

## RECOVERY OF EMBEZZLED AMOUNT FROM OFFICIALS OF CORDAID NGO

### Area Involved

1. Area involved in this scam was AJK and Mansehra District. There were about 1500 beneficiaries and more than Rs.100 Million of transaction was involved.

2. **Brief Facts** Complaints were received from general public that the construction material provided by the Cordaid NGO was being stored in different places and sold in open market illegally. A probe was ordered to be carried out by the competent authority. On ground checking and through interrogation of an employee of the Cordaid NGO (a Storekeeper) it was confirmed that the allegation are totally true, hence an inquiry was authorized by the competent authority and a raid was conducted for the recovery of construction material, which was stored and sold illegally, resultantly approximately 3200 Roof sheets / CGI sheet amounting to Rs.9,76,000/- were recovered from different places, but the recovered CGI sheets could not be used in the Cordaid construction work due to their eroded condition, therefore, it was decided to sell them off and recover the amount. The highest bid offered by one Haji Allah Rakha i.e Rs.305 per sheet during bidding process conducted by Cordaid NGO was finally accepted and the sheets were disposed off.

3. On inquiry, the Storekeepers disclosed that the material was provided by one Mr. Usman Shah for illegal sale / disposal. So the warrant of arrest of Mr. Usman Shah was issued by the competent authority and the said Mr. Usman Shah was arrested on 12.11.2006. Proper NAB custody was obtained from the Accountability court for fourteen days on 13.11.2006. During inquiry, it was revealed through interrogation of Mr. Usman Shah that Mr. Marghoob Ali the then Logistic Officer was mastermind and main beneficiary of the entire offence and Mr Usman Shah alongwith his son Mr. Ejaz Shah were playing the role of his Front men.

4. Investigation against the 06 officials involved in the embezzlement of Cordaid NGO funds was authorized on 6.4.2007. During the course of investigation all the 06 accused persons entered into VR / PB with NAB and their Voluntary Return / Plea Bargain was approved by the Accountability Court, hence the embezzled amount was recovered from the concerned persons and the case was completed through VR/ PB.

5. The designations of accused persons, their approved VR / PB amounts and recovered amounts are given as under: -

S#	Designation	PB amount approved (Rs)	PB amount recovered (Rs)
1.	Logistic Officer	28,75,000	28,75,000
2.	Supplier	23,00,000	23,00,000
3.	Community Organizer	28,00,000	28,00,000
4.	Driver	1,50,000	1,50,000
5.	Front man	72,000	72,000
6.	Finance Officer	10,25,000	10,25,000
7.	On a/c of sale of 3200 CGI sheets which were recovered from the ex officials / suppliers		9,76,000
<b>Total</b>			<b>1,01,98,000</b>

6. The amount recovered was returned to NGO for their operation. The team from Holland visited NAB (F) appreciated the efforts and requested to monitor the activities of NGO and also promised to make available additional funds which were later on provided to Cordaid.