



**AUDIT REPORT  
ON  
THE ACCOUNTS OF  
CLIMATE CHANGE, ENVIRONMENT AND DISASTER  
MANAGEMENT ORGANIZATIONS  
SINDH  
AUDIT YEAR 2019-20**

**AUDITOR GENERAL OF PAKISTAN**



# TABLE OF CONTENTS

ABBREVIATIONS & ACRONYMS .....	i
PREFACE .....	ii
EXECUTIVE SUMMARY .....	iii
SECTORAL ANALYSIS ON CLIMATE CHANGE, ENVIRONMENT AND DISASTER MANAGEMENT ORGANIZATIONS .....	vi
<i>Chapter-1</i> .....	1
<b><i>Secretary Rehabilitation and Provincial Disaster Management Authority (PDMA), Sindh</i></b> .....	<b>1</b>
1.1 Introduction .....	1
1.2 Comments on Budget & Accounts (Variance Analysis) .....	1
1.3 Classified Summary of Audit Observations .....	2
1.4 Comments on the Status of Compliance with PAC Directives .....	2
1.5 AUDIT PARAS .....	3
<i>Chapter-2</i> .....	14
<b><i>Environment Protection Agency, Regional office EPA, Environment protection Tribunal and Coastal Development Authority</i></b> .....	<b>14</b>
2.1 Introduction of Authority .....	14
2.2 Comments on Budget & Accounts (Variance Analysis) .....	14
2.3 Classified Summary of Audit Observations .....	15
2.4 Brief Comments on the Status of Compliance with PAC Directives .....	15
2.5 AUDIT PARAS .....	16
<i>Chapter-3</i> .....	35
<b><i>Additional Relief Commissioner, Hyderabad</i></b> .....	<b>35</b>
3.1 Introduction of Offices .....	35
3.2 Comments on Budget & Accounts (Variance Analysis) .....	35
3.3 Classified Summary of Audit Observations .....	35
3.4 Brief Comments on the Status of Compliance with PAC Directives .....	36
3.5 AUDIT PARAS .....	37
<i>Chapter-4</i> .....	45
<b><i>Karachi Metropolitan Corporation</i></b> .....	<b>45</b>
4.1 Introduction of Offices .....	45
4.2 Comments on Budget & Accounts (Variance Analysis) .....	45
4.3 Classified Summary of Audit Observations .....	45
4.4 Brief Comments on the Status of Compliance with PAC Directives .....	46
4.5 AUDIT PARAS .....	47
Annexure-I (MFDAC) .....	58
Annexure-II (Related to Paras) .....	61



## **ABBREVIATIONS & ACRONYMS**

AC	Air Conditioner/Assistant Commissioner
AFS	Annual Financial Statement
AIR	Audit and Inspection Report
ARC	Additional Relief Commissioner
CSD	Canteen Store Department
DC	Deputy Commissioner
DAC	Departmental Accounts Committee
DDMA	District Disaster Management Authority
DDO	Drawing & Disbursing Officer
DG	Director General
DM	Disaster Management
ERRA	Earthquake Reconstruction & Rehabilitation Authority
EPA	Environment Protection Agency
EPT	Environment Protection Tribunal
FDMA	FATA Disaster Management Authority
FTR	Federal Treasury Rules
FY	Financial Year
GFR	General Financial Rule
KPIs	Key Performance Indicators
MTBF	Mid Term Budgetary Framework
NBP	National Bank of Pakistan
NDMA	National Disaster Management Authority
NDMP	National Disaster Management Plan
NGO	Non-Government Organization
NIDM	National Institute of Disaster Management
NLC	National Logistic Cell
PAO	Principal Accounting Officer
PDMA	Provincial Disaster Management Authority
PDMF	Provincial Disaster Management Fund
PDMC	Provincial Disaster Management Commission
SCDA	Sindh Coastal Development Authority
SFR	Sindh Financial Rules
SGA&CD	Services General Administration & Coordination Department
SPPRA	Sindh Public Procurement Regulatory Authority
SRB	Sindh Revenue Board
SST	Sindh Sales tax
TORs	Term of References



## **PREFACE**

Articles 169 & 170 (2) 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 Climate Change, Environment and Disaster Management Organizations of the Government of Sindh for the financial year 2018-19. The Directorate General Audit (Climate Change and Environment) conducted audit during the Audit Year 2019-20 on test check basis with a view to reporting significant findings to the relevant stakeholders. Audit Report highlights systemic issues and as a general principle, includes audit findings having value of rupees one million or more. Relatively less significant issues are listed in the Annexure-I of the Audit Report. The audit observations listed in the Annexure-I shall be pursued with the Principal Accounting Officers at the DAC level. In all cases where the PAOs do not initiate appropriate action, the audit observations will be brought to the notice of the Public Accounts Committee through the next year's Audit Report. Sectoral analysis has been added in this report covering strategic review and overall perspective of audit results.

The 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 observations included in this report have been finalized in the light of discussions in DAC meetings.

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

-S/d-

[Javaid Jehangir]

**Auditor-General of Pakistan**

Dated: 24<sup>th</sup> February, 2020





## EXECUTIVE SUMMARY

The Director General Audit (Climate Change and Environment) is mandated to conduct the audit of receipts and expenditure of funds by the ministry of climate change, ERRA, Environment and Disaster Management Organizations of the Federal and Provincial Governments. The office conducts regularity audit, financial attest audit, compliance with authority audit, and performance audit along with special audit and special study of ERRA, NDMA, Civil Defence, PDMAs, EPAs, EPTs and Rescue-1122. The office is presently located at Islamabad. This report covers the audit of EPA Sindh Coastal Development Authority, Additional Relief commissioner Sindh, PDMA Sindh and Secretary Rehabilitation Sindh.

The Directorate General Audit (Climate Change and Environment) has a human resource of 29 personnel with 7,221 man-days available. The annual budget of the Directorate General Audit (CC&E) for the financial year 2018-19 is Rs 61.744 million.

. As per Audit Plan, both expenditure and receipts of these formations were audited on test check basis by selecting 08 formations out of 29 formations during Audit Year 2019-20. The list of formations audited is given in Annexure-I.

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

This office is mandated to conduct audit of 29 formations working under five PAOs. Total budgeted of these formations was Rs 3,014.312 million for the financial year 2018-19.

The current audit covers the expenditures of 08 formations under four PAOs amounting to Rs 782.405 million for the financial year 2018-19. In terms of percentage, the audit coverage for expenditure is 25.96 % of auditable expenditure.

In addition to this compliance audit report, Directorate General Audit (Climate Change and Environment) conducted 1 certification audit and 1 FAP audit. Reports of these audits are being published separately.

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

As a result of audit, a recovery of Rs 30.166 million was pointed out in this report. Recovery effected from January to December 2019 was 'NIL' as proposed actions are under process.

### **c. Audit Methodology**

The Audit Year 2019-20 witnessed intensive application of desk audit techniques, which included examining permanent files, computer generated data and other relevant documents along with the compliance of policies and rules followed by the audit entities. Risk assessment was carried out by performing analytical procedures and reviewing internal controls. Desk audit review helped auditors in understanding the systems, procedures and environment of the audited entity and identification of high risk areas for substantive testing.

The audit was conducted in accordance with the INTOSAI Auditing Standards as envisaged in Financial Audit Manual (FAM). The overall objective of the audit was to assess compliance with financial rules, adequacy of internal controls along with the achievement of key performance indicators and targets defined in MTBF of the departments along with environment aspects. Review of record, field visit and discussion with management along with analysis and comments on various policies of auditee was also the part of the audit methodology.

### **d. Audit Impact**

There is a need for improvement in the internal control systems through implementations of policies and procedures as recommended by the Audit as agreed in DAC meetings.

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

Though the organizations Internal Controls were in place, however, the same needs improvement. Internal audit wing is required to be established.

### **f. Key Audit Findings of the Report**

- i. Non-production of Record were observed in 01 case involving Rs 8.200 million<sup>1</sup>
- ii. Report cases of fraud, embezzlement and misappropriation were observed in 2 cases involving Rs 2.625 million<sup>2</sup>
- iii. Irregularity / Non-compliance were observed in 20 cases involving Rs 547.195 million<sup>3</sup>

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<sup>1</sup>Para 4.5.1

<sup>2</sup> Para 3.5.1,3.5.2

<sup>3</sup> Para 1.5.1 to 1.5.7, 2.5.6 , 3.5.3 to3.5.6 ,4.5.2 to 4.5.5

iv. Value of money and services delivery issues were observed in 3 cases involving Rs 19.305 million<sup>4</sup>

**g. Recommendations**

PAOs need to take necessary steps to strengthen the financial management systems to achieve the targets as envisaged in annual development plan by improving and implementing internal controls and internal audit wings. Audit recommends that:

- i. Irregular/un-authorized payments need to be regularized or recovered from the person (s) responsible.
- ii. Internal Control should be strengthened and internal audit be conducted and report should be shared with Audit on a regular basis.
- iii. The asset management and inventory control system needs to be made effective through continuous monitoring.
- iv. The SPPRA rules need to be followed in letter and spirit in order to safeguard the government money while making procurements.
- v. Inquiries proposed in audit paras should be conducted and their findings be shared with the audit.
- vi. Contract Clauses provided in the contract may be observe in letter and spirit.
- vii. MTBF targets and KPIs be followed and achieved within the given financial year, coordination between sister organizations as well as between province and federal is required to address. The climatic Change and Environmental issues faced by the province may be address at national and international levels for the better projection.

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<sup>4</sup> Para 2.5.10,2.5.11 &4.5.9

## **SECTORAL ANALYSIS ON CLIMATE CHANGE, ENVIRONMENT AND DISASTER MANAGEMENT ORGANIZATIONS**

After the 18 amendment in the Constitution of Islamic Republic of Pakistan, the subject of environment and climate change has been devolved to the provinces. Consequently, Sindh province has enacted Provincial Environment Protection Act along with the rules and regulations.

The sector in Sindh is primarily administered by Sindh Environment Department and Sindh Rehabilitation Department and Senior member Board of Revenue as Chief Relief Commissioner. The major implementing organizations include Sindh Coastal Development Authority (SCDA), created in 1994 for the improvement, beautification and development of the coastal areas. Sindh Environment Protection Agency (SEPA) was established in 1989 for protection, Conservation Rehabilitation and improvement of the Environment.

The Rehabilitation Department was created Notification dated 26th November, 2010 with the mandate of uplifting the calamity-hit areas by initiation of development projects. PDMA, Sindh was constituted under the NDM Act in 2010, with the scope of mitigation, preparedness and an organized response to a disaster in the Province.

### **Organizational Management<sup>5</sup>**

A number of posts are vacant in various organizations under Sindh Environment Department and Sindh Rehabilitation Department. Due to non-appointment of staff the working of the departments regarding environmental monitoring was being compromised. The lack of monitoring activities hinders effective policy interventions. SEPA laboratory was established but not performing to its full potential. The equipment's were outdated / out of order, due to which research and development works along with sample analysis were not been performed. This results in weak enforcement of environmental laws.

Regional Environment offices were to be established however the progress towards there development is quite slow. Management incurred expenditure on procurement of office equipment and furniture however the regional offices were not established and working properly due to non-appointment of staff.

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<sup>5</sup> Para 2.5.8,4.5.7, 2.5.7, 2.5.10

## **Policy and Regulatory issues<sup>6</sup>**

Rehabilitation department and PDMA has concentrated on post disaster activities and have not been able to initiate mitigation measures to reduce the impact of disasters in various areas of Sindh if and when it strikes in future. SEPA has to classify the industrial units on the basis of environment risks. However, the same has not been done. This results in non-monitoring of non-compliant industrial units in a systematic manner. Rules for registration / certification of environmental consulting firms have not been framed and environment consulting firms are doing their business without any performance standards.

## **Implementation issues<sup>7</sup>**

No funds were allocated in FY 2018-19 for three PSDP ongoing schemes i.e. “Study of Environmental & Health impacts of pesticides and chemical fertilizer in Sindh Province”, “Strengthening of Environmental Monitoring system in EPA” and “Environmental Awareness & Education for Conservation and Protection of Natural and Ecological Resources of Sindh”. The schemes are important part of the achievement of SDGs in the area of environment.

There are five on going schemes of Rehabilitation Department i.e “Consultancy for Establishment of Sindh Emergency Rescue Service (1122)”, “Sindh Resilience Project (World Bank funded)”, “Establishment of Regional Offices of PDMA (Larkano, S.B.A & Mirpurkhas)”, “Mobile Diagnostic Services for Breast Cancer (MDSBC) Project Sindh” and “Mobile Health Care Units (MHUs) Project Sindh”. The approved cost of schemes is Rs 4305.173 million and expenditure is Rs 1208.470 million up to June 2019 as 28% of approved cost.

Non release or less release of funds is hampering the timely completion of schemes and resultant benefits to the people. The internal controls and procedures regarding funds received as fee on account IEE/EIA and deposited into sustainable fund account have not been framed therefore the amount is not verifiable. Administrative penalty imposed for various environmental law violations was imposed but not realized. This results in noncompliance of environmental standards by industrial units. The vehicular emission monitoring could not be carried out due to non-functional equipment. The emissions are contributing to environmental pollution and non-monitoring would increase the number of black smoke emitting vehicles on the road. Further the monitoring activities need to be extended to other cities and towns of Sindh.

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<sup>6</sup> Para 2.5.14, 2.5.15, 2.5.17,1.5.8

<sup>7</sup> Para 2.5.12, 2.5.2, 2.5.3, 2.5.11

## **Conclusion**

There was acute shortage of experience and trained field staff in climate change, environment and disaster management organizations of the Provincial Government of Sindh which should be addressed for better efficiency and achievement of targets. The regional offices may be established for smooth functioning of the departments. There is a need to strengthen the SEPA lab so that the services of the staff deployed could be utilized efficiently in public interest. The rules / policies pertaining to provincial environment / sustainable developments, classification of industrial units, registration / certification mechanism for environment laboratories and consulting firms should be formulated, so that the environmental challenges may be addressed efficiently and effectively. There was shortage of specialized field vehicles and equipment, which resulted in inefficient monitoring, non-enforcement of laws, delay in timely imposition of corrective measures. Lack of public awareness campaign and slow progress towards timely completion of ADP schemes will further aggravate the environment hazards.



## **Chapter-1**

### **Secretary Rehabilitation and Provincial Disaster Management Authority (PDMA), Sindh**

#### **1.1 Introduction**

The Rehabilitation Department was created in accordance to Services, General Administration & Coordination Department (Regulation Wing) Notification No SORI (S&GD)2-4/2001(Rehabilitation) dated 26<sup>th</sup> November, 2010, and in pursuance of clause (3) of Article 139 of the Constitution of Islamic Republic of Pakistan, 1973 and amendment in Schedule-I, 27-A in Sindh Government Rules of Business, 1986.

The main purpose of Secretary Rehabilitation department, Sindh is to uplift the calamity-hit areas by initiation of development projects, coordination with the other line departments, international organizations and donor agencies.

The Provincial Disaster Management Authority (PDMA) was constituted under the NDM Act (National Disaster Management Act) in 2010, with the scope of 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 Comments on Budget & Accounts (Variance Analysis)**

**Rs in million**

Sr. No.	Financial Year	Formations	Funds Released	Expenditure
<b>1</b>	<b>2018-19</b>	Secretary Rehabilitation	38.783	25.908
<b>2</b>	<b>-do-</b>	PDMA	959.576	917.779
<b>Total</b>			<b>998.359</b>	<b>943.687</b>



**Table I: Audit profile of Relief Department Govt. of Sindh**

Sr.No	Description	Total Nos.	Audited	Expenditure audited FY 2018-19 (Rs in Million)	Revenue / Receipts audited FY 2018-19 (Rs in million)
	Formations	2	2		-
	<ul style="list-style-type: none"> <li>• Assignment Account</li> <li>• SDAs</li> <li>• PDMA Fund A/C</li> </ul> (excluding FAP)	1 Nil 1		524.251	-
	Authorities /Autonomous bodies etc under the PAO	1			
	Foreign Aided project (FAP)	1			

### 1.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 513.446 million were raised in this report during the audit year 2019-20 of “Secretary Rehabilitation and PDMA Sindh”. This amount also includes recovery of Rs 4.39 million as pointed out by audit. Summary of the audit observations classified by nature is as under:

**Table II: Overview of Audit Observations**

(Rupees in million)

Sr. No	Classification	Amount (Rs)
1	Irregularities / Non compliance	<b>94.010</b>
A	Procurement related irregularities	88.133
B	Irregularities due to Weak Internal Controls	5.874
2	Value of money and services delivery issues	-
3	Others	419.436

### 1.4 Comments on the Status of Compliance with PAC Directives

Since this Directorate General conducted first audit of Disaster Management organizations of Sindh during the audit year 2016-17, therefore, the Audit Reports have not yet been discussed in the PAC.

## 1.5 AUDIT PARAS

### Irregularities

#### **1.5.1 Payment of non-scheduled items without rate analysis – Rs 78.473 million**

According to Clause 5.2.3.5 of agreement of consultancy services between Provincial Disaster Management Authority Government of Sindh and M/s Shahzad Associates for construction / supervision of PDMA regional office at Mirpurkhas. “On the basis of approved design reports and with the consultation of procuring agency, the Consultant shall prepare cost estimate supported with unit rate analysis of non- scheduled items on the basis of latest input rates. Consultants shall keep on updating rough cost estimate, BOQ till final approval by the procuring agency by incorporating the changes, resulting from the revision unit rate analysis or due to any change and design and scope of work, preparation of Revised PC-I if required”.

The management of PDMA, Sindh made payment Rs 78,473,030 to the M/s Shahzad Associates for construction / supervision of PDMA regional office at Mirpurkhas without unit rate analysis of non- scheduled items based on latest input rates during the FY 2018-19. The detail is at Annexure-I.

Audit is of the view that due to weak internal controls the payment was made to the contractor without unit rate analysis, which resulted into irregular payment to the contractor and violation of contract agreement.

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response, the management replied that unit rate analysis of non-scheduled items for civil works was referred to the consultant.

The reply of the management was not cogent, as unit rate analysis was not provided at the time of audit.

DAC meeting held on 4<sup>th</sup> December, 2019 directed that Para is settled subject to the verification of record that such rate analysis of all non-schedule items by the consultant was done prior to the execution of the project.

No record produced to audit for verification till the finalization of this report.

Audit recommends the decision of the DAC be implemented under intimation to Audit.

### **1.5.2 Un-justified payment on account of clearing of site -Rs 6.26 million**

According to BOQ, the activity of clearing of site is described as lump sum job “Cleaning the site cutting of bushes, trees etc. for proper execution of work including layout of structure with making center lines, C.C Pillars upto required height including removing and disposal of debris and rubbish of all kinds and sizes including all lead and lifts from the site etc. Complete as per drawing, specifications and instruction of Engineer in Charge”.

The management of PDMA, Sindh made payment Rs. 20,910,641 vide cheque No 239381 dated 14.012.2018 on account of construction of regional offices at Shaheed Benazirabad and Mirpurkhas during the FY 2018-19. The contract for construction of regional offices Shaheed Banazirabad and Mirpurkhas was awarded to M/s Muhammad Hasni Builders and M/s Raza Muhammad (JV) and M/s K.K Construction & Works.

The scrutiny of record revealed that Rs 9,321,000 were kept as clearing of site in BOQs and payment made to the contractors of Rs 6,260,000 on clearing of site. Audit requested to the management to provide the criteria based on which the cost for clearing of site determined but the same was not available in record. The detail of payment is at Annexure-II.

Audit is of the view that due to mismanagement the criteria to determine the cost of clearing was not worked out and hypothetical cost was floated in the tender.

This resulted that the work of clearing of site was done without competitive process and cost of the work could be minimized through competitive rate process.

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response, the management replied that the work of each building starts at different time and separately as per work program, therefore activity of this item is undertaken separately for each building.

The reply of the management is not cogent, as the criteria based on which BOQs cost was determined was not provided.

DAC meeting held on 4<sup>th</sup> December, 2019 directed that the DD (Tech) to present comparative analysis of BOQ quantity vs actual cost regarding the observations in the subject PDP.

No record produced to audit for verification till the finalization of this report.

Audit recommends that matter be probed into besides fixing responsibility against the person(s) who did not calculate the basis of determination of BOQs cost for clearing of site under intimation to audit.

(PDP#172 PDMA – Karachi 2018-19)

### **1.5.3 Non Deduction of Sales Tax from Canteen Stores Department (CSD) - Rs 3.629 million**

According to Central Board of Revenue (Currently working as FBR) letter C. No F-2(73) DTP-II/94 dated 5<sup>th</sup> August 1994, “Canteen Stores Department (CSD) being an organization created, exclusively for the welfare of the personnel of the Armed Forces and operating under the control of Ministry of Defence, cannot be assigned, status of purely commercial business concern liable to tax. All such, the income shall be except from income tax”.

The management of PDMA, Sindh made payment of Rs 114,128,820 to CSD vide cheque No 239340 dated 30.11.2018 on account of supply of 46,206 ration bags @ 2470 per bags to drought affected districts during the FY 2018-19.

It is noticed, that the sales tax amounting to Rs 3,628,580 (46,206 X 78.53) was not deducted from the bill of the vendor. The necessary detail is given below:

<b>Name of Item</b>	<b>Size</b>	<b>Sales Price Excluding GST</b>	<b>GST</b>	<b>Sales Price Including GST</b>
Atta Fine	10 Kg	400	-	400
Rice IRRI	01 kg	720		720
Dall Moong Washed	01 kg	240		240
Dall Channa Bittle CSD	01 kg	244		244
Lobia White	01 kg	210		210
Cooking Oil (Vitamin A&D)	01 ltr	315.52	50.48	366
Sugar	01 kg	53.20	4.80	58
Salt Iodized	800 Gm	24		24
Soap Lifebuoy Care Tri Pack	112 Gm	134.75	23.25	158
Packing Charges	01	50		50
<b>Total</b>			<b>78.53</b>	<b>2,470</b>

Audit is of the view that the rate quoted by CSD for the items of Cooking oil, Sugar & Soap are inclusive of sale tax but the management made payment without deduction of GST.

This resulted into excess payment and loss to Govt. exchequer

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response management replied that CSD has intimated that their Income Tax &

Sales Tax may not be deducted because CSD is a subordinate of Ministry of Defence and it is registered with FBR.

The reply of the management is not cogent, as CSD is doing commercial activity and not for the welfare of the personnel of the Armed Forces.

DAC meeting held on 4<sup>th</sup> December, 2019 directed that letter may be written to the FBR for Clarification regarding CSD has given tax exemption SRO' (both income tax & sales tax), however audit is view that clarification may be sought from FBR regarding the validity of these SROs vs commercial activities.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that the matter be taken up with the FBR for clarification regarding exemption of GST for doing business as commercial entity under intimation to Audit.

(PDP#198 PDMA – Karachi 2018-19)

#### **1.5.4 Over payment to contractor for underground water tank- Rs 3.4 million**

According to Rule 12 of Sindh Public Procurement Rules 2010 “A procuring agency shall prepare all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements already grouped, allocated and scheduled in the Procurement Plan”.

The management of PDMA, Sindh awarded contract to M/s K.K Construction Works for construction of regional office of PDMA Sindh Mirpurkhas. The contractor was paid an amount of Rs 15,194,805 vide cheque No 243345 dated 12.02.2019 including payment of Rs 3,400,000 on account of construction of water tank for 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup> type bungalow. There was provision of only one underground water tank @ Rs 51 per gallon in PC-I of the project with a cost of Rs 1,020,000 whereas the contractor claimed separate payments of underground water tank for 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup> type bungalow, @ Rs 400 per gallon.

Sr No	Description of work	PC-I Cost	Payment made for underground water tank.
01	Construction of Underground Water Tank	1,020,000	680,000 (4 <sup>th</sup> type bungalow)
02			1,360,000 (5 <sup>th</sup> type bungalow)
03			1,360,000 (6 <sup>th</sup> type bungalow)
<b>Total</b>		<b>Rs 1,020,000</b>	<b>Rs 3,400,000</b>

Audit is of the view that there was no provision of underground water tank for 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup> type bungalow of regional office Mirpurkhas and BOQ cost of underground water tank for above three bungalows was also not available. Hence overpayment of Rs 3,400,000 was paid to contractor.

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response, the management replied that subsequent to expansion program of quarters, the construction of the underground water tank was found necessary and thus constructed for all the quarters, which is as per proposed design by consultant and approved by the competent authority.

The reply of the management is not cogent, as no documentary evidence provided in support of reply.

DAC meeting held on 4<sup>th</sup> December, 2019 directed that Deputy Director (Technical) to provide the variation order of the increased quantity.

No record produced to audit for verification till the finalization of this report.

Audit recommends that DAC decision be implemented under intimation to Audit.

(PDP#176 PDMA – Karachi 2018-19)

#### **1.5.5 Irregular Withdrawal of Imprest Money – Rs 0.925 million**

According to Rule 88 of Sindh Financial Rules “Every public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in spending his own money”.

During the scrutiny of record of PDMA Sindh for the financial year 2018-19, it was observed that imprest money amounting to Rs 925,000 was paid directly in favor of individual instead of issuance of cheque by designation i.e. DDO. The detail is placed at Annexure-III.

Audit is of the view that due to weak financial management the cheque was issued in the name of individual instead of by designation i.e. DDO, which resulted into irregular payment.

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response, the management replied that the competent authority allowed the imprest money in favor of Assistant Director (Admn) who look after the day to day affairs

of petty expenses. Moreover, all the cheques of assignment accounts are issued with cross stamp and duly endorsed by the Treasury Officer.

The reply of the management is not cogent as the issuance of cheque to individual instead of DDO is not justified.

DAC meeting held on 4th December, 2019 directed that the account in the name of AD (Admn) shall be opened for the purpose of the petty cash expenditure after taking approval from the competent forum i.e. finance department of Govt. of Sindh.

No record produced to audit for verification till the finalization of this report.

Audit recommends the decision of the DAC be implemented under intimation to audit.

(PDP#194 PDMA – Karachi 2018-19)

### **1.5.6 Overpayment on account of excavated material – Rs 0.757 million**

According to Para 9.3(2-C-ii) of Sindh Regulations for Procurement of Works (2013) “it shall be obligatory on the contractor to obtain from procuring agency all such materials required for the work and for making payments therefore, by deductions from the bills at the rate specified, regardless of fluctuations in the market rates or stock rates of the procuring agency”

The contract for construction of regional office Shaheed Benazirabad was awarded to M/s Muhammad Hasni Builders Raza Muhammad (JV) during the FY 2018-19. The contractor was paid an amount of Rs 20,910,641 vide cheque No 239381 dated 14.012.2018 including payment of Rs 757,650 on account of borrowed earth fill for Godown-I instead of utilizing already available excavated material. The necessary detail is given at Annexure – IV.

Audit is of the view that the borrowed material of Rs 757,650.28 was used in filling of earth, which was 13333.14 cft despite availability of excavated material of 154,902 cft. The detail regarding test report of excavated material was also not provided to audit.

This resulted into overpayment to contractor of Rs 757,650.28.

The matter was pointed out to the management in 5th August, 2019. In response, the management replied that the available excavated material had been utilized in godowns for backfilling purposes.

The reply of the management is not cogent, as record for utilization of excavated material was not produced.

DAC meeting held on 4th December, 2019 directed that Deputy Director (Technical) to provide the total material for filling as per BOQ quantity used from excavated quantity.

No record produced to audit for verification till the finalization of this report.

Audit recommends that matter be probed into and overpayment on account of cost of borrowed material amounting to Rs 757,650 be made as the enough quantity of excavated material for available for utilization.

(PDP#175 PDMA – Karachi 2018-19)

### 1.5.7 Fictitious payment on account of POL – Rs 0.563 million

According to Rule 88 of Sindh Financial Rules “Every public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in spending his own money”.

The Secretary Rehabilitation, Sindh made payment of Rs 562,720 to M/s Marwat Service Station on account of POL during the FY 2018-19. The scrutiny of record of reveals that the POL was drawn for vehicles not at the pool of the office of the Rehabilitation Department. The necessary detail is as under:

Vehicle No	Vendor	Month	Cheque No	Dated	Payment
GS 7790	M/s Marwat Service Station	August 2018	3220553	06.09.2018	70,780
6625		September 2018	32228143	09.10.2018	77,050
6624		October 2018	3263923	16.11.2018	70,700
8309		November,2018	3306647	12.12.2018	67,420
9305		January, 2019	3336129	21.02.2019	62,920
		February 2019	3412299	27.05.2019	69,140
		March, 2019	3410735	10.04.2019	70,760
		May, 2019	-	-	73,950
<b>Total (Rs)</b>					<b>562,720</b>

Audit is of the view that payment on account of POL for vehicles was not at the pool of the rehabilitation department is unjustified and resulted into fictitious.

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response, management replied that strength of the officers is still larger than the



number of vehicles allocated to rehabilitation department Govt. of Sindh and vehicles mentioned in the list are currently on the strength of the PDMA, Sindh.

The reply of the management is not cogent, as the vehicles on the strength of the PDMA, Sindh and payment on account of POL to the Secretary, rehabilitation department is unjustified.

DAC meeting held on 4<sup>th</sup> December, 2019 directed that the administrative department should verify that fuel is being utilized in these vehicles either from administrative department or from PDMA and not from both.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that DAC decision be implemented under intimation to Audit.

(PDP# 256,Sec.Rehab-Karachi 2018-19)

### **Value for Money and Services delivery issues**

#### **1.5.8 Non-achievement of objectives of Rehabilitation Department**

According to Services, General Administration & Coordination Department (Regulation Wing) Notification No SORI (S&GD)2-4/2001 (Rehabilitation) dated 26th November, 2010, the Rehabilitation department was created in pursuance of Provision of clause (3) of Article 139 of the Constitution of Islamic Republic of Pakistan, 1973, and amendment in Schedule-I, 27-A in Sindh Government Rules of Business, 1986. The Rehabilitation Department was created for

- i) Uplift of calamity hit areas;
- ii) Provide support in preparation of the projects for calamity hit areas;
- iii) Monitoring of projects for calamity hit areas;
- iv) Coordination of rehabilitation activities under taken by various departments;
- v) **Matters of Provincial Disaster Management Authority.**

In accordance with the proposal plan for establishment of department of rehabilitation & summary for Chief Minister Sindh, the functions of Rehabilitation Department were as follows

- a) Formulate policies & plans for the management of disasters of all types, relief and rehabilitation of the people of affected areas.

- b) Coordination between Federal Government, provincial and liaison, national and international Organizations / donor agencies.
- c) Monitoring & Evaluation of all the activities / programs.
- d) Plan, implement and supervise all activities pertaining to disaster management, relief & rehabilitation.
- e) Arrange finances for smooth running of all projects.
- f) Creation of employment opportunities for the people of affected areas.
- g) Plan and Supervise control room, complaint cells and implementation cells.
- h) Any other function assigned by the Government.

The management of rehabilitation department Govt. of Sindh, did not perform work in accordance with targets for which the department was created. The record pertaining to achievement of targets as envisaged in the creation of department was not produced to audit for the FY 2018-19.

Audit is of the view that the management fails to achieve the targets set for the creation of the department which shows inefficiency and weak managerial controls.

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response management replied that the Rehabilitation Department was created by Government of Sindh for rehabilitation of the people of calamity hit areas of Sindh in order to mitigate their suffering and to improve the quality of life.

The reply of the management is not cogent, as the policies, plans formulated for uplift of calamity-hit areas and efforts made for execution, monitoring and supervision of different activities related to disaster affected areas were not shared with audit.

DAC meeting held on 4<sup>th</sup> December, 2019 directed that detail of various initiatives undertaken by the Rehabilitation Department to be provided and any other activity carried out regarding arrangement of finances from local and foreign sources may be provided.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that DAC decision be implemented under intimation to Audit.

(PDP# 253-Sec.Rehab-Karachi 2018-19)

## Others

### **1.5.9 Non-auditing of expenditure by reputable audit firm – Rs 419.436 million**

As per Rehabilitation Department Govt. of Sindh letter No. SO-II (Rehab)2-4/2011 dated 13.11.2018, it shall be the responsibility of the PDMA Sindh to submit a comprehensive report, duly audited by some reputable audit firm, about all the expenditure being incurred on relief activities.

Rehabilitation Department, Govt. of Sindh, placed an amount of Rs 419.436 million at the disposal of PDMA Sindh, with the advice that funds should be utilized only for relief of women of the drought affected areas of Sindh through supply of ration bags at designated places.

The scrutiny of record revealed that PDMA incurred an expenditure of Rs 419,436,000 during 2018-19 on provision of ration bags in the drought affected areas of Tharparkar. The comprehensive audit was not carried out from a reputable audit firm. Further, no record regarding receipt / distribution of ration bags was available with PDMA, Sindh.

Audit is of the view that non-conducting of audit from a reputable firm and non-confirmation of receipt of ration bags is a serious lapse on the part of management of PDMA Sindh.

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response management replied PDMA, Sindh send a note to the Secretary Rehabilitation Department, Govt. of Sindh dated 13.11.2018, wherein it was proposed that D.G Audit (Climate Change & Environment) or any other reputable audit firm, as advised by the Finance Department, may kindly be approached to conduct a third party audit of the relief activities.

The reply of the management is not cogent, as audit was not carried out from reputable audit firm.

DAC meeting held on 4<sup>th</sup> December, 2019 referred the para to the administrative department for further necessary action.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that the matter be taken up at appropriate level so that the audit from reputable audit firm was carried out besides fixation of responsibility against the person for violation of instructions and non-maintenance of record under intimation to Audit.

(PDP#184 PDMA – Karachi 2018-19)

## Chapter-2

### *Environment Protection Agency, Regional office EPA, Environment protection Tribunal and Coastal Development Authority*

#### 2.1 Introduction of Authority

The Sindh Environmental Protection Agency (SEPA) was established in 1989 having its Headquarter at Karachi. The major function of EPA included protection, Conservation Rehabilitation and improvement of the Environment, the prevention and control of pollution and the promotion of sustainable development through enforcement of Environmental Laws.

The Sindh Environmental Protection Agency (SEPA) was Federal subject enacted through Pakistan Environmental Protection Act, 1997. The EPA has expanded its projects / activities and established Regional Offices in Hyderabad, Sukkur, Mirpur Khas and Larkana.

As per Sindh Environmental Protection Agency (EPA) after 18<sup>th</sup> Amendment in the Constitution of Islamic Republic of Pakistan, the subject of Environment has been devolved to the provinces. Consequently, Sindh province has enacted Sindh Environmental Protection Act, 2014 and developed rules and regulations.

The Sindh Coastal Development Authority (SCDA) was created through an Act of Sindh Provincial Assembly in 1994 for the improvement, beautification and development of the coastal areas. SCDA is responsible for development projects on coastal areas of Sindh. Sindh Coastal Development Authority has played vita role for development of vast area of more than 15000 square kilometer along 300 km long coast in Sindh. The coastal issues / challenges require research based strategies to understand and minimize natural threats. Theses formations work under the administrative control of Secretary Environment Climate Change and Coastal Development Authority Government of Sindh.

#### 2.2 Comments on Budget & Accounts (Variance Analysis)

(Rs. in million)

Sr. No.	Financial Year	Formations	Funds / Releases	Expenditure
1	2018-19	EPA	66.127	59.323
2	-do-	R/o EPA	33.792	31.549
3	-do-	EPT	33.011	26.466
4	-do-	SCDA	142.358	138.711
Total			275.288	256.049

**Table I: Audit profile of Climate Change, Environment and Coastal Development Govt. of Sindh**

Sr.No	Description	Total Nos.	Audited	Expenditure audited FY 2018-19 (Rs in Million)	Revenue / Receipts audited FY 2018-19 (Rs in Million)
	Formations	4	4	155.045	-
	<ul style="list-style-type: none"> <li>• Assignment Account</li> <li>• SDAs</li> <li>• Etc.</li> </ul> (excluding FAP)	1 Nil Nil			
	Authorities /Autonomous bodies etc under the PAO	1			
	Foreign Aided project (FAP)	Nil			

### 2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs. 1,096.375 million have been raised during the audit year 2019-20 of “Climate Change, Environment and Coastal Development Sindh”. This amount also includes recovery of Rs. 23.79 million as pointed out by audit. Summary of the audit observations classified by nature is as under:

**Table II: Overview of Audit Observations**

**(Rupees in million)**

Sr. No	Classification	Amount (Rs)
1	Irregularities / Non compliance	98.44
A	Procurement related irregularities	3.231
B	Irregularity due to Weak Internal Controls	95.209
2	Value of money and services delivery issues	18.355
3	Others	-

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

Since this Directorate General conducted first audit of Disaster Management organizations of Sindh during the year 2016-17, therefore, the Audit Reports have not yet been discussed in the PAC.

## **2.5 AUDIT PARAS**

### **Irregularities**

#### **2.5.1 Non-preparation of annual financial statement and non-maintenance of record of sustainable fund – Rs 61.741 million**

As per SEPA Act, 2014 the Sindh sustainable development fund shall be derived from the following sources:

1. Allocation and grants made as loans / advance by the Govt. of Sindh by the Federal Govt.
2. Add and assistant, grants, advances, donation and others non-obligated fund received from foreign govt. nation or international agencies.
3. Voluntary contribution from private, corporate, multinational, organization and other persons
4. Any fees generated under the provision of this Act including the fine imposed against contravention including panties.

As per section 10(i)&(ii) of Sindh Environmental Protection Act, 2014 “The Agency shall maintain proper accounts of the Sindh Sustainable Development Fund and other relevant records and prepare annual statement of accounts in such form as may be prescribed. The accounts of the Sindh Sustainable Development Fund shall be audited annually by the Auditor General of Pakistan”.

Audit found that record of receipts amounting to Rs. 61.741 million deposited into the sustainable fund account was not maintained. The major sources of receipt were the fee received on account of IEE /EIA, registration / renewal fee of licenses for hazardous waste material handling and transportation, registration and renewal fee of laboratory licenses etc. The record was not maintained by the department to verify that the cheques / pay order received had been deposited in the sustainable development account. Moreover, annual financial statements of the fund accounts were not prepared.

Audit is of the view that non-maintenance of record and annual financial statement is a serious lapse on the part of the management, which resulted into violation of Govt. instructions.

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response, the management replied that all relevant record being maintained as per guideline given by the Audit.

The reply of the management is not cogent, as neither, the record was produced at the time of audit nor produced in support of reply.

DAC meeting held on 8<sup>th</sup> January, 2020 directed that cash book, reconciliation statement since inception to date along with account opening letter is to be provided to audit within two weeks. Further, it is also directed that receipts of any type should be deposited with bank on the same day and preparation of AFS may be expedited by obtaining clarification from Controller General of Accounts, Islamabad under intimation to audit.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that DAC decision be implemented under intimation to Audit.

(PDP # 223 & 230, EPA Sindh FY 2018-19)

### **2.5.2 Non-recovery of administrative penalty imposed – Rs 12.130 million**

According to rule 7(1) of Sindh Environmental Protection (composition of offences and payment of administrative penalty) Rules, 2014, where the Director General, after considering the written reply of the person to whom show cause notice has been issued, having been granted an opportunity of personal hearing and having satisfied himself, by obtaining affidavit of the accused or otherwise does not fall within the purview of sub-rule (2) of rule 6, comes to the conclusion that the reply is liable to be rejected, he shall issue him a notice to pay by a specific date an administrative penalty in an amount determined under rule 8.

During the audit of SEPA it was observed that DG SEPA imposed Administrative penalty from time to time against individuals amounting to Rs 12.130 million, but the amount of penalty had not been recovered till date of audit. The detail is placed at Annexure-V.

Audit is of the view that non-realization of the penalty imposed by the Agency is a financial loss to the Government and showing weak enforcement.

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response, the management replied that SEPA imposed penalty after due course of time letter issued to the concerned Deputy Commissioners as per land revenue Act.



The reply of the management is not cogent, as recovery pointed out is not realized.

DAC meeting held on 8<sup>th</sup> January, 2020 directed that recovery may be expedited. Besides a proposal through administrative office for appointment of recovery officer may be initiated under intimation to audit.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that the recovery be made from defaulters besides appointment of recovery officer under intimation Audit.

(PDP # 237, EPA Sindh FY 2018-19)

### **2.5.3 Payment to the contractor on higher rates than BOQs and recovery thereof – Rs 11.660 million.**

According to bills of quantities (BOQ) of the contract, items of works given in the BOQ shall be paid at the amount specified in the BOQs.

During audit of SCDA, Karachi for the FY 2018-19, it was observed that an amount of Rs 11,664,479 was paid to the contractors in different contracts due to payment of higher rates than agreed in the contract/BOQ. The details is at Annexure – VI.

Audit holds that payment amounting to Rs 11,664,479 at higher rates than approved in the BOQ/agreement is un-authorized, which resulted into overpayment and recovery.

The matter was pointed out to the management in 7<sup>th</sup> August, 2019. In response management replied that all the payments were made to contractors as per contract agreement and as per rates duly filled in bidding documents by the contractor.

The reply of the management is not cogent, as the payment is made higher than the BOQ rate which is un-authorized.

The matter was discussed in the DAC meeting held on 5<sup>th</sup> December 2019 and it was decided that documentary evidence regarding payment of items of work in accordance with BOQ may be provided to audit for verification.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that evidence for payment of items to contractor in accordance with BOQ rate may be produced for verification.

(PDP No.167, SCDA 2018-19)

#### **2.5.4 Non surrendering of fund – Rs 9.678 million.**

As per GFR vol-I rule 95, all anticipated savings should be surrendered to Government immediately they are foreseen but not later than 31<sup>st</sup> March of each year in any case. However, savings accruing from funds provided after 31<sup>st</sup> March shall be surrendered to Government immediately they are foreseen but not later than 30<sup>th</sup> June of each year. No savings should be held in reserve for possible future excesses. “

As per rule 128 of Sindh Budget Manual, the DDO is personally responsible for surrendering the savings to the Government before the closing of the financial year.

During scrutiny of expenditure statements of SEPA, Regional office EPA and Environment protection tribunal (EPT) it was observed that an amount of Rs 9.678 million lapsed due to non-surrendering of anticipated savings as detailed below. The detail is given at Annexure-VII.

S.No.	Cost center	Formations	Amount not Surrender (in million)
1	KQ-2039	SEPA	4.771
	KQ-2042		0.993
2	KQ-2048	R/o SEPA	2.193
3	KQ-2041	EPT	1.721
<b>Total</b>			<b>9.678</b>

Audit is of the view that the funds lapsed due to weak financial discipline and internal controls.

The matter was pointed out to the management in 2<sup>nd</sup> & 5<sup>th</sup> August, 2019. In response, the management of SEPA replied that the funds were surrendered in time, management of R/o SEPA replied that letter regarding surrendering of funds in office building HOA were sent to the secretary for surrendering of funds, the bills in other different heads of accounts were submitted to the AG Sindh but the same were un-passed due to different reasons and management of EPT replied that letter were issued to the quarter concerned regarding surrendering of funds, however letter regarding regularization has already been issued to the higher management.

The reply of the management is not cogent, as neither, the funds were utilized nor surrendered in time.

DAC meeting held on 8<sup>th</sup> January, 2020 directed that record of complete trail with final status is to be provided to audit up to 17<sup>th</sup> Jan, 2020.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that DAC decision be implemented under intimation to Audit.

(PDP # 222, EPA Sindh , PDP #244, EPA RO & PDP # 247, EPT Sindh Karachi FY 2018-19)

### **2.5.5 Irregular expenditure without open tender –Rs 3.231 million**

According to rule 17 “Method of notification and advertisement” of Sindh Public Procurement Rules provides that procurement over one hundred thousand rupees shall be advertised by timely notification on the Authority’s website and may in print media in the manner and format prescribed in these rules.

During scrutiny of the expenditure statement and detail of cheques obtained from office of the Accountant General, Sindh it was observed that cheques had been issued to the same vender same date exceeding limit of Rs 100,000. The detail is placed at Annexure-VIII.

Further, scrutiny of the expenditure statement showed that heavy expenditure had been incurred during October, 2018 to June, 2019 exceeding the limit of 100,000. This depicts that procurement had been made by splitting the expenditure to avoid open tender, which is contrary to Sindh procurement rules. The record such as constitution of the purchase committee, work award letter, comparative statement, delivery challans, inspection reports and entries in the stock register was not found on record. The detail is given below:

<b>Object Description</b>	<b>Month</b>	<b>Amount as per Exp. Statement</b>
A03970-Others	October, 2018	259,068
	January, 2019	362,353
	March, 2019	1,203,677
	June, 2019	963,500
A13101-Machinery & Equipment	June, 2019	442,600
<b>TOTAL</b>		<b>3,231,198</b>

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response, management replied that no purchase made in violation of rules and regulations. Said cheques were composition of various amounts.

The reply of the management is not cogent, as the procurement was made without annual procurement planning and advertisement.

DAC meeting held on 8<sup>th</sup> January, 2020 directed that record to be verified by internal audit up to 20<sup>th</sup> Jan, 2020 under intimation to the Audit.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that DAC decision be implemented under intimation to Audit.

(PDP # 239, EPA Sindh FY 2018-19)

### **2.5.6 Non- establishment of district offices**

As per Water Commission (Const. Petition No. 38 of 2016) recommendation District Offices of Sindh Environmental Protection Agency (SEPA) were to be established.

The management of SEPA, Karachi incurred an amount of Rs 18.770 million on account of hiring of district offices and procurement of furniture & equipment for establishment of District Offices during the FY 2017-18 but no physical existence of district offices of SEPA was available till June-2019. Further, the staff for newly established district offices was not appointed so far. The detail of funds allocation, amount released and expenditure incurred is at Annexure-XI.

Audit is of the view that non-establishment of district offices despite incurrence of expenditure is non-compliance of constitution petition. Further, the amount paid on account of hiring of office is loss to public exchequer and procurement of furniture and equipment is blockage of public resources without appointment of staff.

This resulted into inefficiency on the part of management.

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response, the management replied that SEPA is in under process to conduct recruitment procedure as per rule to make functional all district offices.

The reply of the management is not cogent, as hiring of building for district offices and procurement of furniture & equipment is loss to public exchequer and blockage of government resources respectively.

DAC meeting held on 8<sup>th</sup> January, 2020 directed that Expenditure statements of Rs 18.770 million duly reconciled with AG office will be provided to audit. Establishment of R.O Offices may be expedited.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that DAC decision be implemented under intimation to Audit.

(PDP # 225, EPA Sindh FY 2018-19)

## 2.5.7 Non appointment on vacant post

As per approved budget statement for the year 2018-19 detailed below posts were sanctioned for support staff of the office of EPT-Karachi.

During the scrutiny of the record of EPT, Sindh during the FY 2018-19, it was observed that the appointment of the vacant post was not made. Audit found that the Tribunal was established in March, 2015 but since its establishment appointment were not made. The detail is given below:

S.No.	Title of Post	BPS	Sanction Strength	Working Strength	Vacant
1	Assistant Registrar	17	1	-	1
2	Assistant	16	2	-	2
3	Reader	15	1	-	1
4	Account Assistant	14	1	-	1
5	Jr. Sc. Stenographer	14	4	-	4
6	Senior Clerk	14	1	-	1
7	Data Proces. Assistant	12	2	-	2
8	Junior Clerk	11	6	-	6
9	Dispatch Rider	4	2	-	2
10	Driver	4	4	-	4
11	Bailiff	2	2	-	2
12	Daftari	2	1	-	1
13	Chowkidar	1	2	-	2
14	Naib Qasid	1	6	-	6
15	Sanitary Worker	1	2	-	2
<b>Total</b>			<b>37</b>		<b>37</b>

Audit is of the views that due to non-appointment of staff the working EPT is being compromised and resulted in inefficiency of the department.

The matter was pointed out to the management in 2<sup>nd</sup> August, 2019. In response, management replied that the request for constitution of departmental

selection committee and letters regarding appointment of staff from BPS-1 to BPS-15 have been issued to the competent authority.

The reply of the management is not cogent, as the appointments were not done at proper time and posts were still vacant at the time of audit.

DAC meeting held on 8<sup>th</sup> January, 2020 directed that matter is to be expedited and outcomes should be shared with audit along with detail of current appointed staff.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that DAC decision be implemented under intimation to Audit.

(PDP # 250, EPT Sindh FY 2015-19)

### 2.5.8 Non-auction of Off Road vehicles

According to Rule 88 of Sindh Financial Rules “Every public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in spending his own money”. Further, according to Rule 26 of Staff Car Rules 1980, all vehicles shall be disposed of by Ministry / Division concerned through public auction.

The record of the office of SCDA showed that 09 vehicles were off road during the financial year 2018-19. The detail is given below:

Sr No	Vehicle No	Make & Model	Status	Remarks
01	GS-9765	Toyota Single Cabin Model 2010	Off Road	Parked at Oil Palm Farm Thatta.
02	GS-7710	Mitsubishi double Cabin Model 2005		Parked at Workshop
03	GS-7905	Suzuki Jiminy Model 2010		Parked at Modern Motors.
04	GS-0960	Suzuki Khyber Model 1995		Forest Office
05	GS-0759	Suzuki Khyber Model 1995		Bath Island
06	GS-6767	Suzuki Cultus Model 1995		Parked at Garden Zafar
07	E-1521	Suzuki Jiminy Model 2010		Thatta Office
08	E-1519	Suzuki Jiminy Model 2010		Parked at Kazi Sb Home
09	GS-9113	Suzuki Jiminy Model 2010		Burnt due to short circuit.

Audit is of the view that the above 09 vehicles remained at the pool of the office of SCDA, neither the vehicles were utilized nor declared for condemnation

which reflect the inefficiency and mismanagement of the department and blockage of Govt. resources.

The matter was pointed out to the management in 7<sup>th</sup> August, 2019. In response management replied that vehicles under question were procured 0-15 years back and were utilized in rough and tough roads of coastal areas of Sindh. In this context letter has been written to Administrative department for auction of vehicles.

The reply of the management is not cogent as the documentary evidence regarding auction of off road vehicles is not shared with audit.

The matter was discussed in the DAC meeting held on 5<sup>th</sup> December 2019 and it was decided that the process of auction of off road vehicles may be expedited.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that auction process may be completed at the earliest under intimated to audit.

(PDP No.151, SCDA 2018-19)

### **Value for Money and Services delivery issues**

#### **2.5.9 Nonfunctioning of laboratory established by SEPA and payment on account of pay & allowances of staff – Rs 11.916 million**

According to Rule 2(g), of the Sindh Environmental Quality Standards (certification of environmental laboratories) Regulations, 2014, Laboratories means any premises equipped to conduct scientific and technical experiments, tests, analysis, studies, investigation. Further, according to rule 3(d), of the Sindh Environmental Quality Standards (certification of environmental laboratories) Regulations, 2014, the function of the an environmental laboratory shall be to carry out such experiments, studies and investigations as may be required by the Agency to monitor and enforce and where necessary to propose revision of the Sindh Environmental Quality Standards.

The management of SEPA, Karachi established environment laboratory in EPA complex and made incurred expenditure of Rs. 11.916 million on account of

pay and allowances of the staff deputed in the laboratory during the FY 2018-19 and previous year.

The scrutiny of record revealed that a huge expenditure was incurred on account of pay & allowances but no research and development (R&D) work was carried out in the laboratory. Further, the record of test and analysis conducted was not provided / maintained. Furthermore, the equipment of the laboratory needs calibration / maintenance and installation of some equipment as well. The detail is as under:

Sr. #	Name of Equipment / Instruments	Company	Stauts
1	Atomic absorption	Thermos scientific ICE-3000	Need Calibration / Maintenance
2	Gas Chromatography	DANI	Need installation Need chemicals Needs standards Need training
3	Spectroquadant Nova 60	Merck	Need maintenance Need software update
4	PH Meters	HACK (HQ440D, (HQ30d)	Need Electrode
5	TDS	HACK (HQ440D, (HQ30d)	Need Electrode

Audit is of the view that non-utilization of lab equipment and non-maintenance of record shows inefficient use of lab resources and payment on account of pay & allowances is a burden on public exchequer.

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response, management replied that staff was appointed and procurement of chemicals, glassware was made through ADP scheme for Environment Monitoring System. Some tests were being analyzed in the lab. However, SEPA is taking concert effort to bring the lab fully functional.

The reply of the management is cogent and admitted that lab is not fully functional which strengthen the audit viewpoint. However, no reply provided pertaining to maintenance of record.

DAC meeting held on 8<sup>th</sup> January, 2020 directed that proposal for strengthening of laboratory through administrative office may be expedited at the earliest.

No further progress was intimated to this office till the finalization of this report.



Audit recommends that action be taken against the person for non-maintenance of record, serious efforts be taken for fully functioning of lab so that the services of staff and equipment may be utilized efficiently.

(PDP # 226, EPA Sindh FY 2018-19)

#### **2.5.10 Loss to Government money due to not carrying out vehicular emission monitoring activity – Rs 6.493 million**

According to section 15 of the Sindh Environmental Protection Act, 2014, no person shall operate or manufacture a motor vehicle or class of vehicles from which air pollutants or noise are being emitted in an amount, concentration or level which is in excess of the Sindh Environmental Quality standards or, where applicable, the standards established under sub-clause (i) of clause (g) of sub-section(1) of Section 6.

The management of SEPA, Karachi incurred expenditure of Rs 6.493 million on account of vehicular emission control program during the FY 2018-19.

The scrutiny of record revealed that the last monitoring activity of vehicular emission was carried out during August, 2018. The monitoring of vehicular emission was not carried as the devices / instrument for vehicular emission monitoring systems were out of order/ nonfunctional.

Audit is of the view that due to weak managerial controls the devices / instruments were not kept functional and blockage of Govt. resources.

This resulted into increase in the pollution and harmful for the environment.

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response management replied that said amount includes staff salaries and relevant expenditure i.e. repair of analytical machineries etc. The vehicular monitoring system is functional now and being operated on daily basis.

The reply of the management is not cogent, as the system was not operated at the time of audit and no documentary evidences / monitoring report was provide in support of reply.

DAC meeting held on 8<sup>th</sup> January, 2020 directed that replies of audit pars to be elaborated with reports by 20<sup>th</sup> Jan, 2020.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that the matter be probed into besides fixation of responsibility against the person who did not take corrective measure to keep the system functional under intimation to audit.

(PDP # 221, EPA Sindh FY 2018-19)

### 2.5.11 Loss of government money spent on ADP Schemes

As per notification No.SO (E) V-65/15 dated 07.02.2016 Forest, Environment & Wildlife Department Govt. of Sindh, in pursuance of rule-7 of SPPRA 2010 a procurement committee, comprising on the following in hereby constituted for procurement, executing & implementing the ADP schemes of Environmental protection Agency Govt. of Sindh. The completion periods of three ADP schemes were 2 to 3 years as per PC-Is.

During audit of the Sindh Environmental Protection Agency, it was noticed that ADP schemes were approved during previous years. The purpose of these schemes was implementation of the provision of the Environmental Protection Act, efficient management of environmental resources. Public awareness and minimization of negative impacts attributed to the use of pesticides. The detail of development scheme and budget release is as under:

(Rupees in million)

ADB Scheme No.	Name of the Scheme	Total Cost (Rs)	Total Amount released (Rs)
350	Study of Environmental & Health impacts of pesticides and chemical fertilizer in Sindh Province	33.00	13.950
351	Strengthening of Environmental Monitoring system in EPA	140.00	88.765
352	Environmental Awareness & Education for Conservation and Protection of Natural and Ecological Resources of Sindh	115.00	15.000
<b>Total</b>		<b>288.00</b>	<b>117.715</b>

Audit demanded the year wise budget release, expenditure and physical progress of the ADP Schemes along-with documentary evidence. The record pertaining to budget released and expenditure was not provided. However, scrutiny of the available record showed that an amount of 117.715 million was released to EPA Sindh but the outcome / deliverable against these government resources not provided.

Audit is of the view that due to non-maintenance of record pertaining to to ADP schemes along with targets and achievement, audit is unable to authenticate the legitimacy of the expenditure.

This resulted into wasteful expenditure and loss to government exchequer.

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response, management replied that no release / expenditure was incurred during the FY 2018-19.

The reply of the management is not cogent, as the release and expenditure was incurred in the previous financial years but the targets and achievements were not provided to audit.

DAC meeting held on 8<sup>th</sup> January, 2020 directed that physical progress and financial phasing along with plan of action regarding completion of schemes is to be prepared. The same will be shared with audit.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that DAC decision be implemented besides detail of expenditure incurred against their outcomes in previous years may also be shared with audit.

(PDP # 242, EPA Sindh FY 2018-19)

### **2.5.12 Non Conducting of Internal Audit**

As per 2.36 (b)(vii) of guide for Sindh DDO, the department will get the account of this office inspected at least in every financial year.

During scrutiny of record SCDA, it was observed that internal audit was not conducted during the financial year 2018-19 in violation of the above rules.

Audit is of the view that non-conducting of internal audit is serious lap on the part of the management which resulted into weak internal control and non-compliance of instruction in according with the rules.

The matter was pointed out to the management in 7<sup>th</sup> August, 2019. In response management replied that pre-audit and post audit of the accounts of SCDA, Sindh is regularly conducted by AG, Sindh. Further, annual audit for the

FY 2018-19 has been carried by DG Audit, Climate Change and Environment, Islamabad. The observation has been noted for future compliance.

The reply of the management is not cogent, as the internal audit of the office of the SCDA, Sindh was not conducted.

The matter was discussed in the DAC meeting held on 5<sup>th</sup> December 2019 and it was decided that para settled subject to execution of internal audit by administrative department.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that internal audit may be carried out at the earliest and report submitted to audit.

(PDP No.163, SCDA 2018-19)

### **Others**

#### **2.5.13 Provincial environmental and sustainable development policy not formulated**

As per section 4 of the Sindh Environment Protection Act 2014, the Sindh Environmental Protection Council shall approve comprehensive provincial environmental and sustainable development policies and ensure their implementation within the framework of a conservation strategy and sustainable development plan.

During the course of audit for the FY 2018-19, it was observed that the management of the SEPA, Karachi did not prepare provincial environment and sustainable development policies since inception of the department.

Audit is of the view that non-formulation of policy duly approved from the council is a violation SEPA Act and shows non-seriousness of the department.

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response, management replied that the policies had been prepared. SEPA council was notified and hold meeting but the council was challenged in the court of law. The honorable court granted stay against the constitution of council. As the stay vacate the policies would be presented before council.

The reply of the management is not cogent, as draft copies of the policies were not shared with the audit.

DAC meeting held on 8<sup>th</sup> January, 2020 and it was decided that the case may be pursued on priority and outcomes to be shared with audit.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that DAC decision be implemented under intimation to Audit.

(PDP # 233, EPA Sindh FY 2018-19)

#### **2.5.14 Non-classification of industrial units for monitoring purposes**

The Sindh Environmental Quality Standard (Self-Monitoring and Reporting by Industry) Rules, 2014 states that on the basis of the pollution level of an industrial unit, the Director General shall classify the unit into category “A”, “B”, “C” for liquid effluents and category “A”, “B”, “C” for gaseous emissions.

The purpose of classification is to keep an eye for monitoring as the industries listed as “A” shall submit environmental monitoring reports on monthly basis. The industries listed as “B” shall submit environmental monitoring reports on quarterly basis and an industrial unit in category “C” shall submit environmental monitoring reports on biannual basis.

During audit of record, it was found that classification of the industry had not been done as required under the rules. The district wise list of industries had been prepared but the same was not according to rules.

Audit is of the view that in the absence of authentic classified data the Agency cannot enforce monitoring which badly affect the performance of the department.

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response, management replied that due to shortage of staff and lack of equipment the data base was not established but the same will be established on priority.

The reply of the management is not cogent, as the data was not maintained required under rule.

DAC meeting held on 8<sup>th</sup> January, 2020 directed that matter shall be expedited through forming ADP scheme for strengthening of EPA office and outcomes will be shared with audit.

No further progress was intimated to this office till the finalization of this report.

Audit recommends for implementation of DAC decision under intimation to audit.

(PDP #246, EPA ROK FY 2018-19)

### 2.5.15 Non- Retrieval of Vehicles from other Departments

According to Rule 88 of Sindh Financial Rules “Every public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in spending his own money”.

During the course of audit for the FY 2018-19, it was observed that the management SCDA, Karachi handed over vehicles to departments/ ex-officers but the same were not returned / retrieved from different departments. The necessary detail is given below:

Vehicle No	Allocated To	Department	Remarks
GS 7041 Toyota Double Cabin Model 2011	Mr Danish Saeed Ex-DG SCDA	Human Rights Department	
GSA-577 Toyota Avenza Model 2011	Mr. Mukhtiar Hussain Soomro, Chairman Anticorruption	Anticorruption Department	
G-2647 Double Cabin Model 2009	Vehicle of Pool.		Vehicle was parked at workshop for repair. However due to encroachment, workshop has been demolished and since than vehicle is not traceable.
GS-6223 Toyota Corolla Model 2007			Snatched on Gun Point.
E-1515 Suzuki Jiminy Model 2010	Mr Mehdi Hasan Solangi. Assistant Director (A&P)		Mr Mehdi Hassan informed that vehicle has been stolen.

Audit is of the view that vehicles were not retrieved from ex-officers of the department due to lack of interest of the management, which resulted into unauthorized utilization of government vehicles and loss to Govt.

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response, management replied that efforts are being made for recovery of four vehicles whereas one vehicle No. GSA-577 has been recovered.

The reply of the management is not cogent, as the proof of recovery of all vehicles was not provided in support of reply.

DAC meeting held on 5<sup>th</sup> December, 2019 directed that para settled subject to verification of the documents (copy of FIRs, recovery of vehicles from other departments).

No further progress was intimated to this office till the finalization of this report.

Audit recommends that the vehicles of the department be retrieved from the quarter concerned besides fixation of responsibility and recovery for the period the vehicle remained utilized with the department / officer under intimation to audit.

(PDP No.153, SCDA 2018-19)

#### **2.5.16 Rules for registration / certification of environmental consulting firms not framed**

Rule 2(h) of the Sindh Environmental Protection Agency (Review of initial environmental examination and environmental impact assessment) Regulations, 2014 defines “Firm” means the Environmental Consulting Firm certified by the Agency.

During course of audit for the financial year 2018-19, it was observed that the SEPA management was failed to produce the list of the environmental consulting firms duly certified by the Agency. Further, it was revealed from the written reply of the Agency that the rules for certification of the environmental consulting firms have not been framed so far.

Audit is of the view that without the certification of the agency as environmental consulting firms the post monitoring reports on the IEE and EIA projects generating by these firms are not reliable and the licenses / approvals issued on the basis thereof are unjustified.

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response, management replied that SEPA will take initiative to register environment consulting firms as per guidelines.

The reply of the management is cogent, as the department agrees with the audit viewpoint. However, no effort was shown along with the reply.

DAC meeting held on 8<sup>th</sup> January, 2020 directed that expedite the finalization of guidelines through administrative office up to 20<sup>th</sup> Jan, 2020 under intimation to audit.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that disciplinary action be taken against the person for non-compliance with the rules and matter be expedited in compliance with DAC decision.

(PDP # 238, EPA Sindh FY 2018-19)

### **2.5.17 Unlawful operation of environmental laboratory**

Rule 11 of the Sindh Environmental Quality Standards (Certification of Environmental Laboratories) Regulations, 2014 states that no laboratory shall function as an environmental laboratory unless it is granted certification under these regulations.

During the course of audit of management of SEPA, Karachi during the FY 2018-19, it was revealed that M/s HSE Services filed application on 14<sup>th</sup> February 2019 for renewal of laboratory certification. The Agency after scrutiny of the documents raised following objections:

- i. Approved building and equipment layout plan.
- ii. The details of list of scientific and technical staff along with their academic and experience documents.
- iii. List of chemicals along with expiry date of chemicals
- iv. The equipment i.e. AAS and Gas chromatography are not comprised in the list of equipment attached with applications.
- v. Copy of waste disposal agreements with SEPA approved contractor.
- vi. The audit report attached with application should be duly signed and seal by third party.

The concerned laboratory was doing business without renewal of license.



Audit is of the view that the Agency did not take any action after communicating the deficiencies in the renewal application and continuing the Laboratory functions without fulfilling formalities as required under the rule is unlawful.

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response, management replied that after detail scrutiny of their renewal documents raised number of objections. Due this SEPA did not grant certification to M/s HSE.

The reply of the management is not cogent, as the lab is doing business without renewal and management SEPA, Karachi did not produce any record regarding closure of operations of lab.

DAC meeting held on 8<sup>th</sup> January 2020 and it was decided that EPA will verify the current status of labs within 30 days under intimation to audit.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that action be taken against the lab for doing business without renewal of lab license besides disciplinary action against the management for non-closure of lab. Further, action also be taken against the labs operating business without license / renewal of license under intimation to audit.

(PDP # 240, EPA Sindh FY 2018-19)

## Chapter-3

### Additional Relief Commissioner, Hyderabad

#### 3.1 Introduction of Offices

The Board of Revenue was established in Sindh by adopting the West Pakistan Board of Revenue Act 1957 as Sindh Board of Revenue Act 1957 with effect from 1<sup>st</sup> July 1970. Board of Revenue Sindh is the Controlling Authority relating to management of state land, collection of land revenue and other taxes/duties, maintenance of Revenue Record and other allied matters related to land. Senior Member Board of Revenue is the administrative incharge of all functions, being carried out in the Board of Revenue. In addition Senior Member is Chief Land Commissioner, Sindh and also Relief Commissioner.

#### 3.2 Comments on Budget & Accounts (Variance Analysis)

(Rs in million)				
Sr. No.	Financial Year	Formation	Funds / Released	Expenditure
1	2018-19	Add.Relief Comm. Hyd.	302.184	289.453

**Table I: Audit profile of Additional Relief Commissioner Hyderabad**

Sr.No	Description	Total Nos.	Audited	Expenditure audited FY 2018-19 (Rs in Million)	Revenue / Receipts audited FY 2018-19 (Rs in Million)
	Formations	1	1	54.01	-
	<ul style="list-style-type: none"><li>• Assignment Account</li><li>• SDAs</li><li>• Etc.</li></ul> (excluding FAP)	Nil Nil Nil			
	Authorities /Autonomous bodies etc under the PAO	Nil			
	Foreign Aided project (FAP)	Nil			

#### 3.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 280.185 million were raised in this report during the current audit of “Additional Relief Commissioner Hyderabad”. This amount also includes recovery of Rs 1.99 Million as pointed out by audit. Summary of the audit observations classified by nature is as under:

**Table II: Overview of Audit Observations****(Rupees in million)**

<b>Sr. No</b>	<b>Classification</b>	<b>Amount (Rs)</b>
1	Report cases of fraud, embezzlement and misappropriation	2.625
2	Irregularities / Non Compliance	277.560
A	Irregularities due to weak Internal Controls	277.560

### **3.4 Brief Comments on the Status of Compliance with PAC Directives**

Since this Directorate General conducted first audit of Disaster Management organizations of Sindh during the year 2016-17, therefore, No PAC directives have been issued, as the Audit Reports have not yet been discussed in the PAC.

### 3.5 AUDIT PARAS

#### Report cases of fraud, embezzlement and misappropriation

##### 3.5.1 Unauthorized payment on account of relief funds- Rs 1.99 million

According to Rule 15 of West Pakistan Act XXXIII OF 1958, the Sindh National Calamities (Prevention and Relief Act 1958), “The unspent portion of grant, if already drawn, should be refunded to the head “XLVI- Miscellaneous” J-Misc-Other Items under intimation to the Relief Commissioner Sindh. The undrawn portion of the grant lapses at the end of the financial year and should not be drawn. The Relief Commissioner Sindh, should be informed not later than the end of November, what part already sanctioned is not required would enable him to utilize the amount elsewhere”. Rule 16 “A consolidated return on the following proforma should be supplied to the Relief Commissioner Sindh at the close of the Flood Season (in no case later than 31<sup>st</sup> December) indicating the amount not utilized”

S. No	No & date of Govt letter sanctioning the grant	Amount Sanctioned	Amount Withdrawn	Amount Expenditure	Balance	No & date of challan with which unspent amount was refunded amount to the Head XLVI-Misc Other items
1	2	3	4	5	6	7

The scrutiny of record of Additional Relief Commissioner (ARC), Hyderabad for the FY 2018-19. It was observed that the Finance Department Government of Sindh vide letter No B&E-VII/4(26)/2014-15 (RC/drought) dated 24.05.2019 released funds of Rs 180,000,000 to the office of ARC, Sindh on account of transportation charges for free wheat. The office of ARC, Sindh issued cheques to Deputy Commissioner Tharpar, Umerkot, Sanghar, Dadu and Jamshoro on account of transportation charges for free wheat but all of these cheques were cancelled later on as shown in cash book. The detail is as under:

Cheque No	Date	Issued to	Amount
94699332	17.06.2019	Deputy Commissioner Tharparkar	33,443,303
94699333	17.06.2019	Deputy Commissioner Umarkot	1,758,504
94699334	17.06.2019	Deputy Commissioner Sanghar	1,602,825
94699335	17.06.2019	Deputy Commissioner Dadu	97,200
94699336	17.06.2019	Deputy Commissioner Jamshoro	4,316,577
<b>Total</b>			<b>41,218,409</b>

Since cheques were cancelled, therefore, released amount i.e. Rs 180 million from finance department should have been closing balance at the end of financial year 2018-19 and was required to be surrendered to finance department in accordance with rule. Furthermore, the cash book of the office showed Rs 178,692,249 as closing balance at the end of financial year 2018-19 which was also not surrendered to finance department and resulted into violation of rules and regulation.

It was also observed, from cash book of the office related to relief funds, that the expenditure of Rs 1,999,850 was incurred vide cheque no 94699337 dated 17.06.2019 on account of payment of honorarium to the staff of ARC, Hyderabad and Relief Commissioner Karachi and drawn as cash withdrawal (as per bank statement) which was unauthorized and dubious because funds were not available in operational head for such payment. The payment of Rs 1,999,850 as honorarium was made from the budget released for relief activities i.e. Relief Fund for the people of calamity hit areas. Further, the detailed list of employees to whom honorarium paid was requested by audit but the same was not provided.

Audit is of the view that due to mismanagement the payment on account of honorarium was made without provision of funds and neither the closing balance was reported nor surrendered to the Finance Department which resulted into unauthorized expenditure from the head of relief fund and violation of Govt. instructions regarding surrender of funds.

The matter was pointed out to the management in 25<sup>th</sup> July, 2019. In response, management replied that all officers and officials have already been requested vide this department letter dated 16<sup>th</sup> August, 2019 to refund the above amount and deposited into relevant head of account.

The reply of the management is not cogent as the documentary evidences regarding recovery of Rs 1.99 million was not provided to audit.

DAC meeting held on 5<sup>th</sup> December 2019 and it was decided that recovery of Rs 1.99 million may be made from concerned officers/ officials and inquiry may also be conducted against the responsible officers/ officials.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that recovery of Rs 1.99 million may be made from concern officers/ officials in light of DAC decision and documentary evidence in this regard may be produced to audit.

(PDP No.209, Addl Relief Comm. Sindh 2018-19)

### **3.5.2 Fictitious Payment on Account of Repair of Transport and POL Rs 0.635 Million**

According to Rule 88 of Sindh Financial Rules “Every public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in spending his own money”.

An expenditure of 0.635 million was incurred in financial year 2018-19 on account of repair of transport and POL by the office of ARC, Sindh. The record of the office of Additional Relief Commissioner Sindh shown that no vehicle was on the pool. Neither the detail of vehicle repaired i.e. vehicle no & vehicle name was mentioned on the bill by vendor nor mentioned on the sanction by the department. The necessary detail is at Annexure- X.

Audit is of the view that payment on account of repair of transport and POL was not understandable, which resulted into fictitious payment.

The matter was pointed out to the management in 25<sup>th</sup> July, 2019. In response, management replied that the officers on the chairs use their own vehicles due non availability of Govt. vehicles during emergencies, therefore POL and other expenditure were utilized in their own vehicles.

The reply of the management is not cogent as no vehicles were at the pool of ARC, therefore the expenditure on account of POL and repair on personal vehicles is not justified.

DAC meeting held on 5<sup>th</sup> December 2019 directed that recovery of Rs 0.635 million be made from concerned and documentary evidence produced to audit for verification.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that expenditure incurred on repair of transport may be recovered besides fixing responsibility on the person(s) at fault under intimation to audit.

(PDP No.212&213, Addl Relief Comm. Sindh 2018-19)

### **Irregularities**

#### **3.5.3 Non-Surrendering of relief funds and misclassification – Rs 178.692 million**

In accordance with Rule 12 of West Pakistan Act XXXIII OF 1958, the Sindh National Calamities (Prevention and Relief Act 1958). “The grants under the head 481- Relief Measures are lapsable and are only expendable in the financial year during which the sanction was accorded and the amounts sanctioned”.

During the audit of ARC, Sindh during the FY 2018-19, it was revealed that the closing balance of Rs. 178.692 million was not surrendered to the Finance Department. Further, the budget was allocated for relief activities under the head of “other” i.e. A06470 instead of “481-Relief Measures”.

Audit is of the view that due to mismanagement surplus/ savings was not surrendered to the Finance Department and budget was allocated in wrong head of account which resulted into irregular.

The matter was pointed out to the management in 25<sup>th</sup> July, 2019. In response, management replied that a summary floated to the Chief Minister, Sindh through FD for seeking his orders to deposit the unspent amount into Govt. account through challan.

The reply of the management was not cogent as the documentary evidence for deposit of unspent amount into Govt. treasury were not produced to audit.

DAC meeting held on 5<sup>th</sup> December 2019 directed that unspent balance of relief funds be deposited into Government fund and documents produced to audit for verification.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that DAC decision be implemented under intimation to audit.

(PDP No.208, Addl Relief Comm. Sindh 2018-19)

### **3.5.4 Irregular issuance of cheque in the name other than vendor – Rs 56.752 million**

According to Rule 88 of Sindh Financial Rules “Every public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in spending his own money”.

ARC, Sindh, Hyderabad made payment of Rs 56.752 million during the FY 2018-19 on account supply of Water Tank Services to the flood affectees of 2010 and 2011.

The scrutiny of record revealed that a Cheque No. 469132 dated 13.03.2013 was issued by SMBR to the vendor which was dis-honored due to insufficient funds. Later on, M/s Haroon Awan filed a case No. CP D4723 of 2015 in Honorable, Sindh High Court to deposit the amount of dishonored Cheque in the name of petitioner before the Nazir / official assignee of the Sindh High Court. Accordingly, the Sindh High Court issued order on 24.05.2018 by giving decision in the favor of petitioner.

In the light of the decision a cheque No. 3151886 dated 04.09.2018 amounting to Rs 56,751,805 was issued in the name of “Nazir High Court of Sindh”, Karachi. Further, receipt of amount by the vendor from Nazir Sindh High Court was also not available in record.

Audit is of the view that issuance of Cheque to the person other than vendor/service provider is a serious lapse on the part of management, which is irregular.

The matter was pointed out to the management in 5<sup>th</sup> August, 2019 but no reply submitted by the management.

DAC meeting held on 5<sup>th</sup> December 2019 directed that documentary evidence regarding receipt of payment of Rs 56.75 million by M/s Haroon Awan may be produced to audit.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that the acknowledgement of the vendor be obtained besides action against the person who issued the cheque other than vendor under intimation to audit.

(PDP No.220, Addl Relief Comm. Sindh 2018-19)



### 3.5.5 Irregular payment on account of transportation charges – Rs 39.14 million

Rule 89 (3) of Sindh Financial Rules states that it is the duty of a countersigning officer to see that the requisite vouchers are all received and in order

Note 3 to Rule 25 of Sindh Financial Rules states that “a certified copy marked ‘duplicate’ of a receipted voucher may be retained by the disbursing officer should this be necessary to complete the record of his office, but the payee should not be required to sign such a copy or give a duplicate acknowledgement of the payment.”

ARC, Sindh, Hyderabad made payment Rs. 39.140 million on account of transportation of wheat to Deputy Commissioner, Tharparkar during the FY 2018.19. The detail of payment is as under:

Cheque No.	Date	Amount
94699329	12.02.2019	33,065,064
946993228	12.12.2018	6,075,648
<b>Total</b>		<b>39,140,712</b>

The vouched account was not provided to audit for scrutiny whereas record revealed vide letters No. R/F-60/2019 dated 12.02.2019 issued by ARC, Hyderabad and DC/TPR/Drought Relief/4619/2018 dated 26.02.2018 issued by DC, Tharparkar that the vouched account was available with the Additional Relief Commissioner, Sindh, Hyderabad. The vendor vide detail of payment is as under:

S. No.	Name of Contractor	Amount (Rs)
1	Mr Imran Memon	3,387,772
2	Mr. Kenwar Kumar	1,099,021
3	Mr. Muhammad Rahim	3,322,899
4	Mr Abdul SamadMalkani	6,520,033
5	Mr. Kamal Khan	479,875
6	Mr. Umed Ali Rahmo	9,878,509
7	Mr. SanaullahNohri	5,665,409
8	Mr. Love &Deleep	789,668
9	Rahim Dino Hingoro	1,103,097
10	Mr. Muhammad Hussain	818,781
11	M/s Umed Ali Rahimoon and Mr. AkberSamejo	6,075,648
	<b>Total</b>	<b>39,140,712</b>

Audit is of the view that payment on account of transportation charges by the ARC Hyderabad without fulfilling codal formalities/documentary evidence of the claim/bills/vouchers is held irregular.

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response, management replied that due to rush of work and only two days stay by audit team in relief department, the audit team could not see all the voucher, which will be produced to audit in next audit.

The reply of the management was not cogent as vouched account was not produced to audit during audit and with the reply except some letters, which were not sufficient for audit scrutiny.

The matter was discussed in the DAC meeting held on 5<sup>th</sup> December 2019 and it was decided that documentary evidence in support of reply may be produced to audit for scrutiny.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that vouched account in all respect be provided to audit besides fixing responsibility against the person(s) who did not provide vouched account during the course of audit under intimation to audit.

(PDP No.218, Addl Relief Comm. Sindh 2018-19)

### **3.5.6 Irregular payment without vouched account – Rs 2.980 million**

According to Rule 11 of West Pakistan Act XXXIII OF 1958, the Sindh National Calamities (Prevention and Relief Act 1958). “All officers entrusted with the distribution of gratuitous relief are required to note that expenditure incurred by them is subject to audit which will be under taken periodically by appropriate Audit Authority”.

An amount of Rs 2,980,323 was sanctioned by Finance Department in financial year 2018-19 to Additional Relief Commissioner, Sindh on account of payment of transportation charges of free wheat for 5<sup>th</sup> and 6<sup>th</sup> phase after proper verification and fulfillment of all codal formalities as per SPPRA Rules.

The activity of transportation of wheat was carried out by Deputy commissioner, Sanghar. ARC, Sindh mad payment of Rs 2,980,323 vide cheque

No 3430674 dated 23.04.2019 to M/s Niaz Ali Samo (contractor) without receipt of vouched account from Deputy Commissioner, Sanghar during the FY 2018-19.

Further, the copies of bills submitted by contractor were also without date, NTN number and bill no.

Audit is of the view that due to mismanagement the payment was made to the contractor without vouched account and work completion certificates from the executing agencies, which is irregular.

The matter was pointed out to the management in 5<sup>th</sup> August, 2019. In response, management replied that vouched account received from DC, Sanghar was provided to audit for scrutiny.

The reply of the management was not cogent as the record provided to audit was incomplete during audit as well as with the reply. The record pertaining to competitive bidding process, advertisement, tender documents and bills of the vendors were not provided.

DAC meeting held on 5<sup>th</sup> December 2019 directed that documentary evidence in support of reply may be produced to audit for scrutiny.

No further progress was intimated to this office till the finalization of this report.

Audit recommends that the matter be probed into besides fixing responsibility for non-provision / maintenance of record under intimation to audit.

(PDP No.215, Addl Relief Comm. Sindh 2018-19)

## Chapter-4

### Karachi Metropolitan Corporation

#### 4.1 Introduction of Offices

The Fire Brigade and Urban Search and Rescue is wing of Karachi Metropolitan Corporation. Fire Brigade service is headed by Chief Fire Officer and under the Administrative Control of Metropolitan Commissioner. The main function of Fire Brigade department is to handle fire incident within the jurisdiction of KMC. Urban Search and Rescue is part of the Fire Brigade department which handle incidents of building collapse.

#### 4.2 Comments on Budget & Accounts (Variance Analysis)

(Rs in million)

Sr. No.	Financial Year	Formations	Funds / Released	Expenditure
1	2018-19	Fire birgade	827.708	770.342
2	-do-	USAR	8.807	5.462
<b>Total</b>			<b>836.515</b>	<b>775.804</b>

**Table I: Audit profile of KMC Sindh**

Sr.No	Description	Total Nos.	Audited	Expenditure audited FY 2018-19 (Rs in Million)	Revenue / Receipts audited FY 2018-19 (Rs in Million)
	Formations	2	2	49.099	-
	<ul style="list-style-type: none"><li>• Assignment Account</li><li>• SDAs</li><li>• Other A/c</li></ul> (excluding FAP)	Nil Nil Nil			
	Authorities /Autonomous bodies etc under the PAO	1			
	Foreign Aided project (FAP)	Nil			

#### 4.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 86.340 million were raised in this report during the current audit year 2019-20 of “KMC Karachi”. Summary of the audit observations classified by nature is as under:

**Table II: Overview of Audit Observations****(Rupees in million)**

<b>Sr. No</b>	<b>Classification</b>	<b>Amount (Rs)</b>
1	Non production of record	8.200
2	Irregularities / Non Compliance	77.190
A	HR/Employees related irregularities	-
B	Procurement related irregularities	39.737
C	Irregularities due to Weak Internal Controls	37.451
3	Value of money and services delivery issues	0.950
4	Others	-

**4.4 Brief Comments on the Status of Compliance with PAC Directives**

Since this Directorate General conducted first audit of Disaster Management organizations of Sindh during the year 2016-17, therefore, No PAC directives have been issued, as the Audit Reports have not yet been discussed in the PAC.

## 4.5 AUDIT PARAS

### Non-Production of Record

#### **4.5.1 Non-production of record – Rs 8.200 million.**

Section 14 (3) of the Auditor General’s (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001 provides that any person or authority hindering the auditorial functions of the Auditor- General of Pakistan regarding inspection of accounts shall be subject to disciplinary action under relevant Efficiency and Discipline Rules, applicable to such person.

The management of Fire Brigade wing of KMC, Karachi during the financial year 2018-19 paid an amount of Rs 8.200 million to M/s Leapfrog vide payment voucher no. 3706 on account of repair / maintenance of snorkel. The payment voucher and its supporting record had not been maintained / provided to audit it seems that payment was made without preparing supporting document.

Audit is of the view that payment of was made without preparing supporting document is irregular and legitimacy of the expenditure incurred could not be ascertained. Non production/maintenance of payment voucher is serious lap on the part of the management.

The matter was pointed out to the management on 7<sup>th</sup> August, 2019. In response, management replied that the copies were provided to audit, however photocopies of the record is being provided.

The reply of the management was not cogent as the complete record was not produced during the course of audit. Further, the copies attached with the replies were also incomplete. The notification of procurement committee, process of competitive bidding process, No. of participant in the bidding process, technical and financial bids, evaluations reports of the firms etc was not available / produced.

No DAC meeting convened till finalization of this report despite repeated requests / reminders.

Audit recommends that matter be probed into besides fixing the responsibility on the person(s) at fault. Further, all the record may be provided to audit for scrutiny.

(PDP # 285, Fire Brigade, KMC FY 2018-19)

## **Irregularities**

### **4.5.2 Unverifiable payment on account of repair of fire vehicles – Rs 24.234 million**

As per clauses A6&A8 of the contract agreement, the contractor was responsible to maintain log book of all the Fire Vehicles separately and incorporate all works done on daily / monthly basis and date wise for verification against the work order issued by the Fire department duly signed by the Project Engineer and Chief Fire Officer to obtain a work completion certificate on duly filled performa from authorized and also after incorporation in the log book duly signed by the project engineer.

The management of Fire Brigade wing of KMC, Karachi entered into a contract agreement with M/s Fabrication & Re-Engineering Company on account of repair and maintenance of the fire vehicles the financial year 2019-20. The Fire Brigade wing was responsible to ensure the communication of work order properly to the contractor and signing of the logbooks on daily basis, to issue satisfactory performance certificate to the contractor or to penalize the contractor in case of failure in removing the defects.

Fire Brigade wing paid an amount of Rs 24.234 million to M/s Fabrication & Re-Engineering Company on account of repair and maintenance of the fire vehicles during the FY 2018-19.

During audit following irregularities were found:-

1. Detail of vehicles dispatched (Inward and outward record) to the contractor workshop was not provided with the bills.
2. Work orders for repair work not issued.
3. Report regarding repair of work to be done, while dispatching vehicles to the workshop was not prepared dully signed from Project Engineer and workshop staff. Further, inspection report regarding satisfactory work done was also not maintained.
4. Verified copies of the logbooks were not attached with the bills.

Audit is of the view that payment made without maintenance of record is irregular and the legitimacy of the claim could not be authenticated.

The matter was pointed out to the management on 7<sup>th</sup> August, 2019. In response, management replied that the work was carried out after completion of all codal / required formalities regarding repair and maintenance of fire brigade department. The work was awarded in accordance with SPPRA rules.

The reply of the management was not cogent, as the reply is irrelevant, the observations pointed out by audit were not addressed and no documentary evidences provided.

No DAC meeting convened till finalization of this report despite repeated requests / reminders.

Audit recommends that matter be inquired and responsibility be fixed against the person(s) at fault under intimation to audit.

(PDP # 266, Fire Brigade, KMC FY 2018-19)

#### **4.5.3 Irregular award of contract – Rs 19.877 million**

As per rule 4 of SPPRA 2010, while procuring goods or services, procuring agencies shall ensure that procurements are conducted in a fair and transparent manner and the object of procurement brings value for money to the agency and the procurement process is efficient and economical.

As per rule 40-B of SFR Volume-I , every Government servant will be held personally responsible for any loss sustained by Government through fraud or negligence on his part.

As per clause 11 (B) of tender documents, the test and inspection of the items were to be done.

The management of Fire Brigade wing of KMC, Karachi during the financial year 2018-19 was award a contract to M/s JZ Associates Joint venture with M/s Leapfrog Solution Pakistan on 09.05.2018 for supply of jumping cushion and escape chute for emergency evacuation operation with support of 45-meter snorkel amounting to Rs 19.877 million. The following shortcoming was observed:

- The undertaking that the product quoted was of latest and brand new from the manufacturer duly countersigned by the bidder was not provided with the bidding documents.



- The payment was made to the contractor without obtaining test report and inspection certificate of the items from the certified laboratory and inspection committee respectively.
- The joint venture was made between M/s JZ Associates Joint venture with M/s Leapfrog Solution Pakistan on stamp paper not defining terms and condition of the joint venture.
- A fresh joint venture was again signed between JZ Associates and M/s City Trading Company after award of the contract for supply of required items.

Audit is of the view that award of contract and payment without completion of documents is irregular, which shows non-seriousness on the part of the management.

The matter was pointed out to the management on 7<sup>th</sup> August, 2019. In response, management replied that the work was awarded after scrutiny of record / paper submitted by the contractor. Further, as the tender was issued M/s J.Z Associates on individual basis and then it was joint with M/s Leapfrog solution Pakistan.

The reply of the management was not cogent, as the reply is irrelevant, the observations pointed out by audit were not addressed and no documentary evidences provided. Further, the department admitted that tender was issued on individual basis to M/s J.Z Associates and then it made joint venture with M/s Leapfrog solution Pakistan and the joint venture after award of contract is irregular.

No DAC meeting convened till finalization of this report despite repeated requests / reminders.

Audit recommends that matter be inquired besides fixing the responsibility against the person (s) at fault for non-transparent evaluation of bids and payment without test and inspection report under intimation to audit.

(PDP # 278 & 279, Fire Brigade, KMC FY 2018-19)

#### **4.5.4 Irregular award of contract – Rs 19.860 million**

As per rule 48 “Acceptance of Bids” of Sindh Public Procurement Regularity Authority states that even when only one bid is submitted, the bidding process may

be considered valid, if the bid was advertised in accordance with rules, and prices are comparable to the prices or rates of the last awarded contract or the market prices.

The management of Fire Brigade wing KMC, Karachi floated a tender notice for supply of alcohol resistance aqueous film forming foam concentrate during the FY 2018-19. In response to tender only M/s Leapfrog Solution Pakistan participated in the bidding process.

The following shortcomings were noticed during award of contract:

- i. The Chief Fire Officer (Fire Brigade wing) did not attend the bid opening meeting. The attendance sheet is without the signature of the CFO.
- ii. The satisfactory work completion certificates of the similar nature contracts from the concerned department were not provided with the bid.
- iii. Market prices and rate of last awarded contract were not obtained while evaluation of bid.
- iv. The payment was made without deduction of GST amounting to Rs 291,450.
- v. Payment was made without carrying out test and inspection report.

Audit is of the view that due to above noted point the award of contract is irregular.

The matter was pointed out to the management on 7<sup>th</sup> August, 2019. In response, management replied that the matter was taken up with SPPRA and the deficiencies were removed before execution of work.

The reply of the management was not cogent, as the reply is irrelevant except copy of attendance sheet provided with the reply in which the CFO signed the attendance sheet. This shows that the management signed the attendance sheet as pointed out by audit. However, no other record provided to audit.

No DAC meeting convened till finalization of this report despite repeated requests / reminders.

Audit recommends that matter be probed into besides fixing responsibility on the person(s) at fault under intimation to audit.

(PDP # 281, Fire Brigade, KMC FY 2018-19)

#### **4.5.5 Irregular payment of POL without supporting document – Rs 13.217 million.**

As per treasury rules 205, a Government officer entrusted with the payment of money shall obtain for every payment he makes, including repayment of sums previously lodged with the Government, a voucher setting forth full and clear particulars of the claim and all information necessary for its proper classification and identification in the accounts. Every voucher must bear, or have attached to it, an acknowledgment of the payment signed by the person by whom, or in whose behalf, the claim is put forward. The acknowledgment shall be taken at the time of payment.

The management of Fire Brigade wing of KMC, Karachi made payment to M/s Noor Petroleum Services and M/s Rex Petroleum Services for filling of fuel in fire vehicles amounting to Rs 13.217 million during the FY 2018-19.

The scrutiny of record revealed that POL was drawn but the record pertaining to bills (POL drawn slips and bills of the vendor) dully signed from Chief Fire Officer and entry in the logbooks were not available / produced to audit.

Audit is of the view that in the absence of supported document the payment made to the vendor is irregular and legitimacy could not be authenticated.

The matter was pointed out to the management on 7<sup>th</sup> August, 2019. In response, management replied that the purchase of pol for official vehicles entered in the logbooks and history sheet and petrol account registers maintained properly. The record is produce to audit when desired.

The reply of the management was not cogent, as the documentary evidence i.e copy of log books, pol register, history sheet etc. not attached with their reply to authenticate the payment made to M/s Rex Petroleum Services.

No DAC meeting convened till finalization of this report despite repeated requests / reminders.

Audit recommends that matter be inquired besides fixing responsibility against the person(s) for non-maintenance / provision of record to audit for scrutiny under intimation audit.

(PDP # 269, Fire Brigade, KMC FY 2018-19)

#### **4.5.6 Non imposition of penalty due to not repairing of fire vehicles**

As per clause (A)(1) of the contract agreement signed between KMC and M/s Fabrication & Re-Engineering Company on account of repair and maintenance of the fire vehicles. The scope of work was to maintain and to keep all the vehicles in fit and good running condition on fixed monthly charges / fee per Fire Vehicle. Further, as per clause (B)(4) of the contract agreement, the Fire Brigade department was responsible to issue satisfactory performance certificate daily to the contractor or to penalize the contractor in case of failure in removing the defects.

The Fire Brigade wing of KMC, had fleet of more than 50 vehicles during the FY 2018-19. The scrutiny of daily report of the vehicles revealed that average functional vehicles were 15 to 20 per day out of 50 vehicles.

Audit is of the view that due to mismanagement vehicles were kept off road more than one month, the vehicles should be functional as per contract agreement.

This resulted into violation of contract agreement and payment made to the contractor is irregular.

The matter was pointed out to the management on 7<sup>th</sup> August, 2019. In response, management replied that all payment against the repair and maintenance works made after receiving completion report from the concerned. Further all the record properly arranged and produced to audit for scrutiny.

The reply of the management was not cogent, as the documentary evidence regarding detail of fire vehicles available, their current operational status and daily movement record along with the detail of repair and maintenance and payment made to the M/s Fabrication & Re-Engineering Company not attached with the reply.

No DAC meeting convened till finalization of this report despite repeated requests / reminders.

Audit recommends that the penalty be imposed against the contractor besides fixing responsibility against the person(s) who did not comply with the contract agreement under intimation to audit.

(PDP # 267, Fire Brigade, KMC FY 2018-19)

#### **4.5.7 Staff of USAR wing not appointed**

As per Council Resolution No. 441 dated 21.01.2009, Urban search and Rescue Department was established in KMC also approved the staff of the department.

During course of audit of the USAR wing of KMC, Karachi during the FY 2018-19. The budget of 72.30 million was recommended during the Council Resolution No. 441 dated 21.01.2009 for appointment of staff in USAR wing and Academy as list in Annexure-XI.

The scrutiny of record revealed that rescuers / staff were initially appointed, thereafter contracts were not extended.

Audit is of the view that due to non-appointment of staff in the department is serious laps on the part of the management as the USAR wing is lying useless and deteriorating day by day.

The matter was pointed out to the management on 7<sup>th</sup> August, 2019. In response, management replied that the USAR contractual staff were regularized by HRM department KMC.

The reply of the management was not cogent, as the documentary evidence in support to the reply is not attached. Further, no detail of staff regularized and status of USAR academy is produced with their reply.

No DAC meeting convened till finalization of this report despite repeated requests / reminders.

Audit recommends that the serious effort be taken for appointment of staff for effective utilization of resources under intimation to audit.

(PDP # 284, USAR, KMC FY 2018-19)

#### **4.5.8 Internal audit not carried out**

As per 2.36 (b)(vii) of guide for Sindh DDO, the department will get the account of this office inspected at least in every financial year.

During course of audit of the Fire Brigade wing of KMC, Karachi during the FY 2018-19. Internal audit report was requested to ascertain whether the internal

audit of Fire Brigade KMC had been conducted. However, the internal audit report was not provided which revealed that internal audit had not been conducted.

Audit is of the view that not conducting internal audit showed weak internal control of the department.

The matter was pointed out to the management on 7<sup>th</sup> August, 2019. In response, management replied that the audit observation is notes for compliance.

The reply of the management was not cogent, as the effort regarding expediting the matter and conducting of internal audit not attached in support of their reply.

No DAC meeting convened till finalization of this report despite repeated requests / reminders.

Audit recommends that serious effort be taken for establishment of internal audit wing and internal audit be carried out for smooth functioning of the department under intimation to audit.

(PDP # 280, Fire Brigade, KMC FY 2018-19)

### **Value for Money and Services delivery issues**

#### **4.5.9 Wastage of funds on dog feed – Rs 0.950 million**

As per Council Resolution No. 441 dated 21.01.2009, Urban search and Rescue Department was established in KMC for which initial 10 dogs were purchased for rescue work.

The USAR Academy, KMC, Karachi, made payment of Rs 950,000 on account of diet and medicines of dogs during the FY 2018-19.

The scrutiny of record revealed that due to non-appointment of retired army personnel as dog handlers, the dogs were not utilized to assist in rescue work. The USAR team leader moved a note to the Metropolitan Commissioner to hand over these dogs to the Zoo department of the KMC.

Audit is of the view that expenditure incurred on the diet and medicine of dogs is wasteful as the dogs were not utilized in rescue work.

The matter was pointed out to the management on 7<sup>th</sup> August, 2019. In response, management replied that the average natural age of the dog is around 11-13 years and most of the dogs have been with USAR for over 10 years period and

almost lived their natural life. Four dogs passed away after completing their nature life, one dog died by snake bite. USAR is trying its best for the induction of new young dogs for the purpose.

The reply of the management was not cogent, as operational activity of the dogs along with the status of the dog handler in the department not attached with the reply.

No DAC meeting convened till finalization of this report despite repeated requests / reminders.

Audit recommends that matter be probed into besides fixing the responsibility on person (s) fault for non-utilization of dogs for rescue operation and wastage of resources under intimation to audit.

(PDP # 283, USAR, KMC FY 2018-19)

#### **4.5.10 Wastage of government resources due to not using water bowsers 20 wheeler**

As per rule 40-B of Sindh Financial Rule, every Government servant realize that he will be held personally responsible for any loss sustained by Government through fraud or negligence. Further public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues as a person of ordinary prudence would exercise in respect of expenditure of his own money.

During audit it was observed that water bowser 20 wheeler were purchased under district ADP schemes. The purpose of purchase of these water bowsers was to provide water to the fire tenders for uninterrupted fire operation during massive fire incidents. To drive these bowser, driver of special skill to handle 22 wheeler were also appointed on contract basis.

During course of audit of the Fire Brigade wing of KMC, Karachi during the FY 2018-19. The visit of fire stations (Korangi and Gulistan-e-Mustafa) by the audit team shows that the water bowser was not in use due to non-availability of the drivers as the contract agreement of these drivers were not renewed.

Audit is of the view that management of KMC had spent a huge amount on account of purchase of 22 wheeler water bowser but these cannot be used in massive fire incident which is negligence on the part of the management.

The matter was pointed out to the management on 7<sup>th</sup> August, 2019. In response, management replied that the Govt. of Sindh has imposed a ban on contractual appointment.

The reply of the management was not cogent, as the reply is irrelevant because the utilization of water bowzer along with its working status not produced with their reply. Also, detail of drivers attached on the water bowzer previously and currently.

No DAC meeting convened till finalization of this report despite repeated requests / reminders.

Audit recommends that the matter be inquired for blocking of government resources besides initiation of process of recruitment of drivers in accordance with the availability of fire vehicles under intimation to audit.

(PDP # 273, Fire Brigade, KMC FY 2018-19)



## Annexures

### Annexure-I (MFDAC)

S.n	PDP No	F.Y	Name of Formation	Subject
1	255	2018-19	Secretary Rehabilitation Sindh (Karachi)	Irregular Expenditure on account of POL Charges Rs 860,230
2	257			Irregular expenditure on repair of furniture-Rs 104,000
3	258			Irregular expenditure from the head of "Others"- Rs.233, 600
4	259			Unjustified expenditure on repair of transport-Rs.238, 240
5	260			Irregular Payment on account of TA/DA – RS 462,093
6	261			Un-authorized Payment of Mobile Charges– Rs 89,000
7	262			Irregular Expenditure on Office Buildings Rs 2.94 Million
8	263			Non Deduction of Income Tax on Rent of Office Building Rs 132,300
9	264			Irregular Payment of Honorarium without Codal Requirements Rs 800,000
10	265			Non Completion/Non verification of Service Books from AG office
11	171	2018-19	PDMA Sindh (Karachi)	Non Preparation of Test Reports during Construction Supervision Phase.
12	173			Overpayment to contractors Rs 54,000/-
13	174			Overpayment to Contractor by claiming in excess of BOQ Rs 105,759/-
14	177			Un-authorized payment of Provisional POL Bill to PSO Rs 1.5 Million
15	178			Un-authorized retention of profit in PDMA Sindh Account -Rs 19.098 Million
16	179			Irregular expenditure Rs 523,516/- by Violating SPPRA Rules 2010
17	180			Doubtful expenditure on purchase of Air Conditioner Rs 69,606
18	181			Repair of Vehicles from Unauthorized Workshops Rs.2.979 Million
19	182			Undue Benefit to Supplier by Reducing Rate of Sales Tax to Rs 3.951 Million
20	183			Less deduction of tax to benefit supplier Rs 3.150 Million
21	185			Irregular Award of Contracts – Res 49.48 Million
22	186			Irregular Payment on account of Transportation Charges – Rs 4.335 Million
23	187			Non deduction of Income Tax on Transportation Charges – Rs 86,700
24	188			Irregular Expenditure on Security Charges – Rs -5.914 Million
25	189			Non Deduction of Income Tax on Services Rendered – Rs 399,648
26	190			Irregular Payment on account of Rent of Office Building – Rs 2.5 Million
27	191			Unjustified payment on account of Purchase of Furniture – Rs 892,000
28	192			Irregular Payment as Honorarium – Rs 3.105 Million

29	193			Un-Authorized Payment of Rs 500,000/- to NED University of Engineering & Technology, Karachi.		
30	195			Withdrawal of Imprest Money more than Approved Limit– Rs 200,000		
31	196			Irregular Constitution of Board and Approval of Budget Rs 124.567 Million		
32	197			Non-Maintenance of Stock /Inventory record of Warehouses		
33	199			Irregular Payment of Pay & Allowances – Rs 450,018		
34	224	2018-19	Sindh Environmental Protection Agency (SEPA)	Non deposit of cheque into sustainable fund account – Rs 125, 000		
35	227			Unlawful certification of environmental laboratory		
36	228			Non availability of supporting documents in respect of the cheques issued – Rs 4.379 million		
37	229			Unverifiable expenditure on environmental monitoring– Rs 2.499 million.		
38	231			Registers of IEE, EIA and Check list of projects not prepared		
39	234			Annual Sindh Environment Report not prepared and published		
40	235			Weak monitoring of Environmental Laboratories		
41	236			Irregular expenditure on stationery and uniform – Rs 183,257		
42	241			Irregularities in renewal of environmental laboratory certification		
43	243			Physical verification of stock and physical assets not carried out		
44	245			2018-19	R/O, SEPA Karachi	Non maintenance of movement record of the field staff
45	252			2018-19	Environment Protection Tribunal	Non reconciliation of expenditure statement with AG Sindh
46	150			2018-19	Sindh Coastal Development Authority (Karachi)	Unjustified payment to contractor through variation order – Rs 1.621 million
47	152	Un-Authorized Utilization of POL of Off Road Vehicles Rs 61,078/-				
48	155	Non Deposit of Sales Tax into Government Treasury Rs 41,688/-				
49	157	Non Deduction of Income Tax on Honorarium Rs 238,281				
50	158	Non Adjustment of Old Batteries and Tyres of Vehicles Rs 169,995/-				
51	160	Non Recovery of Income Tax on Special Project Allowance Rs 102,624				
52	162	Irregular expenditure of Rs 375,361/- due to Non-Conducting of Annual Physical Verification and Non Reporting of Stock available for Auction				
53	165	Non-Renewal of Performance Guarantees of the Contractors – Rs 15.47 million				
54	207	2018-19	Add.Relief Commissioner Hyderabad	Doubtful Entries in Cash Book of Relief Activities		
55	210			Non-Submission of Accounts to Relief Commissioner Sindh		
56	214			Non-maintenance of record of operational expenditure – Rs 7.200 million		

57	268	2018-19	Fire Brigade KMC Karachi	Non Adjustment of advances – Rs 618,000
58	270			Irregular payment in violation of Sindh procurement rules – Rs 98,000
59	271			Loss to government money by running extra mileage on account of fuel filling
60	272			Irregular award of contract in violation of procurement rules – Rs 19.745 million
61	274			Emergency Fire call number ‘16’ not activated
62	275			Physical verification of store and stock not carried out
63	276			Non Transparent award of contract – Rs 19.515 million.
64	277			Non availability of payment vouchers at Fire Station HQ
65	282			Irregular issuance of Fire certificate

### List of Entities of Sindh

S.No	Formations	Location
1	PDMA, Sindh	Karachi
2	Additional Relief Commissioner, Sindh	Hyderabad
3	District Civil Defense Office	Hyderabad
4	District Civil Defense Office	Jacobabad
5	District Civil Defense Office	Jamshoro
6	Dy. Commissioner, Jhal Magsi	Jhal Magsi
7	District Civil Defense Office	Kamber
8	Directorate Civil Defence-Sindh, Karachi	Karachi
9	Civil Defence Training School	Karachi
10	Civil Defense Office-Central, Karachi	Karachi
11	Civil Defense Office-East, Karachi	Karachi
12	Civil Defense Office-South, Karachi	Karachi
13	Civil Defense Office-West, Karachi	Karachi
14	District Civil Defense Office	Kashmore
15	District Civil Defense Office	Larkana
16	District Civil Defense Office	Noshero Feroz
17	District Civil Defense Office	Rohri
18	Deputy Commissioner, Sheikhpura	Sheikhpura
19	DC Shikarpur	Shikarpur
20	District Civil Defense Office	Sukkur
21	DC Tharparkar	Tharparkar
22	Costal Development Authority-Sindh	Karachi
23	Environment Secreteriat-Sindh	Karachi
24	Environmen Protection Tribunal-Sindh	Karachi
25	Secretary Environment Department - Sindh	Karachi
26	Secretary Rehabilitation Sindh	Karachi
27	BOR Relief Measures	Karachi
28	Addl. Relief Commissioner	Karachi
29	EPA-Sindh	Karachi

## Annexure-II (Related to Paras)

### Annexure-I PDP#172 PDMA – Karachi 2018-19

Sr No	Work	Sub Head (Non Scheduled Items)	Regional Office	Cost as per Agreement
01	Office Block	Civil Work	Mirpurkhas	5,430,8075/-
02	Office Block	Plumbing Work		285,000/-
03	Office Block	Electrical Work		2,965,880/-
04	Guard Room	Civil Work		156,1120/-
05	Guard Room	Plumbing Work		32,500/-
06	Guard Room	Electrical Work		37,340/-
07	3 <sup>rd</sup> Type Bungalow	Civil Work		6,642,890/-
08	3 <sup>rd</sup> Type Bungalow	Plumbing Work		131,500/-
09	3 <sup>rd</sup> Type Bungalow	Electrical Work.		456,960/-
10	3 <sup>rd</sup> Type Bungalow	External Bungalow Area	Mirpurkhas	323,750/-
11	4 <sup>th</sup> Type Quarter	Civil Work		3,781,020/-
12	4 <sup>th</sup> Type Quarter	Plumbing Work		54,500/-
13	4 <sup>th</sup> Type Quarter	Electrical Work		74,810/-
14	5 <sup>th</sup> Type Quarter	Civil Work		4,084,770/-
15	5 <sup>th</sup> Type Quarter	Plumbing Work		131,500/-
16	5 <sup>th</sup> Type Quarter	Electrical Work		75,110/-
17	6 <sup>th</sup> Type Quarter	Civil Work		3317695/-
18	6 <sup>th</sup> Type Quarter	Plumbing Work		133,500/-
19	6 <sup>th</sup> Type Quarter	Electrical Work	75,110-	
<b>Total</b>				<b>78,473,030</b>

### Annexure-II PDP#172 PDMA – Karachi 2018-19

Sr No	Descripti on of Work	Construct ion of Regional Office	Sub Head	BOQ Item No	BOQ Cost	Paid till date
01	Clearing of Site	Mirpurkhas	Office Block	31	500,000	500,000
02			Guard Room (500,000 *4)	30	2,000,000	1,200,000
03			3 <sup>rd</sup> Type Bungalow (500,000* 3)	29	1,500,000	600,000
04			4 <sup>th</sup> type quarter	31	500,000	200,000
05			5 <sup>th</sup> type quarter (500,000*2)	32	1,000,000	400,000
06			6 <sup>th</sup> type quarter (400,000 * 2)	32	800,000	300,000
07		Shaheed Benazirabad	Office Block	31	600,000	600,000
08			Godown-I (600,000*2)	26	1,200,000	1,200,000
09			Godown-II	20	200,000	200,000
10			Workshop (100,000*2)	22	200,000	200,000
11			Cold Storage	26	1,00,000	100,000
12			Masjid	30	200,000	200,000
13			Guard Room (*4)	31	500,000	500,000

14			3 <sup>rd</sup> Type Bungalow (200*3)	29	6000	60,000
15			4 <sup>th</sup> type Bungalow	31	5000	-
16			5 <sup>th</sup> Type Bungalow.	32	5000	-
17			6 <sup>th</sup> Type Quarter	32	5000	-
<b>Total</b>					<b>9,321,000</b>	<b>6,260,000</b>

**Annexure-III**  
**PDP#194 PDMA – Karachi 2018-19**

<b>Vo ch er No</b>	<b>Cheq ue No.</b>	<b>Che que issue date</b>	<b>Head</b>	<b>Payee</b>	<b>Description</b>	<b>Paid Amount /Debit (Rs)</b>
21	2349 56	9/3/2 018	Entertainmen t & Gifts	Mr. Nazir Ahmed Khaskheli	Payment against petty Exp incurred (28/2/18 to 2/7/18) at PDMA Office	25,000
59	2349 94	9/12/ 2018	Entertainmen t & Gifts	Mr. Nazir Ahmed Khaskheli	Payment against petty Exp incurred (2/6/18 to 16/8/18) at PDMA Office	25,000
10 9	2366 44	9/28/ 2018	Entertainmen t & Gifts	Mr. Nazir Ahmed Khaskheli	Payment against petty Exp incurred (3/6/18 to 24/9/18) at PDMA Office	25,000
11 6	2366 51	10/8/ 2018	Entertainmen t & Gifts	Mr. Nazir Ahmed Khaskheli	pament against petty Exp of PDMA he office karachi	25,000
12 3	2366 58	10/1 2/20 18	Entertainmen t & Gifts	Mr. Nazir Ahmed Khaskheli	pament against petty Exp of PDMA he office karachi	25,000
18 3	2393 18	11/1 4/20 18	Entertainmen t & Gifts	Mr. Nazir Ahmed Khaskheli	pament against petty Exp incurred (1/10/18 to 26/10/18) at PDMA Office	25,000
19 6	2393 31	11/2 8/20 18	Entertainmen t & Gifts	Mr. Nazir Ahmed Khaskheli	Payment against petty exp at PDMA office	25,000
24 9	2393 84	12/1 8/20 18	Entertainmen t & Gifts	Mr. Nazir Ahmed Khaskheli	Payment against petty exp at PDMA office Head office karachi	25,000
	2418 43	1/9/2 019	Entertainmen t & Gifts	Mr. Nazir Ahmed Khaskheli	Payment against petty exp at PDMA office Head office karachi	25,000
38 8	2433 23	2/1/2 019	Entertainmen t & Gifts	Mr. Nazir Ahmed Khaskheli	Payment against petty exp at PDMA office Head office karachi	25,000
40 0	2433 35	2/7/2 019	Entertainmen t & Gifts	Mr. Nazir Ahmed Khaskheli	Payment against petty exp at PDMA office Head office karachi	25,000

42 4	2433 59	2/20/ 2019	Entertainmen t & Gifts	Mr. Shahbaz Akhund	Payment against petty exp at PDMA office Head office Karachi,	25,000
46 3	2433 98	3/5/2 019	Entertainmen t & Gifts	Mr. Shahbaz Akhund	Payment against petty exp at PDMA office Head office karachi	25,000
50 0	2461 35	3/12/ 2019	Entertainmen t & Gifts	Mr. Shahbaz Akhund	Payment against petty exp at PDMA office Head office karachi	25,000
50 2	2461 37	3/21/ 2019	Entertainmen t & Gifts	Mr. Shahbaz Akhund	Payment against petty exp at PDMA office Head office karachi	25,000
54 0	2461 75	4/8/2 019	Entertainmen t & Gifts	Mr. Shahbaz Akhund	pament against petty Exp incurred (2/3/19 to 29/3/19) at PDMA Office Karachi	25,000
56 6	2487 01	4/19/ 2019	Entertainmen t & Gifts	Mr. Shahbaz Akhund	Payment against petty exp at PDMA office Head office karachi	25,000
58 0	2487 15	4/19/ 2019	Transport (Repair)	Mr. Shahbaz Akhund	Payment against petty exp at PDMA office Head office karachi	25,000
58 8	2487 23	4/25/ 2019	Entertainmen t & Gifts	Mr. Shahbaz Akhund	Payment against petty exp at PDMA office Head office karachi	25,000
61 1	2487 46	4/30/ 2019	Entertainmen t & Gifts	Mr. Shahbaz Akhund	Payment petty cash to Assistant Director (Admn) at PDMA Sindh	25,000
61 3	2487 48	4/30/ 2019	Others	Mr. Shahbaz Akhund	Payment petty cash (Advance to Assistant Director (Admn) PDMA Sindh	100,000
61 4	2487 49	4/30/ 2019	Others	Mr. Shahbaz Akhund	Payment petty cash to Assistant Director (Admn) at PDMA Sindh	25,000
63 9	2487 74	5/28/ 2019	Electricin and Communicat ion	Mr. Shahbaz Akhund	Payment petty cash to Expenditure Assistant Director (Admn) at PDMA Sindh	100,000
72 9	2680 94	6/19/ 2019	Others	Mr. Shahbaz Akhund	Payment against petty cash advance for the month of June 2019	200,000
<b>Total</b>						<b>925,000</b>

## Annexure-IV

PDP#175 PDMA – Karachi 2018-19

Detail of Filled Material					
Sr No	Regional Office	Description of Work	Item Detail	Quantity Filled Cft	Cost of filling
01	Benazirabad	Godown-I	Borrowed Earth fill	66,667.570	242,003.28
02				66,667,570	515,647
<b>Total</b>				<b>133335.14 cft</b>	<b>Rs 757,650.28</b>
Detail of Excavated Material					
Sr No	Regional Office	Description of work	Quantity Excavated (Cft)		
01	Benazirabad	Office Block	42,200		
02		Godown	35,800		
03		Godown-II	8,590		
04		Workshop (2 Nos)	10,346		
05		Cold Storage	5,364		
06		Masjid	7,600		
07		Guard Room (4 Nos)	5,432		
08		3 <sup>rd</sup> type bungalow (3 Nos)	39,570		
<b>Total</b>			<b>154,902 Cft</b>		

## Annexure-V

PDP # 237, EPA Sindh FY 2018-19

Administrative Penalty Imposed by SEPA but not recovered			
S #	Name of Company	Violation	Penalty (Rs)
1	Rashid Silk Mills	Section 11	300,000
2	Proline (Pvt) Ltd.	Section 11	200,000
3	Kings Garden	Section 17	500,000
4	Grands Homes	Section 17	400,000
5	Kulsom View	Section 17	500,000
6	Al- Ghafoor Duplex	Section 17	700,000
7	United Towes	Section 17	500,000
8	Maqbool Heights	Section 17	300,000
9	Ghosia Steel	Section 11	300,000
10	Hooraa Pharma	Section 17	200,000
11	Adamjee Enterprises	Section 11	100,000
12	Alucan (Pvt) Ltd.	Section 11 & 21	200,000
13	Schneider Electric Engineering	Section 13,14 & 17	200,000
14	Zaka Sons	Section 17	200,000
15	Al- Hamza Processing	Section 17	200,000
16	Al- Khair Dying	Section 11 & 17	200,000
17	Cantonment Board Clifton	Section 14	10,000
18	Shafi Tanneries	Section 11	200,000
19	ICI	Section 17	500,000
20	Mecter Pharma	Section 11 & 17	300,000

21	Saga One	Section 17	2,500,000
22	D.S Motor	Section 11	300,000
23	Pak Oil Mill	Section 11	300,000
24	Meco Textile	Section 11	200,000
25	Fiber Textile	Section 11	100,000
26	Gul Paper	Section 11	100,000
27	Zohra Paper	Section 11	100,000
28	LMC Hospital	Section 14	10,000
29	Rajby Textile	Section 11	100,000
30	Artistic Milliners Unit-5	Section 11	100,000
31	Orient Textile	Section 11	200,000
32	Soorly Enterprises	Section 11	200,000
33	Younus Textile	Section 11 & 17	300,000
34	Pak. Petri Chemical	Section 11 & 17	200,000
35	Pakistan Beverage (Aquafina)	Section 11 & 17	10,000
36	Raza Housing	Section 17	300,000
37	Popular Textile	Section 11	200,000
38	Sumit Plaza	Section 17	300,000
39	Taluka Municipal Administration, Ubaro	Section 11	100,000
40	Taluka Municipal Administration, Ghotki	Section 11	100,000
41	Taluka Municipal Administration, Gardh	Section 11	100,000
42	Taluka Municipal Administration, Dharki	Section 11	100,000
43	Gull Bottle Sukkur Site	Section 11	200,000
<b>TOTAL (Rs)</b>			<b>12,130,000</b>

## Annexure-VI

(PDP No.167, SCDA 2018-19)

Item No.	Description	Unit	Qty Claimed	Rate in BOQ	Rate Claimed	Difference in Rate	Amount in (Rs)
<b>Construction of Road from Jati Khorwah Road to Village Rabdino Jat/Karo Gungro Road</b>				<b>Paid to M/s Askari Enterprises</b>			
1	Earth work for road embankment by bulldozers including ploughing, mixing clod breaking, ramming, dressing & compacting with optimum moisture content 85% density. Lead up to 100' Ft & lift up to 5' Ft in all type of soil except Rock	% Cft	253,831	3,656.23	7,038.49	3,382.26	858,522



2	Earth work for road embankment by bulldozers including ploughing, mixing clod breaking, ramming & dressing the same & compacting optimum moisture content 95% density. Lead up to 100'Ft & lift up to 5' Ft in all type of soil except Rock	% Cft	52,512	6,190.17	9,191.18	3,001.01	157,589
<b>Construction of Road from Sikandar Hingorjo Road to Village Haji Ismail Hingorjo Road</b>				<b>Paid to M/s Rajgan Enterprises -</b>			
1	Earth work for road embankment by bulldozers including ploughing, mixing clod breaking, ramming, dressing & compacting with optimum moisture content 85% density. Lead up to 100'Ft & lift up to 5' Ft in all type of soil except Rock	% Cft	454,949	3,656.23	5,394.07	1,737.84	790,629
2	Earth work fo0r road embankment by bulldozers including ploughing, mixing clod breaking, ramming & dressing the same & compacting optimum moisture content 95% density. Lead up to 100'Ft & lift up to 5' Ft in all type of soil except Rock	% Cft	52,512	6,190.17	10,110.29	3,920.12	205,853
<b>Construction of Road from Nooh- Baran Road to Village Viryam Chalko Road</b>				<b>Paid to M/s Askari Enterprises -</b>			
1	Earth work for road embankment by bulldozers including ploughing, mixing clod breaking, ramming, dressing & compacting with optimum moisture content 85% density. Lead up to 100'Ft & lift up to 5' Ft in all type of soil except Rock	% Cft	393,735	3,656.23	7,081.83	3,425.60	1,348,779

2	Earth work for road embankment by bulldozers including ploughing, mixing clod breaking, ramming & dressing the same & compacting optimum moisture content 95% density. Lead up to 100' Ft & lift up to 50' Ft in all type of soil except Rock	% Cft	52,512	6,190.17	9,191.18	3,001.01	157,589
<b>Construction of Road from Haji Allah Dino Mandhro (Kodario Road to Village Muhammad Umer Jatt/Jabal Jatt Road</b>				<b>Paid to M/s Rajgan Enterprises</b>			
1	Earth work for road embankment by bulldozers including ploughing, mixing clod breaking, ramming, dressing & compacting with optimum moisture content 85% density. Lead up to 100' Ft & lift up to 5' Ft in all type of soil except Rock	% Cft	409,340	3,656.23	6,140.26	2,484.03	1,016,813
2	Earth work for road embankment by bulldozers including ploughing, mixing clod breaking, ramming & dressing the same & compacting optimum moisture content 95% density. Lead up to 100' Ft & lift up to 5' Ft in all type of soil except Rock	% Cft	73,448	6,190.17	9,848.98	3,658.81	268,732
<b>Construction of Road from Rabdino Malyo (Malya stop) Road to Village Haji Ibrahim Mallah via Meenhdino Khore Road</b>				<b>Paid to M/s Rajgan Enterprises</b>			
1	Earth work for road embankment by bulldozers including ploughing, mixing clod breaking, ramming, dressing & compacting with optimum moisture content 85% density. Lead up to 100' Ft & lift up to 5' Ft in all type of soil except Rock	% Cft	505,765	3,656.23	5,234.23	1,578.00	798,097

2	Earth work for road embankment by bulldozers including ploughing, mixing clod breaking, ramming & dressing the same & compacting optimum moisture content 95% density. Lead up to 100'Ft & lift up to 5' Ft in all type of soil except Rock	% Cft	84,000	6,190.17	10,344.83	4,154.66	348,991
<b>Construction of Road Dargah Ahmed Shah Road to Village Haji Dawood Jamali Road</b>				<b>Paid to M/s Rajgan Enterprises</b>			
1	Earth work for road embankment by bulldozers including ploughing, mixing clod breaking, ramming, dressing & compacting with optimum moisture content 85% density. Lead up to 100'Ft & lift up to 5' Ft in all type of soil except Rock	% Cft	548,407	3,656.23	5,901.53	2,245.30	1,231,338
2	Earth work for road embankment by bulldozers including ploughing, mixing clod breaking, ramming & dressing the same & compacting optimum moisture content 95% density. Lead up to 100'Ft & lift up to 5' Ft in all type of soil except Rock	% Cft	64,640	6,190.17	7,507.83	1,317.66	85,174
<b>construction of Road from Mitho Khan Jalbani to Village Haji Ismail chandio Road , Taluka Shah Bander District Sujawal</b>				<b>Paid to M/s Rajgan Enterprises</b>			
1	Earth work for road embankment by bulldozers including ploughing, mixing clod breaking, ramming, dressing & compacting with optimum moisture content 85% density. Lead up to 100'Ft & lift up to 5' Ft in all type of soil except Rock	% Cft	1,391,133	3,656.23	6,007.68	2,351.45	3,271,180

2	Earth work for road embankment by bulldozers including ploughing, mixing clod breaking, ramming & dressing the same & compacting optimum moisture content 95% density. Lead up to 100' Ft & lift up to 5' Ft in all type of soil except Rock	% Cft	232,320	6,190.17	11,033.46	4,843.29	1,125,1939
<b>Total</b>							<b>11,664,479</b>

**Annexure-VII**

(PDP # 222, EPA Sindh , PDP #244, EPA RO & PDP # 247, EPT Sindh Karachi FY 2018-19)

ENVIRONMENTAL PROTECTION AGENCY (2039)						
S #	Account Code	Head of Account	Budget Grant	Releases	Total EXP.	Saving / Excess
1	A01274	Medical Charges	578,000	578,000	523,680	54,320
2	A03201	Postage & Telegraph	201,000	98,470	46,190	52,280
3	A03202	Telephone & Trunk Call	877,000	656,802	436,605	220,197
4	A03301	Gas	210,000	178,500	16,713	161,787
5	A03302	Water	635,000	357,500	80,000	277,500
6	A03303	Electricity	1,210,000	1,210,000	472,284	737,716
7	A03402	Rent for Office Building	2,420,000	2,420,000	-	2,420,000
8	A03407	Rates & Taxes	315,000	236,250	-	236,250
9	A03805	Travelling Allowance	662,000	562,700	483,591	79,109
10	A03808	Conveyance Charges	83,000	70,550	-	70,550
11	A03901	Stationery	497,000	267,237	248,482	18,755
12	A03902	Printing & Publication	331,000	199,863	151,476	48,387
13	A03905	Newspapers Periodicals & Books	166,000	123,010	106,510	16,500
14	A13001	Transport	289,000	216,750	144,230	72,520
15	A13101	Machinery & Equipment	1,155,000	866,250	577,150	289,100
16	A13201	Furniture & Fixtures	276,000	207,000	190,600	16,400
Total (A)			<b>21,145,000</b>	<b>14,064,807</b>	<b>9,293,436</b>	<b>4,771,371</b>
ENVIRONMENTAL PROTECTION AGENCY (2042)						
S #	Account Code	Head of Account	Budget Grant	Releases	Total Expenditure	Saving / Excess
1	A01274	Medical Charges	174,000	174,000	54,118	119,882
2	A03202	Telephone & Trunk Call	18,000	18,000	6,000	12,000
3	A03301	Gas	29,000	24,650	-	24,650
4	A03302	Water	58,000	58,000	14,000	44,000
5	A03805	Travelling Allowance	193,000	164,050	95,240	68,810
6	A03807	POL	400,000	400,000	189,550	210,450
7	A03901	Stationery	83,000	31,125	-	31,125
8	A03902	Printing & Publication	83,000	31,125	-	31,125
9	A03905	Newspapers Periodicals & Books	8,000	6,800	-	6,800
10	A03970	Others	276,000	220,800	23,715	197,085
11	A13001	Transport	231,000	173,250	99,920	73,330
12	A13101	Machinery & Equipment	231,000	173,250	-	173,250
Total (B)			<b>1,784,000</b>	<b>1,475,050</b>	<b>482,543</b>	<b>992,507</b>
REGIONAL ENVIRONMENTAL PROTECTION AGENCY (2048)						
S #	Account Code	Head of Account	Budget Grant	Releases	Total Exp.	Saving / Excess
1	A01274	Medical Charges	433,000	433,000	338,249	94,751
2	A03201	Postage & Telegraph	62,000	46,500	46,404	96

3	A03202	Telephone & Trunk Call	59,000	29,500	-	29,500
4	A03302	Water	184,000	92,000	-	92,000
5	A03303	Electricity	605,000	605,000	594,564	10,436
6	A03402	Rent for Office Building	1,815,000	1,815,000	-	1,815,000
7	A03805	Travelling Allowance	56,000	47,600	-	47,600
8	A03807	POL	400,000	400,000	341,351	58,649
9	A03808	Conveyance Charges	27,000	22,950	12,730	10,220
10	A03901	Stationery	110,000	41,250	27,500	13,750
11	A03905	Newspapers Periodicals & Books	34,000	28,900	14,875	14,025
12	A03906	Uniforms & Protective Clothing	34,000	34,000	32,000	2,000
13	A03970	Others	56,000	44,800	42,588	2,212
14	A13001	Transport	116,000	87,000	86,970	30
15	A13101	Machinery & Equipment	116,000	87,000	85,100	1,900
16	A13201	Furniture & Fixtures	27,000	20,250	19,600	650
Total (C)			<b>4,773,500</b>	<b>3,924,200</b>	<b>1,731,381</b>	<b>2,192,819</b>
<b>SINDH ENVIRONMENTAL PROTECTION TRIBUNAL (KQ-2041)</b>						
<b>S #</b>	<b>Account Code</b>	<b>Head of Account</b>	<b>Budget Grant</b>	<b>Releases</b>	<b>Total Exp.</b>	<b>Saving / Excess</b>
1	A01274	Medical Charges	319,000	319,000	315,348	3,652
2	A03201	Postage & Telegraph	116,000	87,000	50,000	37,000
3	A03202	Telephone & Trunk Call	110,000	110,000	102,958	7,042
4	A03301	Gas	58,000	49,300	20,430	28,870
5	A03302	Water	231,000	121,234	73,882	47,352
6	A03303	Electricity	605,000	605,000	584,647	20,353
7	A03305	POL for Generator	15,000	12,750	-	12,750
8	A03402	Rent for Office Building	1,815,000	1,815,000	1,545,600	269,400
9	A03407	Rates & Taxes	53,000	39,750	4,908	34,842
10	A03602	Insurance	-	400,000	-	400,000
11	A03603	Registration	-	50,000	-	50,000
12	A03805	Travelling Allowance	-	500,000	-	500,000
13	A03807	POL	850,000	850,000	688,874	161,126
14	A03808	Conveyance Charges	-	50,000	-	50,000
15	A03901	Stationery	166,000	124,500	117,511	6,989
16	A03902	Printing & Publication	182,000	108,615	80,730	27,885
17	A03905	Newspapers Periodicals & Books	221,000	187,850	152,260	35,590
18	A03906	Uniforms & Protective Clothing	34,000	34,000	28,080	5,920
19	A09601	Plant & Machinery	162,300	162,300	162,045	255
20	A09701	Furniture & Fixtures	300,000	300,000	281,632	18,368
21	A13101	Machinery & Equipment	116,000	87,000	86,090	910
22	A13201	Furniture & Fixtures	56,000	42,000	39,500	2,500
Total (D)			<b>7,346,300</b>	<b>6,547,099</b>	<b>4,826,295</b>	<b>1,720,804</b>
<b>Grand Total (A+B+C+D)</b>			<b>9,677,501</b>			

### Annexure-VIII

(PDP # 239, EPA Sindh, Karachi FY 2018-19)

<b>Expenditure without open tender</b>			
<b>Date</b>	<b>Cheque #</b>	<b>Vendor Name</b>	<b>Amount</b>
14.01.19	3315779	Universal Traders	112,908
14.01.19	3315780	Universal Traders	109,989
13.03.19	3344924	Sharif & Brothers	162,916
13.03.19	3344925	Universal Traders	112,411
13.03.19	3344926	Sharif & Brothers	109,139
13.03.19	3344938	Comway Solutions	184,358

13.03.19	3344939	Comway Solutions	161,907
13.03.19	3344940	Comway Solutions	180,079
13.03.19	3344941	Universal Traders	118,456
27.06.19	3500997	Grace Autos Workshop	14,651
27.06.19	3500999	S.D.S Brothers	181,667
27.06.19	3501000	S.D.S Brothers	177,986
27.06.19	3501001	S.D.S Brothers	142,761
27.06.19	3501002	Universal Traders	222,093
27.06.19	3501003	Universal Traders	25,499
27.06.19	3501005	Universal Traders	184,635
27.06.19	3501006	Universal Traders	182,698
27.06.19	3501007	Universal Traders	147,389

### Annexure-XI

PDP # 225, EPA Sindh FY 2018-19

(A)

District Wise Expenditure FY 2017-18				
S #	Name of District	Allocation	Released Amount	Expenditure
1	Ghotki	9,800,090	6,975,706	2,434,631
2	Dadu	9,800,090	7,265,705	1,259,636
3	Khairpur	9,800,090	7,265,705	2,080,435
4	Benazairabad	9,800,090	7,265,705	2,013,335
5	Sanghar	9,800,090	7,265,705	2,282,303
6	Thatta	9,800,090	7,265,705	2,086,972
7	Kashmore	9,800,090	7,205,381	1,509,301
8	Tharparkar	9,800,090	7,265,705	2,452,998
9	Badin	9,800,090	7,205,381	169,744
10	N. Feroze	9,800,090	7,265,705	2,480,175
	<b>TOTAL</b>	<b>98,000,900</b>	<b>72,246,403</b>	<b>18,769,530</b>

(B)

District Wise Expenditure FY 2018-19				
S #	Name of District	Allocation	Released Amount	Expenditure
1	Ghotki	11,254,000	-	-
2	Dadu	11,254,000	-	-
3	Khairpur	11,254,000	-	-
4	Benazairabad	11,254,000	-	-
5	Sanghar	11,254,000	-	-

6	Thatta	11,254,000	-	-
7	Kashmore	11,254,000	-	-
8	Tharparker	11,254,000	-	-
9	Badin	11,254,000	-	-
10	N. Feroze	11,254,000	-	-
11	Jacobabad	9,841,500	-	-
12	Jamshoro	9,841,500	-	-
13	Matari	9,841,500	-	-
14	Sujawal	9,841,500	-	-
15	Shikarpur	9,841,500	-	-
16	Tando Muhammad	9,841,500	-	-
17	Tando Allah Yar	9,841,500	-	-
18	ShahdadKot-	9,841,500	-	-
19	Umerkot	9,841,500	-	-
	<b>TOTAL</b>	<b>201,113,500</b>	<b>-</b>	<b>-</b>

**Annexure-X**

PDP No.212&213, Adtl Relief Comm. Sindh 2018-19

Table (A)

Description of Work	Vehicle No.	Vendor	Cheque No.	Dated	Amount of Cheque (Including Repair of Transport)	Repair of Transport (Rs)
Repair of Transport	Not mentioned	M/s Ayaz Ali & Brothers	3430689	22.04.2019	28,673	14,500
		M/s Ayaz Ali & Brothers	3325537	22.01.2019	48,746	30,000
		M/s Ali Traders	3281821	18.12.2018	17,922	11,500
		M/s Ali Traders	3256985	26.11.2018	40,064	25,600
		M/s Ali Traders	3213036	17.10.2018	45,033	20,000
		M/s Ali Traders	3151412	28.08.2018	45,450	30,500
		<b>Total (Rs)</b>				<b>132,100</b>

**Table (B)**

Vehicle No	Vendor	Cheque No	Dated	Amount
Not Mentioned on any receipt	M/s Al Madina Traders	3151425	28.08.2018	50,017
		3210356	14.09.2018	50,141
		3213257	18.10.2018	50,100
		3256989	26.11.2018	56,384
		3325544	22.01.2019	60,069
		3380460	04.03.2019	59,026
		3382981	29.03.2019	59,308
		3430367	22.04.2019	50,437
		3469294	24.06.2019	68,000
	<b>Total (Rs)</b>			<b>503,482/-</b>
	<b>Grand Total (A+B)</b>			<b>635,582</b>

## Annexure-XI

PDP # 284, USAR, KMC FY 2018-19

S #	Title of Post USAR wing	BPS	Sanction Strength	Working Strength	Vacant
1	Team Leader (Commander)	18	1		1
2	Deputy Team Leader	17	1		1
3	Chief of Staff Reporting	15/16	1		1
4	Deputy Chief of Staff Reporting	15	1		1
5	Chief of Operation	15/16	1		1
6	Deputy Chief of Operation	15	1		1
7	Structure Engineer	17	1		1
8	Doctor	17	2		2
9	Peera Medical Staff	16	4		4
10	Chief Dog Handler	14	2		2
11	Dog Handler	14	15		15
12	Block Leader / Rescue	11	2		2
13	Rescue	10	54		54
S #	Title of Post USAR Academy	BPS	Sanction Strength	Working Strength	Vacant
1	Office superintendent	16	2		2
2	Computer Operator	16	4		4
3	Assistant Store Keeper/ Ware House Logistician	11	4		4
4	Clerk Dispatcher	7	4		4
5	Clerk Dispatcher	8	4		4
6	Driver Heavy Duty (License Holder)	8	20		20
7	Time Keeper	7	4		4
8	Telephone / Wireless Operator	7	10		10
9	Guard / Watchman	5	16		16
10	Head Mali (Gardener)	5	1		1
11	Cook	2	3		3
12	Loader / Labour	2	8		8
13	Guardener (Mali)	2	4		4
14	Sweeper	2	6		6