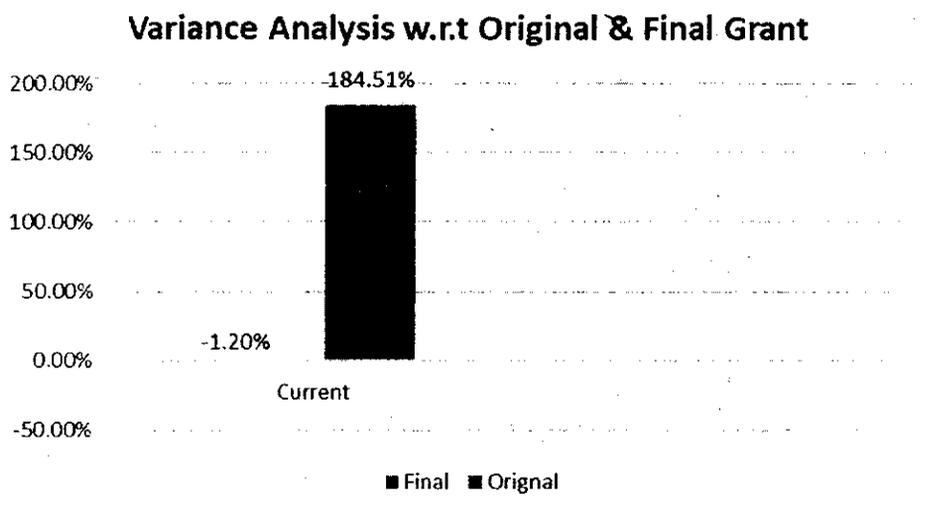


According to Para 71 of General Financial Rules (Volume I), while framing budget estimates, the authorities should exercise utmost foresight. Rules of good governance demand that budget processes are carried out in accordance with clearly defined expectations and assumptions and a coordinated calendar of activity.

As shown in the chart below, bifurcating total allocation into current expenditure, it was observed that there was 184.51% excess w.r.t original grant which became 1.20% saving w.r.t final grant.



### 21.3 Classified Summary of Audit Observations

Audit observations, amounting to Rs. 1,787.188 million, were raised in this report during the current audit of **Ministry Of Religious Affairs And Interfaith Harmony**. Summary of the audit observations classified by nature is as under:

(Rupees in million)

S. No	Classification	Amount
1	Non-production of record	
2	Reported cases of fraud, embezzlement and Misappropriation	
3	Irregularities	
A	<i>HR/Employees related Irregularities</i>	
B	<i>Procurement related irregularities</i>	25.21

<i>C</i>	<i>Management of account with commercial banks</i>	476.096
<i>D</i>	<i>Recovery</i>	112.149
<i>E</i>	<i>Internal Control</i>	1,175.733
4	Value for money and service delivery	
5	Others	

#### 21.4 Status of compliance with PAC Directives

Audit Year	Total No. of Audit Paras	No. of Actionable Points Issued	Compliance	Non/Partial Compliance	% of Compliance
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
2019-20	12	0	0	12	-
2020-21	20	0	0	20	-
2021-22	1	0	0	1	-
<b>Total</b>	<b>86</b>	<b>14</b>	<b>4</b>	<b>82</b>	

#### 21.5 AUDIT PARAS

##### Ministry of Religious Affairs and Interfaith Harmony

##### 21.5.1 Non-refund of unutilized remittances by Directorate General Hajj, Jeddah for the Hajj-2020-Rs. 8,500 million (US\$ 54.870 million)

Rule 668 of Federal Treasury Rules states that advance granted under special orders of competent authority for departmental or allied purposes, subject to adjustment of detail accounts supported by vouchers or by refund, as may be necessary.

Para-5 (vi) of the Hajj Pilgrims Welfare Fund states that "Funds not required for use during next 3 months may be kept in a short or long term deposit account by D.G Director Hajj to earn profit on the spare cash balance which would form part of the Fund".

The management of the Ministry of Religious Affairs and Interfaith Harmony, Islamabad remitted amount of Rs. 8,500 million to the Directorate

General Hajj, Jeddah on account of payment of accommodation charges at Makkah/Madinah, Salawat/Intercity Transport Facilities, Catering and other services for Hajj-2020 during the financial year 2020-21. The said amount was released from NIDA Account No. 3035236135, National Bank of Pakistan, Islamabad as under:

Sr. No.	Cheque No.	Date	Amount in Pak Rupees	US Dollar in million
1	123053	30.01.2020	6,000,000,000	38.710
2	123072	27.02.2020	2,500,000,000	16.160
<b>Total</b>			<b>8,500,000,000</b>	<b>54.870</b>

The Saudi Minister for Hajj and Umrah announced on 23.06.2020 that no pilgrim from outside the Kingdom will be allowed to perform Hajj this year.

Audit observed as under:

- i. The Directorate General Hajj, Jeddah neither refunded the unutilized remittances nor utilization status/adjustment accounts submitted to the MORA, Islamabad despite lapse of more than two years.
- ii. Undue retention of remittance with DG Hajj, Jeddah leads to non-investment of funds and ultimately put into loss the Pilgrims Welfare Funds.

Audit is of the view that non-refund of remittances is violation of Federal Treasury Rules.

Audit is also of the view that non-refunding of remittances by the DG Hajj, Jeddah reduced the Foreign Currency Reserves of the country and leads to misappropriation.

Management did not reply till finalization of report.

Audit recommends that responsibility may be fixed for the said lapses besides formation of accounting procedure.

**21.5.2 Irregular and unauthorized earnings of Interest (Riba) on the Hajj dues of Pilgrims against Sharia and Constitution of Pakistan – Rs. 474.096 million**

An Expression of Interest (EOI) from schedules banks for collection of Hajj applications from intending pilgrims for Hajj 2020 was called on January 09, 2020 through Daily newspapers Pakistan Observer.

Clause 14 of the Contract agreement signed between banks and MORA&IH states that for retention of Hajj dues of successful intending pilgrims by the Second Party (Banks), profit rates shall be as follows:

Sr No.	Detail	Rate of Profit
1.	Retention of Hajj dues for 60 days	7.50%
2.	Retention of Hajj dues beyond 60 days and up to 120 days	8.50%
3.	Retention of Hajj dues beyond 120 days and up to reconciliation	9.50%

Article 38 (f) of the Constitution of Islamic Republic of Pakistan states that the State shall eliminate Riba as early as possible.

The Federal Shariat Court in its decision dated November, 1991 states that any additional amount over the principal in a contract of loan or debt is the "RIBA" prohibited by the Holy Qur'an in several verses. The Holy Prophet, Sall-Allahualayhiwasallam, has also termed the following transactions as Riba:

- i. A transaction of money for money of the same denomination where the quantity on both sides is not equal, either in a spot transaction or in a transaction based on deferred payment.
- ii. A barter transaction between two weighable or measurable commodities of the same kind, where the quantity on both sides is not equal, or where the delivery from any one side is deferred.
- iii. A barter transaction between two different weighable or measurable commodities where delivery from one side is deferred.

It is, therefore, held that all the prevailing forms of interest, either in the banking transactions or in private transactions do fall within the definition of "Riba".

The management of Ministry of Religious Affairs and Inter-Faith Harmony (MORA&IH), Islamabad has called for EOI from schedule banks for collection of Hajj applications from pilgrims for Hajj 2020 through print media and 13 banks were selected in Hajj-2020. An amount of Rs. 49,969.054 million from 105,413 received from successful applicants for Hajj 2020.

Audit observed that:

- i. The management made the pilgrims amount as source of income and systematically earned Rs. 474.096 million as interest during the period 13.03.2020 to 25.06.2020 from 13 banks on Hajj dues.
- ii. The management of (MORA&IH) mixing the Hajj dues of Pilgrims with "RIBA" which against the spirit of Constitution of Islamic Republic of Pakistan.
- iii. The earning of interest on Pilgrims sanctified amount is against the directions of Qur'an and the decision of Federal Shariat Court.

Audit is of the view that earning of interest on holy amount of pilgrims is against the ruling of Qur'an /Islam, Federal Shariat Court and the Constitution of Islamic Republic of Pakistan.

Management did not reply till finalization of report.

The said audit Para was also raised during the last audit.

Audit recommends that the matter should be referred to Council of Islamic Ideology or Federal Shariat Court for seeking guidance.

### **21.5.3 Irregular printing of Hajj material from private press without calling open tender- Rs. 25.210 million**

Rule 12(2) of Public Procurement Rules, 2004 states that all procurement opportunities over three million Pakistani Rupees should be advertised on the Authority website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies, one in English and the other in Urdu.

The management of Ministry of Religious Affairs and Inter-Faith Harmony (MORA&IH), Islamabad got printed Hajj material for Hajj-2020 from Pakistan Post Foundation (Press Division) amounting to Rs. 25,210,533/- vide cheque No. 68322614 dated 30.12.2020 during financial year 2020-21.

Audit observed that the printing work was assigned to Pakistan Post Foundation without calling open tender in violation of rule 12(2) of Public Procurement Rules, 2004 .

Audit is of the view that printing of Hajj material without competition was irregular.

Management did not reply till finalization of report.

Audit recommends to fix the responsibility for the irregularity.

#### **Forensic Audit of Evacuee Trust Property Board**

##### **21.5.4 Non-retrieving 40 kanal land at Mauza Asal Kundal, Raiwind, Lahore from Army Welfare Trust**

Section 25 of the Evacuee Trust Property Board Act 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 purpose by the Federal Government, after giving him notice, and for the purposes of such ejection may use or cause to be used such force as may be considered necessary.

Lahore High Court vide its judgment dated 17.11.2016 restored the rights of land of 40 kanals, situated at Mauza Asal Kundal, Raiwind, Lahore to Evacuee Trust Property Board (ETPB).

Audit observed as under:

- i. Despite LHC Order, the ETPB had not taken steps to take control of the Trust land from AWT.
- ii. The Deputy Administrator, ETP Lahore-II made an attempt for auction of the land on 14.04.2020 but could not materialize as the land was under illegal occupation of Army Welfare Trust (AWT).

Audit was of the view that the Trust land was under illegal occupation by AWT.

The management replied that the land was under illegal possession of AWT, which auctioned in April 2020, but the AWT did not hand over the possession to the lessee.

The management accepted the audit observation.

During the DAC meeting held on 31st October-2nd November 2022, the management informed that they were considering the case with land sharing with AWT on DHA model. The DAC directed that case of AWT may be dealt in accordance with the Order of the Supreme Court and already decision taken by the Board.

Audit recommends that ejection proceedings may be initiated against the AWT, Trust land be retrieved back and utilized for development purposes.

(Para 2.2 of Forensic AR, ETPB Phase-1/Agri-1/Part-1/ AY2021-22)

#### **21.5.5 Non-retrieving of 130 kanals 14 marlas land situated at Mouza Motta Sing, Tehsil Cantt Lahore from Defence Housing Authority**

The Evacuee Trust Property Board in its meeting held on 10th March 2021 decided that all pending sale cases in which sale deeds not executed are annulled.

The Dy. Administrator, Lahore-II, advertised on 08.08.2020 in newspaper (Daily Ausaf and Dunia Lahore) for auction of lots No.11 and 22 at Mouza Motta Sing, Tehsil Cantt, Lahore. Bids were opened on 25.08.2020, as detailed below:

Sr. No.	Successful bidder	Lot No. (Khasra No)	Area Kanal - Marla	Lease money for one year received/Rs.
1	Hafiz Muhammad Zulfiqar s/o Muhammad Hussain	11 (638, 640, 641, 643 to 647)	59 - 15	194,000
2	Mr. Rahcel Tufail s/o Muhammad Tufail	22 (682 to 691)	70 - 19	321,000
<b>Total</b>			<b>130 - 14</b>	

**Audit observed as under:**

- i. The ETPB advertised the Trust land for lease through public auction without ejecting the illegal occupant Defence housing Authority (DHA) Lahore.
- ii. As the land was under illegal occupation of DHA, they filed WP No.43815/2020 in Lahore High Court in September 2020 against the auction process resultant possession of the land could not be handed over to successful bidders.

The management replied that DHA filed WP No.43815/2020 with the Lahore High Court and the Court on 01.07.2021 granted status quo and directed that during the pendency of this case before the Supreme Court of Pakistan, the disputed property shall not be leased out without the permission of the Hon'ble Supreme Court of Pakistan.

DAC meeting was held on 5-6th Dec 2022, the DAC was informed that the land pointed out in the audit para was part of DHA deal which was not mutated in the name of DHA. The case is pending before Lahore High Court, Lahore. The DAC directed that the present status of the Court case and copies of the Court specific judgement/order may be provided to the Ministry and Audit. The DAC further directed that detailed report in respect of agreement between DHA and ETPB regarding exchange of E.T land against DHA plots may be submitted to the Ministry and Audit. The Chairman, ETPB should hold a meeting with DHA for resolution of long outstanding issue.

Audit recommends that the detailed report of the agreement made between ETPB and DHA be provided besides cancelling the deal. Further, the land be retrieved back from DHA.

(Para 2.4 of Forensic AR, ETPB Phase-1/Agri-1/Part-1/ AY2021-22)

**21.5.6 Illegal capturing of ETPB land 44 kanals, 5 marlas for Manga Bypass and non-payment of compensation by National Highways Authority (NHA)**

Section 4(1) of the Evacuee Trust Property Board Act 1975 states that function of Board includes general supervision and control of all evacuee trust property shall, subject to any directions that may be given by the Federal Government, vest in the Board, and the 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 thereunder.

The Assistant Administrator, ETPB Lahore signed an agreement with Secretary Tehzib ul Akhlaq Trust Lahore on 19.02.1992 for the lease of 421 kanals, 18 marlas land situated at Mauza Manga Autar, Lahore, out which National Highways Authority occupied 44 kanals, 5 marlas land situated at Manga Bypass. The Land Acquisition Collector, NHA Lahore vide Note No.2 of Para 4 of Award No.4 dated 24.03.2003 excluded the Khasra No. 1456, 1458, 1476, 1482, 1483, 1512, 1511, 1514, 1516, 1515, 1521, 1522, 1484 from the award being ownership of Gurdhwara.

Audit observed that the Deputy Administrator, ETP Lahore-II neither rejected the award dated 24.03.2003 nor made effort for allotment of land in place of the land captured by NHA nor taken up the case for recovery of the compensation.

Audit is of the view that the ETPB was deprived the Trust land by National Highway Authority.

The management replied that that NHA illegally acquired the land and ETPB filed a case with District Civil Court Lahore and pending there.

The DAC meeting was held on 5-6th Dec 2022 and the DAC directed the ETPB that matter may be taken up with the Ministry of Communications for provision of alternate land.

Audit recommends that alternate land be obtained from the NHA.

**21.5.7 Illegal Abadies over 991 kanal Trust land situated at Phool Nagar Tehsil Pattoki District Kasur**

Evacuee Trust Property Board (ETPB) in its 293rd meeting held on 07.10.2015 stated that ETPB agricultural lots were chronically under manipulated occupation of influential figures exercising clouts with lots leased out to their cronies, collectively acting as mafia. The Board resolved to widely publish/ media coverage (electronic and print media) for adequate service on these influential families warning them to surrender excessive occupancy of the land failing which after expiry of 42 days (6 weeks), the Board would be constrained to file NAB references against these big wings for recovery of perpetual loss sustained by the Board.

The Deputy Administrator, Kasur finalized Survey Report of January/February 2016 which revealed that 1586 illegal structures were built on 991 kanal land. Details of illegal Abadies is at Annexure-7.

Audit observed that 991 kanal 18 marla evacuee trust land had illegally occupied by constructing 1585 structures (houses etc.) as seven (7) Abadies.

The management replied that show cause notices were issued to the illegal occupants, operation had been started against illegal occupants with coordination of AC, Pattoki and with the help of local police in 2019 but was stopped by the then DC Kasur.

DAC meeting was held on 5-6th Dec 2022. The Administrator, (E.Z), Lahore informed the DAC that ejection proceedings were being taken against the illegal occupants of seven Abadies. The DAC directed that ejection proceedings be finalized within a month.

Audit recommends that the ejection proceedings be finalized, and the land be retrieved.

**21.5.8 Illegal sale of 15 kanals 6 marlas land situated at 75 Ravi Road, Lahore to M/s. Pervez Textile Mills Ltd. Lahore – Rs.36.715 million**

Section 4(2) (d) of the Evacuee Trust Property Board (ETPB) Act 1975 the function of the Board shall be with the prior approval of the Federal Government, to sell, dispose of, transfer or make an endowment or otherwise manage evacuee trust property consistent with the objects of this Act or a scheme or "for any other object which is considered to be a public purpose by the Federal Government.

Section 6 of the Evacuee Trust Property Board (ETPB) Act 1975 states that all evacuee trust property shall vest in the Federal Government.

ETPB had owned a piece of trust land measuring 15 kanals 6 marla which at that time was under lease with M/s Pervez Textile Mills Ltd. Lahore and the land was sold to them in 2004 for amounting to Rs.36.715 million by the Chairman ETPB on the request of Mr. Manzoor Illahi, Managing Director, of the mill. As per report dated 09.10.1984 by the Deputy Administrator, ETP Lahore the mill had included 31 units or residencies in residential colony. The ETPB Lahore vide letter No. 12273 dated 25.11.1998 addressed to MD Pervez Textile Mills Ltd. Lahore conveyed approval of the Chairman for sale price of Rs.36,715,740 for 15 kanals, 15 marlas, 74 sft. (@ Rs. 240,000 per marla for 4 kanal, 18 marlas, 195 sft and @ Rs.60,000 per marla for remaining areas) subject to the approval by the Board and federal government.

Audit observed that neither the Board recommended nor federal government accorded approval for sale of the land, however sale deed was executed on 31.07.2004 between Assistant Administrator (Urban), ETP Lahore and Ch. Manzoor Illahi (Pervez Textile Mills) for total consideration of Rs.36,715,740.

Audit was of the view that sale of the trust land was a violation of the Act, and it was sold without recommendations of the Board and approval of the Federal Government.

During DAC meeting held on 5-6th December 2022, Audit informed the DAC that the then Chairman approved the case for sale without approval of Federal Government which was mandatory as per ETPB Act, 1975. The DAC directed that

the case may be submitted through the Board to the Federal Government by explaining all the facts. The DAC further directed that ETPB may identify the same nature cases of sale.

Audit recommends that the trust property was illegally sold and matter be reported to the Board and Federal Government for appropriate action by them.

Audit Para is based on para-No.7.2(Agri-Part-1) of Forensic Audit Report of ETPAB Phase -1 (AY 2020-21) |

**21.5.9 Illegal sale of 29 kanals, 19 marlas land situated at Mauza Achintgarh Awa Budha Lahore to M/s Modern Floor and General Mills Lahore – Rs.42.074 million**

Section 4(2) (d) of the Evacuee Trust Property Board (ETPB) Act 1975 the function of the Board shall be with the prior approval of the Federal Government, to sell, dispose of, transfer or make an endowment or otherwise manage evacuee trust property consistent with the objects of this Act or a scheme or "for any other object which is considered to be a public purpose by the Federal Government.

Section 6 of the Evacuee Trust Property Board (ETPB) Act 1975 states that all evacuee trust property shall vest in the Federal Government.

Trust land measuring 29 kanals 19 marlas, 111 sft. situated at Mouza Achintgarh (Awa Budhu) Shalimar Link Road, Lahore was sold to M/s. Modern Floor and General Mills Lahore for amounting to Rs.42.074 million of which lease deed for 30 years (commencing 04.11.1961) was signed by Chairman with Ch. Pervez Elahi (tenant) on behalf of M/s. Modern Floor and General Mills Lahore on 02.04.1979. Ministry of Minorities Affairs Islamabad on 10.02.1992 conveyed its approval, to the disposal of the trust land by public auction with a reserve price of Rs.70,000 per marla, with right of first refusal to the present occupant as approved by the Board in its 167th meeting. The Board in its subsequent meeting No. 204, held on 07.12.1998 recommended for sale price @ Rs.80,000 per marla (15 x 165sft) and rest @ Rs.70,000 per marla for total consideration of Rs.42,074,535, in favour of M/s. Modern Floor and General Mills Lahore after approval from federal government.

Audit observed as under:

- i. The Ministry of Minorities Affairs accorded vide letter dated 10.02.1992 for disposal of the trust land through open public auction with a reserve price of Rs.70,000 per marla, with right of first refusal to the present occupant as approved by the Board in its 167th meeting but neither public auction was held nor federal government approval was obtained.
- ii. Subsequent to the ministry letter 10.02.1992, the Board in its meeting No. 204, held on 07.12.1998 decided that the proposed land under occupation of M/s Modern Floor and General Mills Lahore, Shalimar Road Lahore recommended for sale @ Rs.80,000 per marla (15 x 165sft) and rest @ Rs.70,000 per marla for total consideration of Rs.42,074,535, subject to the approval from federal government.
- iii. Again, the ETPB after Board decision dated 07.02.1998 approval from federal government was neither obtained nor public auction was held rather it was directly sold to the occupant.

During DAC meeting held on 5-6th December 2022, Audit informed the DAC that the then Chairman approved the case for sale without approval of federal government which was mandatory as per ETPB Act, 1975. The DAC directed that the case may be submitted through the Board to the Federal Government by explaining all the facts. The DAC further directed that ETPB may identify the same nature cases of sale.

Audit recommends that the trust property was illegally sold and matter be reported to the Board and Federal Government for appropriate action by them.

Audit Para is based on para-No.7.3(Agri-Part-1) of Forensic Audit Report of ETPAB Phase -1 (AY 2020-21)

**21.5.10 Loss due to sale of 29 kanals 19 marlas land situated at Mauza Achintgarh Awa Budha Lahore to M/s Modern Floor and General Mills Lahore at reduced rates – Rs.65.944 million**

Section 4(2) (d) of the Evacuee Trust Property Board (ETPB) Act 1975 the function of the Board shall be with the prior approval of the Federal Government, to sell, dispose of, transfer or make an endowment or otherwise manage evacuee

trust property consistent with the objects of this Act or a scheme or "for any other object which is considered to be a public purpose by the Federal Government.

Trust land measuring 29 kanals, 19 marlas and 111 sft. bearing khasra No.190 situated at Mouza Achint Garh (Awa Budhu) Lahore was under occupation of M/s. Modern Floor and General Mills Lahore under lease agreement signed between Chairman and Ch. Pervez Elahi on behalf of the mills on 02.04.1979 for 30 years, commencing from 04.11.1961.

The ETPB Lahore vide item No.14 of Working Paper for 204th Board meeting held on 07.12.1998 proposed residential property rate of Rs.80,000 per marla for front and Rs.70,000 for back area, instead of commercial rate amounting to Rs. 190,000 and Rs.180,000 respectively. The Board recommended the sale price @ Rs.80,000 per marla (15 x 165sft) and rest @ Rs.70,000 per marla for total consideration of Rs.42,074,535 (by applying the residential rates) in favour of M/s Modern Floor and General Mills Lahore, Shalimar Road Lahore, subject to approval from the federal government.

Audit observed as under:

- i. A comparative analysis of residential rate applied, and commercial rate was to be charged revealed loss of Rs. 65,943,900 occurred to ETPB.

Description	Rate	Kanal	Marla	Sft	Conversion into marla	Total amount
Front area: (15 x 165) / 225 sft = 11 marla	80,000		11			880,000
Remaining area	70,000	29	8	0.49	588.49	41,194,300
<b>Price charged as per Residential rate</b>						<b>42,074,300</b>
Front area: (15 x 165) / 225 sft = 11 marla	190,000		11			2,090,000
Remaining area	180,000	29	8	0.49	588.49	105,928,200
<b>Price was to be charged as per Commercial rate</b>						<b>108,018,200</b>
<b>Loss due to reduced price charged</b>						<b>(65,943,900)</b>

- ii. The ETPB was put to loss by selling the trust land at residential rate instead of commercial rate, as the land was sold for commercial activities.

DAC in its meeting held on 5-6th December 2022 directed that the Ministry level inquiry in the matter be conducted.

Audit recommends that inquiry be conducted by the Ministry and responsibility be fixed.

Audit Para is based on para-No.7.4(Agri-Part-1) of Forensic Audit Report of ETPAB Phase -1 (AY 2020-21)

#### **21.5.11 Loss of tenancy fee and rent – Rs. 57.279 million**

Section 4(2) (d) of the Evacuee Trust Property Board (ETPB) Act 1975 the function of the Board shall be with the prior approval of the Federal Government, to sell, dispose of, transfer or make an endowment or otherwise manage evacuee trust property consistent with the objects of this Act or a scheme or "for any other object which is considered to be a public purpose by the Federal Government.

ETPB owned a property No. S-19-R-66 bearing demand No. 11411-7-0069-0 measuring 11 marlas & 125 sft. at Shahrah-e-Quid-e-Azam, Lahore. The Assistant Administrator (Urban) Lahore transferred the tenancy rights vide order dated 30.11.2000 from M/s Shahid Arif Investment (Pvt) Ltd to M/s Borjan (Pvt) Ltd, Lahore. The rent of property was Rs.12,411 per month which was enhanced to Rs.130,000 by Revising Authority/Secretary Ministry of MA&IF vide order dated 07.06.2013 as it was previously assessed on 28.04.2006 by Administrator (EZ), Lahore.

Audit observed as under:

- iii. M/s Borjan (Pvt) Ltd, Lahore submitted an application for sending bills in the name of M/s Services Sales Corporation (Pvt) Ltd, and the same was allowed by Deputy Administrator, ETP Lahore-I, on 18.05.2016 without recovery of tenancy fee amounting to Rs.16,215,936 (monthly rent Rs.337,832 x 48 months/ 4 years) in violation of the provision of the Scheme of 1977.

- iv. The rent amounting to Rs. 41,064,031 upto 30.06.2021 was less recovered as detailed below

(Amount in Rupees)

S No.	Period	Amount
1	01.07.2006 to 29.02.2020	33,846,343
2	01.03.2020 to 30.06.2020 (monthly report Rs.425,571 x 4 months)	1,702,284
3	01.7.2020 to 30.06.2021 (with 8% annual increase monthly rent Rs.459,617)	5,515,404
<b>Total rent recoverable</b>		<b>41,064,031</b>

- v. An inquiry was conducted which concluded that the rent Rs.130,000 per month (applicable w.e.f. 017.07.2006 as per Scheme, 1977) decided by the Revising Authority/ Secretary Ministry of MA&IF and case being change of tenancy for which tenancy fee was to be recovered, were not applied by the Deputy Administrator (Mrs. Uzma Shahzadi) ETP Lahore.

The management replied that rent assessment decided by the Joint Secretary vide order dated 07.06.2013 was challenged by the tenants in Lahore High Court and pending there. As soon as the court decides the case pending dues/tenancy fees will be recovered from the tenant accordingly.

DAC meeting held on 31 October – 2nd November 2022. The DAC directed that documents on the basis of which billing was made in the name of M/s. SSC and references mentioned in the reply and during discussion in DAC meeting may be provided to Audit. The DAC pended the para till decision of the Lahore High Court, however, as regards recovery of the rent decided by the Joint Secretary MoRA on 03.03.2022, the same be recovered from M/s. Borjan if there was no stay order. Further, a reassessment of the building rent may also be made. The DAC also directed that case of change of tenancy may be decided at the earliest.

Audit recommends that the tenancy fee and outstanding rent be recovered from the tenant.

Audit Para is based on para-No.3.10(U-Part-1) of Forensic Audit Report of ETPAB Phase -1 (AY 2020-21)

#### **21.5.12 Fake allotment/transfer of trust land 2 kanal 14 marla at Lahore**

Section 4(1) of the Evacuee Trust Property Board Act 1975 states that function of Board includes general supervision and control of all evacuee trust property shall, subject to any directions that may be given by the Federal Government, vest in the Board, and the 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 thereunder.

ETPB owned property No. SE-36-R-140/142 bearing Khasra No. 170 & 171 measuring 34 kanals, 12 marlas & 150 sft at Village Kila Gujjar Singh, Railway Road, Lahore, the property had already been declared as "Evacuee Trust" by the Lahore High Court on 10.11.1992, upheld by the Supreme Court of Pakistan on 29.10.1999 and notified in the Gazette of Pakistan on 21.03.2001. The Chairman ETPB vide order dated 28.04.2005 cancelled all the PTOs and PTDs issued by the Settlement Department in respect of the said property, alienation/transaction on the basis of sale deed dated 29.07.1963 was also declared null and void. The Chairman again vide his order dated 05.08.2006, re-examined/re-scrutinized/re-adjudicated the cases and decided to cancel the PTDs.

On 07.12.2011, two applicants namely Mst. Rasheeda Begum W/o of Ch. Abdul Haq and Mr. Muhammad Ayub S/o Muhammad Sharif, filed an application to the Chairman, ETPB by stating that they were lawful owners and in possession of residential property measuring area 2 kanals, 14 marlas & 158 sft out of the said property since 1960 and requested that ETPB staff may be directed to avoid making undue interference and threatening.

Audit observed as under:

- vi. The then Chairman ETPB on 22.12.2011 issued an Executive Order that Mst. Rasheeda Begum and Mr. Muhammad Ayub were the bonafide owners in possession of said property. The Chairman also directed ETPB official to refrain from interference. The Chairman did not summon the concerned Assistant/Deputy Administrator ETP to provide them an opportunity to defend the trust property.

- vii. However, the then Chairman ETPB now through letter dated 24.01.2022 disowned Executive Order dated 07.12.2011 issued under the signature of the Chairman.
- viii. Subsequently, on the basis of the above decision dated 22.12.2011 of Chairman, the applicants succeeded in getting a decree of the property from a Court of Civil Judge Lahore on 25.09.2014.

The DAC meeting was held on 31st October-2nd November 2022. The DAC noted that this part of the property was part of the property which was declared as Trust property in 1999 as mentioned in the audit observation. However, subsequently on the applications of two persons, an Executive Order dated 07.12.2011 under the signature of the Chairman ETPB was issued (which was now disowned by the then Chairman through his letter dated 24.01.2022) through which both applicants were declared as bonafide owner of the (Trust) property measuring 2 kanal, 14 marla and 158 sft. On the basis of this illegal order both persons succeeded in obtaining a decree of the property in their name from the Court of Civil Judge Lahore on 25.9.2014. The DAC noted that FIR No.90/2021 AC dated 03.12.2021 was registered by the FIA Lahore based on the audit observation. The DAC directed that the Trust property which was illegally given to the two persons be got retrieved by cancelling the illegal Executive Order, cancelling registry/mutation if any, taking back possession and all legal course of actions be adopted in this case. In addition to investigation by FIA, a joint inquiry by the Ministry and ETPB Lahore be conducted covering all aspects of the case.

Audit recommends that trust property illegally given be retrieved back besides conducting joint inquiry by the Ministry-ETPB.

Audit Para is based on para-No.4.1(U-Part-1) of Forensic Audit Report of ETPAB Phase -1 (AY 2020-21)

**21.5.13 Illegal occupation and non-retrieval of residential properties measuring 9 marls 106 sq/ft situated at Bohar Bazar, Rawalpindi**

Following properties measuring 9 marla 106 sqft comprising of seven (7) sub units situated at Bohar Bazar Rawalpindi were under illegal possession of an Ex-MNA. Deputy Administrator ETPO Rawalpindi passed ejectment orders on 19.11.2014 and same were upheld by Zonal Administrator during on 17.10.2016. However, Revisional Authority/Joint Secretary Ministry of Religious Affairs and

Interfaith Harmony (RA&IH) vide Order dated 15.01.2020 set aside the orders passed by the Zonal Administrator and Deputy Administrator and remanded back the case to Deputy Administrator with the direction to decide the pending application of petitioner within one month.

Evacuee trust residential properties under unauthorized occupation of Sheikh Rashid Ahmed MNA										
Sr. No.	Property No.	Demand No		Area			Rate of monthly rent mentioned in DA's order dated 19.11.2014	Date of Ejectment Order passed by DA	Date of Ejectment Order passed by Zonal Administrator	Ejectment Orders set aside by Revisional Authority /Joint Secretary M/o RA&IF Islamabad
				K	M	Sft				
1	D/329	1-1711-1-0226-0	Reported by Mr. Noor Aslam Khan Assistant Administrator Rawalpindi vide letter No.ETP/RWP/05/2871 dated 24.12.2005	0	5	20	518	19.11.14	17.10.16	15.01.20
2	D/329	1-1711-1-0221-0		0	1	24	27	19.11.14	17.10.16	15.01.20
3	D/158	1-1711-1-0191-0		0	0	140	339	19.11.14	17.10.16	15.01.20
		Say			6	184		19.11.14	17.10.16	15.01.20
1	D-329	1-1711-1-0225-0	Observed by Audit during Scrutiny of Record	0	0	90	185	19.11.14	17.10.16	15.01.20
2	D-329	1-1711-1-0227-0		0	0	248	339	19.11.14	17.10.16	15.01.20
3	D-329	1-1711-1-0222-0		0	0	144	214	19.11.14	17.10.16	15.01.20
4	D-329	1-1711-1-0218-0		0	0	234	306	19.11.14	17.10.16	15.01.20
		Say		2	172					
	<b>Total</b>				9	106				

Audit observed that Revisional Authority/Joint Secretary Ministry of RA&IF Islamabad referred back the case to the department on 15.01.2020 which resulted giving undue protection to continuity of the illegal occupation over ETPB properties by the illegal occupant. Furthermore, the case was to be decided in one month by the DA Rawalpindi but was still pending till date.

Audit was of the view that the properties were under illegal occupation and be got retrieved.

The management replied that notices were issued to the occupant for producing previous tenant for recording of his statement but in vain. The police assistance had been requested from CPO Rawalpindi to eject the illegal occupant from evacuee trust properties.

The DAC in its meeting held on 13-16 April 2022 noted that cases were lying pending with ETP Office Rawalpindi since 15.01.2020 which were to be decided in a month. DAC in its meeting held on 13-16 April 2022 directed that the cases may be decided in one month from the date of DAC meeting and report thereof may be provided by the Chairman ETPB to DAC.

Audit recommends that DAC recommendations be implemented and action be taken in the light decision of cases by the ETPB.

Audit Para is based on para-No.2.4(Urban) of Forensic Audit Report of ETPAB Phase -II (AY 2021-22)