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### Introduction



Shehbaz Sharif set higher & unmatched standards of public service. These standards pertained not just to performance-driven governance, or outcome-oriented delivery, but also to an excellent fiscal discipline.

Under leadership of Mian Nawaz Sharif, Shehbaz Sharif saved hundreds of billions of taxpayers' money in projects without compromising on quality even when laws and rules allowed for higher spending.

During his time in office, and often due to his exacting standards of merit and transparency, he actually caused a loss to his family's business.

#### Abstract

# Public Service to the Call of Duty and Beyond

Leading from the front, Shehbaz Sharif, as Chief Minister of Punjab, established new norms of transparency, openness, and accountability in the execution of public sector development projects. His governance paradigm resulted in massive savings of over a trillion rupees (Rs. 1056 billion), something that is unheard-of, and unprecedented in the history of Pakistan.



2





Call of Duty

Ensuring transparency as the core of public service

Considering transparency as a minimum basic responsibility of the public office

### Beyond the Call of Duty

**Net Savings** 

Personal efforts to save the last penny of the public money beyond what was required by law

**Net Losses to Family Business** 

Loss to the tune of Rs. 1.5 billion caused due to conscious administrative decisions

# Public Service to the Call of Duty and Beyond

A story of public service written in sweat and tears

A journey in the service of the people that was powered by selfless devotion

A demonstration of unwavering resolve to make a difference to the lives of people

A proven record of public service backed by irrefutable proofs, facts, data & figures

An unheard saga of saving the nation's hard-earned money by going beyond the call of duty







Decision Adversely Affecting Personal and Family Income

**Net Savings** 

Loss to Family Businesses Entitlements Foregone (1997-1999, 2008-2018)

**Effective Negotiations** 

Preventing Corruption and Retrieving Public Money

- 2012: Taxed Ethanol
- 2014-15: Refused to reduce support price of sugarcane or subsidize it for sugar mills
- 2017: Refused Export Subsidy on Sugar
- Voluntary provision of subsidized sugar to Ramzan Bazar
- Repayment of all pending ancestral liabilities

- Salary
- Foreign Travel
- Foreign Stays
- Medical Allowance
- TA/DAs

- Energy Sector
- Metro Orange Line
- Safe Cities
- Apna Rozgar Scheme
- Solid Waste Management Company
- Laptop Scheme
- PKLI
- Solarization of Schools
- Ujala Program,
- Ring Road (southern loop)
- Metro Bus (Lhr, Rwp, Mltn)

- Chiniot Iron Ore
- Saaf Paani
- Metro Orange Line

### **FACT VS FICTION**

Shehbaz Sharif, as the Chief Minister set new standards of transparency and fairness at the cost of his family's business.

Despite no legal or administrative compulsion, both Shehbaz Sharif's and Mian Nawaz Sharif's family businesses incurred huge losses as a result of his conscious decisions.

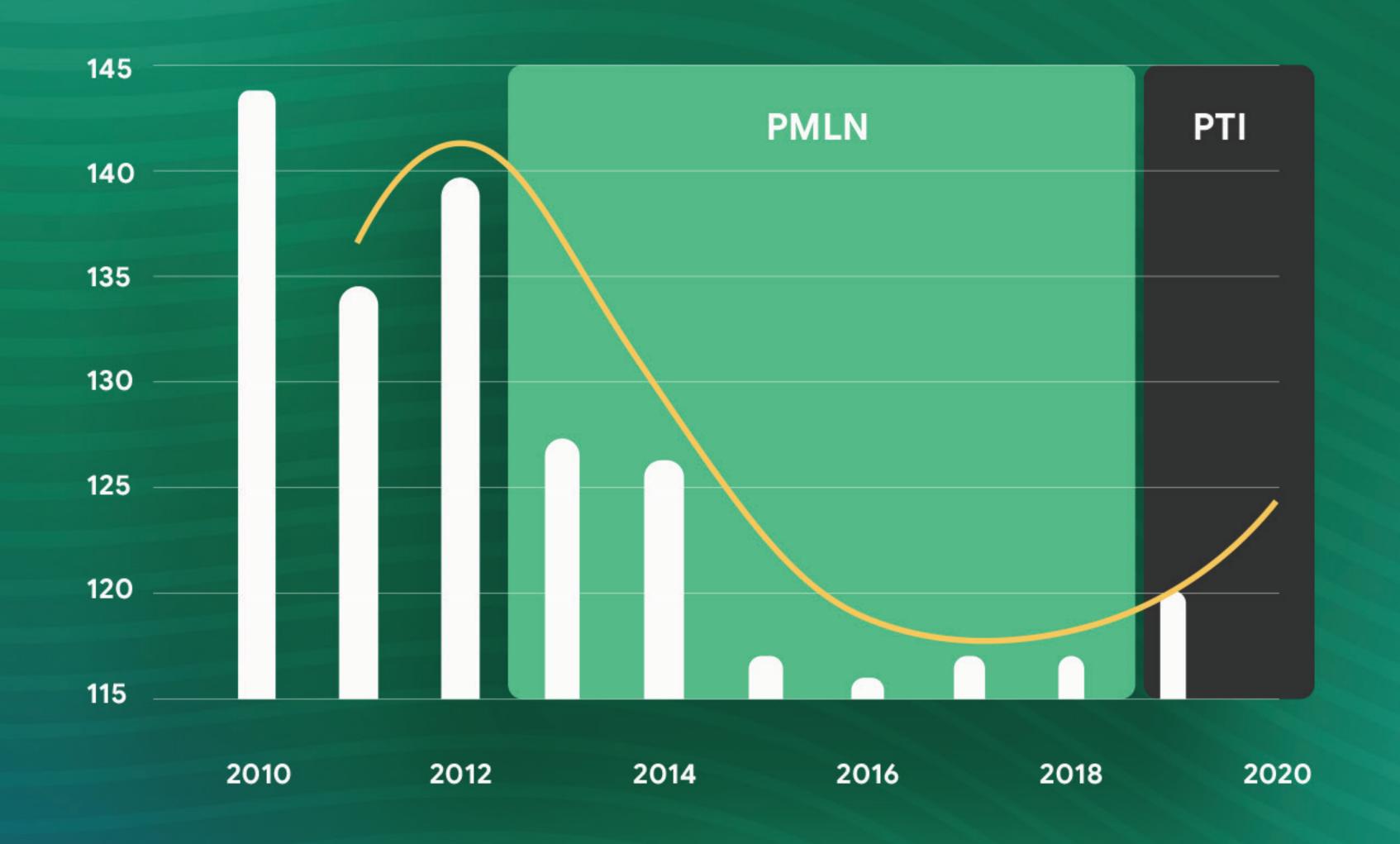
Data shows a net loss of Rs. 1.5 billion suffered by the family.

WE ARE ALL FALLIBLE MORTALS AND CAN ERR. YET THIS IS A JOURNEY OF SWEAT AND BLOOD.



## FACT VS FICTION

**CORRUPTION PERCEPTION INDEX - (Transparency International)** 





#### **Abstract**

## Loss to Family Business

Shehbaz Sharif's conscious administrative decisions caused a loss to the tune of Rs. 1.5 billion to the business of his own son and extended family. He refused to bow to the pressure of the powerful Mills Association in 2014 and did not give any subsidy on sugarcane despite repeated appeals of the millers and a precedent set by the Sindh Government in 2017. He imposed Rs. 2/litre on Ethanol to generate additional revenue at a time when no other province did it.



# Protecting Farmers and Suffering Loss

The Punjab Government had fixed the sugarcane price at Rs. 180/40 kg for the crushing season 2014/2015. In December 2014, the Sindh Government cut the support price for sugarcane by 15% to Rs. 155/40 kg. Sugar mills in Punjab were at a disadvantage in comparison to mills in Sindh and suffered losses as a result.

Appeals were made by the Punjab Sugar Mills Association to lower the price in Punjab but Shehbaz Sharif took a firm stand by not lowering the support price of sugarcane and protecting the interests of the farmers.



Loss

Rs. 1,125 Million

December 4, 2014

Appeal by PSMA to lower sugarcane price



SIND GOVERNMENT HAS RATIONALIZED PRICE OF SUGARCANE TO RS. 155 PER 40 KG VIDE NOTIFICATION NO.8(142)/S.O.(EXT)95-XXIII WITH REGARD TO CURRENT MARKET PRICE OF SUGAR TO ENSURE BREAK EVEN OF INDUSTRY AND TIMELY PAYMENTS TO GROWERS. THIS REDUCTION WOULD ENABLE SIND SUGAR MILLS TO HAVE A COST BENEFIT ADVANTAGE OF RS. 7.11 PER KG OF SUGAR AND RENDER THE MILLS IN PUNJAB HIGHLY UNCOMPETITIVE THEREBY NECESSITATING FORCED CLOSURE.

WE ARE ALREADY NOT IN A POSITION TO RETRIEVE COST OF SUGARCANE TO MAKE PAYMENTS TO SUGARCANE GROWERS AT A NOTIFIED PRICE OF 180 PER 40 KG BY PUNJAB GOVERNMENT AT PRESENT. WITH THE ONSLAUGHT AND INFLUX OF SUGAR FROM SIND AT A LOWER COST OF PRODUCTION IT WOULD BE IMPOSSIBLE TO SELL BULGING STOCKS IN THE LOCAL AND INTERNATIONAL MARKET. WE THEREFORE URGE PUNJAB GOVERNMENT TO APPRECIATE THE GRAVITY OF SITUATION AND SEEK REVISION OF SUGARCANE PRICE TO 153 PER 40 KG TO PROVIDE US A LEVEL PLAYING FIELD AND TO FACILITATE SUGAR MILLS TO CONTINUE CRUSHING WITHOUT ANY DISRUPTION.

PAKISTAN SUGAR MILLS ASSOCIATION (PUNIAB)



# Protecting Farmers and Suffering Loss (contd.)

The notification of Sindh Government fixing the price at Rs. 155 was withdrawn later and a dispute arose between the growers and the mills. In March 2015, the Sindh High Court ordered revising the sugarcane price to Rs. 172 where Rs. 160 were to be paid by the mills and Rs. 12 to be paid by Sindh Government to the mill owners on behalf of the growers as subsidy.

Punjab Government under Shehbaz Sharif neither lowered the support price from Rs. 180 nor approved subsidy of Rs. 12/40 kg despite many appeals and pressures from PSMA.

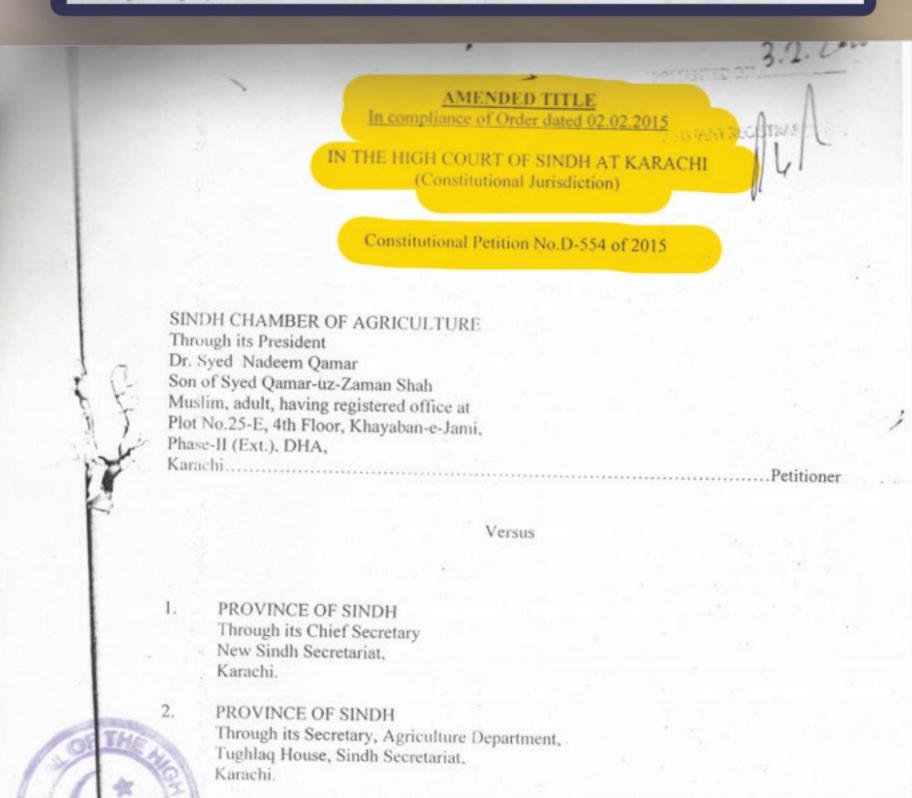
This caused huge losses to the mills in Punjab (including the mills owned by Shehbaz Sharif's son and family of Mian Nawaz Sharif) and made them non-competitive with mills in Sindh.

Loss

### Rs. 1,125 Million

#### Order of the Sindh High Court | Dated 16.03.2015

hereinabove is made part of Court's order. Consequently, respondents (Mill owners) shall purchase the sugarcane from the petitioners/growers at the rate of Rs.160/- per 40 kilogram for the crushing season 2014-15, whereas, Rs.12/- per 40 kilogram will be paid by Government of Sindh to the growers through Sugar Mills, totaling a price of Rs.172/- per 40 kilogram, whereas, no delay in payment of such amount(s) shall be caused. However, it is



# Protecting Farmers and Suffering Loss (contd.)

Loss Rs. 660 Million Rs. 465 Million

Shehbaz Sharif's firm stance on giving relief to farmers (by keeping the original price of Rs. 180/40 kg intact) caused a net loss of Rs. 465 million to his son's mill and Rs. 660 million to that of his brothers', Mian Nawaz Sharif's and Abbas Sharif's families.

Punjab Sugar Mills Association (PSMA) published advertisements in newspapers, wrote letters appealing to the then Chief Minister to lower the price of sugarcane, but Shehbaz Sharif did not waver and remained firm in the interest of the farmers and public at large.





## PSMA Letter to Government of Punjab



#### **Pakistan Sugar Mills Association**

**PUNJAB ZONE** 

No.PSMA/2015/682.PZ.

Dated August 26, 2015

The Secretary, Government of the Punjab, Food Department, Lahore.

Subject:

ISSUES FACING PUNJAB SUGAR MILLS

Dear Sir,

- a) It will be appreciated that there was a major difference in the sugarcane price payable in the province of Punjab compared to the province of Sindh for the season 2014-15. While the Government of Punjab had fixed the minimum support price at Rs. 180/- per 40 Kg, the minimum price in the province of Sindh was fixed as Rs. 172/- per 40 Kg out of which Rs. 160/- per 40 Kg is payable by the sugar mills and Rs. 12/- per 40 Kg is payable by the Government of Sindh. This arrangement was arrived at before the Honourable Sindh High Court between the sugar mills and the Government of Sindh with consent.
- b) The Government of Sindh has also waived the sugarcane development cess payable @ 25 paisa per 40 Kg sugarcane being the mills share.
- c) It will be appreciated that the price of sugar all across Pakistan during the season 2014-15 was in the range of Rs. 50/- to Rs. 52/- per Kg during the crushing season. There was no difference in the price of sugar between Punjab and Sindh even though the sugarcane cost to the mills was substantially different as described above.
- d) It may kindly be noted that the price of Rs. 172/- per 40 Kg (Rs. 160/- per 40 Kg payable by the sugar mills and Rs. 12/- per 40 Kg payable by the Government of Sindh) was determined by the Government of Sindh after keeping in view the prevailing market value of sugar so as to enable the sugar mills to break even after the payment of Rs. 12/- per 40 Kg by the Government of Sindh.
- e) It may be appreciated that almost 40% of sugar production was sold by the sugar mills during the season at the price of Rs. 50/- to Rs. 52/- per Kg in the province of Punjab. While there has been an increase in the price of sugar in the off season period, this increase has not been sufficient enough to off-set the losses incurred by the Punjab sugar mills during the season at the depressed price of sugar.

f) In view of the foregoing, it is imperative that the Punjab Government shares some of the burden of the payments to the sugarcane growers as has been shared by the Government of Sindh. Unless this is done, the Punjab sugar mills will suffer from a crippling burden compared to the sugar mills in Sindh. Furthermore, as regards the balance amount payable to the growers the sugar mills must be allowed to make payment in installments over a reasonable period of time. The payments to be made by the Punjab sugar mills must be calculated after payment by the Government of Punjab of a sum of Rs. 22/- per 40 Kg to the sugarcane growers so as to reduce the burden on the sugar mills. The figure of Rs. 22/- per 40 Kg is justifiable in view of the following:-

1) Price paid by the Sindh sugar mills

= Rs. 160/- per 40 Kg

(Compared to Rs. 180/- per 40

Kg in Punjab)

 Price differential between Punjab & Sindh sugar mills on account of the higher sucrose content.

= Rs. 2/- per 40 Kg

TOTAL

= Rs. 22/- per 40 Kg

It is respectfully submitted that all coercive actions against the Punjab sugar mills be stopped forthwith till such time that a payment plan for the dues of the sugarcane growers has been devised in accordance with the terms proposed above.

Thanking you

A shear Dhuas

(Secretary)

PSMA Punjab

C.C. Cane Commissioner, Government of Punjab, Lahore



## Refusing Subsidy on Export

In September 2017, a summary was sent to the then CM Punjab, Shehbaz Sharif, by the Chief Secretary regarding availability of surplus sugar and potential of its export, recommending to subsidize export of sugar @ Rs. 15/kg;

While the CM agreed to the export of surplus sugar, he outrightly rejected the proposal to provide subsidy of Rs. 15/kg and instructed for it to be best left to the Federal Government to take an appropriate decision.



### Rs 230 Million

Subject - EXPORT OF SUGAR

Currently, 1.8 MMT is the surplus stock of sugar available for export after working out the domestic requirement. The price in the international market is also depressed (around 380 \$ /MT). The sugar industry has therefore requested for permission to export alongwith export subsidy which works out to be Rs.16.74/kg at the current international price as worked out by experts of the Finance department in consultation with the sugar industry.

15. For the next sugar cane crop, the Agriculture department has given the crop estimates at 10% more area-wise and 20% more crop-wise. Given the situation, it is imperative that the sugar industry is encouraged to export the surplus stock.

The crushing season normally starts in mid November. It is important to facilitate the sugar industry in the export of surplus stock so that the sugar industry is willing and ready to buy the new crop at the notified rate. If the sugar industry is unable to export their surplus stock, there will be serious issues for the farmers and the government will have to face crises situation.

17. Given the above situation, the recommendations of the committee at para-4/ante read with para-10/ante are submitted for consideration and approval. Initially the subsidy of Rs. 15/kg will be for 500,000 MT with the hope that the prices in the international market will show an upward trend and government may not have to provide subsidy for the remaining 1 MMT.

Secretary to CM
Sutruo 28638
Sinte S. 9.17

(CAPT. (BYZAHID SAEED) CHIEF SECRETARY PUNJAB Subject - EXPORT OF SUGAR.

para 4 ante read with paras 5, 6, 7, 10 & 17 ante to the extent of supporting the export of 1.5 MMT of sugar; however, for any subsidy on such exports, the matter may be best left to the Federal Government for taking any appropriate decision in consultation with all stakeholders.

Further necessary action may please be taken accordingly.

(IMDAD ULLAH BOSAL)
Secretary to Chief Minister
Punjab



## Refusing Subsidy on Export (contd.)

In December 2017, the Federal Government announced a subsidy of Rs. 10 per kg on the export of sugar.

On 4th December 2017, the Sindh Government announced an additional subsidy of Rs. 9.30 per kg for the mills located in the Sindh Province.

Shehbaz Sharif did not allow any subsidy in Punjab even after the announcement by Sindh Government, thus rendering the mills in Punjab at a disadvantage.



THE COMMISSION OF INQUIRY
CONSTITUTED BY
MINISTRY OF INTERIOR
TO PROBE INTO THE INCREASE IN
SUGAR PRICES

Sindh Government Sugar Export Subsidy Scheme 2017-18 (Additional Subsidy of Rs. 9.30 per kg):

- 211. On 22-11-2017, Secretary Agriculture Government of Sindh moved a summary for the grant of subsidy on export of sugar (Annexure 9). The summary was discussed in the Cabinet meeting dated 04-12-2017 as agenda item-2. The Minister for Agriculture apprised the Cabinet that "the PSMA has requested to consider the additional support subsidy of Rs. 9.30 per kg in addition to Rs. 10.70 per kg which was already sanctioned by the Federal Government. If additional support is given to the PSMA, it will be in the best interest of the public and growers".
- 212. The Minister for Industries apprised the Cabinet that whenever support is given to PSMA, its effects do not trickle down to the growers and growers are least paid for their crop. The additional cash freight shall be given if it is ensured that growers are paid Rs. 182 per 40 kg of sugarcane. The Minister for Food endorsed the point. The Minister for Agriculture added that sugarcane from Punjab is sold on prices of Rs. 110-120 per 40 kg in three districts of Sukkur, Ghotki and Kashmore-Kandhkot.
- 213. Secretary Finance apprised the Cabinet that if additional cash freight support of Rs. 9.3 per kg is translated into money terms its financial impact would be huge. The budget 2016-2017 was presented with deficit of Rs. 13 to Rs. 14 billion. If additional support is given on sugar export, it will decrease the development budget's share in coming election year.
- 214. However, the Cabinet approved the additional cash freight support of Rs. 9.3 per kg of sugar in addition to its 50% share in the cash freight support of Rs. 10.70 per kg allowed by the Federal Government on following terms and conditions.
  - The Agriculture department may reach an agreement with the Sindh Bank Limited (SBL) and deposit the full amount of cash freight support in SBL.
  - ii. No mill shall claim a cash freight support of Rs. 9.3 per kg for any quantity greater than 20,000 MT.



# Refusing Subsidy on Export (contd.)

Even though Shehbaz Sharif could have easily followed the example of Sindh by providing a similar subsidy but he refused to do so in the larger public interest. As a result, Punjab-based mills suffered a huge disadvantage as compared to the mills in Sindh.

Consequently, his son's mill suffered a

loss of Rs. 230 million.





## Taxing Ethanol

Loss

Rs. 60 Million

In 2012, CM Shehbaz Sharif took a bold decision of imposing an excise duty of Rs. 2/litre on Ethanol in order to generate revenue in Punjab despite the fact that no other province had done so.

Ethanol is a by-product of sugar and many sugar mills have distilleries, which produce ethanol for export.

Sugar mills of Punjab including those owned by Shehbaz Sharif's extended family suffered losses due to this decision. Some sugar mills approached the court against it.

Punjab Government strongly contested this case in the Lahore High Court on special directions from Shehbz Sharif.





#### High Court Order

#### Form No: HCJD/C-121 ORDER SHEET

#### IN THE LAHORE HIGH COURT, LAHORE JUDICIAL DEPARTMENT

I.C.A. No. 1219-2016

M/s. Tandianwala Sugar Mills Ltd.

Versus.

Province of Punjab etc.

		f hydro, and that of parties of
Sr. No. Of		Order with signatures of Judge, and that of parties of counsel, where necessary.
Order/ Proceeding	Order	Counsel, where needs y

28.02.2017 Mr. Ali Sibtain Fazli, Advocate for the appellant.

Mr. Shazib Masud, Advocate for the appellants in connected appeals.

Mrs. Asma Hamid, learned Addl. Advocate General.

Mian Abid Zia, Law Officer, Excise and Taxation.

Haji Javed E.T.O., and Khizar Choraya AETO.

Learned Addl. Advocate General Punjab at the very outset has raised preliminary objection on maintainability of this and connected appeals. She has placed reliance upon case reported as <u>Deputy Commissioner / Administrator</u>, <u>District Council Attock and another v. Lawrencepur Woolen Textile Mills Ltd.</u> (1999 SCMR 1357) to submit that notification imposing any tax/duty is an appealable order, therefore, Intra-Court Appeal is barred in view of proviso of Section 3 of the Law Reforms Ordinance. She has read paragraph No.10 from the above noted judgment, which is reproduced hereunder: -

"We are inclined to approve the principle enunciated in Iqna; Ahmad Khurram's case (supra) and hold that the impugned notification, or a petition provided for under section 144 of the Punjab Local Government Act (Punjab Act XXXIV of 1975) in substance was an "order" for levy of export tax and was, therefore, appealable to the Controlling Authority under Article 86 of the Basic Democracies Order, 1959 and section

#### Form No:HCJD/C-121 ORDER SHEET

#### IN THE LAHORE HIGH COURT LAHORE JUDICIAL DEPARTMENT

Case No:

I.C.A. No. 1219/2016

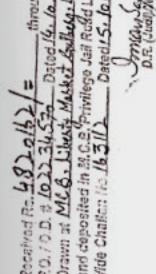
M/s Tandlianwala Sugar Mills Ltd.

Versus

Province of Punjab, etc.

S.No. of order/ Proceeding	Date of order/ Proceeding	Order with signature of Judge, and that of parties of counsel, where necessary.	
01. 10.08.2016		Mr. Ali Sibtain Fazli, Advocate for the appellant. Ch. Sultan Mahmood, Assistant Advocate General, Punjab.	

Raceived Rs. 2,982,622 — through Ro. 10,00. # 11642 735 — dated o S. 3-16 P.O. 1 H.E. Drawn at A.B. L. M.C.B. Privilege Jail Road Lyr 1. We Chailian No 163463 Dated D.T. Juday. July 16 Date D. C. (Judy.)



1178

Learned counsel for the appellant, inter-alia, submits that Provincial Excise Duty under the Punjab Excise Act 1914 ("Act") is chargeable under section 31 of the Act on excisable articles, which include "Alcoholic Liquor" as defined under Section 3 (6)(a) of the Act. It is submitted that the appellant does not produce "alcoholic liquor" but produces "ethanol" instead. These two products are different and one fundamental difference between two is that ethanol is not fit for human consumption while alcoholic liquor is. He further submits that entry 44 of the Federal Legislative List of the Constitution excludes duties of excise on alcoholic liquor, opium and narcotics from the domain of the Federal Legislative List. He submits that the said entry excludes items that are fit for human consumption.

Let notice be issued to the respondents for 12.09.2016.

#### C.M.No.1/2016.

3. Notice for the above date. Till the next date of hearing respondents are restrained from collecting the excise duty from the appellant, however, the appellant is under obligation to deposit the amount of Provincial Excise Duty in cash with Deputy Registrar (Judicial) of

this Court at the end of every month. The quantum to be deposited with Deputy Registrar (Judicial) of this Court shall be certified by the concerned Excise & Taxation Officer. In case the said arrangement is not followed, this interim relief shall have no effect and the department will be free to collect Provincial Excise Duty from the appellant in accordance with law.

#### C.M.No.2/2016.

4. Dispensation prayed for is allowed subject to all just and legal exceptions. C.M. disposed of.

(Atir Mahmood)
Judge

(Syed Mansoor Ali Shah) Chief Justice

2.0.



### Taxing Ethanol (cont.)

A mill owned by Shehbaz Sharif's son had already started construction of a distillery, which was completed but could not come into operation as the present government did not issue an NOC.

Projected losses just for this mill are estimated at Rs. 60 million (from 2018 till 2019).





## Taxing Ethanol (cont.)

The PTI Government withdrew this duty on the 20th of August, 2019 and cited the reason that 'due to this tax, sugar mills in Punjab became non-competitive when compared with the mills in other provinces.'

This decision endorses the fact that Shehbaz Sharif's being in office adversely affected his family's business.

Shehbaz Sharif's firm stance helped the Excise Department collect more than Rs. 2.5 billion.

#### GOVERNMENT OF THE PUNJAB EXCISE, TAXATION & NARCOTICS CONTROL DEPARTMENT

Dated Lahore, the 20th August, 2019

#### NOTIFICATION

No.SO(E&M)2-5/2018/ED. In pursuance of the decision taken by the Provincial Cabinet of the Punjab in its 16th Meeting held on 05th August, 2019, the Governor of the Punjab is pleased to withdraw a duty at the rate of Rs.2/- per liter on manufacturing of spirit in any distillery or brewery with effect from 5th August, 2019 i.e. the date of approval of this proposal by the Cabinet, to facilitate the manufacturers of ethanol in the province to have a fair competition amongst the manufacturers of the product in other provinces, without prejudice to the ongoing Intigation between Pakistan Ethanol Manufacturers Association and Government of the Punjab before the Lahore High Court.

The demand of the said duty created/deposited by the ethanol manufacturers in the province shall be recovered from all distillers, subject to the outcome of ongoing litigation, currently pending before the Lahore High Court.

SECRETARY GOVERNMENT OF THE PUNJAB ET&NC DEPARTMENT



### Subsidized Sugar to Ramzan Bazars

Contribution Rs. 48 Million

Shehbaz Sharif decided to establish Ramzan Bazars in the holy month of Ramzan to provide relief to the public in the form of subsidized food items.

All essential food items (except sugar) in Ramzan Bazars were subsidized by the Government of Punjab.

However, in case of sugar, all sugar mills were asked by Shehbaz Sharif to provide subsidized sugar to these Bazars at their own expense.

Due to this policy decision, the sugar mill owned by Shehbaz Sharif's son also contributed around Rs. 30 million and mills co-owned by Mian Nawaz Sharif and his late brother Abbas Sharif's family contributed Rs. 18 million in compliance with the decision of the Punjab Government.





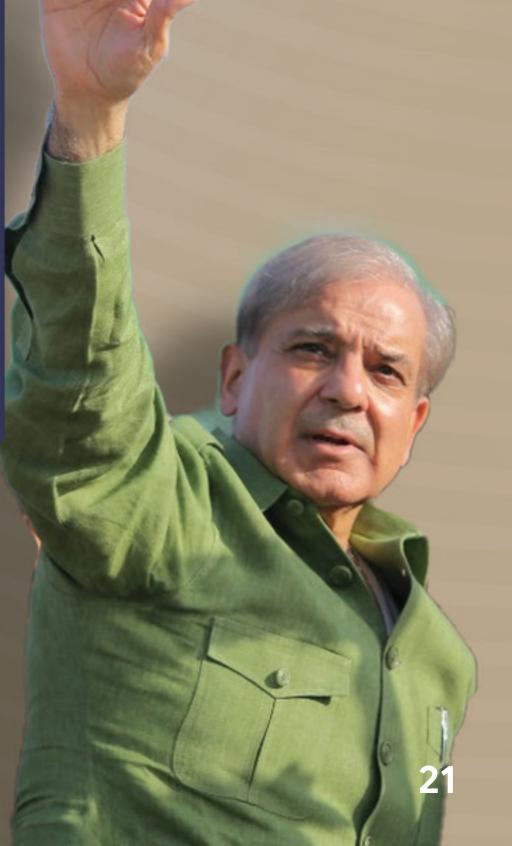


#### **Abstract**

### **Entitlements Not Claimed**

During his three tenures of chief ministership spanning over 12 years, Shehbaz Sharif set a rare example of personal integrity by forgoing all entitlements in terms of his salary, TA/DA, and other admissible allowances. He paid the expenses of his foreign travels out of his own pocket, a fact endorsed by the PTI government in the Punjab Assembly.





# Entitlements Forgone (1997-1999, 2008-2018)

**Total Entitlement** 

Rs. 59 Million

Shehbaz Sharif never claimed any salary, TA/DA, international air tickets for official visits, hotel stays, fuel or medical allowance.

Even though he was officially entitled to all these perks as the CM, he paid all the expenses from his own pocket.





## Entitlements Forgone (1997-1999, 2008-2018) (contd.)

As per the PTI government's response to a question posed by a PTI MPA in the Punjab Assembly, ex-CM Shehbaz Sharif made 40 official international trips between 2013 and 2018, paid all his expenses from his own pocket and did not use a single penny of public money.

Adjusting 40% currency value depreciation since 2018, an estimate of the amount may be made in terms of today's value.

Translation of the questions aske	ed .
QUERY	RESPONSE
How many foreign visits did the former Chief Minister, Punjab undertake between June 2013 to May 2018?	The former Chief Minister undertook 40 foreign visits from June 2013 to May 2018.
What was the duration of every foreign visit and how many people joined him during the visits?	The details about the duration of each visit and the people who accompanied the Chief Minister are appended at list 'A'
How many expenses did each visit incur? Complete details of each visit in terms of expenses may be shared.	The former Chief Minister Punjab paid all the expenses on his foreign travels out of his own pocket. However, the
ا ز وفتر و زیر اعلی پنجاب نشان ده و سوال نبر ۱ مرت جشید، ایم بی اے بنان ده و سوال نبر ۱ مرا مرت جشید، ایم بی اے بر شهر سوال بر شهر سوال بر شهر سوال بر شهر سوال موب و باب کے سابق و دیرائی بنجاب نے جون 2013 کا سی 2018 کے دور کے سابق و دیرائی بنجاب نے جون 2013 کا سی 2018 کے دور کے سی کا تاریخ کا سی 2018 کا سی کا تاریخ کی دور کے سی کا تاریخ کا سی کا تاریخ کی دور کے سی کا تاریخ کا سی کا تاریخ کی تاریخ کا تاریخ کا تاریخ کی تاریخ کا تاری	expenses of the government officers who accompanied the CM during these visits were paid by the government of Punjab under its TA/DA rules. The details of the expenses can be obtained from the Services and General Administration Department.

(ب) ا برفير على دور ب كا دورانيه كيا تها اور فدكوره افراد كالنعيل ادر دور ب ك دورانيه كاتنعيلات "الف

(ج) اہر فیر مکی دورے پر کتنا خرج آیا <mark>سابق وزیراعلیٰ بنیاب نے بیرون ملک دوروں پر ذاتی اخراجات ا</mark>غ

علیدہ علیدہ تعمل تنصیل سے آگاہ بیب سے ادا کئے ۔تاہم وزیر اللی سے ہمراہ جانے والےسرکاری

عموی انظامات صحاصل کی جاعتی ہیں۔

افران کے اخراجات حکومت بنجاب کے TAIDA Rules ک

روشی میں ادا کئے گئے تھے۔اخراجات کی تفصیلات محکمہ انتظامی امور

ال يم كنة افراد شريك تيه؟ الدين-



# Loss to Family Business & Entitlements Forgone

Loss to Family Business	Rs. 1,463,000,000
Entitlements Forgone	Rs. 59,032,793
Total Loss	Rs. 1,522,032,793

**Total Loss** 

Rs. 1.5 Billion

The above evidence clearly shows beyond any shadow of doubt that Shehbaz Sharif's family business did not benefit as a result of holding public office. To the contrary, it suffered immensely. The preceding facts completely refute the allegations of nepotism and misuse of authority levelled against him, time and again.



#### **Abstract**

## Repayment of All Pending Liabilities

Sharif family repaid all pending liabilities and loans of his ancestral business and did not demand any waiver despite the Sharif family ancestral business being nationalized and subjected to political victimization in the past. This unique example in the history of banking settlement was appreciated by the National Bank of Pakistan.







# Historic Repayment of All Pending Liabilities

The nationalization of ancestral family business on 2nd January 1972 without any compensation and subsequent political victimization at various points in time brought the largest steel and engineering industry owned by the Sharif family to a grinding halt in 1996. This led to forced engineered default.

Despite being in positions of authority, both Shehbaz Sharif and his brother, Mian Nawaz Sharif, set an example by selling off their ancestral assets to repay their family's pending liabilities.

Contrary to the prevailing practice in the country, all pending liabilities arising from Sharif family's ancestral business and since accrued, were not only paid back to the extent of the "principal but the markup, cost of funds and all other charges claimed by all the lenders" were also paid in full.

This set a unique example in the history of banking settlements and was officially appreciated by the National Bank of Pakistan in the letter attached.

Thousands of examples exist where cases are settled out of court or debt restructuring but Sharif brothers chose to pay off every penny. This settlement clearly amplifies the fact that Shehbaz Sharif's office was not used to obtain any concession.



Syed Iqbal Ashraf President & CEO

December 23, 2014

Mr. Muhammad Shahbaz Sharif Esq.,

Honorable Chief Minister, PUNJAB.

Dear Sir,

6092

National Bank of Pakistan wishes to place its appreciation on record of your immense personal support in facilitating the amicable settlement arrived at between all the secured creditors including NBP and Ittefaq Group of Companies.

The said settlement is a standalone case where a seventeen years old litigated dispute was at the end amicably resolved by way of settlement in full. The entire outstanding of Principal + Mark-up + Cost of Funds + Other Charges has been received by all lenders and none of the secured creditors including NBP allowed any financial relief, write-off, waiver etc.

The said settlement by way of sale of mortgaged assets and distribution of sale proceeds to both secured and unsecured creditors of the Ittefaq Group under the auspices of the Honorable High Court of Lahore bear out seal of transparency and legality.

It speaks volumes as to your personal character and foresighted vision, as any other obligor would have tried its level best to negotiate concessions and other financial relief in reaching a settlement.

I am personally grateful to your kind-self for standing by your commitments in the process of this settlement to pay back not only the entire principal but also all mark-up + cost of funds and all other charges claimed by all the lenders.

With profound regards,

Yours truly,

#### Abstract

### Net Savings

An amount of over 1 trillion (Rs. 1056 billion), which is tangible, not notional, was saved from the development projects executed by the Punjab government under the leadership of CM Shehbaz Sharif. He personally got involved with the negotiation process with the lowest bidders to make sure that each penny that could be saved must be saved. These net savings provided fiscal space to the government and were used for upgrading educational and health facilities in the province.



### Transparent Bidding vs. Net Savings

Transparent Bidding: is a requirement of law as per the PPRA rules and is not a favour but a duty of any public office holder towards the people.

Net Savings: Personal efforts to save the last penny of public money by going beyond what was required by law.

Shehbaz Sharif went that extra mile and through his personal commitment and efforts in negotiating lower prices, was able to save hundreds of billions of rupees of public money beyond the requirement of law. This is what we call net savings.

A second aspect in net savings includes the public money prevented and in some cases retrieved from the jaws of corruption.

These net savings, in turn, translated into development projects for the welfare of the people of Punjab.

http://ppra.punjab.gov.pk



Tel: 042-36284774 Fax: 042-36284776

### GOVERNMENT OF THE PUNJAB SERVICES AND GENERAL ADMINISTRATION DEPARTMENT

Dated Lahore, the 13th January, 2014

#### NOTIFICATION

**No.ADMN(PPRA)10-2/2013.** In exercise of the powers conferred under section 26 of the Punjab Procurement Regulatory Authority Act 2009 (*VIII of 2009*), Governor of the Punjab is pleased to make the following rules:

(iv) the lowest evaluated bidder shall be awarded the contract;

provision of these rules is in conflict with any obligation or commitment of the Government arising out of an international agreement with a state or states, or any international financial institution, the provisions of such international agreement, to the extent of conflict, shall prevail.



### PPRA Rules

- **57.** Limitation on negotiations.- (1) Save as otherwise provided in these rules, a procuring agency shall not negotiate with any of the bidders.
- (2) In case of goods of highly technical nature, the procuring agency shall ensure that the bidders submit the revised financial bids immediately after opening of the financial bids in the same manner as the earlier financial bids were submitted and the procuring agency shall not allow extra time for submission of revised financial bids by the bidders.
- (3) In this rule, the expression 'goods of highly technical nature' means all goods including machinery, its parts and micro-components, industrial, scientific or electronic equipment, plant and tools which are sophisticated in nature costing more than fifty million rupees and procured by adopting the two stages-two envelope procurement procedures.
- <sup>30</sup>[**61. Exemption**.– (1) The Government or the Board shall not **relax** application of these rules for procurement of services.
- (2) A procuring agency may directly procure goods from a public sector manufacturing unit on fixed price or negotiated price where value of procurement does not exceed one million rupees.
- (3) Where value of goods exceeds one million rupees or in a competitive bidding, the public sector manufacturing unit participating in the bid may, within three working days of opening of the bids, match the lowest evaluated bid.
- (4) In this rule, public sector manufacturing unit means a manufacturing unit owned or controlled by the Government, Federal Government, local government or by an organization which is owned or controlled by any of these Governments and enlisted on the website

## Net Savings - Overview

PROJECT	SAVINGS (Rs. Billion)
Energy (fixed cost savings)	387 (225 + 162)
Energy (variable cost saving over one year due to efficiency)	20.21
Chiniot Iron Ore	400
Orange Line Metro Train	81
Clean drinking water projects (Saaf Pani)	70.25
Retrieval of state land from illegal occupation	62
Solid Waste Management Company	11
Ring Road (Southern Loop)	6.8
Metro Bus (Lhr, Mult, Rwp)	4.6
Safe Cities	4
Apna Rozgar Scheme	2.8
Solarization of Schools (ADB Funded)	2.5
Pakistan Kidney and Liver Institute	2.1
Laptop Scheme	1.8
Purchases of buses	0.34
Ujala Program / Solar Panels	0.12
TOTAL	1056.52



## Net Savings - Overview

**Grand Total** 

Rs. 1056.52 Billion

Rs. One Trillion



#### Abstract

# Orange Line Metro Train Project

Described as China's gift for the people of Pakistan by the Chinese leadership, OLMT has been termed as a game-changer in the country's history. Other than ensuring a G to G competitive bidding for the first time, Shehbaz Sharif, known as a man in a hurry, continued with a seven-month-long negotiation process with the lowest bidder that led to a saving of \$600 million in the project cost. This speaks volumes about his concern to save public money.

## Net Savings Metro Orange Line

Savings

Rs. 81 Billion

For the first time in history of the country, the government to government agreement of Orange Line Metro Train Project was subjected to competitive bidding on Shehbaz Sharif's insistence despite no legal requirement.

The tendering was followed by negotiations with the lowest bidder, which is not required by any law. The Punjab Government secured savings of \$600 million after negotiating for seven months with CR-NORINCO, the lowest bidder with a bid price of \$2.1 billion. The final project cost, after these intense negotiations, was \$1.47 billion.

For the first time in our history, the Chinese Government handed over civil works of the project to the Pakistani contractors, which further resulted in an additional saving of Rs. 6 billion in transparent sub-tendering.

Lowest Bid \_

\$ 2.1 Billion

\_ Discount Received \_

~\$600 Million

Final Project Cost

\$1.47 Billion



#### CONTRACT AGREEMENT BETWEEN THE PUNJAB METRO BUS AUTHORITY (PMA) AND CR-NORINCO



#### CONTRACT AGREEMENT

This Contract Agreement is made on the 20 day of Apr. (month)

#### By and between

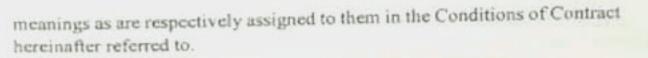
THE PUNJAB METROBUS AUTHORITY (PMA) (hereafter called the "Employer"), established under the Punjab Metrobus Authority Act 2012, ACT LV1 of 2012 (as modified from time to time), 5<sup>th</sup> Floor, Arfa Software Technology Park, 346-B Ferozpur Road Lahore, through Managing Director, PMA, which expression shall, wherever the context so permits and requires, mean and include its successors-in-interest, nominee(s), legal representatives, executors, administrators, transferees, attorneys and permitted assigns, on the ONE PART And

CR-NORINCO (hereafter called the "Contractor"). No. 10, Fuxing Road, Haidian Distrist, Beijing & No. 12A Guanganmen South Street, Xicheng District, Beijing on the OTHER PART.

WHEREAS the Employer is desirous that certain E&M Works, viz METRO RAIL TRANSIT SYSTEM ON THE ORANGE LINE IN LAHORE (FROM ALI TOWN TO DERA GUJRAN) Project should be executed by using latest Chinese equipment with at least three years operational experience and which are of the highest verifiable Chinese standards, in line with the Inter-Governmental Framework Agreement entered into between Government of Islamic Republic of Pakistan and Government of the People's Republic of China on Lahore Orange Line Metro Train Project.

NOW this Contract Agreement witnesseth as follows.

In this Contract Agreement, words and expressions shall have the same



- The following documents shall be deemed to form and be read and construed as part of the Contract, the priority of the Contract Documents shall be as follows:
  - a) Inter-Governmental Framework Agreement between Government of Islamic Republic of Pakistan and Government of the People's Republic of China on Lahore Orange Line Metro Train Project.
  - Minutes of Meeting signed between PMA and CR-NORINCO on 26<sup>th</sup>-March 2015, placed at Annexure-A of the Contract.
  - c) The Contract Agreement.
  - d) The agreed modification to Technical Proposal from the Contractor at Annexure-B of the Contract.
  - e) The Letter of Acceptance.
  - f) Preamble to Conditions of Contract.
  - g) The Conditions of Contract.
  - The Schedule of Prices.
  - Technical Contract document including the Contractor's Technical specifications, Interface documents and proposed Program of Works.
  - The completed Schedules to Bid (A to M).
  - k) The Specifications which are only deemed as reference during the bidding process and are not restrictive to the implementation of the Contract. The implementation of the Contract shall be in accordance with Contractor's technical documents, including Contractor's technical proposal in the bidding document, modification to such technical proposal, program of the project, and interface document between Civil Works and E&M works as already agreed by the parties.
  - The Drawings which are only deemed as reference during the bidding process and are not restrictive to the implementation of the Contract. The implementation of the Contract shall be in accordance with Contractor's technical documents, including Contractor's technical proposal in the bidding document, modification to such technical proposal, program of the project, and interface document between Civil Works and E&M works as already agreed by the parties.
  - m) The Project and Payment Milestones.
  - n) Any other documents forming part of the Contract.

Explanation: In case of any discrepancy on the same issue between the



### CONTRACT AGREEMENT BETWEEN THE PUNJAB METRO BUS AUTHORITY (PMA) AND CR-NORINCO

above documents, those of a later date shall govern.

- 3. The Contract Price conforming with the Technical Proposal from the Contractor shall be US Dollars (USD) 1.457,500,000/- [One Billion Four Hundred and Fifty Seven Million, Five Hundred Thousand USD only] (exclusive of contingencies), of which:
  - (a) The Civil Works part which, will be sublet to the Employer, shall be US Dollars (USD) 535,000,000/- [Five Hundred and Thirty Five Million USD only], as quoted/determined by the Employer. The Contractor shall sublet the Civil Works to the Employer. However, the Employer shall take full responsibility of Civil Works, and shall directly enter into contract(s) of Civil Works with its nominee(s).
  - (b) The E&M Works part shall be US Dollars (USD) 922,500,000/-[Nine Hundred and Twenty Two Million, Five Hundred Thousand USD only] (inclusive of 6% Withholding/Income Tax).
- 4. As mutually agreed, the driverless and related functions, Maintenance Management System (MMS) and Depot Control System (DCS) shall not be supplied by the Contractor. The price of these three items is not included in the total amount of E&M Works mentioned in Clause 3 above.
- 5. In consideration of the payments to be made by the Employer to the Contractor, as hereinafter mentioned, the Contractor hereby covenants with the Employer to execute and complete the Works and remedy defects in his own scope of work therein in conformity and in all respects with the provisions of the Contract.
- 6. The Employer hereby covenants to pay to the Contractor, in consideration of the execution and completion of the Works as per provisions of the Contract, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.
- This Contract shall become effective after the effectiveness of the Loan Agreement.

IN WITNESS WHEREOF the parties hereto have caused this Contract Agreement to be executed on the day, month and year first before written in accordance with their respective laws.

This Contract and all its attachments have been prepared, signed and sealed in six (06) copies as original stamped signature by both parties; all six (06) original copies have the same validity.

Maracas.

	FOR : CR-NORINCO
AUTHORITY	No. 10, Fuxing Road, Haidian Distrist, Beijing
	No. 12A Guanganmen South Street, Xich
346 - Ferozpur Road,	District, Beijing
Lahore	(THE CONTRACTOR)
(THE EMPLOYER)	(REPRESENTATIVE OF CHINA RAILWAY)
SIGNATURE:	SIGNATURE:
CNIC: 35202-2669542-1	PASSPORT NO: DE0002213
NAME: SIBTAIN FAZAL HALIM	NAME: LU CHUNFANG
DESIGNATION: MANAGING DIRECTOR	DESIGNATION: VICE PRESIDENT
(Conf)	(REPRESENTATIVE OF NORINCO)
(Seal)	7.7 1
	SIGNATURE: 4219
	PASSPORT NO: \$90412585
	NAME: WEN GANG
	DESIGNATION: PRESIDENT OF NORINCO GROUP
	(Seal)
WITNESSED BY:	
The state of the s	WITNESSED BY:
SIGNATURE; .	SIGNATURE: 372 2
CNIC: 35202-3022206-1	PASSPORT NO: SE0129253
NAME: KHAWAJA AHMAD HASSAN	NAME: SUN GULJIANG
3-CHAMBA LANE HOUSE	ADDDERS, N. 10 P. J. D. J. W. J. W. J.
IDDRESS: GOR-T, LAHORE	ADDRESS: No. 10, Fuxing Road, Haidian Distri- Beijing
	SIGNATURE: The
	PASSPORT NO: SE0015940
	NAME: ZHI YULIN

ADDRESS: No. 12A Guanganmen South Street,

Nicheng District, Beijing



### FRAMEWORK AGREEMENT BETWEEN GOVERNMENT OF CHINA AND GOVERNMENT OF PAKISTAN (S)



FRAMEWORK AGREEMENT BETWEEN THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF PAKISTAN AND

THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA ON PROVISION OF CONCESSIONAL LOAN BY CHINA TO PAKISTAN

The Government of the Islamic Republic of Pakistan and the Government of the People's Republic of China, with a view to further developing the friendly relations and economic and technical cooperation between the two countries, have reached an agreement as follows:

#### Article 1

The Government of the People's Republic of China agrees that the Export-Import Bank of China (hereinafter referred to as "the Lender") provide the Government of the Islamic Republic of Pakistan (hereinafter referred to as "the Borrower") with a concessional loan (hereinafter referred to as "the loan"), not exceeding RMB Yuan 1,200,000,000 (in word Renminbi Yuan Twelve Hundred Million Only), which shall be utilized for Engineering, Procurement and Construction of Metro Rail Transit System on the Orange Line in Lahore Project. The interest subsidized for the loan shall be paid directly to the Lender by the Chinese Government.

#### Article II

The main conditions of the loan are specified as follows:

- 1. The maturity period of the loan shall be 20 years (including availability period, repayment period and a grace period not exceeding 7 years);
  - The annual interest rate shall be 2%.

#### Article III

The project under the aforesaid loan has been agreed upon by the two Governments, evaluated and approved by the Lender. Should the loan will be used through on-lending, the project shall be evaluated and approved by the Lender as well as an on-lending institute designated by the Government of Pakistan.

#### Article IV

The specific Loan Agreement regarding the aforesaid loan shall be signed through consultations between the Lender and the Borrower in accordance with this Framework Agreement after the project under the loan has been evaluated and approved.

During the implementation of this Framework Agreement, if any change occurs to the amount of the loan, the interest rate, the maturity period or the grace period due to any particular conditions, the Lender and the Borrower shall sign an amendment to the loan agreement if the changes do not exceed the stipulations of this Framework Agreement; the two Governments shall sign an amendment to the framework agreement if the changes exceed the stipulations of this Framework Agreement.

#### Article V

The Pakistani Government and the Chinese Government shall review the utilization of the loan at any time and have consultations on any issue which may arise therefrom in the course of implementation.

#### Article VI

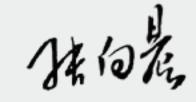
The Framework Agreement shall enter into force as of the date of its signature and remain in force for 3 years.

The Framework Agreement shall automatically terminate, if no loan agreement for the aforesaid loan has been reached and signed by the Lender and the Borrower within the aforesaid period.

Done in Beijing on 18th December 2015, in two originals, with each Party holding one. In the Chinese and the English languages, both texts being equally authentic.

For and on behalf of the Government of the Islamic Republic of Pakistan

For and on behalf of the Government of the People's Republic of China



### Abstract

### Apna Rozgar Scheme

In addition to securing a whopping saving of Rs. 2.4 billion during the procurement of vehicles, Shehbaz Sharif persuaded Pak Suzuki Limited in view of the depreciation of the Japanese Yen to further give a discount of Rs. 400 million after the agreement was signed.

1

FAVI

BOLAN



### Net Savings Apna Rozgar Scheme

Savings

Rs 2.8 Billion

Shehbaz Sharif as the CM launched this scheme to provide entrepreneurship and job opportunities to the deserving youth of Punjab.

In 2011, the Punjab Government saved Rs. 400 Million of the national exchequer by purchasing 20,000 vehicles at a discount of Rs. 20,000 for each unit.

In 2014, the Punjab government signed an agreement with Pak Suzuki Limited to procure 50,000 units of Ravi and Bolan vehicles at a discount of Rs. 40,000 for each unit after negotiations; amounting to a total of Rs. 2 Billion

After the agreement was signed and the procurement deal was locked, Shehbaz Sharif read in a newspaper one morning about the depreciation in the value of Japanese Yen. This prompted him to take up the matter with Pak Suzuki Limited for further reduction in the prices of the vehicles.





1	BOLAN STV VX (P)	RAVI STR (P)
Ex-Factory Price as on July 1", 2014	695, 000	637,000
Less: Discount	40, 000	40, 000
Price inclusive of Sales Tax	655,000	597,000

Note: Freight and Registration charges shall be borne by the BOP.

This price is for 50,000 units subject to the condition that BOP shall place confirm purchase order along with 100% advance payment as per tentative payment & delivery schedule Annexure - A

- (e) The Company shall accept orders for the said scheme as "Taxi/Commercial Vehicle" whose color will be that of approved by GOP and not as a private passenger car.
- (d) The advance payment when received against the order will be non-refundable. The Company shall deliver only Taxi(s)/commercial vehicle(s) to Bank of Punjab through authorized dealer network of Pak Suzuki in each district / tehsil (as per product specifications mentioned in clause 1(j) hereunder against the advance payment order received from BOP.
- (e) To streamline production and to ensure smooth supply of vehicles ordered, BOP shall place confirm order along with 100% advance payment for n<sup>th</sup> month at end of n-1 month with the company. In addition to the above BOP will place tentative order for n+1 and n+2 months in which up to 10% variation from the tentative payment and delivery schedule-Annex A shall be allowed by the company keeping in view the production possibility.

As the company will be working at full production capacity and has already placed scheduled orders to both foreign and local vendors, therefore any requests by BOP to hold production shall not be accommodated.

- (f) BOP shall provide 100% advance payment for staggered lots on monthly basis by 25th of n-1 /preceding month for delivery of nth month lot as clearly indicated in Tentative payment and delivery schedule-Annex-A
- (g) After receipt of order with payment from BOP, the company shall provide delivery schedule to the BOP within seven days stating complete details including name of dealer, location, number of vehicles and date of delivery. The vehicles shall be delivered as per the schedule. In case of default due to any reason other than force majeure as defined in the agreement, the company shall pay delayed charges @ Rs300/- per vehicle per day till the delivery of the vehicle to BOP. The delayed charges shall not be applicable if 95% units for that particular order had been delivered within stipulated schedule and balance shortfall does not remain more than 5%, delivery of which is completed in succeeding month.
- (h) Title documents shall directly be submitted to BOP at following address with a copy to respective dealers before dispatch of the vehicle.

The Bank of Punjab Head Office, Retail Finance Division 3rd Floor MM Tower.28-A.Block-K Gulberg –II Lahore.

- (i) Product Specifications: As agreed under the scheme, the Company will supply Standard Bolan Van (Non AC+ Non CNG) and Suzuki Ravi (non AC+ Non CNG) in color as per approved sample by GOP applicable for all products.
- (j) BOP shall deposit 100% advance payment for quantity ordered units on monthly basis; as mentioned in tentative payment and delivery schedule-Annex-A; in the shape of Bank Draft in favor of Pak Suzuki Motor Co Ltd.





-,	MEHRAN SB VX (P)	BOLAN STV VX (P)	RAVI STR (P)
Ex-Factory Price as on July 1st, 2011	467,000	546,000	494,000
Less: Discount Discounted Price	20,000 <b>447,000</b>	20,000 <b>526,000</b>	20,000 <b>474,000</b>
Accessories Taxi Light	1,000	1,000	
Side Stickers 2 in number / vehicle	500	500	500
Roof Carrier Price of Accessories	1,500 3,000	1,500	500
Final Price Inclusive of Sales Tax	450,000	527,500	474,500

#### SCHEME NO. 1

#### YELLOW CAB-2012

Т	OTAL VELTIUES	Discount per unit	Total
Suzuki , Mehran	Suzuki , Bolan 20,000 units	20,000	400 Million
12000 units	8000 units		

#### SCHEME NO. 2

#### **GREEN CAB-2015**

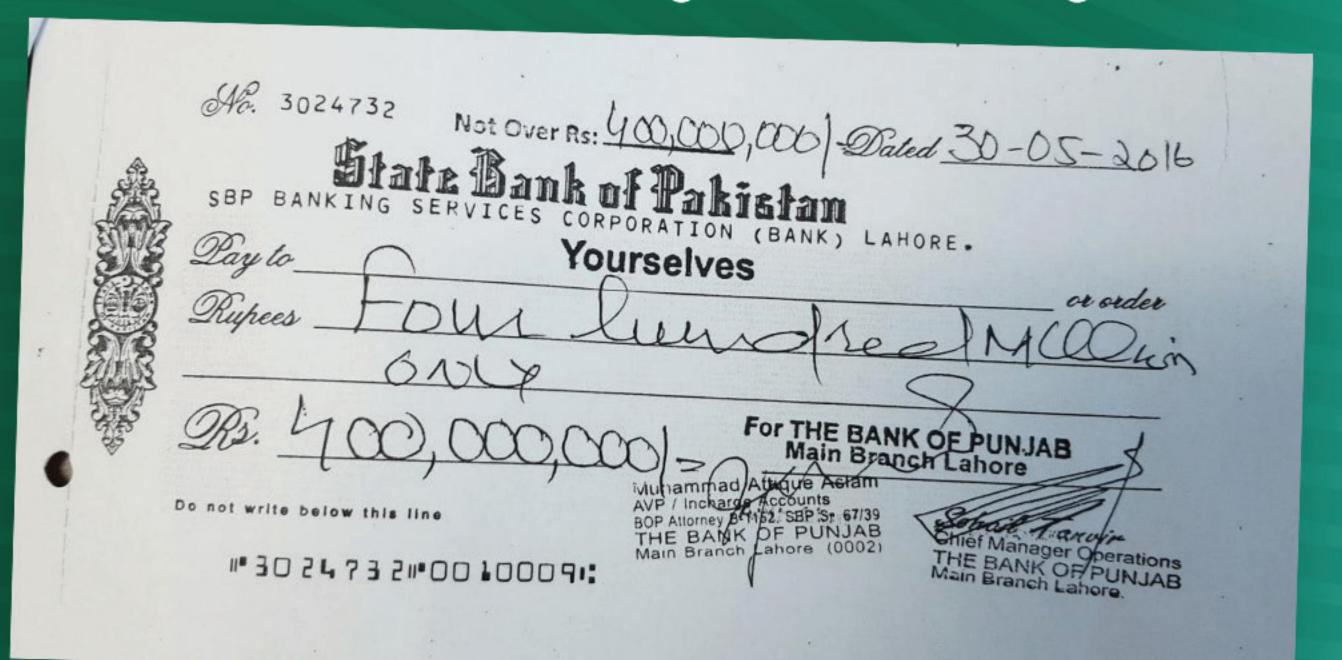
OLIVE III OVI		
TOTAL VELTIUES	Discount per unit	Total
Suzuki , Bolan Suzuki , 50,000 units	40,000	2.0 Billion
25,000 units 25,000 units  Additional		
<u>Discount</u> Million		= 400
Exchange Rate Factor		

### Net Savings Apna Rozgar Scheme (cont.)

A story of savings, unknown in the annals of history, in both legal and commercial terms.

Shocked by the request of the Punjab Government to award discount on the basis of depreciation in the value of Japanese Yen, Pak Suzuki refused to revise the terms of the agreement and award further discounts. It even warned of a legal action as no such precedent existed whereby concession was demanded after the agreement was signed.

However, thanks to the persuasive efforts of Shehbaz Sharif, Pak Suzuki after intense negotiations finally awarded a discount of Rs. 400 million and a cheque of the same amount was deposited with the government treasury.



#### Abstract

### Safe City Project

CM Shehbaz Sharif secured a discount of Rs. 4 billion in the Safe City project in 2016, a project that involved the installation of 8000 surveillance cameras. Compared to it, the Islamabad Safe City project costed Rs. 15 billion with an installation of 2000 cameras The amount saved by him was four times the amount excluding inflationary impact over five years.



## Net Savings Safe Cities; A Comparison

Savings

### Rs. 4 Billion

He spoke of his efforts to make it cost efficient,

saying he had convinced the lowest bidding

company to bring down the cost from Rs16 billion

to Rs12 billion. The Islamabad Safe City Project,

four times smaller from Lahore, was signed for

Rs12 billion six years ago, he added.

The Agreement of the Punjab Safe Cities Project, comprising of 8000 surveillance cameras, was signed in 2016 and a voluntary discount of Rs. 4 billion was obtained by the Punjab Government. The final cost was Rs. 12 billion.





BUSINESS

The chief minister said a huge screen had been installed in the command and control centre which was the biggest screen of Asia. He hoped that the Chinese company would operate this project as an example of hard work, honesty and transparency.

He said those leveling allegations of corruption should also remember transparency in this project and the saving of Rs4 billion of national resources. A prominent international institution like the World Economic Forum had acknowledged the examples of transparency set

by federal and Punjab governments, he said.

### **Punjab Safe City Project** inaugurated

The Newspaper's Staff Reporter | Updated 12 Oct 2016



LAHORE: Some 8,000 surveillance cameras, costing Rs12 billion, will watch over the city under the phased Punjab Safe City Project.

### Net Savings Safe Cities; A Comparison (cont.)

In comparison, Islamabad Safe Cities
Project comprising of ONLY 2000 surveillance
cameras, costed Rs. 15 billion, the agreement
of which was signed five years ago in 2011.
Shehbaz Sharif's efforts saved the people of
Punjab four times the amount excluding
inflationary impact over five years.

	Islamabad Safe City	Lahore Safe City
Year	2011	2016
No. of Cameras	2000	8000
Bid Price (Rs.)	12 bn	16bn
Voluntary Discount	_	4bn
Actual Price (Rs.)	15 bn	12bn





Sources disclosed that the project was started in November 2011 at a cost of over Rs 11 billion and it was completed in May 2013. Later, ECNEC reviewed the project cost in December 2015 and approved over 15 billion as the total cost of the project. According to sources, the purpose of the revision was to include Rs4 billion under head duties and taxes. They said that according to PC-IV, the project was completed on October 2018 after a delay of almost 60 months. Furthermore, the Interior Ministry also submitted the completion report of PC-IV project with Ministry of Planning and Development for further processing,



Q

### Abstract

### Saaf Pani Project

Shehbaz Sharif saved Rs. 151 million from this project of installing water filtration plants in Punjab through negotiation with the lowest bidder, a fact mentioned by Lahore High Court in its judgment that granted bail to Saaf Pani Company officials.



### Net Savings Saaf Pani Project Savings & Voluntary Discount

In 2015, the Saaf Pani Project was taken up by the Punjab Saaf Pani Company to install water filtration plants. After receiving the lowest bid of Rs. 1.14 billion, on the directions of the then Chief Minister Shehbaz Sharif intense negotiations were held with the lowest bidder and a discount of Rs. 151 million was obtained and the contract was awarded at a final price of Rs. 989 million.

### Savings

### Rs 151 Million

Meeting Minutes of the briefing on Saaf Paani Project

PRESENTATION OF PUNJAB SAAF PANI PROJECT



#### PUNJAB SAAF PANI COMPANY

- The invitation for bidding document was sent to both Pre-qualified contractors on 18th March 2015. Single stage, two envelope method was used with two separate sealed envelope consist of Technical and Financial bid. The Financial bid will be opened only if the bidder was judged technically compliant. The Bids were received on 09 April 15. Three clarifications were subsequently sent to both bidders and Responses from both the bidders were received for all three queries.
- After examining the responses from both the bidders, it was established that both the bidders were substantially compliant to the Technical requirements. Thereafter, Financial Proposal (Bid) of both the bidders were opened for financial evaluation as per bidding document and Procurement rules.
- 2.8. The Financial bids of both firms were opened on 16 April 2015. The prices quoted by both firms is given hereunder.

1	KSB Pumps	Rs.1,142,904,105
2	Amin Brothers	Rs.1,287,907,469

- 2.9. The Bids were reviewed in detail to check that Bidders quoted balanced bid price in relation to Engineer Estimates. The clarifications were sought from the Bidders for justification of costs which were notably high as compared to Engineer's Estimate. The Bidder rationalized some of the unbalanced costs estimates remaining within the specifications and deliverables. After rationalization some of the unbalanced costs were revised and bid price of KSB Pump is decreased from Rs 1,142,904,105/- to Rs 989,787,680/-
- ∠10. After comprehensive evaluation of technical and financial bids of both Contractors by the EMC it was concluded that Contract may be awarded to KSB Pumps being lowest evaluated responsive bidder at the cost of Rs. 989,878,680/- (inclusive of all applicable taxes).
- 2.11. Upon query it was apprised that internal cost estimates of the Company for the assigned work to Contractor was Rs.995.50 Million. Engineer Qamar al Islam emphasized that management needs to conduct surprise physical visit of successful bidder's facilities in order to ensure the Equipment

Minutes of 13th BOD Meeting held on 14th May, 2015

Page 6 of 10



Saturday 2nd July, 2016 10:00 am, 96-H Model Town, Lahore Chief Minister Punjab Muhammad Shehbaz Sharif Mr. Hamza Shahbaz Sharif, MNA Chairman PAU, CMO, Dr. Ayesha Ghous Pasha Chairperson, PSPC/ Minister For Finance. Mr. Azam ul Haq, Advisor to Chief Minister, Chairman P&D, Secretary Finance, Secretary Law, Secretary\_\_\_\_ Information, Mr. Waseem Ajmal, CEO PSPC, Mr. Aizaz Akhtar, Head of Special Delivery Unit-CM Office, Mr. Farasat Igbal Ex-CEO PSPC, Secretary to Chief Minister (Coordination).

The meeting started with the recitation of Holy Quran and after the recitation of the Holy Quran, Ex-CEO Punjab Saaf Pani Company gave the presentation on the updated status of Punjab Saaf Pani Program. He appraised the Chair on award of contract @20% lowest than the original bid offer in the light of the direction of the Chief Minister. Chief Minister appreciated the efforts of the Mr. Farasat Iqbal, Ex-CEO, PSPC. The Chair also appreciated Dr. Ayesha Ghous Pasha, Minister for Finance/ Chairperson PSPC for her commitment and services rendered for the company and desired may continue performing her duties till the appointment of new chairperson (copy of the presentation is attached)

The following issues were discussed and decisions were also taken during the meeting:

#### ISSUES AND DECISIONS

Dated:

Sr. No.	Issue	Decision	Action by	Time Limit
1.	GIS Mapping and Survey	Chief Minister directed that Chairman PITB would review and examine the GIS mapping and field survey conducted by EMCs & PSPC and validate the authenticity of work done by consultants. He further desired that Chairman PITB along with CEO Urban unit will make a presentation to show the progress on the preparation of a dash board covering all the activities of PSPC in the field during next review meeting. He also desired that Chairman P&D may hold a preparatory meeting before the review in this regard.	P&D CEO PSPC, Chairman PITB, CEO	01 Weel
2.	Hiring of third party validation (TPV)Consultants	The chair desired that high quality third party international consultancy should be hired to validate all the payments and scope of work completed by the constrictors on behalf.		06 Weel



### Net Savings Saaf Pani Project

Savings & Voluntary Discount (cont.)

The discount obtained is also reflected in the Lahore High Court Judgement dated 30.01.2019, where bail was granted to Saaf Paani Company officials in the NAB case and this discount was cited as one of the reasons for bail.



#### Form No: HCJD/C-121 ORDER SHEET IN THE LAHORE HIGH COURT, LAHORE UDICIAL DEPARTMENT

#### Writ Petition No.244287/218

National Accountability Bureau etc. Engr. Raja Qamar Ul Islam Order with signatures of Judge, and that of parties or S.No. of order/ Date of order/ counsel, where necessary.

30.01.2019. Mr. Shazib Masud Advocate for the petitioner in W.P. No.244287 of 2018.

Mian Ali Ashfaq Advocate for the petitioner in W.P. No.242354 of 2018.

M/s Asad Manzoor Butt and Hafiz Muhammad Numan Zafar Advocates for the petitioners in W.P. No.259386 of 2018, W.P.3394 of 2019 & W.P. No.256528 of 2018.

Mr. Shahid Nazir Jarra Advocate for the petitioner in W.P.257523 of 2018.

Mr. Muhammad Zain Qazi Advocate for the petitioner in W.P. No.185 of 2019.

Syed Faisal Raza Bukhari, Special Prosecutor for NAB alongwith Syed Saqib Haider, Assistant Director, NAB.

Through this single order, we proceed to decide the instant petition i.e. Writ Petition No.244287 of 2018 (Engr. Raja Qamar Ul Islam Vs. National Accountability Bureau etc.) as well as Writ Petition No.242354 of 2018 (Waseem Ajmal Vs. Chairman NAB etc.), Writ Petition No.259386 of 2018 (Muhammad Younas V.s. Director General NAB etc.), Writ Petition No.3394 of 2019 (Muhammad Moeen-Ud-Din Vs. Director General NAB etc.), Writ Petition No.256528



12. We have also noted that there is absolutely no allegation against the petitioners that they received any commission, kickbacks, illegal gratification while awarding contract in question to KSB Pumps. There is nothing on the record that a single penny was paid to the petitioners or transferred in their accounts or in the accounts of their relatives or friends. Similarly, there is no allegation that any moveable or immovable property was transferred in the names of the petitioners, their relatives or their friends. The main allegation against the petitioners is that through post-bid negotiations they reduced the bid price of the contract from Rs.1.14 billion to Rs.989 millions through negotiations with KSB Pumps in order to adjust the bid price with engineering cost estimates of Rs.995 millions. There is no dispute that KSB Pumps was the lowest bidder in this case who furnished bid of Rs. L.14 billion however. the petitioners immediately after the opening of the bid, through post-bid negotiations got reduced the bid price from Rs.1.14 billion to Rs.989 millions. The engineering cost estimate of the project was admittedly Rs.995 million. It is also an admitted fact that under the relevant rules, the petitioners/Board of Directors of PSPC were authorized to award contract at 4.5% higher amount than the amount mentioned in engineering cost estimate. Under Rule 57 (2) & (3) of the Punjab Procurement Rules, 2014, it has been provided that in case of goods of high technical nature (machinery, its parts, industrial equipment, plants etc.) a bid can be negotiated immediately after the opening of the bids. The abovementioned Rule 57 is hereby reproduced as under:-

### Abstract **Energy Projects** Various energy projects completed by Shehbaz Sharif's government will be remembered for their massive net savings due to voluntary discounts, early project completions, elimination of load-shedding and high-efficiency plants. These projects that provided over 5000 MW electricity to the national grid spared the national exchequer a whopping sum of Rs. 387 billion as net savings.

## **Net Savings Energy: Time, Cost, Efficiency**

Net Savings

Rs. 387 Billion

Saving: Rs. 225 billion in Power Project Cost Savings + Rs. 162 billion due to 7 month early completion of Sahiwal Coal Power Plant

For the first time in 73 years, our country witnessed the completion of 5000 MW of gas-fuelled energy projects of Bhikki, HBS, Balloki, Trimmu, Quaid-e-Azam Solar Project and the CPEC-sponsored Sahiwal Coal Power plant at a lightning speed under the leadership of Mian Nawaz Sharif and Shehbaz Sharif.

Rs. 387 billion were saved and added to the economy as a result of the cost savings due to voluntary discounts, early project completions, elimination of long hours of load-shedding and high efficiency plants that are utilizing state-of-the-art technology.



### Abstract

### RLNG Projects





### Net Savings Energy | RLNG Projects

The following table shows net savings obtained in the fixed costs incurred on the establishment of the power plants including the EPC cost of the RLNG projects completed between 2013-2018. These show a saving of \$ 1.36 billion in just three projects.

The cost and efficiency of these projects were considerably better than that estimated by NEPRA.

Also, the comparison with the Guddu plant in public and Halmore in private sector shows that these projects are much more efficient and cost effective.



### Net Savings Energy

### Total Savings

### Rs. 387 Billion

In Fixed Cost Saving

PROJECT	Net Capacity (MW)	Project Cost Regulator- Estimate (\$/MW)	Project Cost- Actual (\$/MW)	Savings (\$/MW)	Voluntary Discount (\$)	Total Saving	Efficiency- Regulator Estimate	Efficiency- Actual Achieved
Bhikki	1,156	1,057,000	660,000	398,000	10 mn	\$ 462 mn	57.00%	61.66%
Havelli Bahadur Shah	1,207	1,057,000	705,000	352,000	6 mn	\$ 425 mn	57.00%	62.44%
Balloki	1,196	1,057,000	664,000	393,000	2mn	\$ 471 mn	57.00%	61.60%
Trimmu (EPC cost)	1,263	777,513	387,173	390,340	22 mn	\$ 493 mn	57.00%	-
Quaid-e-Azam Solar Power Project	100				21 mn	\$ 21 mn		
Total Savings in Project	Costs					\$ 1,872 mn		
Total Savings in Project	: Costs (\$@Rs	.120)			Rs. 22	4,640 mn ≈ <b>R</b> s	. 225 bn	
Sahiwal Coal Power Plant	1320					Rs. 162 bn		
Total Savings	3				R	s. 387 b	n	



HBS and Balloki are Federal Govt. projects

### Net Savings Energy | RLNG Projects

	PROJECT	Net Capacity (MW)	EPC Cost Regulator Esitmate (\$/MW)	EPC Cost- Actual (\$/MW)	Savings (\$/MW)	Voluntary Discount (\$)	Total Saving (\$)	Efficiency- Regulator Estimate	Efficiency - Actual Achieved
	Bhikki	1,156	791,000	464,000	327,000	10 mn	381mn	57.00%	61.66%
	Havelli Bahadur Shah	1,207	791,000	488,000	303,000	6 mn	365 mn	57.00%	62.44%
projects	Balloki	1,196	791,000	470,000	321,000	2 mn	385 mn	57.00%	61.60%
	Trimmu	1,263	777,513	387,173	390,340	22 mn	493 mn	57.00%	-
Federal Govt.	Total Saving (\$)						1,624 mn		
	Projects from Previous	Tenures							
and Balloki are	Halmore (Pvt Sector)	209		824,000				57.00%	51.20%
HBS an	Guddu (Public Sector)	1,420		836,000				57.00%	54.48%



Despite Guddu and both Bhikki and Balloki being apple to apple projects in terms of Supplier (G.E.) and Contractor (Harbin); Bhikki (\$464/MW) and Balloki (\$470/MW) were built at half the cost of Guddu (\$836/MW)

## Net Savings Energy | RLNG Projects



Rs. 20.2 Billion

Variable cost savings in one year

The following table shows net savings obtained in the variable costs, including O&M and LTSA, of the RLNG projects completed between 2013-2018.

These show a saving of Rs. 20.21 billion in 1 year and a cumulative saving of \$ 5 billion over 30 years with \$ @Rs.105.

PROJECT	Net Capacity (MW)	Tariff Regulator Estimate (Rs./kWh)	Tariff Actual (Rs./kWh)	Saving (Rs./kWh)	Total Saving in 1 year (Million Rs.)	Efficiency- Regulator Estimate	Efficiency - Actual Achieved
Bhikki	1156	6,760,000	6,020,000	740,000	6,929	57.00%	61.66%
Havelli Bahadur Shah	1207	6,760,000	6,080,000	680,000	6,683	57.00%	62.44%
Balloki	1196	6,760,000	6,080,000	680,000	6,597	57.00%	61.60%
Total	3559				20,209		



### Net Savings Bhikki

Capacity

1156 MW

**Completion Time** 

18 Months
World Record

**Efficiency** 

61.6%

**Voluntary Discount** 

\$10 Million

**NEPRA est. Project Cost** 

\$1,057,000<sub>/MW</sub>

**Actual Project Cost** 

\$660,000<sub>/MW</sub>

**Cost Savings** 

\$462 Million

#### Comparison

Lowest ever capital cost
Built at half the cost of similar projects
7% more efficient than Guddu (54.48%)
4% more efficient than NEPRA standards



Around 1000-1500MW Re-Gasified Liquefied Natural Gas (RLNG) Based Combined Cycle Power Plant at Bhikki, Punjab, Pakistan



#### **HEI- HRL Joint Venture**



Date: August 31, 2015 Ref: QATPL/HEI-HRL/001/20150831

To: Quaid-e-Azam Thermal Power (Pvt.) Ltd.

From: HEI- HRL Joint Venture

Attention: The Chief Executive Officer

Subject: Revised Offer for Bhikki RLNG Combined Cycle Power Plant

Dear Sir.

In continuation of our bid under ICB No. Agreement No. 1- RLNG- Power Plant for the Engineering, Procurement and Construction of 1000- 1500MW (Gross) Re- Gasified Liquefied Natural Gas (RLNG) Based Combined Cycle Power Plant at Bhikki, Punjab, Pakistan, we are pleased to offer voluntarily the following improvements in our original Bid;

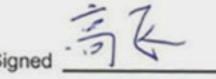
- The EPC price is revised from 549,264,520 USD to 539,260,000 USD. And the EPC NPV is revised from 625.51 Million USD to 608.15 Million USD. The payment schedule has also been optimized. Details are attached herewith as Annex A.
- GE LTSA cap is revised from 213,468,950 USD to 193,428,576 USD. The LTSA NPV is reduced from 148.25 Million USD to 130.44 Million USD. The details are attached herewith as Annex B.
- 3. The efficiency on HSD is improved from 52.72 % to 54.90 %.
- 4. It may please be noted that, the Gas Pressure at Bhikki Project is as low as 20 bars, as provided by the Employer in the Bidding Documents. In case the Gas Pressure is increased to 34.5 bars, the efficiency on RLNG shall be increased by 0.1 % and output by about 3 MW.

Considering the above mentioned factors, our LEC can be taken as 7.921 US Cent/kwh.

We look forward to your acceptance of our revised offer and issuance of Letter of Award for the subject project.

Name Gao Fei

In the capacity of the Representative of HEI- HRL Joint Venture



Duly authorized to sign the Bid for and on behalf of HEI- HRL Joint Venture

### Net Savings Havelli Bahadur Shah

Capacity

1207 MW

**Completition Time** 

HBS is a Federal Govt. project

Efficiency

62.44%

**NEPRA est. Project Cost** 

\$1,057,000<sub>/MW</sub>

**Voluntary Discount** 

\$ 22 Million

28 Months

**Actual Project Cost** 

\$705,000<sub>/MW</sub>

**Cost Savings** 

\$425 Million

#### Comparison

Most efficient power plant in the world Guddu had a cost of USD 836,000 per net MW and an efficiency of 54.48%



#### 中国电力建设集团有限公司

POWER CONSTRUCTION CORPORATION OF CHINA

Ref: PCCC/PK/ HBS.2015/019

Date: September 15, 2015

NATIONAL POWER PARKS MANAGEMENT CO. (PVT.) LTD Ministry of Water & Power, Government of Pakistan 2<sup>nd</sup> Floor, A Block, Pak Secretariat, Islamabad

Subject: Revised offer for Havelli Bahadur Shah (HBS) RLNG Combined Cycle Power

Dear Sir,

In continuation of our bid under ICB No. 2A-RLNG-Power Plant for the Engineering, procurement and Construction (EPC) of 1000-1200MW (Gross) Re-Gasified Liquefied natural Gas (RLNG) Based Combined Cycle Power Plant at Havelli Bahadur Shah, Punjab, Pakistan, we are pleased to offer voluntarily the following improvements in our original Bid:

- 1. The EPC price is revised from USD 595,450,066/- USD (US Dollar Five Hundred Nighty-Five Million Four Hundred Fifty Thousand Sixty Six Only) to USD 589,450,066/- (US Dollar Five Hundred Eighty-Nine Million Four Hundred Fifty Thousand Sixty Six Only).
- 2. PowerChina agrees to provide an additional, unconditional, non-recourse and irrevocable bank guarantee of USD 48,000,000 (US Dollar Forty Eight Million only) for any efficiency shortfall of Case "C" from 62.44% to 61.59%. The additional / special bank guarantee shall be issued at least one day prior to the signing of the EPC Agreement by PowerChina and shall be valid until six (06) months after the Combined Cycle COD date. The Performance Testing Procedure shall be as per the Bidding Document. Draw from the above referred guarantee will be applied by the Employer in accordance with the following formulae at the time of COD:

Where PNE means the measured Plant Net Efficiency during performance test after corrections (including degradation correction) as per the correction curves for Case "C", the PNE herein is between 61.59% ~ 62.44%.

And if the PNE is less than 61.59%, the Liquidated Damages specified in the Bidding Document shall be applicable; If the PNE is equal or higher than 62.44%, it shall be considered that the performance test has been successful.

邮政编码: 100044

huical)

2015

地址:中国北京市海淀区三里河路1号

传页(Fax): +86-10-58382745

Add: No.1, Sanlihe Road, Haidian District, Beijing, 100044, China www.powerchina.cn

1/2

#### 中国电力建设集团有限公司

3. We also reconfirm that:

- i) The improved Net Plant Efficiency and Output on HSD will be provided before September
- ii) The Combined Cycle correction and degradation curves will be provided before September
- iii) PowerChina pledges to comply with the requirements regarding qualification of sub-contractors / manufacturers as stipulated at sub-clause 2.2 Section 3 of Part I and sub-clause 4.1 of Section 6 of Employer's requirements in the Bidding Document.
- iv) PowerChina pledges to comply with the requirements regarding application of International
- v) PowerChina will comply with the provision of EPC Agreement regarding priority of

look forward to your acceptance of our revised offer and issuance of Notification of Award.

y sincerely yours



athorized Representative/Business Development Manager

or and on behalf of The Power Construction Corporation of China/Qavi Engineers vt.) Ltd. Joint Venture

### Net Savings Balloki Balloki is a Federal Govt. project

Capacity

1196 MW

**Completition Time** 

21 Months

Efficiency

61.60 %

**NEPRA est. Project Cost** 

\$1,057,000<sub>/MW</sub>

**Voluntary Discount** 

\$2 Million

**Actual Project Cost** 

\$664,000<sub>/MW</sub>

**Cost Savings** 

\$471 Million

Comparison

7% more efficient than Guddu (54.48%) 4% more efficient than NEPRA standards nd 1000-1200MW Re-Gasified Liquefied Natural Gas (RLNG) Based

- iii) HEI pledges to comply with the requirements regarding qualification of sub-contractors / manufacturers as stipulated at sub-clause 2.2 Section 3 of Part I and sub-clause 4.1 of Section 6 of Employer's requirements in the Bidding Documents;
- iv) HEI pledges to comply with the requirements regarding application of International Standards and Codes and reconfirms its understanding that no alternate standards
- HEI will comply with the provision of EPC Agreement regarding priority of documents.

We look forward to your acceptance of our revised offer and issuance of Letter of Award for the subject project.

In the capacity of the Representative of HEI- HRL Joint Venture

Duly authorized to sign the Bid for and on behalf of HEI- HRL Joint Venture

Around 1000-1200MW Re-Gasified Liquefied Natural Gas (RLNG) Based Combined Cycle Power Plant at Balloki, District Kasur, Pakistan



#### **HEI- HRL Joint Venture**



Date: October 22, 2015 Ref: NPPMCL/HEI-HRL/001/20151022

To: National Power Parks Management Company Ltd. From: HEI- HRL Joint Venture

Attention: The Chief Executive Officer

Subject: Updated Offer for Balloki RLNG Combined Cycle Power Plant

Dear Sir,

In continuation of our Bid under ICB No. Agreement No. 2B- RLNG- Power Plant for the Engineering, Procurement and Construction of 1000- 1200MW (Gross) Re- Gasified Liquefied Natural Gas (RLNG) Based Combined Cycle Power Plant at Balloki, District Kasur, Pakistan, we voluntarily provide our revised offer as follows:

- 1. Our EPC price is revised from USD 565,394,393 (Say US Dollar five hundred sixty five Million three hundred ninety four thousand three hundred and ninety three only) to USD 562,600,000 (Say US Dollar five hundred sixty two Million and six hundred thousand only).
- 2. Due to the design optimization, the Performance would be as follows: Net output: 1198.555 MW Net Efficiency: 61.627% (for CASE C at RSC, fuel is Natural Gas).
- 3. The efficiency on HSD is improved from 53.325% to 53.64%.
- 4. It may please be noted that, the Natural Gas Pressure of Balloki Project is as low as 20 bars, as provided by the Employer in the Bidding Documents. In case the Gas Pressure is increased to 34.5 bars, the efficiency on RLNG would be increased by 0.15 % and the output by 3 MW

Considering the above mentioned factors, our LEC can be taken as 7.921 US Cent/kwh.

We also reconfirm that:

- i) The revised Net Plant Efficiency and Net Output on HSD will be provided within 21 days after NTP:
- ii) The Combined Cycle correction and degradation curves will be provided within 21 days after NTP:



### Net Savings Trimmu

Capacity

1263 MW

**Voluntary Discount** 

\$22 Million

**EPC Cost** 

\$777,513<sub>/MW</sub>

**Actual Project Cost** 

\$ 387,173<sub>/MW</sub>

**Cost Savings** 

\$493 Million

#### Comparison

Despite being almost 100 MW more than the other RLNG plants, Trimmu had the lowest EPC cost and maximum savings compared to them.

### SIEMENS

Punjab Thermal Power (Pvt.) Limited 1st Floor, 7-C-1, Gulberg-III Lahore, Pakistan

Mr. Syed Salman Hassan Company Secretary Name Department Syed Muhammad Daniyal RC-PK PS PG

Power Generation Services +92 (213) 259 2907

Telephone \*92 (213) 259 2907
Fax +92 (213) 256 6805
Mobile +92 (322) 222 4036
E-mail syed daniyal@siemens.com

Your letter of I

PGS/546/LTP/SMD August 31\*, 2017

Subject: IFP No.1-PTPL-Power Plant, LTSA

Dear Sirs,

With reference to subject matter whereby Siemens being the OEM of the two bidders; CMEC and Power Construction Corporation of China, has submitted respective LTSA bid which has been accordingly forwarded to PTPL by these two aforementioned bidders.

Siemens is pleased to submit herewith a voluntary discounted offer as per attached schedule 6 of the ITB documents for PTPL positive consideration.

Yours sincerely

Siemens Pakistan Engineering Co. Ltd.

Naeem Ahmed Divisional Controller Safdar Ibrahim

Divisional Director

Cc

1. Mr. Li Kan (CMEC)

2. Mr. Yu Chao (Power China)



### **Abstract**

### Sahiwal Coal Power Project

Sahiwal Power project, the first coal project under CPEC, was completed in a record time of 22 months, seven months ahead of its scheduled date of completion. This early completion resulted in a saving of Rs. 162 billion.



Savings

Rs. 162 Billion

First mega coal power plant of Pakistan as well as the first power project to come online under CPEC.

This 1320 MW power project was completed at a cost of \$ 1.8 billion in a record time of 22 months, seven months ahead of its scheduled date of completion, due to personal supervision of Shehbaz Sharif. This early completion resulted in a saving of approximately Rs. 162 billion to the public exchequer.

In comparison, the 990 MW Neelum Jhelum Hydropower Project costed \$ 5 billion and took 19 years to be completed. This had an adverse financial impact on our country's

struggling economy.



Source: Hafiz A. Pasha Growth and Inequality in Pakistan IPP, Cost of Power Load shedding, 2012

Scheduled date of completion: 25th December 2017

Actual date of completion: May 2017

Total savings due to the seven month early completion of this project:

1 KWH = 1000 watts power in one hour

Opportunity cost of 1kWh = Rs. 24

Opportunity cost of 1MWh = Rs. 24000

Opportunity cost of 1MWh over a year =  $24000 \times 365 \times 24 = \text{Rs.} 210.2 \text{ million}$ 

Opportunity cost of 1MWh over 7 months =  $(210.2/12) \times 7 = Rs. 122.6$  million

Sahiwal coal project production = 1320 MW

Total savings due to 7 month early completion of this project

= 1320x122.6 m = Rs. 162 Billion



In addition to these savings, Shehbaz Sharif, through his sheer insistence, ensured that the company donates 2% of the net profit per annum from this project to the Punjab Government as part of its Corporate Social Responsibility (CSR). This amounts to approximately Rs. 400-500 million per annum.

Being a CPEC project, it involves the Chinese investment without any cost to be incurred by the Punjab Government. Hence, while Shehbaz Sharif availed a 2% profit from the project to be donated to Punjab under CSR, there is no risk associated in case of losses.

The company also agreed to establish a technical training institute in the project area, which trains about 600-800 students annually.





**CSR Agreement** 

Vetted Agreement: GoPb and HSR (Pakistan): ...2017 经审查的旁边普省总督与华能山东如意(巴基斯坦)之间的协议。2017年月日

"公司"同意按照本协议条款和条件提供技能培训,促进萨希瓦尔地区 及周边人民的就业,以此为当地人民的技能培养做出贡献。

The Company agrees to contribute towards skills development by imparting skills training that will enhance employability of the people living in or around Sahiwal in accordance with the terms and conditions mentioned herein.

据此,双方约定以下:

NOW THEREFORE, the Parties agree as under:

- "公司"在萨希瓦尔项目地区设立一座技术培训学校(简称"学校"), 向项目地区符合条件的青年传授发电、工程设计等相关领域的就业技能。 The Company shall establish a Technical Training School (for brief the "School") at the Project area in Sahiwal to impart employability skills to the eligible young people of the Project area relating to power generation, engineering and other relevant fields.
- "学校"至少每年为语言、电工、焊工、化验等专业的 600—800 名男 女学生提供培训。
  - The School shall train annually at least 600 to 800 students male as well as female in various majors such as foreign language, electrician, welder, and chemical analysis.
- "学校"应在 2018 年 6 月之前投入运营,按照"项目"购电协议(PPA) 所规定的电费结算方式, "公司"持续全额收到购电方(CPPA)"项 目"电费的前提下,"公司"负责"学校"的经营和维持,在"项目" 30年运营期间持续有效,在此之后将移交给旁遮普省政府。
  - The School shall become operational by June, 2018. The Company shall operate and maintain the School during the 30 years' operation life of the Project, provided that the Company receives continuously the full amount from the Power Purchasers (CPPA) in accordance with the tariff settlement means specified in the PPA. After such operation life, the School shall be handed over to Government of the Punjab.
- 4. 本协议任何方式的免除、解除、补充、解释、修改或变更等,均需双方 正式签署一份书面文书。

This Agreement may not be released, discharged, supplemented, interpreted, mended varied or modified in any manner except by an instrument in

Vetted Agreement: GoPb and HSR (Pakistan): ..2017 经审查的旁遮普省总督与华能山东如意(巴基斯坦)之间的协议, 2017年月日

"公司"同意在"项目"正式投入商业运营(COD)之后,具体落实旨 在为萨希瓦尔当地人民谋福利的企业社会责任活动。

The Company agrees to implement the CSR activities which benefit Sahiwal people after the Project is put into commercial operation (i.e. after the COD).

据此, 双方约定以下:

NOW THEREFORE, the Parties agree as under:

- "公司"同意将"项目"年度净利润额(按照"公司"提供的经独立注 册审计师审计的年度财务报告,并经巴基斯坦证券交易委员会(SECP) 规范声明的"项目"年度净利润额为准,简称"净利润")的百分之二 (2%) 捐赠给 GoPb 拟根据本协议条款和条件设立的信托基金;
  - The Company hereby agrees to donate two percent (2%) of its net profit from the Project (hereinafter as the Net Profit, as stated in the annual financial report audited by an independent certified auditor to be provided by the Company, and declared in accordance with SECP Regulations) on an annual basis to a trust fund to be established by GoPb in accordance with the terms and conditions herein.
- "公司"同意并承诺每年将"项目""净利润"的百分之二(2%)(简 称"捐款金额")捐赠给"旁遮普省总督"拟设立的信托基金(简称"信

The Company hereby agrees and undertakes to donate two percent (2%) of its Net Profit from the Project (for brief the "Donation Amount") on an annual basis to a Trust Fund to be established by GoPb (for brief the

- "信托"应根据《1882年信托法》登记,由"旁遮普省总督"正式任命 的受托人管理。
  - The Trust shall be registered under the Trust Act, 1882 and shall be managed by the trustees duly appointed by GoPb.
- "捐款金额"仅用于为萨希瓦尔地区人民谋福利的社会部门活动,特别 是卫生项目和计划。

The Donation Amount shall be used only for the well-being of the people of Sahiwal Division in social sector initiatives particularly health projects and programmes.

- 5. 在"项目"投入商业运营(COD)之后,按照"项目"购电协议(PPA) 所规定的电费结算方式, "公司"持续全额收到购电方(CPPA)"项 目"电费的前提下,每年将"捐款金额"投入在"信托"中(分两次投 入,上半年按照预计"净利润"的1%投入,下半年投入剩余部分), 在"项目"30年运营期间持续有效。
- any will contribute the Donation Amount to the Trust on a yearly

## Abstract Quaid-e-Azam Solar Power Project The first solar power project in Pakistan not only helped diversify the energy mix but also resulted in a discount of \$21 million.

### Net Savings Quaid-e-Azam Solar Power Project

The first ever solar power project in the country that helped diversify the energy mix.

A voluntary discount of \$ 21 million was obtained.



PC Cost (net)	USD 131,150,000.00
	USD 72,040,316.21
Amount of Asset Replacement	USD 1,745,900.00
Fund (ARF)	USD 73,786,216.21
O&M Cost	USD 9,334,855.22
Estimated Taxes as per our bid Allocation for any contingency diverted from rebate (year 25)	
TOTAL Contract Price	USD 215,271,071.43

### Savings

### \$21 Million



#### **赫奕由丁新疆新能源股份有限公司**

TBEA SUNOASIS CO., LTD

Address:No.399 South Changchun Road ,Hi-tech Developme
Zons ,Urumqi,Xinjiang,China Pin Code:830011
Tel: +86 (0991) 3672515 Fax; +86 (0991) 3672515

17 April 2014

Quaid-e-Azam Solar Power Pvt Ltd 83-A, E-1, Main Boulevard, Gulberg III, Lahore

Attention: CEO

Subject: Tender for EPC and O&M of 100MWp solar power plant at Lal Sohanra

Dear Sir:

This is with reference to our bid regarding the subject project and the due diligence carried out by the independent consultant.

We are glad to inform you that our due diligence has been completed successfully by the independent consultant appointed by QA Solar. The Bill of Material (BOM) Option no. 2 of offered options of solar module manufactured by our JA Solar (TBEA OEM) as per attached details has been accepted by the independent consultant. We are glad to offer this particular solar module as per this BOM and data sheet for the project.

We hereby reiterate our commitment to make all our equipment compliant with the employer's requirements subject to approval of final design, especially the recommendations of the consultant regarding the inverter(1MW x 100 DC input), solar module, demo plant and O&M requirements. We will be submitting the detailed design accordingly, keeping in view these recommendations.

We also hereby voluntarily give a special rebate in our tender in light of the perpetual friendship of our two brotherly countries and the fact that we wish to be the pioneers in this uncharted field of grid connected solar plant being set up in the QA Solar Park.

Our following revised offer not only provides state of the art components, but is presently highly competitive, and can be termed as a special introductory offer.

n introllenc	USD 151,982,803.78	
Original EPC  Less cost of items as per Special  Provisions in our bid item Nos. 2.8	USD (2,169,672.41)	
to 2.13	USD (18,663,131.37)	3374
Less rebate	000 (20)	



### Net Savings Energy: Time, Cost, Efficiency

Cost of Load Shedding

	Rs/ Kwh	Benefit Cost Ratio
Commercial	68.26	4:6:1
Industrial	46.34	3:1:1
Agricultural	31.63	2:1:1
Domestic (Urban)	23.81	1:6:1

Cost of Outages in 2016-17
Total Cost = Rs. 498.7 billion
Equivalent to 1.6% of the GDP

Cumulative Cost of Load Shedding if Capacity had not been augmented since 2016

	% of GDP	GDP	Cost (Rs. Million)	\$ Billion
2013-14	2.0	25168	503	4.9
2014-15	2.0	27443	548	5.4
2015-16	2.0	29075	582	5.6
2016-17	1.6	31922	499	4.8
2017-18				
Cumulative cost		2132	20.7	

Source: Hafiz A. Pasha Growth and Inequality in Pakistan IPP, Cost of Power Load shedding, 2012



### Abstract

### Miscellaneous Projects

Substantial savings were obtained from a number of projects such as Solid Waste Management, Liver and Kidney Institute, Laptop Scheme, Solar Panel Ujala Program, Scholarization of Schools, and Wifi Hotspots during the incumbency of CM Shehbaz Sharif.







## Solid Waste Management Company

**Net Savings** 

Rs. 11 Billion



**Net Savings** 

Rs. 2.1 Billion

Laptop Scheme



**Net Savings** 

Rs. 1.4 Billion

Wifi Hotspots

Rs. 40 Million



Solar Panels Ujala Program

**Net Savings** 

Rs. 120 Million

worth of 20,000 solar panels



Solarization of Schools

**Net Savings** 

Rs. 2.5 Billion



# Net Savings Retrieving public money from Jaws of corruption

Saaf Pani - Rs. 70 Billion

Chiniot Iron Ore - Rs. 400 Billion

Metro Orange Line - Blacklisting of the company



### Abstract

Retrieving Public Money From Jaws of Corruption

### Saaf Pani Project

Shehbaz Sharif detected a massive escalation of Rs. 70 billion in the project cost of the Saaf Pani project on the eve of award of the contract. The case was sent to the Anti-Corruption Establishment and thus Rs. 70 billion were saved.



### Retrieving Public Money From Jaws of Corruption

### Net Savings

### Rs. 70 Billion

# Saaf Pani Project Savings

Unjustified cost escalation of Rs. 70 billion in the project was detected by Shehbaz Sharif in the briefing given to him by the department on the day of the award of contract and the case was sent to Anti Corruption Establishment.

When inquired, one of the reasons cited for this cost escalation was 'Country risk'. This generally refers to the uncertainty associated with investing in a particular country that could lead to losses

for a foreign investor. Surprisingly, here all the money was being spent by the Punjab Government hence the cost escalation, due to the factor cited, wasn't justified.

Through stern and timely action, Rs. 70 billion from the public exchequer were saved.

(1) Illegal/excess payment amounting to Rs.10,069,144/- on account of weather shield was made to Contractor M/s KSB through variation order No.5. (2) Unjustified and non uniform application of risk/cost factors by EMC consultants resulting an increase of PKR 103.64 Billion in the estimates thereby attempt was made to deprive public at large of already limited sources in social well being. (3) Selection of EMC Consultants in violation of evaluation criteria through favoritism and issuance of payments without completion of requisite tasks like engineering estimates by incorporating exorbitant rates with malafide intentions in connivance with officers / officials of PSPC, resultantly increasing the cost of project thereby causing substantial loss to public exchequer. (4) Illegal payments amounting to Rs.58.995 million were made to M/s Alpha Consult-JV, Illegal payments amounting to Rs.58.995 million were made to M/s Alpha Consult-JV. Third Party Validation Consultant in the head of salary of International Staff without verification of their arrival, stay, departure status and other heads like TPV services as verification of their arrival, stay, departure status and other heads like TPV services as verification of their arrival, stay, departure status and other heads like TPV services as per contract agreement.

Ordinance, 1984. The Khadim-e-Punjab Saaf Pani Program being executed by this Company. 2. Engineering Estimates amounting to Rs. 121 billion on MRS and Non-MRS rates for execution of 14 contracts, were prepared by PSPC though Engineering Management Consultants, which were enhanced to Rs. 125.04 billion by adding two Tehsils of Southern Punjab. Subsequently, Engineering Estimates for these contracts were further enhanced to Rs. 190.04 billion approximately as claimed and reported by the Company. 3. To review this substantial increase in cost estimates of the aforesaid 14 contracts, Chief Minister was pleased to constitute a Committee to examine the Engineering Estimates prepared by the Company through Engineering Management Consultants (EMCs), the Bids submitted for each contract by evaluating the nature of solution proposed by the EPC Contractors, percentage variation between the Engineering Estimate and the bids received (Annex-I). The Committee was further directed to assess the suitability of the Engineering Estimates and bids. The said Committee after examining all the aforementioned aspects prepared its report (Annex-II). 4. The major observations and findings of the committee were as under:- i. Notice for Pre-gualification was published on 13.05.2016, whereas, BOD PSPC was appried on

### **Abstract**

Retrieving Public Money From Jaws of Corruption

### Chiniot Iron Ore

Chiniot Iron Ore project involving Rs. 400 billion was awarded to an influential person without any bidding. Shehbaz Sharif cancelled the contract, considering it to be a daylight robbery, a fact corroborated by Lahore High Court when it termed the contact as "heartless breach of public trust."



### Retrieving Public Money From Jaws of Corruption Chiniot Iron Ore

Savings

Rs. 400 Billion

in the first phase of exploration

In Musharraf's era, a contract of Rs. 400 billion for the Chiniot Iron Ore was awarded, without bidding, to a Pakistani American who had very close personal relations with people in positions of authority.

The agreement was such that 80% ownership of the entire project was given to the aforementioned individual, while 20% conditional ownership remained with the Government of Punjab.

Shehbaz Sharif took notice of this attempted mega corruption and immediately rescinded the contract.





### Retrieving Public Money From Jaws of Corruption Chiniot Iron Ore

The concerned party took the matter to the Court where the Government of Punjab strongly defended its position and won the case, thereby retrieving this Rs. 400 billion project from the jaws of corruption.

The Lahore High Court, in its remarks, declared the award of this contract as "heartless breach of public trust" and upheld the Punjab Government's decision to rescind the contract.

Stereo. H C J D A 30.

#### **Judgment Sheet**

## IN THE LAHORE HIGH COURT LAHORE JUDICIAL DEPARTMENT

Case No: W.P. 10809/2008

Arshad Waheed

Versus

Province of Punjab etc.

#### JUDGMENT

Dates of hearing	22.04.2010, 28.04.2010, 3.6.2010, 23.06.2010 and 24.06.2010
Petitioner by	Ch. Amir Rehman, Advocate  Muhammad Haris, Advocate
Respondents by:	· Muhammad Harry

### 36. NON MAINTAINABILITY OF THE PETITION AND THE POWER OF THIS COURT TO PROCEED FURTHER

Non maintainability of the petition on merits does not oust the jurisdiction of this court to address other violations of public law, which have come to fore during the course of arguments on the petition and after the perusal of the record.

Stark violations in the disposal and transfer of public property and heartless breach of public trust by the public functionaries (public trustees) cannot be over looked. This Court is under



### Abstract

# Retrieving Public Money From Jaws Of Corruption

The Shehbaz Sharif government cancelled the contract of Maqbool-Calsons Company working on the Orange Line Metro Train project owing to its poor quality of work, imposed a ban of five years on the company, and encashed the bank guarantee of Rs. 903 million. The same blacklisted company was hired by the PTI government in BRT Peshawar and three other federal projects.



### Fact

### Retrieving Public Money from Jaws of Corruption

The progress of Maqbool-Calsons joint venture for civil works of Metro Orange Line was poor. CM Shehbaz Sharif was able to find out corruption in the quality of work being done which could potentially have caused the elevated parts of Metro Orange Line Train track to collapse causing irreparable and devastating damage to lives and property.

The provincial government terminated their contract and encashed their bank guarantee of Rs. 903.3 million - it also imposed a five-year ban on the contractors from participating in LDA tenders under PPRA rules - PEC was also requested to blacklist the firm.

This blacklisted company was engaged by PTI in building BRT Peshawar project which then resulted in criminal delays, a faulty design and an escalated cost.

Interestingly, the Federal government, led by PTI, awarded the contracts of three federal projects worth Rs. 2.24 billion to the same blacklisted company earlier this year, these include

Rawal Dam Interchange (Rs. 1.2 billion), expansion of Korang bridge (Rs. 628.5 million) and PWD underpass (Rs. 420 million)



# Net Savings - Overview

**Grand Total** 

Rs. 1056.52 Billion

Rs. One Trillion



# What do these savings mean?

PKLI - Rs. 20 bn

Subsidized Fertilizers Worth billions

Farm to Market Roads - Rs. 90 bn

**Universities and Hospitals** 

Metros - Rs. 100 bn

PEEF - Rs. 20 bn educating 350,000 youth

Laptops for about 415,000 students

Free medicines for deserving

CT scan and X Ray machines in all DHQs of Punjab

Hospitals in South Punjab

**HEC Scholarships** 

**Low Cost Housing - Ashiana** 



#### Abstract

Baseless & Misleading Accusations against Shehbaz Sharif (Fact vs. Fiction)

# Imran Khan's Allegation of Corruption Against Shehbaz Sharif

Imran Khan accused Shehbaz Sharif of kickbacks and corruption through an alleged front-man and an offer of a bribe to him to be silent on Panama papers. Shehbaz Sharif served a legal notice to Imran Khan for defamation in one case and took the other case to the court of law and filed a defamation suit for damages. Imran Khan has yet to respond to the notices and has relied on adjournments and delaying tactics to evade having to prove the allegations.



### FACT VS FICTION

False Accusations by sitting Prime Minister, Imran Khan:

- Shehbaz Sharif took kickbacks of Rs. 26 billion through his frontman Mr. Javed Sadiq
- 2. Shehbaz Sharif offered Rs. 10 billion as bribe for not pursuing Panama Papers case
- 3. Daily Mail's allegation of embezzlement in DFID's funds
- 4. Shehbaz Sharif took kickbacks in the Multan Metro Bus Project

Had there been any truth to these allegations, then these should have been referred to NAB instead of 'Ashiyaana' and 'Ramzan Sugar Sullage Carrier Case (Ganda Naala Case)'.

Following slides will shed light on some of the facts with reference to each false and misleading allegation.





Kickbacks (Rs. 26 billion) through Mr. Javed Sadiq

#### Facts:

This false accusation was an attempt to tarnish the image of the then Chief Minister who was working tirelessly along with international development partners.

Imran Khan made this accusation on 27th Oct, 2016.

In response, Shehbaz Sharif sent a legal notice. (Defamation Ordinance 2002)

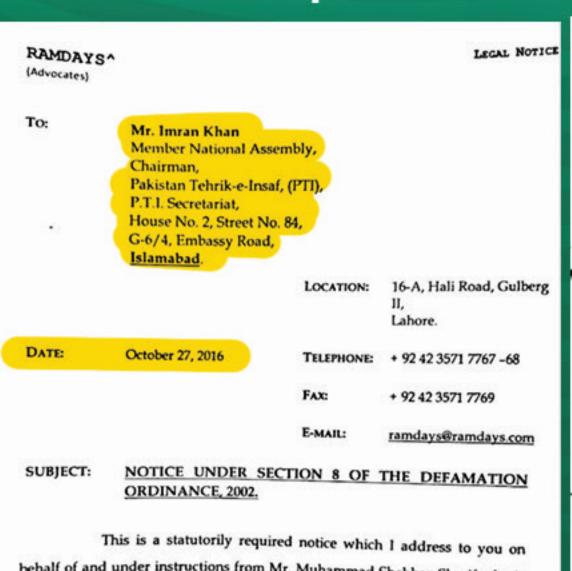
Imran Khan could not furnish any proof and to which he has not replied till date despite a passage of 3 years.



### Kickbacks (Rs. 26 billion) through Mr. Javed Sadiq

Legal Notice sent to Imran Khan Niazi under Defamation Ordinance 2002 to which he has not replied till date.

Page 2 of 6



This is a statutorily required notice which I address to you on behalf of and under instructions from Mr. Muhammad Shehbaz Sharif who is presently holding the office of the Chief Minister of Punjab.

2. That talking to some media-men yesterday i.e. on 26-10-2016, you leveled certain accusations against Mr. Muhammad Shehbaz Sharif alleging that one Javed Sadiq was his front man; that this Javed Sadiq had already pocketed fifteen billion rupees out of four contracts secured by him for some Chinese companies; that on account of these contracts, the said Javed Sadiq

was likely to pocket a total amount of twenty-six billion and fifty-five crore rupees; that out of these billions of rupees so maneuvered, Mr. Sadiq's share was only ten to fifteen crore rupees while the remaining billions were to go to Mr. Muhammad Shehbaz Sharif.

That, within hours, my client called a Press Conference and vehemently denied the correctness of the said wild, shameless and baseless allegations. Mr. Muhammad Shehbaz Sharif did not deny that one Javed Sadiq was, to his knowledge, a representative of some Chinese companies but added that one of the companies represented by him was a contender for the grant of the EPC Contract for setting up of a 100 Megawatt Solar Power Project at Bahawalpur by Quaid-e-Azam Solar Power (Pvt.) Limited owned by the Government of Punjab with a project cost of US Dollars 131.5 Million but the contract was not awarded to it and was instead awarded to another Chinese company, namely M/s. TBEA. Citing another case, Mr. Muhammad Shehbaz Sharif declared that Javed Sadiq's company was also an applicant for the grant of Lahore Safe City (PPIC3 Centre) Project being undertaken by M/s. Punjab Safe Cities Authority with a project cost of US Dollars 120 Million but their bid remained technically unsuccessful and the contract was given to another Chinese Company, namely M/s. Huawei Technologies Pakistan (Pvt.) Limited. Finally, that one such company also competed for seeking contract for the construction of the Southern Loop of the Ring Road of Lahore being undertaken by M/s. Lahore Ring Road Authority with a project cost of US Dollars 250 Million but their bid was rejected as non-responsive and the contract was granted to M/s. Frontier Works Organisation of Pakistan. How much money is being paid to Javed Sadiq by the companies that he represents, is between him and his principal, and it is only the said principal company

which can answer this question. However, you will be put to strict proof of the

That the factum of refusal to grant contracts of such mega projects, not one, not two but three, to the company/companies represented by the said Javed Sadiq is ample evidence and undeniable proof of the utter falsity of the allegations leveled by you but you will be put to proof to establish these allegations along with the figures you quoted. The contracts awarded by the Government of Punjab, its various departments and agencies are always granted in a transparent, fair and lawful manner, which fact is recognised and acknowledged not only nationally but even internationally. In fact, Mr. Muhammad Shehbaz Sharif's government's successful delivery of public projects for the masses, that too, at unprecedented speed, has been rewarded with independent domestic and international acclaim. Mr. Muhammad Shehbaz Sharif is a highly responsible and respected political leader of the country. His integrity, his honesty, his righteousness and his incorruptibility has been tested and scrutinised not once but thrice by the wise, enlightened, knowledgeable and sagacious people of Pakistan and on each such occasion, the people testified and affirmed the strength and the purity of his character and this is how he is, with the blessings of Allah, the Chief Minister of the largest province of the country for the third time which is an honour not bestowed by the people on any other mortal in the history of

5. That the said allegations leveled by you had received wide publication through the print and electronic media and tended to injure the honour and reputation of my client and lower him in the estimation of others. Moreover, your false vilification of Mr. Muhammad Shehbaz Sharif's intentions has the potential to erode the carefully built trust with domestic and international partners that has wider ramifications on development in Punjab and national progress overall. These allegations are yet again denied as false, unfounded, malicious and motivated and, consequently, I am instructed to call upon you to withdraw the same and to tender a public apology to Mr. Muhammad Shehbaz Sharif. Section 8 of the Defamation Ordinance, 2002 gives you fourteen days' time to do the needful, failing which, my client shall have no option but to take recourse to such legal remedies as are available to him under the laws of the Islamic Republic of Pakistan, civil and criminal.

A copy of this notice has been retained in my office for future reference.

(Mistata Ramday) Advocate Supreme Court

Copies also sent at the following addresses by post with acknowledgement due and by TCS:

- Zamaan Park, Canal Bank Road, <u>Lahore</u>.
- 2. Khan House, Banigala, Mohara Noor, Islamabad.

Personal



Giving bribe (Rs. 10 billion) in Panama Papers Case

### Facts:

Imran Khan accused Shehbaz Sharif of offering Rs. 10 billion as bribe to him for not pursuing Panama Papers case.

The next day, on 10<sup>th</sup> June, 2020, Shehbaz Sharif filed a defamation suit against Imran Khan for this blatant lie, demanding Rs. 10 billion in damages.

Around 60 hearings of this case have been held in the last three years, out of which Imran Khan got 33 adjournments by using delaying tactics and lame excuses.

Imran Khan has not submitted a single written response till date.

On the contrary, Shehbaz Sharif has petitioned the court to conduct daily hearings of the case. (Documents Attached) - Next hearing will be in October, 2020



### Giving bribe (Rs. 10 billion) in Panama Papers Case

IN THE COURT OF MR. MUHAMMAD SOHAIL ANJUM, AD&SJ, LAHORE.

In re:

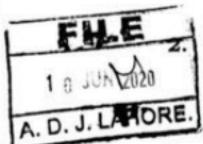
Muhammad Shahbaz Sharif VS Imran Ahmad Khan Niazi

(SUIT FOR DEFAMATION)

MEMO OF APPEARANCE BEHAF OF THE DEFENDANT / IMRAN AHMAD KHAN NIAZI.

Respectfully Sheweth as under:-

That the above titled case is fixed for today i.e. 10.06.2020.



That the undersigned is appearing before this learned Court on the telephonic instruction of the defendant in the above titled suit on his behalf.

That the power of attorney on behalf of the defendant will be submitted on the next date of hearing.

> It is most respectfully prayed that the above titled suit/proceeding may kindly be adjourned in the best interest of justice.

PIR MUHAMMAD MASOOD CHISHTI LAW ASSOCIATES

MUHAMMAD QAISAR SALEEM **Advocate High Court** Hussain Elahi Building, 6-Regum Road, Lahore.

#### Muhammad Shahbaz Sharif. Vs. Imran Ahmad Khan Niazi. (Application for Early Hearing)

Present:

Learned counsel for the petitioner.

This fresh application under Section 151 of CPC for early

hearing of the titled suit has been filed by the plaintiff/petitioner. Be registered.

ORDER:

According to report of Ahlmad, the original case is fixed for

22.06.2020. Let notice be issued to the respondent/defendant subject to

deposit of process fee, registered envelope A.D and courier charges (T.C.S)

for 10.06.2020.

Announced: 05.06.2020

Muhammad Sonail Anjum, Addl; District Judge,

10.06.2020

Learned counsel for the petitioner.

Present: Order:-

Muhammad Qaiser Saleem Advocate submitted memo of appearance on behalf of the respondent.

Copy of the application has been delivered to learned counsel for the respondent. With the request of adjournment. Now to come up for submission of power of attorney as well as written reply of application on behalf of the respondent on 17.06.2020.

Announced 10.06.2020

Muhammad Sohail Anjum, Addl. Sessions Judge, Lahore.

#### Muhammad Shahbaz Sharif. Vs. Imran Ahmad Khan Niazi. (Application for Early Hearing)

Learned counsel for the petitioner.

This fresh application under Section 151 of CPC for early

hearing of the titled suit has been filed by the plaintiff/petitioner. Be registered.

ORDER:

According to report of Ahlmad, the original case is fixed for

22.06.2020. Let notice be issued to the respondent/defendant subject to

deposit of process fee, registered envelope A.D and courier charges (T.C.S) for 10.06.2020

Announced 05.06.2020

10.06.2020 Present: Learned counsel for the petitioner.

Order:-

Muhammad Qaiser Saleem Advocate submitted memo of appearance on behalf of the respondent.

Copy of the application has been delivered to learned counsel for the respondent. With the request of adjournment. Now to come up for submission of power of attorney as well as written reply of application on behalf of the respondent on 17.06.2020.

10.06.2020

Muhammad Sohail Anjum,

Addl. Sessions Judge,

Saad Sighat Ullah, learned cousel for the petitioner. Muhammad Qaiser Saleem learned proxy cousenl on behalf of original cousle Muhammad Masood Chishti advocate for the

defendant.

ORDER:

Learned proxy counsel for the defendant states that power of attorney on behalf of defendant had already been field by Muhammad Masood Chishti advocate in the main suit. Learned proxy counsel seeks adjournment for written reply of the application for early hearing. This request for adjournment has been resisted by learned counsel for the petitioner/plaintiff with the arguments that there is no need for written reply to the application as the same be put for arguments and he is ready to advance arguments. In the interest of justice, final opportunity to the defendant for written reply of the application is granted. Arguments will also be heard on the next dtae. Now to come up for 19.06.2020.

Announced 17.06.2020

Muhammad Sohail Anjum, Addl. Sessions Judge,

### Abstract

Baseless & Misleading Accusations against Shehbaz Sharif (Fact vs. Fiction)

## Daily Mail's Allegation of Embezzlement in DFID's Funds

A news story published by Daily Mail at the behest of Imran Khan accused Shehbaz Sharif of embezzling DFID's funds meant for earthquake affectees. Shehbaz Sharif has hired the services of a top-ranked British law firm and has filed a defamation suit against Daily Mail in London High Court. DFID issued a public statement, rejecting the news story, terming it baseless and misleading and contrary to facts.





Embezzlement in DFID's funds (Daily Mail)

#### Facts:

On 14th July, 2019, a British publication (Daily Mail), at the behest of Shahzad Akbar (admittedly), published a false story of Shehbaz Sharif's alleged embezzlement in DFID's funds meant for the earthquake victims in Pakistan.

Shehbaz Sharif not only strongly denied any wrongdoing but also hired a top-ranked British law firm (Carter-Ruk) to file a defamation suit against Daily Mail and journalist David Rose in the High Court in United Kingdom.

Moreover, to Daily Mail's embarrassment, DFID itself came out and strongly rebutted the charges through detailed statements.

The proceedings are being conducted in the High Court, Queen's Bench Division in London.



## Embezzlement in DFID's funds (Daily Mail)

IN THE HIGH COURT OF JUSTICE Claim No. HQ20M..... QUEEN'S BENCH DIVISION MEDIA AND COMMUNICATIONS LIST BETWEEN MIAN MUHAMMAD SHAHBAZ SHARIF Claimant and ASSOCIATED NEWSPAPERS LIMITED Defendant PARTICULARS OF CLAIM



Embezzlement in DFID's funds (Daily Mail)

On the day of publication, DFID issued a rebuttal declaring the story as baseless and totally false. This rebuttal was issued in the form of a press release and is posted on DFID's official Government of UK Website. It was issued on Sunday and DFID opened its offices for this purpose. Pakistan's image was nonetheless tarnished through this story.

The DFID funded projects in health and education sector worth £ 500 million during the ten year tenure of Shehbaz Sharif as the Chief Minister of Punjab. These funds were utilized in the most transparent manner and representatives of the UK Government and DFID, time and again, stated this fact and also reposed confidence in Shehbaz Sharif's government. Not a single penny is unaccounted for. Had there been any truth to these allegations, the cases would have been promptly referred to NAB.



### Embezzlement in DFID's funds (Daily Mail)



Blog

#### **DFID** in the news

Organisations:

Department for International Development

Search blog

Q

#### Corruption

UK aid rebuts Mail on Sunday story on support for earthquake victims

DFID Media Team, 14 July 2019 - 0.7%, Corruption, Pakistan

#### UK aid rebuts Mail on Sunday story on support for earthquake victims

DFID Media Team. 14 July 2019 - 0.7%. Corruption. Pakistan

The Mail on Sunday has today published a story which asks the question in its headline: Did the family of UK aid's poster boy steal taxpayers' cash meant for earthquake victims?

It refers to Shahbaz Sharif the leader of Pakistan's main opposition party who is accused of embezzling public funds. He denies any wrongdoing.

The paper suggests Sharif stole British taxpayers' money given to Pakistan's Earthquake Relief and Reconstruction Authority (ERRA), which was set up to help the victims of the 2005 Pakistan earthquake.

Our response to the question asked in the headline was robust and clear. It was carried close to the bottom of the 2,500 word story.

Here it is in full:

A Department for International Development spokesperson said:

"The UK's financial support to ERRA over this period was for payment by results – which means we only gave money once the agreed work, which was primarily focused on building schools, was completed, and the work audited and verified.

"The UK taxpayer got exactly what it paid for and helped the vulnerable victims of a devastating earthquake. We are confident our robust systems protected UK taxpayers from fraud."

The Mail on Sunday provides little substantial evidence to support its headline.

It says investigators in Pakistan "are convinced that some of the allegedly stolen money came from DFID-funded aid projects" without providing any substantial evidence this was the case with the earthquake fund.

The piece goes on to quote Shahzad Akbar, Imran Khan's Asset Recovery Unit chief, saying it "appears" some money "may" have been stolen from aid and development projects, again without offering any substantial evidence this was the case with ERRA.

DFID also gave The Mail on Sunday some background on its work in Pakistan.

We told the paper how DFID's work is lifting millions of the poorest people out of poverty hilst improving stability and security in both the nd Pakistan, which ultimately benefits the UK

Over 10 million children in primary schools – including 4.7 million girls – have benefited from UK education programmes since 2011. Over 5.8 million children in secondary schools, including 2.7 million girls, have also benefited from our work.

In addition, the UK has supported over 8 million people in Pakistan following natural disasters and conflict since 2011.



Embezzlement in DFID's funds (Daily Mail)

"The Good News From Pakistan" by Joanna Reid Dated March 25th, 2018



In Punjab, we have supported education reforms that have resulted in 1.6 million more children in government schools since 2012. Six-monthly learning assessments of grade three children in Urdu, English and Maths have improved from an average of 55% in 2014/15 to 77% in 2018 — despite pessimism about this being possible. 100,000 teachers have been recruited in academic year 2017/18 alone. Just two weeks ago I heard from girls themselves in Model Town how having enough teachers for all of the classes helped them to learn more.

Through the health road map, since 2014 we have supported the increase of medicine availability in Punjab from 73% to 92%. Immunisation in children between 12-23 months has increased from 49% to 84% across Punjab, with every district showing improvements — a phenomenal success. Skilled birth attendance increased from 68% to 81% of births with 325,000 additional children each year born with medical care in the first moments of life. This is why I can't quite believe my ears when people tell me things aren't changing in Pakistan.



### Abstract

Baseless & Misleading Accusations against Shehbaz Sharif (Fact vs. Fiction)

# Allegation of kickback in Multan Metro Bus Project

Shehbaz Sharif was accused of getting kickbacks in the Multan Metro bus project through one Yabaite Company. SECP confirmed no such company was registered with it or Pakistan Engineering Council. The then acting Chinese Ambassador in Pakistan and Chinese Foreign Ministry Spokesperson rubbished this charge in their tweet and statement respectively. Due to Yabaite's fraudulent practices, the Chinese Securities Regulatory Commission imposed heavy penalties on the Company and blacklisted it.



Taking Kickbacks in Multan Metro Project

### Facts:

In 2017, a private news channel accused Shehbaz Sharif of pocketing kickbacks in the Multan Metro Bus Project from a Chinese company, Yabaite Technology Co., that allegedly had a joint venture with Capital Engineering and Construction Co. Ltd.

Subsequently, the government checked with nine companies that were awarded the contract of the Multan Metro Bus project; all of these companies certified that they did not hand out sub-contract to any of the alleged firms.

This was not only a false accusation against Shehbaz Sharif but also a sinister attempt at denting Pak-China relations in the context of CPEC.

SECP also confirmed that no such company had been registered with SECP or Pakistan Engineering Council.





### Taking Kickbacks in Multan Metro Project

The truth was out when Chinese acting Ambassador Mr. Lijian Zhao tweeted on August 31, 2017 "This Chinese company Yabeite was not working in Pakistan"



# Chinese Foreign Ministry Spokesperson Geng Shuan's Refuting the Allegation

#### fmprc.gov.cn

Q: According to reports, the Jiangsu-based Yabaite Technology Co. Ltd, falsely claimed that it is involved in the metro bus project in the city of Multan and lied about its performance by forging the letters from Punjab Chief Minister Shehbaz Sharif and other politicians. The relevant Pakistani politicians have denied the letters and said they were forgeries. According to our information, the relevant Chinese authorities are investigating and handing this case. Can you confirm that and give more details?

A: On May 12, China Securities Regulatory Commission (CSRC) issued a public notice that the Jiangsu Yabaite Technology Co. Ltd inflated its operating incomes and profits by fabricating overseas engineering projects from September 2015 to 2016.

The CSRC, along with the relevant Pakistani authorities, has probed into the company involved. It did not admit the letters from the prominent Pakistani political figures submitted by this company as evidence and found no evidence of any economic relations or capital flow between this company and other Pakistani company or individual.

The CSRC will hand out an official punishment to the company involved and publicize the result of the punishment in accordance with law in days. You may ask the CSRC for more details.

I would like to stress that the Chinese side has always requested the overseas Chinese enterprises to operate in a law-abiding manner and investigate and punish the activities violating law and regulations in accordance with law. China stands ready to work with Pakistan to promote the sound development of China-Pakistan economic cooperation.

### Abstract

### International Testimonials

Renowned international personalities belonging to various walks of life and publications affirmed Shehbaz Sharif's excellent work ethic, integrity, competence, and commitment to public service.





These are a few international testimonials in favour of Shehbaz Sharif's competence, honesty and unmatched commitment to public service; to call of duty and beyond.

Sir Michael Barber's mentions of Shehbaz Sharif in his book "How to Run a Government"

#### HOW TO RUN A GOVERNMENT

impression provides the context in which people judge a programme or decide what commitment to make to it or not. We all know there are some politicians we respond to and some we don't, and that this is a different point from whether we agree with them or not. In Pakistan, even his political opponents acknowledge that Shahbaz Sharif is seriously committed to the future of his province. To refer back to chapter 6, both Achilles and Odysseus have their parts to play, but for irreversibility Pericles is more important than either.

Second, the argument referred to (in chapter 3) about (in Blair's terms) moving from 'flogging the system' to 'a self-sustaining, self-improving system' is clearly central. The former approach depends on government: the latter by definition and to therefore

Trust is broken and a downward spiral becomes a distinct possibility.

All the more reason to ensure an effective response when faced with a

Level 4 problem.

By contrast, Shahbaz Sharif handled a major outbreak of dengue fever in Punjab in 2011 excellently. He held daily meetings at the crack of dawn with all the relevant officials. They hated it – they told me so – but not only did it ensure that Shahbaz Sharif looked in charge – telling the story – it ensured much more rapid action than would otherwise have been the case. The innovative Punjab Information Technology Board mapped each case of dengue fever, which enabled the government to target its response more effectively, and to identify and deal with the specific pools of stagnant water in which the dengue mosquitoes were breeding. A massive publicity campaign took place in parallel – both telling a story of a government in charge and increasing the effectiveness of the action against the outbreak.







## UK home secy acknowledges Pakistan's efforts in war on terror Date: March 23rd, 2018

https://dailytimes.com.pk/218475/uk-home-secy-acknowledges-pakistans-efforts-in-war-on-terror/

"British Home Secretary Amber Rudd...said that due to the hard work of the chief minister and his team, improved results have been achieved in health and education sectors and reforms programme of the provincial government, under the supervision of Shehbaz Sharif, was meeting wonderful successes."









World Bank says: "Primary education in Punjab is achieving remarkable results, mostly because of what the Economist has dubbed "frenetic education reforms". Between 2017 and 2018, Punjab has managed to increase enrolments by 1 million students." #PMLN

### British Foreign Secretary calls on Shehbaz Sharif

Fri, 25 Nov 2016

https://www.app.com.pk/national/british-foreign-secretary-calls-on-shehbaz-sharif/

"The British Secretary of State appreciated the exemplary measures taken by Chief Minister Muhammad Shehbaz Sharif for the rapid development of province and said that he (CM) had taken splendid steps for the progress and prosperity of the people of Punjab as well as made commendable efforts for the uplift of education, health, infrastructure and other sectors."

#### **Published in The Economist**

Jan 4th 2018

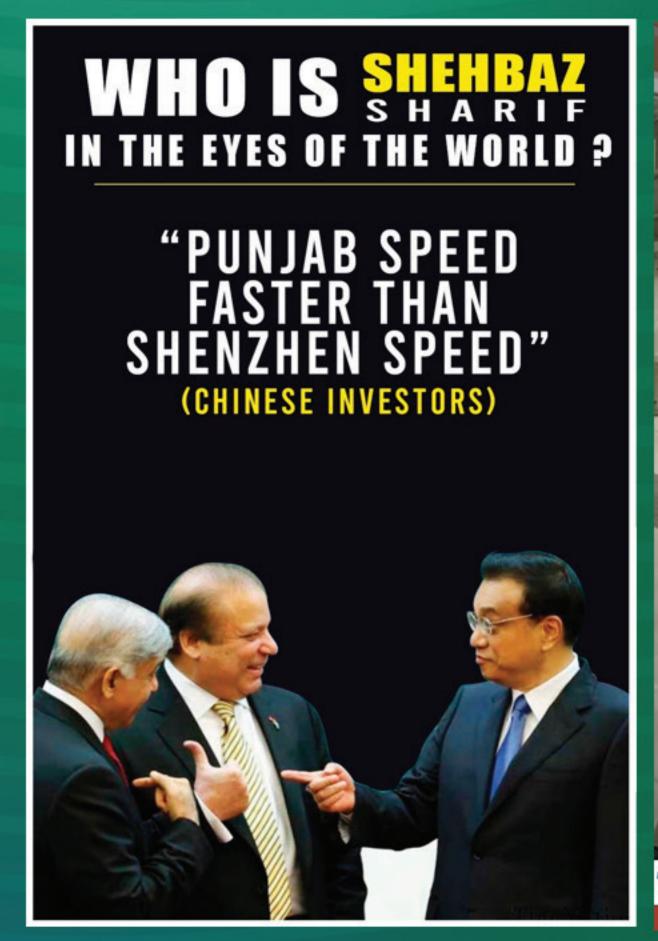
https://www.economist.com/briefing/2018/01/04/pakistan-is-home-to-the-most-frenetic-education-reforms-in-the-world

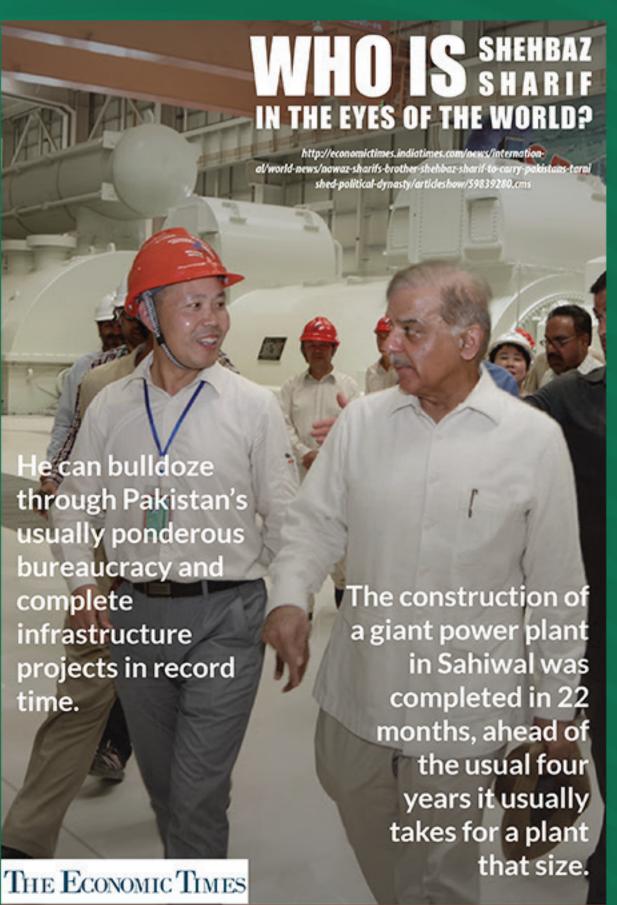
# Pakistan is home to the most frenetic education reforms in the world

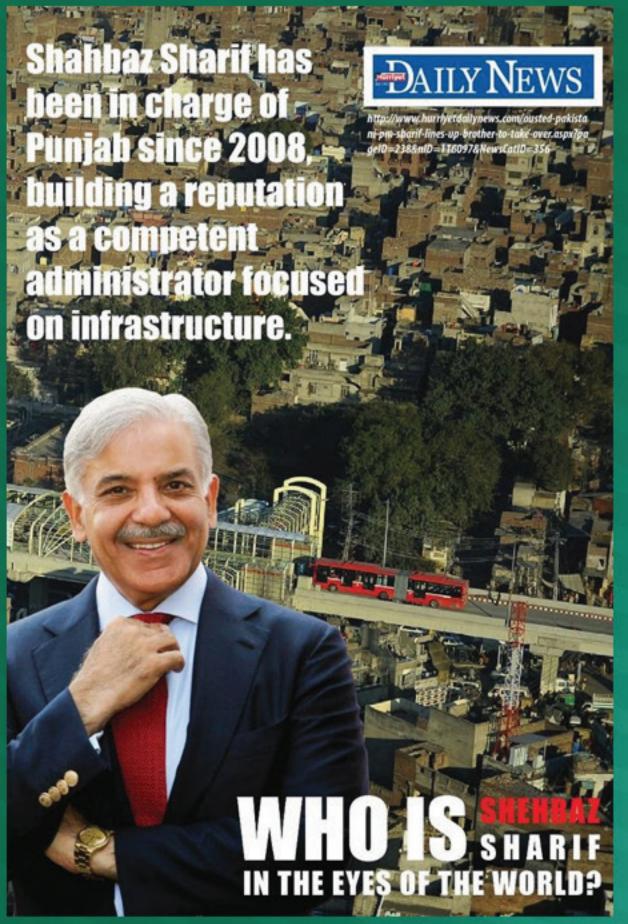
Reformers are trying to make up for generations of neglect

EVERY three months, Shahbaz Sharif, the chief minister of Punjab, gathers education officials around a large rectangular table. The biggest of Pakistan's four provinces, larger in terms of population (110m) than all but 11 countries, Punjab is reforming its schools at a pace rarely seen anywhere in the world. In April 2016, as part of its latest scheme, private providers took over the running of 1,000 of the government's primary schools. Today the number is 4,300. By the end of this year, Mr Sharif has decreed, it will be 10,000. The quarterly "stocktakes" are his chance to hear what progress is being made towards this and other targets—and whether the radical overhaul is having any effect.

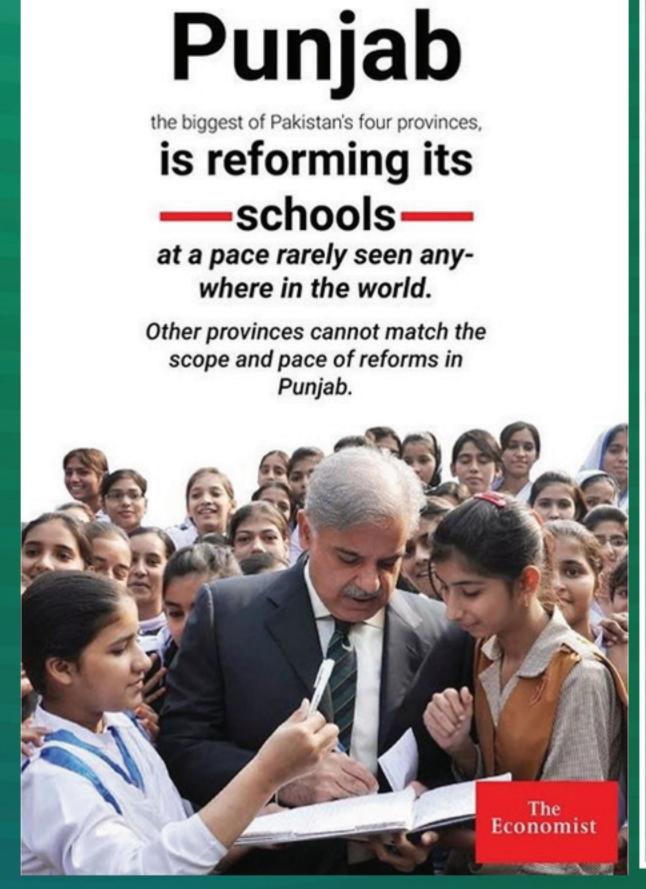


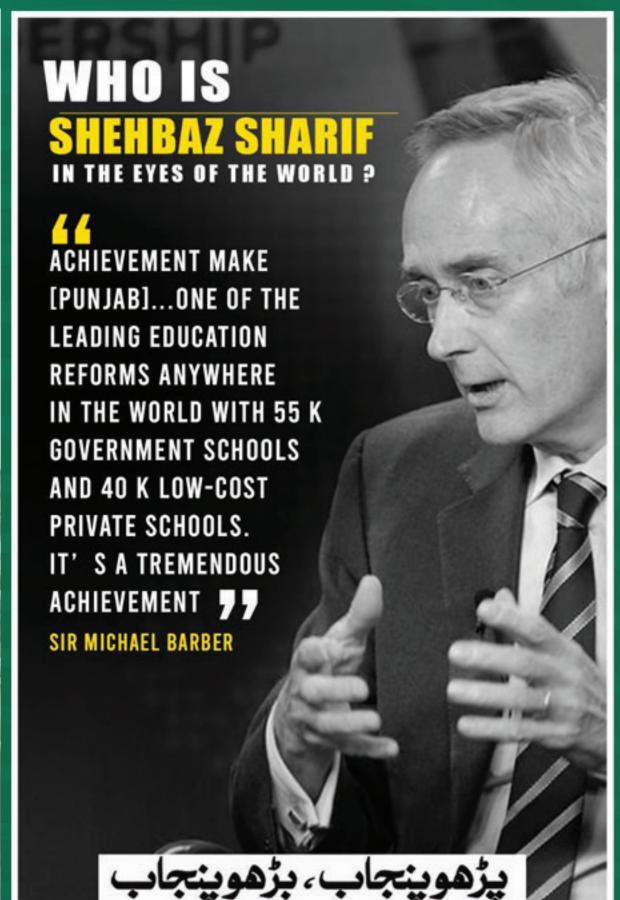














### Conclusion



Shehbaz Sharif has redefined governance in Pakistan. He has shown how with passion, focus, determination, and hard work, one man can make such a difference in the lives of so many people.

Through personal example, he also proved that leadership with a vision can make even this weak system generate unmatched performance.

His public service has come at the expense of his financial and personal health but he has never wavered, and has never faltered.

The unparalleled development in Punjab is a testament to his skills as a leader who has always prioritized citizens' welfare over everything else.

MAY ALLAH THROUGH HIS INFINITE MERCY ACCEPT THIS LABOUR.

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