 22<sup>nd</sup> July 2014 to M/s Roshan Star (for 10,000 Eid package) and M/s M.

Hamza International (for 10,000 Eid package) being the lowest bidders and accordingly expenditure was made of Rs 31.400 million on account of cost of other stores.

Audit is of the view that the value of these procurements was more than two million rupees which required to be advertised on the website of the Authority, the website of the PDMA-Punjab, if any, and in at least two national daily newspapers of wide circulation, one in English and one in Urdu. Non-observing the procedural/codal formalities is a serious lapse on the part of the management and it made the whole procurement irregular/ unjustified.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that the responsibility may be fixed on the person(s) for non-observing the codal and procedural obligations besides the regularization of the expenditure from the competent forum under intimation to Audit.

PDP-5 (2014-16, PDMA-Punjab)

#### **1.2.4 Irregular Payment on Account of Compensation – Rs 13.00 Million**

As per Rule 2.10(a)(1) of PFR Vol-I, while incurring and sanctioning expenditure from the revenues of the province the disbursing officers and sanctioning authorities should be guided by the fundamental canons of financial propriety and same vigilance should be exercised in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in respect of the expenditure of his own money.

As per rule 2.20 of PFR Vol-I, as a general rule every payment, including repayment of money previously lodged with Government, for whatever purpose, must be supported by a voucher setting forth full and clear particulars of the claim. As far as possible, the particular form of voucher applicable to the case should be used.

As per Special Secretary to Chief Minister, Punjab letter No. Dir(FA)/SSCM/CMO/15/OT-4/B(75729) dated 11<sup>th</sup> November 2015 DG PDMA shall be responsible for disbursement to the beneficiaries after fulfilling all codal formalities for compensation to the victims of Sundar Industrial estate, Lahore. As per Secretary Labour & Human Resource Department, Government of Punjab letter No. PSO/Secy/11/2015 dated 11<sup>th</sup> November 2015; PDMA should verify the status and credential of the beneficiary before making the payments.

The Secretary, Labour & Human Resource Department reported that factory No. 93, Sundar Industrial Estate, Lahore has collapsed. Resultantly, 17 persons lost their lives, whereas, 7 and 63 persons got major and minor injuries respectively. In order to compensate the said victims, the Government of Punjab approved the following:

<b>Sr. No.</b>	<b>Category</b>	<b>Total No. of Deceased/ Major or Minor injured</b>	<b>Compensation Amount</b>
1	Death cases	17	Rs 500,000 each
2	Major injury (limbs, paralysis and serious injury)	7	Rs 300,000 each
3	Minor injury	63	Rs 50,000 each
Total:		87	

Accordingly, Finance Department, Government of Punjab released Rs 13.750 million through supplementary grant during the FY 2015-16 for compensation to said victims in the Special Drawing Account of Director General, PDMA maintained in the Treasury Office, Lahore with the instruction that the expenditure may be incurred after completion of all codal/ legal/ procedural formalities and to verify the status and credential of the beneficiaries before making the payment.

The department disbursed an amount of Rs 13.00 million to victims without verification of the status and credential of the beneficiaries. The claims were paid without supporting vouchers like death certificate of deceased, identification of legal heirs, power of attorneys, CNIC of the injured persons, hospital record (admission, treatment and discharge report), CNIC of person who witnessed/ identified/ verified the victim/ beneficiary. The detail is as under:

<b>Sr. No.</b>	<b>Category</b>	<b>Total No. of Deceased/ Major or Minor injured</b>	<b>Compensation Amount (Rs)</b>
1	Death cases	16	8,000,000
2	Major injury (limbs, paralysis and serious injury)	8	2,400,000
3	Minor injury	52	2,600,000
Total:		76	13,000,000

Audit is of the view that payment made without verification of each case of compensation to the victim stand fictitious.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that matter may be investigated and amount recovered if any paid irregular.

PDP-8 (2014-16, PDMA-Punjab)

### **1.2.5 Irregular Purchase of Vehicle – Rs 3.742 Million**

As per Finance Department, Government of the Punjab, Lahore letter No.FD.SO (GOODS) 44-4/2011 dated 11<sup>th</sup> September, 2014, “there shall be a complete ban on purchase of new and imported vehicles from current and development budgets. Under un-avoidable circumstances, the vehicles shall only be purchased with the prior concurrence of the Austerity Committee constituted for the purpose and subsequent approval of the Chief Minister, Punjab.

PDMA-Punjab made the payment of Rs 3.742 million (Cheque No. 544826-7 dated 13<sup>th</sup> August 2015) to the M/s Indus Motors Company Ltd on account of purchase of 4x4 Toyota vehicle (Vigo Double Cabin). The procurement was made without concurrence of the Austerity Committee.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit is of the view that the expenditure incurred on the purchase of the vehicle without the concurrence of the Austerity Committee is irregular which needs regularization from the Finance division.

PDP-10 (2014-16, PDMA-Punjab)

### 1.2.6 Loss Due to Non-Imposition of Liquidated Damages - Rs 1.632 Million

As per para 5, Terms & Conditions of the Contract (liquidated damages), the competent authority reserves the right to impose liquidated damages upon your firm @ up to 10% of the Contract value for performance of the contract or performance of the contract beyond agreed/stipulated time.

PDMA-Punjab made procurement of water proof canvas cloth tents for flood affectees-2014. To meet the critical time lines set by the Chief Minister, Punjab, normal mode of procurement was not opted for. The quotations were called from the local market for provision of 70,000 water proofed canvas cloth tents on availability basis. On the recommendation of the Departmental Purchase Committee meeting held on 5<sup>th</sup> September, 2014, the work orders were served to the 14 lowest bidders for provision of 69,900 tents whereas the following 7 suppliers did not supply the required quantity of tents as per the quantity mentioned in the work orders.

S.No.	Name of Supplier	Particulars	Qty. as per work order	Quantity supplied	Quantity less supplied	Rate (Rs)	Amount (Rs)	Liquidated Damages @ 10% (Rs)
1	M/s Universal Trading Corporation	Tent 4x4 M	17,000	16,800	200	11,500	2,300,000	230,000
2	M/s Pearl Associates	Tent 4x4 M	8500	8200	300	11,500	3,450,000	345,000
3	M/s Asia International	Tent 4x4 M	5500	5250	250	11,500	2,875,000	287,500
4	M/s Blue Star International	Tent 4x3 M	5000	4800	200	9,000	1,800,000	180,000
5	M/s Shelter International	Tent 4x3 M	1500	1300	200	9,000	1,800,000	180,000
6	M/s Usman Traders	Tent 4x3 M	8000	7800	200	9,000	1,800,000	180,000
7	M/s Green Trade	Tent 4x4 M	1000	800	200	11,500	2,300,000	230,000
Total (Rs):			46,500	44,950	1,550		16,325,000	1,632,500

Audit is of the view that undue favour was extended to the suppliers by not imposing liquidated damages, which resulted in loss of Rs 1.632 million to the public exchequer.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that amount of Rs 1.632 million may be recovered and deposited into Government treasury under intimation to audit.

PDP-11 (2014-16, PDMA-Punjab)

### **1.2.7 Irregular Payment on Account of Purchase of Sewing Machines – Rs 1.80 Million**

As per Rule 12(1) of Punjab Procurement Rules (PPR) 2014, a procuring agency shall advertise procurement of more than one hundred thousand rupees and upto the limit of two million rupees on the website of the authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement in at least one national newspaper.

As per Rule 2.10(a) (1) of PFR Vol-I, In incurring and sanctioning expenditure from the revenues of the province the disbursing officers and sanctioning authorities should be guided by the fundamental canons of financial propriety and same vigilance should be exercised in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in respect of the expenditure of his own money.

As per Terms & Conditions of the work order, the competent authority reserves the right to impose liquidated damages upon your firm @ up to 10% of the contract value for performance of the contract or performance of the contract beyond agreed/stipulated time.

PDMA-Punjab called quotation for procurement of 200 sewing machines for IDPs of North Waziristan and in response to that four firms quoted their rates for provision of sewing machines as per specification. Two firms i.e. M/s Usman Traders and M/s Alizeh Enterprises selected on the basis on lowest quoted rates and work order No. 262(IDPs)-2014/513/B-I and 262(IDPs)-2014/512/B-I dated 15<sup>th</sup> July 2014 respectively were issued to the selected firms for supply of 100 machines each firm and paid Rs 1.800 million to the suppliers. The following observations were noticed:

- i. The tender was not floated on the website of the authority whereas payment made on procurement of sewing machine on quotation basis as well as on emergency basis is unjustified/ irregular. The sewing machine is not such an item which is procured on emergency basis.
- ii. The department issued work order to M/s Alizeh Enterprises for supply of 100 sewing machines out of which 40 of Singer brand and 60 of Salika brand whereas the firm supplied all 100 sewing machines of Salika brand.
- iii. The department issued work order to M/s Usman Traders for supply of 100 sewing machines as per approved specification out of which 40 of Singer brand and 60 of Salika brand supplied by the firm.
- iv. The inspection note is silent about the brand wise quantity supplied as specified in the work order.
- v. Liquidated damages of Rs 36,000 are not imposed on M/s Alizeh Enterprises for non-compliance of conditions of the work order i.e. the firm have not supplied the 40 singer machines as specified in its work order.
- vi. Sales tax invoices were not obtained by the department which is required under section 23 of the Sales Tax Act 1990.
- vii. Certificate to the effect of machines have been entered in stock register is not available.

Audit is of the view that in the light of the above observations, the whole procurement process creates room for doubts and makes this transaction irregular. It also shows that the department has given the undue favour by accepting the supplies without considering the brand wise quantity of sewing machines.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that the responsibility may be fixed on the person(s) at fault for non-observing the codal formalities and giving undue favour to the contractors alongwith the expenditure may be regularized from competent forum. Moreover, the liquidated damages may be recovered from the concerned and deposited into Government treasury besides the department may take corrective measures to avoid recurrence of the same events in future.

PDP-12 (2014-16, PDMA-Punjab)

### 1.2.8 Overpayment to the Contractors - Rs 1.621 Million

As per Rule 2.33 of PFR Vol-I, “every Government servant should realize fully and clearly that he would be held personally responsible for any loss sustained by Government through fraud or negligence on his part or to the extent he contributed to the loss by his own action or negligence.

The PDMA-Punjab issued two work orders for supply of 40,000 food hampers @ Rs 2,700 and Rs 2,100 per food hamper. Whereas the PDMA Punjab paid Rs 94.255 million to the contractors for 40,772 food hampers as detailed below:

S. No.	Item Name	Name of Supplier	Qty paid	Rate per unit (Rs)	Amount paid (Rs in million)	Cheque No & Date	Qty Required to be paid	Amount Required to be paid (Rs in million)	Amount overpaid (Rs in million)
1	Food Hamper (With Milk)	M/s Mumtaz Brothers	14,390	2,700	38.853	519302 dt 22.05.15	14,390	38.853	-
2	Food Hamper (Without Milk)	M/s Mumtaz Brothers	6,110	2,100	12.831		5,610	11.781	1.050
3	Food Hamper (Without Milk)	M/s World Wide Logistics	20,272	2,100	42.571	519250 dt 02.04.15 & 544798 dt 23.06.15	20,000	42.000	0.571
Total (Rs):			40,772		94.255		40,000	92.634	1.621

Audit is of the view that payment amounting to Rs 1.621 million was over paid to the contractors on account of 772 food hampers.



The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that matter, regarding over payment of 772 food hampers, may be investigated and fix the responsibility on the person(s) at fault besides over payment of Rs 1.621 million may be recovered from the contractors and deposited into Government treasury under intimation to Audit.

PDP-13 (2014-16, PDMA-Punjab)

### **1.2.9 Loss Due to Non-Imposition of Duty as Levied Under Stamp Act 1899 – Rs 3.996 Million**

Section 22(A) (b) of Schedule-I of Stamp Act 1899 read with Finance Act 1995 (Act-VI of 1995) provides that Government of the Punjab has levied the stamp duty on the contracts entered into for procurement of stores and materials by a contractor with Government, Agencies or Organizations set up or controlled by the provincial government at the rate of 25 paise for every one hundred rupees or part thereof of the amount of contract.

PDMA-Punjab Lahore, issued award letters for different procurement of stores and material as per **Annexure-II** during the Financial Year 2014-15 and 2015-16 but the duty as levied under Stamp Act was not recovered and the government sustained a loss of Rs 3.996 million.

Audit is of the view that non-imposition and non-recovery of stamp duty as required under stamp act is a violation of the act and recovery was required to be made from the concerned which was not made by the department.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the

request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that recovery may be made from the concerned and deposited into Government Treasury besides strengthening the internal controls to avoid recurrence in future under intimation to Audit.

PDP-14 (2014-16, PDMA-Punjab)

### **1.2.10 Overpayment to Contractors on Account of Transportation of Goods Charges– Rs 25.824 Million**

As per work orders No. 270(Trpt)-2014/686/B-I & No. 270(Trpt)-014/687/B-I dated 4<sup>th</sup> September 2014, the rate for transportation of relief good to the flood affected districts shall be paid @ Rs 30 per ton per Km including loading charges.

As per Rule 2.10(a) (1) of PFR Vol-I, in incurring and sanctioning expenditure from the revenues of the province the disbursing officers and sanctioning authorities should be guided by the fundamental canons of financial propriety and same vigilance should be exercised in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in respect of the expenditure of his own money.

PDMA-Punjab Lahore issued work orders on 4<sup>th</sup> September 2014 for transportation of relief good to the flood affected districts @ Rs 30 per ton per KM including loading charges in favour of M/s Pak Karamawala Goods Transport Company (PKG) and M/s Ashraf Munir Goods Transport Company (AMG). Later on, on the instructions of Senior Member of Board of Revenue Punjab, a committee was constituted on 3<sup>rd</sup> April 2015 for assessment of reasonability of the rates of transportation of relief goods. On the recommendation of said committee, rate was reduced from Rs 30 including loading charges to Rs 10 per ton per KM alongwith loading/unloading charges shall not be more than 3,000 for Phaira. The department paid Rs 63.098 million to the following service providers on account of transportation charges. The detail is as under:

Sr. No.	Service Provider	Millage (KM)	Millage paid (2-way)(KM)	Difference Millage(KM)	Rate per ton per KM(Rs)	Avg. weight per truck (tons)	Over payment (Rs)
a	B	c	d	e=(d-c)	F	g	h = (exfg)
1	M/s PKG	160,097	310,455	150,358	10	6.8072	10,235,170
2	M/s AMG	200,218	377,519	177,301	10	8.7924	15,589,013
Total (Rs):							25,824,183

Audit is of the view that payment to the service providers on account of 2-way trip is not included in the offered rates by the service providers nor included in the term & conditions of work orders issued to the service providers. Payment in the absence of such rate/clause is a violation of aforementioned rule and it also shows that undue favour has been given to the service providers which resulted into overpayment and burden on exchequer.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that matter regarding allowing of two way trip charges may be investigated and fix the responsibility on the person(s) at fault besides recovery of the overpaid amount may be made under intimation to audit.

PDP-15 (2014-16, PDMA-Punjab)

### **1.2.11 Overpayment to Contractors on Account of Detention Charges– Rs 3.824 Million**

As per Rule 2.10(a) (1) of PFR Vol-I, in incurring and sanctioning expenditure from the revenues of the province the disbursing officers and sanctioning authorities should be guided by the fundamental canons of financial propriety and same vigilance should be exercised in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in respect of the expenditure of his own money.

As per work orders No. 270(Trpt)-2014/686/B-I & No. 270(Trpt)-014/687/B-I dated 4th September, 2014, the rate for transportation of relief good to the flood affected districts shall be paid @ Rs 30 per ton per KM including loading charges.

PDMA-Punjab Lahore, issued work orders on 4th September, 2014 for transportation of relief good to the flood affected districts @ Rs 30 per ton per KM including loading charges in favour of M/s Pak Karmanwala Goods Transport Company and M/s Ashraf Munir Goods Transport Company. The department paid Rs 3.824 million to the following service providers on account of detention charges. The detail is as under:

<b>Sr. No.</b>	<b>Service Provider</b>	<b>Detention charges (Rs)</b>
1	M/s Pak Karmanwala Goods Transport Company	1,844,000
2	M/s Ashraf Munir Goods Transport Company	1,980,000
Total (Rs):		3,824,000

Audit is of the view that payment to the service providers on account of detention charges is not included in the offered rates by the service providers nor included in the term & conditions of work orders issued to the service providers. Payment in the absence of such clause is a violation of aforementioned rule and it also shows that undue favour has been given to the service providers which resulted into overpayment and burden on exchequer.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that matter may be investigated and fix the responsibility on the person(s) at fault besides recovery of overpaid amount under intimation to audit.

PDP-16 (2014-16, PDMA-Punjab)

### 1.2.12 Doubtful Procurement Process – Rs 4.500 Million

As per Rules 2.33 of PFR Vol-I, “every Government servant should realize fully and clearly that he would be held personally responsible for any loss sustained by Government through fraud or negligence on his part or to the extent he contributed to the loss by his own action or negligence.

As per rule 4 of Punjab Procurement Rule 2014, a procuring agency, while making any procurement, shall ensure that the procurement is made in a fair and transparent manner.

As per rule 69 of Punjab Procurement Rule 2014, “any violation of these rules shall be treated as mis-procurement.”

The procurement process of printed monogram of the Government of the Punjab on polypropylene bag for food hampers was initiated and completed on the same day i.e. 12<sup>th</sup> September 2014 and made payment of Rs 4.500 million to the contractor by the PDMA-Punjab. The breakup of activities date-wise is as under:

Sr. No.	Activity	Date of activity
1	<i>Chief Minister directed that food hampers must have printed monograms of Government of Punjab.</i>	12.09.2014
2	<i>Quotation were called vide letter No. 270(FP/FH)-2014/956/B-I with the request to offer rates alongwith sample for provision of specified polypropylene branded bag.</i>	12.09.2014
3	<i>Three vendors quoted rates</i>	12.09.2014
4	<i>Departmental Purchase Committee held for placement of work order upon the lowest bidders</i>	12.09.2014
5	<i>Work order issued</i>	12.09.2014
6	<i>Inspection Officer/ Procurement Officer vide inspection note declared that 50,000 bags present as per work order specification for inspection, randomly checked and found fit for use</i>	12.09.2014

Audit is of the view that the procurement process, from Chief Minister-Punjab directives to inspection of procured bags, was initiated and completed in a single day made procurement doubtful. The procurement and printing of monogram on 50,000 bags is a time taking process and it is hardly prudence of ordinary person. This resulted into undue favour to the contractor and led to mis-procurement under above rule 69 of PPR 2014.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that matter may be investigated and fix the responsibility on person(s) at fault if any, for irregular and un-transparent procurement.

PDP-17 (2014-16, PDMA-Punjab)

### **1.2.13 Non Deduction of Punjab Sales Tax on Services - Rs 28.867 Million**

As per section 3(1) of Punjab Sales Tax on Services Act 2012, a taxable service is a service listed in second schedule, which is provided by a person from his office or place of business in the Punjab in the course of an economic activity, including the commencement or termination of the activity.

As per Sr. No. 2 of Second Schedule (Taxable Services) of the Punjab Sales Tax on Services Act 2012, a withholding agent shall deduct @16% on the service provided by the firm on account of advertisement on television and radio.

As per Sr. No. 4 of Second Schedule (Taxable Services) of the Punjab Sales Tax on Services (PST) Act 2012, a withholding agent shall deduct @16% on the amount of services provided for inland carriage of goods by the contractor.

As per Sr. No. 47 of Second Schedule (Taxable Services) of the Punjab Sales Tax on Services Act 2012, a withholding agent shall deduct @5% on the advertisement (including classified ads) in newspapers, magazines, journals and periodicals.

PDMA-Punjab Lahore made payment of Rs 192.963 million to various contractors/ service providers for inland carriage of goods (food hampers, tents, boats, mosquito net, Eid gift package) in different areas, media campaign through television and newspapers without deduction of Punjab sales tax of Rs 28.867 million. The detail is given in **Annexure-III**.

Audit holds that PST on services was required to be deducted before making payment to the service providers whereas department paid full amount to the contractors which tantamount to overpayment to the contractor and required to be recovered.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that the matter may be investigated for non-deduction of PST and make recovery at the earliest under intimation to audit.

PDP-18, 19 & 21 (2014-16, PDMA-Punjab)

#### **1.2.14 Loss to Government Due to Missing of Rice Bags from Store – Rs 2.252 Million**

As per Rule 2.33 of PFR Vol-I, “every Government servant should realize fully and clearly that he would be held personally responsible for any loss sustained by Government through fraud or negligence on his part or to the extent he contributed to the loss by his own action or negligence.

PDMA-Punjab purchased 8000 bags (20 kg each bag) of rice at the rate of Rs 2000 per bag from M/s Hafiz Traders and M/s Alizeh. It was however, observed that 1,126 bags (costing Rs 2.252 million) were missing from the warehouse of PDMA Punjab (at Raiwind). SMBR-Punjab constituted an inquiry committee on 25<sup>th</sup> May 2015 to ascertain the facts and to fix responsibility for the loss, theft or misappropriation. The committee was required to furnish the report within seven days from date of issuance of the letter. Audit observed that no such inquiry was held till the date of audit i.e. 16<sup>th</sup> September 2016.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that inquiry may be conducted to fix the responsibility on the person(s) at fault. Moreover, responsibility may also be fixed on the person(s) for non-conducting of inquiry in a given time frame under intimation to Audit.

PDP-22 (2014-16, PDMA-Punjab)

### **1.2.15 Irregular Payment on Account of Purchase of Plastic Mats and Wheat Flour – Rs 28.315 Million**

As per Rule 12(2) of Punjab Procurement Rules (PPR) 2014, any procurement exceeding two million rupees shall be advertised on the website of the Authority, the website of the procuring agency, if any, and in at least two national daily newspapers of wide circulation, one in English and one in Urdu.

As per Rule 69 of Punjab Procurement Rules (PPR) 2014, “any violation of these rules shall be treated as mis-procurement.”

PDMA-Punjab called for financial bid vide letter No. 295-2015/423/B-I dated 07<sup>th</sup> July 2015 for procurement of different items including Food Hamper, Tents, Mosquito Net, Plastic Mat, Atta (Wheat Flour 10Kg bag) and Mineral water (Nestle 1.5 liters bottle) from prequalified firms and they offered rates out of which M/s Blue Star & M/s Hussain Enterprises quoted the lowest rates for Plastic Mats and M/s Dayan Brothers for Atta. The department accordingly, awarded contracts to the firms for procurement of plastic mat and Atta on 15<sup>th</sup> July 2015. The firms submitted their bills to the department and payment of Rs 28.315 million made to the firms. The detail of payment is as under:

<b>Sr. No.</b>	<b>Firm Name</b>	<b>Name of item</b>	<b>Quantity</b>	<b>Rate (Rs)</b>	<b>Amount (Rs)</b>
1	M/s Blue Star	Plastic Mat	10,000	1,300	13,000,000
2	M/s Hussain Enterprises	Plastic Mat	10,000	1,300	13,000,000
3	M/s Dayan Brothers	Atta	5,000	463	2,315,000
Total (Rs):			25,000		28,315,000



Audit is of the view that in the prequalification advertisement, there was no provision/ intention for procurement of Plastic Mats but the department accepted the financial bids/ quotations and made contracts for such procurement with the firms. The procurement was required to be made through floating a tender as specified in the rule 12(2) of PPR 2014. In absence of this, the procurement stands irregular.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that the responsibility may be fixed on the person(s) for non-observing the codal and procedural obligations besides the regularization of the expenditure from the competent forum under intimation to Audit.

PDP-24 & 33 (2014-16, PDMA-Punjab)

### **1.2.16 Irregular Expenditure on Account of Printing – Rs 1.376 Million**

As per Rule 59 (c)(iv) of Punjab Procurement Rules (PPR) 2014, “a procuring agency shall only engage in direct contracting if repeat orders not exceeding fifteen percent of the original procurement.”

As per Rule 12(1) of Punjab Procurement Rules (PPR) 2014, “a procuring agency shall advertise procurement of more than one hundred thousand rupees and upto the limit of two million rupees on the website of the authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement in at least one national newspaper”.

PDMA-Punjab issued work orders on 26<sup>th</sup> September 2014 in favour of M/s Time & Space to print 100,000 letterheads and envelopes for cash grant disbursement program which were dispatched to different DCOs of Punjab. Later on, the department issued another work order on 15<sup>th</sup> November 2014 to the same contractor i.e. M/s Time & Space for printing of 120,000 letterheads and envelopes and they were inspected on 17<sup>th</sup> November 2014. It shows that the department awarded the contract as repeat work order for increased quantity which was 120% of the initial

work order to the same contractor for the same work and paid an amount of Rs 1,376,400 to M/s Time & Space on account of repeat order. The detail is as under:

Sr. No.	Particulars	Quantity	Rate (Rs)	Amount (Rs)
1	Letterheads	120,000	5.56	667,200
2	Envelopes	120,000	5.91	709,200
<b>Total (Rs):</b>				<b>1,376,400</b>

Audit is of the view that the quantity procured more than 15% of the initial order from the same contractor which is violation of the above referred rule that make payment irregular. Moreover, the procurement was more than one million which required to be advertised under PPRA rules.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that the expenditure may be regularized from the competent authority alongwith strengthened the internal control for recurrence of such transaction in future.

PDP-30 (2014-16, PDMA-Punjab)

### **1.2.17 Non Taking of Tents on Stock - Rs 357.270 Million**

Rule 15.4(a) of PFR Vol-I requires that all material received should be examined counted, measured and weighed as the case may be, when delivery is taken and then entered in the appropriate stock register.

PDMA-Punjab incurred an expenditure of Rs 357.270 million on purchase of “tents” during the financial year 2015-16. It revealed that neither the purchased tents entered in the stock register nor issuance found on the stock register. The detail is given in **Annexure-IV**.

Audit is of the view that the tents were not entered in the stock register of the store which is a violation of the stated rule. Moreover, chances of misappropriation of material could not be ruled out.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that the responsibility may be fixed on the person(s) at fault for non-observing the codal formalities as desired under the rule. Moreover, stock entries may be made and report thereon may be verified under intimation to Audit besides internal control may also be strengthened to avoid recurrence of such events in future.

PDP-31 (2014-16, PDMA-Punjab)

### **1.2.18 Irregular Payment on Account of Repair of Relief Equipment- Rs 25.627 Million**

As per Rule 2.10(a)(1) of PFR Vol-I, In incurring and sanctioning expenditure from the revenues of the province the disbursing officers and sanctioning authorities should be guided by the fundamental canons of financial propriety and same vigilance should be exercised in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in respect of the expenditure of his own money.

As per Rule 2.20 of PFR Vol-I, As a general rule every payment, including repayment of money previously lodged with Government, for whatever purpose, must be supported by a voucher setting forth full and clear particulars of the claim. As far as possible, the particular form of voucher applicable to the case should be used.

As per PDMA Punjab letter No. 786-2015/104/Tech dated 19.05.2015, HQ Engineer 4 Corps was responsible for provision of Vouched Account to PDMA Punjab for the whole expenditure incurred on account of repair of flood relief equipment.

PDMA-Punjab paid an amount of Rs 25,627,000 during FY-2014-15 & 2015-16 to HQ Engineer 4 Corps on account of repair of flood relief equipment. The detail is as under:

Sr. No.	Description	Cheque No. & Date	Amount (Rs)
1	Payment on account of repair of relief equipment	544824 dated 11.07.2015	11,887,000
2		459542 dated 27.10.2014	8,740,000
3		519293 dated 21.05.2015	5,000,000
Total (Rs):			<b>25,627,000</b>

The HQ Engineering 4 corps did not provide the vouched account to PDMA Punjab which makes the expenditure doubtful. Moreover, out of total payment of Rs 25.627 million an amount of Rs 1,875,311 (Rs 794,640 + Rs 1,080,671) was paid on account of “variation in repair/maintenance” but detail of actual repair and maintenance has not been provided by HQ Engineer 4 Corps.

Audit is of the view that in the absence of detail of repair and maintenance along with vouched account, the payment is doubtful. Consequently, audit is unable to ensure the authenticity of the claims/ payments.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that the responsibility may be fixed on the person(s) for making payment without observing codal formalities besides that complete inquiry may be conducted to probe the matter and report thereon may be forwarded to Audit.

PDP-35 (2014-16, PDMA-Punjab)

### **1.2.19 Non-Preparation and Submission of Annual Report to Provincial Government**

As per Section 41(2) of NDM 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.”

Annual performance reports of PDMA's activities since promulgation of the Act was required to be submitted to the Provincial Government and Provincial Assembly, and the same were requested from PDMA-Punjab vide Director General Audit (Disaster Management) office letter No. Audit/PDMA-Punjab/2016-17/03 dated 8<sup>th</sup> August 2016 but no such reports were provided to Audit.

Non-provision of said reports implies that PDMA-Punjab did not disclose the performance to Assembly as required above. This was pre-requisite for the discussion in the parliament and for taking corrective measures/ feed-back /directions from the legislators. Audit holds that this is a serious lapse on the part of PDMA-Punjab by concealing the progress from the elected members of the People. This further caused the elected members to be unaware of the achievements/ lags in the activities undertaken by PDMA-Punjab. This also disrupted the process of ensuring the parliamentary control over the affairs of PDMA.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that the necessary reports may be submitted to the assembly for requisite actions at their end and necessary action may be taken against the person(s) responsible for non-compliance of the statutory requirement.

PDP-1 (2014-16, PDMA-Punjab)

### **1.2.20 Non-Formulation of Provincial Disaster Management Policy**

As per Section 16(1) & 16(2)(a) of NDM Act 2010, "Provincial Authority shall be responsible for implementing policies and plans for disaster management in the province. The provincial authority may formulate the provincial disaster management policy obtaining the approval of the Provincial Commission."

Provincial Disaster Management Policy was required to be formulated and got approved from the Provincial Disaster Management Commission-Punjab, and the same was requested from PDMA-Punjab vide Director General Audit (Disaster

Management) office letter No. Audit/PDMA-Punjab/2016-17/03 dated 8<sup>th</sup> August 2016 but no such policy and approval thereof were provided to Audit.

The devising of Provincial Disaster Management (PDM) Policy is a major step towards achieving sustainable development through ensuring that disaster risk management is integrated in development planning by all sectors in the province and it also reflects a set of key priority areas and strategies for making a province resilient to disasters. It also provides a common direction to all government, non-governmental organizations, private sector organizations, media and development partners at provincial and district levels on how to effectively implement disaster risk management programs and activities.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that PDM policy may be formulated and got approved from the PDM Commission to guide disaster risk management mainstream in the province by providing policy strategies that would achieve the long term goal of reducing disaster losses in lives and in the social, economic and environmental assets of communities. Moreover, necessary action may be taken against the person(s) responsible for non-compliance of mandate as given in the Act.

PDP-6 (2014-16, PDMA-Punjab)

#### **1.2.21 Non-Compliance of Statutory Requirement by PDMA For Non-Examination of Construction in The Areas and Non-Devising Disaster-Resistant Building Codes, Guidelines and Architectural Designs**

As per Section 16 (2)(f) of NDM Act 2010, “Without prejudice to the generality of the foregoing provision, the Provincial authority examine the construction in the area and if it is of the opinion that the standards laid down have not been followed, it may direct for following the same to ensure compliance of such standards.”

Reports on examination of construction in the province conducted by PDMA-Punjab or helped/ coordinates with concerned agencies to ensure compliance of construction standards since promulgation of the Act was requested from PDMA-Punjab vide Director General Audit (Disaster Management) office letter No. Audit/PDMA-Punjab/2016-17/03 dated 8<sup>th</sup> August 2016 but no such reports and details were provided to Audit.

Non-provision of said reports/ details indicates that PDMA-Punjab did not examine the construction in the areas whether the building codes/ standards are applied or not. Moreover, it also appears that the Authority did not have requisite set up, resources and coordination with departments and organization for cost effective technology, new disaster-resistant building codes or construction guidelines, architectural designs, specifications and construction material for housing and other buildings in the province to safe guard against future threats. This is a serious lapse on the part of PDMA-Punjab by non-examination of construction and helping in devising new disaster-resistant building codes etc.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting No DAC meeting was arranged till finalization of this report.

Audit recommends that necessary arrangements may be made to allocate requisite resources to strengthen PDMA technically in terms of staff/ equipment in order to discharge its statutory role.

PDP-7 (2014-16, PDMA-Punjab)

### **1.2.22 Non-Devising of Asset Management Manual / Policy**

As per article 47 of NDM Act 2010, the Federal Government and Provincial Government may, by notification in the official Gazette, make rules for carrying out the purpose of NDM Act 2010. Further, Chapter 13 of Accounting Policy and Procedure Manual (APPM) provides detail account asset/ stock/ store management and record keeping.

PDMA-Punjab procured different items such as Boats, Tents, OBM, Life Jackets, and Dewatering Sets etc. since its inception for the purpose of relief operation carried out in the disaster related areas. The department after procurement sent items to DDMA's and other concerned departments to carry out the relief operations during disaster. The department do not have any asset management policy regarding safeguarding of assets. The detail of major items procured during financial years 2014-15 and 2015-16 is as under:

Sr. No.	Item	Quantity	Amount (Rs)	Financial Year
1	Tents	68,350	731,525,000	2014-15
2	Life Jackets	1,500	3,450,000	2014-15
3	Life Ring	156	858,000	2014-15
4	Mosquito Net	20,000	9,000,000	2014-15
5	Search Light	50	70,000	2014-15
6	Dewatering Sets	10	1,050,000	2014-15
7	Tents	41,800	36,5170,000	2015-16
8	Mosquito Net	20,000	9,000,000	2015-16
9	Plastic Mat	20,000	26,000,000	2015-16
10	Searchlight	100	695,000	2015-16
11	Fiberglass Boat	132	22,430,760	2015-16
12	OBM (40 HP)	67	19401525	2015-16
13	OBM (48 HP)	25	9,067,500	2015-16
14	Lifejackets	3,000	18,975,000	2015-16
15	Life Ring	3,000	14,400,000	2015-16
16	Dewatering Sets	50	7,250,000	2015-16
Total (Rs):			1,238,342,785	

Audit is of the view that the PDMA-Punjab is expending big amount on procurement of assets/ relief machinery & equipment every year. These procured items are the property/ ownership of PDMA-Punjab and it should have a documented policy regarding managing its machinery and equipment. The objective of this policy is to establish a framework for the accounting treatment and safeguarding of machinery and equipment, retrieval from departments after completion of disaster relief operations and disposal thereof. Moreover, it prescribes the responsibilities of various departments/ functionaries regarding using of assets and their repair and maintenance.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.



The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that the responsibility may be fixed on the person(s) for issuing assets without non-devising asset management policy. Moreover, department may be prepared an assets management policy detailing the terms of handing/ taking of assets, its use, period of use, terms of use, parking and disposal at the earliest under intimation to Audit.

PDP-23 (2014-16, PDMA-Punjab)

### **Performance**

#### **1.2.23 Non-Establishment of Stockpiles of Disaster Relief Items for Emergency Situation as Required Under NDM Act 2010**

As per section 20(2)(p) of the National Disaster Management Act 2010, the Provincial Authority may establish stockpiles of relief and rescue materials or ensure preparedness to make such materials available at a short notice.

PDMA-Punjab was established under NDM Act 2010. PDMA is responsible to comply with provisions of NDM Act 2010 and also responsible to maintain a strategic reserve/ Stockpile for any kind of disaster. Stockpile is a large accumulated stock of goods or materials, especially one held in reserve for use at a time of emergency/ disaster. The detail/ policy regarding strategic reserve/ stockpiles was requested from PDMA-Punjab vide Director General Audit (Disaster Management) office letter No. Audit/PDMA-Punjab/2016-17/09 dated 7<sup>th</sup> September 2016 but no such detail was provided to Audit.

Audit is of the view that non-establishment of stockpiles of disaster relief items for emergency situation is not only violation of statutory obligation but it also creates problems in finding a suitable supplier with the least financial cost and better quality of goods during emergency situation. Moreover, without stockpiles delays occurs in provision of relief items to the affectees.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that necessary arrangements may be made to establish a strategic reserve/ stockpile to ensure preparedness and to make such materials available at a short notice for affectees during emergency.

**PDP-37 (2014-16, PDMA-Punjab)**

## ***Chapter-2***

### ***District Disaster Management Authorities (DDMAs), Punjab***

#### **2.1 Introduction of the Departments**

The District Disaster Management Authorities were established under the NDM Act (National Disaster Management Act) in 2010 in each District of the Punjab. The District Authority is responsible for the District planning coordinating and implementing body for disaster management in the District in accordance with the guidelines laid down by the National/ Provincial Authority.

## 2.2 AUDIT PARAS

### Irregularity & Non Compliance

#### 2.2.1 Distribution of Relief Items Without Observing The Provisions of Flood Contingency Plan 2015 – Rs 127.579 Million

As per page-19 of Flood Contingency Plan 2015 of DDMA-Rajanpur, “During flood, Revenue Department will be responsible to register the flood affectees who will stay in Relief Camps and at other places and issue them Ration Cards. All the relief items will be distributed amongst the flood affectees on the basis of the Performa of Ration Cards.”

DDMA-Rajanpur did not distribute the food hampers and other relief items amongst the flood affectees on the basis of ration cards. The detail of distributed items is as under:

Sr. No.	Items	Qty Distributed	Rate (Rs)	Amount (Rs)
1	Food Hampers (PDMA)	39,145	2,986	116,886,970
2	Food Hamper (DDMA)	8,562	1,030	8,818,860
3	Mineral Water	30,000	47	1,410,000
4	Flour (10 kg bag)	1,000	463	463,000
Total (Rs):				127,578,830

Audit is of the view that Ration Cards are used for issuing the food related items in emergency or where food resources are scarce and to keep the record of persons getting the food items in defined interval. Keeping in view the above, relief item distributed amongst flood affectees without ration cards is not only violation of flood contingency plan 2015 of the District but also it leads to non-transparent distribution of relief goods.

The management in its reply dated 28<sup>th</sup> November 2016 stated that the relief items especially food hampers were distributed amongst the flood affectees in a very transparent manner. It is clarified that the food hampers were distributed at spot among the affectees and as such the need of issuing of ration cards does not arise. Ration Cards are to be issued if the disaster sustained more than 6 months. The

provision of Ration Cards was erroneously included in the contingency plan and the same has been deleted in the contingency plan 2017.

The reply is not convincing because Ration Cards are used for issuing the food related items in emergency or where food resources are scarce and to keep the record persons getting the food items in defined interval.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that the responsibility may be fixed on the person(s) for non-observing the codal formalities/ non-implementing the contingency plan in true letter and spirit. Moreover, efforts may be made to ensure the compliance of contingency plan under intimation of Audit.

PDP-42 (2015-16, DDMA-Rajanpur)

### **2.2.2 Payment Made in Violation of Finance Department Instructions – Rs 6.000 Million**

As per Finance Department letter No. R&E/PPB/8-2/2014/P-I-KC dated 28<sup>th</sup> July 2015, the fund released by the Finance Department for immediate rescue and relief operations during flood season-2015 or any other eventuality may be utilized for the specific purposes as mentioned in the referred letter.

Finance Department released Rs 110.000 million to DDMA-Rajanpur and DDMA-DG Khan during financial year 2015-16 for immediate rescue and relief operations during flood season-2015 after completing all codal/ legal/ statutory requirements. It revealed from the record that the department made payment of Rs 6.000 million to the family/ legal heir of deceased. The detail is given in **Annexure-V**.

Audit is of the view that no provision for such payments was given in the Finance Department letter which resulted into irregular payment.

In reply of the AIR, management of DDMA-Rajanpur stated that Government of Punjab, PDMA directed on 4<sup>th</sup> August 2015 that compensation amount of bereaved

family, legal heir of deceased person must be paid within twenty four hours for death of any person as a result of natural calamity.

The reply is not convincing because there is no provision for such payments was given in the Finance Department letter. The Audit and Inspection Report was issued to the management of DDMA-DG Khan on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that the expenditure may be regularized from the competent forum under intimation to Audit.

PDP-44 & 54 (2015-16, DDMA-Rajanpur & DDMA-DG Khan)

### **2.2.3 Loss to Government Due to Non-Distribution of Relief Food Items – Rs 7.186 Million**

As per Rule 2.33 of PFR Vol-I, “every Government servant should realize fully and clearly that he would be held personally responsible for any loss sustained by Government through fraud or negligence on his part or to the extent he contributed to the loss by his own action or negligence.

PDMA-Punjab forwarded different food items to DDMA-DG Khan for onward distribution of these items among flood affectees of 2015. Out of which some items were not distributed and the balance quantities are still reflected on the stock register. The detail of received and issued items is as under upto 15<sup>th</sup> August 2016:

<b>Sr. No.</b>	<b>Food Item</b>	<b>Qty received from PDMA</b>	<b>Qty issued</b>	<b>Balance available</b>	<b>Rate (Rs)</b>	<b>Amount (Rs)</b>
1	Food Hampers	17,000	15,120	1,880	3,607	6,781,160
2	Atta (10kg per Bag)	4,358	4,308	50	463	23,150
3	Mineral Water 1.5ltrs	21,140	13,010	8,130	47	382,110
Total (Rs):						7,186,420

Audit is of the view that the items were purchased by PDMA-Punjab during the month of July and August 2015. Generally, food items have expiry of one year or it depends on atmosphere where the items were placed. The department did not utilize/ distribute the leftover relief food items among the affectees and resultantly these items expired causing loss to the Government.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that the matter may be investigated and fix the responsibility on the person(s) at fault besides recovery of loss under intimation to audit.

PDP-48 (2015-16, DDMA-DG Khan)

#### **2.2.4 Non Deduction of Punjab Sales Tax on Account of Catering Services - Rs 1.884 Million**

As per Sr. No. 11 of Second Schedule (Taxable Services) of the Punjab Sales Tax on Services (PST) Act 2012, a withholding agent shall deduct @ 16% on the amount of catering services provided by the supplier.

DDMA-DG Khan made payment of Rs 11.777 million to the various contractors on account of services provided for catering (cooked food) for flood affectees without deduction of Punjab sales tax on account of catering services amounting to Rs 1.884 million. The detail is given as **Annexure-VI**.

Audit is of the view that PST on services @ 16% was required to be deducted before making payment to the service provider of catering whereas department paid full amount to the suppliers which tantamount to overpayment to the contractor.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that the matter may be investigated and responsibility fixed on the person(s) at fault for non-observing the codal and procedural obligations before making the payments besides the recovery of Rs 1.884 million may be made from the concerned at the earliest and deposited into Government treasury under intimation to Audit.

PDP-49 (2015-16, DDMA-DG Khan)

## 2.2.5 Non Deduction of Income Tax on Account of Supplies - Rs 1.214 Million

As per section 153(1)(a) & (b) of income tax ordinance 2001, (amended in Finance Act 2015), income tax shall be charged on payment of goods and services to the contractors at the following rates:

Section	Particulars	Rate
153(1)(a)	Sale of any other goods in case of other than company	4.5%
153(1)(b)	For transport services	2%
153(1)(b)	For other services in case of other than company	10%

DDMA-DG Khan made payment of Rs 13.292 million to the various contractors on account of purchase of cooked items, mineral water and on account of transport services without deduction of Income Tax amounting to Rs 1.214 million. The detail is given as **Annexure-VII**.

Audit is of the view that income tax was required to be deducted before making payment to the supplier whereas department paid full amount to the suppliers which tantamount to overpayment to the contractor.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.



Audit recommends that the responsibility may be fixed on the person(s) for non-observing the codal and procedural obligations before making the payments besides the recovery of Rs 1.214 million may be made from the concerned and deposited into Government treasury under intimation to Audit.

PDP-50 (2015-16, DDMA-DG Khan)

#### **2.2.6 Unauthorized Transfer of Funds from SDA Account to PLS Account and Non-Surrender of Unutilized Funds – Rs 27.270 Million**

As per Para 2.1(b) of SDA procedure formulated by CGA, the drawing authorities will ensure that no money is drawn from these accounts unless it is required for immediate disbursement. Moreover, money will not be drawn for keeping into bank account or in chest. A certificate to this effect will be recorded on the schedule of payment.

As per Para 5 of PDMA letter No. 294-2015/729/B-I dated nil, “District Coordination Officers are advised to furnish the vouched accounts of the funds for Finance Department. Unspent balance will be adjusted in the PFC share of the respective district governments”.

Finance Department released an amount of Rs 55.00 million to DDMA / DCO-DG Khan during FY 2015-16 for immediate rescue and relief operations during flood season-2015. The amount was placed in the SDA account.

The record of DDMA-DG Khan revealed that the whole amount of Rs 55.00 million was irregularly/ unauthorizedly transferred from lapsable SDA account to non-lapsable PLS account No. 8145-1 maintained in National Bank of Pakistan main branch DG Khan. An amount of Rs 27.729 million was expended on relief activities but the remaining balance of Rs 27.271 million was not surrendered to the Finance Department. The vouched account of the expended amount was also not furnished to the Finance Department.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the

request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that the practice of unauthorized / irregular transfer of funds from SDA Account to PLS Account may be stopped forthwith besides deposit of unspent balance of relief fund and interest accrued thereon into Government treasury under intimation to Audit.

PDP-52& 53 (2015-16, DDMA-DG Khan)

## 2.2.7 Non Surrender of Unspent Balances – Rs 1.859 Million

As per Rule 2.10(a)(1) of PFR Vol-I, In incurring and sanctioning expenditure from the revenues of the province the disbursing officers and sanctioning authorities should be guided by the fundamental canons of financial propriety and same vigilance should be exercised in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in respect of the expenditure of his own money.

DDMA-DG Khan issued cheques in favour of Assistant Commissioner of DG Khan, Taunsa Shareif, Kot Chutta for flood relief activities in the respective Tehsil. The concerned AC submitted their vouched account less than the released amount. The detail is as under:

Sr. No.	Payee Name	Cheque No.	Date	Amount transferred (Rs)	Total amount transferred (Rs)	Vouched account (Rs)	Balance amount (Rs)
1	AC – Taunsa Sharief	490024	22.07.2015	500,000	2,100,000	1,651,070	448,930
		490038	05.08.2015	500,000			
		490095	25.11.2015	500,000			
		490098	30.12.2015	600,000			
2	AC - DG Khan	490023	22.07.2015	500,000	1,500,000	983,090	516,910
		490036	05.08.2015	500,000			
		490094	25.11.2015	500,000			
3	AC - Kot Chutta	490022	22.07.2015	500,000	1,500,000	607,020	892,980
		490037	05.08.2015	500,000			
		490096	25.11.2015	500,000			
<b>Total (Rs):</b>					<b>5,100,000</b>	<b>3,241,180</b>	<b>1,858,820</b>

Audit is of the view that vouched accounts were lesser than the released amount submitted by the respective Assistant Commissioners and balance amount

was required to be surrendered. Non surrender of unspent balance is serious lapse and chances of mis-utilization cannot be ruled out.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that balance amount of Rs 1.859 million may be recovered from the concerned and deposited into Government treasury under intimation to Audit.

PDP-55 (2015-16, DDMA-DG Khan)

### **2.2.8 Irregular Payment to Suppliers in Cash Instead of Cheque-Rs 1.949 Million**

As per para 4.49 (a) of Punjab Subsidiary Treasury Rules amended vide Finance Department letter No. FD(FR)V-6/75(P) dated 04<sup>th</sup> March 2010, “payments of Rs 100,000 and above to contractors and suppliers shall not be made in cash by the Drawing and Disbursing Officers (DDOs).”

DDMA-DG Khan paid Rs 1.949 million to the following service providers on account of cooked food and transportation charges in cash instead of cheques. The detail is as under:

<b>Sr. No.</b>	<b>Bill No.</b>	<b>Date</b>	<b>Description</b>	<b>Contacto/ Vendor Name</b>	<b>Amount (Rs)</b>
1	452	22.07.2015 to 27.07.2015	Cooked Food	M/s Pakistan ka Mashhoor Pakwan	1,769,000
2	1540	22.07.2015 to 27.07.2015	Transportation Charges	M/s Bismillah Goods Transport Company	180,000
Total (Rs):					1,949,000

Audit is of the view that payment made through cash is not only violation of rules but it shows lack of internal control and mismanagement on the part of the authority.

The Audit and Inspection Report was issued on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that the responsibility may be fixed on person(s) at fault and expenditure may be regularized from the competent forum. Moreover, internal control may be strengthened to avoid such type of irregularity in future under intimation to Audit.

PDP-56 (2015-16, DDMA-DG Khan)

### **2.2.9 Non Review of Development Plans as Required Under NDM Act 2010**

As per section 20(2)(n) of the National Disaster Management Act 2010, the District Authority may review development plans prepared by the departments of the Government at the district level, statutory authorities or local authorities with a view to make necessary provisions therein for prevention of disaster or mitigation.

DDMA-Rajanpur and DDMA-DG Khan were established under NDM Act 2010 and notified vide Relief Crises and Management Department letter No. 558-2011/636/Admn-I dated 29<sup>th</sup> August 2010. DDMA's were responsible to comply with provisions of NDM Act 2010 and also responsible to review development plans prepared by the departments of the Government at the district level, statutory authorities or local authorities with a view to make necessary provisions therein for prevention of disaster or mitigation but no record found in compliance of requirement.

Audit is of the view that non review of development plans prepared by the departments of the government at district level, statutory authorities or local authorities is not only violation of statutory requirement but also it will not help in prevention and mitigation from upcoming disaster.

In reply of the AIR, management of DDMA-Rajanpur stated that the provisions of NDM Act, 2010 is being complied with by the DDMA, Rajanpur in its true spirits and necessary disaster plan is being reviewed/ updated every year for

prevention/ mitigation disaster. Irrigation department Government of the Punjab is duly represented by its XEN, Irrigation, Rajanpur in the DDMA. Irrigation Department Rajanpur has been executing the development schemes for prevention of disaster which has been included ADP 2013-14, 2014-15, 2015-16 & 2016-17. Government of Punjab through Agriculture Department also sanctioned 10,000 bulldozer hours for strengthening of flood bunds in the year 2013-14. The reply is not convincing because detail of development plans prepared by the department of the Government at district level, statutory authority or local authorities and reviewed by the DDMA with a view to make necessary provision therein for prevention of disaster or mitigation has not been provided. The Audit and Inspection Report was issued to the management of DDMA-DG Khan on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that necessary arrangements may be made to review the development plans in light of provisions given under the law for prevention or mitigation of disaster under intimation to Audit.

PDP-40 &46(2015-16, DDMA-Rajanpur& DDMA-DG khan)

### **2.2.10 Non-Preparation and Submission of Annual Report to Provincial Government As Required Under NDM Act 2010**

As per Section 41(2) of NDM Act 2010, “District 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.”

DDMA-Rajanpur and DDMA-DG Khan were established under NDM Act 2010 and notified vide Relief Crises and Management Department letter No. 558-2011/636/Admn-I dated 29<sup>th</sup> August 2010. Annual performance reports of DDMA-Rajanpur and DDMA-DG Khan activities since promulgation of the Act were

required to be submitted to the Provincial Government and Provincial Assembly, and the same were requested from DDMA-Rajapur and DDMA-DG Khan vide Director General Audit (Disaster Management) office letter No. Audit/DDMA-Rajapur/2016-17/01 dated 19<sup>th</sup> September 2016 and letter No. Audit/DDMA-DG Khan/2016-17/01 dated 23<sup>rd</sup> September 2016 respectively but no such reports were provided to Audit.

Non-provision of said reports implies that DDMA-Rajapur and DDMA-DG Khan did not disclose the performance to Assembly as required above. This was pre-requisite for the discussion in the parliament and for taking corrective measures/ feedback /directions from the legislators. Audit holds that this is a serious lapse on the part of DDMA-Rajapur and DDMA-DG Khan by concealing the progress from the elected members of the People. This further caused the elected members to be unaware of the achievements/ lags in the activities undertaken by DDMA-Rajapur and DDMA-DG Khan.

In reply of the AIR, department of DDMA-Rajapur stated that during flood-2015, daily reports were sent to the Government of the Punjab with copies to PDMA, SMBR, Secretary Irrigation and Chief Secretary. A final report was sent to the Government. The reply is not convincing because annual performance reports of DDMA-Rajapur activities since promulgation of the Act was required to be submitted to the Provincial Government and provincial Assembly. The Audit and Inspection Report was issued to the management of DDMA-DG Khan on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that the necessary reports may be submitted to the assembly for requisite actions at their end and necessary action may be taken against the person(s) responsible for non-compliance of the statutory requirement.

**PDP-41&47 (2015-16, DDMA-Rajapur& DDMA-DG Khan)**

## **Performance**

### **2.2.11 Non Establishment of Stockpiles of Disaster Relief Items for Emergency Situation As Required Under NDM Act 2010**

As per section 20(2)(p) of the National Disaster Management Act 2010, the District Authority may establish stockpiles of relief and rescue materials or ensure preparedness to make such materials available at a short notice.

DDMA-Rajanpur and DDMA-DG Khan were established under NDM Act 2010 and notified vide Relief Crises and Management Department letter No. 558-2011/636/Admn-I dated 29<sup>th</sup> August 2010. DDMA's were responsible to comply with provisions of NDM Act 2010 and also responsible to maintain a strategic reserve/ Stockpile for any kind of disaster. Stockpile is a large accumulated stock of goods or materials, especially one held in reserve for use at a time of emergency/ disaster. The detail/ policy regarding strategic reserve/ stockpiles were requested from DDMA-Rajanpur and DDMA-DG Khan vide Director General Audit (Disaster Management) office letter No. Audit/DDMA-Rajanpur/2016-17/01 dated 19<sup>th</sup> September 2016 and letter No. Audit/DDMA-DG Khan/2016-17/01 dated 23<sup>rd</sup> September 2016 respectively but no such detail was provided to Audit.

Audit is of the view that non establishment of stockpiles of disaster relief items for emergency situation is not only violation of statutory obligation but it also creates problems in finding a suitable supplier with the least financial cost and better quality of goods during emergency. Moreover, without stockpiles delays occurs in provision of relief items to the affectees.

In reply of the AIR, management of DDMA Rajanpur stated that necessary stock pile of relief and rescue material for emergency services was accordingly established by DDMA, Rajanpur in July 2015. The detail of available items was appraised to the PDMA, Punjab and other required items by rescue 1122, TMAs, Health, Livestock, Agriculture departments were also demanded from PDMA, Punjab, Lahore. Reply is not convincing because the department is responsible for maintaining the minimum reserve of stockpiles throughout the year being proactive instead of reactive approach i.e. when disaster is approaching. The Audit and

Inspection Report was issued to the management of DDMA-DG Khan on 16<sup>th</sup> November 2016 but no reply has been received.

The Proposed Draft Para was issued to the management vide letter No.309/Audit (DM)/PDMA-Punjab/2016-17/221 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that necessary arrangements may be made to establish a strategic reserve/ stockpile to ensure preparedness and to make such materials available at a short notice for affectees during emergency.

**PDP-39& 45 (2015-16, DDMA-Rajanpur& DDMA-DG Khan)**



## ***Chapter-3***

### ***Punjab Emergency Service (Rescue-1122) & Civil Defence, Punjab***

#### **3.1 Introduction of the Departments**

The Punjab Emergency Service (Rescue 1122) was established under the Punjab Emergency Service Act, 2006 for professional management of emergencies such as road traffic accident, building collapse, hazardous material incident, fires and disasters. The mission of the department is to “Development of Safer Communities through establishment of an effective system for Emergency Preparedness, Response and Prevention” and the objective is “Establishment an emergency service for the purpose of maintaining a state of preparedness to deal with emergencies. To provide timely response, rescue and emergency medical treatment to the persons affected by emergencies and recommending measures to be taken by related organization to avoid emergencies.”

Civil Defence is the attached department of the Govt. of the Punjab Home department with a mandatory mission of providing auxiliary service in War and Peace time. Punjab in particular because of its location in a volatile, geo-political region has to be in a state of preparedness in order to be able to come up to the challenges caused by flood, war, and earthquakes etc. Besides including awareness amongst masses and creating volunteer force. A Doctor is head of the department with formations at provincial district level.

## **3.2 AUDIT PARAS**

### **Irregularity & Non Compliance**

#### **3.2.1 Loss to Government Due to Non-Encashment of Bid Security - Rs 4.400 Million**

As per Rule 2.33 of Punjab Financial Rules volume-I “Every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss, arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence”.

Punjab Emergency Service (Rescue 1122) advertised a tender notice on 19<sup>th</sup> January 2016 for procurement of two Cranes. The technical proposals were opened on 3<sup>rd</sup> and 4<sup>th</sup> February 2016. After the detail discussion/evaluation of technical proposals the technical committee revised the specification and the firms were ask for resubmission of revised technical proposals and supplementary financial proposals till 9<sup>th</sup> April 2016. The revised proposals were opened and examined on 27<sup>th</sup> May 2016 and M/s Orient Energy System (Pvt) was lowest. Accordingly letter of intent was issued on 27<sup>th</sup> May 2016, to the lowest with the request to submit the 5% performance guarantee in shape of Call Deposit Receipt/ Bank guarantee. The firm did not submit the same till 6<sup>th</sup> June 2016 and informed verbally that they could not supply the equipment on the quoted rate as the lower price was mistakenly written in the financial proposal by the Karachi office. On 6<sup>th</sup> June 2016 the Purchase Committee decided for retendering and forfeit the Bid Security of lowest bidder.

Audit noticed that amount of bid security could not be realized due to expiry of Bank guarantee supplied by the firm which resulted into a loss of Rs 4.400 million.

The matter was pointed out to the management on 31<sup>st</sup> August 2016. In response department replied that on default of the lowest bidder i.e. M/s Orient Energy System, the matter was taken up with HBL Karachi on 31<sup>st</sup> May 2016. However, no response was received from the bank. Accordingly, matter was taken up with the State Bank of Pakistan on 21<sup>st</sup> September 2016, for encashment of bid

security and on receipt of instructions from State Bank of Pakistan. Moreover, complete case has also been sent to Law Wing for initiation of legal action.

The reply is not acceptable as the loss caused due to negligence of the department as the validity of the Bid Security was not observed by the procurement committee before opening of bids.

The Proposed Draft Para was issued to the management vide letter No.306/DGA (DM)/Rescue 1122(Hq)/2015-16/53 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that matter may be investigated and fix the responsibility against person(s) at fault besides the amount of bid security may be recovered under intimation to audit.

(PDP-58, Rescue 1122, Lhr)

### **3.2.2 Irregular Expenditure on Account of Drugs and Medicine - Rs 25.661 Million**

As per Rule 12(1) of Punjab Procurement Rules 2014, a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement in at least one national daily newspaper.

As per Rule 12(2) of Punjab Procurement Rules 2014, any procurement exceeding two million rupees shall be advertised on the website of the Authority, the website of the procuring agency, if any, and in at least two national daily newspapers of wide circulation, one in English and one in Urdu.

As per Rule 69 of Punjab Procurement Rules 2014, any violation of these rules shall be treated as mis-procurement.

Punjab Emergency department incurred an expenditure of Rs 25.661 million on account of purchase of drugs and medicines. The department awarded the contracts for procurement of drugs and medicine on the same rates which were

offered to different government hospitals earlier by the contractors instead offering rates by inviting tenders. The detail is as **Annexure-VIII**.

Audit is of the view that these procurement of drugs and medicines was made in violation of the above rules which resulted into mis-procurement as per rule 69 of Punjab Procurement Rule 2014. Non-observing the procedural/ codal formalities is a serious lapse on the part of the management and it made the whole procurement irregular.

The matter was pointed out to the management on 31<sup>st</sup> August 2016. The department replied that all procurement of drugs and medicine was made according to prevailing PPRA Rules. As per previous policy of the Punjab Emergency Service, the medical and surgical items shall only be purchased at the rate contract of Health Department or major teaching hospitals namely Jinnah, Services, Mayo Hospital based on the quality and price of the product since the Service was unable to attract poor quantities required by the Service. Previously, the Punjab Emergency Service have not much expertise in procurement of medicines even the service of pharmacist was not available without which the purchase of medicines was quite risky particularly with reference to medicines scam of Punjab Institute of Cardiology, Lahore.

The reply of the management is not tenable as procurement was not made as per provision of PPRA and selection of vender was not transparent.

The Proposed Draft Para was issued to the management vide letter No.306/DGA (DM)/Rescue 1122(Hq)/2015-16/53 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that the responsibility may be fixed on the person(s) for non-observing the codal and procedural obligations and the regularization of the expenditure from the competent forum under intimation to Audit.

(PDP-59, Rescue 1122, Lhr)

### **3.2.3 Less Deduction of Liquidated Damages – Rs 9.503 Million**

As per clause 5 of contract agreement final delivery date for supply of 84 ambulances shall be 8 months after receipt of advance payment.

As per clause 9 of contract agreement, the firm shall be liable to pay the liquidated damages @ 2% per month, 0.067% per day of the cost of late delivered supply after the expiry of delivery date for undelivered vehicles.

As per clause 20 of contract agreement, on inspection, the committee may reject stores not conforming to specification.

A contract agreement for procurement of 84 emergency/ rescue cardiac ambulances @ Rs 5.257 million per ambulance was signed on 15<sup>th</sup> June 2015 with Punjab Emergency Service and M/s Afzal Motor Private Limited. The contractor failed to supply 84 emergency / rescue cardiac ambulances within the stipulated time frame of contract agreement. The department imposed and recovered penalty of Rs 4.360 million from the contractor instead of Rs 13.863 million on account of failure to supply of ambulances within stipulated time. The detail is given in Annexure-IX.

Audit is of the view that the department granted undue favour to the contractor by less deduction of liquidated damages instead of actual amount which tantamount loss to exchequer.

The matter was pointed out to the management on 31<sup>st</sup> August 2016. In response department replied that the supplying firm requested for extension in delivery period 04 months due to different reasons. Request of the firm was examined by the department and found justified. Accordingly, extension was accorded by competent authority i.e. Director General on the basis of terms and condition of bidding documents.

The reply of the department is not acceptable as no clause of extension in time was provided in the contract agreement, therefore, the extension of time granted is not justified.

The Proposed Draft Para was issued to the management vide letter No.306/DGA (DM)/Rescue 1122(Hq)/2015-16/53 dated 13<sup>th</sup> December 2016 with the

request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that the responsibility may be fixed on the person(s) for extending undue favour to contractor. Moreover, the recovery of Rs 9.503 million may be made and deposited into Government treasury under intimation to Audit.

(PDP-62, Rescue 1122, Lhr)

### **3.2.4 Non Preparedness to Deal with Emergencies**

As per Civil Defence Act 1952, Clause 1-A, Civil Defence Services means the services formed wholly or mainly to meet the needs of civil defence in peace time and war.

- 1) Publicity to disseminate appropriate civil Defence information by all available means.
- 2) Flood Rescue/ Pre-Flood arrangements.
- 3) Bomb Disposal functions for public safety.
- 4) Impart basic Civil Defence, First /Aid, Fire prevention training to general public industrial / commercial concerns Government/ Semi Government departments, schools and colleges.
- 5) Hold Fire Exercises Seminars and Civil Defence Demonstrations.
- 6) Inspect Municipal Fire Brigades and fire protection measures in Industrial/ Commercial concerns etc.
- 7) Plan and Coordinate Civil Defence Schemes in classified Towns of the Province.
- 8) Help Civil Administration in peace and war emergencies mainly through the voluntary warden service and its Razakars to control Muharram, Eid-Milad-ul-Nabi, Processions Elections/ Strikes, of Polices, Doctors/ Paramedics Railways, Transporters, Postal, Epidemics duty/ function as deemed appropriate by Government.

Following shortcoming found which depicted non preparedness of Directorate of Civil Defence to deal with emergencies:

- i. No Toll free universal access number has been got allotted by the department

- ii. No uniform has been prescribed for unique identification during emergency operation.
- iii. One Bedford fire truck is available for fire emergency but not water hydrant is available
- iv. No wireless communication service is available with the department to monitor online emergency operations
- v. Ambulances are available with the Directorate but no record of purchase and issuance of medicines to concerned rescue staff available
- vi. The infrastructure of the department is out dated and obsolete
- vii. Staff is not equipped with modern tools / machinery / training & technique to handle all kind of emergencies
- viii. The record maintained for emergencies dealt by the department is not reliable and authenticated

Audit is of the view that above mentioned shortcomings shows that the department has no preparedness or not compatible to provide / meet emergency on 24/7 basis. Therefore the expenditure being incurred on Directorate of Civil Defence is wasteful and extra burden on government Exchequer.

The matter was pointed out to the management on 30<sup>th</sup> September 2016. In response it was replied that an Emergency Service station exists at the Directorate with combined control and report center to act as combined Civil Defence Depot during War time Emergency. Each District Office (Civil Defence) is responsible to provide bomb disposal and other assigned services. The Directorate is responsible to co-ordinate and monitor the civil defence activities in 36 districts. However, the re-organization is the need of the time to improve its effectiveness.

The reply of the department is not acceptable as the department explained about the preparedness is only for War time emergency whereas the observation raised for none preparedness during peace time role of the department.

The Proposed Draft Para was issued to the management vide letter No.305/DGA (DM)/Civil Defence/2015-16/54 dated 13<sup>th</sup> December 2016 with the request to convene DAC meeting. No DAC meeting was arranged till finalization of this report.

Audit recommends that matter Home department may constitute a committee to investigate the matter and to ascertain the need of the department either for re-organization of the department on modern techniques or the merger with other departments dealing with emergency services to save the resources being incurred on an abandoned department.

**(PDP-86, Civil Defence Punjab)**



# Annexures

## MFDAC

### Annexure-I

S. #	PDP #	FY	Name of Formation	Subject
<b>PDMA-Punjab</b>				
1	2	2014-16	PDMA-Punjab	Irregular payment from SDA for assistance/ reconstruction of District Awaran Balochistan Earthquake 2013 – Rs 220.00 Million
2	9	2014-16	PDMA-Punjab	Non-utilization of funds - Rs 462.997 million
3	20	2014-16	PDMA-Punjab	Irregular payment on account of POL charges for utilization of Helicopter – Rs 16.114 million
4	25	2014-16	PDMA-Punjab	Doubtful procurement process by giving undue favour to the contractor – Rs 832,000
5	26	2014-16	PDMA-Punjab	Non-operation of Provincial Disaster Management Fund
6	27	2014-16	PDMA-Punjab	Irregular expenditure on account of transportation of goods-Rs 58.083 million
7	28	2014-16	PDMA-Punjab	Irregular/ Unjustified Procurement of Relief Goods – Rs 928.631 Million
8	29	2014-16	PDMA-Punjab	Irregular purchase of food items - Rs 575,000
9	32	2014-16	PDMA-Punjab	Irregular provision of Tents and Blankets to affectees of KPK–Rs 93.850 million
10	34	2014-16	PDMA-Punjab	Irregular procurement of Water Proof Canvas Cloth Tents–Rs 731.525 million
11	36	2014-16	PDMA-Punjab	Loss due to non-retrieval of tents – Rs 566.200 million
12	38	2014-16	PDMA-Punjab	Non provision of Sales Tax Invoices – Rs 15.558 million
13	89	2014-16	PDMA-Punjab	Doubtful payment on account of KPIP-2014 compensation–Rs 16,132 million
<b>DDMAs-Punjab</b>				
1	43	2015-16	DDMA-Rajanpur	Irregular payment on account of purchase of mobile phones – Rs 877,700
2	51	2015-16	DDMA-DG Khan	Doubtful distribution of flood relief items - Rs 98.230 million
<b>Punjab Emergency Service</b>				
1	57	2013-16	Rescue 1122 Headquarter, Lahore	Irregular award of contract to blacklisted firm – Rs 709.986 million
2	60	2013-16	Rescue 1122 Headquarter, Lahore	Non deduction of Punjab sales tax on services - Rs 531,236
3	61	2013-16	Rescue 1122 Headquarter, Lahore	Unauthorized payment without removing defects – Rs 194.509 million
4	63	2013-16	Rescue 1122 Headquarter, Lahore	Non-Recovery on account of Surety bond - Rs 600,000
5	64	2013-16	Rescue 1122 Headquarter, Lahore	Undue favour to the contractor on account of overpayment – Rs 698,226
6	65	2013-16	Rescue 1122	overpayment to the contractor due to non deduction of taxes –

			Headquarter, Lahore	Rs 344,100
7	66	2013-16	Rescue 1122 Headquarter, Lahore	Whereabouts of Donated Vehicles
8	67	2013-16	Rescue 1122 Headquarter, Lahore	Irregular appointment of staff
9	68	2013-16	Rescue 1122 Headquarter, Lahore	Irregular purchase of furniture - Rs 1.226 million
10	69	2013-16	Rescue 1122 Headquarter, Lahore	Non deduction of income tax – Rs 11.156 million
11	70	2013-16	Rescue 1122 Headquarter, Lahore	Undue Favour to The Firm Due to Non-Imposing of LD Damages- Rs 2.703 Million
12	71	2013-16	Rescue 1122 Headquarter, Lahore	Unauthorized drawl of advance payment – Rs 78.715 million
13	72	2014-16	DEO Rescue 1122 Lahore	Unlawful and Risky use of condemned ambulances for emergency services
14	73	2014-16	DEO Rescue 1122 Lahore	Not convening of Emergency Board Meetings
15	74	2014-16	DEO Rescue 1122 Lahore	Unnecessary blockage of ambulances for protocol / orange line duty – Rs 2.394 million
16	75	2014-16	DEO Rescue 1122 Lahore	Irregular purchase from GST non active/ suspended and blacklisted firm - Rs 752,890
17	76	2007-16	DEO Rescue 1122 Faisalabad	Funds expended in excess of appropriation - Rs 20.598 Million
18	77	2007-16	DEO Rescue 1122 Faisalabad	Unlawful and risky use of condemned ambulances for emergency services
19	78	2007-16	DEO Rescue 1122 Faisalabad	Irregular and wasteful expenditure without commencement of Emergency Service - Rs 1,707,801
20	79	2007-16	DEO Rescue 1122 Faisalabad	Irregular expenditure on account of repair and maintenance of vehicles - Rs 60.501 million
21	80	2007-16	DEO Rescue 1122 Faisalabad	Non adherence to quality service indicators
22	81	2007-16	DEO Rescue 1122 Faisalabad	Non surrender of unspent balances to Government Rs 4.246 million
23	82	2007-16	DEO Rescue 1122 Faisalabad	Irregular expenditure on account of repair and maintenance of vehicles – Rs 1.346 million
24	83	2007-16	DEO Rescue 1122 Faisalabad	Irregular Payment of Rs 1.078 million
25	84	2007-16	DEO Rescue 1122 Faisalabad	Not convening Emergency Board Meetings
26	85	2007-16	DEO Rescue 1122 Faisalabad	Uneconomical expenditure on POL - Rs 2.252 million
27	87	2011-16	Civil Defence Punjab	Funds expended in excess of appropriation – Rs 11.966 million
28	88	2011-16	Civil Defence Punjab	Non surrender of unspent balances to Government - Rs 17.820 million

**Annexure-II to Para-1.2.9**

<b>Sr. No.</b>	<b>Award Letter/ Contract</b>	<b>Date of award letter/ contract</b>	<b>Contactor Name</b>	<b>Amount of contract (Rs)</b>	<b>Duty25/10,000 (Rs)</b>
1	229(EGP)-2013/538/B-I	22.07.2014	M/s Roshan Star Company	15,700,000	39,250
2	229(EGP)-2013/539/B-I	22.07.2014	M/s M. Hamza International	15,700,000	39,250
3	262-2014-15/566/B-I	22.06.2014	M/s Dayan Brothers	2,700,000	6,750
4	262-2014-15/567/B-I	22.06.2014	M/s Perspective	1,377,000	3,443
5	262(IDPs)-2014/505/B-I	14.07.2014	M/s Ali Trading Corporation	9,576,000	23,940
6	262(IDPs)-2014/506/B-I	14.07.2014	M/s Alizeh Enterprises	9,576,000	23,940
7	262(IDPs)-2014/427/B-I	22.06.2014	M/s Abdul Wasay	8,024,400	20,061
8	262(IDPs)-2014/428/B-I	22.06.2014	M/s Alizeh (Pvt) Ltd.	6,000,000	15,000
9	262(IDPs)-2014/429/B-I	22.06.2014	M/s Hafiz Traders	6,000,000	15,000
10	262(IDPs)-2014/552/B-I	28.07.2014	M/s Dayan Brothers	1,068,750	2,672
11	270(F)-2014/827/B-I	07.09.2014	M/s Mumtaz Brothers	63,000,000	157,500
12	270(F)-2014/828/B-I	07.09.2014	M/s Alizeh Enterprises	63,000,000	157,500
13	270(F)-2014/837/B-I	07.09.2014	M/s Pearl Associates	71,400,000	178,500
14	270(F)-2014/838/B-I	07.09.2014	M/s HSM Marketing	42,000,000	105,000
15	270(F)-2014/839/B-I	07.09.2014	M/s Hussain Enterprises	42,000,000	105,000
16	270(F)-2014/840/B-I	07.09.2014	M/s World Wide Logistic	42,000,000	105,000
17	270(F)-2014/841/B-I	07.09.2014	M/s Concept International	21,000,000	52,500
18	270(F)-2014/842/B-I	07.09.2014	M/s Zubair Enterprises	10,500,000	26,250
19	270(F)-2014/843/B-I	07.09.2014	M/s Ashraf & Co.	10,500,000	26,250
20	270(F)-2014/844/B-I	07.09.2014	M/s Awami Flour Mills	10,500,000	26,250
21	270(F)-2014/845/B-I	07.09.2014	M/s Waheed Brothers	10,500,000	26,250
22	270(F)-2014/846/B-I	07.09.2014	M/s Zeb& Co.	4,200,000	10,500
23	270(F)-2014/788/B-I	05.09.2014	M/s Mumtaz Brothers	54,000,000	135,000
24	270(F)-2014/789/B-I	05.09.2014	M/s Ali Trading Corporation	13,500,000	33,750
25	262(IDPs)-2014/512/B-I	15.07.2014	M/s Alizeh Enterprises	900,000	2,250
26	262(IDPs)-2014/513/B-I	15.07.2014	M/s Usman Traders	900,000	2,250
27	270(EGPP)-2014/1083/B-I	25.09.2014	M/s Excel Tex Industries	13,737,500	34,344
28	270(EGPP)-2014/1084/B-I	25.09.2014	M/s Hussain Enterprises	13,737,500	34,344

29	270(EGPP)-2014/1085/B-I	25.09.2014	M/s Usman Traders	13,737,500	34,344
30	270(EGPP)-2014/1086/B-I	25.09.2014	M/s Blue Star International	13,737,500	34,344
31	270(W&R)-2014/835/B-I	05.09.2014	M/s Awami Flour Mills	3,965,000	9,913
32	270(W&R)-2014/836/B-I	05.09.2014	M/s World Wide Logistic	3,965,000	9,913
33	270(W&R)-2014/837/B-I	05.09.2014	M/s Alizeh Enterprises	6,000,000	15,000
34	270(W&R)-2014/838/B-I	05.09.2014	M/s Hafiz Traders	1,586,000	3,965
35	270(W&R)-2014/839/B-I	05.09.2014	M/s Hafiz Traders	10,000,000	25,000
36	270(FP/FH)-2014/958/B-I	12.09.2014	M/s HSHCO Printers	4,500,000	11,250
37	270(FP/FH)-2014/968/B-I	14.09.2014	M/s HSHCO Printers	718,300	1,796
38	270(LFT)-2014/1308/B-I	30.10.2014	M/s HSHCO Printers	832,000	2,080
39	270(BVR)-2014/1320/B-I	01.11.2014	M/s HSHCO Printers	780,000	1,950
40	No. 295(T)-2015/480/B-I	15.07.2015	M/s Shelter International	7,900,000	19,750
41	No. 295(F)-2015/464/B-1	15.07.2015	M/s World Wide Logistic	22,545,000	56,363
42	No. 295(F)-2015/464/B-1	15.07.2015	M/s World Wide Logistic	18,035,000	45,088
43	No. 295(F)-2015/465/B-1	15.07.2015	M/s Hussain Enterprises	54,105,000	135,263
44	No. 295(F)-2015/465/B-1	15.07.2015	M/s Hussain Enterprises	15,325,000	38,313
45	No. 295(F)-2015/466/B-1	15.07.2015	M/s Mumtaz Brothers	54,105,000	135,263
46	No. 295(F)-2015/466/B-1	15.07.2015	M/s Mumtaz Brothers	107,275,000	268,188
47	No. 295(F)-2015/467/B-1	15.07.2015	M/s Dayan Brothers	36,070,000	90,175
48	No. 295(F)-2015/467/B-1	15.07.2015	M/s Dayan Brothers	15,325,000	38,313
49	No. 295(F)-2015/468/B-1	15.07.2015	M/s Alizeh Enterprises	36,070,000	90,175
50	No. 295(F)-2015/468/B-1	15.07.2015	M/s Alizeh Enterprises	111,405,000	278,513
51	No. 295(F)-2015/469/B-1	15.07.2015	M/s Pearl Associates	52,035,000	130,088
52	No. 295(F)-2015/469/B-1	15.07.2015	M/s Pearl Associates	44,790,000	111,975
53	No. 295(T)-2015/470/B-1	15.07.2015	M/s Pearl Associates	7,900,000	19,750
54	No. 295(T)-2015/470/B-1	15.07.2015	M/s Pearl Associates	18,800,000	47,000
55	No. 295(T)-2015/471/B-1	15.07.2015	M/s Dayan Brothers	750,500	1,876
56	No. 295(T)-2015/471/B-1	15.07.2015	M/s Dayan Brothers	61,100,000	152,750
57	No. 295(T)-2015/472/B-1	15.07.2015	M/s Excel Tex Industries	39,500,000	98,750
58	No. 295(T)-2015/472/B-1	15.07.2015	M/s Excel Tex Industries	47,000,000	117,500
59	No. 295(T)-2015/473/B-1	15.07.2015	M/s KhNasirUddin& Sons (Pvt) Ltd	15,800,000	39,500
60	No. 295(T)-2015/474/B-1	15.07.2015	M/s Z.R. Enterprises	11,850,000	29,625

61	No. 295(T)-2015/474/B-1	15.07.2015	M/s Z.R. Enterprises	18,800,000	47,000
62	No. 295(T)-2015/475/B-1	15.07.2015	M/s Usman Traders	23,700,000	59,250
63	No. 295(T)-2015/476/B-1	15.07.2015	M/s Blue Star International	18,800,000	47,000
64	No. 295(T)-2015/477/B-1	15.07.2015	M/s Universal Trading Corporation	23,500,000	58,750
65	No. 295(T)-2015/478/B-1	15.07.2015	M/s Zahra Tents	15,800,000	39,500
66	No. 295(T)-2015/478/B-1	15.07.2015	M/s Zahra Tents	9,400,000	23,500
67	No. 295(T)-2015/479/B-1	15.07.2015	M/s Ali Trading Corporation	23,700,000	59,250
68	No. 295(T)-2015/479/B-1	15.07.2015	M/s Ali Trading Corporation	18,800,000	47,000
69	No. 271-2014-15/1104/B-I	26.09.2014	M/s AH Printers	4,588,000	11,470
70	No. 271-2014-15/1105/B-I	26.09.2014	M/s Time & Space	1,147,000	2,868
71	No. 271-2014-15/1103/B-I	15.11.2014	M/s Time & Space	1,376,400	3,441
72	No. 295(T)-2015/480/B-I	15.07.2015	M/s Ali Trading Corporation	4,500,000	11,250
73	No. 295(T)-2015/481/B-I	15.07.2015	M/s Dayan Brothers	4,500,000	11,250
74	No. 295(T)-2015/482/B-I	15.07.2015	M/s Blue Star International	13,000,000	32,500
75	No. 295(T)-2015/483/B-I	15.07.2015	M/s Hussain Enterprises	13,000,000	32,500
76	No. 295(T)-2015/484/B-I	15.07.2015	M/s Dayan Brothers	2,315,000	5,788
77	No. 295(T)-2015/485/B-I	15.07.2015	M/s Dayan Brothers	940,000	2,350
<b>Total (Rs):</b>				<b>1,598,470,350</b>	<b>3,996,176</b>

### Annexure-III to Para-1.2.13

Sr. No.	Service provider	Cheque No.	Cheque Date	Cheque amount (Rs)	Amount of PST (Rs)
Services provided for inland carriage of goods					
1	M/s Ashraf Munir Goods Transport Co.	519272	27.04.2015	18,836,509	3,013,841
2	M/s Pak Karmanwala Goods Transport Co.	519274	27.04.2015	15,061,926	2,409,908
3	M/s Ashraf Munir Goods Transport Co.	519375	05.06.2015	19,928,002	3,188,480
4	M/s Pak Karmanwala Goods Transport Co.	519377	05.06.2015	11,186,410	1,789,826
5	M/s Ashraf Munir Goods Transport Co.	519254	06.04.2015	9,199,064	1,471,850
6	M/s Pak Karmanwala Goods Transport Co.	519258	06.04.2015	6,371,960	1,019,514
7	M/s Ashraf Munir Goods Transport Co.	227451	16.06.2016	951,267	152,203
8	M/s Pak Karmanwala Goods Transport Co.	592956	11.01.2016	7,441,979	1,190,717
9	M/s Ashraf Munir Goods Transport Co.	592954	11.01.2016	24,028,761	3,844,602
10	M/s Ashraf Munir Goods Transport Co.	544878	01.10.2015	14,700,000	2,352,000

11	M/s Pak Karmanwala Goods Transport Co.	544880	01.10.2015	9,800,000	1,568,000
12	M/s Ashraf Munir Goods Transport Co.	227541	16.06.2016	6,445,578	1,031,292
13	M/s Pak Karmanwala Goods Transport Co.	227543	16.06.2016	4,189,774	670,364
14	M/s Ashraf Munir Goods Transport Co.	227545	16.06.2016	5,314,540	850,326
Media campaign through television					
15	Director General Public Relation	506763	19.02.2015	2,197,813	351,650
16	-do-	544773	23.06.2015	5,493,141	878,903
17	-do-	544838	07.09.2015	13,242,831	2,118,853
Media campaign through newspapers					
18	Director General Public Relation	566451	17.12.2014	1,385,451	69,273
19	-do-	544848	12.09.2015	17,188,002	895,400
<b>Total (Rs):</b>				<b>192,963,008</b>	<b>28,867,002</b>

#### Annexure-IV to Para-1.2.17

Sr.No.	Work Order No.	Date	Vendors	Item	Rate	Description	Qty	Amount (Rs)
1	295(T)-2015/470/B-I	15-Jul-15	Pearl Associate	Tent	7900	Single fly (3 Mtr x 4 Mtr)	1000	7,900,000
2	295(T)-2015/470/B-I	15-Jul-15	Pearl Associate	Tent	9400	Double fly (4 Mtr x 4 Mtr)	2000	18,800,000
3	295(T)-2015/471/B-I	15-Jul-15	Dayan Brother	Tent	7900	Single fly (4 Mtr x 3 Mtr)	7500	59,250,000
4	295(T)-2015/471/B-I	15-Jul-15	Dayan Brother	Tent	9400	Double fly (4 Mtr x 4 Mtr)	6500	61,100,000
5	295(T)-2015/472/B-I	15-Jul-15	Excel Tex	Tent	7900	Single fly (4 Mtr x 3 Mtr)	2500	19,750,000
6	295(T)-2015/472/B-I	15-Jul-15	Excel Tex	Tent	9400	Double fly (4 Mtr x 4 Mtr)	5500	51,700,000
7	295(T)-2015/473/B-I	15-Jul-15	Kh. Nasir Uddin & Sons	Tent	7900	Single fly (3 Mtr x 4 Mtr)	1000	7,900,000
8	295(T)-2015/474/B-I	15-Jul-15	Z.R. Enterprises	Tent	7900	Single fly	1500	11,850,000
9	295(T)-2015/474/B-I	15-Jul-15	Z.R. Enterprises	Tent	9400	Double fly	2000	18,800,000
10	295(T)-2015/475/B-I	15-Jul-15	Usman Traders	Tent	7900	Single fly (4 Mtr x 3 Mtr)	3000	23,700,000
11	295(T)-2015/476/B-I	15-Jul-15	Blue Star International	Tent	9400	Double fly (4 Mtr x 4 Mtr)	1800	16,920,000
12	295(T)-2015/477/B-I	15-Jul-15	Universal Trading Corporation	Tent	9400	Double fly (4 Mtr x 4 Mtr)	2500	23,500,000
13	295(T)-2015/478/B-I	15-Jul-15	Zahra Tents	Tent	7900	Single fly (3 Mtr x 4 Mtr)	1000	7,900,000
14	295(T)-2015/478/B-I	15-Jul-15	Zahra Tents	Tent	9400	Double fly (4 Mtr x 4 Mtr)	1000	9,400,000
15	295(T)-2015/479/B-I	15-Jul-15	Ali Trading Corporation	Tent	9400	Double fly (4 Mtr x 4 Mtr)	2000	18,800,000
Total:							40800	357,270,000

#### Annexure-V to Para-2.2.2

Sr. No.	Cheque No.& date	Name of DDMA	Payee Name	Amount (Rs)
1	885389/08.08.2015	Rajanpur	Talib Hussain F/o Mst. Farzana & Shabana bibi (deceased)	1,000,000
2	885390/08.08.2015	Rajanpur	Mst. Ganhwar Mai W/o Jan Muhammad Alias M/o Mr. Hafif Ullah deceased	500,000
3	885391/09.08.2015	Rajanpur	Mr. Mureed Hussain	500,000
4	885382/02.08.2015	Rajanpur	Mst. Kaneez Mai widow of Ghulam Shabir Caste Jaskani	500,000
5	885388/06.08.2015	Rajanpur	Hussain Bakhsh Caste	1,000,000

			Qasrani	
6	490039/06.08.2015	DG Khan	Mr.Khadim Hussain H/o Kudan Mai	500,000
7	490040/06.08.2015	DG Khan	Mr.Khadim Hussain F/o Rabbia	500,000
8	49041/06.08.2015	DG Khan	Mr.Mumtaz Ahmed	500,000
9	490042/06.08.2015	DG Khan	Mr. Altaf Hussain	500,000
10	490043/06.08.2015	DG Khan	Mr. Ghulam Shabbir	500,000
<b>Total (Rs):</b>				<b>6,000,000</b>

#### Annexure-VI to Para-2.2.4

Sr. No.	Bill No.	Date	Contacto r/vendor Name	Bill amount (Rs)	Amount of PST (Rs)
1	28	3.8.2015	M/s Pakistan kaMashhoorPakwan	424,500	67,920
2	29	4.8.2015	M/s Pakistan kaMashhoorPakwan	448,500	71,760
3	30	5.8.2015	M/s Pakistan kaMashhoorPakwan	442,500	70,800
4	454	2.8.15 to 28.7.15	M/s Pakistan kaMashhoorPakwan	2,822,000	451,520
5	452	22.7.15 to 27.7.15	M/s Pakistan kaMashhoorPakwan	1,769,000	283,040
6	45	13.8.15	M/s Pakistan kaMashhoorPakwan	519,500	83,120
7	42	12.8.15	M/s Pakistan kaMashhoorPakwan	478,000	76,480
8	39	11.8.15	M/s Pakistan kaMashhoorPakwan	499,000	79,840
9	44	10.8.15	M/s Pakistan kaMashhoorPakwan	545,500	87,280
10	38	9.8.15	M/s Pakistan kaMashhoorPakwan	405,500	64,880
11	457	8.8.15	M/s Pakistan kaMashhoorPakwan	458,500	73,360
12	36	7.8.15	M/s Pakistan kaMashhoorPakwan	481,000	76,960
13	32	6.8.15	M/s Pakistan kaMashhoorPakwan	441,000	70,560
14	51	16.8.15	M/s Pakistan kaMashhoorPakwan	125,000	20,000
15	48	14.8.15	M/s Pakistan kaMashhoorPakwan	544,500	87,120
16	50	15.8.15	M/s Pakistan	502,000	80,320

			kaMashhoorPakwan		
17	-	02.08.2015	M/s Food Club &Walima Garden through AC-Taunsa	225,000	36,000
18	-	01.08.2015	M/s Insaf Tent and Catering Services through AC-Taunsa	154,000	24,640
19	-	05.08.2015	M/s Food Club &Walima Garden through AC-Taunsa	230,000	36,800
20	-	31.07.2015	M/s Insaf Tent and Catering Services through AC-Taunsa	50,000	8,000
21	-	01.08.2015	M/s Food Club &Walima Garden through AC-Taunsa	212,000	33,920
<b>Total (Rs):</b>				<b>11,777,000</b>	<b>1,884,320</b>

#### Annexure-VII to Para-2.2.5

Sr. No.	Bill No.	Date	Description	Contacto r/vendor Name	Bill amount (Rs)	Income Tax amount (Rs)
1	28	3.8.2015	Cooked Food	M/s Pakistan kaMashhoorPakwan	424,500	42,450
2	1540	3.8.2015	Transportation Charges	Bismillah Goods Transport Company	40,500	810
3	1550	4.8.2015	Transportation Charges	Bismillah Goods Transport Company	40,500	810
4	29	4.8.2015	Cooked Food	M/s Pakistan kaMashhoorPakwan	448,500	44,850
5	30	5.8.2015	Cooked Food	M/s Pakistan kaMashhoorPakwan	442,500	44,250
6	454	2.8.15 to 28.7.15	Cooked Food	M/s Pakistan kaMashhoorPakwan	2,822,000	282,200
7	1548	2.8.15 to 28.7.15	Transportation Charges	Bismillah Goods Transport Company	279,000	5,580
8	452	22.7.15 to 27.7.15	Cooked Food	M/s Pakistan kaMashhoorPakwan	1,769,000	176,900
9	-	-	Minral Water	Pakeeza Bar B.Q	252,000	11,340
10	1540	22.7.15 to 27.7.15	Transportation Charges	Bismillah Goods Transport Company	180,000	3,600



11	45	13.8.15	Cooked Food	M/s Pakistan kaMashhoorPakwan	519,500	51,950
12	42	12.8.15	Cooked Food	M/s Pakistan kaMashhoorPakwan	478,000	47,800
13	-	13.8.15	Transportation Charges	Bismillah Goods Transport Company	36,000	720
14	-	12.8.15	Transportation Charges	Bismillah Goods Transport Company	36,000	720
15	39	11.8.15	Cooked Food	M/s Pakistan kaMashhoorPakwan	499,000	49,900
16	-	11.8.15	Transportation Charges	Bismillah Goods Transport Company	36,000	720
17	44	10.8.15	Cooked Food	M/s Pakistan kaMashhoorPakwan	545,500	54,550
18	-	10.8.15	Transportation Charges	Bismillah Goods Transport Company	36,000	720
19	38	9.8.15	Cooked Food	M/s Pakistan kaMashhoorPakwan	405,500	40,550
20	-	9.8.15	Transportation Charges	Bismillah Goods Transport Company	36,000	720
21	457	8.8.15	Cooked Food	M/s Pakistan kaMashhoorPakwan	458,500	45,850
22	1560	8.8.15	Transportation Charges	Bismillah Goods Transport Company	40,500	810
23	36	7.8.15	Cooked Food	M/s Pakistan kaMashhoorPakwan	481,000	48,100
24	1559	7.8.15	Transportation Charges	Bismillah Goods Transport Company	40,500	810
25	32	6.8.15	Cooked Food	M/s Pakistan kaMashhoorPakwan	441,000	44,100
26	1558	6.8.15	Transportation Charges	Bismillah Goods Transport Company	40,500	810
27	51	16.8.15	Cooked Food	M/s Pakistan kaMashhoorPakwan	125,000	12,500
28	-	16.8.15	Transportation Charges	Bismillah Goods Transport Company	23,000	460
29	-	14.8.15	Transportation Charges	Bismillah Goods Transport Company	36,000	720
30	48	14.8.15	Cooked Food	M/s Pakistan kaMashhoorPakwan	544,500	54,450
31	-	15.8.15	Transportation Charges	Bismillah Goods Transport Company	36,000	720

32	50	15.8.15	Cooked Food	M/s Pakistan kaMashhoorPakwan	502,000	50,200
33	-	01.08.2015	Transportation Charges	M/s Baloch Mini Goods	8,000	160
34	-	Nil	Transportation Charges	M/s Karachi Autos	33,000	660
35	-	30.07.2015 To 07.08.2015	Transportation Charges	M/s JeevaBlouch Brothers	42,500	850
36	-	08.08.2015 To 12.08.2015	Transportation Charges	M/s JeevaBlouch Brothers	22,500	450
37	-	13.08.2015 To 15.08.2015	Transportation Charges	M/s Khan Baloch Mini Goods	8,400	168
38	-	20.07.2015 To 24.07.2015	Transportation Charges	M/s Rizwan& Co	42,500	850
39	-	22.07.2015	Transportation Charges	M/s Azad Goods Tranport Co	57,000	1,140
40	-	30.07.2015 To 31.07.2015	Excavation Charges	M/s Karachi Autos	113,000	2,260
41	-	02.08.2015	Cooked Food	M/s Food Club &Walima Garden thorugh AC-Tuansa	225,000	22,500
42	-	01.08.2015	Cooked Food	M/s Insaf Tent and Catering Services thorugh AC-Tuansa	154,000	15,400
43	-	05.08.2015	Cooked Food	M/s Food Club &Walima Garden thorugh AC-Tuansa	230,000	23,000
44	-	31.07.2015	Cooked Food	M/s Insaf Tent and Catering Services thorugh AC-Tuansa	50,000	5,000
45	-	01.08.2015	Cooked Food	M/s Food Club &Walima Garden thorugh AC-Tuansa	212,000	21,200
<b>Total (Rs):</b>					<b>13,292,400</b>	<b>1,214,308</b>

### Annexure-VIII to Para-3.2.2

Cheque No.	Date	Firm name	Financial year	Amount (Rs)
2330363	14.3.2014	Kohinoor Industries	2013-14	1,151,280
2330363	14.3.2014	Kohinoor Industries	2013-14	384,800
2266690	10.12.2013	Kohinoor Industries	2013-14	819,274
2389578	13.6.2014	Kohinoor Industries	2013-14	1,292,400
2386929	20.6.2014	Kohinoor Industries	2013-14	461,760
2386946	20.6.2014	Standard Medical Co	2013-14	314,496
2334428	7.10.2013	Zulfiqar Ali &Co	2013-14	3,043,170
2387986	25.6.2014	ShazebPharma Ltd	2013-14	312,500
2387988	25.6.2014	Becton Dickinson Pakistan	2013-14	122,000
2387987	25.6.2014	Pharmawise Lab	2013-14	275,000
2387990	25.6.2014	Pharmawise Lab	2013-14	788,850
2387985	25.6.2014	Frontier Dextrose	2013-14	1,078,560
2787984	25.6.2014	Kaumedex	2013-14	900,000
2285983	31.12.2013	Kaumedex	2013-14	1,464,250
2285983	31.12.2013	Kaumedex	2013-14	1,519,500
2332719	18.4.2014	Standard Medical Co	2013-14	268,200
2288314	25.2.2014	Becton Dickinson Pakistan	2013-14	141,250
2348576	19.5.2014	Becton Dickinson Pakistan	2013-14	351,000
2297147	7.3.2014	Brookes Pharma	2013-14	795,000
2348713	21.5.2014	Becton Dickinson Pakistan	2013-14	438,750
2280145	17.1.2014	ShaheenUsama& Co	2013-14	1,924,750
2413008	10.09.2014	Bectondickinson	2014-15	292,500
2427567	27.10.2014	Kohinoor Idst.	2014-15	230,880
2427566	27.10.2014	KarimIndst.	2014-15	1,297,300
2441157	20.11.2014	KarimIndst.	2014-15	1,438,200
2441987	27.11.2014	KarimIndst.	2014-15	802,844
2567459	29.06.2015	KarimIndst.	2014-15	672,543
2460304	06.01.2015	W.H Traders	2014-15	99,160
2460304	06.01.2015	W.H Traders	2014-15	99,000
2512390	21.05.2015	W.H Traders	2014-15	84,240
2515567	28.05.2015	W.H Traders	2014-15	90,000
2562730	24.6.2015	W.H Traders	2014-15	84,000
2567259	27.05.2015	Faisal pharmaceutical Indst.	2014-15	2,524,000

2462307	06.01.2015	Zulfiqar Ali & Co	2014-15	99,216
<b>Total (Rs)</b>				<b>25,660,673</b>

### Annexure-IX to Para-3.2.3

Date of Receiving	Station to whom delivered	Qty. Received	Unit Rate	Total Amount	LD @ 0.067% Per day	Total days for LD	Total LD Due (Rs)	Already Deducted	Difference of Recovery (LD)
13.02.16	KallarSyedan, Rawalpindi	2	5,257,000	10,514,000	7,044	-	-	-	-
13.02.16	Nankana Sahib, shahkot	1	5,257,000	5,257,000	3,522	-	-	-	-
24.02.16	Gujranwala	9	5,257,000	47,313,000	31,700	-	-	-	-
25.02.16	Jhang	4	5,257,000	21,028,000	14,089	-	-	-	-
29.02.16	Rahim Yar Khan	4	5,257,000	21,028,000	14,089	-	-	-	-
01.03.16	Sahiwal	4	5,257,000	21,028,000	14,089	1	14,089	-	14,089
01.03.16	Sargodha	2	5,257,000	10,514,000	7,044	1	7,044	-	7,044
02.03.16	Bahawalpur	5	5,257,000	26,285,000	17,611	2	35,222	-	35,222
02.03.16	Faisalabad	3	5,257,000	15,771,000	10,567	2	21,133	-	21,133
07.03.16	DG Khan	5	5,257,000	26,285,000	17,611	7	123,277	-	123,277
09.03.16	Sialkot	2	5,257,000	10,514,000	7,044	9	63,399	-	63,399
10.05.16	Sialkot	5	5,257,000	26,285,000	17,611	71	1,250,377	176,110	1,074,268
12.05.16	Jhang	1	5,257,000	5,257,000	3,522	73	257,120	42,266	214,854
12.05.16	Shorekot (Jhang)	2	5,257,000	10,514,000	7,044	73	514,240	84,533	429,707
13.05.16	Shahkot (Nankana Sahib)	1	5,257,000	5,257,000	3,522	74	260,642	45,788	214,854
13.05.16	Gujranwala	3	5,257,000	15,771,000	10,567	74	781,926	137,365	644,561
14.05.16	Depalpur (Okara)	2	5,257,000	10,514,000	7,044	75	528,329	98,621	429,707
24.05.16	Sumandari (Faisalabad)	2	5,257,000	10,514,000	7,044	85	598,772	169,065	429,707
26.05.16	Bhowana (Chiniot)	2	5,257,000	10,514,000	7,044	87	612,861	183,154	429,707
27.05.16	Lalliyani (Chiniot)	2	5,257,000	10,514,000	7,044	88	619,905	190,198	429,707
27.05.16	KotliSattian (Rawalpindi)	2	5,257,000	10,514,000	7,044	88	619,905	190,198	429,707
27.05.16	Taxila (Rawalpindi)	2	5,257,000	10,514,000	7,044	88	619,905	190,198	429,707
30.05.16	Malikwal (M.B.Din)	2	5,257,000	10,514,000	7,044	91	641,039	211,331	429,707
30.05.16	KamarMashani (Mianwali)	2	5,257,000	10,514,000	7,044	91	641,039	211,331	429,707
15.06.16		15	5,257,000	78,855,000	52,833	107	5,653,115	2,430,311	3,222,804
		<b>84</b>					<b>13,863,339</b>	<b>4,360,469</b>	<b>9,502,868</b>