



**SPECIAL AUDIT REPORT  
ON  
LAND MANAGEMENT OF MALIR  
DEVELOPMENT AUTHORITY (MDA)  
(FINANCIAL YEARS 2016-17 to 2020-21)**

**AUDITOR-GENERAL OF PAKISTAN**



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## PREFACE

The Auditor-General conducts audit under Articles 169 and 170 (2) of the Constitution of the Islamic Republic of Pakistan, 1973 read with Sections 8 and 12 of the Auditor General's (Function, Powers and Terms and Conditions of Service) Ordinance 2001. The Special Audit of Land Management of Malir Development Authority (MDA) was carried out accordingly.

The Directorate General Audit Works (Provincial), Sindh conducted Special Audit of 'Land Management of Malir Development Authority (MDA)' during June-July 2022 for the period 2016-17 to 2020-21 with a view to reporting significant findings to stakeholders. Audit examined the economy, efficiency & effectiveness pertaining to Land Management of Malir Development Authority (MDA). In addition, Audit assessed on a test-check basis whether the management complied with applicable laws, rules, regulations & procedures. Audit report indicates specific actions that if taken, may help the management in strengthening internal controls. The observations included in this report have been finalized after a discussion of Audit paras with the management. However, meeting of Departmental Accounts Committee was not convened.

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

Islamabad  
Dated:



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



## **ABBREVIATIONS & ACRONYMS**

AG	Accountant General
AGP	Auditor-General of Pakistan
BoQ	Bill of Quantities
CSR	Composite Schedule of Rates
CV	Cash Voucher
DGA WPS	Director General Audit Works (Provincial) Sindh
GFR	General Financial Rules
ECNEC	Executive Committee of the National Economic Council
GoS	Government of Sindh
INTOSAI	International Organization of Supreme Audit Institutions
JVA	Joint Venture Agreement
PC-I	Planning Commission Performa- I/Project Compendium
PDWP	Provincial Development Working Party
RA	Running Account
MDA	Malir Development Authority
MoU	Memorandum of Understanding
MDP	Malir Development Project
SFR	Sindh Financial Rules
SPPRA	Sindh Public Procurement Regulatory Authority
SST	Sindh Sales Tax
POL	Petroleum Oil Lubricant





## **EXECUTIVE SUMMARY**

The Director General Audit Works (Provincial), Sindh conducted the Special Audit of Director General, Malir Development Authority (MDA) during June-July 2022 in compliance with the approved audit plan for the year 2021-22. As the operational activities of the Authority involve huge public money against various housing schemes, the risks relevant to financial management are high. DGA-WPS, Karachi planned the Special Audit of Land Management of Malir Development Authority, (MDA) covering five years from 2016-17 to 2020-21, with the purpose to assess whether the objectives, as conceived in the execution of various schemes were achieved or otherwise. The main objectives of the audit involved assessing whether the relevant resources were being managed with due regard to economy & efficiency, reviewing compliance with applicable rules, regulations and procedures in all aspects and utilization of development funds with respect to provisions of PC-I. The audit was conducted in accordance with the INTOSAI Auditing Standards.

### **Key Audit Findings**

The key audit findings are stipulated as under:

- i. The management did not complete the schemes within the due course of time resulting in a delay of 10-15 years.
- ii. The target of allotment of plots remains unachieved.
- iii. The basic facilities i.e., Gas, Electricity and Water have not been provided in the schemes.
- iv. The management did not produce a major volume of relevant record to Audit.
- v. The management transferred funds from the accounts without recording the reasons thereof.
- vi. The consultant was paid the full amount in advance against the commission agreed upon.
- vii. Irregular adjustment of Outer Development Charges by Bahria Town Karachi.
- viii. Unauthorized balloting of plots measuring 240 sq. yards and 400 sq. yards in Taiser Town.
- ix. The management paid an unjustified amount worth millions to the consultant against the maintenance of record.

- x. Non-development of amenity works as required in PC-I.
- xi. Consultant was re-awarded the work after an elongated period in violation of SPPRA.
- xii. Non-preparation of feasibility study for the project.
- xiii. Non-deduction of government taxes.
- xiv. Irregular auction of residential and commercial plots.
- xv. Non-recovery of outstanding dues from subscribers.
- xvi. Non-vacation of encroachment at different sites.
- xvii. Non-assessment of the Environmental Impact.

## **Recommendations**

Consequent to the finalization of the audit exercise, the following significant recommendations are proposed:

- i Investigate the matter for delay in the completion of various schemes.
- ii Completion of the schemes at the earliest.
- iii 100% allotment of plots to bona fide subscribers.
- iv Provision of basic facilities and amenities for prompt rehabilitation of all the schemes.
- v Proper maintenance of accounting record.
- vi Payment to consultants as per the schedule provided in PC-I.
- vii Recovery of Outer Development Charges from the private developers.
- viii Recovery of taxes from contractors/consultants.
- ix Regular auction of residential and commercial plots.
- x Recovery of outstanding dues from subscribers.
- xi Sale of 240 sq. yards and 400 sq. yards residential plots through auction as per provision of the PC-I.
- xii Proper maintenance of balloting record.
- xiii Ensure implementation of SPPRA/SFR and PC-I in true letter and spirit.
- xiv There should be a transparent and open competitive bidding process for the leftover works.
- xv The management should make serious efforts to evacuate encroachments.

## **1. INTRODUCTION**

The Malir Development Authority was established under the MDA Act, 1993 which later was revised as MDA Revival & Amendment Act, 2013. It frames by-laws relevant to residential, commercial and amenity plots. Its core function is development of area through planning and executing schemes on land under the jurisdiction or entrusted by the Government of Sindh for the improvement of the socio-economic condition of the people. It ensures social and economic growth by delivering quality and affordable housing to the public. Malir Development Authority is presently working on three schemes i.e., Shah Latif Town, New Malir Housing Scheme & Taiser Town with a special focus to cater for ever-increasing housing needs as well as improving the socio-economic conditions of the masses. At present around 125,000 scheduled residential plots are in different stages of development. MDA scheme's planning envisages rebating the residential plots on economical rates and disposal of all commercial sites by open public auction on market price to supplement commercial/economic prosperity.

## **2. AUDIT OBJECTIVES:**

The main objectives of the Special Audit are as follows:

- i. To evaluate functionality, mechanism and coordination among various departments of the Authority responsible for land management.
- ii. To review processes involved in land management.
- iii. To assess planned schemes in terms of their development, rehabilitation and completion in time.
- iv. To review activities relevant to service delivery i.e., allotment and transfer of plots in time to the public.
- v. To evaluate transparency in the auction, allotment, transfer, mutation and leasing of the properties.

## **3. SCOPE & METHODOLOGY**

### **Audit Scope:**

The Audit scope involved:

- a) Review of the functionality, mechanism, and internal controls of various

- departments of the Authority.
- b) Review of land development schemes.
  - c) Review of procedures regarding allotment, transfer, mutation and lease of plots in conformity with the MDA Act and relevant by-laws.

**Audit Methodology:**

- Understanding the planning, management and operations of various schemes.
- Evaluation of relevant record.
- Reporting.

## **4. AUDIT FINDINGS & RECOMMENDATIONS**

### **4.1 Organization & Management**

#### **4.1.1 Abnormal delay in completion of schemes**

As per Clause-3 of PC-I of Taiser Town, “Time required for completion of project is 84 months”. Likewise, as per the PC-I of New Malir Housing Scheme, “the project was required to be completed in 60 months.”

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that Taiser Town and New Malir Housing schemes were launched in 2005 & 1997 respectively, but despite a lapse of considerable time, the same remain incomplete. The management did not provide basic utilities for electricity, gas and water. Besides, integral amenities like schools, hospitals, mosques, parks, playgrounds etc. also have remained incomplete.

Audit is of the view that non-provision of basic utilities and amenities resulted in non-rehabilitation of the schemes besides blockage of huge public money, thus reflecting inefficient management.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 24-02-2023.

Audit recommends providing justification for the abnormal delay in the completion of schemes.

#### 4.1.2 Non-achievement of allotment target against residential plots

As per clause 11 (a) under the heading, “Residential Sector”, PC-1 of Taiser Town Scheme-45, the breakup of residential plots provided in Project Development areas is as below:

Sr.#	Type/Category of Plot	Area of Plot	Total No. of Plots
1	"L"	80 Sq. yds	33,017
2	"R"	120 Sq. yds	30,179
3	"A"	240 Sq. yds	4,491
Total			67,687

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that contrary to the provision of PC-I for allotment of 67,687 plots in Taiser Town, the management allotted 57,367 plots of different categories in 2005 resulting in non-allotment of 10,320 plots. The detail is as under:

Sr.#	Type/Category of Plot	Area of Plot	Total Nos. of Plots as per PC-1	Total Nos. of Plots allotted	Difference/Less allotment of Plots
1	"L"	80 Sq. yds	33,017	28,445	4,572
2	"R"	120 Sq. yds	30,179	25,024	5,155
3	"A"	240 Sq. yds	4,491	3,898	593
Total			67,687	57,367	10,320

Audit is of the view that the management failed to ensure 100% allotment of plots of various sizes as planned in PC-I which reflects negligence and inefficiency. Besides, the chances of non-existence of the plots cannot be ruled out.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 24-02-2023.

Audit recommends conducting an inquiry into the matter besides, fixing responsibility on the person(s) at fault.

#### 4.1.3 Non-provision of electricity, gas and water – Rs.2391.870 million

As per PC-I clause 11 (b) under the heading ‘Complementary Project’ of Taiser Town Scheme-45: An internal water supply network would be laid for linking

the site with the main city. The network will be designed and executed by the Water & Sanitation Department.

- a. For sewerage treatment, an internal system will be installed comprising three oxidation ponds over 142 acres of land and one treatment plant.
- b. KESC will construct a grid station for power supply that will link the internal network with the trunk supply line.

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that the management collected Rs.2,391.870 million against utility charges from the allottees, but failed to provide utility facilities as per the substantiating document. The details are tabulated below:

(Rs in million)

Sr.#	Name of Scheme	Details	Total No. of plots allotted	Total receivables	Total received	Balance
1	Taiser Town Scheme	Utility charges	59,607	3,079	660.252	2,418
2	NMH Scheme MDA	Utility charges	27,107	1,742	1,378	364.333
		Grid station charges		536.100	353.618	182.481
<b>Total</b>			<b>86,714</b>	<b>5,357.100</b>	<b>2,391.870</b>	<b>2,964.814</b>

Audit is of the view that despite the realization of a huge amount on account of utility charges, the management remained completely ineffective in providing the specified facilities. The Progressive Report of the Taiser Town Scheme did not reflect any evidence to substantiate that payments have been made to various utility dispensing authorities. Consequently, the subscribers still remain deprived of timely allotment.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 24-02-2023.

Audit recommends conducting an inquiry into the matter besides, fixing responsibility on the person(s) at fault.

#### 4.1.4 Allotment of amenity plots to individuals and societies without observing formalities

As per Section 10 - Disposal of Amenity Plots to the Government & Local Government etc.:

- (1) Notwithstanding the contrary contained in these rules, the plot for amenity purposes shall be granted to:
  - (i) Federal Government, Provincial Government, Local Government & Autonomous Bodies etc. with the approval of Chairman, MDA (free of cost), but on payment of annual ground rent as fixed by the Authority.
  - (ii) Corporations, Societies & Individuals etc. with the cost at reserved price and on payment of annual ground rent as fixed by the Authority and with the approval of Chairman, MDA.

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that amenity plots in Shah Latif Town and Taiser Town were allotted without establishing any criteria and terms and conditions in defiance of above-mentioned rule. Furthermore, the market price of the allotted amenity plots was not determined in conformity with the approved procedure. When the management was asked to produce the relevant record regarding criteria, terms & conditions and determination of market price following any approved mechanism, no response was received. The details of amenity plots are tabulated as follows:

LIST OF AMENITY				
Sr.#	Scheme	Plot No.	Sector	Remarks
1	Taiser Town, Scheme-45	ST-01	79-3	Madrassa Taleem Ul Islam
2	Shah Latif Town, Scheme 25-A	ST-07	20-C	Pakistan Oil Tankers
		ST-01	10	PTCL
3	New Malir Housing Project Scheme - 01			NIL

Audit is of the view that allotment of amenity plots without any criteria reflects inefficiency and extending of undue favor to the allottees therefore, chances of loss to the public exchequer cannot be ruled out.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 24-02-2023.

Audit requires justification for disposal of amenity plots in the absence of established criteria, terms and conditions besides, providing details of all the plots allotted with the cost at reserved price and payment of annual ground rent as fixed by the Authority.

#### **4.1.5 Negligence in conducting the auction of commercial plots**

As per Section 08 of Disposal of Flat Sites & Commercial Plots, “Save as otherwise provided in these Rules, Flat sites & Commercial Plots shall be disposed of except by open auction at a price not less than the reserved price.”

Further as sub-section (ii) of Section 08, “The remaining 60% of flat sites & commercial plots shall be disposed of by open public auction at a price not less than the reserved price.”

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that 60% of Flat Sites & Commercial Plots were to be disposed of by open auction, however, the auctions were not regularly conducted in case of Taiser Town Scheme. Since the inception of the scheme, only three auctions were conducted on 24.05.2017, 28.11.2017 & 13.02.2019, whereof 6 out of 40, 49 out of 55 and 39 out of 45 plots were auctioned respectively.

Audit is of the view that owing to fewer auctions conducted, commercial plots could not be offered for sale, resultantly commercial activities and rehabilitation of the entire scheme remained ineffective besides, short revenue generation.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 24-02-2023.

Audit recommends providing justification besides, fixing responsibility on the person(s) at fault.



#### **4.1.6 Loss due to unjustified consolidation of land**

Consolidation is otherwise a legitimate course for Board of Revenue to facilitate a tiller by exchanging his scattered pieces of agricultural land with a consolidated piece of land, which, according to the Colonization of Government Lands Act 1912, should not exceed 16 acres in a nearby area. Moreover, as per Section 17 of the Colonization Act, “The land so taken in exchange shall be deemed to be held on the same conditions and subject to the same obligations as the surrendered land was held.” The Dec 19, 2013, amendment to the MDA Act empowers it to consolidate land – a power earlier only vested in BoR Sindh – specifically through the addition of Section 2 of the Act, which defines consolidation of land as “adjustment of plots in a scheme by way of exchange or otherwise for the purpose of the scheme.” Disposal of Plots Rules 2006 framed under the MDA Act further defines “plot” as specifically a “residential plot (not exceeding 600 square yards), residential commercial plot (not exceeding one acre), commercial plot (not exceeding one acre), industrial plot (not exceeding 1,000 square yards), flat site (not exceeding one acre) in any scheme.” The same rules define “scheme” specifically as a scheme prepared, undertaken or executed under the MDA Act that must be approved and sanctioned by the government.

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that the dehs Kund, Moidan and Meharjabal located outside of District Malir were brought under the jurisdiction of MDA through consolidation. Later, the management exchanged certain pieces of land owned by private developers in these dehs with those having a very high market value that were situated in Kathore, Langheji, Bolari and Konkar dehs of MDA. The complete record of consolidation was not produced.

Audit is of the view that through the instant consolidation, the land having a cheaper price was exchanged with the one that was valued more. This act on the part of the management compromised the economic aspect, thus causing a loss to the public exchequer.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 24-02-2023.

Audit recommends conducting an inquiry into the matter, while bringing into consideration the then commercial value of the consolidated land as per the record of the Board of Revenue, Government of Sindh.

#### **4.1.7 Non-production of record**

As per Section 14 (2) and (3) of the Auditor-General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001:

- (2) The officer incharge of any office or department shall afford all facilities and provide record for audit inspection and comply with requests for information in as complete a form as possible and with reasonable expedition.
- (3) Any person or authority hindering the auditorial functions of the Auditor-General regarding the inspection of accounts shall be subject to disciplinary action under the relevant Efficiency and Discipline Rules, applicable to such person.

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, the auditable record as listed in **Annexure-A** was not provided despite repeated requisitions.

Audit is of the view that the non-production of record is a violation of the AGP ordinance. Due to the non-production of specified record the authenticity of revenue realized and expenditure made against development works could not be ascertained.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 24-02-2023.

Audit recommends the production of record besides, initiating disciplinary proceedings against the person(s) at fault in accordance with the provision stipulated in Section 14 of the AGP Ordinance.

## **4.2 Financial Management**

### **4.2.1 Doubtful transfer of funds – Rs.327.500 million**

According to Appendix 18-A of SFR Vol I, "Every Government officer should realize fully and clearly that he will be held personally responsible for any loss sustained by the Government through fraud or negligence on his part and that he will also be responsible for any loss arising by fraud or negligence on the part of any other Government official to the extent of which it may be shown that he contributes to the losses by his own action or negligence."

During the Special Audit of Land MDA for the Financial Years 2016-17 to 2020-21, it was observed that an amount of Rs.327.500 million was transferred from the New Malir Housing Project operated under account # 1662-36 Habib Bank to other bank accounts without recording particulars of the transactions. The details are given in **Annexure-B**.

Audit is of the view that the transfer of funds without recording details casts doubts on the transactions made and the chances of misappropriation cannot be ruled out.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 24-02-2023.

Audit recommends conducting an inquiry besides, fixing responsibility on the person(s) at fault.

#### **4.2.2 Unjustified payment to the marketing consultant against sale proceeds of land – Rs.32.609 million**

As per the Marketing Management Consultancy Services agreement dated 19<sup>th</sup> July 2005, “The consultant M/s Paragon shall market 80 sq. yard plots through computer balloting and 120 sq. yard subject to the approval of the competent authority. All other plots shall be sold through open auction.”

Further, as per clause (iii) of the same agreement, “The consultant is agreed to carry-out the consultancy work under the agreement @ 4% commission on the total earning from the project by way of sale of residential, commercial, petrol pump sites, CNG pump sites, Flat sites etc.”

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that an amount of Rs.32.609 million was paid to the consultant on account of commission at 4% against proceeds of Rs.815.235 million realized after the sale of 875 acres of land in Taiser Town to M/s Karachi Union of Societies. On scrutiny, it was noted that the subject allotment of land to M/s Karachi Union of Societies was executed directly by the MDA

management without acquiring the services of the consultant hired. Despite that, the consultant was paid marketing charges @ 4%.

Audit is of the view that the instant payment was contrary to the agreement and reflects inefficiency on the part of the management besides, the non-safeguarding of public funds.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 24-02-2023.

Audit recommends providing justification into the matter besides, fixing responsibility on the person(s) at fault.

#### **4.2.3 Unauthorized payment of 1.5% commission in advance prior to completion of the project – Rs.156.647 million**

As per clause (4) of the Marketing Management Consultancy agreement dated 19-07-2005 between Malir Development Project-CDGK, Main National Highway, Shah Latif Town and M/s. Paragon City (Pvt.) Limited, in association with M/s. Three Star Enterprises, “On the submission of a complete statement of payment being received from the sale of the plots, deposited in the branch of the designated banks which shall be verified by the accounts office of MDA. M/s Paragon City will submit the bill and commission shall be paid at the ratio of 2.5% at different stages of recovery, fixed/scheduled by the MDP including booking, allocation, instalments and possession, whereas payment of the balance 1.5% will be paid after completion of the project as decided by the Steering Committee in a letter of District Coordination Officer Vide No.DO(C)/CDGK/2005/654 dated 19-07-2005.”

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that consultancy commission @ 4% up to 51<sup>st</sup> R.A bill amounting to Rs.417.727 million was paid to M/s Paragon City, but as per the agreement the management was required to pay commission at a rate of 2.5% (Rs.261.080 million) whereas the remaining 1.5% (Rs.156.647 million) was to be paid at the completion of the project.

Audit is of the view that the payment of the entire commission in advance to the consultant prior to the completion of the project reflects inefficient financial management and extending of undue favor.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 24-02-2023.

Audit recommends conducting an inquiry into the matter besides, fixing responsibility on the person(s) at fault.

#### 4.2.4 Non-Recovery of Outer Development Charges – Rs.5,281.609 million

As per Section 44, Malir Development Authority Act, 1993, “Any sum due to the Authority or an agency or wrongly paid by the Authority or an Agency under this Act, shall be recoverable as arrears of land revenue.”

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that out of the total receivable amount of Rs. 5,319.28 million, the management had collected Rs. 37.667 million on account of Outer Development Charges from M/s. Bahria Town Karachi. Thus, the balance of Rs.5,281.609 million remained outstanding against the developer. The details are given as follows:

(Rs in million)					
Particulars	Approval of Layout Plan of Land	Total Land measuring in acres	Outer Development Charges @Rs234/Sq.yds	Outer Development Charges Received	Outstanding Balance Rs
Proposed Layout Plan on land	3366.345	4696.685	3,812.587	NIL	3,812.587
Revised Layout Plan on land	1330.34		1,506.689	37.667	1,469.022
Total			5,319.28		5,281.609

Audit is of the view that owing to the non-recovery of outstanding dues, potential revenue could not be realized, thus reflecting inefficient financial management.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 24-02-2023.

Audit recommends prompt recovery of the outstanding amount and its subsequent verification from this office.

#### **4.2.5 Unauthorized balloting of 240 sq. yards and 400 sq. yards plots in Taiser Town – Rs.2,792.646 million**

As per terms & conditions of the Marketing Management Consultancy Agreement made on 19<sup>th</sup> July 2005 between Malir Development Project – CDGK through its Executive Engineer and M/s. Paragon City (Pvt.) Limited, “The management consultant will market the plots of area 80 sq. yards through computer balloting & 120 sq. yards subject to the approval of the competent authority. All other plots including Residential, Commercial, Industrial, Petrol Pump, CNG station etc. by way of sale through open auction.”

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed from the review of the 51<sup>st</sup> Running Account bill that 4,962 residential plots measuring 240 sq. yards and 400 sq. yards were sold through balloting at a fixed price against which revenue amounting to Rs.2,792.646 million was realized. Whereas as per the agreement, only the plots measuring 80 sq. yards and 120 sq. yards were required to be sold through balloting, while all the rest through open auction. The details are given as follows:

(Rs in million)					
Size of Plot	No. of plots allocated.	Receipts against the Forms	Initial Receipts	Up-to-date recovery made	Total Revenue realized
240 sq. yards	3,144	104.900	94.320	1,197.103	1,396.323
400 sq. yards	1,818	33.445	90.900	1,451.177	1,396.323
	<b>4,962</b>				<b>2,792.646</b>

Audit is of the view that the plots measuring 240 sq. yards and 400 sq. yards were required to be sold through open auction, but the management sold the same through balloting at a fixed price in violation of the agreement.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 24-02-2023.

Audit recommends providing justification for the sale of the plots through balloting, which was contrary to the agreement.

#### **4.2.6 Unjustified payment on account of maintenance of record – Rs.33.743 million**

Appendix 18 (a) Section-I of Sindh Financial Rules, Volume-II states that, “Means should be devised to ensure that every Government servant realizes 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 be also held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action of culpable negligence.”

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that the New Malir Housing Project was launched in 1997 under a Joint Venture Agreement (JVA) between MDA and M/s Maxim Marketing (Pvt) Ltd to sell out 26,087 residential, commercial, amenity and other plots through balloting. The management handed over the custody of relevant plot files to the marketing consultant for maintenance/record keeping @ Rs.25 per file on a monthly basis. Subsequently, a total payment of Rs.33.743 million from the years 2010-11 to 2019-20 was paid. The details are given in **Annexure-C**.

Audit is of the view that an undue favor was extended to the consultant on account of payment of record maintenance charges, thus causing a loss to the public exchequer.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 24-02-2023.

Audit recommends providing justification for the undue payment made to the consultant.

#### **4.2.7 Non-deduction of Income Tax – Rs.2.485 million**

According to section 153 (1)(c) of Income Tax Ordinance 2001, “Every prescribed person, making payment in full or part including a payment by way of advance to a resident person or permanent establishment in Pakistan of a non-resident person, shall deduct income tax at source on the execution of a contract, in case of a company, 7% of the gross amount payable, if the company is a filer and 10% if the company is a non-filer; and in any other case, 7.5% of the gross amount payable, if the person is a filer and 10% if the person is a non-filer.”

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that the management deducted less Income Tax from consultants/contractors as under:

- i. M/s. Logix, Project Management Consultants were paid Rs.59.677 million, but I.T was deducted at 3% resulting in a short deduction of Rs.1.557 million (**Annexure-D**).
- ii. An amount of Rs.5.965 million was paid to M/s. Maxim Advertising Co. on account of the publication of an advertisement, but I.T was deducted at 1.5% resulting in a short deduction of Rs.0.349 million.
- iii. M/s. ECIL was paid Rs.38.651 million through the 1<sup>st</sup>, 2<sup>nd</sup> and 12<sup>th</sup> Running Account Bills on account of consultancy charges, but I.T was deducted less by Rs.0.579 million (**Annexure-E**).

Audit is of the view that short deduction of Income Tax reflects ineffective financial management, thus causing loss to the public exchequer.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 & and 24-02-2023.

Audit recommends prompt recovery of the Income Tax amount.

#### **4.2.8 Non-recovery of occupancy value & other charges – Rs.5817.874 million**

As per Rule No. 28 of General Financial Rules - Chapter 3, Revenue & Receipts, “No amount due to Government should be left outstanding without



sufficient reason and where any dues appear to be irrecoverable the orders of the Competent Authority for their adjustment must be sought.”

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that the management failed to recover Rs.5,817.874 million against occupancy value, utilities and grid station charges from the allottees and developers. The details are tabulated as under:

Sr.#	Name of scheme	Details	Total Receivables	Total received	Balance
01.	Taiser Town Scheme	Occupancy Value	9,348	7,226	2,121
		Utility Charges	3,078	660.252	2,418
02.	NMH Project Scheme MDA	Occupancy Value	3,169	2,663	506.466
		Utility Charges	1,742	1,377	364.333
		Grid Station Charges	536.100	353.618	182.481
		Commercial Clients	799.320	574.355	224.965
02	Shal Latif Town Scheme-25-A	Occupancy Value (Commercial)	-	-	-
		Utility Charges	-	-	-
<b>Total</b>			<b>18,674</b>	<b>12,856</b>	<b>5,817</b>

Audit is of the view that non-recovery of the specified amount reflects inefficient financial management, resultant to which the schemes remain incomplete.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 & 24-02-2023.

Audit recommends prompt recovery of the outstanding amount from the relevant stakeholders.

#### **4.2.9 Non-recovery of surcharge @ 13% from the defaulters of commercial plots - Rs.827.262 million**

As per Notification # Estt./Sectt./MDA/2015/133 dated 16.01.2015, “Surcharge @13% will be recovered from the owners of residential category plots.”

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that commercial plots amounting to Rs.814.424 million were allotted through open auctions on two-year instalments package, but the management failed to recover the surcharge @13% amounting to Rs.827.26 million from allottees of commercial plots. The detail is tabulated in **Annexure-F**.

Audit is of the view that non-recovery of the due amount depicts financial effectiveness on the part of the management, resultantly a loss of revenue was sustained, and the rehabilitation of the schemes got delayed.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 24-02-2023.

Audit recommends prompt recovery of the outstanding amount and taking remedial measures.

#### **4.2.10 Irregular auction process of commercial plots – Rs.846.546 million**

According to Article 84 of Audit code, “It is an essential function of the Audit to bring to light not only cases of clear irregularities but every matter which in its judgment appears to involve improper expenditure or waste of public money or stores, even though the accounts may be in order.”

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that various commercial plots of different housing schemes were disposed of through open public auction at an amount of Rs.846.546 million, wherein the following irregularities were observed:

- (a) The auction committee was constituted without the approval of the department and no member was nominated outside the department to ensure transparency.

- (b) No name of any participating bidders was recorded in Bid Auction Registers and only offered rates were mentioned which casts doubt on the genuineness of the open public auction process.
- (c) No signatures of the auction committee were found on the bid registers to authenticate the final/ knocked price/highest rate of the plot.
- (d) No criteria for bidders were framed to attract professional investors due to which participation of potential bidders was compromised.

Audit is of the view that the auction process with the above apparent irregularities casts doubt on the transparency of the whole process, resultantly the chances of extending undue favor to bidders cannot be ruled out.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 24-02-2023.

Audit recommends conducting an inquiry into the matter.

#### **4.2.11 Non-imposition of penalty – Rs.16.902 million**

As per para 10.3(c) of SPPRA Procurement Regulations Works, “Liquidated damages shall be deducted from the contract amount for every day or part of a day, which will elapse between the dates on which the prescribed time expired and the date the work is completed at the rate specified in the contract agreement. The amount of the liquidated damages for each day of delay in completion of the whole of the works, or if applicable for any section thereof, shall be a sum equal to 5 to 10% (it is to be mentioned in the agreement) of the estimated cost of the works divided by one-fourth of the number of days specified as completion time.”

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that various works were awarded to the contractors, but the same were neither completed within the stipulated time nor penalty @ 10% amounting to Rs.16.902 million was imposed. The details are given in **Annexure-G**.

Audit is of the view that the management remained ineffective in imposing a penalty against delay in the completion of schemes, consequently extending undue benefit to the contractors.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 24-02-2023.

Audit recommends imposition of penalties unto the defaulting contractors besides, completion of the belated schemes.

## **4.3 Construction & Works**

### **4.3.1 Non-development of amenity works as per PC-I**

Clause 8 regarding the objectives of the project stipulates that the creation of an environment congenial to healthy living by providing 291 parks & gardens and 223 playgrounds. Further, cultural promotion and intellectual development will be done by providing:

- i. Plots for college and university, high schools, primary schools, technical institutes, libraries and community centers.
- ii. Place of worship - Jama Mosque.
- iii. Efficient commuting system and traffic management.
- iv. Health care to 100% residents.
- v. Oxidation Ponds for waste-water treatment.
- vi. 80 well-protected garbage collection units.

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that the management failed to execute the amenity works in Taiser Town and New Malir Housing Scheme i.e. Car Parking Lots, Mass Transit Spine, Health Care & Poly Clinics, Community Centers, Post & Telegraph Offices, Fire Brigade Stations, Telephone Exchange, Police Stations, Washing Ponds, Bus Terminal, Oxidation Ponds for waste-water treatment, Garbage collection points, Housing for Janitorial Staff and Public Toilets.

Audit is of the view that the inefficiency on the part of the management to provide basic residential facilities to the public resulted in non-rehabilitation of the schemes besides, blockage of the allottee's money.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 24-02-2023.

Audit recommends providing justification for non-execution of the amenity works.

#### **4.3.2 Irregular execution of works without Technical Sanction**

Para 53 read with Para 56 of the Central Public Works Department Code states that, “There are four main stages in the project for a central work namely, administrative approval, expenditure sanction, technical sanction and the appropriation or re-appropriation of funds. For each individual work proposed to be carried out, a properly detailed estimate must be prepared for the sanction of the competent authority; this sanction is known as the technical sanction to the estimate and must be obtained before the construction of the work is commenced.”

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that the Technical Sanctions were approved by the DG, who holds a non-technical position. All the payments were made based on Technical Sanctions that were not approved by the relevant authority i.e., Chief Engineer/Project Director.

Audit is of the view that approval of T.S. by the DG, which is a non-technical position, casts doubt on the execution of quality work and reflects inefficiency.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 24-02-2023.

Audit recommends providing justification besides, soliciting approval of T.S from the relevant authority i.e., Chief Engineer/Project Director.

#### **4.3.3 Unjustified expenditure on account of jungle clearance – Rs.6.220 million.**

Appendix 18 (a) Section-I of Sindh Financial Rules, Volume-II states that, “Means should be devised to ensure that every Government servant realizes 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 be also held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action of culpable negligence.”

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that an expenditure amounting to

Rs.6.220 million was made on account of jungle clearance, whereof the following observations were noticed:

1. The sales proceeds against the trees were not deposited in the treasury.
2. The name of the contractor and the procedure to award the work was not mentioned.
3. The exact sites where the work had been executed were not recorded.
4. The review of Google Maps (January-June 2016 and June 2020) for the period corresponding the payments made did not depict any green patch/jungle in Taiser Town. The details are tabulated as follows:

<b>Cheque #</b>	<b>Date</b>	<b>Particular</b>	<b>Amount</b>
7154666	1/7/16	2 <sup>nd</sup> Installment Jungle Clearance	1.480
7154667	1/7/16	3 <sup>rd</sup> Installment Jungle Clearance	1.480
7154668	1/7/16	4 <sup>th</sup> Installment Jungle Clearance	1.480
7154669	1/7/16	5 <sup>th</sup> Installment Jungle Clearance	1.480
00000395	15/10/20	Temporary advance for Jungle clearance	0.100
00000396	15/10/20	Temporary advance for Jungle clearance	0.100
00000397	15/10/20	Temporary advance for Jungle clearance	0.100
		<b>TOTAL</b>	<b>6.220</b>

Audit is of the view that the management made an unjustified payment on account of jungle clearance, resultantly the public exchequer sustained loss.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 24-02-2023.

Audit recommends providing justification against the expenditure.

#### 4.3.4 Excess expenditure over & above 5% of the estimate – Rs.13.330 million

According to Rule-11.2.2 of SPPRA-2010, “Detailed estimate needs revision when during execution it is anticipated that the cost of completion is to exceed beyond the permissible limit (5%).”

Further, according to Para 532 and 767 of PWD Manual, Volume-I, “A revised estimate containing the facts and causes of revision must be submitted when sanctioned estimate is likely to be exceeded by more than 5% either from the rate being found insufficient or from any other cause whatever”.

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that an expenditure of Rs.13.33 million was incurred on the execution of works in excess of the prescribed limit of 5% over the technical sanction amount of Rs.108.56 million. The detail is as under:

C.V. # & Date	W/O # & Date	Name of Work	Name of Contractor	Sanctioned Cost	Payment	Excess Amount
<u>5<sup>th</sup> RA</u> 01/11/2019	<u>54</u> 25/7/14	Const. of 184ft wide Maymar Avenue in Gulshan-e-Maymar from CH. 0.000 to 3583.171 at Taiser Town Sch. 45 (Contract # 873)	M/s. Preety Construction Co.	66.982	75.472	8.49
<u>4<sup>th</sup> &amp; final</u> 14/12/20	<u>149</u> 23/6/14	Const. & carpeting of 100’ wide road: Afghan Basti road along sector C-7, 8 & 6 from CH 4+000 to 8+041.54 at Taiser Town Sch-45 (Contract # 863)	M/s. Samad Khan Baber	41.581	46.421	4.84
		<b>TOTAL</b>		<b>108.563</b>	<b>121.893</b>	<b>13.33</b>

Audit is of the view that incurring expenditure beyond the permissible limit of 5% of estimates without revision of technical sanction, reflects inefficient financial management.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 24-02-2023.

Audit recommends providing justification for the excess payment without revision of the Technical Sanction.

#### 4.3.5 Irregular award of contracts without obtaining the mandatory material test reports – Rs.126.508 million.

According to schedule "B" of the estimates, "The material used in the work or finished project can be tested from any approved lab: as per the direction by Engineer in charge or his representative and all the expenses in this connection with such testing shall be borne by the contractor."

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that the management made an expenditure of Rs.126.508 million on the execution of various works without conducting laboratory tests of the material used therein.

(Rs in million)

W.O No.	Date	Name of Work	Name of Contractor	Sanctioned Cost
54	25/7/14	Const. of 184ft wide Maymar Avenue in Gulshan-e-Maymar from CH. 0.000 to 3583.171 at Taiser Town Sch. 45 (Contract # 873.)	M/s. Preety Construction Co.	66.982
57	2014	Const. of 150' wide Shahrah-e-Roomi in Gulshah-e-Maymar Section-2 from CH-0.000 to 925.478 at Taiser Town Sch.45 (contract # 877)	M/s. Preety Construction Co.	17.945
149	23/6/14	Const. & Carpeting of 100' wide road Afghan Basti road along sector C-7,8 & 6 from CH 4+000 to 8+041.54 at Taiser Town Sch-45 (Contract # 863.)	M/s. Samad Khan Baber	41.581
<b>TOTAL</b>				<b>126.508</b>

Audit is of the view that the execution of work without laboratory tests of the material is irregular and chances of sub-standard execution of work cannot be ruled out.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 24-02-2023.

Audit recommends providing justification for the execution of works without lab tests of the material besides, fixing responsibility on the person(s) at fault.



#### 4.3.6 Irregular execution of work – Rs.25.899 million

Appendix 18 (a) Section-I of Sindh Financial Rules, Volume-II states that, “Means should be devised to ensure that every Government servant realizes 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 be also held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action of culpable negligence.”

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that various works were awarded to contractors, who could not execute the work as per the scope and approved cost. The details are as follows:

- i. The work ‘Construction of surface treated Internal Road Sector-22 Sub-Sector-III, at Taiser Town Scheme-45 (Contract # 587)’, amounting to Rs.16.288 million was awarded to M/s. Muhammad Shah Khan Mandokhail, who failed to execute the work as per scope. As per the 2<sup>nd</sup> RA bill (final bill) only 4 out of 8 items were executed against a payment of Rs.11.420 million. The details are as under:

Item of works executed	Item of works not executed
Jungle clearance	P/L Edge stone 12” long 9” deep and 6” wide
Natural Ground Compaction	Provide surface dressing 1 <sup>st</sup> coat
Earthwork for embankment from borrow pits	Provide surface dressing 2 <sup>nd</sup> coat
Earthwork compaction by sheep foot roller	P/L Water Bound Macadam including structure

- ii. The work ‘Construction of surface treated internal road in sector-22 Sub-sec. VI in Taisar Town Schem-45 (Contract No.588)’ amounting to Rs.14.479 million was awarded to M/s Qasim & Co. but the essential item as per BOQ i.e., ‘Execution of earthwork & Preparing Sub-grade’ amounting to Rs.0.0878 million was not executed by the contractor.

Audit is of the view that non-completion of the work against the prescribed scope is held irregular and an undue benefit was extended to the contractor, thus causing a loss to the public exchequer.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 29-02-2023.

Audit recommends conducting an inquiry into non-execution of work as per the prescribed scope besides, recovery of the excess amount paid.

#### **4.3.7 Purchase of bitumen other than National Refinery and sub-standard construction of roads – Rs.27.089 million**

According to Planning & Development Department notification number 421/P&D/T&C/85 dated 20-2-1997, “The contractor would only use bitumen from the National Refinery Ltd. and that the invoice from National Refinery Ltd. would be provided to the Department in support of procurement of bitumen.”

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that an amount of Rs. 27.083 million was paid on account of items wherein bitumen was utilized, but no documentary evidence was produced to certify that the procurement of bitumen was made from the National Refinery in the case of Work Order at Sr.#01. Further, in the case of Work Order at Sr.#02, the items wherein bitumen was required to be mixed were not executed at all. The details are tabulated as below:

(Rupees in million)

Sr.#	W/O #	Date	Name of Work	Name of Contractor	Sanctioned Cost	Items of work involving Bitumen	Actual Expenditure
1	149	23/6/2014	Construction & Carpeting of 100' wide road Afghan Basti along Sectors C-7,8 & 6 from CH 4+000 to 8+041.54, Taiser Town Scheme-45, MDA (Contract # 863)	M/s. Samad Khan Baber	46.421	Prime coat (Item #8)	3.271
						Asphalt wearing coarse 5cm (Item #9)	23.818
2	62	17/7/2009	Construction of surface treated Internal Road Sector-22. Sub-Sector-III, Taiser Town Scheme-45, MDA (Contract # 587)	M/s. Muhammad Shah Khan Mandokhail	16.288	Providing 1st and 2nd coat (Item #6 & 7)	NIL
<b>Total</b>					<b>62.709</b>		<b>27.083</b>

Audit is of the view that procurement of bitumen other than National Refinery, Karachi and non-execution of items of works wherein bitumen was essentially required reflects inefficient operational oversight on the part of the management, due to which chances of sub-standard execution of works cannot be ruled out.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 29-02-2023.

Audit recommends providing justification for the matter.

**(OM # 29)**

#### **4.3.8 Excess execution of extra item of works – Rs.5.266 million**

As per para-529 of PWD Manual, “No additions or alterations likely to cause excess will not fall within the powers of sanctioning authority who approved original estimates as such addition etc. will be permitted by a higher authority.”

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that the work ‘P/L Main Sewerage line along 100’ Wide Road (D-18) in Taiser Town Scheme-45 (Cont. # 543)’ amounting to Rs.15.578 million was awarded to M/s. M.S Khan & Brothers vide work order # EE/TT/Div-II/MDA/2008/414 dated 01-01-2009, wherein the contractor was paid an amount of Rs.5.266 million on account of the execution of extra items of works which were not included in the approved estimate/schedule-B. The detail is as under:

<b>Item of work</b>	<b>Rate</b>	<b>Qty</b>	<b>Amount</b>
Prov. RCC circular manholes Type C 5.6’ Dia.	41,361.56 each	07 Nos.	289,530
Add extra depth from 11 to 12.5 feet	227.65 P Inch	60.60	13,795
Prov. RCC circular manholes Type D 5.6’ Dia.	61,379 each	18 Nos.	1,104,825
Add extra depth from 14 to 15.5 feet	260.54 P Inch	141.84	36,954
Prov. RCC circular manholes Type E 5.6’ Dia.	71,232.52 each	10 Nos	712,325
Add extra depth from 17 to 18.5 feet	263.03 P. Inch	142.38	37,450
Excavation for pipelines in trenches and pits in hard rock	18 Cft	147159.39	2,648,869
Fill material against Rock Cut	4.5 Cft	93804.573	422,120
<b>TOTAL</b>			<b>5,265,868</b>

Audit is of the view that execution of the items contrary to the approved estimates and without revision of the same resulted in a loss to the public exchequer.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 29-02-2023.

Audit recommends justification in the matter besides, fixing responsibility on the person(s) at fault.

## **4.4 Procurement & Contract Management**

### **4.4.1 Award of a contract without inviting Open Tender – Rs.280.686 million**

As per rule 17 (A) of SPPRA, “All procurement opportunities over one million rupees shall be advertised on the Authority’s website as well as in the newspapers as prescribed. (B) The advertisement in the newspapers shall appear in at least three widely circulated leading dailies of English, Urdu and Sindhi languages.”

During the Special Audit of Land Management of MDA for the period 2016-17 to 2020-2021, it was observed that Consultancy Service amounting to Rs.280.686 million for planning, designing and construction supervision for 11 Dehs was awarded to M/s. LOGIX vide work order # PD/P&D/MDA/2014/09 dated 3/09/2014 without inviting open tender.

Audit is of the view that the management should have floated a tender to attain the most competitive rates, but non-floating of the same caused loss to the public exchequer.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 29-02-2023.

Audit recommends conducting an inquiry into the matter and fixing responsibility thereafter.

#### **4.4.2 Award of Contract by an irregular Procurement Committee – Rs.59.677 million**

According to rule-7 of SPPRA-2010, “The procuring agency shall, with approval of its Head of the Department, constitute as many procuring committees, as it deems fit, each comprising an odd number of persons and headed by a gazetted officer, not below the rank of BS-18, or if not available, the officer of the highest grade, and shall ensure that at least one-third of the members of a procurement committee are from the agencies or departments other than the procuring agency.”

During the Special Audit of Land Management of MDA for the period 2016-17 to 2020-2021, it was observed that the management hired the services of M/s. Logix as Project Management Consultants and Advisor vide letter # PD/MDA/2019/01/1 dated 12/7/2019 against Rs.59.677 million for restoration of MDA economy shops, flats and bungalows at Shah Latif Town, wherein the following irregularities were observed with regards to the constitution of the procurement committee:

- The committee was constituted without the approval of the competent authority i.e., Secretary, Local Government.
- All members of the committee were MDA employees and not a single member was engaged outside the department as required in the above rule.
- Minutes of the meeting of the procurement committee were not provided to Audit.

Audit is of the view that to ensure transparency, the management should have constituted the committee with 1/3 of the members from outside the department. The irregular composition casts doubt on the award of the contract.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 29-02-2023.

Audit recommends providing justification besides conducting an inquiry into the matter.

#### **4.4.3 Irregular publication of advertisement – Rs.5.965 million**

As per Para 06 of Advertisement Policy 2015, Government of Sindh, “All the advertisement of Sindh Government Department, Local Bodies /Councils and Organization under the control of Sindh Government i.e. Metropolitan Corporations, District Council, Municipal Councils, Municipal Committees, Town Committees, Union Councils, Autonomous Bodies, Semi-Autonomous Bodies, Development Authorities, Karachi Water & Sewerage Board, Karachi Building Control Authority, Sindh Building Control Authority, Malir Development Authority, Lyari Development Authority Public sector Universities, Hospitals and other Departments/Organizations devolved by Federal Government etc. shall be routed to the daily newspapers/periodicals & electronic media through Sindh Information Department which is custodian of Sindh Government’s Public Relations and Publicity.”

During the Special Audit of Land Management of MDA for the period 2016-17 to 2020-2021, it was observed that an amount of Rs.5.965 million was paid to M/s. Maxim Advertising Co. on account of publication of an advertisement.

Audit is of the view that the advertisement was required to be carried out through the Press Information Department, Government of Sindh, but in the instant case, an undue financial benefit was extended to the consultant, thus causing a loss to the public exchequer.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 29-02-2023.

Audit recommends providing justification besides, fixing responsibility on the person(s) at fault.

#### **4.4.4 Irregular re-award of consultancy work – Rs.83.145 million**

As per SPPRA Rule No. 16(e) “Repeat Orders - means procurement of additional quantities of the item(s) from the original contractor or supplier, where after the items originally envisaged for the project or scheme have been procured through open competitive bidding, and such additional quantities of the same item(s) of goods or works are needed to meet the requirements of the project or scheme; Provided that:

1. (i) the cost of additional quantities of item(s) shall not exceed 15% of the original contract amount;
2. (ii) the original supplier and contractor are willing to supply goods or carry out additional work at the same prices as agreed in the original contract; and
3. (iii) in case of goods, it shall be permissible only within the same Financial Year, and in case of works, during the currency of the project(s) or scheme(s).”

According to Para 4.12 of Manual for Development Projects, “The physical and financial scope of a project, as determined and defined in the project document (PC-I), is appraised and scrutinized by the concerned agencies before submitting it for approval. Once approved by the competent authority the executing agency is supposed to implement the project in accordance with the PC-I provision.”

During the Special Audit of Land Management of MDA for the period 2016-17 to 2020-2021, it was observed that the management made a fresh contract with M/s. ECIL (Pvt) Ltd on 21.10.2020 for Consultancy Services, Construction Supervision & Project Management of Development works of Taiser Town. The work had already been awarded to the same consultant vide work order # EE/T.T/Sch. 45/MDP/2003/40 dated 09-08-2003 for Phase-I and work order # EE/T.T/Div. I/MDP/CDGK/284 dated 17-11-2005 for Phase-II, who failed to execute the consultancy work despite a lapse of 10-15 years. Furthermore, a fresh contract was awarded through “Variation Order No. 04”, wherein the following irregularities were observed:

1. Fresh tenders were not invited for re-award of the consultancy services.
2. The consultant failed to execute the work in Taiser Town Phase - I & II as per the original work orders.
3. The work was awarded against a 50% increased cost of consultancy services compared to the previous work order.
4. The cost of preparation of plot-level site plans was increased by 200%.

Audit is of the view that the management should have floated a fresh tender against the revised scope and cost of the work, but the consultant was allowed to work on higher rates and increased cost after a lapse of 10-15 years, thus causing a loss to the public exchequer.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 29-02-2023.

Audit recommends providing justification besides, fixing responsibility on the person(s) at fault.

#### **4.4.5 Non-preparation of feasibility study (PC-II)**

According to the Circular of P&D GoS vide No.2/1892-AC(Coord.)/P&D/2016 dated September 27, 2016, “All development projects should be based on feasibility studies. In the case of projects of infrastructure and production sectors costing Rs. 500 million and above, the feasibility study would be mandatory. The project-oriented TORs should be prepared and experienced and professional consultants should be engaged in preparing feasibility studies. In the case of projects costing less than Rs. 500 million, it should be based on an in-house feasibility study.”

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed that the management launched Taiser Town Scheme, Karachi with an estimated project cost of Rs.43,766.864 million without conducting a feasibility study.

Audit is of the view that a feasibility study is the backbone of successful schemes/projects. Due to the non-preparation of the feasibility study, the project faced further cost and time over-run, thus reflecting inefficient project management.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 29-02-2023.

Audit recommends providing justification for the matter besides, fixing responsibility on the person(s) at fault.



## **4.5 Monitoring & Evaluation**

### **4.5.1 Non-removal of encroachment from MDA Land – 4,345.17 acres**

As per section 28, MDA Act 1993, “If the Authority is of the opinion that for the purpose of execution of a scheme, it is necessary to remove any encroachment made on any land or building, it shall proceed to have such encroachment removed in accordance with the law for the time being in force for the removal of encroachments as if the land or building from which the encroachment is to be removed belongs to the Authority.”

During the Special Audit of Land Management of MDA for the Financial Years 2016-17 to 2020-21, it was observed from the statement provided by the management that different sectors of Taiser Town Scheme measuring 4345.17 acres had been encroached by the land grabbers. The details are given in **Annexure-H (I) & (II)**.

Audit is of the view that the management remained ineffective in removing the encroachments from the specified land, resulting in affecting the development of the residential sectors.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 29-02-2023.

Audit recommends making serious efforts to vacate the encroached land and handing over the same to the allottees accordingly.

## **4.6 Environment**

### **4.6.1 Execution of project without an environmental impact assessment and control measures**

As per Clause-33 of PC-I, “The management of Taiser Town Housing Scheme will implement the following environmental control measures:

- a) Flood Control: To construct a check dam in the upper reaches of Lyari River, a feasibility study has to be conducted.
- b) Air Pollution Control Measures: Proposed plantation will take care of air pollution. Proper enforcement of Environmental Laws and emission standards will mitigate the effect of this hazard.
- c) Treatment of Sewage: The cost of the sewerage network and oxidation ponds has been included in the development cost of PC-I.”

As per Sub Section (1) of Section 12 of the Pakistan Environmental Protection Act (PEPA) 1997, “No proponent of a project shall commence construction or operation unless he has filed with the Government Agency designated by Federal Environmental Protection Agency or Provincial Environmental Protection Agencies, as the case may be or, where the project is likely to cause adverse environmental effects an environmental impact assessment has been obtained from the Government Agency in respect thereof.”

During the Special Audit of Land Management of MDA for the period 2016-17 to 2020-2021, it was observed that the management started various schemes namely Taiser Town, New Malir Housing and Shah Latif Town without assessment of their environmental impact. Further, the management also failed to implement environmental control measures for flood control, air pollution and sewage treatment as per the provision in PC-I.

Audit is of the view that failure to consult a designated agency and non-implementation of the environmental control measures provided in PC-I reflects negligence on the part of the management, resultantly the peripheral areas were exposed to environmental hazards.

The matter was reported to the management in July, 2022 but no reply was received. DAC was not convened by PAO despite reminders dated 15-8-2022, 8-11-2022 and 29-02-2023.

Audit recommends providing justification for non-conducting the environmental impact assessment and non-implementation of environmental control measures prior to the execution of the schemes.

## 4.7 Overall Assessment

Malir Development Authority was established to prepare or cause to be prepared and execute low-cost housing schemes for the development of certain areas of the Karachi Division and improvement of the socio-economic conditions of the people. The Special Audit was carried out with the objective of evaluating whether the core goals associated with the establishment of MDA were achieved or otherwise. Subsequent to the audit exercise, it has been assessed that the schemes initiated 20-25 years earlier remain incomplete. Huge public money was received against various housing schemes, but the same was not efficiently utilized for the benefit of the subscribers. Further, owing to the non-availability of basic amenities, rehabilitation of the planned housing societies remains unachieved. Audit observed serious drawbacks in terms of service delivery, financial management and contract procedures. The integral objectives were severely marred by unplanned and haphazard land management due to which the management had to face considerable litigation.

**Relevance:** The project is relevant to the endeavors of the Government wherein hefty amount of public money is involved, with the objective of providing low-cost housing schemes and improving the socio-economic conditions of the masses. The timely completion of the housing schemes will improve the prospects of livelihood and usher in socio-economic development.

**Economy:** The principle of economy was not diligently observed in the award of work, resulting in undue and excess payments to consultants/contractors.

**Efficiency:** A time overrun of about 10-15 years was observed in the completion of development works, consequently the core objectives for establishing MDA remained unachieved.

**Effectiveness:** The benefits of the project are yet to be achieved due to improper management and ill-planning. Owing to operational and administrative shortcomings, the complete rehabilitation of the subscribers in the housing schemes still remains deficient.

**Compliance with rules:** Unauthorized and uneconomical award of works, non-development of the schemes as per PC-I, excess payments against the work done, non-recovery of outstanding dues from subscribers and non-deduction of taxes at prescribed rates reflect contravention of the relevant rules.

**Performance Rating of Project:** Unsatisfactory

**Risk Rating of Project:** High

## 5. CONCLUSION

The integral factor behind the establishment of MDA was to provide affordable housing facilities through land development, construction and property management. In pursuance of its core objectives, MDA initiated various schemes for the rehabilitation of the masses. Consequent to the findings of the audit exercise, it is concluded that various schemes have been executed without observing economy, efficiency and effectiveness. The schemes that were started between 1997 and 2005 have not been completed as per the timeline prescribed in PC-I. Despite a lapse of an elongated period, the schemes are still devoid of all basic facilities including gas, electricity, water, schools, hospitals, parks and mosques. Consultants were hired at the rate of 4% service charges, however, the progress hitherto reflects insignificant contribution on their part. Moreover, the management failed to recover Outer Development Charges worth millions against the MDA land allotted to the builders. The major shortcomings observed during the audit are highlighted below:

1. Non-completion of the schemes.
2. Non-achievement of the targets: socio-economic development through schemes i.e., Taiser Town, Shah Latif Town and New Malir Housing Society.
3. Absence of basic amenities.
4. The management did not produce a considerable and significant volume of record for the audit, owing to which authenticity of the revenue realized and expenditure made could not be ascertained.
5. The management made transactions within various accounts without recording the reasons thereof.
6. The payments to the consultants were contrary to the principles of financial propriety.
7. Non-deduction of government taxes.
8. Irregular auction of residential and commercial plots.
9. Non-recovery of outstanding dues from subscribers.
10. Extending an undue favor in terms of financial benefit to the contractors and consultants.
11. Adoption of unauthorized procedure for balloting of plots.
12. Non-preparation of a feasibility study for the schemes.
13. Non-vacating of encroachments.
14. Non-assessment of the Environmental Impact.

## **ACKNOWLEDGEMENT**

We wish to express our appreciation to the management of MDA for the assistance and cooperation extended to the auditors during this assignment.

# **ANNEXURES**

#### 4.1.7 Non-production of record

#### Annexure-A

Sr.#	Details of Record
01.	Record of Land owned by MDA from Board of Revenue with payment & outstanding details.
02.	Record of consolidation of lands maintained by Town Planning Department, MDA & land allotted through consolidation to Bahria Town, Karachi.
03.	Record of outer development charges including statements of recovery & Outstanding and work done against ODC received from sponsor/owner of the land.
04.	Details of cancellation of lay out plans of non-responsive owners of land/developer of projects/builders.
05.	Total Number of Mutations, Transfers & CTC Cases Submitted and Finalized during last five years.
06.	Record pertaining to division of land into blocks and blocks into plots & layout of sectors & procedure adopted in planning of schemes.
07.	<p>Supporting record prepared by consultant “M/s. Logix, Project Management Consultants” for the work of restoration of MDA economy Shops, Flats and Bungalows at Shah Latif Town, Schement-25/A against which payment of Rs.139.126 million was paid to consultant i.e.</p> <p>(a) Assessment of existing structure &amp; recommendation of repair/replacement.</p> <p>(b) Estimation of balance work of individual housing units and infrastructure of respective sectors.</p> <p>(c) Assessment/Revision of cost of the developed plots/land.</p>
08.	Detail of Bank Accounts (all accounts with opening & closing balances (collection & disbursement).
09.	Progress report of development works of all schemes.
10.	Master plan for development, improvement, expansion and beautification of areas of Shah Latif Town, Taiser Town & New Malir Housing Society.
11.	Schedule of Encroachment drives made during period under audit.



#### 4.2.1 Doubtful transfer of funds - Rs327.500 million

#### Annexure-B

(Rs. in million)

Sr. No.	Cheque #	Date	Particular	Transfer to A/C #	Amount
01.	7155933	28/2/17	Salary of MDA employees	7112703	0.500
02.	7155943	19/4/17	Not recorded	1004216865 Al-Falah	1.000
03.	7155948	12/5/17	Salary of MDA employees	1004216865 Al-Falah	20.00
04.	7155982	10/8/17	Not recorded	A/c 912 Al-Flah	1.200
05.	7155996	11/1/18	Not recorded	2000384359	1.200
06.	7155999	15/1/18	Not recorded	A/c # 912	4.000
07.	00000004	13/4/18	Not recorded	A/c # 711-27	5.400
08.	00000009	25/4/18	Not recorded	Not recorded	3.100
09.	00000014	30/4/18	Not recorded	A/c # 279	3.500
10.	00000022	26/6/18	Not recorded	Not recorded	3.100
11.	00000025	27/6/18	Not recorded	Not recorded	0.300
12.	00000026	07/8/18	Not recorded	Not recorded	3.200
13.	00000028	13/8/18	Not recorded	10004244279	2.300
14.	00000036	09/10/18	Not recorded	Not recorded	1.000
15.	00000037	15/10/18	Not recorded	Silk Bank	3.500
16.	00000038	22/10/18	Not recorded	Not recorded	1.000
17.	00000041	29/10/18	Not recorded	Bank Al-Flah	1.000
18.	00000047	12/11/18	Not recorded	Not recorded	1.000
19.	00000048	14/11/18	Not recorded	Not recorded	3.000
20.	00000059	10/12/18	Not recorded	Not recorded	3.100
21.	00000060	10/12/18	Not recorded	Not recorded	1.000
22.	00000065	18/12/18	Not recorded	Not recorded	1.000
23.	00000081	11/01/19	Not recorded	Not recorded	3.100
24.	00000084	16/01/19	Not recorded	Not recorded	1.600
25.	00000087	23/01/19	Not recorded	Not recorded	1.600
26.	00000093	11/2/19	Not recorded	Not recorded	3.200
27.	00000096	13/2/19	Not recorded	Not recorded	1.000
28.	00000102	21/2/19	Not recorded	Not recorded	2.400
29.	00000104	26/2/19	Not recorded	Not recorded	1.000
30.	00000106	4/3/19	Not recorded	Not recorded	3.500
31.	00000111	8/3/19	Not recorded	Not recorded	1.600
32.	00000112	11/3/19	Not recorded	Not recorded	1.000
33.	00000113	11/3/19	Not recorded	Not recorded	1.300
34.	00000123	14/3/19	Not recorded	Not recorded	3.000
35.	00000125	20/3/19	Not recorded	384359 Silk Bank	20.00
36.	00000126	20/3/19	Not recorded	Not recorded	17.50

37.	00000137	25/3/19	Not recorded	Bank Al-Flah	20.00
38.	00000141	10/4/19	Not recorded	Silk Bank	20.00
39.	00000142	10/4/19	Not recorded	Not recorded	11.00
40.	00000164	17/4/19	Not recorded	Silk Bank	10.00
41.	00000172	30/4/19	Not recorded	Bank Al-Flah	10.00
42.	00000173	6/5/19	Not recorded	Not recorded	15.00
43.	00000174	9/5/19	Not recorded	Bank Al-Flah	33.70
44.	00000175	9/5/19	Not recorded	Bank Al-Flah	5.500
45.	00000176	16/5/19	Not recorded	Bank Al-Flah	10.00
46.	00000177	23/5/19	Not recorded	Bank Al-Flah	5.000
47.	00000178	27/5/19	Not recorded	Bank Al-Flah	4.000
48.	00000179	29/5/19	Not recorded	Bank Al-Flah	12.50
49.	00000180	29/5/19	Not recorded	Bank Al-Flah	3.100
50.	00000187	12/6/19	Not recorded	Bank Al-Flah	2.500
51.	00000188	17/6/19	Not recorded	Bank Al-Flah	1.000
52.	00000189	17/6/19	Not recorded	Not recorded	1.000
53.	00000190	24/6/19	Not recorded	Not recorded	1.000
54.	00000192	25/6/19	Not recorded	Not recorded	2.500
55.	00000193	27/6/19	Not recorded	Not recorded	3.200
56.	00000194	02/7/19	Not recorded	Not recorded	3.100
57.	00000195	4/7/19	Not recorded	Not recorded	2.500
58.	00000200	11/7/19	Not recorded	Not recorded	2.000
59.	00000201	22/7/19	Not recorded	Not recorded	1.000
60.	00000203	23/7/19	Not recorded	Not recorded	3.100
61.	00000204	24/7/19	Not recorded	Not recorded	0.100
62.	00000205	25/7/19	Not recorded	Not recorded	1.000
63.	00000210	1/8/19	Not recorded	Not recorded	2.200
64.	00000213	22/8/19	Not recorded	Not recorded	2.000
65.	00000216	11/9/19	Not recorded	Not recorded	1.800
66.	00000217	23/9/19	Not recorded	Not recorded	1.500
67.	00000279	28/4/20	Not recorded	Not recorded	5.000
68.	00000283	7/5/20	Not recorded	Not recorded	5.000
				<b>Total</b>	<b>327.5</b>

#### 4.2.6 Unjustified payment on account of maintenance of record – Rs33.743 million

(Rs. in million)			
Sr.#	R.A Bill	Details of expenditure	Total
01.	1st	May, June & July, 2010	0.746
02.	2nd	August, 2010	0.500
03.	3rd	October & November, 2010	0.503
04.	4th	December, 2010	0.252
05.	5th	January, 2011	0.254
06.	6th	February, 2011	0.259
07.	7th	March, 2011	0.266
08.	8th	April & May, 2011	0.537
09.	9th	June, 2011	0.270
10.	10th	July & August, 2011	0.549
11.	11th	Sept to Dec, 2011	1.101
12.	12th	Jan to March, 2012	0.827
13.	13th	April, 12	0.276
14.	14th	May to Dec, 2012	0.832
15.	15th	Jan to March, 2013	2.230
16.	16th	April to June, 2013	0.840
17.	17th	July, 13	0.283
18.	18th	August, 13	0.289
19.	19th	Sept to Oct, 2013	0.583
20.	20th	Nov, Dec 2013 & Jan 2014	0.879
21.	21st	Feb & March, 2014	0.588
22.	22nd	April & May, 2014	0.879
23.	23rd	June to Aug, 2014	0.597
24.	24th	July & August, 2014	0.604
25.	25th	Nov to Feb, 2015	1.210
26.	26th	March to July, 2015	1.520
27.	27th	Aug 2015 to March, 2017	6.175
28.	28th	April 2017 to August, 2019	9.894
<b>Total</b>			<b>33.743</b>

#### 4.2.7 Non-deduction of Income Tax – Rs1.557 million

Annexure-D

Bill #	Amount of bill	Percentage deducted	Amount of deduction	Amount required to be deducted	Difference
2 <sup>nd</sup> RA	2,080,000	--	NIL	156,000	156,000
3 <sup>rd</sup> RA	3,744,000	3%	112,320	280,800	168,480
4 <sup>th</sup> RA	6,727,950	3%	201,839	504,596	302,757
5 <sup>th</sup> RA	2,407,725	3%	72,232	180,579	108,347
6 <sup>th</sup> RA	11,232,000	3%	336,960	842,400	505,440
7 <sup>th</sup> RA	1,872,000	3%	56,160	140,400	84,240
8 <sup>th</sup> RA	3,744,000	3%	112,320	280,800	168,480
Refund of S.D	1,233,620	3%	37,009	92,522	55,513
Refund of S.D	2,055,075	3%	61,652	154,131	92,479
<b>TOTAL</b>					<b>1,557,820</b>

#### 4.2.7 Non-deduction of Income Tax – Rs0.579 million

Annexure-E

Bill #	Amount of bill	Percentage deducted	Amount of deduction	Amount required to be deducted	Difference
1 <sup>st</sup> RA	28,995,840	7%	2,029,709	2,174,688	144,979
2 <sup>nd</sup> RA	8,505,000	3%	255,150	637,875	382,725
12 <sup>th</sup> RA	1,150,218	3%	34,507	86,266	51,759
<b>TOTAL</b>					<b>579,463</b>

Annexure-F

#### 4.2.9 Non-recovery of surcharge @13% from the defaulters of commercial plots-Rs827.262 million

Name of Scheme	Auction Date	Auctioned Plots	Total bid amount	Recovered Amount	Outstanding Dues	Surcharge Paid	Balance Surcharge
Shah Latif Town Scheme - 25 A	19th Jan 2016	29	161.379	250.887	62.721	2.637	9.392
	18th Jan 2016	30	152.230			2.425	21.736
	23th May 2017	15	102.209	72.856	29.353	576.253	15.693
Taiser Town Scheme - 45	29th Nov 2017	49	179.090	55.560	123.529	Nil	526.989
Shah Latif Town scheme - 25 A	14th Feb 2019	13	219.515	142.028	77.486	Nil	253.449
<b>Total</b>		<b>136</b>	<b>814.424</b>	<b>521.333</b>	<b>293.091</b>	<b>5.639</b>	<b>827.261</b>

#### 4.2.11 Non-imposition of penalty - Rs16.902 million

#### Annexure-G

Consultant Letter # & Date	W.O # & Date	Name of work	Name of Contractor	Actual Date of Start	Stipulated date of completion	Actual date of completion	Sanction/ Revised cost	Penalty
CRE/ECIL/MDA/TS/16/24	EE/TT/Div-II/MDA/2008/414	P/L Main Sewer line along 100' Wide road (D-18) in T. Town Sch-45 (Cont. # 543)	M/s. M.S. Khan	01/01/2009	01/07/2010	28/03/2016	15.578	1.557
28/03/2016	01/01/2009							
CRE/ECIL/MDA/TS/16/24	EE/TT/Div-I/MDA/2008/97	P/L Main Sewer line on road (C-15) in T. Town Sch-45 (Cont. # 840)	M/s. M.S. Khan	22/12/2010	21/09/2011	09/02/2016	41.395	4.139
09/02/2016	22/12/2010							
CRE/ECIL/MDA/TS/16/16	EE/TT/Div-I/MDA/2014/149	Const. & Carpeting of 100' wide road Afghan Basti along sector C-7,8 & 6 from CH 4+000 to 8+041.354 in T. Town Sch-45 (Cont. # 863)	M/s. Samad Khan Babar	23/06/2014	06/10/2015	06/10/2015	46.42	4.642
23/05/2016	23/06/2014							
-	-	Constt: of 140' wide road right (southern)s ide of KNBP from CH:0.00 to 3200 (Contract No.867) In Taisar Town Scheme-45, MDA	M/s J. K & Co.	04.08.2014	03.05.2015	02.01.2020	65.640	<b>6.564</b>
<b>TOTAL</b>							<b>169.033</b>	<b>16.90</b>

**Annexure-H (I)**

**4.5.1 Non-removal of encroachment from MDA Land – 4,345.17acres**

<b>Sr.#</b>	<b>Detail of Sectors in Taisar Town Scheme-45</b>	<b>Encroached area in Acres</b>
01.	40, 41, 41-A	413.77
02.	48	89.41
03.	31, 31-A, 31-B	278.82
04.	55	40
05.	38, 38-A	374
06.	34, 34-A	233.86
07.	39	42.22
08.	30, 30-A, 30-B	241.6
09.	56, 56-A, 56-B	138
10.	45-A	86
11.	42-A, 49-A	44
12.	47	111.87
13.	42, 43, 44, 45, 46&49	857.83
14.	KNBP	30
15.	37, 37-A	197
16.	35, 35-A, 35-B, & 35-C	100
17.	33-A, 33-B & 33-C	85.79
18.	52	62.23
19.	49-A & 49-B	127
20.	12	30
21.	25 & 25-A	121.27
22.	23	60
23.	10	45
24.	85	50
25.	91	25
26.	87	80
27.	7-B	104.7
28.	7-C	52
29.	5-A & 8-A	30.21
30.	9, 9-A, 9-B & 9-C	143.59
31.	11	50
<b>Total acres encroached</b>		<b>4345.17</b>

**Annexure-H (II)**

<b>Sr.#</b>	<b>Sector</b>	<b>Category</b>	<b>Nature of encroachment</b>	<b>Status</b>
01.	16-A	ST-13(Amenity)	RCC & Tile Beam Houses	Whole Encroached
02.	18	Whole sector	RCC & Tile Beam Houses and Shops	Encroachment (Yousuf Goth)
03.	19-A	Whole sector	Boundary Wall	Whole Encroached
04.	20-C	ST-17(Park)	House	Whole Encroached
05.	24	Whole sector	RCC & Tile Beam Houses	Encroachment (Abdullah Goth)
06.	26	Whole sector	RCC & Tile Beam Houses	Encroachment (Goth)
07.	27	Whole sector	RCC & Tile Beam Houses	Encroachment (Model Goth)
08.	28	Whole sector	Police Training Centre	Encroachment (Training Centre)
09.	30-A	Whole sector	Shops, Hotels, Service Pumps/Houses	Encroachment (Dur Muhammad Goth)
10.	31-A	Whole sector	Hut & Houses	Encroachment (Sakina Shar Goth)
11.	31-B	Partially	RCC & Tile Beam Houses	Partially Encroachment
12.	31-C	Whole sector	Cultivation	Encroachment by Cultivation