



29.3 Classified Summary of Audit Observations

Audit observations, amounting to Rs. 22,443.911 million, were raised in this report during the current audit of the **Ministry of Religious Affairs And Interfaith Harmony**. Summary of the audit observations classified by nature is as under:

(Rs. in million)

S. No.	Classification	Amount
1	Non-production of record	
2	Reported cases of fraud, embezzlement and Misappropriation	
3	Irregularities	
A	HR/Employees related irregularities	
B	Procurement related irregularities	
C	Management of account with commercial banks	5,270.383
D	Recovery	5,700.655
E	Internal Control	808.719
4	Value for money and service delivery	
5	Others	10,664.154

29.4 Status of compliance with PAC Directives

Audit Year	Number of Audit Paras	Number of Actionable Points Issued	Compliance	Non/Partial Compliance	% of Compliance
2010-11	2	1	1	1	100
2011-12	4	0	0	4	-
2012-13	6	0	0	6	-
2013-14	7	6	1	6	17
2014-15	4	4	2	2	50
2015-16	25	0	0	25	-
2016-17	11	4	1	10	25
2018-19	12	0	0	12	-
2019-20	12	12	0	12	-
2020-21	20	0	0	20	-
2021-22	2	0	0	2	-
2023-24	13	0	0	13	-
Total	118	27	5	113	-

29.5 AUDIT PARAS

Evacuee Trust Property Board, Lahore

29.5.1 Irregular/unauthorized investment of surplus funds of Evacuee Trust Property Board - Rs. 10,573.154 million

Rule 4(4) of the Cash Management and Treasury Single Account Rules, 2020 dated 24.07.2020 states that no authority shall transfer public monies in contravention of Sub-Section (2) of Section 23 of the Act. All investments made by the Government offices in commercial bank accounts from special purpose funds or otherwise, for which money was sourced through the Government's budget, schedule of authorized expenditure or supplementary grant, shall be disinvested and balance amount therein shall be deposited in non-food account No.1 of the Federal Government as non-tax revenue by the Principal Accounting Officer or on his instruction.

Para 4 of the Finance Division's OM No. F.4(1)NTR/2002-666/2022 dated 18.05.2022 further states that in order to align the existing arrangements with the above referred constitutional and legal provisions, this Division's OM No. F.4(1)/2002-BR-II dated 02.07.2003, 06.09.2004, 22.09.2005 and 23.12.2014 are hereby withdrawn with immediate effect. Further, the approval accorded to any

Public Sector Entities with respect to maintaining working balance are also hereby withdrawn.

The management of the Evacuee Trust Property Board (ETPB), Lahore invested an amount of Rs. 10,573.154 million in Term Deposit Receipts (TDRs) of commercial banks during the financial year 2023-24. These investments and profits on investment were rolled over on annual basis. The details are given below:

(Rs. in million)				
Sr. No.	Date of investment	Mode of investment	Name of bank	Investment
1.	21.08.2023	TDR	Habib Metropolitan Bank Ltd., Samanabad Branch.	2,149.106
2.	22.08.2023	TDR	Habib Metropolitan Bank Ltd., Samanabad Branch.	2,292.806
3.	26.10.2023	TDR	NBP Mall Road, Lahore	2200
4.	26.10.2023	TDR	NBP Mall Road, Lahore	2300
5.	05.09.2023	TDR	NBP Mall Road, Lahore	187.020
6.	13.06.2023	TDR	NBP Mall Road, Lahore	562.050
7.	01.02.2024	TDR	Habib Bank Ltd Civil Lines, Lahore	390.000
8.	01.02.2024	TDR	Habib Bank Ltd Civil Lines, Lahore (EPF)	92.172
9.	04.10.2023	TDR	Habib Bank Ltd Civil Lines, Lahore	400.00
Total				10,573.154

Audit observed that:

- i. The management made an investment of Rs.10,573.154 million in annual Term Deposit Receipts (TDRs) of commercial banks in violation of instructions issued by the Finance Division.
- ii. Management made investments without approval of the Finance Division.

Audit is of the view that the investments in violation of the Government instructions, was irregular and unauthorized.

Audit is also of the view that the retention of funds apart from the Government Account was also irregular.

No reply was given by the department.

The PAO and the audited formation were informed on 29.11.2024 and 11.12.2024 followed by a reminder dated 07.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends to encash the investment and deposit the proceeds thereof in the Government treasury.

29.5.2 Non-recovery of compensation from the Punjab Ring Road Authority - Rs.2,299.550 million

Section 6 of the Evacuee Trust Properties (Management and Disposal) Act, 1975 states that all evacuee trust property shall vest in the Federal Government.

District Price Assessment Committee in its meeting held on 26.03.2009 decided that average sale price, schedule/collector price, open market rate and keeping in view the present status of the land unanimously assessed the price of the land acquired for the construction of Ring Road.

Lahore Ring Road Authority constructed Ring Road on the ET land bearing Khasra No.1229/1, 1236, 1237, 1226, 1228, 1240, 1241, 1242, 1243, 1244 and 1245 measuring 62-Kanals (K) and 03-Marlas (M) situated at Gohawa Tehsil Cantt., District Lahore during the financial year 2009.

Total land	Land in Marlas
62-Kanals and 03-Marlas	1,243-Marlas

Audit observed that the Lahore Ring Road Authority constructed Ring Road on ET land measuring 62-Kanals and 03-Marlas situated at Gohawa, Tehsil Cantt., District Lahore but no compensation was paid to the Evacuee Trust Property Board. Value of land was Rs.1,850,000 per Marla calculated according to the FBR rates for 2021. The total value of land is as under:

Total land	Land in Marlas	Per Marla price (Rs.)	Total price (Rs.)
62-Kanals and 03-Marlas	1,243-M	1,850,000	2,299,550,000

Audit further observed that the management failed to recover the value of the land cost amounting to Rs.2,299.550 million from the Lahore Ring Road Authority since long. Further, no sincere efforts were made to recover the government dues.

Audit is of the view that non-recovery of the ETP dues deprived the Board of its due revenue.

The PAO and the audited formation were informed on 29.11.2024 and 11.12.2024 followed by a reminder dated 07.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends to:

- i. Investigate the non-recovery of the Board's dues.
- ii. Take effective steps for recovery and deposit the same in the Boards Accounts.

29.5.3 Irregular/unauthorized retention of funds - Rs.1,322.341 million

Finance Division vide its Notification No. 1(1)/S.O(TSA)/2020/47 dated 31.01.2023 states that the Government of Pakistan extended the scope of Treasury Single Account to the ETPB being Public Entities of the Federal Government under stage 1 of TSA II as given in Section 30 of the Public Financial Management (PFM) Act.

The management of the Evacuee Trust Property Board (ETPB), Lahore maintained six (06) bank accounts in commercial banks and retained an amount of Rs.1,322.341 million in these bank accounts as on 30.06.2024. The details are given below:

(Rs.)					
Sr. No.	Bank name	Account No.	Title	Status	Balance as on 30.06.2024
1	HBL, Civil Lines Branch	01270024131903	Secretary, ETPB	Expenditure	84,393,715
2		01277900181301	ETPB	DPA	1,113,022,894
3		01277902995251	ETP Pension Fund	Pension	48,295,765
4		01270015871601	Chairman, ETPB	Advances	9,596,503
5	NBP, Main Branch	0300003034886097	Chairman, ETPB	EPF	35,084,922
6	MCB, Shadman Branch	1448280791011535	ETPB	DPA	31,946,717
Total					1,322,340,516

Audit observed that:

- i. Management did not close above bank accounts after issuance of the Cash Management and Treasury Single Account Rules, 2020.
- ii. These bank accounts were operational without the approval of the Finance Division.
- iii. Management retained an amount of Rs.1,322.341 million in its bank accounts in violation of the Government instructions.

Audit is of the view that keeping funds outside the Treasury Single Account is a violation of the instructions issued by the Finance Division. Further, retention of funds worth Rs.1,322.341 million outside the TSA also deprived the Government of their optimal utilization.

No reply was given by the department.

The PAO and the audited formation were informed on 29.11.2024 and 11.12.2024 followed by a reminder dated 07.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends to:

- i. Investigate the unauthorized retention of cash outside the Federal Consolidated Fund.
- ii. Transfer the funds to the Government treasury without further delay.

29.5.4 Non-recovery of rent money from the defaulters - Rs.1,051.827 million

Section 4(2)(q) of the Evacuee Trust Properties (Management and Disposal) Act (No. XIII), 1975 states that the function of the Board shall be to exercise financial and administrative control over offices attached to or under it.

Evacuee Trust Properties Board (ETPB) record revealed that an amount of Rs.1,052.827 million stands recoverable from the tenants as per following details:

(Rs.)

Sr. No.	ETPB district	Number of defaulters	Arrears on 30.06.2024
1.	Lahore I	1,994	200,299,405
2.	Lahore II	727	29,868,355
3.	Kasur	135	6,226,039
4.	Okara	247	10,112,472
5.	Sheikhupura	104	6,067,333
6.	Nankana Sahib	1,280	20,077,382
7.	Gujranwala	245	18,139,119
8.	Gujrat	510	94,230,108
9.	Sialkot	985	28,177,104
10.	Faisalabad	589	40,304,414
11.	Jhang	358	39,013,445
12.	Multan	758	38,557,023
13.	Sahiwal	330	12,003,014
14.	Layyah	496	77,998,804
15.	Bahawalpur	228	4,327,549
16.	Rawalpindi	619	62,242,154
17.	Hassanabdal	161	13,783,383
18.	Sargodha	231	10,097,444
19.	Bhakkar	158	6,659,558
20.	Peshawar	392	65,883,527
21.	Bannu	176	8,454,280
22.	Karachi (U)	784	90,966,182
23.	Karachi (R)	386	33,237,867
24.	Hyderabad	856	44,756,411
25.	Sukkur	933	83,577,327
26.	Quetta	119	6,766,890
	Total	13,801	1,051,826,589

Audit observed that the management did not take effective steps to recover the outstanding rent.

Audit was of the view that the non-recovery of dues deprived the Board of its due revenue.

No reply was given by the department.

The PAO and the audited formation were informed on 29.11.2024 and 11.12.2024 followed by a reminder dated 07.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends to:

- i. Make hectic efforts to recover the Board's revenue.
- ii. Deposit the amount in the Government Account/Boards Account.

29.5.5 Non-investment of likely income on account of non-refundable security (NRS) - Loss to the Federal Government - Rs.3,948.042 million

ETPB Act, 1975, Section 4 (2) (I) states that to undertake development programs for increasing the productivity of agricultural land forming part of the Trust Pool and for enhancing the commercial value of an evacuee trust property.

SRO 298(I)/2023 dated 08.03.2023 states about the Development of Evacuee Trust/DHA open plot or residential purpose. If the Board decides to develop open plot in Defense Housing Authority (DHA) for residential purpose, permission shall be granted by the Chairman, ETP Board, subject to the following conditions, namely:

- (c) Reserve Non-refundable Security (NRS) shall be minimum thirty percent (30%) of the market value assessed by the 3rd party valuator.
- (g) Rupees four (4) per Sq. Ft. of total area of plot shall be charged after completion of construction.

ETPB received 278x1 Kanal plots from the DHA, Lahore in lieu of Evacuee Trust Agricultural Land measuring 843-Kanals and 15-Marlas situated at Mouza Motasingwala and Lidher in compliance of the Supreme Court's Order dated 12.06.2018. ETPB after approval of the Controlling Ministry i.e. Religious Affairs and Interfaith Harmony included 278x1 Plots vide SRO dated 16.03.2023. Further, the ETPB also approved and incorporated Clause 18 (H) in the Scheme for Management and Disposal of Evacuee Trust Urban Properties, 1977 for disposal of plots. ETPB also received 191x1 Kanal plots against unmutated Evacuee Trust Agricultural Land measuring 578-Kanals 2-Marlas and allotment letters are in the custody of the ETPB.

(Rs. in million)

Sr No.	Number of plots	FBR per Marla rate	Total Marlas	Total value of plots	NRS (@ 30%)	Rent per month @ Rs.4 per Sq. Ft.	Total
1	278	1,400,000	20 * 278 = 5,560	7,784.000	2,335.200	5.004	2,340.204
2	191	1,400,000	191 * 20 = 3,820	5,348.000	1,604.400	3.438	1,607.838
	Grand total			13,132.000	3,939.600	8.442	3,948.042

Audit observed that:

- i. ETPB received 278 Plots of 01-Kanal each against the mutated land and 191 Plots of 01-Kanal against the unmutated land after approval of the Board and the Ministry of Religious Affairs in compliance with the honorable Supreme Court of Pakistan's Order dated 12.06.2018.
- ii. ETPB accepted the balloted result of the DHA and included 278 Plots in the Trust Pool but did not include 191 Plots of which Allotment Letters are in the custody of the ETPB.
- iii. DHA, Lahore has offered ETPB to get possession of the Evacuee Trust Plots but the ETPB did not proceed in this matter.
- iv. The Ministry vide a Letter dated 18.11.2013 reiterated/approved decision taken by the ETPB in 263rd meeting dated 23.07.2007 for 33% exemption of residential plots (1-Kanal each) and 100x Commercial plots on payment as for the DHA Members i.e. 16% instead of 10%. After orders dated 02.10.2013 and 12.06.2018 of the Supreme Court, no proceedings were made by the ETPB with DHA, Lahore.
- v. 100 commercial plots were also not recovered from the DHA on payment of subsidized rates.

Audit is of the view that the Board sustained a loss of Rs.5,348.000 million due to non-inclusion of 191 Plots of 01-Kanal in the Trust Pool.

Audit is also of the view that loss of Rs.3,948.042 million was caused to the ETPB by non-renting out of plots. ETPB also did not try to develop the plots through its funds for generation of revenue.

Audit is further of the view that non-recovery of 100 commercial plots from the DHA was negligence on the part of the management.

No reply was given by the department.

The PAO and the audited formation were informed on 29.11.2024 and 11.12.2024 followed by a reminder dated 07.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends:

- i. Investigate the matter for fixing responsibility.
- ii. Case may be sent to the Law and Justice Division for clarification.
- iii. Take immediate steps for auction of 278 Plots as per amended Scheme, 1977 as well as including 191 Plots in the Trust Pool. Further, the ETPB may also see feasibility to develop the plots as per Clause 18 D of the Urban Scheme, 1977.
- iv. In compliance of the approval of Ministry vide a Letter dated 18.11.2013 and Orders dated 02.10.2013 and 12.06.2018 passed by the honorable Supreme Court, the ETPB is entitled to get commercial plots as per ratio of residential plots, which needs to be expedited immediately.

29.5.6 Non-retrieval of property No. SW-98-R-1 due to non-cancellation of MOU executed - Rs.886.960 million

Section 25 of the Evacuee Trust Properties (Management and Disposal) Act, 1975 provides that the Chairman, an Administrator, a Deputy Administrator, or an Assistant Administrator may eject or cause to be ejected, any person in possession or occupation of Evacuee Trust Properties whose possession and occupation is not authorized by or under any of the provisions of this Act or who contravenes or may have contravened any of the terms and conditions under which the property is held by him, or who has failed to pay public dues, or has willfully caused damage to any such property, or any person in occupation or possession of any evacuee trust property which is required for an object which is considered to be a public purposes by the Federal Government, after giving him notice, and for the purpose or such ejection may use or cause to be used such force as may be considered necessary.

The ETPB property bearing No. 5W-89-R-1 was in possession of Lahore Bar Association since long. The irregularity on account of MOU by the ETP management was pointed out by Audit through the previous years' audit reports.

DAC meetings were held on 02.11.2022 and 03.11.2022 at Islamabad under the Chairmanship of the Federal Secretary, MoRA and the Auditor-General of Pakistan, directed that MOU signed between the Chairman, ETPB and Lahore Bar Association may be cancelled and ejection notices be issued. Further, a reference may be made to the Ministry of Law regarding their opinion on legality of any MOU.

Audit observed that:

- i. Management of the ETPB did not cancel the MOU executed between the ETPB and Lahore Bar Association regarding a property No. SW-98-R-1 (Parking Plaza situated at Dev Samaj Road, Lahore).
- ii. Management did not retrieve the property worth Rs.886.960 million even after the lapse of 20 months of directions issued by the DAC for the valuable land.

Audit is of the view that non-implementation of DAC decision by the management is a serious irregularity and misconduct.

No reply was given by the department.

The PAO and the audited formation were informed on 29.11.2024 and 11.12.2024 followed by a reminder dated 07.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends to:

- i. Investigate the matter for fixing responsibility upon defaulters.
- ii. Cancel MOU in the light of directions of the DAC.
- iii. Retrieve valuable property from the defaulters.

29.5.7 Non-retrieval of property bearing No. 4481-4482 comprising new Khasra Nos. 202-22/2, 23/2, 208-2/2, 3/1, 4/1, 3/4, 3/3 and 2017

measuring 09-Kanals, 19-Marlas and 08-Sq. Ft. situated at Mohallah Smadhanwala, District Pakpattan Sharif - Rs.437.865 million

Section 25 of the Evacuee Trust Properties (Management and Disposal) Act, 1975 provides that the Chairman, an Administrator, a Deputy Administrator, or an Assistant Administrator may eject or cause to be ejected, any person in possession or occupation of Evacuee Trust Properties whose possession and occupation is not authorized by or under any of the provisions of this Act or who contravenes or may have contravened any of the terms and conditions under which the property is held by him, or who has failed to pay public dues, or has willfully caused damage to any such property, or any person in occupation or possession of any evacuee trust property which is required for an object which is considered to be a public purposes by the Federal Government, after giving him notice, and for the purpose or such ejection may use or cause to be used such force as may be considered necessary.

ETPB property bearing No.4481-4482 comprising Khasra Nos. 202-22/2, 23/2, 208-2/2, 3/1, 4/1, 3/4, 3/3 and 2017 measuring 09-Kanals, 19-Marlas and 08-Sq. Ft., situated at Mohallah Smadhanwala, District Pakpattan Sharif was declared Evacuee Trust by the Chairman, Evacuee Trust Property Board, Lahore vide Order dated 08.04.2005 cancelling PTO No.607892. Against the Order of the Chairman, a revision petition was filed before the Secretary, Ministry of Religious Affairs and Interfaith Harmony, Islamabad by an individual, which was also dismissed vide Order dated 28.09.2017. As per report of the District Office, Sahiwal, 37-persons are in illegal occupation over the said property. The property is valuable and located in the commercial area inside the city.

Audit observed that:

- i. The Chairman, ETPB declared the property as Evacuee Trust on 08.04.2005. Despite lapse of over 19 years, the department failed to retrieve the property from the illegal occupants.
- ii. The title of the property could not be transferred in favor of the ETPB.

Audit is of the view that a valuable trust property is still under the possession of illegal occupants due to the negligence and lack of interest towards the official duty by the concerned staff of ETPB, which needs justification.

No reply was given by the department.

The PAO and the audited formation were informed on 29.11.2024 and 11.12.2024 followed by a reminder dated 07.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends to:

- i. Investigate the matter with a view to fix responsibility.
- ii. Transfer procedures need to be completed immediately by retrieving the land from the illegal occupants.

29.5.8 Non-retrieval of property No. 13-R-35 from the illegal occupants - Rs.581.823 million

The Chairman, ETPB in its Order dated 21.05.2005 stated that the property in dispute had been on lease with the said Society and monthly rent was being paid regularly by the said Society which was in possession of the property was through its Keepers/Chowkidars. It was a Chowkidar (respondent No. 1) who illegally, fraudulently and with malafide intention got issued PTD dated 25.03.21965 in his favor in connivance with the Settlement Department. The Evacuee Trust property's nature is beyond doubt. The arguments of the petitioner carry weight and well supported with the documentary evidence. Therefore, I have no hesitation to declare the property in suit as an evacuee trust property. Let it be notified under the law.

Para 02 of the Orders passed by the Federal Secretary, Islamabad dated 05.04.2023 stated that on 29.03.2023, last opportunity was provided, but no one turned up on behalf of the petitioners to date despite notice. The attitude of the petitioner shows that they have no interest whatsoever, to pursue their case, which is observed with great regret.

Para 03 also states that consequently, the instant revision petition is dismissed for non-prosecution.

Management of the Evacuee Trust Property Board, Lahore owned a property No. S-13-R-35, Khasra No..4347-min, Sub-Unit No.1-1111-7-0004-0 measuring 6-Kanals, 6-Marlas and 179-Sft. situated at 35-Nicholson Road, Lahore.

Audit observed that:

- i. ETPB property bearing No. 13-R-35 was in irregular and forcible possession of an individual, who fraudulently got issued PTD on 25.03.1965 in his favor. The Chairman, ETPB vide his Order dated 21.05.2005 declared the property as ETP, and possession as irregular.
- ii. Management did not retrieve the valuable land of the ETPB worth Rs.581.823 million.
- iii. Management did not implement orders of the Chairman in letter and spirit.

Audit is of the view that action of the management caused a potential loss of revenue due to non-retrieval of property.

No reply was given by the department.

The PAO and the audited formation were informed on 29.11.2024 and 11.12.2024 followed by a reminder dated 07.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends to:

- i. Investigate the matter for fixing responsibility on the defaulters.
- ii. Hectic efforts be made to recover a huge amount of arrears.
- iii. Retrieve the Government property immediately

29.5.9 Loss to the Board due to non-determination of status of land measuring 275-Kanals, 11-Marlas, Mandir Thakar Nawan Kot, Lahore - Rs.730.000 million

According to Jamubandi 1944-45 and 1951-52 Khewat No.280, 283, 294, 337, 341 and 351 an urban area/property measuring 275-Kanals, 11-Marlas and 58-

Sq. Ft., situated at Mauza Nawan Kot Tehsil and District Lahore belongs to Mandir Thakar Gee Maharaj.

DAC in its meeting dated 13-16.04.2022 directed that application of early hearing be made to the Court, Chairman, ETPB to decide the cases within one month.

Audit observed that;

- i. PTCL constructed a residential colony over the above land sometimes in 1952.
- ii. Deputy Administrator vide his Letter No. AD-77.LHR/899 dated 11.09.77 issued a stay order for evacuee property.
- iii. Social Welfare Society (registered) of the PTCL employees residing in P&T Colony submitted an application/petition before the Chairman, ETPB on 06.06.2007 for declaration of the said property as the Evacuee Trust property.
- iv. Deputy Administrator, ETP District Office, Lahore II filed a case before the Chairman for declaration of the area as Evacuee Trust Property under Section 8/10 of the ETP (Management and Disposal) Act No. XIII of 1975.
- v. Chairman, ETPB issued stay orders on 06.06.2007, 05.04.2008 and 25.10.2008 pending adjudication against the above property.
- vi. PTCL in its Letter No. DEB/E&M/2005-6/6 dated 01.06.2006 addressed to Excise and Taxation Department admitted that the said land was in the name of the Central Government and not transferred to PTCL or Pakistan Post Office.
- vii. Letter No. Dev/BP-2251/BI/F dated 12.12.2006 of the Post Master General Punjab, Lahore addressed to the Member Judicial II/Chief Settlement Commissioner, BOR, Lahore also revealed that the said land was owned by Temple Thakar Geo Maharaj from the Bando Bast year 1941-42 to Bando Bast year 1957-58.
- viii. Member (Judicial V)/Chief Settlement Commissioner, GOP, Punjab in his decision dated 05.01.2012, in response to Mutation application submitted by the PTCL, declared that the case was already pending in the court of the Chairman, ETPB, Lahore, and application at stage, was not maintainable at the forum, and directed

the parties to appear before the Chairman, ETPB Lahore on 21.01.2012.

- ix. As per the ETPB Act, 1975, the Chairman, being the competent authority was responsible to declare the status of property belonging to Mandir as Evacuee Trust property but the management did not declare the property as Evacuee so far, and the case is pending in the court of the Chairman, ETPB to date.
- x. Despite the facts narrated above, the Chairman, ETPB did not declare the said property as Evacuee Trust Property even after lapse of about fifteen years.
- xi. The matter was pointed in the Forensic Audit Phase II for early declaration of the ETP land by the Chairman and DAC also directed to decide within one month but the Chairman did not declare the property as ETP land till 07.2024.
- xii. Slackness at the part of the higher management deprived the Board of its valuable land worth billions of rupees.

Audit is of the view that non-determination of status of the property by the authorities deprived the Board from its due revenue.

Audit is also of the view that non-assumption of control over the land deprived the Board of its valuable land of 275-Kanals having minimum value of Rs.7,302 million as per FBR rate.

No reply was given by the department.

The PAO and the audited formation were informed on 29.11.2024 and 11.12.2024 followed by a reminder dated 07.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends the Board to:

- i. Investigate the matter thoroughly at appropriate level, for non-taking over its valuable land so far.
- ii. Determine the estimated loss sustained by the Board so far and to fix responsibility.

29.5.10 Irregular/unauthorized deduction of withholding tax - Rs.161.859 million

Section 149(1) of the Income Tax Ordinance, 2001 as amended up to June, 2021 states that the income of the Federal Government shall be exempted from tax.

Section 151(1) (a) of the Income Tax Ordinance, 2001, also states that following persons are exempted from deduction of tax at source under this section:

- The Federal Government
- Provincial Government.
- Local Government.

Evacuee Trust Property Board has deposited/invested its trusts funds in the financial institutions in the shape of TDRs/Investments. The details are given below:

(Rs.)

Sr. No.	Bank	Account No.	WHT amount
1.	HBL	0127-79029952-51	319,017.450
2.	NBP	3034886097	1,937,842.390
3.	HBL	0128-79001813	32,060,479.980
4.	MCB	144820791011535	2,025,867.610
5.		Investment in other bank	62,872,305
6.		Investment in other bank	62,643,823
		Total	161,859,335.430

Audit observed that the Financial Institutions withheld an amount of Rs.162.859 million on account of withholding tax out of the ETP deposits/investments during the financial year 2023-24.

Audit also observed that the management did not take up the case for exemption by the FBR.

Audit is of the view that the management deprived the Board from its due revenue/profit Rs.161.859 million.

No reply was given by the department.

The PAO and the audited formation were informed on 29.11.2024 and 11.12.2024 followed by a reminder dated 07.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends to:

- i. Matter may be investigated at appropriate level.
- ii. Take up the case with the FBR for exemption
- iii. Recover the amount of withholding taxes from banks.

29.5.11 Irregular payment of loan to the PMU, Kartarpur - Rs.91.000 million

Section 4(1) of the Evacuee Trust Properties (Management and Disposal) Act (No. XIII), 1975 states that general supervision and control of all evacuee trust shall, subject to any directions that may be given by the Federal Government, vest in the Board, and Board shall take such action as it deems fit for the proper management, maintenance, and disposal of such property in accordance with the provisions of this Act and the rules, scheme or directions made or issued there under.

Management of the ETPB, Lahore vide agenda item No.19 of 354th meeting dated 14.02.2024 approved Rs.13.000 million loan per month for treatment of Kartarpur Corridor.

Audit observed that:

- i. Management granted a loan of Rs.91.000 million to Kartarpur PMU without provision in the ETPB Act.
- ii. Irregular grant of loan of Rs.20.000 million was also pointed out in the last Audit Report but no action was taken.
- iii. Management did not recover the loan of Rs.91.000 million from the PMU, Kartarpur

Audit is of the view that the non-recovery of loan may lead to financial loss to the Board.

No reply was given by the department.

The PAO and the audited formation were informed on 29.11.2024 and 11.12.2024 followed by a reminder dated 07.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends to:

- i. Recover the loan amounts immediately.
- ii. Deposit in the Government account.
- iii. This practice be discontinued.

29.5.12 Loss due to non-recovery of arrears from M/s Motor House (Pvt.) Ltd. Demand No. 1-1111-7-0059-0 and 1-1111-7-0060-0 area measuring 2-Kanals-13-Marlas and 125-Sq. Ft. located at Dayal Sing Mansion, Mall Road, Lahore - Rs.111.000 million

Clause 25 of the Act XIII of 1975 states that the Chairman, an Administrator, a Deputy Administrator, or an Assistant Administrator may eject or cause to be ejected any person in possession or occupation of any Evacuee Trust Property whose possession or occupation is not authorized by or under any of the provisions of this Act or who contravenes or may have contravened any of the terms and conditions under which the property is held by him, or who has failed to pay public dues, or has willfully caused damage to any such property, or any person in occupation or possession of any Evacuee Trust Property which is required for an object which is considered to be a public purposes by the Federal Government, after giving him notice, and for the purpose or such ejectment may use or cause to be used such force as may be considered necessary.

The ET Property No. S-19-R-66 Bering Demand No. 1-1111-7-0059-0 and 1-1111-7-0060-0 area measuring 13-Marlas and 2-Kanals-13-Marlas 125-Sq. Ft. respectively, situated at Dayal Sing Mansion, Mall Lahore was under the tenancy of Motor House (Pvt.) Ltd.

The then Deputy Administrator assessed the rent of property Rs.156,000 and Rs.241,720 respectively per month w.e.f. 01.07.2006 vide two separate Orders dated 28.04.2006. The assessed rent was challenged before the Administrator (EZ), Lahore and the Administrator dismissed the appeal through Order dated 25.04.2007 filed against the Deputy Administrator's Orders. Thereafter, the Revisional

Authority, Islamabad also upheld the rent of property amounting to Rs.156,000 and 241,720 per month vide Order dated 16.05.2013. The tenant challenged the Order of the Revisional Authority before the Lahore High Court, Lahore through Writ Petitions No.18621/2013 and 18622/2013 titled M/s Motor House (Pvt.), Ltd. versus Joint Secretary. Finally, the Lahore High Court Lahore on 16.04.2024 dismissed both the writ petitions being devoid of merit and upheld the Order of the Revisional Authority. After the Orders of the Lahore High Court, Lahore dated 16.04.2024, the District Officer, Lahore I issued the notice for recovery of the arrears but no arrears have so far been recovered from the tenant in respect of both the sub-units under occupation of the same tenant. The tenant has failed to deposit the outstanding dues of Rs.111.000 million.

Audit observed that:

- i. A huge amount of arrears was lying recoverable due to non-taking of effective steps by the management against the defaulters.
- ii. Despite the finalization of the litigation in favor of the department, no effective efforts were taken by the District Officer for recovery of arrears as well as ejection of illegal occupant.
- iii. Management failed to recover the dues of Rs.111.000 million.

Audit is of the view that the Board sustained a loss of Rs.111.000 million due to slackness on the part of the management.

No reply was given by the department.

The PAO and the audited formation were informed on 29.11.2024 and 11.12.2024 followed by a reminder dated 07.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends to:

- i. Make hectic efforts for recovery of arrears.
- ii. Investigate the matter for fixing responsibility on defaulters.

29.5.13 Non-recovery of arrear of lease money from the occupants of agriculture land - Rs.105.730 million

Section 24 of the Evacuee Trust Property Board Act, 1975 states that any sum due to the Board in respect of any Evacuee Trust Property, which is not paid within thirty (30) days of it having become due, shall be recoverable as arrears of land revenue.

Clause 14 of the Scheme for the Lease of Evacuee Trust Agriculture Land, 1975 also states that the full lease money for the first year shall be payable by the lessee in advance and for subsequent years by the 31st January every year. In case of, the lease money shall be payable at the fall of hammer and for each subsequent year payable in advance by 31st January.

The management of the ETPB leased out agriculture land in different districts to different tenants for agriculture purposes. Details are as under:

(Rs.)

Sr. No.	District	Arrear up to June, 2024
1.	Bahawalpur	179,584
2.	Bannu/DI Khan	962,012
3.	Bhakkar	1,645,637
4.	Faisalabad	4,268,221
5.	Gujranwala	8,184,724
6.	Gujrat	1,685,737
7.	Hassanabdal	12,404,073
8.	Hyderabad	325,198
9.	Jhang	8,118,021
10.	Kasur	20,371,428
11.	Multan	2,105,601
12.	Okara	2,225,649
13.	Peshawar	32,500,058
14.	Rawalpindi	4,468,241
15.	Sargodha	92,465
16.	Sialkot	1,674,849
17.	Sukkur	4,518,891
	Total	105,730,389

Audit observed that the management neither extended the lease periods nor recovered the rent for the period after the expiry of the previous lease. The recoverable amount comes to Rs.105.730 million.

Audit was of the view that non-recovery of dues deprived the Board of its due receipts.

Audit further observed that the District Offices/Deputy Administrators did not make effective efforts for recovery of arrears of lease money.

The PAO and the audited formation were informed on 29.11.2024 and 11.12.2024 followed by a reminder dated 07.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends to:

- i. Make hectic efforts to recover the long outstanding arrears.
- ii. Deposit the amount in the Board's Account.

29.5.14 Delaying of process for outsourcing of Janki Devi Jamal Singh Hospital resulting in loss - Rs.44.800 million

Section 4(1) of the Evacuee Trust Properties (Management and Disposal) Act (No. XIII), 1975 states that general supervision and control of all Evacuee Trust shall, subject to any directions that may be given by the Federal Government, vest in the Board, and Board shall take such action as it deems fit for the proper management, maintenance, and disposal of such property in accordance with the provisions of this Act and the rules, scheme or directions made or issued there under.

In the 350th Board meeting of the ETPB held on 25.01.2023 (Agenda No. 6), the Board was briefed in detail about the agenda item that the matter was placed before the HR and Admin. Committee.

- i. Value of the open plot is assessed by the NESPAK as per Rs.870 million and the 10% non-refundable security (NRS) of this plot will be Rs.87.000 million. Open plot may be auctioned separately and bid may be inducted for hospital's constructed area.
- ii. Presently, annual financial implication is Rs.40.000 million per year. If outsourced, minimum financial revenue will be Rs.4.800 million per year. The financial implication of this outsourcing will

be a financial gain of Rs.44.800 million per year (Saving of Rs.40.000 million annually).

- iii. The Board unanimously approved to reinvite the bids for outsourcing Janki Devi Hospital as per 1997 Scheme.

Audit observed that the management did not take effective steps to reinvite the bids for outsourcing of the Janki Devi Hospital in violation of the Board's decision dated 25.01.2023.

Audit is of the view that the management deprived the Board of its potential revenue amounting to Rs.44.800 million (40.000 + 4.800) annually by not taking necessary effective steps for outsourcing of the hospital.

The PAO and the audited formation were informed on 29.11.2024 and 11.12.2024 followed by a reminder dated 07.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends to:

- i. Investigate the matter for fixing responsibility.
- ii. Implement Board's decision immediately.

29.5.15 Non-recovery from tenant and auction the property No. S-19-R-66 Demand No.1-1111-7-0073-0 - loss - Rs.27.384 million

Clause 3-(i) (a) of the Amended Scheme for the Management and Disposal of Urban Evacuee Trust Properties, 1977 provides that the tenant shall pay the monthly rent in advance by the 10th of each month and in case of annual lease, the lease money shall be paid by the 10th of the first month of the lease year. In case of default in payment by the above said due date, surcharge @ 10% shall be charged.

Section 25 of the Evacuee Trust Properties (Management and Disposal) Act, 1975 provides that the Chairman, an Administrator, a Deputy Administrator, or an Assistant Administrator may eject or cause to be ejected, any person in possession or occupation of the Evacuee Trust Properties whose possession and occupation is not authorized by or under any of the provisions of this Act or who contravenes or may have contravened any of the terms and conditions under which the property is held by him, or who has failed to pay public dues, or has willfully

caused damage to any such property, or any person in occupation or possession of any evacuee trust property which is required for an object which is considered to be a public purposes by the Federal Government, after giving him notice, and for the purpose or such ejection may use or cause to be used such force as may be considered necessary.

Deputy Administrator, ETPB, Lahore I in its decision dated 08.10.2021 cancelled the tenancy rights of the sub-unit No. S-19-R-66 demand No.1-1111-07-0073-0 named M/s TCS Pvt. Ltd. situated at Dial Singh Mansion, Lahore and passed an ejection order against the tenant. The field staff of the office was directed to take over the control and management of the Sub-Unit in question after sealing as per rules and rent out the same through open public auction. It was also directed to recover the arrears of the rent.

Audit observed that:

- i. Management did not auction the property even after lapse of three years.
- ii. Management did not recover the arrears from the tenant.

Audit is of the view that non-recovery of Rs.27.384 million from the tenant was mismanagement and negligence on the part of the offices concerned.

Audit is also of the view that non-auction of the ET land till date is a serious misconduct and violation of ETP Rules.

Audit is further of the view that the management deprived the Board of its due revenue for Rs.27.384 million due to non-recovery of dues.

The PAO and the audited formation were informed on 29.11.2024 and 11.12.2024 followed by a reminder dated 07.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends to:

- i. Investigate the matter for fixing of responsibility on the defaulters.
- ii. Recover the outstanding amounts from the tenant.
- iii. Initiate necessary steps for public auction of property.

29.5.16 Loss due to non-approval/submission of development cases - Rs.22.900 million

Clause 18 B of the Scheme for the Management and Disposal of Urban Evacuee Trust Properties, 1977 states that if a tenant of a property in his possession applies for raising a commercial project covering ground area not exceeding five Kanals, the permission thereof may be granted by the Chairman, exceeding five Kanals, such permission may be granted by the Board, subject to the following conditions, namely:

- C: The rent of the developed building shall be fixed by the Chairman, or as the case may be, by the Board, depending upon the value of the property, its location, prevailing rents in the area and investment to be made by the tenant (s) or lessee (s);
- D: The tenant (s) shall deposit minimum ten per cent of the prevailing market value of the land as goodwill or non- refundable security with the Board before execution of the agreement

Deputy Secretary (Admn.) vide his Letter No.2764 dated 29.04.2020 pointed out 29 unbilled properties/units/sub-units for approval for rent/development purposes by the competent authority i.e. Chairman. Out of list of 29 (list attached), 14 sub-units of the ET property No.70-B situated at Model Town, Lahore were proposed for renting out after approval by the Chairman. The detail is given below:

(Rs.)				
Sr. No.	Unit No. Demand No.	Measurement K-M	Proposed Non-refundable security (NRS)	Monthly rent
1.	1-1111-5-0158-0	18- Marlas	2,216,160	18,000
2.	1-1111-5-0159-0	14-Marlas	1,723,680	14,000
3.	1-1111-5-0160-0	14-Marlas	1,723,680	14,000
4.	1-1111-5-0161-0	14-Marlas	1,723,680	14,000
5.	1-1111-5-0162-0	05-Marlas	615,600	5,000
6.	1-1111-5-0163-0	12-Marlas	1,477,440	12,000
7.	1-1111-5-0164-0	9-Marlas	1,108,080	15,000
8.	1-1111-5-0165-0	18-Marlas	2,216,160	18,000
9.	1-1111-5-0166-0	12-Marlas	1,477,440	12,000
10.	1-1111-5-0168-0	10-Marlas	1,231,200	10,000
11.	1-1111-5-0169-0	12-Marlas	1,477,440	12,000
12.	1-1111-5-0170-0	22-Marlas	2,708,640	22,000

13.	1-1111-5-0171-0	14-Marlas	1,723,680	14,000
14.	1-1111-5-0173-0	12-Marlas	1,477,440	12,000
	Total		22,900,320	

Audit observed that:

- i. Management failed to propose/approve the 12 unbilled residential/commercial units to enhance the Board's revenue.
- ii. 2 units (1-1111-5-0159-0 and 1-1111-5-0160-0) measuring 1-Kanal and 8-Marlas occupied by an individual, already approved by the Chairman, ETPB, did not develop the same till date to recover the NRS and monthly rent at market rate.
- iii. Management did not approve the development cases of remaining 12 demands.

Audit is of the view that the management deprived the Board from its due receipts for Rs.22.900 million on account of non-refundable security (NRS).

Audit is also of the view that the Board sustained a heavy financial loss due to non-recovery of enhanced monthly rent.

No reply was submitted by the department.

The PAO and the audited formation were informed on 29.11.2024 and 11.12.2024 followed by a reminder dated 07.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends to:

- i. Investigate the matter for fixing responsibility.
- ii. Necessary steps may be taken to enhance the Board's receipts.

29.5.17 Irregular deduction of income tax on rental income - Rs.13.616 million

Section 149(1) of the Income Tax Ordinance, 2001 as amended up to June, 2021 states that the income of the Federal Government shall be exempted from tax.

Section 151(1) (a) of the Income Tax Ordinance, 2001, also states that following persons are exempted from deduction of tax at source under this section:

- The Federal Government
- Provincial Government.
- Local Government.

Management of the ETPB, Lahore (Deputy Administrator, Lahore I) recovered rental income for Rs.73.019 million from the Government offices during the financial year 2023-24. Detail is as under:

(Rs.)					
Sr. No.	Office	Period	Total rent	Rent paid	Tax deducted
1.	Zakat and Ushar Department	01.01.1987 to 30.06.2023	72,711,585	61,804,847	10,806,738
2.	Directorate of Hajj	24.02.2023 to 09.01.2024	8,983,294	7,082,470	1,900,824
3.	Directorate of Hajj	10.01.2024 to 30.06.2024	5,040,157	4,131,535	908,622
		Total	86,735,036	73,018,852	13,616,184

Audit observed that the tenants paid the rental income after deduction of income tax amounting Rs.13.616 million.

Audit is of the view that the deduction of Income tax from the rental income was not only irregular but also deprived the Board from its due receipt of Rs.13.616 million.

The PAO and the audited formation were informed on 29.11.2024 and 11.12.2024 followed by a reminder dated 07.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends to:

- Matter may be investigated regarding non-pursuance of exemption cases with the FBR.
- Take up the case with the FBR for exemption.
- Recover the amount of withholding taxes deducted.

29.5.18 Loss due to non-recovery of arrears of rent from illegal occupant of property No. S-II-3-S-4 - Rs.11.804 million

Clause 3-(i) (a) of the Amended Scheme for the Management and Disposal of Urban Evacuee Trust Properties, 1977 provides that the tenant shall pay the monthly rent in advance by the 10th of each month and in case of annual lease, the lease money shall be paid by the 10th of the first month of the lease year. In case of default in payment by the above said due date, surcharge @ 10% shall be charged.

Section 25 of the Evacuee Trust Properties (Management and Disposal) Act, 1975 provides that the Chairman, an Administrator, a Deputy Administrator, or an Assistant Administrator may eject or cause to be ejected, any person in possession or occupation of the Evacuee Trust Properties whose possession and occupation is not authorized by or under any of the provisions of this Act or who contravenes or may have contravened any of the terms and conditions under which the property is held by him, or who has failed to pay public dues, or has willfully caused damage to any such property, or any person in occupation or possession of any evacuee trust property which is required for an object which is considered to be a public purposes by the Federal Government, after giving him notice, and for the purpose or such ejection may use or cause to be used such force as may be considered necessary.

Management of the Evacuee Trust Property Board, Lahore did not recover the arrears of Rs.11.804 million up to 30.06.2024 from the occupant of property No. S-II-3-S-4, Demand No. 1-1111-1-2042-0 and 1-1111-1-2042-0 situated at Aibak Road, Lahore under illegal occupancy of an individual.

Audit observed that:

- i. Management did not recover outstanding rent Rs.10,731,130 from the tenant.
- ii. Amount of 10% surcharge Rs.1,073,113 was also not recovered. The detail is as under:

(Rs.)

Property No.	Demand No.	Period	Arrears of rent	10% surcharge	Total outstanding
S-II-3-S-4	1-1111-1-2042-0	01.07.2006 to 30.06.2024	4,951,470	495,147	5,446,617

S-II-3-S-4	1-1111-1-2041-0	01.07.2006 to 30.06.2024	5,779,660	577,966	6,357,626
		Grand total	10,731,130	1,073,113	11,804,243

Audit further observed that the Deputy Administrator issued an order for cancellation of tenancy of the said properties on 11.03.2008 but failed to retrieve the property till date.

Audit is of the view that due to negligence of the concerned, the Government/Board was deprived of the due receipt for Rs.11.804 million.

Audit is further of the view that non-retrieval of said property by the management shows weak internal control.

No reply was given by the department.

The PAO and the audited formation were informed on 29.11.2024 and 11.12.2024 followed by a reminder dated 07.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends to:

- i. Investigate the matter for fixing of responsibility.
- ii. Retrieve valuable property of the ETPB Board.
- iii. Recover outstanding dues immediately.

29.5.19 Doubtful payment on account of conversion of property as commercial bearing Khewat No.77/74 Khatooni No.99-120 situated at Mauja Turaf Multan - Rs.11.019 million

Rule 10 of GFR, Vol-I states that every officer incurring or authorizing expenditure from public funds should be guided by high standards of financial propriety. Among the principles on which emphasis is generally laid are the following:

- (i) Every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys as a person of ordinary prudence would exercise in respect of expenditure of his own money.

Rule 11 of GFR, Vol-I further states that each head of a department is responsible for enforcing financial order and strict economy at every step. He is responsible for observance of all relevant financial rules and regulations both by his own office and by subordinate disbursing officers.

Management of the ETPB, Lahore paid an amount of Rs.11,019,200 for commercialization fee to the Municipal Corporation, Multan vide cheque No.00021417 dated 27.12.2023 for conversion of its property bearing Khewat No.77/74 Khatooni No.99-120 of Mauza Taraf, Multan as commercial.

Audit observed that:

- i. Demand notice/bill for payment by the Municipal Corporation, Multan was not attached with the payment voucher.
- ii. Acknowledgement by the Municipal Corporation, Multan was also not produced.
- iii. Record for development of remaining area of the Marriage Hall situated at Nawabpur Road, Multan was not produced/available.
- iv. Authority for change of status of the ETP land/area was not confirmed.
- v. Management did not take effective steps for use of property Khewat No.77/74 as commercial so far.

Audit is of the view that the commercialization fee without demand notice of the Municipal Corporation, Multan is irregular.

Audit is also of the view that payment of the commercialization fee without development of the hall area is also irregular and unauthorized.

The PAO and the audited formation were informed on 29.11.2024 and 11.12.2024 followed by a reminder dated 07.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends investigation of the matter for fixing responsibility.

29.5.20 Non-recovery of arrears from the tenant of property No. A1958 - Rs.1.758 million

Clause 3-(i) (a) of the Amended Scheme for the Management and Disposal of Urban Evacuee Trust Properties, 1977 provides that the tenant shall pay the monthly rent in advance by the 10th of each month and in case of annual lease, the lease money shall be paid by the 10th of the first month of the lease year. In case of default in payment by the above said due date, surcharge @ 10% shall be charged.

Evacuee Trust Property Board, Lahore did not recover the amount of arrears of Rs.1.758 million up to 30.06.2024 from the tenant of property No. A1958 allotted demand No. 1-1111-3-0100-0 situated at Saaid Meetha Bazar, Lohari Gate, Lahore.

Audit observed that:

- i. Management did not recover outstanding rent Rs.1,598,214 from the tenant.
- ii. No effective steps were taken to recover the ETP dues.
- iii. Amount of 10% surcharge Rs.159,821 was also not recovered.

Detail is as under:

(Rs.)					
Property No.	Demand No.	Period	Arrears of rent	10% surcharge	Total outstanding
A1958	1-1111-3-0100-0	01.07.2006 to 30.06.2024	1,598,214	159,821	1,758,036

Audit is of the view that the management deprived the Board of its due revenue.

The PAO and the audited formation were informed on 29.11.2024 and 11.12.2024 followed by a reminder dated 07.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends to recover the outstanding amount and deposit in the Boards Account.

29.5.21 Non-maintaining of the ETPB accounts on the approved format

Para 1(2) of the Finance Division's OM No.3(15) PFMR-II/2022/26 dated 26-01-2023 states that the accounts of autonomous entities shall be prepared in accordance with the instructions issued by the Controller General of Accounts with approval of the Auditor-General. A copy of annual accounts shall be made available to the Finance Division within three months of their finalization.

Management of the Evacuee Trust Property Board, Lahore incurred an expenditure of Rs.3,625.302 million out of the approved budget of Rs.3,668.613 million during the financial year 2023-24.

Audit observed that the management did not prepare accounts in accordance with the instructions issued by the Controller General of Accounts with approval of the Auditor-General of Pakistan.

Audit is of the view that non-maintaining of Accounts in accordance with the instructions issued by the Finance Division is a violation of Government instructions.

No reply was given by the department.

The PAO and the audited formation were informed on 29.11.2024 and 11.12.2024 followed by a reminder dated 07.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends to prepare accounts according to the instructions issued by the CGA with the approval of the AGP.

Directorate of Hajj

29.5.22 Non-receipt of rent charges for renting out Haji Camp for temporary stay - Rs. 9.479 million

Para 3 of the Agreement signed between the Directorate of Hajj, Islamabad (Lessor) and the Police Headquarter, Islamabad (Lessee) for temporary stay of out-district LEAs for the period from 23.10.2022 to 28.11.2022 states that the lessee

shall pay rent @Rs.5,000 per room per day for the number of days for which accommodation is required.

Para 3 of the Agreement signed between the Directorate of Hajj, Islamabad (Lessor) and the Police Headquarter, Islamabad (Lessee) for temporary stay of out-district LEAs for the period from 15.12.2022 to 29.12.2022 states that the lessee shall pay rent @Rs.5,000 per room per day for the number of days for which accommodation is required.

As per Directorate of Hajj's Letter No.1(6)/2018 dated 07.02.2022, the total rent of the period w.e.f. 23.10.2022 to 28.11.2022 and 15.12.2022 to 29.12.2022 comes out to be Rs. 9,479,950.

Audit observed that despite a lapse of considerable time, the management has not received the rent charges.

Audit is of the view that non-receipt of the due rental amount is a violation of the agreement.

The management did not reply till finalization of this report.

The PAO and the audited formation were informed on 10.12.2024 followed by a reminder dated 17.01.2025 for convening of the DAC meeting but no response was received till finalization of the report.

Audit recommends the earliest receipt of rent charges.

CHAPTER 30

MINISTRY OF STATES AND FRONTIER REGIONS

30.1 Introduction

The States and Frontier Regions (SAFRON) Division is a key administrative body of the Government of Pakistan responsible for overseeing and managing the affairs of the Federally Administered Tribal Areas (FATA), now merged with Khyber Pakhtunkhwa, as well as addressing issues related to Pakistan's tribal regions, Afghan refugees, and interprovincial coordination regarding tribal matters. Historically, the SAFRON Division served as a bridge between the Federal Government and tribal areas, implementing policies to promote socioeconomic development, governance, and integration into the national framework. Its responsibilities include formulating policies for the welfare of Afghan refugees, ensuring their voluntary repatriation, and managing their temporary settlements in Pakistan. Additionally, the Division coordinates development projects and works towards improving infrastructure, education, healthcare, and livelihoods in areas historically underrepresented in national development plans. Post-FATA merger, SAFRON continues to play an essential role in addressing transitional issues, supporting tribal populations, and fostering the integration of these regions into mainstream governance. Its mandate reflects the Government's commitment to uplifting underprivileged areas, addressing security concerns, and promoting harmony between diverse communities.

Following functions are assigned to SAFRON:

- i. Afghan refugees.
- ii. Affairs of former and acceding states.
- iii. Coordinating medical arrangements and health delivery systems for the Afghan refugees.