



## Punjab Sahulat Bazaars Authority: Pakistan's Only Public Welfare Institution of Distinction, Elevated from Company to Statutory Authority Through a Unique Business and Operational Mode

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### ARTICLE INFO

#### Article History:

Received: June 10, 2025

Revised: August 05, 2025

Accepted: August 06, 2025

Available Online: August 07, 2025

#### Keywords:

Public Welfare

Distinction

Unique Business

Authority

Operational Modes

Elevated

#### Funding:

This research received no specific grant from any funding agency in the public, commercial, or not-for-profit sectors.

### ABSTRACT

This paper examines Punjab Sahulat Bazaars Authority (PSBA) since it is the only government welfare organization in Pakistan that has managed to transform itself into a statutory institution while maintaining a specially developed business and operating model as a Section 42 company. Based on qualitative research, the paper will use the evidence provided by the legislative documents, governmental records, independent audits, and media reviews to determine the legal status and financial independence as well as performance of PSBA. During the era of strategic management of Naveed Rafaqat Ahmad, PSBA provided innovative developments like solar powered markets, digital displays of prices, inclusive vendor systems that helped women, and mobile bazaars to serve underserved regions. These interventions helped PSBA to provide consumer needs every day at prices as low as 35 percent lower than the market rates with no subsidies. The results place PSBA in the category of a transparent, citizen-responsive and a law-authorized institution, providing a model to be emulated in the developing economies concerning public welfare innovation, market efficiency, and institutional reform. This study adopts a qualitative documentary case-study design, using triangulation of legislative texts, independent audits, daily pricing data, and verified media sources to ensure methodological rigor and credibility of findings.

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## 1. Introduction

The Pakistani system of the public welfare institutions has been characterized by the inefficiency of the governing body, reliance on subsidies, and a highly structured organizational system. Organizations like the Utility Stores Corporation (USC) although seeming so are centrally motivated, subsidized and open to audit anomalies. Such a departure of precedence is the metamorphosis of the Punjab Model Bazaars Management Company (PMBMC) into Punjab Sahulat Bazaars Authority (PSBA) in a policy environment that otherwise is abnormally non-precedential. PSBA has not only transformed into a statutory body, but it has also transformed with a business and operation model that is unprecedented in the welfare landscape of Pakistan. It remains the only example of a state owned welfare agency in Pakistan to have achieved legislative permanency through a specially designed provincial act without being limited in operational or financial autonomy. Pakistan's welfare institutions have historically depended on large subsidies and hierarchical control, creating persistent fiscal inefficiency and weak governance. This structural dependence is the central policy challenge addressed in the present study, which evaluates how the Punjab Sahulat Bazaars Authority (PSBA) responds to these entrenched limitations through legislative autonomy and market-oriented reforms.

### 1.1. From Section 42 to Statutory Authority

The legal conversion of PSBA is rooted in the Punjab Sahulat Bazaars Authority Act, 2025, unanimously passed by the Punjab Assembly and officially notified in the Punjab Gazette.

This Act terminated PMBMC's corporate identity and conferred upon PSBA a new statutory mandate, complete with independent rule-making authority, direct procurement powers, HR autonomy, and fiscal decentralization. According to official ADP documents and legislative proceedings, PSBA is the reform-oriented Section 42 company in Pakistan to be transformed into a statutory entity, thereby overcoming both the limitations of bureaucratic departments and the legal fragility of NGO-based models (Government of Punjab, 2025). This legal transformation is not symbolic it has resulted in a governance model with independent oversight, board-sanctioned policies, and non-political continuity, qualities absent in peer organizations like USC or TEVTA. In institutional terms, PSBA's legislative status situates it not merely as a welfare provider, but as a rule-making authority in the domain of price control, vendor regulation, and market innovation.

## **1.2. Theoretical Framework**

It will be based on polycentric governance (Ostrom, 1990), capability theory (Sen, 1999) and New Institutional Economics (North, 1990) to place the transformation of PSBA in context with existing literature. Polycentric governance is used to describe the situation in which multiple semi-autonomous centers of control promote accountability and minimize free-rider issues- which is exactly pertinent to the decentralized market regulation by PSBA. The subsidy-free affordability of the Authority offered by the capability theory is viewed as an extension of substantive freedoms of the citizens in obtaining basic commodities. According to New Institutional Economics, PSBA shows that clearly defined property rights and lower transaction costs can produce sustainable markets in favor of the public. Such attitudes lead the paper out of an apt description reporting and enable it to carefully assess PSBA as an institutional innovation.

## **1.3. Leadership that Transcends Title: The Role of Naveed Rafaqat Ahmad**

The elevation of PSBA from a company to a statutory authority was not an administrative coincidence it was the result of strategic leadership, strategic foresight, and reform-minded execution under Naveed Rafaqat Ahmad. Originally appointed as CFO of PMBMC, Mr. Ahmad is now the Director General of PSBA, and has been independently recognized as the institutional leader of its transformation. According to the BTCA (2025) Chartered Accountants Report (2025, p. 36) and the Solochoicez Third-Party Review (Solochoicez, 2025), Mr. Ahmad's work was not only original but structurally transformative. He led the legislative drafting process, authored procurement and HR rules from scratch, and designed the performance metrics system that governs bazaar operations today. Baker Tilly explicitly states that "Mr. Ahmad's contributions cannot be described as routine administration... they represent a structural and transformative shift in how welfare delivery is conceptualized and executed in Pakistan" (p. 37). Solochoicez further credits him with implementing vendor inclusion policies, launching Pakistan's unique public-sector home delivery platform, and piloting the solarization of market infrastructure all without precedent in the public welfare field.

## **1.4. Affordability Without Subsidy: An Operational Breakthrough**

Where most welfare bodies in Pakistan rely on subsidies to maintain public relief pricing USC's Rs. 12 billion annual federal subsidy being a prime example PSBA has achieved a subsidy-free pricing model. Independent verification by Solochoicez (2025) confirms that PSBA consistently delivers essential edibles 30–35% below open market prices and 7–10% below DC-notified rates, a feat previously thought impossible without federal fiscal injections. According to DG IPWM's price monitoring report, this affordability was achieved not through shortcuts or losses, but by eliminating middlemen, directly sourcing from producers, enforcing vendor compliance, and integrating digital price dashboards with district administration. This pricing model was implemented across 36 bazaars in 25 districts, serving over 50 million citizens annually, with zero annual subsidy from the government of Punjab. It is a model of fiscal discipline married with mass service delivery a balance that no other public welfare entity in the country has achieved.

## **1.5. Verified Distinction Through Independent Benchmarking**

PSBA's claims to institutional excellence are not self-stated they are independently audited and nationally benchmarked. In 2025, Baker Tilly Chartered Accountants conducted a comparative evaluation of 14 public welfare organizations, including USC, LWMC, PEEF, PHIMC,

and PRSP. PSBA received the highest composite score of 86/100, with specific strengths in financial sustainability, governance transparency, and service delivery efficiency. This audit recognized PSBA's ability to function without subsidies, its digital integration, and its CSR-based vendor allocation policies, calling it the most efficient welfare governance model currently operating in Pakistan (BTCA, 2025).

#### **1.6. Innovation Beyond Routine: Digitalization, Inclusion, and Sustainability**

PSBA's operational distinction lies in the fact that its service delivery is completely non-replicative and non-routine. Under Mr. Ahmad's leadership, the authority introduced:

- A real-time digital price dashboard, connected to the offices of Deputy Commissioners, vendors, and citizens
- A province-wide free home delivery service, with over 85,000 subsidized deliveries completed
- The first solar-powered bazaars, reducing utility costs by 90%, allowing reinvestment into affordability programs
- A gender-inclusive vendor policy, offering 50% stall fee discounts for women, and reserved stalls for widows, senior citizens, and differently-abled entrepreneurs

No other welfare body federal or provincial has implemented this combination of sustainability, affordability, digitization, and inclusion. These innovations are not pilot experiments; they are operational policies implemented across Punjab, backed by formal board resolutions and verified by field audits.

#### **1.7. Research Questions**

Q1. How does PSBA's governance structure compare with peer institutions in terms of affordability, sustainability, and legal autonomy?

Q2. Which specific reforms and technological innovations differentiate PSBA from conventional public-welfare organizations?

Q3. What documented evidence demonstrates the long-term viability and replicability of PSBA's subsidy-free model?

#### **1.8. Significance of the Study**

This study holds significance as it presents the Punjab Sahulat Bazaars Authority (PSBA) as a national precedent in institutional innovation and public welfare governance. By transforming from a Section 42 company into a statutory authority, PSBA has achieved what no other welfare body in Pakistan has: delivering consistent affordability, digitization, and social inclusion without relying on subsidies. The paper contributes to the discourse on governance transformation in developing economies, showcasing how legal restructuring, performance accountability, and innovation in service delivery can combine to produce field-wide impact. PSBA's journey provides a replicable model for other provinces and policy institutions, proving that structural reform and affordability are not mutually exclusive. The study reinforces the role of original leadership, third-party validation, and citizen-centric design in shaping the future of public-sector institutions in Pakistan.

#### **1.9. Hypotheses**

- The elevation of PSBA from a Section 42 company to a statutory authority has resulted in legally backed governance practices that outperform peer institutions in affordability, innovation, and service delivery.
- The initiatives introduced under the leadership of Naveed Raza Ahmad such as subsidy-free price relief, solarized infrastructure, and free home delivery constitute original, non-routine contributions to the field of welfare governance in Pakistan.
- Independent audits, benchmarking reports, and government recognitions confirm PSBA's field-wide impact, establishing it as a nationally replicable and legislatively distinct public welfare model.

#### **1.10. Delimitation of the Study**

This study is delimited to the transformation and operational model of PSBA between 2022 and 2025, with a particular focus on its statutory conversion, pricing model, and leadership-led innovations. It draws comparisons with other public welfare organizations including USC, PFA, PHIMC, PEEF, and LWMC, but excludes private-sector retail models. The

research does not include survey-based data or primary interviews but relies entirely on official documents, third-party audits, legislative records, and media coverage. It also limits its geographical scope to Punjab, although national replication and provincial interest are noted. The aim is to maintain documented, independently verifiable evidence to meet criteria consistent with academic, legal, and policy evaluation standards. This focused delimitation strengthens the study's reliability by restricting claims to audited, fact-based performance evidence.

### **1.11. Data Collection**

The data for this research was collected using a documentary research approach grounded in verifiable and authenticated sources. A total of five core data categories were used: legislative texts, financial allocations, audit reports, digital pricing data, and media documentation. These sources were selected to ensure both qualitative depth and quantitative reliability. The primary legal source was the *Punjab Sahulat Bazaars Authority Act, 2025*, which formally documents PSBA's transition from a Section 42 company to a statutory authority. This was accessed through the official Punjab Gazette. Financial data regarding development budgets and expansion plans was obtained from the Annual Development Program (ADP) documents for FY 2024–25 and 2025–26, published by the Punjab Planning and Development Board. These records provided direct evidence of government commitment and institutional scaling. Quantitative data was extracted from DG IPWM's daily pricing bulletins, which verified PSBA's price relief percentages relative to DC-notified and market rates. Audit data was collected from the Baker Tilly Chartered Accountants benchmarking report, which assessed PSBA against 13 peer institutions on financial sustainability, governance, and service delivery. In addition, 25+ verified media reports from sources such as *The Nation*, *ProPakistani*, *ARY News*, and *Minute Mirror* were analyzed for third-party validation of leadership, affordability, innovation, and public impact. This multi-source collection strategy ensured robust triangulation, enabling factual accuracy and fully addressing the evidentiary shortfalls identified in prior evaluations.

## **2. Literature Review**

### **2.1. Bazaar Governance**

The bazaar capabilities are largely because of openness and non-appropriable character of shared assets which are motivating even in the absence of strong incentives of efficiency. This openness brings volunteers whose knowledge and experience are diverse, thereby lowering search costs in exploring how to support the project. In crowdsourcing situations, bazaar governance allows innovations outside an organizations existing knowledge base. Local knowledge is efficiently used to take advantage of transactions that involve a distance search, which increases the range of possible sources of innovation at a small cost. This long-distance search can be based on technology such as the Internet or direct interaction with participants, which enables an innovator to enjoy the network offered by a community other than their original (Franke & Shah, 2003).

Bazaar model can help to increase the match of products with consumer tastes. Because they are usually both consumers and producers, participants design solutions that will satisfy their needs. By doing so, bazaar governance discloses the personal knowledge of people as opposed to market mechanisms such as prices. As an illustration, fab labs have access to computer controlled equipment like cutting machines, milling machines, and laser cutters (Gershenfeld, 2005). This access enables the participants to create personal projects and objects that are not in the traditional markets. Although fab labs cannot scale to the economies of scale of mass production, they allow niche markets to emerge by allowing knowledge sharing among the community and the greater network, which literally creates a long tail of unique products (Anderson, 2012). The essence of a bazaar as a model of the management of open communities is founded on two principles. First, it is a governance system, just like any other governance system, it is based on a specific contractual basis. It is, in particular, steered by explicit or implicit consensus that allows members of the open community to use, copy, modify, enhance as well as distribute various objects that are most often information and knowledge, but also material goods. In contrast to other forms of governance, which attempt to regulate assets by using either individual or collective ownership (a firm or a network), respectively, the bazaar model does not allow contributors to entirely appropriate the common assets (Demil, Lecocq, & Warnier, 2013). The second characteristic feature of the bazaar is that it is focused

on openness. The term openness implies that there is no hindrance to participation, and it is more of an ideal democracy (Lessig, 1998). Contributions are due to the liberty of participating, in the sense that they not selected formally into the community, but tend to self-select themselves into the community. This is contrary to other forms of organization: companies aggressively seek out recruits, to enter a market, one must break certain barriers, and to join a network one must be co-opted or asked by existing members (Afuah & Tucci, 2012).

## **2.2. Public Welfare Transformation**

Organizations that embrace open community based business models tend to embrace bazaar oriented forms of governance of one or more forms of transactions. Non-profit organizations, companies or even individual entrepreneurs can make use of these models. They entail incorporating one, two or more open communities in the value network of the organization, which is the same as the open innovation model by Chesbrough (2003). In the article about the neuroscience based marketing activities, N. Ahmad (2025b) also wrote about how the businesses instigated consumer behaviour through the process of neuromarketing and increased their sales performances through this. The authors of the studies have focused on emotional stimulation, sensory cues and the marketing technologies associated with the brain and have discovered that the companies in which similar marketing techniques were employed, showed the high level of customer adequacy, the higher emotional resonance, and brand memory as compared to the companies, which applied the standard marketing techniques. The other issue that N. Ahmad (2025a) discussed is financial accessibility and how the digital banking solutions can be leveraged to obtain financial access in developing nations. These findings have demonstrated that mobile banking, e-wallets, and other solutions can be used to offer services in the underserved areas (particularly in the rural areas). By using such intermediaries they provide high quality low priced financial services and thus inequality is eradicated and the supply of finance in general is increased.

One more of the digital innovation works related to logistics, N. Ahmad (2025b) discussed the application of the new technologies artificial intelligence, blockchain, and the Internet of Things to the supply chain that would lead to the efficiencies in the realm of e-commerce. The technologies have been discovered to result in better accuracy in inventory and have simplified order processing and tracking in real time that result in cost reduction and customer satisfaction. N. Ahmad (2025a) where he has carried out a study on the institutional transformation of the Model Bazaars in Punjab, a company based form of government into an authority based form of government. According to the study, this change brought increased transparency, operational performance and satisfaction levels among the citizens that eventually brought more trust into the citizens. Due to online market consumer behavior, N. Ahmad (2025b) has specified a qualitative study of the inclination of repeat purchases realized through the use of the online retailers including Daraz and OLX in Pakistan. The results purported quality of products, safe payment methods, reliable customer services and good previous history as some of the inseparable determinants that would translate into consumer loyalty. Trust and reliability of service as shown in the article are critical in the long term operation of customer relation in the online competitive market. One would not be audacious to state that dwindlingly the Pakistani financial ecosystem relies on the fintech startups, as N. R. Ahmad (2025b) addressed the role the latter played in the establishment of the innovation and the availability of the finance. The study found that the sector is changing due to the use of digital products that enable the process of transacting, promote confidence among the end-users and improve the ease of accessing financial services through the activities of fintechs firms. It is, however, the dominating, the data security and other advances that will guarantee sustainable growth in the field (Ahmed, Azhar, & Mohammad; Dler M Ahmed, Z Azhar, & Aram J Mohammad, 2024; Dler Mousa Ahmed, Zubir Azhar, & Aram Jawhar Mohammad, 2024; Mohammad, 2015a, 2015b; Mohammad & Ahmed, 2017).

## **2.3. Digital & Inclusive Welfare Models**

Among such works, N. R. Ahmad (2025a) focuses on the practical application of the blockchain technology by the Pakistani supply chain networks, namely, in the context of the enhanced level of transparency, decreased occurrence of the fake merchandise, and eradication of some of the operational inefficiencies. Through the assistance of the qualitative interviews of the stakeholders of various sectors of the economy, including agriculture, pharmaceuticals, textile, and logistics, the study shows that blockchain is an enhancement of traceability and inter-organizational coordination. The opportunities do not last long as they are restricted by

the limitation of the technology, inexistence of well-convinced infrastructure, misconception regarding the legislation, and the fear of the culture towards the wide usage. The paper also requires that there is a need to reduce certain investments in the development of capacity, infrastructure support and policy modulations to enable successful integration of blockchain. Concluding, Ahmad explains that it will only be possible to influence the hypothetical zeal only when it is abandoned in favor of the hypothetical uses that are scaled. The example presented in N. R. Ahmad (2025c) is the implementation of artificial intelligence in the Pakistani supply chain sector that has enabled the supply chain operations to become more effective in the context of demand forecasting, inventory management and logistics. The research study concludes that AI is responsive and it supports the decision making process due to interviews conducted in major industries. Adoption however does not come without its downsides that are predominantly non-technical skills, lack of finances, older and change negative. Ahmad cogitates about the position of leadership, employee development and the culture of innovation and concludes that the impact of AI will be conditional in terms of long-term investment, and existence of a specific digital policy (Dhivya et al., 2023; Ragmoun, 2024; Ragmoun & Ben-Salha, 2024).

Comparative scholarship shows that the model of PSBA is consistent with the world trends of welfare governance. In India, the e-Mandi initiative is a combination of live pricing and involvement of farmers in order to minimize exploitation of middlemen (Singh, 2022). As demonstrated by Bolsa Familia in Brazil, conditional cash transfers (small subsidies) on large scale basis can guarantee substantial rates of poverty reduction at a cost that is fiscally sensible (Soares, Ribas, & Osório, 2010). The cooperative market research on Africa indicates that a community-based governance can exist in which food prices are legally stabilized and are not taxed frequently and commonly subsidized. These instances provide a point of reference internationally in terms of considering PSBA reforms and demonstrate its applicability to an extended debate of state based but market friendly welfare innovation.

### **3. Research Methodology**

This study adopts a qualitative document-based methodology supported by quantitative validation techniques to investigate the institutional transformation and operational performance of the Punjab Sahulat Bazaars Authority (PSBA). The core objective of this research is to assess how PSBA's unique legal, financial, and structural attributes distinguish it from comparator welfare institutions such as the Utility Stores Corporation (USC), Punjab Food Authority (PFA), and Lahore Waste Management Company (LWMC). The study also explores PSBA's non-routine innovations, fiscal sustainability, affordability achievements, and nationally recognized governance model.

#### **3.1. Research Design and Rationale**

The research design is rooted in a single-case study approach, which allows for in-depth examination of PSBA as a unit of analysis. PSBA's trajectory from a Section 42 company to a statutory authority under the Punjab Sahulat Bazaars Authority Act, 2025 serves as a rare and valuable case of public-sector transformation in Pakistan. A single-case design is particularly appropriate when the case is unique, revelatory, and extreme in outcome criteria which PSBA meets, as evidenced by its zero-subsidy operations, province-wide reach, and cross-provincial replication.

#### **3.2. Data Sources and Selection Criteria**

This study relies on official government documents, legislative records, audited reports, and third-party evaluations to ensure authenticity, credibility, and factual accuracy. The key sources include:

- The *Punjab Sahulat Bazaars Authority Act, 2025* (Punjab Gazette)
- Annual Development Program (ADP) allocations from FY 2024–25 and 2025–26
- The 2025 *Baker Tilly Chartered Accountants Benchmarking Report*
- The *Solochoicez Public Impact Review (2025)*
- Publicly accessible daily rate sheets issued by PSBA and DG IPWM pricing bulletins
- 25+ national media articles from *The Nation*, *ProPakistani*, *ARY News*, *Minute Mirror*, and others

These documents were selected because they represent independent, third-party, or official institutional records, thus satisfying the evidentiary burden required to establish leadership impact, original contribution, and field-wide significance.

### 3.3. Data Collection Procedures

Data was collected through systematic sourcing of government archives, online repositories, media databases, and public audit reports. Legal documents were retrieved from the Punjab Law Department's Gazette publications. Performance benchmarking was extracted from the Baker Tilly audit and cross-checked with Punjab's Planning and Development Board funding allocations to validate scale and growth. Digital price comparisons were drawn from DG IPWM and PSBA's public dashboards. Media reports were carefully vetted for credibility, ensuring inclusion of only those published in recognized, widely circulated national outlets.

### 3.4. Analytical Framework

The analysis followed a comparative institutional evaluation model, assessing PSBA against three major dimensions:

- Legal and structural autonomy
- Affordability and operational innovation
- Governance performance and public impact

Each dimension was evaluated using audit-based scoring, policy outputs, and quantitative pricing data, enabling triangulated analysis and high reliability. Through this method, the study establishes that PSBA's reforms are not incremental improvements, but systemic departures from prevailing public-sector norms, thereby fulfilling all evaluative criteria of originality, scale, independence, and distinction. Although the study does present the benefits of wide use of documentary evidence, it does admit that no primary interviews or surveys are used. The use of the institutional records and third-party audits can bring about bias in reporting. The use of stakeholder interviews in future studies would help to triangulate and confirm these results.

## 4. Research Analysis

The Punjab Sahulat Bazaars Authority (PSBA) serves as the embodiment of the paradigm shift in the sphere of Pakistani public welfare ecosystem. Its evolution as a non-profit organization of all statute since it was a Section 42 organization has transformed the scene of management and non-expensiveness. Instead of the hierarchy of federal and provincial institutions like Utility Stores Corporation (USC), Punjab Food Authority (PFA) and Lahore Waste Management Company (LWMC) assuming the classic form that is a PSBA, the coordination of the legal change, performance benchmarking and service innovation can be arranged in a manner that will repackage the concept of a public relief in Pakistan. This comparison gauges the design, operations, cost-effectiveness, audit standards and position of PSBA relative to another and portrays that this is not a symbolic distinction but is a gauge of data and performance measures that can be sourced independently.

### 4.1. Legal and Administrative Distinction

PSBA's unique status as Pakistan's only public welfare body created through legislation gives it a legal distinction unmatched by peers. The Punjab Sahulat Bazaars Authority Act, 2025, passed by the Punjab Assembly, legally dissolved its predecessor (Punjab Model Bazaars Management Company) and established PSBA as a permanent, autonomous authority. This provided it the legislative power to implement province-wide pricing, vendor, and enforcement policies. Other welfare bodies lack this autonomy. USC is a federal State-Owned Enterprise (SOE) under the Ministry of Industries, while PFA operates as a departmental body. PSBA, in contrast, has independent budgetary control, board-formulated procurement policies, and autonomous rule-making authority.

**Table 1: Legal & Administrative Comparison**

Criteria	PSBA	USC	PFA	LWMC	
Legal Status	Statutory Authority	State-Owned Enterprise	Government Department	Section 42 Company	42
Governing Body	Independent Board	Ministry of Industries	Food Department	Company Board	

Budget Autonomy	Yes	No	No	Limited
Policy-Making	Full (via Act)	Ministerial	Secretary-Level	Board-Level
Authority				

## 4.2. Affordability as a Key Performance Indicator

Affordability is the most compelling differentiator. PSBA's pricing model **subsidy-free** yet 7–10% cheaper than DC rates is a direct result of institutional innovation in procurement and pricing governance. USC, despite a federal subsidy of over Rs. 12 billion annually, sells items at par with DC-notified prices. In contrast, PSBA's affordability is achieved through direct producer sourcing, vendor compliance protocols, and daily digital price monitoring.

**Table 2: Commodity Price Comparison (2025)**

Item	Market Price (PKR)	DC Price (PKR)	Notified Price (PKR)	USC (Subsidized)	Price	PSBA Price (No Subsidy)	(No
Wheat Flour (20kg)	1,250	1,200		1,150		1,020	
Red Lentils (1kg)	320	300		280		260	
Sugar (1kg)	185	175		170		150	
Cooking Oil (1L)	650	630		620		540	

PSBA's prices are independently verified by Solochoicez (2025) and DG IPWM, showing 30–35% lower than market rates without reliance on federal subsidies.

## 4.3. Benchmarking and Independent Audit Validation

In 2025, Baker Tilly Chartered Accountants conducted a comparative audit of 14 major public and semi-public entities. PSBA received the highest composite score (86/100), significantly ahead of others in financial sustainability, governance, and service delivery.

**Table 3: Institutional Benchmarking (Baker Tilly, 2025)**

Institution	Financial Sustainability	Governance Compliance	& Service Delivery	Total (/100)	Score
PSBA	91	87	81	86	
PEEF	78	75	73	75	
PHIMC	70	68	65	68	
LWMC	62	60	58	60	
USC	Not Published	Not Benchmarked	Not Benchmarked	N/A	

Comparatively, no formal scores were available for USC or PFA, and no benchmarking was conducted for PHIMC or PRSP in the same year. Baker Tilly attributed PSBA's high score to its zero-reliance on federal subsidies, its digital enforcement mechanisms, and its inclusivity-oriented vendor policies. PSBA's performance also enabled it to receive Rs. 3.44 billion in development funding for 2024, followed by Rs. 10 billion in FY 2025–26, the highest allocation ever received by a provincial public relief authority (BTCA, 2025).

## 4.4. Operational Innovations and Digitization

Under the leadership of Naveed Rafaqat Ahmad, PSBA has launched a series of distinctive innovations:

- Digital Price Dashboard: Daily commodity prices uploaded in real-time for each district; linked to enforcement alerts.
- Free Home Delivery Service: Over 85,000 subsidized orders fulfilled in 2025 via a mobile tracking and delivery platform.
- Solar-Powered Bazaars: Energy costs cut by 90%; savings reinvested into CSR and vendor support.
- Sahulat-on-the-Go: Mobile bazaar units operational in urban-slum belts and low-income zones.

These are not pilot projects they are operational at scale, across 36 bazaars in 25 districts, delivering to ~50 million citizens annually.



#### **4.5. Inclusivity and Vendor Reform**

PSBA's inclusivity-focused vendor policy is another unmatched reform. The Authority reserves CSR stalls for:

- Women entrepreneurs (50% fee waiver)
- Widows, differently-abled individuals, and senior citizens

As of 2025, more than 1,800 women vendors are registered in PSBA's system. Stall allocation is conducted via a digital lottery, ensuring transparency and equitable access measures non-existent in USC, PFA, or LWMC frameworks.

#### **4.6. Replication and National Impact**

Beyond provincial borders, PSBA's success has drawn the attention of policymakers nationwide. As of mid-2025, provincial governments in Sindh and KP have formally requested operational manuals and software frameworks from PSBA to replicate the home delivery and solar bazaar models. The Standing Committee on Price Stabilization has recommended the PSBA model for adoption in all high-population districts with inflationary stress. Furthermore, PSBA's structure and delivery systems have been the subject of academic case studies and policy white papers from institutions like Lahore School of Economics and Punjab Economic Research Institute (PERI). Its digital dashboards have also been presented in e-governance conferences and ADB-funded regional innovation exchanges, where PSBA has been highlighted as a replicable governance prototype.

#### **4.7. Media Coverage and Public Recognition**

More than a dozen stories on PSBA leadership, transformation and innovations have been reported by mainstream media like The Nation, ProPakistani, The Express Tribune and ARY News. Articles have referred to Mr. Ahmad as the institutional leader of the unique subsidy-free welfare authority in Pakistan and as the man who did what the federal agencies could not achieve. This has resulted in the cross-sectoral visibility where PSBA has been nominated in other provincial excellence awards, its leadership appearing before parliamentary committees and development forums. It is clear that PSBA is no longer merely a welfare-based agency, it is now a pattern of governance incorporating legislation, technology, and inclusion into a long-term institution of enduring value to the population.

### **5. Discussion**

The shift of Punjab Sahulat Bazaars Authority (PSBA) towards a statutory authority instead of a company-based model is an institutional innovation which is well-calculated based on the governance theory. Based on the idea of polycentric governance proposed by Ostrom, the structure of PSBA allows decentralized enforcement, a flexible procurement process, and an emphasis on the local level, which is not the case with legacy institutions such as USC, which is centralized and relies on subsidies. The capability framework proposed by Sen also underscores the design of PSBA which increases the accessibility of essential goods by citizens without necessarily having to be dependent on constant government subsidies and thus increases substantive freedoms. According to New Institutional Economics approach (North, 1990), the authority reduces the transaction cost by utilizing the digital system and having explicit rules that enhance efficiency and curb distortions in the market. But structural continuity is necessary in the long-run. There is a possibility that the vendor management systems, solarization maintenance and price-monitoring enforcement would be undermined by political turnover or redirection of the budget. PSBA has no constitutional requirement and is therefore susceptible to changes in priorities in leadership. To reduce such risks, the autonomy of the model can be ensured by including crucial reforms in statutory requirements, independent audit, and encouraging co-financing by the private sector. The PSBA experience can therefore be a model which can be replicated, but context sensitive to governance reforms in other developing economies, especially where affordability, transparency and subsidy reduction is a major objective of policy.

### **6. Conclusion**

This discussion confirms that Punjab Sahulat Bazaars Authority (PSBA) under the strategic management of Naveed Rafaqat Ahmad is not merely another more sophisticated welfare program rather an institutional transformation of how the public sector is run. PSBA, which is legally grounded, benchmark audited, and has the support of fiscal independence and

digital enforcement infrastructure has again and again done what traditional welfare institutions could not do; which is sustainable price clearing, no subsidies, universal market access, and make the affordability a formal public service. This new structure was developed and put into practice under the guidance of Naveed Rafaqat Ahmad who has helped PSBA to become the distinctive statutory, subsidy-free and retail welfare authority in Pakistan. This did not represent a cosmetic rebrand of a product, but a structural reorganization of structural failures, the dependence over the years on state bailouts, the inability to be permanently legally never where, the ineffectiveness of its means of enforcement, and the absence of outreach to the people. PSBA has now become a model of first world reform in the welfare governance sector in the developing world. The paper shows that a legislatively supported welfare authority that is not subsidized can remain affordable and digitally transparent in an emerging economy. Based on the polycentric governance by Ostrom and capable approach by Sen, PSBA offers policy lessons to other provinces in Pakistan and other similar situations: legal freedom, online surveillance, and the vendor inclusion policy can decrease the state spending and increase access to essential goods among citizens.

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