



**SPECIAL AUDIT REPORT
ON
THE ACCOUNTS OF
PROJECT DIRECTOR, THAR COAL
WATER CARRIER WORKS FROM
NABISAR TO THAR COAL FIELD
BLOCK-II
(FINANCIAL YEARS 2018-19 TO 2020-21)**

AUDITOR-GENERAL OF PAKISTAN

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PREFACE

The Auditor-General conducts audit in accordance with Articles 169 & 170 (2) of the Constitution of the Islamic Republic of Pakistan 1973, read with Sections 8 & 12 of the Auditor General's (Functions, Powers & Terms & Conditions of Service) Ordinance 2001. The Special Audit of Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II was carried out accordingly.

The Directorate General Audit Works (Provincial), Sindh conducted Special Audit of 'Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II' during May 2022 for the period 2018-19 to 2020-21 with a view to reporting significant findings to stakeholders. Audit examined the economy, efficiency & effectiveness of the Project. Further to that Audit made assessment on a test-check basis, whether the management complied with applicable laws, rules, regulations & procedures. Audit report indicates specific actions which may help the management to strengthen the internal controls for achieving the intended objectives. The observations included in this report have been finalized after discussion of Audit paras with the management. However, no meeting of Departmental Accounts Committee was 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 Sindh
BoQ	Bill of Quantities
CSR	Composite Schedule of Rates
CV	Cash Voucher
DGAWPS	Director General Audit Works (Provincial) Sindh
GFR	General Financial Rules
ECNEC	Executive Committee of the National Economic Council
FD	Finance Department
GoS	Government of Sindh
HDPE	High Density Polyethylene .
INTOSAI	International Organization of Supreme Audit Institutions
IPC	Interim Payment Certificate
JV	Joint Venture
LC	Letter of Credit
PC-I	Planning Commission Performa- I
PDWP	Provincial Development Working Party
PN	Pressure Nominal
MoU	Memorandum of Understanding
SPPRA	Sindh Public Procurement Regulatory Authority
SST	Sindh Sales Tax
POL	Petroleum Oil Lubricant

EXECUTIVE SUMMARY

The Director General Audit Works (Provincial) Sindh Karachi conducted Special Audit of Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II during May 2022 in compliance with approved audit plan for the year 2021-22. As the project involves huge public money, the risks relevant to financial management are of significant worth. Keeping in view the importance of the project to meet the water requirement of Coal Field Block-II with an estimated cost of 15,652.690 million, DGAWPS - Karachi had planned the Special Audit, covering three years i.e., 2018-19 to 2020-21, with the purpose to assess whether objectives as conceived in the project documents were achieved. The main objectives of the audit involved, assessing whether the resources were being managed with due regard to economy & efficiency, reviewing compliance with applicable rules, regulations and procedures and utilization of development funds with respect to proper need assessment. The audit was conducted in accordance with the INTOSAI Auditing Standards.

Key findings

The main findings of the Special Audit are specified below:

1. Delay in completion of the scheme resulted in cost and time over-run.
2. Non-appointment of full-time Project Director.
3. Loss to the government due to wrong calculations.
4. Variation in accounting figures.
5. Non-recovery of mobilization advance along with interest.
6. Irregular refund of security deposit.
7. Non-recovery of stamp duty from contractors.
8. Non-revising of performance security.
9. Improper maintenance of accounts.
10. Excess payment over and above the CSR-2012 against executed work.
11. Unjustified payment to the consultant.
12. Deviation from PC-I.

13. Irregular execution of work without re-tendering.
14. Unjustified purchase of spare parts.
15. Excess payment to contractors by allowing higher rates.
16. Execution of works contrary to the scope of the final PC-I.
17. Unauthorized award of contract after dissolution of JV.
18. Unjustified execution of an alternate scheme causing financial burden.
19. Non-invitation of international competitive bidding.

Recommendations

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

1. Ensure timely completion of development schemes.
2. Prompt recovery of excess payment, mobilization advance along with interest from contractors and stamp duty on variation orders.
3. Obtain post facto approval against misclassified expenditure, deviation in works items contrary to PC-I provisions and alternate scheme.
4. Ensure implementation of SPPRA and PC-I provisions.
5. In mega projects alike, the appointment of a regular Project Director must be ensured in the future.
6. Adherence to the Composite Schedule of Rates, 2012.
7. Maintenance of prescribed accounting record i.e., Schedule II & III of Form 78 and incorporation of proper entries of security deposit refunds.
8. Diligent implementation of contract clauses.
9. Incurrence of development expenditure from non-development expenditure and vice versa, may be avoided.
10. International competitive bidding should be conducted as per the prescribed rules.

1. INTRODUCTION

Thar coal deposits in Tharparkar, Sindh are estimated at 176 billion tons and are the largest reserves in the country. Thar coal reserves can be used to generate 100,000 megawatts (MW) of electricity for over 200 years. The coal deposits site is bifurcated into 13 blocks, out of which work on two blocks is under progress, while work on third block is near completion. Water Carrier from Nabisar Reservoir to Thar Coal Field-II is one of the biggest infrastructure schemes of Thar coal project executed by Irrigation Department through Project Director, Thar Coal Water Works at Hyderabad to meet the water requirement of Block-II for power generation. The Government of Sindh through Project Director Thar Coal Water Works at Hyderabad initiated the project to supply water from the available irrigation network to Nabisar Reservoir as a separate ADP Scheme. The scheme aims to provide 35 cusecs of water from Nabisar Reservoir to Thar Coal Block-II required for the generation of approximately 1000-1200 MW of electricity based on a roughly calculated demand of 3-4 cusecs of water for 100 MW power generation. Originally, the scheme was proposed by Sindh Coal Authority at an estimated cost of Rs. 4078.270 million in 2011-12 based on preliminary engineering design. Later, it was transferred to the Irrigation Department as management of water resources is the responsibility of the same. The scheme was revised in 2014-15 for Rs. 9950 million. In 2016 due to a detailed topographic survey that rendered changes in design parameters, the scheme was again revised to accommodate these changes with an estimated cost of Rs.15,652.698 million. Up to June 2021, a total expenditure of Rs. 14,889.745 million was made, which rendered the project almost complete i.e., 95%.

1.1 Budget and Expenditure

Year	Budget Release	Expenditure
2014-15	3,431.000	3,430.976
2015-16	3,150.000	3,149.867
2016-17	4,493.153	4,493.153
2017-18	1,569.500	1,104.915
2018-19	603.998	407.780
2019-20	1,341.321	1,341.320
2020-21	1,039.258	961.734
Total	15,628.230	14,889.745

2. AUDIT OBJECTIVES:

The main objectives of the Special Audit are as follows:

- i. To evaluate the economy and efficiency in execution and operation of the project.
- ii. To assess effectiveness of project in terms of envisaged benefits after its completion.
- iii. To evaluate reasons for cost and time overrun.
- iv. To evaluate whether the internal controls were intact and functioning effectively and to examine whether the contracts were awarded on merit in compliance with rules (SPPRA) and subsequently successfully executed.
- v. To examine whether payments to the consultants/contractors were made in accordance with prevalent rules and regulations.
- vi. To examine whether the works were executed within the scope of the project as per PC-1.

3. SCOPE & METHODOLOGY

Audit Scope:

Audit reviewed and examined the following record:

- PC-I and expenditure record.
- Financial management procedures.
- All other relevant record as required for completion of the audit assignment.

Audit Methodology:

- Understanding project management, planning and operations.
- Evaluation of relevant records.
- Reporting.

4. AUDIT FINDINGS & RECOMMENDATIONS

4.1 Organization & Management

4.1.1 Cost & Time overrun due to improper planning - Rs.11,574.420 million

As per the original PC-I, the project was required to be completed in 30 months from May 2014 to October 2016. The completion period was further extended up to the Financial Year 2017-18.

During the Special Audit of Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that the project was approved with the original cost of Rs.4,078.270 million without conducting detailed topographic survey and carrying-out preliminary engineering design as per record. Later the project cost was revised to Rs.9,950.149 million. The cost was further again revised to Rs.15,652.698 million due to abnormal delay, consequently reflecting an increase of Rs.11,574.420 million (283%) against the original cost. The detail is also tabulated as under:

PC-I Estimated Cost (2013-14)	Revised PC- I Estimated Cost	Re-revised/ Modified PC-I Estimated Cost	Increased from the Original Cost	Increase in percentage
4,078.270	9,950.149	15,652.698	11,574.420	283%

Audit is of the view that improper planning at the initial stage not only rendered the design faulty, but also contributed to an unreasonable delay in the completion of the project. This inefficiency on the part of the management resulted in cost and time overrun.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit solicits justification regarding the matter pointed out besides, fixing responsibility on the person(s) at fault.

(OM#07)

4.1.2 Non-appointment of regular Project Director

As per MoU dated 28-06-2013 signed between Sindh Coal Authority and Sindh Irrigation and Drainage Authority at para 3.5, it was decided that Project Manager will be appointed by SIDA in accordance with Planning Commission's direction, who will be responsible for the execution of the work on the project on behalf of SIDA through consultant.

Para (a) of the Office Memorandum issued vide No. FD (SR-III)5/29-2008(B) dated 16-02-2009 by Finance Department, Government of Sindh states that, "For projects costing above Rs.500.00 million (both new and on-going), the appointment of Project Director on a full-time basis is mandatory."

During the Special Audit of Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that the scheme amounting to Rs.15,657.697 million was executed in the absence of a regular Project Director and the work was executed under the supervision of an Executive Engineer in violation of the above mandatory requirement.

This lapse indicates a serious administrative inefficiency on the part of the authorities concerned, thus compromising the effective supervision of the project.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit solicits justification regarding the matter pointed out besides, fixing responsibility on the person(s) at fault.

(OM#06)

4.1.3 Non-production of record

Section 14 (2) and (3) of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001 provides that, "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. Any person or authority hindering the auditorial functions of the Auditor-General regarding inspection of accounts shall be subject to disciplinary action under the Efficiency and Discipline Rules."

During the Special Audit of Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, the following record was not produced:

- Original invoices of contractors regarding the purchase of HDPE Pipe and imported items along with LC and detailed specifications.
- List of fixed and current assets.
- Report of Defalcation or Losses required as per Sindh Financial Rules.
- Bank guarantee against the mobilization advance.
- Security deposit register.
- Bank guarantee received against performance security of original works.

Audit is of the view that the non-production of record resulted in the violation of the AGP Ordinance, due to which full disclosures with respect to the economy, efficiency and effectiveness of the project could not be made.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit recommends providing justification for the non-production of the relevant record and the same is required to be provided accordingly.

(OM#35)

4.2 Financial Management

4.2.1 Excess payment by overstating the amount of work done in bill – Rs.12.298 million

According to rule-23 of GFR vol-I, “Every Government officer should realize fully and clearly that he will be personally responsible for any loss sustained by Government through fraud or negligence on his part and that he will also be responsible for any loss arisen 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 the Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that an amount of Rs.12.298 million was paid in excess of the actual work done due to miscalculation. The details are given as under:

Rs.in million				
Name of Contractor	Name of Work	Amount paid as per bill	Amount of work done	Excess payment
M/s Thadani Enterprises CV#04 Dtd.15/6/2021	Construction of Pump Well & Pump House Supply & installation of Pumps and Motors (i/c Electrical Arrangement & Construction of Disposal Arrangements into Treated Reservoir, Instrument for Algae Control and Water Quality, Construction of Operator Quarter.	98.638	86.340	12.298

Audit is of the view that due to inefficient financial oversight; excess payment was made to the contractor.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

It is recommended that recovery of excess payment may be made from the contractor.

(OM#08)

4.2.2 Loss due to the inclusion of insurance payment in BOQ – Rs.4.00 million

According to clause 18.1 of special conditions of contract, “The contractor shall be obliged to place all insurances relating to the contract (including, but not limited to, the insurances referred to in Clauses 18.1,18.2,18.3,18.4) with Insurance Company having at least AA rating from PACRA/JCR in favour of the Employer//Procuring Agency valid for a period 28 days after beyond the Bid Validity date. Costs of such insurances shall be borne by the contractor.”

During the Special Audit of the Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that an amount of Rs.4.00 million was paid to M/s Haji Sirajuddin Soomro vide CV-15 dated 20-11-2021 on account of insurance of imported/local equipment during installation and maintenance period. The insurance component was irregularly made part of the BOQ. However, as per the special conditions of the contract, the cost of insurance was required to be borne by the contractor.

Audit is of the view that the payment of insurance amount to the contractor, subsequent to inclusion in BOQ, resulted in a loss to the public exchequer. This negligence on the part of the management reflects inefficient contract management.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit recommends conducting an inquiry into the matter and recovering the irregular payment against insurance from the contractor.

(OM#10)

4.2.3 Understatement of progressive expenditure in financial progress report – Rs.359.683 million

According to Para 20-A (ii) of C.P.W.A. code, “The Divisional Accounts Officer is the representative of the Audit Department, charged with the responsibility of applying certain preliminary checks to the initial accounts, vouchers etc.”

During the Special Audit of the Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that progressive expenditure amounting to Rs.359.683 million was understated in the financial progress report for the month of June-2021 as compared to final running account bill of the said packages. The details are tabulated under:

(Rs. in million)

Name of Work (Packages)	Progressive Expenditure as per		Variation
	Final R.A bill 05-05-2021	Financial Progress report 30-06-2021	
HDPE pipeline 0-10	2,254.191	2,004.184	250.007
HDPE pipeline 10-20	2,209.961	2,100.285	109.676
Total variation			359.683

Audit is of the view that due to the understatement of progressive expenditure; the financial status of the project could not be ascertained.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit recommends providing justification for the understatement of progressive expenditure of the packages as compared to the actual bills.

(OM#24)

4.2.4 Non-recovery of mobilization advance along with interest – Rs.200.203 million

As per Regulation 9.3/2b (IV) of SPPRA (Regulations of Works), “A contractor shall pay interest on the mobilization advance at the rate of 10% per annum on the advance as prescribed in Sindh Financial Rules. The rates may vary and are subject to change from time to time as per instructions issued by the Government.”

During the Special Audit of Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that an amount of Rs.1,513.784 million was paid to various contractors on account of mobilization advance before the year 2017. Audit noted that Rs.48.825 million against mobilization advance was still outstanding on the part of the contractors along with Rs.151.378 million (10% interest) on the actual amount (**Annexure-A**).

Audit is of the view that due to inefficient financial oversight; mobilization advance along with interest was not recovered.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit recommends recovery of the specified amount besides, taking remedial measures.

(OM#25)

4.2.5 Irregular refund of security deposit – Rs.181.900 million

According to rule-39 (3) of Sindh Public Procurement Rules 2010, “Validity of performance security shall extend at least ninety days beyond the date of completion of contract to cover defects liability period or maintenance period subject to final acceptance by the procuring agency.”

During the Special Audit of Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial years 2018-19 to 2020-21,

it was observed that 50% security deposit amounting to Rs.181.900 million was refunded to various contractors against the works which were still not completed as per the progress report (**Annexure-B**).

Audit is of the view that owing to ineffective financial management undue benefit was extended to the contractors by refunding the security deposit without completion of work. Consequently, the interests of the Government were not safeguarded in case of default by the contractors.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

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

(OM#32)

4.2.6 Non-recovery of Stamp Duty from contractors on revised bids cost – Rs.6.279 million

As per Para 22-A of Stamps Act Amended, “It is the duty of the competent authority to recover the stamp duty and affix stamp @ 0.35% of the value of the agreement or against tender cost before execution of the agreement.”

During the Special Audit of Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that the management failed to recover Stamp Duty amounting to Rs.6.279 million for the increased contract cost of Rs.1,794.268 million due to allowing Variation Orders against various works (**Annexure-C**).

Audit is of the view that non-recovery of Stamp Duty reflects inefficient financial management and undue favor was extended to contractors, thus causing loss to the public exchequer.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit recommends prompt recovery of Stamp Duty.

(OM#29)

4.2.7 Non-recovery of Sindh Sales Tax – Rs.21.433 million

According to Taxable Services as per Second Schedule to the Sindh Sales Tax on Services Act, 2011, Part A, Sindh Revenue Board, Government of Sindh, vide Tariff Heading - 9813.4990, “Services provided or rendered by banking companies, insurance companies, cooperative financing societies, modarabas, musharikas, leasing companies, foreign exchange dealers, non-banking financial institutions and other persons dealing in any such services - Other services not specified elsewhere, tax @ 13% is to be paid accordingly.”

During the Special Audit of the Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that consultancy charges amounting to Rs.186.302 million up to June 2020 were paid to M/s A.A. Associates, but Sales Tax @ 13% amounting to Rs.21.433 million $[(186.302/113) \times 13 = 21.433]$ was not deducted from the payment made to the consultant.

Audit is of the view that due to inefficient financial management; Sindh Sales Tax was not deducted which resulted in a loss to the public exchequer.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit recommends recovery of applicable tax at the earliest.

(OM# 15)

4.2.8 Non-obtaining of performance security on revised contract cost – Rs.100.542 million

As per Clause 9 of terms and conditions of bidding documents, “10% performance guarantee will be submitted by the qualified bidders before issuing work

order in the shape of pay order or bank guarantee and will be refunded after the expiry of the warranty period.”

During the Special Audit of Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that performance security amounting to Rs.100.542 million @ 5% of the revised contract cost of Rs.2010.85 million was not obtained from the contractors (**Annexure-D**).

Audit is of the view that non-obtaining of performance guarantee reflects ineffective internal controls and extending of undue favor to the contractors.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit solicits justification regarding the matter pointed out besides, fixing responsibility on the person(s) at fault.

(OM#28)

4.2.9 Improper maintenance of monthly accounts – Rs.200.340 million

According to Para 20-A (ii) of C.P.W.A. code, “The Divisional Accounts Officer is the representative of the Audit Department, charged with the responsibility of applying certain preliminary checks to the initial accounts, vouchers etc.”

During the Special Audit of Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that a 5% security deposit amounting to Rs.163.743 million deducted from bills of contractors was credited in Part-III of Form 78 instead of Part-II. Further, an amount of Rs.36.597 million was refunded against the security deposit to M/s Haji Sirajuddin Soomro vide CV-05 dated 11-01-2021, but no impact of the payment was reflected on the debit side of Form 78 for January 2021. (**Annexure-E**).

Audit is of the view that due to improper accounting treatment of security deposit, chances of misclassification of expenditure and excess refund of the security deposit to contractors cannot be ruled out.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit recommends proper maintenance of accounts and conducting reconciliation with the Accountant General.

(OM#14 & 36)

4.3 Construction & Works

4.3.1 Irregular classification of schedule items as non-schedule – Rs.1,190.149 million

As per para-5 of the PC-I “This PC-I was prepared and approved on the basis of rates approved by the Standing Rate Committee as per Composite Schedule of Rates-2012.”

According to Schedule of Rates (Introduction) 2012, at para 8(4), “The schedule of rate may be found inadequate to carry out certain items of works. In such cases, the only competent body to review the position is the Standing Rates Committee. All such cases should therefore be referred to the Secretary, Standing Rates Committee for the decision of the committee.”

During the Special Audit of the Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that the management approved extra items in the original BOQ (i.e., various size HDPE pipes) as non-schedule items. These items have already been duly classified in the Composite Schedule of Rates 2012, but the management instead of adopting the schedule rates converted those into non-schedule items bearing exorbitant value, without approval of the Standing Rates Committee, which resulted in an additional burden of Rs.1,190.149 million (**Annexure-F**).

Audit is of the view that excess payment over and above the scheduled rates and without seeking mandatory approval from the Standing Rates Committee is held irregular and reflects inefficient financial oversight.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit recommends providing justification for allowing higher rates, consequent to which the cost of the project was increased by Rs.1, 190.149 million.

(OM#12)

4.3.2 Payment to consultant over & above PC-I – Rs.71.302 million

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 provisions.”

During the Special Audit of the Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that the management paid an amount of Rs.186.302 million to the consultant against the allocated amount of Rs.115.00 million for the subject component in the revised and final PC-I. This resulted in a cost variation of Rs.71.302 million i.e., 61% against the amount earmarked. The details are given as follows:

(Rs. in million)

Name of consultant	Design and Consultancy charges as per PC-I	Revised Consultancy cost	Excess than PC-I	%
M/s. A.A. Associates	115.000	186.302	71.302	61.73

Audit is of the view that the payment beyond the provision in the PC-I reflects inefficient financial management.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit recommends providing justification for the excess payment that was contrary to the provision of PC-I.

(OM#15)

4.3.3 Execution of items in deviation of PC-I - Rs.4,168.736

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 Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that the management allowed execution of various items in deviation of the provisions in PC-I (**Annexure-G**). Consequent to the comparison of items in RA bills and the final PC-I, significant variations in scope at the execution stage without the concurrence of the ECNEC were noted. The summarized position is as follows:

(Rs. in million)		
S.No.	Variation	Amount
1	Excess execution of quantities of items	1,852.816
2	Non-execution of items	1,974.900
3	Less execution of items	341.020
Total		4,168.736

Audit is of the view that execution of items in deviation of modified and final PC-I reflects operational inefficiency on the part of the management.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit recommends providing justifying for the subject deviation from the scope without the mandatory approval of ECNEC.

(OM#11& 16)

4.3.4 Irregular execution of work without re-tendering - Rs.392.156 million

According to SPPRA Rules 16 (e) of 2010, “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 (i) the cost of additional quantities of items shall not exceed 15% of the original contract amount.”

During the Special Audit of Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that works were awarded at a cost of Rs.1,321.146 million (**Annexure-H**) and later on cost of these works was enhanced to Rs.1,713.302 million due to execution of additional quantities, with an average increase of 66% which was beyond the permissible contract limit of 15% of the original works.

Audit is of the view that execution of works beyond the permissible limit of 15% of the original contract amount required re-tendering to obtain the most competitive rates in conformity with SPPRA. This resulted in extending undue favor to the contractor, thus compromising the economic aspect.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit recommends providing justification for violation of the prescribed rules besides, fixing responsibility on the person(s) at fault.

(OM#17)

4.4 Procurement & Contract Management

4.4.1 Unjustified purchase of spare parts – Rs.4.400 million

Rule-13 of General Financial Rules, Volume-I, states that, “Every controlling officer must satisfy himself not only that adequate provisions exist within the departmental organization for systematic internal checks calculated to prevent and detect errors and irregularities in the financial proceedings of its subordinate officers and to guard against waste and loss of public money and stores but also that the prescribed checks are effectively applied.”

During the Special Audit of the Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that an expenditure of Rs.4.400 million was made vide CV-06 dated 17-06-2021 on supply of spare parts for five Generators (two 1400 KVA and three 700 KVA). As per BOQ and the Engineer’s Estimate, the supply of spare parts was required after hydraulic testing and operation of generators for at least 2000 hours. On the contrary, the management procured spare parts in advance prior to the regular operation of the generators.

Audit is of the view that the procurement of spare parts in advance is contrary to financial propriety and is held unjustified. This reflects procedural inefficiency on the part of the management.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit recommends providing justification for undue procurement of spare parts besides, fixing responsibility on the person(s) at fault.

(OM#09)

4.4.2 Excess payment to contractors by allowing higher rate - Rs.28.612 million

As per para-23 of General Financial Rules, Volume-I, “Every government officer should realize fully and clearly that he would be held personally responsible for any loss sustained by government through fraud or negligence on his part.”

During the Special Audit of the Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that excess payment amounting to Rs.28.612 million was made to the contractors by allowing higher rates than those quoted in the bids **(Annexure-I)**.

Audit is of the view that due to inefficient financial management, excess payment was made by allowing higher rates.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit recommends providing justification for the payment made at higher rates otherwise recovery be affected.

(OM#23)

4.4.3 Irregular expenditure on POL from development budget – Rs.4.578 million

According to letter No. FD(TR)9(25)/2(Hyderabad)/2018 dated 09th August 2021, Government of Sindh, Finance Department, “There is no provision to issue POL from Others - Civil Works (Capital Component) from development scheme.”

During the Special Audit of Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that payment of Rs.7.483 million was made to different vendors on account of POL for generators and vehicles from development budget instead of POL head of account. Further, invoices, logbooks and petrol consumption account were not maintained **(Annexure-J)**.

Audit is of the view that the expenditure made against POL from the development budget reflects inefficient financial management.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

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

(OM#1)

4.4.4 Variation in cost of land acquisition over and above PC-I provision – Rs.223 million

According to modified PC-I (page 44 Table-4), Rs.45.00 million were earmarked for acquiring 450 acres of land (Rs.100,000 per acre).

During the Special Audit of Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that Rs.256 million was released to Assistant Commissioner/Land Acquisition Officer, Kunri for acquisition of 330 acres land. The details are as follows:

(Rs.in million)

Area of land (as per PC-I)	Actual land acquired	Allocation of revised PC-I	Amount paid	Excess payment
450 acres	330@ Rs.0.776million/acre	45.000	256.000	223.000

Audit observed the following deviations:

- i. As per the modified PC-I provision, 450 acres of land were earmarked for which Rs. 45 million were allocated, but the management acquired 330 acres against the same amount, thus 120 acres were acquired less.
- ii. As notified by the Board of Revenue under Section 6 dated 21-04-2021 published in the Gazette dated 04-05-2021, 265 acres of land were transferred to the project. However, notification of the remaining 65 acres was still awaited despite full payment.
- iii. Funds were released outside the budget grant through the non-development component instead of the development grant.

- iv. Rs.256 million was paid for land acquisition by allowing an excess rate of Rs.775,758 per acre as compared to the provision of PC-I rate i.e., Rs.100,000 per acre.
- v. Moreover, the final adjustment account justifying disbursement to the owners of land was not provided for verification.

Audit is of the view that the acquisition of land contrary to the cost prescribed in the modified and final PC-I resulted in an abnormal cost overrun, thus reflecting inefficient oversight on the part of the management.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit recommends conducting an inquiry for excess expenditure and deviation from the provisions of the PC-I.

(OM#02)

4.4.5 Irregular award of work – Rs.376.856 million

As per SPPRA Rule7 of 2010, “The procuring agency shall, with approval of its Head of the Department, constitute as many procuring committees, as it deems fit, each comprising 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.”

During the Special Audit of Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that the Procurement Committee awarded the following contracts to M/s Thadani Enterprises amounting to Rs.376.856 million. The details are as under:

(Rs.in million)			
Sr. #	Name of Work	Work Order Reference	Amount
01	Construction of Sump Well & Pump House	No.TC/G-	94.825

	Supply & installation of Pumps & Motors (i/c Electrical Arrangement & Construction of Disposal Arrangements into Treated Reservoir, Instrument for Algae Control & Water Quality, Construction of Operator Quarter	55/WCWD/MPS/142 dated 30-03-2020	
02	Construction of Settling Tank and Coagulation Tank	No.TC/G-55/WCWD/MPS/143 dated 30-03-2020	282.030
Total			376.856

Following the audit exercise, the below-specified irregularities were noticed:

1. Out of 03 members, 01 member nominated by the procuring agency from the Energy Department (i.e., Technical Officer) was absent in the bidding process.
2. Successful bidder M/s Thadani submitted a Call Deposit of Rs.12.00 million instead of Rs.14.101 million (Rs.282 x 5%) as per conditions of the Notice Inviting Tender. Despite this shortcoming, the relevant bidder was awarded the work order.
3. The Procurement Committee for the year 2020 was constituted by the Project Director/Superintending Engineer instead of the Head of the Department as required under Rule 7 (1) of SPP Rules, 2010.

Audit is of the view that due to the above procedural inefficiency, transparency in the award of work was compromised.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit recommends providing justification with respect to the observations raised besides, fixing responsibility on the person(s) at fault.

(OM#03)

4.4.6 Unauthorized award of contract after termination of Joint Venture – Rs.7,814.240 million

As per clause (09) of the Joint Venture Agreement submitted at the time of the pre-qualification process, “The joint venture will remain valid till the completion of the awarded contract.”

During the Special Audit of Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that the contract for construction of HDPE pipeline from 0.00 to 40.0 km amounting to Rs.7,814.240 million was awarded to M/s. Shah Rukh Engineer & Developers despite the fact that the said contractor had submitted pre-qualification documents based on a Joint Venture with M/s. Lilley International (Pvt.) Limited. The Joint Venture agreement was made on 11-10-2013. Later, the Joint Venture was terminated through an affidavit dated 25-03-2014 signed by the Directors of both parties mentioning that the work would be executed individually by M/s. Shah Rukh Engineers & Contractors which was endorsed by the office of XEN vide letter No. TC/G-55/WCWD/262 dated 21-04-2014 (**Annexure-K**).

Audit is of the view that the contract after the termination of JV was required to be re-tendered, but the same was not done and undue favor was extended to the contractor. This reflects inefficient financial oversight on the part of the management.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit recommends conducting an inquiry into the matter besides, fixing responsibility on the person(s) involved in the unauthorized award of contract.

(OM#05)

4.4.7 Undue financial burden on execution of an alternate scheme due to improper planning – Rs.348.180 million

As per the decision of PDWP meeting held on 29.05.2015 regarding the scheme, Water Carrier from Nabisar Reservoir to Thar Coal field Block -II mentioned at Item No.27, Para-6, “The scheme would not be revised further.”

During the Special Audit of Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that as per the original plan, water was required to be supplied to Nabisar through LBOD. Contrary to that and to avoid further revision in PC-I cost, a new scheme namely ‘Alternate Arrangement Water Supply Thar Coal Field Block-II @ Vajihar (from Makhi - Farsh link canal) was approved and executed for a cost of Rs.348.180 million for the same purpose from the Provincial Annual Development Program.

Audit is of the view that initiation of an alternate scheme despite an already planned route for the supply of water to Nabisar through LBOD, reflects an absence of effective planning, thus causing undue burden on the exchequer.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit recommends substantiating the execution of the alternate scheme.

(OM#04)

4.4.8 Loss to government on procurement of vehicles – Rs.3.830 million

As per Para-11 of G.F.R. Volume-I, “Each head of a department is responsible for enforcing financial order and strict economy at every step. He is responsible for observance of all relevant financial rules and regulations, both by his own office and by a sub-ordinate disbursing officer.”

During the Special Audit of Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that procurement of vehicles amounting to Rs.22.983 million was made by inclusion in BOQ instead of direct purchase by the project directorate at

control price. Consequently, the government sustained a loss of Rs.3.830 million on account of 20% profit to the contractor (**Annexure-L**).

Audit is of the view that the inclusion of vehicles as an item in the BOQ overburdened the Government exchequer, thus compromising the economic aspect.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit recommends providing justification for extending undue benefit to the contractor besides, fixing responsibility on the person(s) at fault.

(OM#27)

4.4.9 Non-invitation of international competitive bidding

As per rule 15 (2), a-(ii), “International Competitive Bidding shall be the default method of procurement for all procurements with an estimated cost equivalent to US \$ 10 million or above.”

During the Special Audit of Project Director Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II for the Financial Years 2018-19 to 2020-21, it was observed that the department adopted national competitive bidding and avoided international competitive bidding by giving reference of Rule 15(2) (h) (iii) 01 SPPRA Rules 2010. In this regard following observations were noticed:

1. As per Rule 15(2) (h) (iii) 01 SPPRA 2010, the Head of the Department of the procuring agency, while making the decision to opt for the National Competitive Bidding, shall record reasons and justification for his decision, but no such letter/certificate was issued prior to floating NIT.
2. In pursuance of the advice issued by SPPRA vide letter No. Dir (CB) SPPRA/3-2 (PD/TCWW)/14-15/3074 dated. 12-09-2014, the Chief Engineer, Region II also wrote a letter to the administrative Secretary vide No. CEI (DEV-II/WB/1635 dated 15.09.2014, for the issuance of the relevant certificate, but the same was still not issued by the latter.

3. The work of HDPE pipe from 00 to 50-60 amounting to Rs.11,814 million was awarded to two contractors which was further split into six parts to avoid international tendering (**Annexure-M**).

Audit is of the view that, due to the non-invitation of international competitive bidding, the procurement process contradicted the prescribed rules, which reflects inefficient oversight.

The matter was reported to the management in May, 2022 but no reply was received. DAC was not convened by the PAO despite reminders dated 29-6-2022 & 8-11-2022.

Audit recommends providing justification for conducting national competitive bidding in violation of the prescribed rule.

(OM#26,31&33)

5. OVERALL ASSESSMENT

Thar Coal Water Carrier Works from Nabisar to Thar Coal Field Block-II is an important project which was conceived to supply water and generate electricity. The Special Audit was carried out with the objective of evaluating whether funds were utilized in accordance with prevalent rules and regulations. The management failed to complete the project within the stipulated time and cost. The integral tools relevant to economy, efficiency and effectiveness were not exercised in a satisfactory manner. As a result, excess payments were made on various items of work and land acquisition. Consequent to the delay in the completion of the project for many years, the intended benefits of power generation and supply of water remained unattained. The management failed to implement the prescribed CSR rates and compliance with the relevant rules and regulations. Due to the non-maintenance of key accounting record, the absence of transparency was observed with respect to basic financial management.

Performance rating Unsatisfactory

Risk rating High

6. CONCLUSION

The audit exercise concludes that the project was executed without observing economy, efficiency and effectiveness. PC-I was revised twice with an impact of 283% increased cost. The land was acquired at an exorbitant rate as compared to the final PC-I provisions and details of disbursements made to the owners were also not provided. The completion of the project has been delayed since 2017-18 i.e., the completion year as per the modified PC-I. Neither the works were executed within the stipulated timeline nor was any penalty imposed under the relevant contract clause. Improper accounting practices were observed wherein the chances of duplicate payments and misclassification could not be ruled out. In this regard the major shortcomings are highlighted below:

1. The management failed to complete the project by 2017-18 as scheduled in the modified PC-I.
2. The management failed to appoint a regular Project Director, who is the integral executing authority of the project.
3. The different items of work were executed in deviation from the provisions in the estimates/PC-I.
4. Sindh Public Procurement/General Financial Rules were not adhered to in letter and spirit while awarding the works and making payments.
5. In some cases, mobilization advance, SST and stamp duty were not recovered.
6. The management failed to maintain accounting records properly.
7. Composite Schedule of Rates, 2012 were not followed in some cases.
8. The management failed to implement various contract clauses while making payments against security deposits and consultancy charges.
9. Execution of civil works after termination of the Joint Venture agreement was unauthorized.

ACKNOWLEDGEMENT

We wish to express our gratitude to the entire management of the Project for the assistance and cooperation extended to the auditors during this assignment.

ANNEXURES

Annexure-A

(Amount in million)

Sr#	Name of Work	Name of contractor	Bill No.	Date	Mobilization on Advance	Interest @ 10%	Outstanding principal amount of mobilization advance
01	Construction Of Reservoir Pond-I Including Boundary Wall And Security Check Posts	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	Mobilization Advance	02.06.2014	109.500	10.950	0
02	Construction Of Reservoir Pond-II Including Inspection/Access Road	M/S Haji Mohakumdin Solangi	Mobilization Advance		113.655	11.365	0
03	Construction Of HDPE Pipe Line From Km 0.0 To Km 10.0 Water Carrier From Nabisar Reservoir To Thar Coal Field Block-II	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	1st R/A	02.09.2014	194.916	19.492	0
04	Construction Of HDPE Pipe Line From Km 10.0 To Km 20.0 Water Carrier From Nabisar Reservoir To Thar Coal Field Block-II	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	1st R/A	02.09.2014	194.874	19.487	0
05	Construction Of HDPE Pipe Line From Km 20.0 To Km 30.0 Water Carrier From Nabisar Reservoir To Thar Coal Field Block-II	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	Mobilization Advance	02.09.2014	149.041	14.904	17.183
				11.09.2014	46.684	4.668	
06	Construction Of HDPE Pipe Line From Km 30.0 To Km 40.0 Water Carrier From Nabisar Reservoir To Thar Coal Field Block-II	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	1st R/A	02.09.2014	97.954	9.795	19.304
			2nd R/A	02.09.2014	97.954	9.795	
07	Construction Of HDPE Pipe Line From Km 40.0 To Km 50.0 Water Carrier From Nabisar Reservoir To Thar Coal Field Block-II	M/S Haji Sirajuddin Soomro	Mobilization Advance 2nd Instt:	02.09.2014	77.045	7.704	0
			Mobilization Advance 1st Instt:	11.09.2014	118.472	11.847	0
08	Construction Of HDPE Pipe Line From Km 50+000 To 60+456	M/S Haji Sirajuddin Soomro	Mobilization Advance	02.09.2014	204.556	20.455	2.337
09	Supplying And Installation Of 05 Nos.Diesel Generators Package-II	M/S Haji Sirajuddin Soomro	Mobilization Advance	20.05.2016	39.085	3.908	10.000
10	Construction Of Accommodation/Office Block @Mirpur Khas, Islamkot, Nabisar	M/S Saeed Khan Construction Co.	1st R/A	02.06.2014	12.450	1.245	0
11	Construction Of Pump House, Power House & Diesel Storage Tank & Nabisar	M/S Saeed Khan Construction Co.	1st R/A	02.06.2014	10.163	1.016	0
12	Supplying And Installation Of 10 Nos.Circulating Pumps Package-I	M/S Haji Sirajuddin Soomro	1st R/A	20.05.2016	47.430	4.743	0
Total Amount					1,513.784	151.378	48.825

Annexure-B
(Rs.in million)

Year	Vendor No	Contractor Name	G/L Descp	Cheque No	Amount
2019	0030510714	M/S Shah Rukh Engineers & Contractor	Public Works / Pakistan PWD Deposits	3449677 Dt.8/9/19	28.455
2020	0030510714	M/S Shah Rukh Engineers & Contractor	Public Works / Pakistan PWD Deposits	3768514 dt 7/7/2020	41.320
2020	0030510714	M/S Shah Rukh Engineers & Contractor	Public Works / Pakistan PWD Deposits	3768515dt 7/7/2020	41.251
2019	0030370919	M/S Saeed Khan Construction Co.	Public Works / Pakistan PWD Deposits	3641355dt 1/30/2020	4.096
2019	0030370919	M/S Saeed Khan Construction Co.	Public Works / Pakistan PWD Deposits	3767559 dt 6/15/2020	4.227
2018	0030498159	M/S Haji Muhkamuddin Solangi	Public Works / Pakistan PWD Deposits	3377344 5/22/2019	25.951
2020	0030330996	M/S Haji Sirajuddin Soomro	Public Works / Pakistan PWD Deposits	3910458dt 1/11/2021	36.597
Total Amount					181.900

Annexure-C
(Rs.in million)

Name of work	Contractor to whom work was awarded	Work order no.	Date	Bid Amount	Revised Estimates	Excess amount
Construction Of Hdpe Pipe Line From Km 0.0 To Km 10.0 Water Carrier From Navisar Reservoir To Thar Coal Field Block-Ii	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	753	28-Aug-14	1949.162	2372.76	423.598
Construction Of Hdpe Pipe Line From Km 10.0 To Km 20.0 Water Carrier From Navisar Reservoir To Thar Coal Field Block-Ii	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	752	28-Aug-14	1948.743	2268.483	319.74
Construction Of Hdpe Pipe Line From Km 50+000 To 60+456	M/S Haji Sirajuddin Soomro	768	4-Sep-14	2045.559	2896.777	851.218
Construction Of Pump House, Power House & Diesel Storage Tank & Nabisar	M/S Saeed Khan Construction Co.	376	16-May-14	101.639	217.609	115.97
Construction Of Accommodation/Office Block @Mirpur Khas, Islamkot, Nabisar	M/S Saeed Khan Construction Co.	376		124.507	208.249	83.742
					Total	1794.268
Total amount of stamp duty due on revised estimates/contracts					Stamp duty @ 0.35%	6.279

Annexure-D
(Rs.in million)

Name of work	Contractor to whom work was awarded	Work order no.	Date	Tender reference no.	Eng: Estimate	Revised estimate	Excess than bid	5% Ps on excess amount
Construction Of Hdpe Pipe Line From Km 0.0 To Km 10.0 Water Carrier From Nabisar Reservoir To Thar Coal Field Block-II	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	753	28-Aug-14	TC/G-55/TCWW D/262 to 269 dated 21.4.14 SPPRA sr.no19986 dt.21.4.14	1624.986	2372.76	747.774	37.3887
Construction Of Hdpe Pipe Line From Km 10.0 To Km 20.0 Water Carrier From Nabisar Reservoir To Thar Coal Field Block-II	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	752	28-Aug-14	TC/G-55/TCWW D/262 to 269 dated 21.4.14 SPPRA sr.no19986 dt.21.4.14	1624.986	2268.48	643.497	32.17485
Construction Of Hdpe Pipe Line From Km 20.0 To Km 30.0 Water Carrier From Nabisar Reservoir To Thar Coal Field Block-II	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	753	28-Aug-14	TC/G-55/TCWW D/262 to 269 dated 21.4.14 SPPRA sr.no19986 dt.21.4.14	1633.06	1888.72	255.661	12.78305
Construction Of Hdpe Pipe Line From Km 30.0 To Km 40.0 Water Carrier From Nabisar Reservoir To Thar Coal Field Block-II	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	754	28-Aug-14	TC/G-55/TCWW D/262 to 269 dated 21.4.14 SPPRA sr.no19986 dt.21.4.14	1631.544	1870.04	238.495	11.92475
Construction Of Accommodation/Office Block @Mirpur Khas, Islamkot, Nabisar	M/S Saeed Khan Construction Co.	376		TC/G-55/TCWW D/204 to 211 dated 06.3.14 SPPRA sr.no19986 dt.21.4.14	108.3	233.723	125.423	6.27115
TOTAL AMOUNT					6622.876	8633.73	2010.85	100.545

Annexure-E
(Rs.in million)

Month	opening	credit	Total	Debit	closing
Jun-18	537,143,064	5,645,336	542,788,400	0	542,788,400
Jul-18	542,788,400	0	542,788,400	0	542,788,400
Aug-18	542,788,400	0	542,788,400	0	542,788,400
Sep-18	542,788,400	0	542,788,400	0	542,788,400
Oct-18	542,788,400	270,998	543,059,398	0	543,059,398
Nov-18	543,059,398	-	543,059,398	0	543,059,398
Dec-18	543,059,398	3,126,765	546,186,163	0	546,186,163
Jan-19	546,186,163	-	546,186,163	0	546,186,163
Feb-19	546,186,163	331,805	546,517,968	0	546,517,968
Mar-19	546,517,968	-	546,517,968	0	546,517,968
Apr-19	546,517,968	-	546,517,968	0	546,517,968
May-19	546,517,968	-	546,517,968	0	546,517,968
Jun-19	546,517,968	-	546,517,968	11,303,935	535,214,033
Jul-19	535,214,033	11,303,935	546,517,968	-	546,517,968
Aug-19	546,517,968	11,303,935	557,821,903	-	557,821,903
Sep-19	557,821,903	-	557,821,903	-	557,821,903
Oct-19	557,821,903	-	557,821,903	-	557,821,903
Nov-19	557,821,903	13,879,370	571,701,273	-	571,701,273
Dec-19	571,701,273	17,776,000	589,477,273	-	589,477,273
Jan-20	589,477,273	10,152,000	599,629,273	4,096,577	595,532,696
Feb-20	595,532,696	22,145,421	617,678,117	-	617,678,117
Mar-20	617,678,117	12,268,637	629,946,754	-	629,946,754
Apr-20	629,946,754	-	629,946,754	-	629,946,754
May-20	629,946,754	-	629,946,754	-	629,946,754
Jun-20	629,946,754	-	629,946,754	-	629,946,754
Jul-20	629,946,754	14,710,806	644,657,560	82,572,208	562,085,352
Aug-20	562,085,352	12,510,224	574,595,576	0	574,595,576
Sep-20	574,595,576	3,998,466	578,594,042	0	578,594,042
Oct-20	578,594,042	895,000	579,489,042	0	579,489,042
Nov-20	579,489,042	3,428,293	582,917,335	0	582,917,335
Dec-20	582,917,335	-	582,917,335	0	582,917,335
Jan-21	582,917,335	11,608,657	594,525,992	0	594,525,992
Feb-21	594,525,992	-	594,525,992	0	594,525,992
Mar-21	594,525,992	504,018	595,030,010	0	595,030,010
Apr-21	595,030,010	-	595,030,010	0	595,030,010
May-21	595,030,010	2,731,099	597,761,109	0	597,761,109
Jun-21	597,761,109	5,152,315	602,913,424	0	602,913,424
		163,743,080	21,323,448,618	97,972,720	21,225,475,898
			Total Credit/Debit	261,715,800	

Statement showing the excess payment of rates above the CSR

Annexure-F
(Rs.in million)

S.#	Name of Work	Name of contractor	ITEM OF WORK	Claim Rated M	Sch.Rate	Rate of Premium	Amount of %	Actual Rate to be paid after prem	Excess Rates	%	Qty Executed as per MB/Bill	Excess Amount
1	Water carrier from Nabisar Reservoir to That Coal Field block-II, HPEPE Pipe Line 0+000 KM to 10+000 Km	Shahrukh Engineer & Contractors	Providing, laying & fixing in trench fitting jointing & testing etc complete in all respects the high-density Polyethylene PE (HDPE-100) for WIS conforming to ISO 4427/DIN 8074/8075 B.SI 3580 & PSI 3051 approve manufacturer as shown in drawing as directed by the engineer. PN 12.5-1000mm dia pipe original rate PN-12.5 Rs. 160,000 (part rate allowed @ 144,000/- per Eter)	160,000	97,403	19.95	19,431.90	116,834.90	43,165	27	8,279	357.363
			PN-16 1000 mm Internal dia pipe imported original rate PN-16 Rs.278318 (part rate allowed @ Rs.250486/	278,318	97,403	19.95	55,524.44	152,927.44	125,391	45	650	81,503

S.#	Name of Work	Name of contractor	ITEM OF WORK	Claim Rated M	Sch.Rate	Rate of Premium	Amount of %	Actual Rate to be paid after prem	Excess Rates	%	Qty Executed as per MB/Bill	Excess Amount
2	Water carrier from Nabisar Reservoir to That Coal Field block-II, HFPE Pipe Line 10+000 KM to 20+000 Km	Shahrukh Engineer & Contractors	PN 12.5 1200 mm outer dia pipe	160,000	116,436	19.92	23,194.05	139,630.05	20,370	13	9,979	203,271
3	Water carrier from Nabisar Reservoir to That Coal Field block-II, HFPE Pipe Line 20+000 KM to 30+000 Km	Shahrukh Engineer & Contractors	PN 10 1000mm Dia pipe	104,400	66,473	19.96	13,268.01	79,741.01	24,659	24	10,000	246,589
4	Water carrier from Nabisar Reservoir to That Coal Field block-II, HFPE Pipe Line 30+000 KM to 40+000 Km	Shahrukh Engineer & Contractors	Pn 8 1000 mm dia pipe	99,800	54,228	19.96	10,823.91	65,051.91	34,748	35	4,500	156,366
			Pn 10 1000 mm dia pipe	116,000	66,473	19.96	23,153.60	89,626.60	26,373	23	5,500	145,053
Total amount											1,190,149	

Annexure-G
(Rupees in million)

Statement showing the details of Excess Execution PN 12.5																		
Name of Work	Name of contractor	VN#	V Dt	W O#	W.O Date	ITEM OF WORK	UNIT	RATE	Qty; Ex Upto Dt As Per Mb	Qty As per PC- I Revised	Excess Qty	%	UPTO DATE	Excess Amount				
Construction Of Hdpe Pipe Line From Km 0.0 To Km 10.0 Water Carrier From Nabisar Reservoir To Thar Coal Field Block-II	M/S Shah Rukh Engineers & Contractor (Pvt) Ltd.	1	5-May-21	753	28-Aug-14	Providing, laying & fixing in trench i/c fitting joining & testing etc complete in all respects the HDHigh-Density Polyethylene PE (HDPE-100) for WW'S confirming ISO 4427/Din 8074/8075 BS 3580 & PSI 3051 approve manufacturer as shown in drawings as directed by the Engineer. PN-12.5 1000 MM Internal Dia Pipe Original Rate PN-12.5 Rs. 160,000/ (Part Rate Allowed @ Rs. 144,000/ Per Meter)	M	144,000	8,279	6500	11,758	181	1,192.176	256.176				
Construction Of Hdpe Pipe Line From Km 10.0 To Km 20.0 Water Carrier From Nabisar Reservoir To Thar Coal Field Block-II	M/S Shah Rukh Engineers & Contractor (Pvt) Ltd.	2	5-May-21	752	28-Aug-14	PN 12.5 1200 mm quater Dia Pipe.	M	160,000	9,979				1,596.640	1,596.640				
Total													18,258	6,500	11,758	181		1,852.816

(Rs.in million)

Statement Showing the details of PN 16 Less Execution										
Name of Work	Name of contractor	Cv#&dt	W.o#&dt	ITEM OF WORK	UNIT	RATE	Qty As per PC-I Revised	QTY; executed as per bill	Less execution of PN16 Qty	Amount Rate As per PC-I Rs165000 per M
Construction Of Hdpe Pipe Line From Km 0.0 To Km 10.0 Water Carrier From Nabisar Reservoir To Thar Coal Field Block-II	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	1/5/5/2021	753/8/28/2014	Providing, laying & fixing in trench i/c fitting joining & testing etc complete in all respects the HHHigh-DensityPolyethylene PE (HDPE-100) for W'S 1-102F confirming ISO 4427/Din 8074/8075 (1)aa BS 3580 & PSI 3051 approve manufacturer as shown in drawings as directed by the Engineer. PN-16 1000 MM Internal Dia Pipe part Rate allowed @ Rs 148500/- per R/m	M	148,500	13,500	900	11,950	1,971.750
Construction Of Hdpe Pipe Line From Km 0.0 To Km 10.0 Water Carrier From Nabisar Reservoir To Thar Coal Field Block-II	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	1/5/5/2021	753/8/28/2014	PN-16 1000mm Internal Dia Pipe Imported Original Rate PN-16 Rs. 278,318 (Part Rate Allowed @ Rs. 250486/ Per Meter	M	250,486		650		
HDP Pipe Line from 30.00 to 40.00	M/S Shahruk h Engineers & Contractors pvt ltd	7/26/8/220		Providing and fixing air valves and blow off valves under sr. No.1-1-5 pay item No. item No.SP and Sr. No.1-106 pay item No.SP			3.15	1,550		3.150

Statement Showing the details of PN 16 Less Execution											
Name of Work	Name of contractor	Cv#&dt	W.o#&dt	ITEM OF WORK	UNIT	RATE	Qty As per PC-I Revised	QTY; executed as per bill	Upto Date	Less execution of PN16 Qty	Amount Rate As per PC-I Rs165000 per Mb
Total Rs.											
1,974,900											

(Amount in Rs.)

Statement showing the details of less-Execution of Work												
Name of Work	Name of contractor	V No	Voucher Date	Work Order No	Work Order Date	ITEM OF WORK	UNIT	RATE	Qty; Executed Upto Date As Per Mb	Upto Date	PC-I Qty	Non-Execution of work
Construction Of Reservoir Pond-I Including Boundary Wall And Security Check Posts	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	4	29-May-17	378	16-May-14	Supply and lay waterproofing membrane not less than 3 mm thick as per approved manufacturer as shown in the drawing as directed by the Engineers	Sq.M	200	-	-	169,993	33,998,600
Construction Of Reservoir Pond-I Including Boundary Wall And Security Check Posts	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	4	29-May-17	378	16-May-14	Supply and apply two coats of hot bitumen 10/20 grade in reservoir as specified and additionally directed by the Engineer	Sq.M	200	-	-	169,993	33,998,600
Construction Of Reservoir Pond-I Including Boundary Wall And Security Check Posts	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	4	29-May-17	378	16-May-14	Earthwork for road embankment by bulldozer including ploughing mixing clod breaking ramming dressing complete lead lift to 5' ft in ordinary soil	CUM	700	-	-	38,125	26,687,500

Statement showing the details of less-Execution of Work												
Name of Work	Name of contractor	V No	Voucher Date	Work Order No	Work Order Date	ITEM OF WORK	UNIT	RATE	Qty; Executed Upto Date As Per Mb	Upto Date	PC-I Qty	Non-Execution of work
Construction Of Reservoir Pond-I Including Boundary Wall And Security Check Posts	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	4	29-May-17	378	16-May-14	Making and fixing steel doors with 1/16" thick 8 sheeting including angle iron frame 2"x2"x3/8" square bars 4" c/c with locking arrangement	Sq.M	100	-	-	5,000	500,000
Construction Of Reservoir Pond-I Including Boundary Wall And Security Check Posts	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	4	29-May-17	378	16-May-14	Providing and fixing of pre-cast panel boundary wall with R.C.C footing and column complete as shown in the drawing as directed by the Engineer	RM	20,000	2612	138	2,750	2760000
Construction Of Reservoir Pond-I Including Boundary Wall And Security Check Posts	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	4	29-May-17	378	16-May-14	Ratio 1:2:4	CUM	25,000	-	-	50	1,250,000
Construction Of Reservoir Pond-I Including Boundary Wall And Security Check Posts	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	4	29-May-17	378	16-May-14	Fabrication of mild steel reinforcement for cement concrete i/c cutting bending laying in position making joints and fastenings i/c cost of binding wire (also i/c removal of rust from bars)b Using Tor bars(S.I.No. 7 (b) / P-20)	ton	250,000	-	-	6	1,500,000

Statement showing the details of less-Execution of Work												
Name of Work	Name of contractor	V No	Voucher Date	Work Order No	Work Order Date	ITEM OF WORK	UNIT	RATE	Qty; Executed Upto Date As Per Mb	Upto Date	PC-I Qty	Non-Execution of work
Construction Of Reservoir Pond- li Including Inspection/Acces ss Road	M/S Haji Mohakumdin Solangi	7	27-Feb-19	375	16.5.2014	Supply and lay waterproofing membrane not less mihan m thick as per approved manufacturer as shown in the drawing as directed by the Engineers	Sq.m	1,430	-	-	168,060	240,325,800
Total											341,020,500	

Annexure-H
(Rs.in million)

Name of work	Contractor to whom work was awarded	Work order no.dt	Tender reference no.	Bid Amount	Amount in million	Excess amount	%
Construction OF Pump House, Power House & Diesel Storage Tank & Nabisar	M/S Saeed Khan Construction Co.	376 16-May-14	TC/G-55/TCWWD/204 to 211 dated 06.3.14 SPPRA sr.no19986 dt.21.4.14	101.639	217.62	115.981	114.111
Construction of Accommodation /office Block @Mirpurkhas, Islamkot, Nabisar		376 16-May-14	TC/G-55/TCWWD/204 to 211 dated 06.3.14 SPPRA sr.no19986 dt.21.4.14	124.507	208.249	83.742	67.2589
Construction of Reservoir Pond-I including boundary wall and security check posts	M/S Shah Rukh Engineers & Contractor(Pvt.) Ltd.	378 16-May-14	TC/G-55/TCWWD/204 to 211 dated 06.3.14 SPPRA sr.no19986 dt.21.4.14	1095	1287.433	192.433	17.5738
Total						392.156	198.943

Annexure-I
(Amount in Rs.)

Name of work	Name of contractor	CV NO date	S# of item	Name of item	Bid Rate	Payment Rate	Excess Rate	Qty	Amount
Construction of HDPE Pipeline from KM0.0 to 10.0 KM	Ms Shahrukh Engineers	1 5-5-21	1-105/SP	providing and fixing five (05) 150 mm dia cast iron kinetic air releasing valve Bill No.01 HDPE Pipe Sr.No.1-105 Pay Item No.SP	631256	262,500	368,756	5	1,843,780
Construction of reservoir pond-I including Boundary wall and security check post	Ms Shahrukh Engineers	4	29-5-17	Providing and fixing of pre-cast panel boundary wall with RCC footing and column complete as shown in the drawing as directed by engineer	20,000	29,222	9,222	2,612	24,087,864
Construction Of Pump House, Power House & Diesel Storage Tank & Nabisar	M/S Saeed Khan Construction Co.	1	1-Jun-21	Filling watering and earthing (sr#1/102. pay item 22)	167.50	1,167	999.5	2682	2,680,659
Total									28,612,303

Annexure-J
(Rs.in million)

S #	Year	Cost center	GL Description	Vendor	Cheque No	Date	Amount
1	2018	MP5041	Others	M/S Hafiz Filling Station	3242343	17.12.2018	0.250
2	2018	MP5041	Others	M/S Hyderabad CNG & Filling Station	3242342	17.12.2018	0.287
3	2018	MP5041	Others	M/S Hafiz Filling Station	3303319	17.01.2019	0.420
4	2018	MP5041	Others	M/S Hafiz Filling Station	3303318	17.01.2019	0.167
5	2018	MP5041	Others	M/S Islamkot Filling Station	3303890	04.02.2019	0.203
6	2018	MP5041	Others	M/S Hyderabad CNG & Filling Station	3304670	26.02.2019	0.246
7	2018	MP5041	Others	M/S Hafiz Filling Station	3376192	16.04.2019	0.186
7	2018	MP5041	Others	M/S Hafiz Filling Station	3376875	08.05.2019	0.245
9	2018	MP5041	Others	M/S Noorani Filling Station Hyderabad	3376874	08.05.2019	0.098
10	2018	MP5041	Others	M/S Hafiz Filling Station	3448344	17.06.2019	0.196,
11	2019	MP5041	Others	M/S Hafiz Filling Station	3450797	04.10.2019	0.163
12	2019	MP5041	Others	M/S noorani filling Station Hyderabad	3450796	04.10.2019	0.226
13	2019	MP5041	Others	M/S Noorani Filling Station Hyderabad	3450795	04.10.2019	0.143
14	2019	MP5041	Others	M/S Hafiz Filling Station	3451366	25.10.2019	0.095
15	2020	MP5041	Others	M/S Noorani Filling Station	4143029	18.06.2021	0.312
16	2020	MP5041	Others	M/S Noorani Filling Station	4143029	18.06.2021	0.067
17	2020	MP5041	Others	M/s Qureshi CNG Filling Station	4142697	18.06.2021	0.238
18	2020	MP5041	Others	M/S Qureshi CNG Filling Station	4142697	18.06.2021	0.146
19	2020	MP5041	Others	Qureshi CNG Filling Station	4142697	18.06.2021	0.070
20	2020	MP5041	Others	M/S Noorani Filling Station	4143028	21.06.2021	0.416
21	2020	MP5041	Others	M/S Noorani Filling Station	4143028	21.06.2021	0.400
Total							4.578

Annexure-K

(Rs.in million)

S# No	Name of work	Contractor to whom work was awarded	Work order no.	Date	Bid amount
1	Construction of HDPE PIPE LINE from KM 0.0 TO KM 10.0 Water Carrier from Nabisar Reservoir TO THAR Coal Field Block-II	M/S Shah Rukh Engineers & Contractor (Pvt.) Ltd.	753	28-Aug-14	1949.162
2	Construction of HDPE Pipe Line from km 10.0 to km 20.0 water carrier from Nabisar Reservoir to Thar coal field block-ii		752	28-Aug-14	1948.743
3	Construction of HDPE PIPE LINE from KM 20.0 TO KM 30.0 Water Carrier from Nabisar Reservoir to Thar Coal Field Block-II		753	28-Aug-14	1959.087
4	Construction of HDPE PIPE LINE from KM 30.0 TO KM 40.0 Water Carrier from Nabisar Reservoir to Thar Coal Field Block-II		754	28-Aug-14	1957.248
Total					7,814.24

Annexure-L

(Rs.in million)

Name of Work	Item of work	Name of contractor	Voucher No And Date	Work Order No And Date	Rate	QTY; executed upto date as per MB	Upto date	20% profit charged
Construction of Reservoir Pond-II including inspection/access road	Providing Transport for Employees /Engineers 7 Double Cabin Pickup (4x4) with AC	M/S Haji Mohakumd in Solangi	7 2/27/2019	375 5/16/2014	4,642,800	3	13.928	2.321
	(4x4) Single Cabin With AC				3,018,145	3	9.054	1.509
Total								3.830

Annexure-M
(Rs.in million)

Name of work	Contractor to whom work was awarded	Work order no.	Date	Bid amount	Engineer Estimates	Premium	Amount
Construction Of Hdpe Pipe Line From Km 0.0 To Km 10.0 Water Carrier From Nabisar Reservoir To Thar Coal Field Block-Ii	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	753	28-Aug-14	1949.162	1624.986	19.95%	2258.714
Construction Of Hdpe Pipe Line From Km 10.0 To Km 20.0 Water Carrier From Nabisar Reservoir To Thar Coal Field Block-Ii	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	752	28-Aug-14	1948.743	1624.986	19.92%	2209.961
Construction Of Hdpe Pipe Line From Km 20.0 To Km 30.0 Water Carrier From Nabisar Reservoir To Thar Coal Field Block-Ii	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	753	28-Aug-14	1959.087	1633.06	19.96%	1867.621
Construction Of Hdpe Pipe Line From Km 30.0 To Km 40.0 Water Carrier From Nabisar Reservoir To Thar Coal Field Block-Ii	M/S Shah Rukh Engineers & Contractor(Pvt) Ltd.	754	28-Aug-14	1957.248	1631.544	19.96%	1857.594
Construction Of Hdpe Pipe Line From Km 40.0 To Km 50.0 Water Carrier From Nabisar Reservoir To Thar Coal Field Block-Ii	M/S Haji Sirajuddin Soomro	767	4-Sep-14	1955.184	1629.49	19.99%	1616.359
Construction Of Hdpe Pipe Line From Km 50+000 To 60+456	M/S Haji Sirajuddin Soomro	768	4-Sep-14	2045.559	1705.257	19.96%	2896.777
Total				11,814.98	9849.323	119.74%	12707.03