



Office of the
DIRECTOR GENERAL AUDIT (PUNJAB) LAHORE

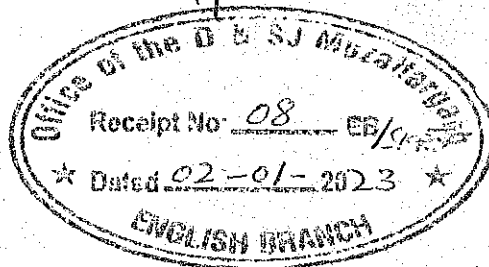
6TH Floor A.G. Office Complex Turner Road, Lahore Ph. # 042-9212476 Fax # 042-9210166
E-Mail: dgapunjab@hotmail.com & punjabdga@yahoo.com

No.DGA/Pb-III/BOR/AIRs/CD- 1999

Dated: 19.12.2022

To

The Senior Member,
Board of Revenue,
Government of the Punjab,
Lahore.



Subject:

Audit and Inspection Report (AIR) on account of Chairperson of the Sardar Koury Khan Trust, Muzaffargarh for the financial year 2019-21

The AIR of Chairperson of the Sardar Koury Khan Trust, Muzaffargarh for the year 2019-21 is enclosed. Please provide the annotated reply of this AIR within 07 days after the issuance. In case of no reply, these observations/Paras will be converted into "Draft Pares (DPs)" for publication in Audit Report

Sd/-

Deputy Director Audit/Pb-III

No.DGA/AIR/Pb-III/CD-1999

Dated: 19.12.2022

✓ Copy forwarded for further necessary action to the Chairperson of the Sardar Koury Khan Trust, Muzaffargarh

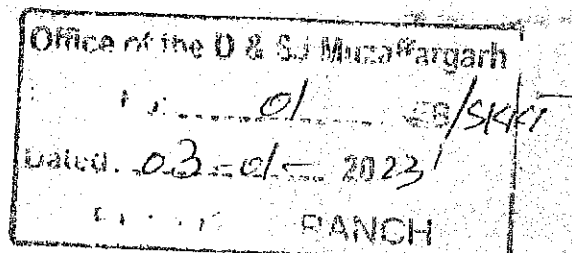
Seen and Superintendent
to 8th para and comments
within stipulated period

[Signature]

Deputy Director Audit/Pb-III

DISTRICT & SESSION JUDGE
Muzaffargarh
02-01-2023

Shaukat D/AIR&PDP Covering letter Pb-III





Office of the
DIRECTOR GENERAL AUDIT (PUNJAB) LAHORE

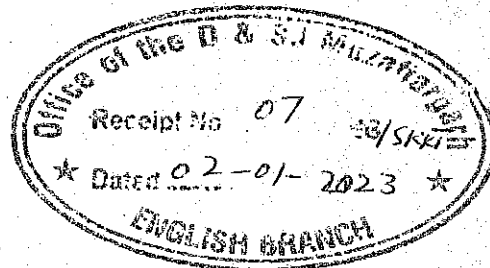
6TH Floor A.G. Office Complex Turner Road, Lahore Ph. # 042-9212476 Fax # 042-9210166
E.Mail: dgapunjab@hotmail.com & punjabdga@yahoo.com

No.DGA/Pb-III/BOR/AIRs/CD-

Dated: 17.12.2022

To

The Senior Member,
Board of Revenue,
Government of the Punjab,
Lahore.



Subject:

PROPOSED DRAFT PARAS

Kindly find enclosed herewith 23 Proposed Draft Paras (PDPs) vide Nos..2022-0000002760_F00001 to 2022-0000002760_F00006, 2022-0000002760_F00008 to 2022-0000002760_F00019, 2022-0000002760_F00021 to 2022-0000002760_F00023, 2022-0000002760_F00026, 2022-0000002760_F00033 containing irregularities and procedural violations noticed during the course of audit.

2. It is requested to kindly arrange and forward annotated replies within one week alongwith working paper for verification and holding of SDAC meeting. In case, no reply is received within the given time and meeting of SDAC is no convened/held, it will be presumed that the Administrative Department has nothing to offer/comment on audit findings.

3. The receipt of this letter may kindly be acknowledged.

Sd/-

Deputy Director Audit/Pb-III

No.DGA/Pb-III/BOR//CD- 2601

Dated: 19.12.2022

✓ Copy forwarded for necessary action to the Chairperson of the Sardar Koury Khan Trust, Muzaffargarh

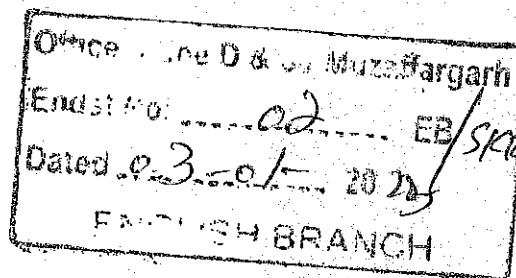
*and superintendent to submit
major comments within
stipulated period*

Deputy Director Audit/Pb-III

Shaukat D/AIR&PDP Covering letter Pb-III

DISTRICT & SESSION JUDGE
Muzaffargarh

02.01.2023





Audit & Inspection Report
on the accounts of
SARDAR KOURY KHAN TRUST
MUZAFARGARH (2022-0000002760)

Audit Conducted by:

SYED NAFEEES AHMED

DG Audit, (Punjab), Lahore

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Executive Summary

Executive Summary Sheet

Audit Team Leader Syed Nafees Ahmad (Audit Officer)

Team Member Mr. Zeeshan Ahmad Qureshi & Abdul Muqeet (Senior Auditor)

Supervising Officer Mr Tahir Mehmood (Deputy Director)

Name of Formation Audited Sardar Kaura Khan Trust Muzaffargarh
Affairs are being run under the order of August Supreme Court of Pakistan
by the Management Committee headed by District & Sessions Judge,
Muzaffargarh as a Chairmanship. 01.07.19 to 08.10.19 Mr .Saeed Ullah
Mughal

09.10.19 to 20.03.20 Mr. Sohaib Ahmad Rumi

24.03.20 to 01.04.21 Mr. Abdur Rehman Bodla

02.04.21 to 21.05.21 Mr. Jawad ul Hassan

24.05.21 to 30.08.21 Mr. Ghulam Abbas Sial

01.09.21 to date Mr. Muhammad Abbas

Deputy Commissioner, Muzaffargarh as a Secretary of the Trust

01.07.19 to 18.10.19 Dr. Ehtasham Anwar

18.10.19 to 29.11.19 Mr. Ali Shahzad

29.11.19 to 05.10.21 Engr. Amjad Shoaib Khan

Tareen

06.10.21 to date Syed Musa Raza

Signatory:

District & Sessions Judge, Muzaffargarh

Period Name

01.07.19 to 08.10.19 Mr .Saeed Ullah Mughal

09.10.19 to 20.03.20 Mr. Sohaib Ahmad Rumi

24.03.20 to 01.04.21 Mr. Abdur Rehman Bodla

02.04.21 to 21.05.21 Mr. Jawad ul Hassan

24.05.21 to 30.06.21 Mr. Ghulam Abbas Sial

Co-signatory:

Deputy Commissioner, Muzaffargarh

Period Name

01.07.19 to 18.10.19 Dr. Ehtasham Anwar

18.10.19 to 29.11.19 Mr. Ali Shahzad

29.11.19 to 30.06.21 Engr. Amjad Shoaib Khan Tareen

Last Audit Year 2013-19

Current Audit Period 2019-21

The Bank of Punjab, A/c # 6510161451700019

Balance as on 01.07.2019 Rs.110,612,344

Total Deposit: Rs.51,658,276

Total With drawl: Rs.3,099,379

Profit Earned Rs.11,727,773

Balance as on 30.06.20 Rs.246,697,869

Balance as on 01.07.2020 Rs.246,697,869

Total Deposit: Rs.68,958,334

Total With drawl: Rs.4,983,140

Profit Earned Rs.11,823,661

Balance as on 30.06.21 Rs.246,697,869

The Bank of Punjab, A/c # 6510161451700019

National Saving Centre A/c # SA6638

Balance as on 01.07.2019 Rs.2,879,051

Total Deposit: Rs.0

Total With drawl: Rs.13,194,851

Profit Earned Rs.16,226,486

Balance as on 30.06.20 Rs.5,114,196

Balance as on 01.07.2020 Rs.5,114,196

Total Deposit: Rs.9,220,330

Total With drawl: Rs.13,294,568

Profit Earned Rs.8,446,189

Balance as on 30.06.21 Rs.8,422,207

National Saving Centre A/c # SA6638

National Saving Centre A/c # SA6640

Balance as on 01.07.2019 Rs.5,357,953

Total Deposit: Rs.0

Total With drawl: Rs.122,887

Profit Earned Rs. 4,737,905

Balance as on 30.06.20 Rs.9,972,971

National Saving Centre A/c # SA6640

Balance as on 01.07.2020 Rs.9,972,971

Total Deposit: Rs.2,220,330

Total With drawl: Rs.0

Profit Earned Rs.1,585,950

Balance as on 30.06.21 Rs.13,779,251

Budget Estimates (2019-21) No such estimates were presented before the Management Committee and also not got approved from them.

Estimated Receipt (2019-21) No such estimates were presented before the Management Committee and also not got approved from them.

Total Expenditure(2019-21) Rs.34,694,825

Total Income (Receipt) (2019-21) Rs.186,605,234

Planned Audit Execution Dates 23.11.2021 To 04.12.2021

Actual Audit Dates 23.11.2021 To 04.12.2021

Total Working Days 11 days

Total Expenditure Audited Rs.33,388,226=(25,840,192+7,548,034)

No of Vouchers audited 136+84=220

Total Revenue Audited Rs. 186,605,234

Total Observations Issued during audit 33

Observation settled after discussion Nil

Total No of Paras issued 33

No of Advance paras 33

No of Ordinary Paras 0

Recovery Pointed out Rs.

Amount Recovered during Audit Nil

Division of AIR

Audit Inspection Report has been divided into two sections A & B. Section A deal with the outstanding paras of previous Audit and Inspection Reports and Section B comprise current audit findings.

NO 65
RANCH

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, it revealed that Sardar Kaura Khan Trust had not yet been got registered as Trust as per order of August Superem Court of Pakistan dated: 11.10.2018 & as per the Punjab Trusts Act 2020.

Cause: The lapse was occurred due to negligence of Management Committee of the Sardar Kaura Khan Trust, Muzaffargarh.

Consequence:

Recommendation: The matter may be investigated to fix responsibility against those at fault besides doing the needful under report to audit.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00003

Non-maintenance of auditable record

Amount: Rs 0.0

Criteria: As per para 4 (g) of Sardar Kaura Khan (Management, Supervision and Protection of Land) Rules 2016, the committee shall be responsible to ensure proper maintenance of accounts of income and expenditure and as per para 5 (e), "that the Land Superintendent shall be responsible to ensure the maintenance of record", and as per para 3, "that the Land Superintendent shall maintain the registers in Prescribed Form"

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that the following auditable record was not maintained by the Management Committee of the said Trust in violation of above stated rules:1.

Income & Expenditure Account2. Land Register (Form-I)3.

Register of Unauthorized Occupants of land (Form-IV)4. Register of Trees (Form-V) without summery5. Cash Book6. Budget Control Register.7. Properties register.

Cause: The lapse was occurred due to negligence of Management Committee of the Sardar Kaura Khan Trust, Muzaffargarh.

Consequence:

Recommendation: The matter may be looked into at appropriate level besides production of auditable record for audit scrutiny.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00004

owned institutes in violation of Supreme Court of Pak

Amount: Rs 144831746.0

Non recovery of lease rent from Government

Criteria:

As per the order of Honorable Supreme Court of Pakistan dated 26.09.2018 "The buildings constructed on the name of Srdar Kaura Khan Trust to house various offices of the Provincial Government including the Judiciary will be lease out on such term and conditions as the Management Committee may determine. Income derived from such leases along-with arrears thereof will be deposited in the Trust accounts.

Condition:

The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that as management of the Trust had got assessed the rent of Government Buildings on Trust Land from Exercise Department of Rs.144,831,746 in compliance of order of Honorable Supreme Court of Pakistan but no single penny till the audit date was deposited by the Government Departments in the Trust accounts. (Detail attached)

Cause:

Weak internal controls resulted into non recovery of rent from Government Institutions in compliance of decision of Honorable Supreme Court of Pakistan.

Consequence:

Recommendation:

Audit recommends the Management Committee to look into the matter for non-recovery of assessed rent from Government Departments and take up the matter at higher level for compliance of orders of the Honorable Supreme Court of Pakistan.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00005

recovery of lease money from Lessees of Agriculture Land

Amount: Rs 50560790.0

Loss to Trust Rs. 50,560,790 due to non-

Criteria:

According to Rule No 8(2) (j) of Sardar Kaura Khan (Management, Supervision and Protection of Land) Rules 2016 the successful bidder shall, after confirmation of the auction, deposit the lease amount of the first year within 10 days of the communication of acceptance of bid and execute a lease deed with the committee. As per Rule 8(2) (k) of rule ibidstates that "the committee shall within 10 days of the deposit of the lease amount for the first year and execution of lease deed, hand over the procession of the land to lessees provided that the lessee shall for the subsequent years of the lease, pay the lease amount in advance in the month of January with 10% increase in the rate of existing lease amount and other charges, if any. Further, Rule 8(2) (l) states that in case of default in the payment of advance annual lease amount in the month of January (i) A Penalty at the rate of fifteen percent per Annam shall be charged in addition to the lease amount and (ii) the lease shall automatically stand cancelled in case of default of payment of the lease amount within ninety days of the first day of January of the that year for which the lease amount became due, Furthermore, as per the award letter of lease to the lessee, condition No 2" lessee will deposit the entire amount of auction money within three days as advance.

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, it revealed that management of the Trust had made auction of Trust agriculture land to different lessees through open auction from the period 2019-21 and against total receivable of Rs155,727,270 department had collected an amount of Rs.110,078,604 while Rs.50,560,790 was receivable on account of lease of land(detail annexed).

Cause: Audit is of the view that due to negligence on the part of Management Committee, advance lease of agriculture land of each year was not collected from lessees resulted into non-collection of lease of agriculture land from the lessees in contravention of above mentioned rules and award letter issued to lessees.

Consequence:

Recommendation: Audit recommends the Management Committee to look into the matter for non-recovery of advance amount of lease from lessee at the time of award of lease contracts and get recover the amount from concerns and deposit the same into Trust Account.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00006

the Trust due to non-auction of Trust Land
Amount: Rs 43200000.0

Loss of Rs 43.200 million approximately to

Criteria: According to Rule No 7 of Sardar Kaura Khan (Management, Supervision and Protection of Land) Rules 2016, the land Superintendent in the month of July of each year shall a) Take stock of the land under his charge i.e., 82,753 Kanal.b) Verify the land under his charge i.e., 82,753 Kanal.c) Submit a report to the committee showing the result of such stock taking and verification including "I. Particular of AlloteesII. Losses and Wastage, if any.III. Cases of defalcation of accounts or misappropriation, if any.IV. Proposal for development and improvement if any.

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that the Management of the Trust had failed to auction of the Trust Land which resulted into loss to the Trust income amounting to Rs.43,200,000 (detail annexed). It is pertinent to mention here that the said lots of Trust land were auctioned before that period and afterwards. The approval of Management Committee for gap period had not been produced to audit and audit apprehends that property of the Trust had been misused, resulted loss to Trust income.

Cause: The lapse was occurred due to negligence of Management Committee.

Consequence:

Recommendation: The matter may be investigated at appropriate level and responsibility of non collection of amount of Rs. 43.200 millions may be fixed against those at fault.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

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Management Non-Response:

2022-0000002760_F00007
Non Preparation of Annual Budget and Non-Submission of Monthly/Annual Accounts ~ Rs.34,694,825
Amount: Rs 34694825.0

Criteria: As per para 13 (5) of Sardar Kaura Khan (Management, Supervision and Protection of Land) Rules 2016, the monthly and annual accounts of receipts and expenditure shall be submitted to the committee for consideration.

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that an amount of Rs.34,694,825 was spent, neither Income & Expenditure Accounts were maintained nor submitted to the committee for consideration on monthly as well as on annually basis in violations of above stated rules. Moreover, the Annual Budget of Income and Expenditure was also not prepared by the Management Committee. This was due to negligence of Management Committee.

Cause: The lapse was occurred due to weak financial control which resulted into non-preparation of estimates regarding income and expenditure of the Trust.

Consequence:

Recommendation: Audit recommends the Management Committee to look into the matter for non-preparation of budget estimates of expected income and expenditure thereof to be made during a financial year as was required under Trust Rules and get regularize the matter from competent forum.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00008
Unjustified and Incomplete taken over of Schools under Trust Administration Loss to Rs. 29,359,579
Amount: Rs 29359579.0

Criteria: As per the order of Honorable Supreme Court of Pakistan dated 11.10.2018 on the human right case No. 45 of 1993 sub para V of para 4 the schools existing on the trust land are being run by the Government of the Punjab. Such schools shall be exempted from the payment of lease money. The Education Department, Government of the Punjab, shall continue to manage and operate these schools.As per Rule 2.33 of PFR Vol-I, every Government servant should realise fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part.

Condition: The scrutiny of record of the Chairperson of the SardarKaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that the management had taken over Schools. Audit observed the following irregularities:1- Management could not take over any such school which is situated on the land owned by trust whereas the management had taken overthe following schools in contravention of the orders of August Supream Court of Pakistan

ANCH

dated 11-10-2018 referred to above:2- The chairperson of the management committee Sardar Kora Khan Trust Muzaffargarh had not taken prior permission for taking over administrative and financial control of the above referred schools from the August Supreme Court of Pakistan in contravention of the above decision.3- If taken over of schools' management was inevitable under the trust management then the handing over taking over must have been done completely which includes the following:i. The handing over taking over of school must be done on stamp papers with the signatures of the than Assistant Commissioner Kot Addu and Chairman Management committee at least in the presence of two Government Officers not below the grade of BPS-17.ii. The said handing over taking over stamp paper must have been registered in the record of Registrar Muzaffargarh/ Kot Addu.iii. The school is situated on the lands of Zila Councils Concerned so the said piece of lands must have been mutated in the name of Sardar Kaura Khan Trust in case of Sr. No 2 and 3 of above table but the authorities had failed to do so up till now.iv. The record of handing over taking over of school was not available with the trust office which includes: a) List of furniture with value.b) List of machinery and equipment with value.c) List of store and stock with value.d) The detail of Constructions made on the land.etc4- When the charge of these schools came under the control of management committee Sardar Kora Khan Trust Muzaffargarh then since that date the staff must be scrutinized according to the eligibility criteria of posts like Principle, Vise Principle, Teachers and other allied staff.5- The staff of these schools, after scrutiny and fulfilled eligibility criteria of posts, must have taken over afresh charge of their posts under the new management.

Cause: The lapse was occurred due to weak administrative control at the part of Management Committee.

Consequence:

Recommendation: Audit recommends that the Management Committee must seek approval from August Superem Court of Pakistan to run these schools under the Trust if permission granted by the August Court than complete the taking over the said schools with the mutation of their land in the name of Trust or return these schools to their previous adminstrations to abide by orders of the August Court.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00009
investment of surplus funds
Amount: Rs 27180000.0

Loss of Rs. 27,180,000 due to non / less

Criteria: As per article 33 of "The Punjab Trusts Act 2020" where the trust-property consists of money and cannot be applied immediately or at an early date to the purposes of the trust, the trustee is bound to invest the money on the following securities, and on no other:
(a) in promissory notes, debentures, stock or other securities of a Provincial or Federal Government;

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that an amount of Rs.100,000,000 was surplus at the end of financial year 2018-19 i.e., 30th June, 2019 and an amount of Rs.

200,000,000 was surplus at the end of financial year 2019-20 i.e., 30th June, 2020. The management had not invested these amounts resultantly trust had to bear loss of Rs. 27.180 million (detail annexed).

Cause: The lapse was occurred due to the negligence of Management Committee.

Consequence:

Recommendation: The matter may be inquired to fix responsibility against those at fault besides regularization of the irregularity from the competent forum. Further, it is suggested that such practice must not be repeated in future.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00010 Loss of Rs.26.950 million to the Trust due to non-auction of 55 Lots Trust Land since 2013 to 2021
Amount: Rs 26950000.0

Criteria: According to Rule No 7 of Sardar Kaura Khan (Management, Supervision and Protection of Land) Rules 2016, the Land Superintendent in the month of July of each year shall a) Take stock of the land under his charge b) Verify the land under his charge i.e., 82,753 Kanal.c) Submit a report to the committee showing the result of such stock taking and verification including i. Particular of Alloteesii. Losses and Wastage, if any.iii. Cases of defalcation of accounts or misappropriation, if any.iv. Proposal for development and improvement if any.

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that as per demand & collection register, Management of the Trust had not made auction of 55 lots of the Trust Land w.e.f. 2013 to 2021, resultantly Trust had to bear loss of Rs.26,950,000 Approximately. Audit apprehends that property of the Trust had been misused.

Cause: The lapse was occurred due to weak control on assests management which resulted into loss of expected income of Rs.26.950 million approximate.

Consequence:

Recommendation: The matter may be probed at Management Committee level and loss to the stated extent may be recovered from the responsible under intimation to audit

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00011

Rs.15,572,727 and Stamp Duty of Rs.389,318
Amount: Rs 15572727.0

Non deduction of advance Income Tax of

Criteria: As per Section 236-A of the Income Tax Ordinance, 2001 (Finance act 2013) advance tax @ 10% percent is required to be deducted on sale of confiscated property or goods, through public auction and are also applicable to transactions involving awarding of lease, lease of the right to collect tolls, fees or other levies. Government of Punjab vide section 26 of Schedule-I Sr. # 35(1)(b)(ii) Stamp Act 1899, lease including an under lease or sub-lease and any agreement to let or sub-let, (i) whereby such lease the rent is fixed and no premium is paid or delivered (b) where the lease purports to be for a term of 3 years (ii) in any other case, levied stamp duty on contracts entered into such lease at the rate of 25 paisa for every Rs.100 or part there of the amount of contract.

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that management of the Trust had leased out land of the Trust to various lessees through open auction. The auction money of the leased out land was Rs.155,727,270 but authorities had not recovered advance Income Tax @10% which came to Rs.15,572,727 and stamp duty Rs.389,318 as was required under the above said rule. (Detail annexed).

Cause: The lapse was occurred due to weak financial controls.

Consequence:

Recommendation: The matter may be looked into by the Management Committee to fix responsibility of non-recovery of advance Income Tax and stamp duty. Further, get recover the amount from concerns and deposit the same into Government Treasury.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00012

option-Rs. 14,142,600

Amount: Rs 14142600.0

Loss due to not investing in most lucrative

Criteria: As per article 33 of "The Punjab Trusts Act 2020" where the trust-property consists of money and cannot be applied immediately or at an early date to the purposes of the trust, the trustee is bound to invest the money on the following securities, and on no other: (a) in promissory notes, debentures, stock or other securities of a Provincial or Federal Government;

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that the authorities had invested a sum of Rs. 116,400,000 in two Regular Investment Certificates (RIC) on 15.01.2019 @ 6.54% Interest rate on RIC was increased from 6.54% to 12% on 01.01.2019. Trust keeps the investment in low paying Certificates despite intimation received from National Savings vide letter No. NSC-MZG-F(13)/2019-243 dated: 29.01.2019. Trust had to bear loss of Rs. 14,142,600 till 30.06.2021 due to non-investing in most lucrative offer available. Details are annexed.

Cause: Audit is of the view that weak financial control and inability of Trust staff to make financial analysis leads to loss of a good opportunity.

Consequence:

Recommendation: Trust needs to improve their financial control by training their staff in financial matters or appoint well aware financial personal so that such loss shall be avoided in future.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00013
recovery of remaining amounts.
Amount: Rs 10114250.0

Irregularities in Auction Process, and

Criteria: According to Rule No 8(2) (j) of Sardar Kaura Khan (management, Supervision and protection of Land) Rules 2016 the successful bidder shall, after confirmation of the auction, deposit the lease amount of the first year within 10 days of the communication of acceptance of his bid and execute a lease deed with the committee. While Rule 8(2) (k) of above mentioned rule states that "the committee shall within 10 days of the deposit of the lease amount for the first year and execution of lease deed, hand over the procession of the land to other lessees provided that the lessee shall for the subsequent years of the lease, pay the lease amount in advance in the month of January with 10% increase in the rate of existing lease amount and other charges, if any. Further, 8(2) (l) states that in case of default in the payment of advance annual lease amount in the month of January (i) A Penalty at the rate of fifteen percent per annum shall be charged in addition to the lease amount and (ii) the lease shall automatically stand cancelled in case of default of payment of the lease amount within ninety days of the first day of January of the that year for which the lease amount became due. As per Rule 11 of Sardar Kaura Khan (Management, Supervision and Protection of Land) Rules 2016, the reserve price shall be assessed by the Assistant Commissioner concerned and approved by the Committee and as per Rule 8 (c) the auction price of the bid shall not be less than the reserve price. As per Section 236-A of the Income Tax Ordinance, 2001 (Finance act 2013) advance tax @ 10% percent is required to be deducted on sale of confiscated property or goods, through public auction and are also applicable to transactions involving awarding of lease, lease of the right to collect tolls, fees or other levies, Government of Punjab vide section 26 of Schedule-I Sr. #35(1)(b)(ii) Stamp Act 1899, lease including an under lease or sub-lease and any agreement to let or sub-let, (1) whereby such lease the rent is fixed and no premium is paid or delivered (b) where the lease purports to be for a term of 3 years (ii) in any other case, levied stamp duty on contracts entered into such lease at the rate of 25 paisa for every Rs.100 or part there of the amount of contract.

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that management of the Trust had leased out the Trust Land to different lessees in Rs.20,609,500 during the period 2019-21 through five auctions and audit observed the following irregularities in auction process: 1. As per above mentioned rules, management of the Trust was required to collect the auction amount in advance of each year of lease but audit observed that amount was collected in small pieces throughout the lease period Rs.10,495,250 instead collecting as advance of Rs.20,609,500 resulted

into non-recovery Trust funds Rs.10,114,250, (Detailed attached)2. As per above mentioned Rules, 15% as penalty for late payment was required to be charged in case of late payment but neither such penalty condition was included in agreement nor recovered such penalty contrary to above rules.3. As per Rule 8(d), every bidder was required to deposit 1/10th of Reserve Price as earnest money whereas management while issuing the tender notice reduce the rate of earnest money up to 5% but audit observed that management award the lease to lessee at the deposit of earnest money of fixed amount of Rs.5,000 resulted into less collection of amount from bidders.4. As per notification No. (LB-40)ZC/583 dated: 24.06.2016, DCO, Muzaffargarh constituted an auction committee of 5 members and as per order No.4772SKKT dated: 13.10.2020 the District & Session Judge/Chairperson of Sardar Kaura Khan Trust, Muzaffargarh constituted an auction committee of 4 members to conduct the auction process of Sardar Kaura Khan Trust land but audit observed that bidding sheet was without name of committee member, only signature of two or three person were there. No attendance sheet of bidders who participated in the bidding process was available.5. The authorities of Trust had not recovered the Advance Income Tax @ of 10% which came to Rs. 2,060,950 from the successful bidders.6. The authorities of Trust had not made agreement on the stamp papers of Rs. 412,190 which had to be provided by the successful bidders7. Approved Reserve Price of each Lot submitted by Assistant Commissioner concerned and approved by the Management Committee of each lot for each auction as per Rule 11 was not produced to audit. Assessments which were shown, the same were with the signature of some person's without mentioning name, designation and without endorsement of Assistant Commissioner concerned. The approval of Management Committee was also not shown.

Cause: The lapse was occurred due to weak administrative control which resulted into irregular auction process of Trust Land and loss to Trust income.

Consequence:

Recommendation: Audit recommends that the Management Committee may inquire the matter for non-observance of Trust Rules which resulted into serious irregularities in auction process and deprived Trust from in time income.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00014

Regular Income Certificates Rs. 12,440,660

Amount: Rs 12440660.0

Less Realization of Monthly Profit on

Criteria: As per article 33 of "The Punjab Trusts Act 2020" where the trust-property consists of money and cannot be applied immediately or at an early date to the purposes of the trust, the trustee is bound to invest the money on the following securities, and on no other: (a) in promissory notes, debentures, stock or other securities of a Provincial or Federal Government;

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that the authorities had invested an amount of Rs. 216,400,000 in the investment scheme of National Savings Center, Muzaffargarh the scheme named "Regular Income Certificates" (RIC). It was supposed to earn profit of Rs.

1,634,380 per month on these investments (RIC #9150=Rs.1,000,000 PM & RIC # 8488 & 8489=Rs.317,190 PM) But National SavingsCenter, Muzaffargarh had not credited profit in each month. The National SavingsCenter credited the eleven month profit in case mentioned at sr. no.1 of table and five month profit in remaining two cases of the table. Resultantly the Trust had to bear loss of Rs.12,440,660 on these investments.

Cause: Audit is of the view that weak financial and administrative control and non-maintains of cash books leads to less realization of profits.

Consequence:

Recommendation: The matter must be looked into at Management level and to take constructive measures to realize these profits along with interest due to late credit under report to audit.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00015 Non Deposit of Pension Contribution and emoluments in Government Treasury-Rs. 7,019,032
Amount: Rs 7019032.0

Criteria: As per Finance Division O.M No OB-2/12/63-Imp (I), dated 15-11-1969, only the service paid from the General Revenues qualifies for pension. Foreign Service also counts for pension provided the pension contribution was paid as required under the rules. Further, section 1(b) of Chapter "Procedure for Sanction of Pension" of A Manual of Pension Procedures, It has been decided to prescribe a uniform rate of recovery of pension contributions at 33-1/3% of the mean of minimum and maximum of the pay scale of the grade held by the government servant concerned at the time of his proceeding on foreign service, plus other emoluments (reckonable for pension) which would have been admissible to him had he not been deputed on foreign service.

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that services of four government employees are borrowed by the Trust but their salary still charged to their respective departments. Further, pension contribution of said employees is not being deposited in government treasury. Details annexed.

Cause: Audit is of the view that weak financial and administrative control leads to potential loss of qualifying service for staff involved.

Consequence:

Recommendation: Trust needs to immediately calculate the actual amount of Pension Contribution and emoluments received by staff involved since the inception of the Trust and deposit the said amount in Government Treasury under report to audit

Action Plan:

ID	Action	Action Responsible	Details	Deadline

RANCH

Management Non-Response:

2022-0000002760_F00016
Students – Rs. 3,369,700
Amount: Rs 3369700.0

Non Recovery of School fee from the

Criteria: As per para 4 (g) of Sardar Kaura Khan (Management, Supervision and Protection of Land) Rules 2016, the committee shall be responsible to ensure proper maintenance of accounts of income and expenditure. As per Rule 4.7 (1) of PFR Vol-I, it is primarily the responsibility of the authorities to see that all revenue, or other debts due, which have to be brought to account, are correctly and promptly assessed, realized and credited to account.

Condition: The scrutiny of Fee Registers for the period 2019-21 of the schools functioning under the Management Committee of the Sardar Kaura Khan Trust, Muzaffargarh, revealed that an amount of Rs.3,369,700 (detail annexed) had not been recovered from the defaulting students.

Cause: Audit is of the view that poor follow up of schools' authorities on the collection of schools' fee resulted in to heavy loss up to the stated extent to the Trust income.

Consequence:

Recommendation: The matter may be probed by the Management Committee besides recovery of above stated amount under intimation to audit.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00017
building Rs. 2,666,775
Amount: Rs 2666775.0

Irregular expenditure on construction of

Criteria: Rule 9 of PPRA provides that a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. Rule 12(1) of PPR 2014 provides that a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement in at least one national daily newspaper.

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that an expenditure of Rs. 2,666,775 (detail annexed) for Sardar Kaura Khan School at Jatoi on account of construction work. The expenditure was held irregular on the following grounds: 1. Planning for construction work was not uploaded PPRA as well as Trust website during the first month of the financial year as required under PPRA rule 2. Tender notice was not uploaded on PPRA as well as Trust website in contravention of PPRA rule 9.3. No bidding process was adopted as per PPRA rule 12.4. No technical sanction was accorded from the competent authority. 5.

authority.6. No administrative approval has been sought from the competent
completion period mention therein.7. No work order was issued for the construction of said work with
end user.8. No completion report was on record with the signature of
Payments were made without comparison of construction work entered
in the measurement books.

Cause: The lapse was occurred due to weak administrative control and
negligence of the authority.

Consequence:

Recommendation: The matter may be investigated at appropriate level to fix responsibility
against those at fault besides regularization of the irregularity from the competent authority.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00018

Irregular Appointment of Staff for Sardar

Kory Khan Trust School Jatoi Amount So Paid Rs. 2,278,500

Amount: Rs 2278500.0

Criteria: As per rule of Punjab Civil Servant Appointment and conditions of
Service Rules, 1974, No appointment will be made without any service rule of the post.

Condition: The scrutiny of appointment record of the Sardar Kory Khan Trust
Muzaffargarh revealed that the authorities had recruited staff for the Sardar Kory Khan Trust
School Jatoi w.e.f. 19-09-2019 and paid an amount of Rs. 2,278,500 up till 30-06-2021. Audit
observed the following irregularities in the recruitment process:a) Advertisement for the
recruitment of the staff of Sardar Kory Khan Trust School Jatoi was published in daily Khabren
Multan and daily Ousaf Multan dated: 5-9-2019. No service rule for the posts advertised was
available which is in contravention of above stated rules.b) As per letter No. SKK/SL/1053
dated 17-9-2019 shows that the chairperson of the SKKT was not interested to call for the
cosignatory of the trust accounts that is the than Deputy Commissioner Muzaffargarh.c) The
date of interview was 18-9-2019 at 2:00 PM. The minutes of the interview committee held on 18-9-
2019 was not on record it means only the dearest candidates were obliged.d) The age for Naib
Qasid female was 20-40 years, lady attendant female was 25-40 years, sanitary worker male
Gardner/Mali male was 20-40 years. It is pertinent to mention here that if trust has not made any
service rules and service structure than the rule of Education Department of the Government of
the Punjab shall be applicable. The age for the recruitment of class four employees in the said
school was on higher side which depicts to fix the age for those posts only to oblige the near and
dears. e) No record of receipt of applications for the said posts was available like
dairy register.f) No record of academic qualification and experience was available.g)
As per clause 11 of offer of appointment letters, no academic certificates
& degrees had been got verified from the issuing Board/University.h) Verification of experience
certificates from the issuing authority had not been done. i) The domicile certificates also not
got verified from the respective Deputy Commissioner.j) The copy of CNIC was also not
available in the record.k) No office copy of appointment letters of selected candidates was
available on record.Audit is on the view all the so called procedure for recruitment was adopted

only to oblige the already selected candidates of the near and dears of the committee. So the amount of Rs. 2,278,500 paid to them upto 30-06-2021 was inadmissible.

Cause: The scrutiny of appointment record of the Sardar Kory Khan Trust Muzaffargarh revealed that the authorities had recruited staff for the Sardar Kory Khan Trust School Jatoi w.e.f. 19-09-2019 and paid an amount of Rs. 2,278,500 up till 30-06-2021. Audit observed the following irregularities in the recruitment process: a) Advertisement for the recruitment of the staff of Sardar Kory Khan Trust School Jatoi was published in daily Khabren Multan and daily Ousaf Multan dated: 5-9-2019. No service rule for the posts advertised was available which is in contravention of above stated rules. b) As per letter No. SKK/SL/1053 dated 17-9-2019 shows that the chairperson of the SKKT was not interested to call for the cosignatory of the trust accounts that is the than Deputy Commissioner Muzaffargarh. c) The date of interview was 18-9-2019 at 2:00 PM. The minutes of the interview committee held on 18-9-2019 was not on record it means only the dearest candidates were obliged. d) The age for Naib Qasid female was 20-40 years, lady attendant female was 25-40 years, sanitary worker male Gardner/Mali male was 20-40 years. It is pertinent to mention here that if trust has not made any service rules and service structure than the rule of Education Department of the Government of the Punjab shall be applicable. The age for the recruitment of class four employees in the said school was on higher side which depicts to fix the age for those posts only to oblige the near and dears. e) No record of receipt of applications for the said posts was available like dairy register. f) No record of academic qualification and experience was available. g) As per clause 11 of offer of appointment letters, no academic certificates & degrees had been got verified from the issuing Board/University. h) Verification of experience certificates from the issuing authority had not been done. i) The domicile certificates also not got verified from the respective Deputy Commissioner. j) The copy of CNIC was also not available in the record. k) No office copy of appointment letters of selected candidates was available on record. Audit is on the view all the so called procedure for recruitment was adopted only to oblige the already selected candidates of the near and dears of the committee. So the amount of Rs. 2,278,500 paid to them upto 30-06-2021 was inadmissible.

Consequence:

Recommendation: The matter may be inquired to fix responsibility against those at fault besides production of above stated record otherwise recover the entire amount from the irregular appointees under report to audit.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00019
to Trust of Rs. 2,225,843
Amount: Rs 2225843.0

Non-Reconciliation of Bank Statements-Loss

Criteria: As per article 33 of "The Punjab Trusts Act 2020" where the trust-property consists of money and cannot be applied immediately or at an early date to the purposes of the trust, the trustee is bound to invest the money on the following securities, and on no other: (a) in promissory notes, debentures, stock or other securities of a Provincial or Federal Government;

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that National Savings Center Muzaffargarh had not credited an amount of Rs.2,225,843 in to the Trust account No SA6638 on three different occasions so the Trust had to bear the loss to the stated extent. The brief details are as annexed.

Cause: Audit is of the view that weak financial and administrative control and non-maintains of cash books leads to Trust inability to reconcile their accounts balances.

Consequence:

Recommendation: The matter may be looked into at Management level and to get credit the actual amount along with interest applicable up to date and needs to maintain proper cash book of each account under report to audit.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00020

Irregular expenditure on account of POL

due to non-maintaining of Log Book-Rs. 1,466,894

Amount: Rs 1466894.0

Criteria: As per rule 9(1) of Government Staff Vehicle (Use & Maintenance) Rules 1969, "there shall be maintained, in respect of every government vehicle, a log book in Form-A, where shall be entered the journey performed by a government vehicle" and S&GAD letter No. TO(S&GAD)2-4/87, dated 26.05.1987, "in future the entries with regard to the journey performed will be strictly made in accordance with the requirement of Rules 9 & 10 of the West Pakistan Govt. Staff Vehicles (Use & Maintenance) Rules 1969 early stating the purpose and place of duty and the log books should be signed by the users himself except in case of Ministers, Advisors other VIPS and high officer whose Private Secretaries may do the same, violation of these instructions may deemed as misuse of the vehicle and recoveries may be made from users concerned accordingly.

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that an expenditure of Rs. 1,466,894 was incurred on account of POL used in cars on rent and bikes of the employees who were given two litters of petrol per day, whereas Log Books of the cars as well as motor bikes were not being maintained. The record which was presented was only the fuel compustion registr as logbook. The presumption of the authorities was not on fact as the logbook must have been maintained on proper format. In the absence of log books the whole expenditure was irregular.

Cause: The lapse was occurred due to weak administrative control.

Consequence:

Recommendation: The matter may be probed to fix responsibility against those at fault besides providing the requisite record for audit scrutiny.

Action Plan:

RANCH

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00021

Non-deduction of Punjab Sales Tax, General

Sales Tax & Income Tax Rs. 1,323,767

Amount: Rs 1323767.0

Criteria: According to Income Tax Ordinance 2001, Punjab Sales Tax on Services Act 2012 and Sales Tax Act 1990, the departments are required to deduct taxes at prescribed rates at the time of payment.

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that management did not deduct Income Tax, GST and PST on payments to vendors amounting to Rs. 1,323,767 (Details Annexed).

Cause: The lapse was occurred due to weak financial control.

Consequence:

Recommendation: The matter may be looked into at Management Committee level to fix responsibility against those at fault and recover the above stated amounts of taxes under report to audit.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00022

Non Production of Record worth Rs.

1,273,036

Amount: Rs 1273036.0

Criteria: As provided in section 14 of the Auditor-General's (Functions, Powers and Terms & Conditions of service) Ordinance, 2001, the officer in charge of any office or department shall afford all facilities and provided record for audit inspection and comply with requests for information. Any person or authority hindering the auditorial functions of the Auditor General regarding inspection of accounts shall be subject to disciplinary action under relevant Efficiency and Discipline Rules.

Condition: The scrutiny of the record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that an amount of Rs.1,273,036(detail annexed) was paid but record of the same was not produced to audit for verification.

Cause: The lapse was occurred due to weak administrative control.

Consequence:

Recommendation: The matter may be looked into at appropriate level besides production of above referred record for audit scrutiny.

RANCH

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00023

Non Realization of Profit on Regular Income

Certificates on Monthly Basis Loss of Rs. 448,567
Amount: Rs 448567.0

Criteria: As per article 33 of "The Punjab Trusts Act 2020" where the trust-property consists of money and cannot be applied immediately or at an early date to the purposes of the trust, the trustee is bound to invest the money on the following securities, and on no other:
(a) in promissory notes, debentures, stock or other securities of a Provincial or Federal Government;

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that the authorities had invested sum of Rs. 216,400,000 in the investment scheme of National Savings Center, Muzaffargarh the scheme named "Regular Income Certificates" (RIC). It was supposed to earn profit of Rs. 1,634,380 per month on these investments Had the National Savings Center credited profit in time i.e., after the close of month the Trust would have earned profit of Rs.448,567. But, Trust failed to realize profit on these investments on monthly basis which leads a loss of Rs. 448,567 in terms of interest applicable on savings account attached with these investments. Details are as annexed.

Cause: Audit is of the view that weak financial and administrative control and non-maintains of cash books leads to Trust inability to reconcile their accounts balances.

Consequence:

Recommendation: The matter may be looked into at Management level and to get credit the actual amount along with interest applicable up to date and needs to maintain proper cash book of each account under report to audit.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00024

Less Realization of Annual Profit on Saving

Accounts-Rs. 375,028

Amount: Rs 375028.0

Criteria: As per article 33 of "The Punjab Trusts Act 2020" where the trust-property consists of money and cannot be applied immediately or at an early date to the purposes of the trust, the trustee is bound to invest the money on the following securities, and on no other:
(a) in promissory notes, debentures, stock or other securities of a Provincial or Federal Government;

RANCH

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that the authorities have two Saving Accounts being maintained in National Savings Center, Muzaffargarh. Trust was supposed earn profit on the balance available in these accounts as per interest rate notified from time to time. But, Trust failed to realize complete amount of profit applicable on these accounts. Details are as annexed.

Cause: Audit is of the view that weak financial and administrative control and non-maintains of cash books leads to Trust inability to calculate their available balances in their accounts and applicable profit on said balances.

Consequence:

Recommendation: The matter must be looked into at Management level and Management must take measures to realize these profits under report to audit.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00025 Irregular deduction of withholding tax on profit transferred by National Savings Center -Rs.329,092
Amount: Rs 329092.0

Criteria: As per section 49 of income tax ordinance 2001 amended up to date Federal Government, Provincial Government, and Local Government income.1. The income of the Federal Government shall be exempt from tax under this Ordinance.2. The income of a Provincial Government or a Local Government in Pakistan shall be exempt from tax under this Ordinance, other than income chargeable under the head "Income from Business" derived by a Provincial Government or Local Government from a business carried on outside its jurisdictional area.3. Subject to sub-section (2), any payment received by the Federal Government, a Provincial Government or a Local Government shall not be liable to any collection or deduction of advance tax.

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that an amount of Rs.329,092 was deducted as withholding tax on profit earned and transferred by the National Saving Center during the period under audit in violation of the above mentioned rules.

Cause: Weak internal controls resulted into irregular deduction of Income Tax by the National Saving Center from income/receipt of Trust being run as part of Local Government and Community Development Department.

Consequence:

Recommendation: Audit recommends the Management Committee to look into the matter and approach the National Saving Center for credit back the entire amount deducted as Income Tax.

Action Plan:

Criteria: According to 153 of Income Tax Ordinance, 2001 10% Income Tax will be applicable on services provided in case of Filler and rate of tax will be doubled in case of non-filler.

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, it revealed that an amount of Rs.58,000 on account of Income Tax was not deducted.

Cause: Weak internal controls resulted into non-deduction of Income Tax on payment of services provided to Trust by advocate.

Consequence:

Recommendation: Audit recommends that the Management Committee to look into the matter and get recover the required amount of tax from concerned and deposit the same into Government Treasury.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00028
private contractors- Rs. 29500
Amount: Rs 29500.0

Unauthorized repair of Transformers by

Criteria: Rule 12.3.4 of Consumer Service Manual issued by NEPRA states that no additions, alterations, repairs and adjustments to existing installations, (except such replacement of lamps, fans, fuses, switches, low voltage domestic appliance and fittings as in no way alter the capacity and the character of the installation), shall be carried out within a consumer's premises, except by an authorized wiring contractor.

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that Sardar Kaura Khan School, Jatoi hired private contractor for the repair of its transformer. No authorized wiring contractor certificate was obtained and NEPRA property was repaired in violation of above stated rule.

Cause: The matter was pointed out during December, 2021 the management acknowledged the observation only but offered no comments.

Consequence:

Recommendation: Audit is of the view weak administrative control leads to illegal repair of NEPRA property.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

ANCH

2022-0000002760_F00029
Store, Stock & Land
Amount: Rs 0.0

Noa- conducting of Physical verification of

Criteria: As per para 7 of Sardar Kaura Khan (Management, Supervision and Protection of Land) Rules 2016, the Land Superintendent, in the month of July each year shall;
a. Take stock of the land under his charge.
b. Verify the land under his charge.
c. Submit a report to the committee showing the result of such stock taking and verification

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that the total denoted land under the administrative control of Trust is 82,753 Kannaal which is divided into 415 Lots. The Management of the Trust had not made auction of all the land. It was informed that at the time of auction, the bidders offered their bids and subsequently, they are not deposited the remaining amount due to encroachment, barren land or River eroded etc. This happened due to non-physical verification of Trust Land on annual basis by the Land Superintendent in contravention of above rule.

Cause: The lapse was occurred due to weak administrative control on the Trust land.

Consequence:

Recommendation: The matter may be inquired by the Management Committee for non-physical verification of Land. So that the authorities may determine whether land is cultivatable or under river / barren or under encroachment of illegal occupants and should make efforts/put resources for making the barren land under cultivable condition.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00030
Amount: Rs 0.0

Non Maintenance of Cash Books

Criteria: As per article 32 of "The Punjab Trusts Act 2020" a trustee shall be bound to: (a) keep clear and accurate accounts of the trust-property, and income; (e) submit financial reports to the Assistant Commissioner in every financial year. As per rule prevailing financial rules a Cash Book should be kept in every office receiving or disbursing money on behalf of organization regularly or frequently for recording all transaction of moneys received by dealing assistant in their official capacity, and their subsequent remittance to the bank, as well as transactions of moneys withdrawn from the bank by bills and their subsequent disbursement. All cash transactions should be entered in the Cash Book as soon as should be closed regularly and completely checked. The Cash Book entry checked therein should be initialed (with date) by the dealing assistant concerned on each occasion. All receipts disbursements and charges of whatever sort connected with the public service must be shown in the cash book and sufficient details should be given in the column "particulars" to admit of the main points of each transaction being readily ascertained without reference to the detailed vouchers. The cash book must be reconciled with bank statement after close of each month.

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that the authorities are maintaining following three accounts at Muzaffargarh for the smooth function of Trust affairs: The authorities had/have been receiving Trust receipt (lease money of land). They also had/have been making payments to different vendors and school employees but no cash book were/are being maintaining in which such transaction could be entered; it must have been closed monthly and reconciled the closing figure with Bank Statement. There were / are chances for not only difference in receipt/expenditure figure but also chances of misappropriation.

Cause: The lapse was occurred due to weak financial control.

Consequence:

Recommendation: The matter may be looked into at appropriate level to fix responsibility against those at fault besides doing the needful under report to audit.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00031
progress report.
Amount: Rs 0.0

Non preparation and submission of annual

Criteria: As per para 4 (3) of Sardar Kaura Khan (Management, Supervision and Protection of Land) Rules 2016 the committee shall submit annual progress report to the Government in Local Government and Community Development Department and District Council, Muzaffargarh.

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that neither annual progress report was prepared nor submitted to the Government in violations of above stated rules. This was the negligence at the part of Management Committee.

Cause: The lapse was occurred due to weak administrative control which resulted into non-compliance of rules.

Consequence:

Recommendation: The matter may be investigated at highest level to fix responsibility against those at fault besides doing the needful under report to audit.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2023
RANCH

2022-0000002760_F00032
Amount: Rs 0.0

Irregular Running of Bank Account

Criteria: As per sub para iv of para 4 of the orders of Supreme Court of Pakistan dated 11-10-2018 the accounts of the Trust in the Bank of Punjab and National Saving Center, Muzaffargarh are presently being operated jointly under the signatures of the Deputy Commissioner, Muzaffargarh and ADC (F&P), Muzaffargarh. These accounts shall now be operated by the District & Session Judge, Muzaffargarh Jointly with Deputy Commissioner, Muzaffargarh.

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that the management is running bank account with the title of account "District Government/Zila Council Muzaffargarh" in bank of Punjab, depositing trust receipt and incurring expenditures out of that account. Audit is of the view that management cannot operate this account with the said title. The title of the account must have been changed. If it is not possible then afresh account with the title of "Chairperson Sardar Kora Khan Trust" with the signatory Chairperson and cosignatory Deputy Commissioner Muzaffargarh as per instructions of August Supreme Court of Pakistan be opened for the Trust. This resulted into irregular running of Bank Account.

Cause: The lapse was occurred due to negligence of the management committee of Sardar Kora Khan Trust Muzaffargarh.

Coasequence:

Recommendation: Audit recommends that this account must be closed and new account with trust name must be open.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

2022-0000002760_F00033
Court of Pakistan order dated: 11.10.2018
Amount: Rs 0.0

Non compliance of Honorable Supereme

Criteria: As per para 07 of Honourable Supereme Court of Pakistan orders dated 11.10.2018 which states as: "The accounts of the Trust will be audited by a nominee of the Auditor General of Pakistan. The audit report shall be placed on the website of the Trust. A report on biannual basis shall be submitted by the Management Committee to the Registrar of this Court for our examination in Chambers. Lease money for leased properties has been determined by the Trustees in view of the data submitted by the Land Superintendent of the Deputy Commissioner, Muzaffargarh. The same is approved. Preodical increases shall be undertaken as per market value and as determined by the Management Committee headed by the District & Session Judge, Muzaffargarh"

Condition: The scrutiny of record of the Chairperson of the Sardar Kaura Khan Trust, Muzaffargarh for the period 2019-21, revealed that the authorities have not comply with the above orders of the Honourable Supereme Court of Pakistan. Audit observed that:1. There was not official website of the Trust.2. No Biannual report of the Management Committee was submitted to the Registrar Supereme Court of Pakistan.3.

RANCH

The Land Superintendent of the Deputy Commissioner, Muzaffargarh has not submitted any data to the Trustees.4. No preodical increases has been undertaken as per Market value and as determined by the Management Committee headed by District & Session Judge, Muzaffargarh.

Cause: Lapse was occurred due to due to weak administrative control which resulted into non compliance of Honourable Supereme Court of Pakistan orders dated 11.10.2018.

Consequence:

Recommendation: The matter may be investigated at highest level to fix responsibility against those at fault besides doing the needful under report to audit.

Action Plan:

ID	Action	Action Responsible	Details	Deadline

Management Non-Response:

RANCH