



**PERFORMANCE AUDIT REPORT
ON
PROCUREMENT AND CONTRACT
MANAGEMENT DURING
EMERGENCIES
BY
FEDERAL DISASTER MANAGEMENT
ORGANIZATIONS
AUDIT YEAR 2018-19**

AUDITOR GENERAL OF PAKISTAN

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. According to the INTOSAI Auditing Standards, the scope of government Audit includes regularity and performance Audit. The Performance Audit of “Procurement and Contract Management during Emergencies by Federal Disaster Management Organizations (NDMA & FDMA)” was carried out accordingly.

The Directorate General Audit (Climate Change & Environment), Islamabad conducted performance audit of Procurement and Contract Management during Emergencies by Federal Disaster Management Organizations during the year 2018-19 with a view to report significant findings to stakeholders. Audit examined the economy, efficiency and effectiveness aspects of the procurement and contract management. In addition, Audit also assessed, on test check basis, whether the management complied with applicable laws, rules and regulations in managing the contracts and procurements. The Audit Report indicates specific actions that if taken, will help the management to realize the objectives of the procurement during emergencies.

Most of the audit observations included in this report related to FDMA have been finalized after getting response from the executing agency and holding DAC meeting while the observations related to NDMA have been finalized without written response and DAC meeting. The management of NDMA neither submitted replies nor was DAC meeting held despite repeated reminders.

The Performance Audit Report is submitted to the President of Pakistan in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan 1973 for causing it to be laid before the Parliament.

Sd/-

(Javaid Jehangir)

Auditor-General of Pakistan

Dated: 03 Aug, 2021

TABLE OF CONTENTS

ABBREVIATIONS & ACRONYMS	i
EXECUTIVE SUMMARY	iii
1. Introduction.....	1
1.1 National Disaster Management Authority (NDMA)	1
1.2 FATA Disaster Management Authority (FDMA)	2
2. Audit Objectives	3
3. Audit Scope and Methodology	3
3.1 Scope.....	3
3.2 Methodology	3
4. Audit Findings And Recommendations.....	4
4.1 Review of organization structure	4
4.2 Procurement and Contract Management.....	5
4.3 Construction and Works	35
4.4 Asset Management.....	37
4.5 Compliance with Rules	43
4.6 Overall Assessment.....	49
5. Conclusion	50
Acknowledgement	51
ANNEXURES	52

ABBREVIATIONS & ACRONYMS

AD	Assistant Director
AGP	Auditor General of Pakistan
AJK-DMA	Azad Jammu & Kashmir Disaster Management Authority
BOQ	Bill of Quantity
CSD	Canteen Store Department
DAC	Departmental Accounts Committee
DDMA	District Disaster Management Authority
DG	Director General
DSR	Daily Situation Report
EQ	Earthquake
ERRA	Earthquake Reconstruction and Rehabilitation Authority
FAT	Field Audit Team
FATA	Federally Administered Tribal Areas
FDMA	FATA Disaster Management Authority
FI / NFI	Food Items /Non Food Items
GB-DMA	Gilgit Baltistan Disaster Management Authority
GFR	General Financial Rules
GLOF	Glacial Lake Outburst Flood
IDPs	Internally Displaced Persons
INTOSAI	International Organization of Supreme Audit Institutions
ISSAI	International Standards of Supreme Audit Institutions
LD	Liquidated Damages
NDMA	National Disaster Management Authority
NDMC	National Disaster Management Commission
NICL	National Insurance Company Limited
NTN	National Tax Number
NWA	North Waziristan Agency
PA	Political Agent
PCSIR	Pakistan Council of Scientific and Industrial Research
PDMA	Provincial Disaster Management Authority
PEC	Pakistan Engineering Council

PPRA	Public Procurement Regulatory Authority
RCC	Reinforced Cement Concrete
SAFRON	Ministry of States and Frontier Regions
SWA	South Waziristan Agency
TDPs	Temporary Displaced Persons
UNHCR	United Nations High Commissioner for Refugees
USC	Utility Stores Corporation of Pakistan

EXECUTIVE SUMMARY

The Director General Audit (Climate Change & Environment), Islamabad is mandated to conduct regularity (Financial Attest Audit and Compliance with Authority Audit) and performance / Project audit of projects / departments.

Due to the great financial value of procurement and risks involved, an effective procurement system plays a strategic role in avoiding mismanagement and waste of public funds. Failure to procure efficiently and effectively can put the achievement of key government objectives and services at stake. Director General Audit (Climate Change & Environment) Islamabad planned the audit of “Procurement and Contract Management during emergencies by Federal Disaster Management Organizations” in its Audit Plan for the Year 2018-19. The performance audit was carried out during May-June 2018 covering a period of 5 years w.e.f. July 2013 to June 2018.

The audit was conducted in accordance with the relevant provisions of the Performance Audit Manual and the International Standards of Supreme Audit Institutions (ISSAI’s 3000 to 3100). The objectives of the Performance Audit were to assess whether the resources had been utilized for the purpose for which these were provided with due regard to economy, efficiency and effectiveness. The report is not only aimed at enhancing the accountability process, but also intends to analyze the management decisions by highlighting the weaknesses in procurement and contract management with recommendations for improvements. Audit recommends to include the lessons learnt from the performance audit in future planning so as to conclude the upcoming procurements with economy, efficiency and effectiveness.

Major Audit findings are as under:

- i. Uneconomical and inefficient award of contracts / works without open competition in violation of PPRA Rules for Rs 750.027 million¹
- ii. NDMA Guidelines on Stocking, Maintenance and Supply of Relief & Rescue Items were not observed, hence procurements were made in violation thereof for Rs 652.109 million²
- iii. Services of transporters for transportation of relief items were hired without proper planning resulting loss to Govt. for Rs 3.588 million³.
- iv. Ambiguities / misconstructions in contract agreements were observed in violation of General Financial Rules⁴
- v. Annual procurement plan had not been prepared by FDMA as required under PPRA Rules 2004⁵.

¹Para-4.2.1, 4.2.5, 4.2.9, 4.2.10, 4.2.19

² Para-4.2.2, 4.2.4, 4.2.7, 4.2.8, 4.2.11

³ Para-4.2.14

⁴ Para-4.2.6, 4.2.17, 4.2.22

⁵ Para-4.2.23

- vi. Record / stock register for receipts and issuance of relief items for Rs 744.341 million has not been maintained⁶.
- vii. Improper planning and retendering for purchase of tents resulted into loss of Rs 6.228 million to Government exchequer⁷.
- viii. Government sustained a loss of Rs 76.254 million due to non / less deduction of taxes and stamp duty from contractors / suppliers⁸.

Audit recommends that:

- i. PPRA Rules 2004 may be observed in letter and spirit and works may be awarded through open competition to obtain competitive rates and ensure transparency in procurements of relief goods.
- ii. NDMA Guidelines on Stocking, Maintenance and Supply of Relief & Rescue Items may be observed in future for procurements of relief items. Further, the standard specification of procured relief items may be confirmed through laboratory tests before allowing payments to the contractors / suppliers to safeguard the public interests.
- iii. Proper planning may be carried out for hiring services of transporters for transportation of relief items.
- iv. The bidding / contract documents may be prepared without any ambiguities / misconstruction therein. Proper rates analysis may be carried out in case of award of contracts on market rate basis.
- v. Annual procurement plan may be prepared on the basis of vulnerability of areas open to natural as well as man-made disaster.
- vi. Proper record for receipt and distribution of relief item (FI/NFI) may be maintained to ascertain the efficiency and effectiveness of procurements for timely receipt and issuance.
- vii. Recovery for non/less deducted taxes and duties may be made.

⁶ Para-4.4.1

⁷ Para-4.2.12

⁸ Para-4.5.1, 4.5.2, 4.5.3

1. INTRODUCTION

Pakistan being a large country with vast topographical and climatic contrasts is prone to number of hazards such as floods, earthquakes (EQs), droughts, glacial lake outburst flood (GLOF), landslides, and tsunami etc. During emergency, proper procurement planning and adoption of sound procurement practices would lead to better value for public money, improved quality of projects and service delivery; and reduction of risks to the procuring organization. Procurement planning involves consulting key stakeholders to define requirements and to assess needs, analyze how supply market works, assessment of risks and defining the best procurement plan to meet the department's procurement basis.

In order to check the extent and application of procurement rules without compromising the economy, efficiency and effectiveness and to check the contract management during emergencies, a performance audit of Procurement and Contract Management during Emergencies by Disaster Management Organizations in Federal Government was planned during 2018-19. Directorate General Audit (Climate Change & Environment) Islamabad undertook a comprehensive examination of all stages of procurement i.e. from the conception to distribution of goods, so as to analyze whether or not the results have been attained fully on time, at the predetermined cost and serving the defined purpose.

Following are the Federal Organizations which deal with disaster and emergencies and fall under the audit mandate of the Directorate General Audit, (Climate Change & Environment) Islamabad:

- Earthquake Reconstruction and Rehabilitation Authority (ERRA).
- National Disaster Management Authority (NDMA).
- Directorate General Civil Defense, Islamabad (DG (CD)).
- FATA Disaster Management Authority, Peshawar (FDMA).

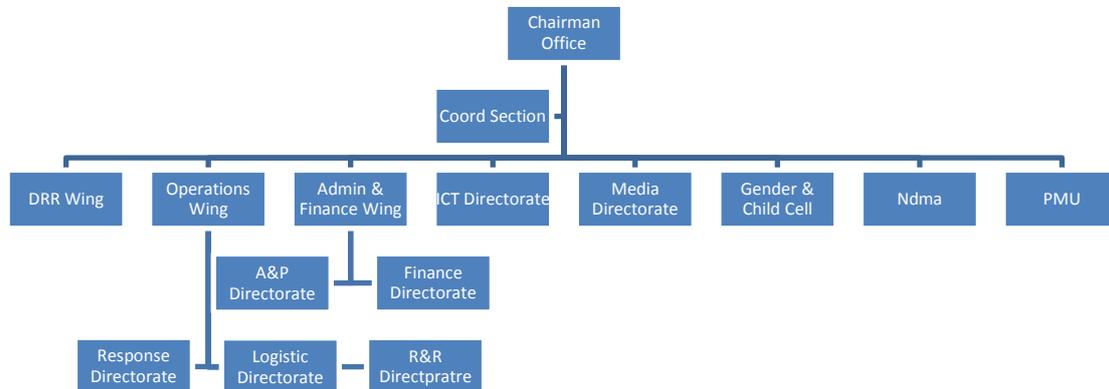
However, NDMA and FDMA are main responding departments which were taken as sample to conduct audit. An amount of Rs 1,273.794 million and Rs 692.097 million was incurred by NDMA and FDMA respectively on procurements during the period 2013-14 to 2017-18. The detail is provided at Annexure-A.

1.1 National Disaster Management Authority (NDMA)

In 2006, National Disaster Management Ordinance was promulgated which was later on enacted by the Parliament in 2010 as National Disaster Management Act - 2010. Under the Act, the National Disaster Management Commission (NDMC) had been established under the Chairmanship of the Prime Minister as the highest policy making body in disaster management in the country. As an executive/implementing arm of the NDMC, the National Disaster Management Authority (NDMA) had been established to coordinate and monitor implementation of national policies and

strategies on disaster management. PDMA and DDMA were also established at the provincial and district level respectively.

ORGANOGRAM OF NDMA



1.2 FATA Disaster Management Authority (FDMA)

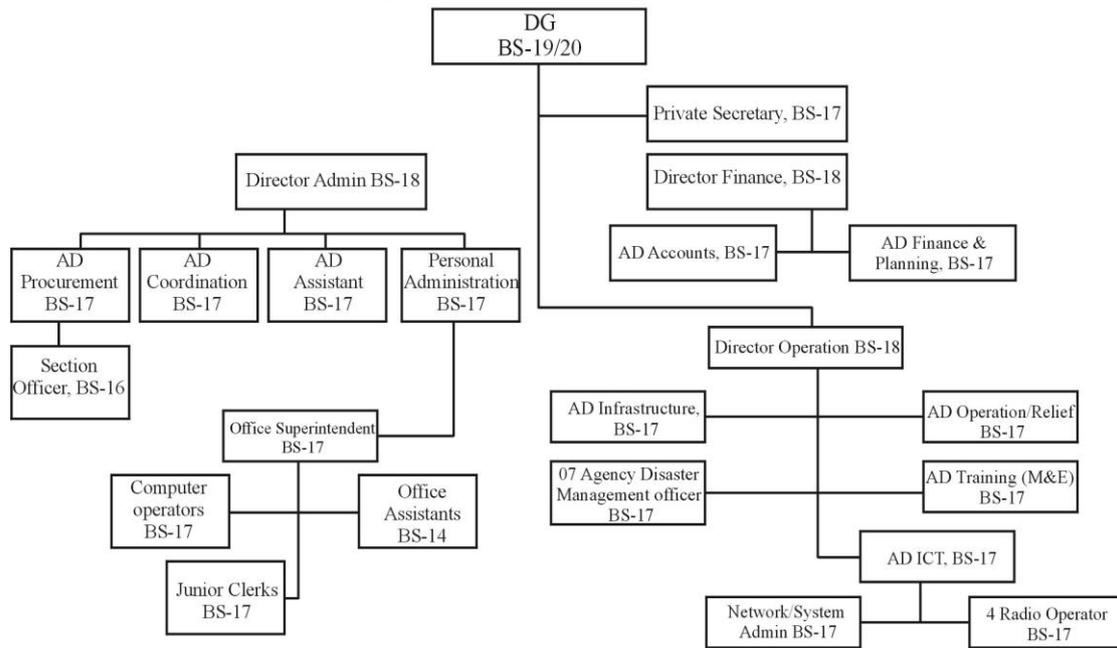
FATA Disaster Management Authority (FDMA) was established under National Disaster Management Act, 2010 extended through SRO No.302 (I)/2008 dated 10.03.2008, to carry out four spectrum of Disaster Management in FATA namely :

- (i) Preparedness,
- (ii) Response,
- (iii) Recovery & Rehabilitation, and
- (iv) Reconstruction.

FDMA had worked for assistance to achieve sustainable, social, economic and environmental return in FATA through reducing risk and vulnerabilities, particularly those of poor and marginalized groups and effectively responding to and recovering from disaster impact.

After 25th amendment to Constitution of Pakistan and merger of Federally Administered Tribal Areas (FATA) as administrative set up of Khyber Pakhtunkhwa, the functions and jurisdiction of FATA Disaster Management Authority (FDMA) were transferred to Provincial Disaster Management Authority (PDMA) Khyber Pakhtunkhwa vide Government of Khyber Pakhtunkhwa, Relief, Rehabilitation and Settlement Department Notification No. SO(Estt:):RR&SD/6-3/ 2018/Reg:/ FDMA/ Vol-I dated 13.05.2019.

FDMA ORGANOGRAM



2. AUDIT OBJECTIVES

The main objectives of the performance audit of procurement and contract management was to:

- i. Review performance against intended objectives of procurements.
- ii. Assess whether procurements were managed with due regard to economy, efficiency, and effectiveness, and
- iii. Review compliance with applicable rules, regulations and procedures.

3. AUDIT SCOPE AND METHODOLOGY

3.1 Scope

The audit scope included the examination of documents, record, accounts etc. relating to the contract management and procurement from need assessment / planning phase to completion/ distribution to end user.

3.2 Methodology

Audit methodology include data collection, analysis / consultation of record, discussion with staff, surveys, vouching, re-confirmation and interview with end users.

4. AUDIT FINDINGS AND RECOMMENDATIONS

Organization and Management

4.1 Review of organization structure

4.1.1 In-effective Role of Procurement Wing in FDMA and Turnover against Key Posts

FATA Disaster Management Authority (FDMA) was mandated to carry out four spectrum of Disaster Management under National Disaster Management Act, 2010 extended through SRO No.302 (I)/2008 dated 10.03.2008, namely (i) Preparedness (ii) Response (iii) Recovery & Rehabilitation and (iv) Reconstruction.

FDMA had procured various relief items i.e. tents, gas cylinders, pedestal fans, iron beds, generators and food (cooked food /food packets) etc. for Rs 744.341 million during 2013-14 to 2017-18. A procurement wing consisting of AD Procurement (BPS-17) and Store Officer/Store Keeper (BPS-16) under the administrative control of Director (Admn) was working in FDMA. Audit observed that no regular AD Procurement had been appointed in FDMA. The post of AD Procurement remained vacant mostly and officers of Admn, Finance and Operation wings were given additional charge of the post of AD Procurement. Moreover no regular post of Director Procurement was available in the hierarchy of FDMA. The purchase committee was also headed by Director Admn. Further, the post of Director Finance (BPS-18) and Director Operations (BPS-18) also remained vacant or under look after charge by an officer of BPS-17. The turnover of officers on key posts was also frequent in FDMA.

Audit is of the view that FDMA was mandated for preparedness and response to any man-made or natural disaster. This could be done through proper need assessment, planning for procurements of relief (FI/NFI) items, maintenance of record and other related activities. Therefore, in absence of regular procurement wing, economy, efficiency and effectiveness in procurements utilizing public money cannot be achieved.

The matter was reported to the management on 1st August 2019. It was replied that FDMA was established under ADP scheme and no regular post of AD (Procurement) was available in original PC-I. However in revised PC-I, the post of AD (Procurement) was provided. After merger of FDMA with PDMA KP, the procurement is dealt by separate wing of PDMA KP.

The reply was not satisfactory as original PC-I was not produced. Further, the post of AD (Procurement) remained vacant most of the period.

DAC meeting held on 28th May 2021 directed that record relating to appointment of Director / AD procurement may be produced to audit for verification.

No compliance to DAC directives was produced till finalization of this report.

Audit recommends the implementation of DAC decision.

(OS-1, FDMA)

4.2 Procurement and Contract Management

Contract management relates to implementation of contract clauses and compliance with the procedures for award and completion of works. Issues observed relating to non-observance of contractual obligations/rules and regulations are as under:

4.2.1 Irregular Award of Works without Open Competition – Rs 619.06 million

According to Rule 12 (2) of PPRA 2004, all procurement opportunities over two million rupees should be advertised on the Authority's website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies, one in English and other in Urdu.

Rule 42(c) provides that a procuring agency shall only engage in direct contracting if the following conditions exist, namely (i) the acquisition from original manufacturer or supplier (ii) sole manufacturer or supplier (iii) material having different technical specifications or characteristics (v) in case of an emergency, provided that the procuring agencies shall specify appropriate fora vested with necessary authority to declare an emergency (vi) when the price of goods, services or works is fixed by the government.

FDMA Peshawar awarded following contracts and made payments of Rs 619.066 million to the contractors during 2014-15:

(Rs in million)

Sr. No.	Name of contractor	Date of award	Contract price	Particulars
1.	M/s Malik Shereen Govt. Contractor	05.08.14	469.796	Construction work, supply of cooked food and fodder etc.
2.	M/s Sarhad Tent Services	14.10.14	149.270	Supply of cooked food, refreshment boxes etc.
Total			619.066	---

The scrutiny of record revealed that:

- i. The works were awarded without open competitive bidding process as neither NIT was floated nor quotations were obtained.
- ii. The quantity of services /worked to be provided / carried out was not mentioned in supply order and contract agreements.
- iii. Contracts were awarded on market rates however; rate analysis / comparison of market rates were not carried out.

- iv. The contract agreements were signed with M/s Malik Shereen Govt. Contractors and M/s Sarhad Tent Services during the months of August & October 2014 respectively. The contract agreements were silent about completion period. Contractors provided cooked food and other services till September 2015.
- v. The contracts were signed on simple papers instead of judicial papers.

Audit holds that works were required to be awarded through open competition to obtain competitive rates which was not done. Moreover, the quantities of goods / services to be provided, project completion period and basis of market rate were not provided in contact agreements which reflect lack of financial prudence and inefficiency on the part of FDMA.

The matter was reported to the management on 1st August 2019. It was replied that due to operation Zarb-e-Azab, more than one hundred thousand families were displaced and the contracts were awarded under extreme emergency following Clause 32 of NDMA Act and Rule 42(c) of PPRA. The contractors were engaged by Pakistan Army for establishment of camp at Bakkakhel (Bannu) for TDPs and provision of cooked food to displaced families. All the claims submitted by the contractors were verified by Pak Army and DC Bannu and accordingly funds were transferred to DC Bannu for payment to suppliers.

The reply was not satisfactory as no evidence of procurement under emergency clause of NDMA Act and PPRA Rule was provided. Further, the other observations raised in Para were not replied.

DAC meeting held on 28th May 2021 directed that Para wise revised reply along with relevant record be produced to audit for verification.

No compliance to DAC directives was produced till finalization of this report.

Audit recommends the implementation of DAC decision.

(OS-12, FDMA)

4.2.2 Purchase of Tents Without Confirmation of Standard Specification – Rs 452.35 million

As per Para 3(2)(m) of NDMA Guidelines on Stocking, Maintenance and Supply of Relief & Rescue Items, laboratory testing should be done from approved laboratories to ensure compliance of specifications e.g. Pakistan Council of Scientific & Industrial Research (PCSIR) or mutually agreed laboratories between manufacturer / supplier and respective disaster management authority. According to Sr. No. 5 of Annexure 'E' (Specification of Tents), in order to ensure adherence to the standard specification, an appropriate sample, preferably one tent out of lot of 1000 are to be send to any one of the approved laboratories like PCSIR or as mutually agreed between manufacturer/ supplier and respective disaster management authority for testing and checking at the cost of vendor. The test must include waterproofing, rot

proofing of canvas, gms test of outer/inner fly as well as ground sheet and gauge test of standing iron poles. The product shall be acceptable only if all criteria are passed on the given sample. Sr. No. 11 of Annexure 'E' provides that pre-shipment inspection to be carried out before dispatching of tents to the required destination by designated officers of respective disaster management authority. The team or officer will conduct random inspection at the premises of manufacturer. The inspection to be carried out randomly and visually for every lot of 1,000 tents. The inspecting officer shall collect random sample from the assigned lots and will submit to any one of the approved laboratories like PCSIR or as mutually agreed between manufacturer/supplier and respective disaster management authority. The tent shall be only dispatched, if accepted by inspection officers.

FDMA purchased tents costing 452.351 million (approx.) during the year 2013-14 to 2017-18. It was observed that laboratory tests of the samples / tents provided by bidders at the time of technical evaluation were not carried out. Pre shipment inspection of tents at the premises of manufacturer / supplier before delivery to FDMA was also not carried out. Moreover, samples of tents delivered at the warehouses / TDP camps of FDMA were neither obtained nor sent to laboratory at the cost of contractors for confirmation of standard specification as provided in NDMA guidelines. The detail is provided in Annexure-B.

Similarly, other relief items i.e. blankets, gas cylinders, iron beds etc. were purchased. The samples of these items were also required to be obtained as per NDMA guidelines and sent to laboratory for confirmation of standard specification at the cost of contractors, which was not done.

Audit holds that in absence of proper laboratory tests, the specification / quality of items procured could not be ascertained which led to un-economical procurement. This also shows inefficiency on the part of FDMA due to receipt and further distribution of substandard items to the affectees.

The matter was reported to the management on 1st August 2019. It was replied that due to extreme emergency during operation Zarb-e-Azab, the tents were urgently required for TDPs. Therefore laboratory tests could not be carried out. However, the quality of supplied items was ensured by the authorized officers. In normal cases of procurement, laboratory testing from PCSIR Laboratory Peshawar was conducted.

The reply was not satisfactory because according to NDMA Guidelines on Stocking, Maintenance and Supply of Relief & Rescue items, standard specifications of tents to be procured were required to be ensured through laboratory tests which was not done.

DAC meeting held on 28th May 2021 directed that the record i.e. laboratory test reports of the tents procured be produced to audit for verification.

No compliance to DAC directives was produced till finalization of this report.

Audit recommends the implementation of DAC decision.

(OS-6, FDMA)

4.2.3 Irregular Payment due to Non-Maintenance of Record – Rs 117.264 million

According to Clause 7(d) of contract agreement with M/s Bilal Builder & Cargo Service for provision of transport services “invoice with complete supporting documents i.e. Daily Situation Reports (DSR), duly signed / verified by concerned officer or representative of FDMA must be submitted at FDMA office.

FDMA, Peshawar made payment of Rs. 117.264 million to M/s Bilal Builders and Cargo Services on account of transportation services for shifting of TDPs during the financial years 2014-2017. The detail of payment is as under:

Sr. No.	Cheque No.	Date	Amount (Rs)
1	14963527	05.12.17	46,560,000
2	6798416	26.02.15	16,827,000
3	6798478	09.05.15	7,248,786
4	6643463	10.11.14	11,409,000
5	6643466	10.11.14	17,188,000
6	6565880	15.09.14	18,031,400
Total			117,264,186

The scrutiny of record revealed that contractor submitted invoices / bills without supporting evidences i.e. DSRs, detail of vehicles used, registration numbers of vehicles, name and CNIC of drivers, number of TDPs shifted to camps, registrations number of TDPs etc. Further the claims were not verified by any officer of FDMA nor army authorities which made the entire payment irregular.

Audit is of the view that in absence of relevant record, the economy and efficiency in utilization of public resources cannot be ascertained.

This resulted into irregular payment to the contractor.

The matter was reported to the management on 1st August 2019. It was replied that the matter is under inquiry and reply will be furnished on completion of inquiry.

The reply was not satisfactory as the amount of Rs 46.560 million (Sr. No. 1 of Para) was under inquiry. No reply as to balance amount of Rs 70.104 million (Rs 117.264 – Rs 46.56) was produced.

DAC meeting held on 28th May 2021 directed that fact finding inquiry already directed vide minutes of DAC meeting dated 21.01.2020 on OS 7 of Audit Report 2018-19 be expedited. Further, the amounts pointed out at Sr. No. 2 to 6 of this Para may also be included in the said inquiry. The report be produced to audit authorities within 2 months.

No compliance to DAC directives was produced till finalization of this report.

Audit recommends the implementation of DAC decision.

(OS-14, FDMA)

4.2.4 Irregular purchase of Food Items and non-observing of NDMA Guidelines – Rs 92.16 million

According to NDMA Guidelines on Stocking, Maintenance and Supply of Relief and Rescue Items (3 Policy Guidelines)(k)(2) Stocking of food items should be done very selectively keeping in view their perishable life. Preferably only dry ration in optimum quantity may be maintained and short listing of major suppliers like CSD, Utility Stores, Metro or other chain of stores may be done and standby agreement for supply on requirement basis be made. However, where respective government's procurement rules do not allow such an arrangement, the rates can be obtained from some established suppliers for emergency procurement.

NDMA Islamabad purchased food items for Rs 92.160 million from M/s Utility Stores Corporation of Pakistan (USC) and M/s Canteen Store Department (CSD) during 2013-14 to 2017-18 as detailed below:

Sr. No.	Date	Name of the Vendor/ Supplier	Food items procured	Amount (Rs)
1	24.04.2013	Utility Stores Corporation	Food Packs	85,592,839
2	07.07.2014	Utility Stores Corporation	Provision of relief food item	731,500
3	13.03.2015	Canteen Stores Department	Ration packs Mineral Water	679,058
4	06.10.2015	Utility Stores Corporation	Procurement of Food Packs	2,096,909
5	16.12.2015	Utility Stores Corporation	Procurement of Food Packs	947,050
6	06.06.2016	Utility Stores Corporation	Procurement of Food Bags	464,880
7	03.11.2016	Utility Stores Corporation	Provision of Food / Ration Packs, Ata Bag 20 Kg	1,647,300
Total				92,159,536

Audit observed that:

- i. NDMA did not maintain any stock level of food items / dry ration to cater any disaster situation.
- ii. NDMA did not make any effort to prequalify or short list the vendors for provision of food items. No effort to evaluate the capacity of major supply chain holders / vendors for provision of food items in the disaster prone areas / district and making standby contract agreements with the major supply chain i.e. CSD, USC, Metro etc. was carried out as required in NDMA guidelines.

Audit is of the view that NDMA guidelines as ibid were not followed which lead to inefficient role of NDMA during disaster / emergency.

The matter was reported to the management on 8th August 2019 but department did not submit any reply.

No DAC meeting was arranged till finalization of this report despite repeated reminders. Last reminder was issued on 07.04.2021.

Audit recommends that non-observance to NDMA guidelines may be justified.

(Para-14 NDMA)

4.2.5 Un-economical Purchase of Relief Items without Open Competition – Rs 65.50 million

According to Rule 4 of PPRA 2004, all procuring agencies while engaging in procurements shall ensure that the procurements are conducted in a fair and transparent manner. The object of procurement brings value for money to the agency and the procurement process is efficient and economical. Rule 20 provides that procuring agencies shall use open competitive bidding as the principal method of procurement. Further Rule 42(b)(iii) provides that a procurement agency may engage in alternate method of procurement provided that minimum of three quotations have been obtained.

NDMA floated a tender for pre-qualification of suppliers of 40,000 tents, 20,000 blankets and 10,000 tarpaulin shelters on 7th May 2015. Tenders were opened on 26th May 2015. All the pre-qualified firms were asked to submit their rates and display their samples on 9th July 2015. The financial bids were opened on 15th July 2015 where M/s Zee Logistic stood lowest for supply of Tents and Tarpaulin Shelters while M/s Paramount Tarpaulin Karachi, for supply of Blankets. The work / supply order was issued only to M/s Zee Logistics for supply of tents and tarpaulin shelters who completed supply and payment was made to the supplier. No work order as to supply of blankets was issued to M/s Paramount Tarpaulin Karachi.

On 29th of October, 2015, the Dy. Director (Procurement) issued supply orders for 30,000 Tarpaulin Shelters to M/s Zee Logistics and 20,000 blankets to M/s Paramount Tarpaulin Karachi for earthquake affectees of 26th October 2015 on emergency basis at rates previously quoted by both the firms. The detail is as under:

Sr. No.	Supply Order date	Name of supplier	Commodity	Qty.	Rate per unit (Rs)	Amount (Rs in million)
1	29.10.15	M/s Zee Logistics	Tarpaulin Shelters	30,000	1,920	57.60
2	29.10.15	M/s Paramount Tarpaulin Industries	Blanket	20,000	395	7.90
Total						65.50

It was observed that:

- i. NIT was not floated nor quotations were obtained from pre-qualified bidders to obtain competitive rates.
- ii. The relief items were purchased on emergency basis whereas sufficient stock of relief items was available in warehouse of NDMA to cater the

emergency. Moreover, the relief items were dispatched to PDMA KP after 35-days of earthquake.

Audit holds that sufficient stock and time was available with NDMA to obtain competitive rates from the pre-qualified suppliers / firms instead relief items were purchased on emergency basis. The purchases were made without open competition which leads to un-economical and miss-procurement.

The matter was reported to the management on 8th August 2019 but department did not submit any reply.

No DAC meeting was arranged till finalization of this report despite repeated reminders. Last reminder was issued on 07.04.2021.

Audit recommends that un-economical purchases without open competition may be inquired to fix responsibility on the person(s) at fault under intimation to Audit.

(Para-2 NDMA)

4.2.6 Payment for works not provided in Contract Agreements – Rs 53.847 million

According to Rule 19 of GFR Vol-I, (i) the terms of a contract must be precise and definite and there must be no room for ambiguity or misconstruction therein. (iv) no payments to contractors by way of compensation or otherwise outside the strict terms of the contract or in excess of the contract rates may be authorized without the previous approval of the Ministry of Finance.

Further, as per clause-1 of contract agreement dated 14.10.2014 between FDMA and M/s Sarhad Tents Services, the contractor was liable to provide cooked food to the Temporarily Displaced Families of Bara Sub Division Khyber Agency. Clause 7 of contract agreement provides that the contractor will be responsible for provision of cooked food within registration area and no claim other than registration areas will be entertained.

FDMA signed two contract agreements for provision of transportation and relief items to the Temporarily Displaced Families of Bara Sub Division Khyber Agency. The description of contract agreements is as under:

Sr. No.	Name of contractor	Date	Description of contract agreement
1	M/s Kurram Green Govt. Contractor	18.06.14	Carriage services, provision of mineral water, water fans, hygiene kit, pedestal fans, room cooler, electric water cooler, wheel barrow, water tabb, charpai, plastic water cooler and mug, plastic lota
2	M/s Sarhad Tents Services	14.10.14	Provision of cooked food to the Temporarily Displaced Families of Bara Sub Division Khyber Agency.

It was observed that an amount of Rs 44.582 million was paid to M/s Kurram Green Sector Govt. Contractor for works not provided in contract agreement / work order i.e. provision of labor, tents, ice and crockery to TDPs.

Similarly, an amount of Rs 9.266 million was paid to M/s Sarhad Tent Services for construction of bath rooms, provision of heavy duty generators and provision of crockery to the TDPs without provision in work / supply order.

Audit holds that execution and payment for works not provided in contract agreements shows ineffective planning and weak contract management on the part of FDMA which resulted into irregular payment of Rs. 53.847 million (Rs 44.582 million + Rs 9.266 million) . The detail is provided at Annexure-C.

The matter was pointed out on 1st August 2019. The management of FDMA replied that due to emergency of operation Zarb-e-Azab, the information i.e. number of TDPs and their requirements was unpredictable / unforeseen. Further exact time and scope of such operation was also not communicated to FDMA. The commodities in question were actually needed and were provided to TDPs on the recommendation of competent authorities.

The reply was not satisfactory as payments were made for works not provided in contract agreement.

DAC meeting held on 28th May 2021 directed that record i.e. notification regarding declaration of emergency, contract agreements and paid vouchers and demand be produced to audit for verification.

No compliance to DAC directives was produced till finalization of this report.

Audit recommends the implementation of DAC decision.

(OS-3, FDMA)

4.2.7 Emergency Procurements due to Non-Maintenance of Minimum Stock Level – Rs 49.716 million

According to NDMA Guidelines on Stocking, Maintenance and Supply of Relief & Rescue Items, Sr. No. 3 (Policy Guidelines) (1). Minimum Stock Level of Relief Items, Annexure ‘D’ states that Provinces / Regions are required to maintain stocks of relief items on regional basis keeping in view respective historical caseloads. Planning will be based on districts wise population to be supported as per the hazard vulnerability.

FATA Disaster Management Authority (FDMA) was mandated to carry out four spectrum of Disaster Management under National Disaster Management Act, 2010 including (i) Preparedness (ii) Response (iii) Recovery & Rehabilitation and (iv) Reconstruction.

It was observed that FDMA neither maintained minimum stock level nor prepared any SOP regarding maintenance of minimum stock level as required under

NDMA guidelines. Further, due to non-maintaining of minimum stock level, emergency procurements for Rs 49.716 million were made during the year 2016-17 & 2017-18 as detailed below:

FY	Items procured	Amount (Rs)
2016-17	Tents, quilts, pillows, jerry cans, gas cylinders, iron beds etc.	39,572,000
2017-18	Gas Cylinders, Pedestal Fans, Hygiene Kits, Jerry Cans, Mattress, Pillows, Quilts etc.	7,743,000
2017-18	Plastic bucket, water cooler, mattress, pillows, quilts, kitchen sets, jerry cans	2,401,400
Total		49,716,400

Audit is of the view that emergency procurement could be avoided had the management maintained minimum stock level. Further, economy in procurements could not be ascertained due to purchase of relief items on emergency basis.

The matter was reported to the management on 1st August 2019. It was replied that FDMA could not maintain minimum stock level due to shortage of space and absence of dedicated warehouse.

The reply was not satisfactory as minimum stocks of relief items was required to be maintained as provided in NDMA Guidelines on Stocking, Maintenance and Supply of Relief & Rescue Items.

DAC meeting held on 28th May 2021 directed that record i.e. declaration of emergency and process initiated for procurements under emergency clause of PPRA 2004 be produced to audit for verification.

No compliance to DAC directives was produced till finalization of this report.

Audit recommends the implementation of DAC decision.

(OS-9, FDMA)

4.2.8 Purchase of Substandard Tents – Rs 47.50 million

According to NDMA Guidelines on Stocking, Maintenance and Supply of Relief & Rescue Items, (Annexure E) Specifications of Tents (Sr. No. 5 Laboratory Testing), in order to ensure adherence to the standard specification, an appropriate sample, preferably one tent out of lot of 1000 are to be send to any one of the approved laboratories like PCSIR or as mutually agreed between manufacturer/supplier and respective disaster management authority for testing and checking at the cost of vendor(s). The test must include waterproofing, rot proofing of canvas, gms test of outer / inner fly as well as ground sheet and gauge test of standing iron poles. The product shall be acceptable only if all criteria are passed on the given sample.

NDMA, Islamabad invited sealed bids from the prequalified firms for procurement of 12000 family tents on two stage two envelop basis. In response 6 firms submitted technical and financial bids. After technical evaluation, samples were forwarded for laboratory tests. Out of 6 firms, the samples of 3 firms were rejected on

the basis of laboratory test reports. The financial bids of 3 firms were opened who quoted following rates:

Sr. No.	Name of Firms / Vendors	Rate (Rs)	Remarks
1	M/s Mehroz Textile Industries	8,888	---
2	M/s Zee Logistics	9,880	---
3	M/s Ajmeri Textiles	8,600	Bid was rejected due to non-Provision of earnest money.

It was observed that the first lowest bid of M/s Ajmeri Textiles was rejected due to non-provision of earnest money with financial bid. The work was awarded to the second lowest bidder M/s Mehroz Textile Industries and contract agreement was signed on 20.06.2016. During pre-shipment inspection, the samples of tents were referred for lab test to ASID, Chaklala. As per laboratory report, leakage and wetting was observed in all the samples. Revised lab test was also carried out from ASID Chaklala wherein leakage and wetting was again observed. Resultantly, the firm could not qualify the lab test and contract was canceled on 18.07.2016.

The contract was re-awarded to the third lowest bidder i.e. M/s Zee logistics vide contract agreement dated 21.07.2016. As per physical inspection report of representative of NDMA, the firms' consignment was checked at the company premises and found in accordance with specification. Samples marked as batch No. 1 to 10 were obtained from consignments and forwarded to the ASID, Chaklala for lab tests. The consignment was dispatched to different warehouses of NDMA located at Karachi, Peshawar and Lahore.

As per lab test report, leakage was observed in Batch No. 5, 7 & 10 whereas wetting was observed in all the batches. A revised / 2nd test of samples from Batch No. 5, 7, & 10 was carried out from PCSIR. The laboratory reports were received on 19.10.2016 and payment of Rs. 47,500,000 was made to the supplier on 09.09.2016.

The perusal of lab test reports of PCSIR revealed that no test as to leakage and wetting i.e. Pressure Head Test 8'' Dia & 12'' Height Time 1 hour and Cone Test was carried out and tents / consignments was accepted without conducting the required test. This shows that undue favor was extended to the contractor and substandard tents were purchased in violation of NDMA guidelines.

It was further observed that:

- i. The contract of M/s Mehroz Textile Industries was cancelled due to leakage and wetting observed in test reports while the test reports of tents provided by M/s Zee Logistics also showed leakage and wetting but no action was taken and supply / delivery was accepted. The tests of samples of both the firms were conducted by ASID Chaklala.
- ii. Tents were dispatched to various warehouses after taking sample for lab test. The process of picking sample from Batch No. 5, 7 & 10 was very

difficult because batch numbers were not mentioned on invoice, delivery challan and stock registers. Moreover, no evidence as to return of tents as sample from defective batches already delivered at Karachi, Peshawar and Lahore warehouses was available on record.

- iii. M/s Zee Logistics quoted rates Rs. 9,880 per family tent whereas contract was signed with the firm for Rs. 9,500 per tent. The reason for decrease in price from quoted rates was not available on the record.
- iv. Payment was made to the firm vide cheque No. 57407651 dated 09.09.2016 for Rs. 47,500,000 before the receipt of Lab report from PCSIR dated 19.10.2016. Audit holds that payment was required to be made after receipt of lab test report which was not done.

In view of the above, Audit holds that sub-standard tents were purchased in violation of NDMA guidelines which lead to favoritism at the cost of Govt. exchequer.

The matter was reported to the management on 8th August 2019 but department did not submit any reply.

No DAC meeting was arranged till finalization of this report despite repeated reminders. Last reminder was issued on 07.04.2021.

Audit recommends that the matter be inquired besides fixation of responsibility against the person(s) at fault under intimation to Audit.

(Para-3 NDMA)

4.2.9 Delay in Completion of Procurement process and Procurement of Items on Direct Contracting / Quotation method – Rs. 39.572 million

According to Rule 36(b)(i)(v)(viii) of PPRA 2004, the bid shall comprise a single package containing two separate envelopes. Each envelope shall contain separately the financial proposal and the technical proposal. The procuring agency shall evaluate the technical proposal in a manner prescribed in advance, without reference to the price and reject any proposal which does not conform to the specified requirements and after the evaluation and approval of the technical proposal the procuring agency, shall at a time within the bid validity period, publicly open the financial proposals of the technically accepted bids only. The financial proposal of bids found technically nonresponsive shall be returned un-opened to the respective bidders. Further, Rule 8 provides that all procuring agencies shall devise a mechanism, for planning in detail for all proposed procurements with the object of realistically determining the requirements of the procuring agency, within its available resources, delivery time or completion date and benefits that are likely to accrue to the procuring agency in future.

FDMA initiated a procurement process for relief items on request of Pak Army due to shifting of 5000 TDP families from Afghanistan to the TDPs Camp Baka

Khel. Tender was floated on 05.05.2016 and bid opening date was fixed on 20.05.2016. Detail of items to be procured along with required quantities is given below:

S. No.	Name of items	Quantity
1	Tent Size 4 x4 meter	5,000
2	Pedestal fan 24 inch	5,000
3	Iron beds (Charpai), Single bed	10,000
4	Sleeping bed / Mattresses (polyester 2kg), single bed	10,000
5	Pillows cotton cover with polyester filled	10,000
6	Plastic Mat	10,000
7	Gas Cylinder burner mounted	5,000
8	Plastic Bucket	5,000
9	Plastic Jerry Cans, food graded	10,000
10	Kitchen set	5,000
11	Hygiene kit	5,000
12	Plastic Lota	10,000

Audit observed that:

- i. Technical evaluation of bids could not be carried out on the date fixed. The dates were revised from time to time and finally bids were opened on 01.09.2016 i.e. after lapse of more than 3 months.
- ii. Need assessment for procurement of relief items was not carried out.
- iii. Technical member was not opted in the whole process of procurement i.e. tendering, evaluation of technical & financial bid, award etc.
- iv. Tender was opened in the absence of procurement committee members i.e. Representative of Law & Order Department FATA Secretariat, representative of Administration, Coordination & Infrastructure Department, FATA. The evaluation criteria for opening of technical bids was not mentioned in the tender documents.
- v. The comparative statement revealed that technical and financial bids were opened on the same date. The financial bids of firms not qualifying the technical bids were also opened and rates were reflected in the comparative statement.
- vi. The department issued partial supply order to the various contractors on 08.09.2016 ranging 20% to 100%.
- vii. Due to issuance of late supply orders, various contractors refused to supply the items. Resultantly the department procured various items on quotation basis / direct contacting which comes to Rs 39.572 million. The detail is at Annexure-D.
- viii. The contacts with the successful contractor were made on simple paper instead of judicial / stamp papers to safeguard the public interests.

Audit is of the view that the procurement made by the FDMA was against the PPRA 2004 and the causes of delay leads to the favoritism.

The matter was reported on 1st August 2019. It was replied that tender was floated for estimated 7000 family's repatriation from Khost Afghanistan. However, the process of repatriation of TDPs was delayed due to clearance problem from army. The bidders were requested to extend bid validity. The delivery of items was not honored timely. A few firms refused to make supply and FDMA made the left over supply through quotations in emergency.

The reply was not satisfactory as the observations in Audit Para were not addressed completely.

The DAC meeting held on 28th May 2021 directed that Para wise revised reply along with relevant record be produced to audit authorities for verification.

No compliance to DAC directives was produced till finalization of this report.

Audit recommends the implementation of DAC decision.

(OS-15, FDMA)

4.2.10 Uneconomical and Inefficient Award of Contract - Rs 24.576 million

According to the Public Procurement Rules 2004 2(1)(a) "bid" means a tender, or an offer, in response to an invitation, by a person, consultant, firm, company or an organization expressing his or its willingness to undertake a specified task at a price. Further, according to Rule 22(1), the bids shall be submitted in a sealed package or packages in such manner that the contents are fully enclosed and cannot be known until duly opened. (2) a procuring agency shall specify the manner and method of submission and receipt of bids in an unambiguous and clear manner in the bidding documents. Furthermore, Rule 4 provides that procuring agencies, while engaging in procurements, shall ensure that the procurements are conducted in a fair and transparent manner, the object of procurement brings value for money to the agency and the procurement process is efficient and economical.

NDMA made payment Rs 24.576 million to various prequalified vendors for transportation of relief items at various locations in Pakistan and outside Pakistan during the FY 2015-17. The detail of payments is as under:

(Rs in million)				
S. No.	Contract	Name of Contractor	Date of Quotation	Cost
1	Transportation of wheat to Tajikistan	M/s Transways Forwarders	January, 2016	21.700
2	Shifting of NDMA Stores (COD) Karachi.	M/s Transways Forwarders	August, 2017	1.100
3	Transportation of Tents	M/s Gul & Co	March, 2016	1.165
4	Shifting of Storage accommodation	--	December, 2017	0.326

5	Transportation of Relief items received from China	M/s Agility Logistics	October, 2015	0.285
Total				24.576

Following shortcomings were observed:

- i. The pre-qualification was carried out for transportation of relief item across Pakistan including GB, AJK and FATA. Whereas NDMA made a contract with M/s Transways Forwarders for transportation of wheat to Tajikistan and made payment of Rs. 21.700 million.
- ii. The quotations / financial proposals from vendors were called through e-mail and responses of various contractors were also received on e-mail i.e. without sealed quotation.
- iii. The process of issuance of e-mail for quotation, response to e-mail from vendors and preparation of comparative statement were managed by procurement wing. The chance of favoritism cannot be ruled out in the absence of sealed quotations from vendors.

Audit holds that due to non-forecasting the transportation outside Pakistan, the economical rates could not be obtained. Further, the efficiency of management was also compromised due to non-transparent mechanism in award of contract.

This resulted into uneconomical and inefficient award of contract.

The matter was reported on 8th August 2019 but department did not submit any reply.

No DAC meeting was arranged till finalization of this report despite repeated reminders. Last reminder was issued on 07.04.2021.

Audit recommends that the matter may be inquired to fix responsibility against the person at fault.

(Para-19 NDMA)

4.2.11 Unjustified Payment and Acceptance of 1000 Sub-Standard Tents – Rs 10.383 million

According to NDMA Guidelines on Stocking, Maintenance and Supply of Relief & Rescue Items, (Annexure E) Specifications of Tents (Sr. No. 5 Laboratory Testing), in order to ensure adherence to the standard specification, an appropriate sample, preferably one tent out of lot of 1000 are to be send to any one of the approved laboratories like PCSIR or as mutually agreed between manufacturer / supplier and respective disaster management authority for testing and checking at the cost of vendor(s). The test must include waterproofing, rot proofing of canvas, gms test of outer / inner fly as well as ground sheet and gauge test of standing iron poles. The product shall be acceptable only if all criteria are passed on the given sample.

According to Clause-5 of contract agreement between NDMA and M/s Pearl Associates for supply 5000 family tents, sub-standard items will be rejected which will have to be replaced by the supplier. As per clause 8, late delivery charges will be deducted from the payment of the supplier. One randomly selected sample out of every 1000 x will be sent for laboratory test at the cost of and supplier.

In NDMA Islamabad, a contract for supply of 5000 family tents was awarded to M/s Pearl Associates for a total cost of Rs. 51,915,000 @ Rs 10,383/tent. The consignment was checked at the company premises and found according to the specification as per physical inspection report of representative of NDMA. 5 samples out of 5 batches (1000 tents each) marked as batch No. A to E were obtained and forwarded to the ASID, Chaklala for lab tests. The tents were dispatched to NDMA warehouse at Quetta.

As per lab test report dated 02.02.2018, leakage was observed in outer, inner Flies of sample in Batch No. A. However, a revised test was carried out from PCSIR laboratory wherein no leakage and wetting in inner surface was observed.

Audit holds that:

- i. No clause as to conducting of revised test was available / provided in contract agreement.
- ii. The process of picking samples from Batch No. A was very difficult because the consignment was dispatched to Quetta warehouse and batch numbers were not mentioned on invoice, delivery challan and stock registers.
- iii. No record / evidence as to collection / return of tents as sample from warehouse at Quetta and referring the same to PSCIR was available on record.

Audit holds that the tents were required to be replaced by the contractor which was not done instead the revised test was conducted without provision in contract agreement.

This resulted into uneconomical procurement due to inefficiency of the management towards purchase of substandard tents and favoritism to the contractor.

The matter was reported to the management on 8th August 2019 but department did not submit any reply.

No DAC meeting was arranged till finalization of this report despite repeated reminders. Last reminder was issued on 07.04.2021.

Audit recommends that the matter may be inquired to fix responsibility on the person at fault.

(Para-11 NDMA)

4.2.12 Loss due to ill-Planning and Re-Tendering of Work – Rs 6.228 million

According to Rule 10(i) of GFR Vol-I, every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys, as a person of ordinary prudence would exercise in respect of expenditure of his own money.

AD Procurement FDMA, vide Note sheet dated 21.04.2017 moved a note regarding procurement of 10,000 tents to be provided to TDPs of Mehsud Tribe on the request of Political Agent SWA. On the instructions of DG FDMA, a request was moved to UNHCR for provision of tents. The Director (Admn) vide Note sheet No. 18 dated 03.05.2017 worked out the actual demand of tents as 12000 and intimated that UNHCR provided 4000 tents to PA, SWA and NWA. It was proposed that 4000 tents may be procured as first phase. Accordingly, quotations were obtained through tender notice from pre-qualified contractors of NDMA/ PDMA.

It was observed that a tender notice for purchase of 4000 tents was published on 23.05.2017. The technical / physical evaluation was carried out on 06.06.2017 by procurement committee wherein, out of five, only three bidders qualified. Financial bids of successful bidders were opened on 09.06.2017. The rates offered by these firms are as under:

Sr. No.	Name of Bidder	Rate (Rs)	Remarks
1	M/s Universal Trading Corporation	9,645	Ist Lowest
2	M/s Ali Trading Corporation	11,111	2 nd Lowest
3	M/s Mehroz Textile	13,498	3 rd Lowest

M/s Universal Trading Corporation offered rates of Rs 9,645 and stood first lowest. However, after opening of financial bids, the samples of tents provided by all the three bidders were sent to PCSIR for water proofing test. As per lab report, the samples of M/s Universal Trading Corporation and M/s Mehroz Textile were found leaked. The sample provided by M/s Ali Traders (2nd lowest) was found as per specification (not leaked). However, the work could not be awarded to any contractor till 09.08.2017.

DG FDMA vide N-139 dated 10.08.2017 decided that the work may be re-tendered for a consolidated demand of 8000 tents. Accordingly, the work was re-tendered on 19.08.2017 for purchase of 8000 tents. The technical and financial bids were evaluated wherein M/s Ali Traders quoted unit rate of Rs 11,778 and the contract was awarded to him being lowest. Later on 1200 additional tents were also purchased through repeat order from the same supplier.

Audit holds that due to weak planning and management, actual demand could not be ascertained / calculated due to which the work could not be awarded to the 2nd lowest bidder in the first NIT dated 23.05.2017. This resulted into excess expenditure of Rs. 6,228,400 (Rs 11,778 – Rs 11,111 = Rs 677 x 9200 tents = Rs 6,228,400). Further, the delivery of tents to TDPs was also delayed.

This shows lack of planning and mismanagement on the part of FDMA which resulted into uneconomical purchases and loss to Govt. exchequer.

The matter was reported to the management on 1st August 2019. It was replied that initially demand of 4000 tents was received from Operation Wing. At that time no regular Director General of the authority was appointed. After posting of regular DG, the tender was cancelled due to expiry. Meanwhile the demand was also increased to 8000 tents. Due to market fluctuation and currency devaluation, the rates were increased from earlier quoted rates.

The reply of the management was not satisfactory as due to weak planning and non-awarding the contract to 2nd lowest bidder, the purchases were made on higher rates from the same supplier resulting loss to Govt. exchequer.

DAC meeting held on 28th May 2021 directed that record be produced to audit for verification.

No compliance to DAC directives was produced till finalization of this report.

Audit recommends the implementation of DAC decision.

(OS-7, FDMA)

4.2.13 Loss to Govt. due to Un-economical Procurement of Family Tents – Rs 4.500 million

According to Rule 10(i) of GFR Vol-I, every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys, as a person of ordinary prudence would exercise in respect of expenditure of his own money. Rule 11 provides that each head of the Department is responsible for enforcing financial order and strict economy at every step.

NDMA, Islamabad invited sealed bids on 04.02.2016 from the prequalified firms for procurement of 5000 family tents on single stage two envelop basis. In response 6 firms submitted technical and financial bids. After technical evaluation, samples were forwarded for laboratory tests. Out of 6 firms, the samples of 3 firms were rejected on the basis of laboratory test reports. The financial bids of 3 firms were opened which quoted following rates:

Sr. No.	Name of Firms / Vendors	Rate (Rs)	Remarks
1	M/s Ajmeri Textiles	8,600	Bid was rejected due to non-Provision of earnest money.
2	M/s Mehroz Textile Industries	8,888	
3	M/s Zee Logistics	9,880	---

It was observed that the first lowest bid of M/s Ajmeri Textiles was rejected on the plea that the firm did not provide earnest money with financial bid. The work was awarded to the second lowest bidder M/s Mehroz Textile Industries. Later on, the contract of 2nd lowest bidder was also cancelled due to non-qualifying the lab test.

The contract was re-awarded to the 3rd lowest bidder i.e. M/s Zee Logistics at reduced rate of Rs 9,500 per tent vide contract agreement dated 21.07.2016. The supplier delivered the tents and an amount of Rs 47.500 million was paid vide cheque No. 57407651 dated 09.09.2016.

Audit observed that:

- i. The provision of earnest money was not mentioned in the tender documents, hence rejection of first lowest bid was unjustified.
- ii. Technical evaluation of relief items was required to be carried out at the time of prequalification of suppliers. Further agreements are required to be signed with successful firms with a condition that in case of non/ substandard supply, penalty would be imposed. In the instant case, 6 prequalified firms participated in bidding process. Out of these, 3 firms were rejected during technical evaluation due to non-qualifying the lab test. NDMA did not take any action against the firms for waste of time in process of prequalification.

Audit holds that this resulted into loss of Rs.4,500,000 (i.e. Rs 9,500 – Rs 8,600 = Rs 900 x 5000 tents) to Government exchequer due to un-economical purchase and award of contract to the 3rd lowest bidder.

The matter was reported to the management on 8th August 2019 but department did not submit any reply.

No DAC meeting was arranged till finalization of this report despite repeated reminders. Last reminder was issued on 07.04.2021.

Audit recommends that matter may be inquired under intimation to audit.

Audit recommends that matter may be inquired with respect to provision of earnest money and loss to Government exchequer. Further efforts may be made to sign agreements with the prequalified vendors / suppliers to supply the relief items according to standard specification.

(Para-4 NDMA)

4.2.14 Excess Payment on account of Transportation of Relief Items – Rs 3.588 million

As per Rule 10 (i) of GFR Vol-I, every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys as a person of ordinary prudence would exercise in respect of expenditure of his own money.

NDMA Islamabad received various relief items as donation from China during the FY 2015-16. These relief items were planned to be dispatched to various locations as under:

Relief Items	Quantity	Location
Tents	5,000	Islamabad
	10,000	Karachi
Shelter Tent	2,000	Islamabad
	2,000	Karachi
Blankets	10,000	Islamabad
	5,000	Hyderabad
First Aid Kit	5,000	Islamabad
	5,000	Karachi
Generator	40	Islamabad
	40	Karachi
Dewatering pump	40	Islamabad
	40	Karachi

The relief items consisting of 81 containers (40ft each) were received at Port Qasim Karachi. NDMA obtained quotations from prequalified transporters / vendors for transportation of relief items. The bidders were requested to provide rates for two types of vehicles i.e. container (40ft) and Mazda Trucks. The description of Mazda truck i.e. number of wheels, length of body etc. and likely number of trips was not mentioned in quotation. The likely number of trips of containers (40ft) was as under:

Sr. No.	Destination	Vehicle type	Likely number of trips as per quotation
1	Islamabad	Container 40ft	38
2	Karachi	Container 40ft	51
3	Hyderabad	Container 40ft	01

The bidders offered their rates and comparative statement was prepared. The work was awarded to different transporters for different destinations on the basis of lowest offered rates. M/s Transways Forwarders offered lowest rates of Rs 156,000 for transportation to Islamabad by containers and the work order was issued to him.

It was observed that the work order was issued for 61 containers for supply of relief items to Islamabad warehouse against planned i.e. 38 containers and payment was also made to M/s Transways Forwarders against 61 containers.

Audit is of the view that relief items comprising 81 containers (40ft each) were received from China. Out of this, a quantity of 50% was retained at Karachi warehouse while the remaining i.e. 40/41 containers were dispatched to Islamabad warehouse. The likely number of trips were also 38. The issuance and payment for excessive trips / containers to M/s Transways Forwarders is unjustified which resulted into excess payment as detailed below:

No. of container to be used / planed	No. of container actually used	Difference	Rate (Rs)	Amount (Rs)
38	61	23	156,000	3,588,000

Thus, due to mismanagement and lack of proper planning excess payment of Rs 3.588 million was made on account of transportation of relief items which led to un-economical expenditure.

The matter was reported on 8th August 2019 but department did not submit any reply.

No DAC meeting was arranged till finalization of this report despite repeated reminders. Last reminder was issued on 07.04.2021.

Audit recommends that excess payment may be recovered.

(Para-10 NDMA)

4.2.15 Loss due to ill-Planning for Procurement of Tents– Rs 3.528 million

According to supply order dated 01.11.2017, a contract for supply of 8000 tents @ Rs 11,788 was awarded to M/s Ali Traders. The contractor completed the supply during December 2017 and also submitted an affidavit dated November 2017 to the effect that in case of future requirements of FDMA (upto 30.06.2018), the contractor will supply the tents at the same rate i.e. Rs 11,788 per tent.

FDMA floated prequalification of contractors / suppliers for supply of food and non-food items including tents vide advertisements in various newspapers dated 25 & 26.10.2017. The technical and financial evaluation of pre-qualified bidders for supply of tents was carried out. As per minutes of procurement committee dated 26.03.2018, M/s Ali Traders stood lowest who offered rate of Rs 12,555 per unit. Accordingly, the contract was awarded for supply 4000 tents vide contract agreement dated 04.04.2018. Later on a repeat order 15% for supply of 600 tents was also issued.

Audit holds that while procuring tents, the department did not consider the rates / affidavit submitted by the supplier and tents were purchased at higher rates from the same supplier which resulted into loss of Rs 3,528,200 (Rs 12,555 – Rs 11,788 = Rs 767 x 4600 tents).

This also highlights lack of proper need assessment and ill planning on the part of management of FDMA which resulted into uneconomical purchases and loss to Govt. exchequer.

The matter was reported on 1st August 2019. It was replied that procurement of tents was made through open competition. M/s Ali Traders offered the lowest rates of Rs 12,555 per tent and accordingly the work was awarded and payment made to the supplier.

The reply was not satisfactory as the affidavit provided by M/s Ali Traders was not considered while making procurement at higher rates.

DAC meeting held on 28th May 2021 directed that record be produced to audit for verification.

No compliance to DAC directives was produced till finalization of this report.

Audit recommends the implementation of DAC decision.

(OS-8, FDMA)

4.2.16 Non-imposition of Penalty for Non-provision of Transport – Rs 1.96 million

According to Clause 12 of Terms and Conditions for Carriage Contract / (Tender documents) and Sr. No. 2 of NDMA letter dated 09.02.2016 (Terms & Conditions) addressed to M/s Al-Rehman Cargo, the contractors / bidders have to confirm availability of required transport in minimum notice of 12 hours, failing which such transport will be arranged by the procuring agency from open market and will be charged from bidder. Moreover, repetition of instances may lead to black listing of the firm.

In NDMA Islamabad, quotations were obtained from pre-qualified suppliers for transportation of relief items from Kashmore to various places. As per comparative statement, M/s Al-Rehman Carriage offered lowest rates to the following destinations:

S. No.	Destination (from Kashmore to)	Commodity	Type of vehicle		No. of Trips
			1 x 40ft Container	1 x truck 10 wheels	
1	Sukker	Tents	47,000	--	10
2	Muzaffargarh	Tents	60,000	--	5
3	Islamabad	Pallets	75,000	--	3
4	Muzaffargarh	Tents	--	65,000	9
5	Islamabad	Rub Halls	--	80,000	8

The work order was issued to M/s Rehman Carriage but he did not provide the transport / vehicles and later on, the work was re-awarded to another supplier M/s Gul & Co. at his offered rates. An amount of Rs 1.96 million was paid to M/s Gul & Co. for transportation of relief items to the said destinations as detailed below:

Sr. No.	Destination	Commodity	No. of trucks	Rate per truck (Rs)	Amount Paid (Rs)
1	Muzaffargarh	Tents	10	62,000	620,000
2	Islamabad	Rub Halls	3	124,000	372,000
3	Islamabad	Pallets Plastic	3	124,000	372,000
4	Sukker	Tents	17	35,000	595,000
Total					1,959,000

Audit holds that as per clause 12 of Terms & Conditions, the work was required to be carried out from open market and the charges thereof be recovered from the defaulting contractor / supplier, which was not done.

This shows inefficient role of NDMA due to non-implementation of contract clauses by extending undue favor to defaulting contractor resulting loss to Govt. exchequer.

The matter was reported on 8th August 2019 but department did not submit any reply.

No DAC meeting was arranged till finalization of this report despite repeated reminders. Last reminder was issued on 07.04.2021.

Audit recommends that non-imposition and recovery of penalty and non-adherence to contract clauses may be inquired to fix responsibility besides recovery under intimation to Audit.

(Para-7 NDMA)

4.2.17 Undue Favor to Contractors due to Non-incorporation of LD Clause in Contract Agreements - Rs 1.430 million

According to Rule 19 of GFR Vol-I, the terms of a contract must be precise and definite and there must be no room for ambiguity or misconstruction therein.

FDMA Peshawar procured various relief items during the year 2016-17 for the TDPs families shifted from Afghanistan to the TDP Camp at Baka Khel. The perusal of work / supply order and contract agreements revealed that neither any time limit was fixed for provision of relief items nor any clause for imposition of liquidated damages / penalty for delayed supply was incorporated therein to safeguard the Govt. interest and to ensure timely supply of relief items. Audit calculated an amount Rs. 1,430,300 on account of LD / penalty @ 10% of contract price for late supply. The detail is at Annexure-E.

Audit is of the view that due to weak internal controls and lack of financial prudence the department did not mention delivery period and incorporated LD / penalty clause in the supply orders / contract agreements. This shows ineffective contract management on the part of FDMA.

The matter was pointed out on 1st August 2019. It was replied that process of procurement was delayed several times due to changes in return schedule of TDPs. Work orders were issued when the repatriation was planned first time and the delivery was made when the army granted clearance. Therefore, the delay was not on the part of contractor.

The reply was not satisfactory as no documentary evidence was provided in support of reply.

DAC meeting held on 28th May 2021 directed that relevant record i.e. stoppage of supply orders by FDMA be produced to audit for verification.

No compliance to DAC directives was produced till finalization of this report.

Audit recommends the implementation of DAC decision.

(OS-16, FDMA)

4.2.18 Loss due to Un-economical Hiring of Transport - Rs 1.40 million

According to Rule 10(i) of GFR Vol-I, every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys, as a person of ordinary prudence would exercise in respect of expenditure of his own money. Further Rule 4 of PPRA 2004 provides that all procuring agencies while engaging in procurements, shall ensure that the object of procurement brings value for money to the agency and the procurement process is efficient and economical.

NDMA obtained quotations through e-mail dated 22-23.05.2017 from pre-qualified transporters / contractors for shifting of relief items i.e. 9,837 tents, 1,500 Pallets and 5 Rub Halls from Kashmore to various destinations i.e. Sukkur, Muzaffargarh, Karachi and Islamabad. The quotations were obtained for transportation of relief items by two types of vehicles i.e. 40ft container and 10 wheeler trucks. The contractors offered their rates and from the comparison of rates of lowest contractors, the financial effect of transportation by both types of vehicles was analyzed as under:

(Rs in million)			
Sr. No.	Type of transport	Total Cost	Total trips involved
1.	40ft Container	1.635	28
2.	10 wheeler Truck	2.871	55

It was observed that the work orders were issued to M/s Gul & Co. and M/s Al-Rehman & Co. being lowest. Later on, M/s Al-Rehman & Co. did not provide the transport and the work order was issued to M/s Gul & Co. on 25.05.2017. The work orders revealed that NDMA did not specify the type of vehicle to be used for transportation to safeguard the Govt. interest, instead both types of vehicles were mentioned in work order.

It was further observed that the contractor claimed transportation of relief items by Mazda trucks and payment was made to him as detailed below:

Sr. No.	Name of supplier	Type of vehicle	Commodity	Destination	No. of trips	Rate per trip (Rs)	Amount paid (Rs)
1	M/s Gul & Co.	Mazda Truck	Tents	Sukkur	17	35,000	595,000
2	-do-	-do-	Rub Halls & Pallets	Islamabad	06	124,000	744,000
3	-do-	-do-	Tens	Muzaffargarh	10	62,000	620,000
4	-do-	-do-	Tents & Pallets	Karachi	20	54,000	1,080,000
Total					53	--	3,039,000

Audit holds that transportation by 40ft container was most economical. The management of NDMA was required to issue work order for transportation by containers which was not done. This resulted into loss of Rs 1.404 million (Rs 3.039 million).

million – Rs 1.635 million) to Govt. due to allowing payment for uneconomical type of vehicles.

This shows un-economical and inefficient procurement by NDMA and lack of financial prudence.

The matter was reported on 8th August 2019 but department did not submit any reply.

No DAC meeting was arranged till finalization of this report despite repeated reminders. Last reminder was issued on 07.04.2021.

Audit recommends that inquiry may be conducted to fix responsibility beside recovery from responsible under intimation to Audit.

(Para-6 NDMA)

4.2.19 Irregular Award of Contract through Splitting - Rs 1.319 Million

According to PPRA Rule 9, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. The annual requirements thus determined would be advertised in advance on the Authority's website as well as on the website of the procuring agency in case the procuring agency has its own website.

NDMA awarded three contracts for construction / repair and maintenance at NDMA's Warehouse at 1/11 Islamabad during the F.Y 2017-18, the expenditure was incurred in piecemeal to avoid the sanction of higher authority or advertisement in the PPRA website. Moreover, these works were not included in Annual Procurement Plan for the year 2017-18. The detail is given below:

(Rs in million)

Sr. No.	Name of Contractor	Nature of Work	Work order date	Contract Cost	Mode of purchase
1	Mohammad Afzal & Brothers	Paint/distemper work at NDMA Warehouse	04.05.18	0.427	Quotation
2	Mohammad Afzal & Brothers	RCC Flooring 1;2;4 at NDMA Warehouse 1/11 Islamabad	29.05.18	0.451	Quotation
3	AKB Enterprises	Construction of Guard Room at NDMA Warehouse Islamabad	31.05.18	0.441	Quotation
Total				1.319	---

Audit holds that works awarded without provision in annual procurement plan and in piecemeal to avoid competitive bidding is clear violation of PPRA rules.

This resulted into uneconomical procurement.

The matter was reported on 8th August 2019 but department did not submit any reply.

No DAC meeting was arranged till finalization of this report despite repeated reminders. Last reminder was issued on 07.04.2021.

Audit recommends that matter may be inquired to fix responsibility on the person at fault under intimation to Audit.

(Para-8 NDMA)

4.2.20 Non-adherence to PPRA Rules for Prequalification of Contractors / Suppliers

According to PPRA-2004 Rule 15(2), a procuring agency while engaging in pre-qualification may take into consideration the following factors, namely: a) relevant experience and past performance; b) capabilities with respect to personnel, equipment, and plant; c) financial position; d) appropriate managerial capability; and e) any other factor that a procuring agency may deem relevant, not inconsistent with these rules.

NDMA prequalified various vendors for supply of tents, blankets and tarpaulin for the FY 2016-17. The list of prequalified vendors for supply of these items is as under:

Pre-qualified firms for tents	Pre-qualified firms for Tarpaulins	Pre-qualified firms for Blankets (Single/Double ply)
M/s H. Nizam Din & Sons. M/s Paramount M/s Pearl Associates M/s Universal Trading M/s Zee Logistics	M/s Zee Logistics M/s H. Nizam Din & Sons M/s Pearl Associates M/s Sheikh Combined Industries M/s Pak business	M/s H. Nizam Din & Sons. M/s Zee Logistics M/s Paramount

It was observed that:

- i. The required procedure for pre-qualification i.e. NIT as per PPRA was not published in leading newspapers as well as on PPRA and Authority's website rather officers / officials were deputed to collect the data from bidders / vendors.
- ii. No documentary evidence in support of information gathered i.e. relevant experience and past performance, capabilities with respect to personnel, equipment, and plant, financial position, appropriate managerial capability, NTN / sales tax registration certificates etc. of firms was available.
- iii. Neither samples of relief items were obtained nor lab tests carried out at the time of prequalification to curtail the procurement process. NDMA had to carry out technical assessment at the time of procurement which took considerable time in collection of samples, laboratory tests and payment of lab charges etc.

- iv. The contract agreements were not signed with the prequalified vendors to ensure that the prequalified vendors shall participate in the tendering process at the time of procurement and provide quality items in accordance with the specification.

Audit is of the view that non observance of PPRA rules during the entire prequalification process was serious lapse on the part of management which may lead to miss-procurement.

The matter was pointed out on 8th August 2019 but department did not submit any reply.

No DAC meeting was arranged till finalization of this report despite repeated reminders. Last reminder was issued on 07.04.2021.

Audit recommends that non-adherence to PPRA rules may be justified besides compliance may be ensured in future.

(Para-15 NDMA)

4.2.21 Improper Planning by NDMA Resulting Wastage of Time, Human and Financial Resources

According to NDMA Guidelines on Stocking, Maintenance and Supply of Relief and Rescue Items-2016 (f), the stocks will be maintained while keeping in mind (1) vulnerability of the areas viz-a-viz degree of exposure to multiple hazards as defined in National Disaster Management Plan (NDMP) (2) historical evidence / record of hazards at district / sub district level. (3) optimum case load based on worst hazards faced viz-a-viz recurring frequency of hazards. (4) accessibility to the area viz-a-viz road communication infrastructure. (5) weather conditions which may preclude relief operation by air / sea in case of emergency, and (6) reaction time in provision of relief from nearest warehouse of district / province / region.

In NDMA Islamabad, logistic department moved a note for procurement 5,000 sleeping bags on 13th September, 2017 to be kept in reserve and used in extreme weather situation during the FY 2017-18. Accordingly, a NIT was published on 30.01.2018. The tender was opened on 15.02.2018 wherein six firms participated. Out of these, 2 firm were rejected by technical committee due to non-provision of samples. The samples of successful firms were sent to M/s SGS Pakistan (Pvt) Ltd. Lahore for lab test. The NDMA vide letters dated 07 & 15 March 2018 requested the bidders to provide additional samples for laboratory test as two samples of sleeping bags are required instead of one. The additional samples were sent to lab on 17.03.2018 and reports received on 11.05.2018. The technical committee in its meeting held on 28.05.2018 observed that some tests were not carried out. It was observed that the procurement process could not be finalized till June 2018 and finally was cancelled on 24.09.2018 after nine months and utilization of resources.

Audit observed that:

- i. The procurement of 5000 sleeping bags was not provided in Annual Procurement Plan.
- ii. Proper need assessment was not carried out as basic information i.e. area / districts where sleeping bags are required with vulnerability factor, targeted population and stock available with respective PDMA and DDMA was not available.
- iii. Approval of finance and operational wings of NDMA with respect of budget involved / available for purchase of sleeping bags was not available on record.
- iv. The technical evaluation criteria to shortlist the vendors / suppliers was not available before initiating the process of procurement.
- v. Number of samples required for lab tests were not mentioned in the tender documents. The bidders were requested to provide samples for Lab tests on 15.02.2018, 07.03.2018 and 15.03.2018. This resulted into wastage of one month in the process of collection of samples.
- vi. The tests were required to be carried out from two international laboratories whereas, test was conducted from only one lab i.e. M/s SGS Pvt. Ltd.
- vii. Shortlisting of laboratories to conduct tests, detail / nature of tests to be carried out, format of lab test report, number of samples required for lab test and time required for lab tests were not worked out at planning level. This resulted into wastage of three and half months (from the date of opening of technical bid) in collection of samples, payment of lab charges and evaluation of test reports i.e. 15.02.2018 bid opening date and 28.05.2018 technical committee evaluated lab test reports. The bid validity period was 90 days from the date of opening of bid i.e. 15.02.2018 as per tender documents.
- viii. The procurement process was canceled on 24th September, 2018 without mentioning any reason. The detail of correspondence with other departments is at Annexure-F.

Audit holds that this resulted into wasteful activity of almost one year after utilization of considerable time, human and financial sources. This also highlights improper and ineffective planning, lack of proper need assessment, lack of coordination among various wings of NDMA, mis-management and in-efficiency on the part of NDMA.

The matter was reported to the management on 8th August 2019 but department did not submit any reply.

No DAC meeting was arranged till finalization of this report despite repeated reminders. Last reminder was issued on 07.04.2021.

Audit recommends that improper planning by NDMA resulting wastage of time, human and financial resources may be justified.

(Para-16 NDMA)

4.2.22 Ambiguities in Contract Agreements in Violation of General Financial Rules

According to Rule 19 of GFR Vol-I, (i) the terms of a contract must be precise and definite and there must be no room for ambiguity or misconstruction therein. (ii) as far as possible, legal and financial advice should be taken in the drafting of contracts and before they are finally entered into. (iii) standard forms of contracts should be adopted wherever possible, the terms to be subject to adequate prior scrutiny. (v) no contract involving an uncertain or indefinite liability or any condition of an unusual character should be entered into without the previous consent of the Ministry of Finance.

In FDMA Peshawar, two contracts were awarded during June 2014 for transportation of displaced families of North Waziristan Agency (NWA). In addition to transportation of TDPs, the contracts agreements include various other items / works with rates & terms as detailed below:

S #	Name of Contractor	Particular	Description
1	M/s Syed Khan & Co. (date of contract agreement 16.06.2014)	Rice Deg with Channa	Rs 5,500 /per Deg
		Construction of toilets	As per measurement
		Provision of drinking water	As per market rate along with transportation
		Any other task given by FDMA	As per market rate along with transportation
2	M/s Kurram Green Sector Services (Date of contract agreement 18.06.2014)	Mineral Water	Rs 48 per bottle
		Carriage services from Various Destination	Market Rate
		Water Fans	Rs 14,000
		Hygiene Kit	Rs 1,250
		Pedestal Fan	Rs 4,800
		Room Cooler	Rs 8,500
		Electric water Cooler	Rs 32,500
		Wheel Barrow	Rs 5,500
		Water Tabb	Rs 3,300
		Charpai	Rs 2,500
		Plastic Cooler	Rs 950
		Mug, Plastic Lota etc.	As per market rate

Audit observed that:

- i. Prequalification of contractors was not carried out on the basis of services / activity / specialization.

- ii. Item / activity wise contracts were not awarded rather various works i.e. transportation, civil works, provision of cooked food, provision of relief items etc. were included in contract agreements.
- iii. For civil works, no technical specification, rate, measurement, type of material to be used etc. were provided in contract agreements.
- iv. Rate analysis for relief items awarded on the basis of market rates was not provided / available.
- v. The quantity and rates of various works / items i.e. civil works, transportation and provision of relief items were not provided / mentioned in contract agreements.
- vi. The completion period of contracts was not mentioned in the contract agreement. The contractors executed the works upto February 2015.
- vii. Contract agreements were signed on simple papers instead of judicial / stamp papers.
- viii. No specification / standardization of food / non-food items to be supplied was mentioned in contract agreements.

Audit holds that due to unhealthy competition among the bidders and non-availability of proper rate analysis, the economy in procurement could not be achieved. Further, the efficiency of the contract management was also compromised due to misconstruction / ambiguities in contract agreements which lead to poor economy and inefficiency in utilization of public money.

The matter was pointed out on 1st August 2019. It was replied that as a result of operation Zarb-e-Azab in June 2014, huge influx of TDPs was displaced from North Waziristan Agency (NWA) and whole of the NWA was declared as conflict zone. The commodities in question were actually required for TDPs. In such circumstances, routine procedure would have delayed the response and could have further worsened the situation. Therefore, most of the procurements were made on emergency basis under the supervision of Pak Army, District Administration Bannu and Camp Management at Bakkakhel.

The reply was not satisfactory because the terms and conditions of the contract agreements were not clear and definite. There were misconstruction / ambiguities which resulted into non-transparent and non-economical procurements.

DAC meeting held on 28th May 2021 directed that Para wise revised reply along with relevant record for verification be produced to audit.

No compliance to DAC directives was produced till finalization of this report.

Audit recommends the implementation of DAC decision.

(OS-2, FDMA)

4.2.23 Non-preparation of Annual Procurement Plan by FDMA

According to Rule 8 (Procurement Planning) of Public Procurement Rules 2004, all procuring agencies shall devise a mechanism, for planning in detail for all proposed procurements with the object of realistically determining the requirements of the procuring agency, within its available resources, delivery time or completion date and benefits that are likely to accrue to the procuring agency in future.

The scrutiny of record revealed that the management of FDMA, Peshawar did not prepare any procurement plan / need assessment since 2013 to 2018.

Audit is of the view that it was the responsibility of the management of FDMA Peshawar to prepare annual procurement plan keeping in view the natural as well as man-made disaster for effective and meaningful relief activities. Further, to provide better assistance to the affectees there was a need of proper annual procurement plan.

This resulted into violation of PPRA Rules.

The matter was pointed out on 1st August 2019. It was replied that FDMA was dealing with complex emergencies wherein situation was also uncertain and FDMA was bound to provide immediate relief. However, observation has been noted for future compliance.

The reply was not satisfactory as annual procurement plan was not prepared.

DAC meeting held on 28th May 2021 directed that annual procurement plan as provided in PPRA 2004 be prepared for all future procurements. Further, approval of procurements from competent authority for the period under audit be produced to audit for verification.

No compliance to DAC directives was produced till finalization of this report.

Audit recommends the implementation of DAC decision.

(OS-13, FDMA)

4.2.24 Delay in Provision of Facilities to TDPs due to ill-planning and Mis-management

According to Rule 10 (i) of GFR Vol-I, every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys, as a person of ordinary prudence would exercise in respect of expenditure of his own money.

The management of FDMA, planned to procure 10,000 pedestal fans during May-2016 for 5000 TDPs families to be shifted from Afghanistan to the TDP Camp at Baka Khel. A tender was floated on 05.05.2016 to be opened on 20.05.2016. However, the tender could not be opened on due date and management took more than 90 days in the process of tender opening and evaluation of technical and financial bids. The work/ supply order was issued on 08.09.2016 to M/s Advance Business Component to supply Pedestal fans as detailed below:

Name of items	Supplier	S.O. No.	S.O Date	Rate (Rs)	Quantity	Amount (Rs)
Pedestal fan 24 inch	Advance	4255-57	08.09.16	2,850	1000	2,850,000
	Business	4181-83	08.09.16	2,850	1000	2,850,000

Audit observed that due to weak planning and lack of interest, the management could not complete the tendering process well in time. This mismanagement and weak planning led to deprivation of the affectees residing in camps / tent city from basic necessity at the time of requirement.

The matter was pointed out on 1st August 2019. It was replied that exact information i.e. number of families returning from Khost Afghanistan and arrival time in TDPs camp was not available with FDMA. Further there was also issue of spacing and no proper warehouse of FDMA was available. Therefore, the process of procurement was deferred.

The reply was not satisfactory as no documentary evidence in support of reply was produced.

DAC meeting held on 28th May 2021 directed that record be produced to audit for verification.

No compliance to DAC directives was produced till finalization of this report.

Audit recommends the implementation of DAC decision.

(OS-19, FDMA)

4.3 Construction and Works

Proper planning, estimation, approval and execution are the benchmarks to ensure economical and sustainable execution of works. Audit, however, noticed the following irregularities:

4.3.1 Non-adherence to the Instructions of PEC in Award of Contracts of Civil Works - Rs 11.251 million

According to Planning and Development Division (Planning Commission) Government of Pakistan, Notification No. 8(60)WR/PC/2008 dated 12.02.2008, all the Federal, Provincial Departments / Organizations and District Governments were directed to implement revised standard bidding / contract documents prepared by PEC for procurement of Goods, Works and Services.

Rule 19 of GFR Vol-I, (i) provides that the terms of a contract must be precise and definite and there must be no room for ambiguity or misconstruction therein. (ii) As far as possible, legal and financial advice should be taken in the drafting of contracts and before they are finally entered into. (iii) Standard forms of contracts should be adopted wherever possible the terms to be subject to adequate prior scrutiny. (v) No contract involving an uncertain or indefinite liability or any condition

of an unusual character should be entered into without the previous consent of the Ministry of Finance.

Rule 23(1) of PPRA Rule 2004, provides that procuring agencies shall formulate precise and unambiguous bidding documents that shall be made available to the bidders immediately after the publication of the invitation to bid.(2) (g) for competitive bidding, whether open or limited, the bidding documents shall include the bill of quantities.

As per Rule 1-A(a) of the CWP-A & D Code, all original works and special repair costing more than Rs 100,000 relating to Central Civil Building and Communications shall be executed through the agency of the Public Works Department Central or Provincial as the case may be.

NDMA awarded 4-contracts for civil works to different contractors during 2016-17 & 2017-18. It was observed that:

- i. Standard bidding documents as prescribed by PEC were not adopted.
- ii. BOQ, detailed estimates and drawings were not prepared to obtain competitive rates.
- iii. The contractors were requested to provide their rates for construction of boundary wall of three types i.e. pre-fabricated structure, brick masonry and PCC. The contractors submitted their rates which were evaluated by purchase committee and work awarded to M/s Muhammad Ajmal & Co.
- iv. Works were carried out without obtaining NOC from PWD.

The detail of civil works is as under:

(Rs in million)				
Sr. No.	Name of contractor	Nature of work	Work Order Date	Contract Cost
1	M/s Muhammad Ajmal & Co.	Construction of Boundary Wall on NDMA Plot Sector G-5 (Area 50 kanal)	18.05.18	9.433
2	AKB Enterprises	Construction of Guard Room)" at NDMA Warehouse 1/11 Islamabad	31.05.18	0.441
3	Mohammad Afzal & Brothers	RCC Flooring 1;2;4 at NDMA Warehouse 1/11 Islamabad	29.05.18	0.451
4	Mohammad Afzal & Brothers	Paint/distemper work at NDMA Warehouse	04.05.18	0.427
5	AKB Enterprises	Concrete flooring at NDMA warehouse	16.03.17	0.499
Total				11.251

Audit is of the view that due to non-preparation of standard bidding documents i.e. BOQ, Drawings etc. competitive rates could not be achieved which led to uneconomical procurement. Further, inefficiency in the execution of civil works cannot be ruled out.

This shows inefficient contract management and uneconomical / mis-procurement on the part of NDMA.

The matter was reported to the management on 8th August 2019 but department did not submit any reply.

No DAC meeting was arranged till finalization of this report despite repeated reminders. Last reminder was issued on 07.04.2021.

Audit recommends that inquiry may be conducted for non-adhering to rules / instructions and responsibility may be fixed under intimation to audit.

(Para-1 NDMA)

4.4 Asset Management

4.4.1 Non-maintenance of Record of Relief Items – Rs 744.341 million

According to Rule 148 of GFR Vol-I, all material received should be examined, counted, measured, weighed as the case may be, when delivery is taken, and they should be taken on charge by a responsible government officer who should see that quantities are correct and their quality is good, and record a certificate to that effect. Rule 151 provides that the officer entrusted with stores should take special care for arranging for their safe custody. He should maintain suitable accounts and inventories and prepare correct returns in respect of the stores in his charge with a view to prevent losses through theft, fraud etc.

In FDMA various relief items i.e. tents, blankets, gas cylinders, pedestal fans, quilts, plastic mats, kitchen sets etc. were purchased for Rs 744.341 million during 2013-14 to 2017-18 out of SAFRON funds. These items were further dispatched to Baka Khel Camp and various agencies / districts. Further, an amount of Rs 1,061.913 million was released for General Relief Measure of FATA and purchases were also made under this head.

During audit following shortcomings were observed:

- i. An unsigned and incomplete stock register was produced to Audit. The stock register revealed entries recorded for office equipment and few relief items (FI/NFI). No proper stock register for relief items was maintained showing receipt and further distribution of food and non-food items.
- ii. Stock entry on invoices / Goods receipt note was not recorded before making payments to the vendors.
- iii. No detail as to procurement of relief items (item wise quantity) was available with FDMA.
- iv. No record as to demand of relief items from agencies, Baka Khel Camp / army authorities etc. was maintained.
- v. Handing / taking over of relief items was not available.

The detail of purchases out of SAFRON fund is at Annexure-G. No detail as to purchases from General Relief Measure was produced to audit.

Audit holds that in absence of aforementioned record, the quantity and time of relief items received and distributed cannot be ascertained beside the expenditure incurred is also held as doubtful.

This shows inefficiency on the part of FDMA in maintenance of record relating to relief items.

The matter was pointed out on 1st August 2019. It was replied that during the year 2013-2018, due to various extreme emergency situations, the relief items were purchased and the same were handed over to Pak Army at BakkaKhel Camp Bannu. These relief items were directly supplied at Bakkakhel Camp to avoid transportation charges. The same were recorded in stock register over there and were distributed to the TDPs by Pak Army.

The reply was not satisfactory as complete record of receipt and further dispatch / distribution was required to be maintained by FDMA which was not done. Further, no certificate as to quality and quantity of items received was available on record.

DAC meeting held on 28th May 2021 directed that complete record relating to receipt and distribution of relief items be produced to audit for verification. Further, audit authorities will visit Jalozai Camp to check overall warehouse management of PDMA-KPK with special reference to the maintenance of record of relief items and its distribution.

No compliance to DAC directives was produced till finalization of this report.

Audit recommends the implementation of DAC decision.

(OS-4, FDMA)

4.4.2 Un-authentic Purchase of Tents due to Non-availability of Record and Non-entry in Stock Register – Rs 2.896 Million

According to Rule 23 of GFR Vol-I, every Government officer should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Govt. officer. Rule 148 provides that all material received should be examined, counted, measured, weighed as the case may be, when delivery is taken, and they should be taken on charge by a responsible government officer who should see that quantities are correct and their quality is good, and record a certificate to that effect.

NDMA Islamabad made payment of Rs 2.896 million vide Cheque No. A509476 dated 28.06.2018 to M/s Pearl Associates on account of purchase of 279 family tents. During audit scrutiny following shortcomings were observed:

- i. Need assessment / demand note was not available in record.

- ii. Method of procurement (NIT / quotations/ repeat order), comparative statement, contract agreement, laboratory test reports, delivery challan / goods receipt note and inspection report etc. was not available in record.
- iii. Stock register entry was also not recorded.

Audit holds that in absence of supporting evidences and entry in stock register, expenditure incurred on purchase of tents could not be authenticated. This shows un-authentic procurement which led to inefficient role of NDMA towards procurement and maintenance of record for relief items.

The matter was reported to the management on 8th August 2019 but department did not submit any reply.

No DAC meeting was arranged till finalization of this report despite repeated reminders. Last reminder was issued on 07.04.2021.

Audit recommends that the inquiry may be conducted to fix responsibility beside recovery under intimation to Audit.

(Para-5 NDMA)

4.4.3 Non Maintenance of Stock Management System and Preparation of Annual Procurement Plan without Actual Need Assessment

According to Section 9 (a) of NDMA Act-2010, National Authority shall act as the implementing, coordinating and monitoring body for disaster management. Further, Section 20 (2) (p) provides that District Unit may establish stockpiles of relief and rescue material or ensure preparedness to make such material available at a short notice.

NDMA purchased various relief items costing Rs 1,145.089 million during the financial year 2013-14 to 2017-18. The major procurement during last five years includes tents, tarpaulin and blankets etc. During audit it was observed that:

- i. NDMA did not make any effort to prepare stock management system to oversee the stock available at various levels and to access the requirement of relief items to be procured at different tiers of relief organizations.
- ii. Further, annual procurement plan was prepared on the basis of minimum stocking level as provided in NDMA guidelines without keeping in view the stocking level available with the Disaster Management Authorities at provinces, FDMA, AJ&KDMA, GBDMA and DDMAAs.

Audit is of the view that non-maintenance / availability of stock management system may lead to ill planning, uneconomical / excess procurement by disaster management authorities, resulting wastage / blockage of public money.

The matter was pointed out on 8th August 2019 but department did not submit any reply.

No DAC meeting was arranged till finalization of this report despite repeated reminders. Last reminder was issued on 07.04.2021.

Audit recommends that proper stock management system may be devised for efficient procurement planning and to over view the stock available with NDMA, PDMA's and DDMA's.

(Para-12 NDMA)

4.4.4 Non Coverage of Insurance to Safeguard Relief Items

According to Insurance Ordinance 2000 Section 166, all insurance business relating to any public property or any risk or liability pertaining to any public property, shall be placed with NICL only and shall not be placed with any other insurer.

The management of NDMA, Islamabad procured various relief and rescue items worth millions of rupees during the financial year 2013-2018. The detail of store and stock available with NDMA as on 30.06.2018 is given blow:

Sr. No.	Items	Closing Stock as 30.06.2018
1	Tents	54,369
2	Tarpaulin	54,265
3	Blankets	42,430
4	Mosquito Net	46,104
5	Kitchen Set	350
6	Life Jacket	495

Audit holds that the relief / rescue items worth millions of rupees lying at various warehouses of NDMA were required to be got insured to transfer the risk to third party thereby safeguarding the Govt. interest from any disaster / calamity which was not done.

This shows inefficiency on the part NDMA.

The matter was reported to the management on 8th August 2019 but department did not submit any reply.

No DAC meeting was arranged till finalization of this report despite repeated reminders. Last reminder was issued on 07.04.2021.

Audit recommends that the store and stock may be got insured with NICL to safe guard relief items from any disaster.

(Para-13 NDMA)

4.4.5 Non Maintenance of Stocking level by NDMA for Relief activities

According to Section 10(3)(c) of NDMA Act 2010, the National Plan shall be prepared by NDMA including measures to be taken for preparedness and capacity building to effectively respond to any threatening disaster situations or disaster.

The scrutiny of record revealed that NDMA did not maintain the minimum stocking level at warehouses under its controls at various locations of Pakistan. Further, NDMA failed to meet minimum stocking level in last five years. The detail of relief / rescue items provided by NDMA revealed that many relief / rescue items were not available in stock which may led to ineffective role of NDMA to respond during any disaster / emergency. The detail is as under:

(Quantity in Nos.)

Sr. No.	Items	Stocking Level Qty.	75% of stocking level Qty.	Stock available as 30th June				
				13-14	14-15	15-16	16-17	17-18
1	Tents	100,000	75,000	59,011	41,611	51,734	54,534	54,369
2	Tarpaulin	100,000	75,000	-	15,935	55,715	54,665	54,265
3	Blankets	300,000	225,000	69,870	55,100	42,630	42,630	42,430
4	Plastic Mats	100,000	75,000	-	-	-	-	-
5	Mosquito Net	50,000	37,500	40,000	40,000	46,104	46,104	46,104
6	Kitchen Set	10,000	7,500	-	-	-	-	350
7	Hygiene Kit	10,000	7,500	-	-	-	-	-
8	First Aid Kit	10,000	7,500	-	-	-	-	-
9	Life Jacket	10,000	7,500	-	495	495	495	495
10	Boat with OBM	75	56	-	-	-	-	-
11	De-Watering Pumps	150	113	-	-	-	-	-
12	Generator 2-5 KVA	100	75	-	-	-	-	-
	Generator 31-90 KVA	100	75	-	-	-	-	-
	Generator 120 KVA	3	2	-	-	-	-	-

Audit is of the view that due to weak management, the minimum stock level could not be maintained at NDMA level to support the affectees in case of any emergency / disaster. This may also lead to uneconomical procurement in case of disaster by invoking the emergency clause.

The matter was reported to the management on 8th August 2019 but department did not submit any reply.

No DAC meeting was arranged till finalization of this report despite repeated reminders. Last reminder was issued on 07.04.2021.

Audit recommends that NDMA guidelines may be followed in letter and spirit to cater any disaster situation and to avoid emergency procurement in case of disaster.

(Para-17 NDMA)

4.4.6 Non-retrieval of Relief Items from Returning TDPs

As per NDMA Guidelines on Stocking, Maintenance and Supply of Relief & Rescue items, Para 3(w) (Policy Guidelines) Retrieval of Relief Stores (1) it should be endeavored to establish central relief camps to provide coordinated relief assistance to the people. Such camps should be established under respective districts / tehsil / Agency administration. On closure of relief camps, if possible, all usable relief equipment / stores i.e. tents, generators, dewatering pumps etc. may be retrieved, serviced, maintained and stored back for future use. (2) The tents and shelters issued to individuals residing outside relief camps may preferably be taken back. Proper record should be maintained so that the household should not be given tents repeatedly in subsequent years. If last issued tents are worn out then new one be issued only, on return of old one.

Contrary to above, the management of FDMA did not retrieve the relief items from families returned to their homeland. The relevant record i.e. stock register, dead stock register, detail of TDPs accommodated and returned, detail of relief items provided and retrieved from these families was requested which was not provided despite repeated requests.

Audit holds that non-retrieval of relief items at the time of return of TDPs was clear violation of NDMA guidelines and serious lapse on the part of management.

The matter was reported to the management on 1st August 2019. It was replied that retrieval of relief items like tents and NFIs from returning families was not advisable as their area of origin was completely damaged and the Government was committed to provide all the possible support items like tents, NFIs, to TDPs so they could further use it in their area of origin. Moreover, relief items issued to TDPs, were not retrieved back as those were not in useable condition.

The reply was not satisfactory as relief items were required to be retrieved as provided in NDMA Guidelines on Stocking, Maintenance and Supply of Relief & Rescue items.

The DAC meeting held on 28th May 2021 directed that complete record relating to distribution of relief items to TDPs be produced to audit for verification. Further, audit authorities will visit Jalozai Camp to check overall warehouse management of PDMA-KP with special reference to the maintenance of record of relief items and its distribution.

No compliance to DAC directives was produced till finalization of this report.

Audit recommends the implementation of DAC decision.

(OS-5, FDMA)

4.5 Compliance with Rules

4.5.1 Loss due to Non-deduction of Sales Tax on Services – Rs 61.683 million

According to Schedule-II, Section-19 of the KP Finance Act 2013, Sales Tax @ 16% will be charged on services provided or rendered by hotels, marriage halls, lawn, clubs, caterers and services ancillary thereto. Sr. No. 55 of the said Act provides that sales tax on services @ 15% shall be charged on service provided or rendered by persons engaged in inter city transportation or carriage of goods by road or through pipeline or conduit.

According to schedule-II, Section-16 of the KP Finance Act 2013, Sales Tax @ 15% will be charged on man power recruitment and labor supply services.

FDMA Peshawar paid an amount of Rs 394.538 million to various contractors / suppliers on account of provision of food, transportation charges and labor services for TDPs. It was observed that the payments were made without deducting sales tax on services amounting to Rs 61.683 million as detailed below:

Sr. No.	Name of item	Nature of services	Amount Paid (Rs)	Tax Rate	Tax Amount (Rs)
1	M/s Sarhad Tents Services	Cooked Food	202,774,300	16%	32,443,888
2	M/s Bilal Builders & Cargo	Transport Services	117,264,168	15%	17,589,628
3	M/s Syed Khan & Co.	Cooked Food	29,164,590	16%	4,666,334
4	M/s Kurram Green Sector Govt. Contractor	Labor Services	27,071,460	15%	4,060,719
5	M/s Kurram Green Govt. contractors	Refreshment Boxes	10,064,430	16%	1,610,309
6	M/s Bilal Builders & Cargo	Refreshment Boxes	8199000	16%	1,311,840
Total			394,537,948	--	61,682,718

Detail is provided at Annexure-H.

Audit holds that this resulted into loss of Rs 61.683 million to Govt. ex-chequer due to non-deduction of applicable taxes.

The matter was reported to the management on 1st August 2019. It was replied that KP Finance Act 2013 was not extendable to FATA at that time.

The reply was not satisfactory as no documentary evidence in support of reply was produced.

DAC meeting held on 28th May 2021 directed that clarification regarding exemption of Sales Tax on Services in Ex-FATA may be obtained from relevant Authority / Forum and produced to audit for verification.

No compliance to DAC directives was produced till finalization of this report.

Audit recommends the implementation of DAC decision.

(OS-10, FDMA)

4.5.2 Loss due to Non/ Less Deduction of Income Tax – Rs 11.161 million

According to Section 153(1)(b) of Income Tax Ordinance 2001, Income Tax @ 15% from non-filer and 10% from filer is required to be deducted / collected from contractors on account of provision of services.

Contrary to above, FDMA made payments of Rs 178.103 million to various suppliers / contractors on account of provision of cooked food / refreshment boxes and crockery services. It was observed that income tax was either not deducted or less deducted from the contractor's bills / claims.

Audit holds that this resulted into loss of Rs 11.161 million to Govt. ex-chequer due to non/less deduction of income tax. Detail is provided in Annexure-I.

The matter was reported to the management on 1st August 2019. It was replied that FATA was exempted area for the purpose of deduction of income tax.

The reply was not satisfactory as no documentary evidence was provided in support of reply.

DAC meeting held on 28th May 2021 directed that tax exemption certificate of the contractors / suppliers be produced to audit for verification.

No compliance to DAC directives was produced till finalization of this report.

Audit recommends the implementation of DAC decision.

(OS-11, FDMA)

4.5.3 Loss to Government due to Non-Deduction of Stamp Duty – Rs. 3.41 million

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

NDMA issued work orders for the procurement of relief items to various suppliers for Rs 1,080.52 million during the Financial Years 2013-14 to 2017-18. It was observed that the duty as levied under Stamp Act was not deducted. Thus, the government sustained a loss of Rs. 2.70 million.

Similarly, FDMA, Peshawar entered into contracts with various contractors and made payments on account of purchase of different relief items without deduction of stamp duty of Rs 919,891.

Audit is of the view that non-imposition and non-recovery of stamp duty as required under stamp act was a clear violation. This resulted into loss of Rs 3.407 million due to non-deduction of stamp duty. The detail is at Annexure-J.

The matter was pointed out during August 2019. FDMA replied that Stamp Act 1899 was not extendable to FATA. No reply produced by NDMA.

The reply of FDMA was not acceptable as no documentary evidence was provided in support of reply.

The DAC meeting held on 28th May 2021 directed that clarification regarding exemption of stamp duty in Ex-FATA area be produced to audit for verification.

No DAC meeting on the Para of NDMA was arranged till finalization of this report despite repeated reminders. Last reminder was issued on 07.04.2021.

No compliance to DAC directives was produced by FDMA till finalization of this report.

Audit recommends the implementation of DAC decision by FDMA. Further, NDMA is required to recover the tax amount besides fixing responsibility for such lapses under intimation to audit.

(Para-9 NDMA & 17, FDMA)

4.5.4 Unjustified Payment without Supporting Evidences – Rs 1.80 million

Rule 131 of FTR Vol-I provides that all bills or cheques in payment of claims against the Government shall be presented at the treasury at an authorized office of disbursement dully receipted and stamped when necessary.

NDMA received donation / relief items consisting of 81 containers (40ft each) from China. The relief items were received at Port Qasim Karachi. The contract for transportation of relief items from Port Passim Karachi to warehouses of NDMA located at Karachi, Hyderabad and Islamabad was awarded to M/s Transways Forwarders.

As per work order dated 29.10.2015 the contractor was requested to hire a yard in the jurisdiction of port Qasim, unload the items from containers received and then again load the items in transporters own containers for onward transportation to Islamabad. Audit observed that:

- i. NDMA paid an amount of Rs. 1,800,000 to M/s Transways Forwarder on account of loading, unloading and yard charges at Port Qasim without supporting evidences i.e. invoice of yard charges, details of labor hired etc.
- ii. Loading, unloading and hiring of yard at Port Qasim was not provided in quotation call letters of NDMA to obtain competitive rates.

Audit is of the view that payment without obtaining competitive rates and supporting evidences leads to uneconomical and authenticated expenditure.

The matter was reported to the management on 8th August 2019 but department did not submit any reply.

No DAC meeting was arranged till finalization of this report despite repeated reminders. Last reminder was issued on 07.04.2021.

Audit recommends that inquiry may be carried out to fix responsibility against the person at fault under intimation to Audit.

(Para-18 NDMA)

4.5.5 Non Forfeiture of Security Deposit due to Non-Provision of Relief Items – Rs 0.580 million

According to Para 3.3 of Terms & Condition of Supply Orders, 100% payment shall be processed after successful delivery on issuance of a certificate duly signed by the representative of the purchaser that the supply is complete in all respect in term of quality and quantity. Para 3.5 of terms & condition of supply order provides that in case it was found that the items supplied are not in accordance with the specification the firm will be black listed for future contracts and 2% bid security will be forfeited in favor of FDMA.

FDMA Peshawar shortlisted various contractors for supply of relief items for TDPs families shifted from Afghanistan to the TDPs Camp Baka Khel during the FY 2016-17. The supply orders were issued to the following contractors / suppliers for Rs. 28.994 million but the contractors failed to made supply:

S #	Supplier	Name of items	Supply order #	S.O Date	Rate (Rs)	Qty.	Amount (Rs)
1	M/s Usman	Tent	4178-80	08.09.16	9,300	2,000	18,600,000
2	Advance Business	Pedestal fan	4255-57	08.09.16	2,850	1,000	2,850,000
			4181-83	08.09.16	2,850	1,000	2,850,000
3	Altaf & Sons	Iron beds (Charpai)	4252-54	08.09.16	1,550	2,000	3,100,000
4	M/s TEES Trader	Pillows	4243-45	08.09.16	117	2,000	234,000
5	Altaf & Sons	Gas Cylinder	4252-54	08.09.16	1,090	1,000	1,090,000
6	Altaf & Sons	Jerry Cans, food etc.	4252-54	08.09.16	110	2,000	220,000
7	Mughal Traders	Plastic Lota	4224-26	08.09.16	25	2,000	50,000
Total							28,994,000
Bid security@ 2%							579,880

It was observed that:

- i. The department did not impose any penalty i.e. forfeiture of security deposit of the contractor due to non-supply of relief items.
- ii. No effort was made to black list the firm for non-supply of relief items.

Audit is of the view that due to weak internal controls and inefficiency of the management, neither the contractors supplied the items nor the penalty was imposed.

This results in the loss to Govt. exchequer amounting to Rs. 579,880

The matter was reported to the management on 1st August 2019. It was replied that there was no fault on the part of contractors. There was prolong delay in repatriation process of TDPs and FDMA issued work orders for provision of relief items as per actual requirement of TDPs.

The reply was not satisfactory as no documentary evidence in support of reply was produced.

DAC meeting held on 28th May 2021 directed that relevant record i.e. stoppage of supply orders by FDMA will be produced to audit for verification.

No compliance to DAC directives was produced till finalization of this report.

Audit recommends the implementation of DAC decision.

(OS-18, FDMA)

4.5.6 Non-maintenance of Cash Book – Rs 1,061.913 million

According to Rule 77 of FTR Vol-I, a cashbook should be maintained for money received on behalf of the government. All monetary transactions should be entered in the cashbook duly attested by the head of the office and therein certify the closing balance at the end of each month. The cash book should be closed regularly and completely checked. At the end of each month, the head of the office should verify the cash balance in the cash book and record a signed and dated certificate to that effect.

The budget allocation / expenditure of FDMA, Peshawar under head relief operations were Rs 1,061.913 million for the FY 2013-14 to 2017-18.

The management was requested to provide complete detail of procurements during the financial year 2013-14 to 2017-18 vide letter No. DGA/(DM)/PA/Proc & Con Mgmt During Emergency/2018-19/383 dated 19.09.2018. During audit it was observed that the procurements were made from following two accounts:

(Rs in million)			
Sr. No.	A/C No.	Remarks	Expenditure during 2013-14 to 2017-18
1	39404 NBP	SAFRON (Meant of Zarb-e-Azb Operation & Baka Khel Camp)	--
2	023041-1	General Relief Measures for FATA	Rs 1,061.913

The detail of procurement of relief items from A/c No. 23041-1 title General Relief Measures for FATA was not provided and the cash book was also not maintained for Rs 1,061.913 million. In the absence of cash book and relevant record, audit could not authenticate the procurement of relief items.

Audit holds that non-maintenance of cash book is a serious violation of Govt. instructions and non-provision of detail / relevant record of procurement of relief items tantamount to hindrance in the auditorial functions.

The matter was reported to the management on 1st August 2019. It was replied that cash book is maintained and available for audit.

The reply was not satisfactory as cash book along with supporting record was not produced during audit.

DAC meeting held on 28th May 2021 directed that internal inquiry into the matter be conducted and report be produced to audit within 2-months period.

No compliance to DAC directives was produced till finalization of this report.

Audit recommends the implementation of DAC decision.

(OS-20, FDMA)

4.5.7 Non-Production of Record

In terms of Rule 14(2) of Auditor General's (Functions, Powers and Terms and Condition of Service) Ordinance, 2001 the officer in-charge of any office or department shall afford all facilities and provide record for audit inspection and comply with requests for information in complete form as possible and with all reasonable expedition. Further as per Rule 17 of GFR the auditable documents/ record/ data (as the case may be) is required to be prepared by the concerned department and furnished to the Auditor General for facilitation of its official assignment. The access to all auditable data/ record is the statutory right of the Auditor General of Pakistan for which no authority/ department has the power to withheld these documents.

Audit team requested FDMA for provision of record vide requisitions for record dated 23.03.2019, 22-23 & 24.04.2019 to complete the audit assignment. On 25th April 2019, final request for provision of record was served. The department failed to provide the record despite repeated requests. The detail is at Annexure-K.

Audit holds that non-production of record is serious administrative lapse on the part of management.

The matter was reported to the management on 1st August 2019. The management provided photocopies of partial record. The same was not accepted as the record was not produced during audit which hindered the auditorial function.

DAC meeting held on 28th May 2021 directed that internal inquiry into the matter be conducted and report be produced to audit within 2-months period.

No compliance to DAC directives was produced till finalization of this report.

Audit recommends the implementation of DAC decision.

(OS-21, FDMA)

4.6 Overall Assessment

The performance audit on Procurement and Contract Management during emergencies by Federal Disaster Organizations was carried out with a view to check economy, efficiency and effectiveness in utilization of public resources, that the applicable rules and regulations were complied with and the contracts were entered with the vendors safeguarding the public interests.

During audit, serious issues regarding economy, efficiency, effectiveness and contract management were observed. The major issues highlighting economy includes uneconomical procurements without open competition, substandard procurements and uneconomical hiring of transportation services.

The procurement wing of FDMA played ineffective role due to non-availability of qualified / technical staff and frequent transfer / posting. Annual procurement plan was not prepared by FDMA. Proper need assessment was also not carried out which resulted into cancellation of procurement process at belated stages and wastage of resources.

Effectiveness in procurement could not be achieved without timely supply of relief items to the affectees. In various cases, audit observed that the supply of relief items was delayed due to ill planning and mis-management. Unauthentic purchase of tents due to non-entry in stock register also highlights inefficiency of management.

The contract agreements with suppliers / contractors were also found ambiguous as in some cases, rate, quality, quantity and delivery period was not mentioned. No clause of penalty for delayed supply was incorporated in contract agreements. Violation of PPRA 2004 and NDMA guidelines, non-adherence to contract clauses and non-deduction of applicable taxes and duty was also observed.

The procurement process for the period under audit was completed and payments made to the contractors. NDMA is still working as Federal Disaster Management Organization while FDMA was merged in PDMA KP.

5. CONCLUSION

An effective procurement process starts with proper need assessment and planning for the items to be procured to ensure economy, efficiency and effectiveness in utilization of public resources. The contract management is an integral part to procurement to make the process more transparent, economical and efficient.

Audit revealed that the entities failed to carry out need assessment and to prepare annual procurement plans. Violation of PPRA Rules was also observed which lead to uneconomical procurements, in-efficiency on the part of management and ineffective delivery of relief items. Similarly, NDMA guidelines were also not adhered as substandard items were procured besides the assets were not retrieved from TDPs returned to their homeland. The contracts were prepared without inclusion of clauses to safeguard the Govt. interest. Due to flaws in procurement planning the procurement process was delayed or canceled without completion. Stock management system was not devised and record for procurement was also not maintained and payments were made to the contractors without proper record.

Audit noticed that most of the irregularities were due to either absence of, or due to weak internal controls and lack of proper monitoring. The management needs to strengthen internal controls.

In order to mitigate the risks of wastage of public funds during emergencies, there is a need to devise a system for procurement by pre-qualifying the contractors to ensure procurement in most economic, efficient and effective manner. Further, uniformity in the process and application of rules is to be assessed in proclamation of emergency in NDMA, Islamabad and FDMA, Peshawar.

ACKNOWLEDGEMENT

We wish to express our appreciation to the staff of NDMA Islamabad and FDMA Peshawar who cooperated upto their level best with the audit team during this assignment. However, audit faced problems in FDMA Peshawar in provision of record due to non-availability of support staff.

ANNEXURES

Annexure-A

(a) Detail of procurements by NDMA Islamabad

Sr. No.	Name of the Vendor. Supplier	Particulars	Date of Procurement	Amount (Rs)
1	Utility Store Corporation	Food Packs	24.04.2013	85,592,839
2	Communications Pvt Ltd	Publishing of Tender Notice	23.08.2013	41,302
3	Shaheeb Airport Services Karachi	Handling of Earthquake relief goods received from China and Qatar	04.08.2013	2,311,485
4	COD Karachi	Transportation	22.10.2013	2,480
5	Ordinance Depot Quetta	Transportation	22.10.2013	2,200
6	Mahroz Textile Industries	Family Tents	23.10.2013	131,571,532
7	H. Sheikh Noor-ud-Din & Sons	Mosquito Nets	05.11.2013	8,892,000
8	Shaheeb Airport Services Karachi	Handling of relief goods received from China & Qatar on Flight CK-5001 (China)	11.11.2013	8,860
9	Asian Logistics	Custom Clearance of Relief goods	26.11.2013	45,000
10	Army Store Inspection Depot,	Lab Charges	13.12.2013	96,945
11	Utility Stores Corporation	Food Packs	19.12.2013	193,050
12	Central Ordinance Depot	Service Provide	27.12.2013	89,930
13	Mahroz Textile Industries	Family Tents	31.12.2013	93,328,630
14	Transways Forwarders	Transportation	13.12.2013	28,089,000
15	NLC	Transportation	13.12.2013	1,032,000
16	Agility Logistics	Transportation	06.01.2014	272,000
17	M. Communications Pvt Ltd	Publishing of Tender Notice	28.01.2014	50,305
18	Ammunition Depot Kashmir, Cantonment	Purchase of material of Rub Halls platform	31.01.2014	490,000
19	Agility Logistics	Transportation	10.03.2014	72,000
20	Transways Forwarders	Transportation	10.03.2014	97,000
21	Azam Brothers	Jackets	25.03.2014	125,775
22	C.M Sharif	Panaflex Banners	31.03.2014	141,000
23	Army Store Inspection Depot,	Lab Charges	17.04.2014	36,061
24	Transways Forwarders	Labor	17.04.2014	83,700
25	Mahroz Textile Industries	Tents	21.04.2014	26,873,862
26	COD Ammun Depot Kashmir	Labor	16.05.2014	78,050
27	Akbar Basha	Misc: Material Purchase	16.05.2014	33,491
28	Asian Logistics	For Custom Clearance of Relief goods	16.05.2014	30,000
29	Agility Logistics	Transportation	19.06.2014	86,000
30	Mahroz Textile Industries	Tents	3.07.2014	133,559,950
31	Utility Stores Corporation	Relief Assistance	07.07.2014	507,900
32	C.M Sharif & Sons	Printing of Panaflex	07.07.2014	5,040
33	Transways Forwarder	Transportation Charges & labor	07.07.2014	58,500
34	Utility Stores Corporation	Provision of relief food item land sliding people in Badakshan (Afghanistan)	07.07.2014	731,500
35	Transways Forwarder	Provision of Transportation for relief items to Badakshan (Afghanistan)	07.07.2014	94,030
36	Sharif & Sons	Printing of Panaflex	07.07.2014	10,080
37	Canteen Store Department	Ration packs, Mineral Water	13.03.2015	679,058
38	Rana Ahmed & Bros	Men's Shawals, Stoves, Panaflex Stickers	13.03.2015	566,890
39	Transways Forwarders	Transportation, Trucks, Labor	13.03.2015	91,500
40	Mr. Imran Ullah Khan	Mr. Imran Ullah Khan	10.07.2015	75,200
41	SM Sabri	Carton Box	17.08.2015	491,400
42	Zee Logistics	Tents & Tarpaulin Shelters	08.09.2015	209,200,000
43	SS Enterprises	Printing of Copies	15.09.2015	228,150

44	Agility Logistics	Transportation	15.09.2015	278,200
45	Security Packers	Transportation	15.09.2015	72,000
46	Transways Forwarders	Transportation with Loading Unloading	15.09.2015	284,800
47	Zee Logistics	Tents	16.09.2015	95,000,000
48	Utility Store Corporation	Food Packs	06.10.2015	2,096,909
49	Zee Logistics	Tents	12.10.2015	95,000,000
50	Shakir Traders	Shawls	25.11.2015	2,296,125
51	I Dot Cool	Shawls	27.11.2015	2,296,125
52	SM Enterprises	Socks, Gloves	27.11.2015	1,088,100
53	Al-Saeed	-do-	27.11.2015	1,088,100
54	Zee Logistics	Tarpaulin Shelter along with Rope	30.11.2015	57,600,000
55	Paramount Tarpaulin Industries	Blankets	30.11.2015	7,900,000
56	Gul & Co.	Transportation	30.11.2015	623,600
57	Utility Store Corporation	Food Packs	16.12.2015	947,050
58	Headquarters Anti Narcotics Force	Provision of Helicopter	16.12.2015	27,489,274
59	Transways Forwarders	Transportation	06.01.2016	11,316,000
60	Gul & Co.	Transportation	06.01.2016	877,500
61	Agility Logistics	Transportation	06.01.2016	285,000
62	Malik Brothers	Transportation	06.01.2016	475,070
63	Gul & Co.	Transportation	19.01.2016	962,800
64	Pakistan Institute of Medical Science	Medical / Surgical	25.01.2016	371,877
65	I Dot Cool	Sticker and Packing Materials	04.02.2016	704,475
66	Transways Forwarders	Transportation	09.02.2016	3,800,000
67	Utility Store Corporation	Procurement of Food Packs	15.02.2016	903,000
68	Transways Forwarders	Transportation	17.02.2016	2,591,600
69	Agility Logistics	Transportation	17.02.2016	184,000
70	NLC	Transportation	17.02.2016	1,190,858
71	Gul & Co.	Transportation	17.02.2016	2,146,000
72	I Dot Cool	Provision of Panaflex 20x9	03.03.2016	32,760
73	Zee Logistics	Tarpaulin Shelter along with Rope	06.04.2016	51,600,000
74	Head Quarter Anti-Narcotics Force	Provision of Helicopter	13.04.2016	3,317,671
75	Al-Noor Interwood	Procurement of Panaflex	18.04.2016	444,600
76	Transways Forwarders	Transportation	25.04.2016	17,929,288
77	Agility Logistics	Transportation	03.05.2016	722,500
78	Gul & Co.	Transportation	02.06.2016	1,165,000
79	Utility Store Corporation	Food Bags	02.06.2016	464,880
80	Akram & Sons	Rain Cot, Rain Boots Tablets 33 Mg & Tablets 67 Mg	20.06.2016	1,100,000
81	Tayyaba Enterprises	Mospell & Panaflex	20.06.2016	210,000
82	Col Tariq Mehmood	Clearance	23.06.2016	25,000
83	Utility Store Corporation of Pakistan	Food Packs, Ata Bags 20 Kg Nido Dry Milk	12.07.2016	1,077,900
84	Gul & Co.	Transportation	19.07.2016	334,300
85	Transways Forwarders	Transportation	03.08.2016	
86	Akram & Sons	Tent Covers	11.08.2016	1,992,000
87	M.S Khalid Khan	Overhauling of Gate	15.08.2016	56,000
88	Business & Engineering Trends	Fiber Glass Boats & OBMs (60%)	24.08.2016	15,000,000
89	Gul & Co.	Transportation/Labour	25.08.2016	105,500
90	Zee Logistics	Family Tents	09.09.2016	47,500,000
91	Transways Forwarders	Transportation/Labor	21.09.2016	153,500
92	Agility Logistics	Transportation	21.09.2016	81,000
93	Business & Engineering Trends	Fiber Glass Boats & OBMs (40%)	04.10.2016	10,498,250
94	Fazal Din Trade Solicitors Pvt Ltd	Life Jackets	05.10.2016	1,725,000
95	Gul & Co.	Transportation/ Labor	03.11.2016	48,000
96	Utility Store Corporation of Pakistan	Food Packs	03.11.2016	1,647,300
97	Transways Forwarders	Provision of Labor at Kashmore	03.11.2016	52,000

98	Midas Communication	Printing of NDMA guideline	18.11.2016	249,980
99	Transways Forwarders	Detention Charges of Transportation	29.11.2016	765,000
100	Agility Logistics	Transportation	03.05.2016	722,500
101	Hodent Traders	Labor	24.02.2017	497,040
102	Fajar Enterprises	Blanket	24.02.2017	730,100
103	Transways Forwarders	Labor	02.03.2017	85,000
104	Akram & Sons	Fire Extinguisher of 6 Kg	24.04.2017	392,067
105	Transways Forwarders	Mazda Truck	04.04.2017	511,560
106	Transways Forwarders	Provision of Transport	11.04.2017	150,000
107	Gul & Co.	Provision Labor	11.04.2017	52,000
108	AKB Enterprises	Repair Work	20.04.2017	498,960
109	Transways Forwarders	Transportation of Cylinder	26.04.2017	21,000
110	Momenta	P-Caps, Laptop Bags, Special Cap	06.06.2017	392,535
111	Gul & Co	Transportation	21.06.2017	2,419,000
112	Transways Forwarders	Labor	21.06.2017	144,880
113	Tambro Pvt Ltd	Consultancy Service	06.10.2017	1,045,723
114	Transways Forwarders	Lifter	25.08.2017	14,500
115	Gul & Co	Transportation	11.09.2017	620,000
116	Transways Forwarders	Transportation /Labor	19.09.2017	1,095,000
117	Transways Forwarders	Transportation with loading unloading	19.01.2018	55,500
118	Tambro Pvt Ltd	Consultancy Service	01.03.2018	1,045,723
119	Transways Forwarders	Transportation/Labor	04.05.2018	362,800
120	Pearl Associates	Family Tents	18.05.2018	51,915,000
121	Mohammad Ajmal & Co	Construction of Boundary Wall	24.05.2018	1,886,578
122	Muzamil Construction Company	Construction Work	14.06.2018	297,741
123	Mohammad Afzal & Brothers	RCC Flooring	25.06.2018	451,440
124	AKB Enterprises	Construction Work	25.06.2018	441,396
125	-do-	Paint/Distemper Work	27.06.2018	427,140
126	Transways Forwarders	Transportation /Labor	28.06.2018	390,000
127	Pearl Associates	Family Tents	28.06.2018	2,896,857
Total				1,273,793,627

(b) Detail of procurements by FDMA Peshawar

S. No	Name of the vendor / supplier	Particulars	Cheque No.	Date	Amount paid (Rs)
1	M/S ABC	School Tents	--	15.09.2014	3,910,292
2	M/S ABC	Non-food items	6565886	16.09.2014	26,993,658
3	M/S ABC	Non-food items	6565892	17.09.2014	26,993,658
4	M/s Kurram Green	Non-food items	6565896	17.09.2014	11,918,136
5	M/S ABC	Tents	6565900	18.09.2014	8,576,148
6	M/S ABC	Tents	6643406	19.09.2014	22,622,688
7	M/S ABC	Tents	6643408	19.09.2014	213,072
8	M/S ABC	Non-food items	6643417	23.09.2014	655,097
9	M/S ABC	Non-food items	6643420	23.09.2014	15,068,386
10	M/S ABC	Non-food items	6643429	23.09.2014	4,264,304
11	M/S ABC	Non-food items	6643435	23.09.2014	35,347,950
12	M/s Pearl Associates	Tents	6643439	23.09.2014	38,191,071
13	M/s Kurram Green	FI/NFI items	6643461	10.11.2014	8,981,925
14	M/s Kurram Green	FI/NFI items	6643464	10.11.2014	11,434,457
15	M/s Millat Tractor	Generators 3 Nos.	6798456	13.04.2015	2,707,460
16	M/s Kurram Green Sector	Gas cylinders	264337	10.07.2015	1,747,691
17	M/s Usman Traders	Tents	264344	28.07.2015	51,272,855
18	M/s Millat Tractor	Generators 2Nos.	6798120	17.08.2015	2,458,332
19	M/s Usman Traders	Tents	6798145	02.09.2015	2,698,572
20	M/s Millat Tractor	Generators	6798166	14.09.2015	1,940,035
21	M/s Millat Tractor	Generators	6798169	9.14.2015	81,216
22	M/s Pearl Associates	Tents	6798211	10.11.2015	2,019,048

23	M/s Pearl Associates	Prayer Mats	6798249	07.12.2015	43,840
24	M/s Millat Tractor	Generators	6798288	01.11.2016	229,735
25	M/s ABC	FI/NFI items	6798395	06.09.2016	1,995,972
26	M/s Sherazi Traders	Walk Through Gate	6798054	28.06.2016	466,240
27	M/s Capital Venture Islamabad	Tents	38489033	29.09.2016	9,142,857
28	M/s Pearl Associates	NFI	38489085	18.10.2016	3,598,064
29	M/s Suleman & Brother	Tents	38489093	18.10.2016	18,947,454
30	M/s Suleman & Brother	Tents	38489102	20.10.2016	25,090,000
31	M/s Pioneer Works & Services	School items	38489105	20.10.2016	1,559,796
32	M/s Usman Traders Lahore	Tents	38489112	21.10.2016	19,691,524
33	M/s Usman Traders Lahore	Tents	38489115	21.10.2016	20,200,668
34	M/s Usman Traders Lahore	Tents	38489118	21.10.2016	44,064,286
35	M/s Sharif & Sons Associates	1000 Hygiene Kit	38489413	06.01.2017	633,154
36	M/s Zeb & Company	2000 No plastic mate	38489416	06.01.2017	1,702,707
37	M/s Pearl Associates	2000 No mattress	38489419	06.01.2017	777,049
38	M/s Altaf Ahmed & Sons	2000 Iron beds & Jerry Cans	38489422	06.01.2017	3,095,831
39	M/s Zubair Steel	500 Iron bed	38489467	23.01.2017	490,171
40	M/s Pearl Associates	3000 tents, 2000 mattress, 3000 Quilts and 2000 Pillow	38489470	23.01.2017	30,415,239
41	M/s Sharif & Sons Associates	1000 Hygiene Kit	38489473	23.01.2017	636,056
42	M/s Mughal Traders	2000 plastic lota	38489476	23.01.2017	46,838
43	M/s One Group International	2000 Kitchen Set	38489466	23.01.2017	2,416,821
44	M/s TEE ES Traders	2000 Pillow	38489482	23.01.2017	222,858
45	M/s Oceans Trader Enterprises	1000 Plastic Bucket	38489485	23.01.2017	227,632
46	M/S Awais Whole Sale Dealer	Camera, furniture, generator etc.	38489500	02.02.2017	2,547,510
47	M/s Pearl Associates	1000 quilts	38489506	06.02.2017	636,800
48	Muhammad Zubair	500 charpoys	38489515	08.02.2017	748,503
49	M/s Pearl Associates	500 Tents	38489139	23.02.2017	4,548,572
50	M/s Zeb & Company	2000 No plastic mate	38489148	28.02.2017	1,702,707
51	M/s Oceans Trader Enterprises	1000 Plastic Bucket	38489151	28.02.2017	226,593
52	M/s Sharif & Sons Associates	1000 Hygiene Kit	38489157	02.03.2017	633,154
53	M/s Pearl Associates	Quilts/Pillow, Mattresses etc	38489160	02.03.2017	2,334,935
54	M/s Altaf Ahmed & Sons	1000 gas cylinder	38489186	15.03.2017	813,122
55	M/s SS Traders	supply of water bowser	38489194	20.03.2017	2,002,770
56	M/s Supply Zone	Jerry cane, Lota etc.	38489203	22.03.2017	261,905
57	M/s One Group International	1000 Kitchen Set	38489205	22.03.2017	1,202,898
58	M/s Oceans Trader Enterprises	1000 Plastic Bucket	38489208	22.03.2017	226,593
59	M/s Afroz Trader	1000 gas cylinder	38489649	07.04.2017	2,116,650
60	M/s Advance Business Component	pedestal fans	38489659	19.04.2017	132,879
61	M/s Advance Business Component	pedestal fans	38489712	01.06.2017	2,657,565
62	M/s Sharif & Sons Associates	1000 Hygiene Kit	38489715	01.06.2017	633,154
63	M/s Zeb & Company	plastic mate	38489718	01.06.2017	372,614
64	M/s Afroz Trader	1000 gas cylinder	38489724	01.06.2017	1,052,940
65	M/s One Group International	1000 Kitchen Set	38489526	09.06.2017	1,202,898
66	Muhammad Zahir Gul	plastic buckets	38488883	03.11.2017	222,300
67	Muhammad Haroon & Brothers	mattress, quilts, pillow etc	38488884	03.11.2017	587,400
68	M/s Ghufraan Crockery Store	Kitchen set	38488885	03.11.2017	375,000
69	M/s Ali Trader Corporation	3000 tent	38488891	15.11.2017	33,462,350
70	Muhammad Zahir Gul	600 plastic buckets	38488918	20.11.2017	132,252
71	Muhammad Haroon & Brothers	600 mattress, quilts & pillows	38488921	20.11.2017	525,862
72	M/s Ghufraan Crockery Store	Kitchen sets	38488924	20.11.2017	224,709
73	M/s Ali Trader Corporation	3000 tents	14963503	23.11.2017	33,462,350
74	M/s Ali Trader Corporation	2000 tents	14963512	30.11.2017	22,308,234
75	M/s Ali Trader Corporation	1200 tents	14963529	05.12.2017	13,384,942
76	Muhammad Haroon & Brothers	600 mattress, quilts & pillows	1496354	27.12.2017	742,924

77	M/s Shah Plastic & Brush Store	Purchase of Water Coolers	14963544	27.12.2017	108,000
78	M/s Gohar Ali	Purchase of mates	14963560	01.08.2018	336,000
79	M/s Awan Traders	500 Quits, Pillows & Mattress	14963599	02.06.2018	681,338
80	M/s Awan Traders	500 Quits, Pillows & Mattress	14963406	02.12.2018	639,169
81	M/s Zakria & Sons	Plastic Buckets, Hygiene Kits	14963449	03.06.2018	1,872,888
82	Pakistan Business International	Gas Cylinders	14963456	03.06.2018	618,939
83	M/S Hassan Mohd & Co	Gas Cylinders	38489249	04.04.2018	1,199,093
84	Awan Traders	Quits, pillow mattress	38489252	04.04.2018	2,719,190
85	M/s Zakria & Sons	Iron beds	38489276	04.12.2018	5,870,787
86	M/s One group International	Water coolers & Plastic mates	38487279	04.12.2018	3,531,944
87	Awan Traders	Quits, pillows & mattress	38489282	04.12.2018	1,310,321
88	M/s M/S Ali trading corporation	supply of family size tents	38489295	04.24.2018	54,355,926
89	M/S Ali Trading corporation	500 tents	70862546	05.28.2018	17,724,759
90	M/s Awan traders	Iron beds (1000)	70862564	06.05.2018	2,487,748
91	M/s Zakria and Sons	Plastic buckets & hygiene kits	70862567	06.05.2018	1,366,692
Total					692,096,722

Annexure-B

S #	Cheque No.	Date	Name of supplier	Qty.	Amount (Rs)
1	6565884	15.09.2014	M/S ABC on Supply	-	3,910,292
2	6565900	18.09.2014	M/S ABC Supply	-	8,576,148
3	6643406	19.09.2014	M/S ABC	-	22,622,688
4	6643408	19.09.2014	M/S ABC	-	213,072
5	6643420	23.09.2014	M/S ABC	-	15,068,386
6	6643435	23.09.2014	M/S ABC	-	35,347,950
7	6643439	23.09.2014	M/S Pearl Associate	4000	38,191,071
8	0264344	28.07.2015	M/S Usman Traders	6000	51,272,855
9	06798211	10.11.2015	M/s Pearl Associates	-	2,019,048
10	38489033	29.09.2016	M/s Capital Venture Islamabad	30	9,142,857
11	38489093	18.10.2016	M/s Suleman & Brother	-	18,947,454
12	38489105	20.10.2016	M/s Pioneer Works & Services	-	1,559,796
13	38489112	21.10.2016	M/s Usman Traders Lahore	2000	19,691,524
14	38489115	21.10.2016	M/s Suleman & Brother	-	20,200,668
15	38489118	21.10.2016	M/s Usman Traders Lahore	5000	44,064,286
16	38489139	23.02.2017	M/s Pearl Associates	500	4,548,572
17	38488891	15.11.2017	M/s Ali Trader Corporation	3000	33,462,350
18	14963503	23.11.2017	M/s Ali Trader Corporation	3000	33,462,350
19	14963512	30.11.2017	M/s Ali Trader Corporation	2000	22,308,234
20	14963529	05.12.2017	M/s Ali Trader Corporation	1200	13,384,942
21	70862546	28.05.2018	M/S Ali Trading corporation	4600	54,356,000
Total					452,350,543

Annexure-C

Cheque #	Date	Name of contactor	Particular	Amount (Rs)
5347218	04.07.14	M/s Kurran Green Govt. Contractors	Tents	280,000
5347237	11.07.14	-do-	Labor charges	3,230,500
5347243	11.07.14	-do-	ICE	1,080,000
5347260	14.07.14	-do-	Labor charges	2,867,800
5347289	23.07.14	-do-	ICE	627,500
5347289	23.07.14	-do-	Labor charges	2,131,000
6565806	06.08.14	-do-	Bed Kits	525,000
6565816	11.08.14	-do-	Ice	2,886,500
6565816	11.08.14	-do-	Labor charges	1,966,400

6565816	11.08.14	-do-	Petrol / Diesel	208,772
6565834	15.08.14	-do-	Ice	519,750
6565834	15.08.14	-do-	Labor charges	1,658,120
6565878	15.09.14	-do-	Crockery items	529,415
6565878	15.09.14	-do-	Labor charges	3,721,940
6565878	15.09.14	-do-	Crockery items	996,830
6643461	10.10.14	-do-	Crockery items	1,691,173
6643461	10.10.14	-do-	Labor charges	1,046,000
6643461	10.10.14	-do-	Crockery items	3,117,421
6643464	11.10.14	-do-	Labor charges	6,009,700
6643464	11.10.14	-do-	Ice	1,539,000
6643464	11.10.14	-do-	Ice	1,795,500
6643464	11.10.14	-do-	Crockery items	510,939
6643464	11.10.14	-do-	POL	314,880
6798414	26.02.15	-do-	Labor charges	4,440,000
6798445	30.03.15	-do-	Crockery items	887,736
Total (a)				44,581,876
197421	08.02.18	M/s Sarhad Tent Services	Construction / provision of Bath rooms, Banners and water pump	374,700
197421	08.02.18	-do-	Provision of heavy duty Generator	300,000
197421	08.02.18	-do-	Provision of Tent Service items	8,590,950
Total (b)				9,265,650
Grand Total (a+b)				53,847,526

Annexure-D

Name of Vendor	Name of Items	SO. No.	Date	Qty.	Amount (Rs)	Qty. procured	Rate (Rs)	Amount (Rs)	Cheque No.
M/s Pearl Associates	Tent	4441-43	02.01.17	1000	9,600,000	3000	9,600	28,800,000	38489470
-do-	Quilt	5013-15	09.01.17	4000	2,688,000	4000	672	2,688,000	38489470
-do-	Pillows	5013-15	09.01.17	2000	324,000	2000	162	324,000	38489470
-do-	Quilt	616-618	15.02.17	2000	1,344,000	2000	672	1,344,000	38489160
-do-	Pillows	616-618	15.02.17	2000	324,000	2000	162	324,000	38489160
-do-	Quilt	--	--	--	--	1000	672	672,000	38489506
M/s Supply Zone	Jerry Cane	926-27	22.02.17	4000	540,000	4000	135	540,000	38489211
-do-	Lota	926-27	22.02.17	2000	60,000	2000	30	60,000	38489211
M/s Afroz Trader	Gas cylinder	5016-18	09.01.17	1000	1,090,000	1000	1,090	1,090,000	--
M/s Zubair Steel	Iron Bed	5010-12	09.01.17	2000	3,100,000	500	1,550	775,000	38489467
-do-	Iron Bed	--	--	--	--	500	1,550	775,000	38489515
M/s Afroz Trader	Gas cylinder	610-612	15.02.17	2000	2,180,000	2000	1,090	2,180,000	38489649
Total								39,572,000	---

Annexure-E

S. #	Supplier Name	Name of items	SO. No.	Date	Rate (Rs)	Qty.	Amount (Rs)	Cheque No.	Date of Receipt
1	Altaf & Sons	Iron beds (Charpai)	4184-86	08.09.16	1,550	2000	3,100,000	38489422	23-27.12.17
2	M/s TEES Trader	Pillows	4190-92	08.09.16	117	2000	234,000	38489482	05.01.17
3	Zeb company	Plastic Mat	4230-30	08.09.16	913	2000	1,826,000	38489416	24.10.17
4	Zeb company	Plastic Mat	4230-32	08.09.16	913	2000	1,826,000	38489148	08.02.17
5	Altaf & Sons	Gas Cylinder	4184-86	08.09.16	1,090	1000	1,090,000	38489422	23.12.17
6	Occaeans	Plastic Bucket	4227-29	08.09.16	243	1000	243,000	38489151	20.01.17

7	Occaeans	Plastic Bucket	4196-98	08.09.16	243	1000	243,000	38489485	10.01.17
8	Occaeans	Plastic Bucket	619-621	15.02.17	243	1000	243,000		04.03.17
9	Altaf & Sons	Jerry Cans, food	4184-86	08.09.16	110	2000	220,000	38489422	23.12.17
10	One Group	Kitchen set	4199-4201	08.09.16	1,290	1000	1,290,000	38489205	04.03.17
11	One Group	Kitchen set	4221-23	08.09.16	1290	1000	1,290,000	38489466	20.01.17
12	One Group	Kitchen set	622-624	15.02.17	1290	1000	1,290,000	38489208	04.03.17
13	Sharif Sons	Hygiene kit	4240-42	08.09.16	679	1000	679,000	38489473	14.01.17
14	Sharif Sons	Hygiene kit	4202-04	08.09.16	679	1000	679,000	38489413	26.10.17
15	Mughal Traders	Plastic Lota	4205-07	08.09.16	25	2000	50,000	38489476	05.01.17
Total							14,303,000	--	--
LD Charges @ 10%							1,430,300	--	--

Annexure-F

Detail of correspondence of NDMA with suppliers / labs etc.

Detail of correspondence with departments and vendors	Dates
Request forwarded to for specification of Sleeping bags	13.12.2017
Tender documents published in News Paper	30.01.2017
Tender Opening date	15.02.2018
Request for provision of additional Samples for Lab tests	07.03.2018
2nd Request for provision of additional Samples for Lab tests	15.03.2018
Sample forwarded to M/s SGS (Pvt) Ltd, Lahore for sample	17.03.2018
Lab charges paid to M/s SGS (Pvt) Ltd, Lahore for sample	05.04.2018
Lab test reports issued by M/s SGS (Pvt) Ltd, Lahore	11.05.2018
Technical Committee during meeting on 28.05.18 observed some test were not carried out	29.05.2018
NDMA requested DG (Procurement) Pak Army regarding engagement of firm and expert opinion about credential of the firms	03.07.2018
DG Procurement replied that M/s Delian successfully completed 2 contracts. Remaining firms were unregistered and performance not available.	Sep-2018
Cancellation of tender	24.09.2018

Annexure-G

S. No.	Cheque No.	Date	Supplier Name	Item Name	Qty.	Amount (Rs.)
1	6565884	15/9/2014	M/s Advance Business Component	Tents	-	3,910,292
2	6565886	16/9/2014	-do-	NFI	-	26,993,658
3	6565892	17/9/2014	-do-	NFI	-	26,993,658
4	6565896	17/9/2014	-do-		-	11,918,136
5	6565900	18/9/2014	-do-	Tents	-	8,576,148
6	6643406	19/9/2014	-do-	Tents	-	22,622,688
7	6643408	19/9/2014	-do-	Tents	-	213,072
8	6643417	23/9/14	-do-		-	655,097
9	6643420	23/9/14	-do-	Tents	-	15,068,386
10	6643429	23/9/14	-do-		-	4,264,304
11	6643435	23/9/14	-do-	Tents	-	35,347,950
12	6643439	23/9/14	M/S Pearl Associate	Tents	4000	38,191,071
13	6643461	10/11/2014	M/S Kurram Green Sector Service		-	8,981,925
14	6643464	10/11/2014	M/S Kurram Green Sector Service		-	11,434,457
15	06798456	13/4/15	M/S Millat Tractor	generator	3	2,707,460

16	0264337	10/7/2015	M/S Kurram Green Sector		-	1,747,691
17	0264344	28/7/15	M/S Usman Traders	Tents	6000	51,272,855
18	06798120	17/8/15	M/S Millat Tractor	generator	2	2,458,332
19	06798145	2/9/2015	M/S Usman Traders		6000	2,698,572
20	06798166	14/9/15	M/s Millat Tractor Ltd		-	1,940,035
21	06798169	9/14/2015	M/s Millat Tractor Ltd		-	81,216
22	06798211	10/11/2015	M/s Pearl Associates	Tents	-	2,019,048
23	06798249	7/12/2015	M/s Pearl Associates		-	43,840
24	06798288	1/11/2016	M/s Millat Tractor		-	229,735
25	06798395	9-Jun-16	M/s Advance Business		-	1,995,972
26	06798054	28/6/16	M/s Shirazi Trading		-	466,240
27	38489033	29/9/16	M/s Capital Venture Islamabad	Tents	30	9,142,857
28	38489085	18/10/16	M/s Pearl Associates		-	3,598,064
29	38489093	18/10/16	M/s Suleman & Brother	Tents	-	18,947,454
30	38489102	20/10/16	M/s Suleman & Brother		-	25,090,000
31	38489105	20/10/16	M/s Pioneer Works & Services	Tents	-	1,559,796
32	38489112	21/10/16	M/s Usman Traders Lahore	Tents	2000	19,691,524
33	38489115	21/10/16	M/s Suleman & Brother	Tents	-	20,200,668
34	38489118	21/10/16	M/s Usman Traders Lahore	Tents	5000	44,064,286
35	38489413	6/1/2017	M/s Sharif & Sons Associates	Hygiene kits	1000	633,154
36	8489416	6/1/2017	M/s Zeb & Company	plastic mate	2000	1,702,707
37	38489419	6/1/2017	M/s Pearl Associates	mattress	2000	777,049
38	38489422	6/1/2017	M/s Altaf Ahmed & Sons			3,095,831
39	38489467	23/1/17	M/s Zubair Steel	Iron bed	500	490,171
40	38489470	23/1/17	M/s Pearl Associates			30,415,239
41	38489473	23/1/17	M/s Sharif & Sons Associates	Hygiene Kit	1000	636,056
42	38489476	23/1/17	M/s Mughal Traders	plastic lota	2000	46,838
43	38489466	23/1/17	M/s One Group International	Kitchen Set	2000	2,416,821
44	38489482	23/1/17	M/s TEE ES Traders	Pillow	2000	222,858
45	38489485	23/1/17	M/s Oceans Trader Enterprises	Plastic Bucket	1000	227,632
46	38489500	2/2/2017	M/S Awaisia Whole Sale Dealer	--	-	2,547,510
47	38489506	6/2/2017	M/s Pearl Associates	--	-	636,800
48	38489515	8/2/2017	Muhammad Zubair	charpoys	500	748,503
49	38489139	23/2/17	M/s Pearl Associates	Tents	500	4,548,572
50	38489148	28/2/17	M/s Zeb & Company	plastic mate	2000	1,702,707
51	38489151	28/2/17	M/s Oceans Trader Enterprises	Plastic Bucket	1000	226,593
52	38489157	2/3/2017	M/s Sharif & Sons Associates	Hygiene Kit	1000	633,154
53	38489160	2/3/2017	M/s Pearl Associates	-	-	2,334,935
54	38489186	15/3/17	M/s Altaf Ahmed & Sons	gas cylinder	1000	813,122
55	38489194	20/3/17	M/s SS Traders		-	2,002,770
56	38489203	22/3/17	M/s Supply Zone		-	261,905
57	38489205	22/3/17	M/s One Group International	Kitchen Set	1000	1,202,898
58	38489208	22/3/17	M/s Oceans Trader Enterprises	Plastic Bucket	1000	226,593
59	38489649	7/4/2017	M/s Afroz Trader	--	1000	2,116,650
60	38489659	19/4/17	M/s Advance Business Component	--	50	132,879

61	38489712	1/6/2017	-do-	--	1000	2,657,565
62	38489715	1/6/2017	M/s Sharif & Sons Associates	--	1000	633,154
63	38489718	1/6/2017	M/s Zeb & Company	--	500	372,614
64	38489724	1/6/2017	M/s Afroz Trader	--	1000	1,052,940
65	38489526	9/6/2017	M/s One Group International	--	1000	1,202,898
66	38489593	27/7/17	M/s Pearl Associates	--	-	1,061,335
67	38489596	27/7/17	M/s Supply Zone	--	-	287,694
68	38489611	2/8/2017	M/s Afroz Trader	--	1000	1,058,325
69	45126297	8/9/2017	M/s Advance Business Component	--	1000	2,657,565
70	45126302	8/9/2017	M/s SS Traders	--	-	1,803,615
71	45126314	15/9/17	M/s Sharif & Sons Associates	--	-	633,154
72	38488862	25/10/17	M/s Pearl Associates	--	2000	1,570,800
73	38488883	3/11/2017	Muhammad Zahir	--	600	222,300
74	38488884	3/11/2017	Muhammad Haroon & Brothers	--	600	587,400
75	38488885	3/11/2017	Ghufran Crockery Store	--	-	375,000
76	38488891	15/11/17	M/s Ali Trader Corporation	Tents	3000	33,462,350
77	38488918	20/11/17	Muhammad Zahir Gul	--	600	132,252
78	38488921	20/11/17	Muhammad Haroon & Brothers	--	600	525,862
79	38488924	20/11/17	Ghufran Crockery Store	--	600	224,709
80	14963503	23/11/17	M/s Ali Trader Corporation	Tents	3000	33,462,350
81	14963512	30/11/17	M/s Ali Trader Corporation	Tents	2000	22,308,234
82	14963529	5/12/2017	M/s Ali Trader Corporation	Tents	1200	13,384,942
83	1496354	27/12/2017	Muhammad Haroon & Brothers	--	-	742,924
84	14963544	27/12/2017	Shah Plastic & Brush Store	--	-	108,000
85	14963560	1/8/2018	M/S Gohar Ali	--	-	336,000
86	14963599	2/6/2018	Awan Traders	--	500	681,338
87	14963406	2/12/2018	Awan Traders a	--	500	639,169
88	14963449	3/6/2018	M Zakria & Sons	--	-	1,872,888
89	14963456	3/6/2018	Pakistan Business International	--	500	618,939
90	38489249	4/4/2018	M/S Hassan Mohd & Co	--	-	1,199,093
91	38489252	4/4/2018	Awan Traders	--	-	2,719,190
92	38489276	4/12/2018	M. Zakria & Sons	--	-	5,870,787
93	38487279	4/12/2018	One group International	--	-	3,531,944
94	38489282	4/12/2018	Awan Traders	--	-	1,310,321
95	38489295	4/24/2018	M/S Ali trading corporation	--		54,355,926
96	70862546	5/28/2018	M/S Ali Trading corporation	Tents	500	17,724,759
97	70862564	--	M/S Awan Traders	--	1000	2,487,748
98	70862567	6/5/2018	M Zakria and Sons	--	--	1,366,692
99	70862377	11/23/2018	-	--	--	43,171,450
Total						744,340,660

Annexure-H

Cheque No.	Date	Name of Contractor	Purpose of Payment	Amount (Rs)	16% Sales Tax (Rs)
969672	10.11.14	M/s Sarhad Tents	Cooked food	14,902,600	2,384,416
188314	22.06.15	M/s Sarhad Tents	Cooked food	30,000,000	4,800,000
188327	11.09.15	-do-	-do-	10,000,000	1,600,000
188329	14.09.15	-do-	-do-	10,000,000	1,600,000
188357	14.12.15	-do-	-do-	20,000,000	3,200,000
6798281	05.01.16	-do-	-do-	10,000,000	1,600,000
316817	28.06.16	-do-	-do-	15,000,000	2,400,000
316826	04.10.16	-do-	-do-	10,000,000	1,600,000
316861	20.02.17	-do-	-do-	10,000,000	1,600,000
316866	05.04.17	-do-	-do-	15,000,000	2,400,000

196312	21.06.17	-do-	-do-	43,000,000	6,880,000
196352	14.10.17	-do-	-do-	8,371,500	1,339,440
197421	08.02.18	-do-	-do-	6,500,200	1,040,032
Total (a)				202,774,300	32,443,888
Cheque No.	Date	Name of Contractor	Purpose of Payment	Amount (Rs)	15 % Sales Tax (Rs)
14963527	05.12.17	M/s Bilal Builders & Cargo	Transportation of TDPs	46,560,000	6,984,000
6798416	26.02.15	-do-	-do-	16,827,000	2,524,050
6798478	09.05.15	-do-	-do-	7,248,786	1,087,318
6643463	10.11.14	-do-	-do-	11,409,000	1,711,350
6643466	10.11.14	-do-	-do-	17,188,000	2,578,200
6565880	15.09.14	-do-	-do-	18,031,400	2,704,710
Total (b)				117,264,186	17,589,628
Cheque No.	Date	Name of Contractor	Purpose of Payment	Amount (Rs)	16% Sales Tax (Rs)
5347214	03.07.14	M/s Syed Khan & Co	Cooked food	13,354,000	2,136,640
5347222	08.07.14	M/s Syed Khan & Co.	Cooked food	15,810,590	2,529,694
Total (c)				29,164,590	4,666,334
Cheque No.	Date	Name of Contractor	Purpose of Payment	Amount (Rs)	15% Sales Tax (Rs)
5347237	11.07.14	M/s Kurran Green Govt. contractors	Labor charges	3,230,500	484,575
5347260	14.07.14	-do-	Labor charges	2,867,800	430,170
5347289	23.07.14	-do-	Labor charges	2,131,000	319,650
6565816	11.08.14	-do-	Labor charges	1,966,400	294,960
6565834	15.08.14	-do-	Labor charges	1,658,120	248,718
6565878	15.09.14	-do-	Labor charges	3,721,940	558,291
6643461	10.10.14	-do-	Labor charges	1,046,000	156,900
6643464	11.10.14	-do-	Labor charges	6,009,700	901,455
6798414	26.02.15	-do-	Labor charges	4,440,000	666,000
Total (d)				27,071,460	4,060,719
Cheque No.	Date	Name of Contractor	Purpose of Payment	Amount (Rs)	16% Sales Tax (Rs)
5347253	14.07.14	M/s Kurran Green Govt. contractors	Refreshment Boxes	1,950,000	312,000
6565806	06.08.14	-do-	-do-	445,000	71,200
6565834	15.08.14	-do-	-do-	630,000	100,800
6565878	15.09.14	-do-	-do-	801,000	128,160
6643461	10.10.14	-do-	-do-	888,300	142,128
6643464	11.10.14	-do-	-do-	1,590,600	254,496
6798445	30.03.15	-do-	-do-	3,759,530	601,525
Total (e)				10,064,430	1,610,309
Cheque No.	Date	Name of Contractor	Purpose of Payment	Amount (Rs)	16% Sales Tax (Rs)
6643463	10.11.14	M/s Bilal Builders Govt. contractor	Refreshment Boxes	4,437,000	709,920
6643466	10.11.14	-do-	-do-	1,890,000	302,400
6798444	30.03.15	-do-	-do-	1,872,000	299,520
Total (f)				8,199,000	1,311,840
Grand Total (a+b+c+d+e+f)				---	61,682,718

Annexure-I

Cheque No.	Date	Paid to	Amount (Rs)	I.Tax due @ 10%	I. Tax deducted (Rs)	Outstanding I. Tax (Rs)
5347214	03.07.14	M/s Syed Khan & Co.	13,354,000	1,335,400	-	1,335,400
6565842	15.08.14	-do-	458,000	45,800	-	45,800
6643463	10.11.14	M/s Bilal Builders & Cargo	4,437,000	443,700	-	443,700
6643466	10.11.14	-do-	1,890,000	189,000	-	189,000
969672	10.11.14	M/s Sarhad Tent Services	14,902,600	1,490,260	-	1,490,260
1883314	22.06.15	-do-	30,000,000	3,000,000	2,100,000	900,000
1883327	11.09.15	-do-	10,000,000	1,000,000	1,000,000	-
188357	14.12.15	-do-	13,000,000	1,300,000	-	1,300,000
6798254	14.12.15	-do-	7,000,000	700,000	-	700,000
6798281	05.01.16	-do-	10,000,000	1,000,000	450,000	550,000
316817	28.06.16	-do-	14,325,000	1,432,500	675,000	757,500
316826	04.10.16	-do-	10,000,000	1,000,000	450,000	550,000
316861	12.02.17	-do-	10,000,000	1,000,000	450,000	550,000
316866	05.04.17	-do-	15,000,000	1,500,000	675,000	825,000
196312	21.06.17	-do-	4,300,000	430,000	193,500	236,500
196352	04.10.17	-do-	8,371,500	837,150	376,718	460,432
197421	08.02.18	-do-	6,500,200	650,020	292,509	357,511
5347253	14.07.14	M/s Kurram Green Services	1,950,000	195,000	68,250	126,750
6565806	06.08.14	-do-	445,500	44,550	35,473	9,077
6565834	15.08.14	-do-	630,000	63,000	22,050	40,950
6565878	15.09.14	-do-	801,000	80,100	-	80,100
6643464	10.11.14	-do-	1,590,600	159,060	95,436	63,624
6643464	10.11.14	-do-	1,495,164	149,516	-	149,516
Total			178,102,564	18,045,056	6,883,936	11,161,120

Annexure-J

a.NDMA

Sr. No.	Name of the Vendor/ Supplier	Description	Date of Procurement	Amount (Rs)	Stamp Duty @ Rs 0.0025/100
1	Mahroz Textile Industries	Family Tents	23/10/2013	131,571,532	328,929
2	H. Sheikh Noor-ud-Din & Sons	Mosquito Nets	5/11/2013	8,892,000	22,230
3	Mahroz Textile Industries	Family Tents	31/12/2013	93,328,630	233,322
4	Mahroz Textile Industries	Tents	21/4/2014	26,873,862	67,185
5	Mahroz Textile Industries	Tents	3/7/2014	133,559,950	333,900
6	Zee Logistics	Tents & Tarpaulin Shelters	8/9/2015	209,200,000	523,000
7	Zee Logistics	Tents	16/9/2015	95,000,000	237,500
8	Utility Store Corporation	Food Packs	6/10/2015	2,096,909	5,242
9	Zee Logistics	Tents	12/10/2015	95,000,000	237,500
10	Shakir Traders	Shawls	25/11/2015	2,296,125	5,740
11	I Dot Cool	Shawls	27/11/2015	2,296,125	5,740
12	SM Enterprises	Socks & Gloves	27/11/2015	1,088,100	2,720
13	Al-Saeed	Socks & Gloves	27/11/2015	1,088,100	2,720
14	Zee Logistics	Tarpaulin Shelter alongwith Rope	30/11/2015	57,600,000	144,000
15	Zee Logistics	--do--	6/4/2016	51,600,000	129,000
16	Akram & Sons	Rain Cot, Rain Boots, Tablets 33 Mg & Tablets 67 Mg	20/6/2016	1,100,000	2,750
17	Utility Store Corporation Pakistan Pvt Ltd	Food Packs Ata Bags 20 Kg & Nido Dry Milk	12/7/2016	1,077,900	2,695

18	Akram & Sons	Tent Cover	11/8/2016	1,992,000	4,980
19	Business & Engineering Trends	Fiber Glass Boats & OBMs	24/08/2016	15,000,000	37,500
20	Zee Logistics	Family Tents	9/9/2016	47,500,000	118,750
21	Business & Engineering Trends	Fiber Glass Boats & OBMs	4/10/2016	10,498,250	26,246
22	Fazal Din Trade Solicitors International Pvt Ltd	Life Jackets	5/10/2016	1,725,000	4,313
23	Utility Store Corporation Pakistan Pvt Ltd	Food Packs Ration Packs & Ata Bag 20 Kg	3/11/2016	1,647,300	4,118
24	Pearl Associates	Family Tents	28/06/2018	2,896,857	7,242
Total				994,928,640	2,487,322

b. FDMA

Sr. No.	Name of items	Contractor	SO. No.	Supply order Date	Rate	Qty.	Amount (Rs)	Stamp duty (Rs)
1	Tent Size 4 x4 meter	M/s Usman	5565-68	24.09.16	9300	3000	27,900,000	69,750
			4246-48	08.09.16	9300	2000	18,600,000	46,500
			4178-80	08.09.16	9300	2000	18,600,000	46,500
2	Pedestal fan 24 inch	Advance Business	4255-57	08.09.16	2850	1000	2,850,000	7,125
			4181-83	08.09.16	2850	1000	2,850,000	7,125
3	Iron beds (Charpai), Single bed	Altaf & Sons	4252-54	08.09.16	1550	2000	3,100,000	7,750
			4184-86	08.09.16	1550	2000	3,100,000	7,750
4	Sleeping bed / Mattresses (polyester 2kg), single bed	M/s Pearl Associate	4187-89	08.09.16	410	2000	820,000	2,050
			4249-51	08.09.16	410	2000	820,000	2,050
			616-618	15.02.16	410	2000	820,000	2,050
5	Pillows cotton cover with polyester filled	M/s TEES Trader	4243-45	08.09.16	117	2000	234,000	585
			4190-92	08.09.16	117	2000	234,000	585
6	Plastic Mat	Zeb company	4230-30	08.09.16	913	2000	1,826,000	4,565
			4230-32	08.09.16	913	2000	1,826,000	4,565
7	Gas Cylinder burner mounted	Altaf & Sons	4252-54	08.09.16	1090	1000	1,090,000	2,725
			4184-86	08.09.16	1090	1000	1,090,000	2,725
8	Plastic Bucket	Occaeans	4227-29	08.09.16	243	1000	243,000	608
			4196-98	08.09.16	243	1000	243,000	608
			619-621	15.02.17	243	1000	243,000	608
9	Plastic Jerry Cans, food graded	Altaf & Sons	4252-54	08.09.16	110	2000	220,000	550
			4184-86	08.09.16	110	2000	220,000	550
10	Kitchen set	One Group	4199-4201	08.09.16	1290	1000	1,290,000	3,225
			4221-23	08.09.16	1290	1000	1,290,000	3,225
			622-624	15.02.17	1290	1000	1,290,000	3,225
11	Hygiene kit	Sharif Sons	4240-42	08.09.16	679	1000	679,000	1,698
			4202-04	08.09.16	679	1000	679,000	1,698
			613-615	15.02.17	649	1000	649,000	1,623
12	Plastic Lota	Mughal Traders	4224-26	08.09.16	25	2000	50,000	125
			4205-07	08.09.16	25	2000	50,000	125
13	Tent	M/s Pearl Associates	4441-43	02.01.17	9,600	3000	28,800,000	72,000
	Quilt		5013-15	09.01.17	672	4000	2,688,000	6,720
	Pillow		5013-15	09.01.17	162	2000	324,000	810
	Quilt		616-618	15.02.17	672	2000	1,344,000	3,360
	Pillow		616-618	15.02.17	162	2000	324,000	810
	Quilt		--	--	672	1000	672,000	1,680
14	Jerry Cane	M/s Supply Zone	926-27	22.02.17	135	4000	540,000	1,350

	Lota		926-27	22.02.17	30	2000	60,000	150
15	Gas cylinder	M/s Afroz Trader	5016-18	09.01.17	1,090	1000	1,090,000	2,725
16	Iron Bed	M/s Zubair Steel	5010-12	09.01.17	1,550	500	775,000	1,938
	Iron Bed		--	--	1,550	500	775,000	1,938
17	Gas cylinder	M/s Afroz Trader	610-612	15.02.17	1,090	2000	2,180,000	5,450
18	Transportation services	M/s Bilal Builders & Cargo	6121-22	18.06.14			46,560,000	116,400
							16,827,000	42,068
							7,248,786	18,122
							11,409,000	28,523
							17,188,000	42,970
							18,031,400	45,079
							37,752,000	94,380
							26,206,000	65,515
							4,231,917	10,580
							1,872,000	4,680
							7,248,786	18,122
							8,311,380	20,778
							10,255,700	25,639
							305,760	764
							784,000	1,960
		3,215,380	8,038					
		18,031,400	45,079					
Total							367,956,509	919,891
Grand Total (Rs 2,487,322 NDMA + Rs 919,891 FDMA)							3,407,223	

Annexure-K
(OS-21, FDMA)

Detail of record not produced during audit:

- i. Budget allocation / expenditure, source of funds for procurements
- ii. Detail of releases from Ministry / donor pertains procurements
- iii. Need assessment/ demand
- iv. Demand for FI/NFI received from agencies, TDP Camps/army etc.
- v. Item wise / year wise detail of procurements (NFI) for each financial year on the following format:

S #	Name of item	Name of supplier	Qty. Purchased	Unit Rate	Amount (Rs)
-----	--------------	------------------	----------------	-----------	-------------

- vi. Year wise detail of FI/NFI items delivered to Agencies / districts and Bakha Khel Camp (w.e.f. July 2013 to June 2018)
- vii. Year wise detail of families accommodated in Bakhakhel Camp, No. of families returned and balance (2013-14 to 2017-18)
- viii. List / detail of items retrieved from returned TDPs
- ix. Stock Register, distribution record of FI/NFI items at Bakhakle Camp
- x. Record along with list pertaining to prequalification of contractors for the financial year 2013-14, 2014-15 & 2017-18.
- xi. Detail of contracts for transportation.
- xii. Cash book for the period June 2013 to December 2013
- xiii. Bank Statement and Bank Reconciliation Statements
- xiv. Detail of accidental cases / theft / damage / inquiries / court cases if any etc. pertaining to procurement / contracts with contractor.
- xv. Internal Audit reports
- xvi. Store Ledgers.