



AUDIT REPORT

ON

THE ACCOUNTS OF REVENUE RECEIPTS OF GOVERNMENT OF KHYBER PAKHTUNKHWA

AUDIT YEAR 2024-25

AUDITOR-GENERAL OF PAKISTAN

**SERVING THE NATION BY PROMOTING ACCOUNTABILITY, TRANSPARENCY AND
GOOD GOVERNANCE IN THE MANAGEMENT AND USE OF PUBLIC RESOURCES**

FOR THE CITIZENS OF PAKISTAN

Preface

Article 170(2) of the Constitution of the Islamic Republic of Pakistan 1973 read with section 12 of the Auditor-General (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001 require the Auditor-General of Pakistan to conduct audit of all receipts which are payable into the Consolidated Fund or Public Account of the Federal Government and of each Province and in the accounts of each district.

The report is based on audit of receipts of Government of Khyber Pakhtunkhwa for the financial year 2023-24. Some audit observations on the accounts of previous year have also been included in this report. The Director General Audit Khyber Pakhtunkhwa conducted audit during 2024-25 on a test check basis, with a view to report significant findings to the relevant stakeholders. The main body of the Audit Report includes only the systemic issues and audit findings carrying a value of Rs. 1.00 million or more. Relatively less significant issues are listed in the Annexure-A of the Audit Report. The Audit observations listed in the Annexure-A shall be pursued with the Principal Accounting Officers at the DAC level and in all cases where the PAO does not initiate appropriate action, the Audit observations will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

Audit findings indicate the need for adherence to the regularity frame work besides instituting and strengthening internal controls to avoid recurrence of similar violations and irregularities.

Most of the observations included in this report have been finalized in the light of written responses and discussions in the DAC meetings.

There are certain Audit Paras which were also reported in the last years' Audit Reports for the Financial Years 2021-22 and 2022-23. Recurrence of such irregularities is matter of concern and needs to be addressed.

The report is submitted to the Governor of Khyber Pakhtunkhwa in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan 1973, for causing it to be laid before the Provincial Assembly of Khyber Pakhtunkhwa.

(Muhammad Ajmal Gondal)
Auditor-General of Pakistan

Islamabad
Dated:

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ABBREVIATIONS & ACRONYMS

BOR	Board of Revenue
CPR	Computerized Payment Receipt
CVT	Capital Value Tax
DAC	Departmental Accounts Committee
DAO	District Accounts Officer
DC	Deputy Commissioner / District Collector
DG	Director General
ETO	Excise & Taxation Officer
FBR	Federal Board of Revenue
GFA	Goods Forwarding Agency
GFR	General Financial Rules
KP	Khyber Pakhtunkhwa
KPRA	Khyber Pakhtunkhwa Revenue Authority
MC	Municipal Committee
MFDAC	Memorandum for Departmental Accounts Committee
MRA	Motor Vehicle Registration Authority
MV	Motor Vehicle
NBP	National Bank of Pakistan
NOC	No Objection Certificate
NT	Naib Tehsildar
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PDA	Peshawar Development Authority
PDP	Proposed Draft Para
PESCO	Peshawar Electric Supply Company
PSID	Payment Slip ID
PTA	Provincial Transport Authority
RTA	Regional Transport Authority
SAP	System Applications & Products in data processing
SDC	Service Delivery Centre
TMA	Tehsil/Town Municipal Administration
WAPDA	Water and Power Development Authority

Executive Summary

The Directorate-General Audit Khyber Pakhtunkhwa conducts audits of the tax and non-tax revenue receipts of the Government of Khyber Pakhtunkhwa on a test-check basis. These receipts are collected by the Excise, Taxation & Narcotics Control Department, Khyber Pakhtunkhwa Revenue Authority, Revenue & Estate Department, and Transport & Mass Transit Department.

This Audit Report presents results of the audit regarding receipts of the Excise, Taxation & Narcotics Control Department, Khyber Pakhtunkhwa Revenue Authority, Revenue & Estate Department, and Transport & Mass Transit Department of Government of Khyber Pakhtunkhwa for the financial year 2023-24. Some audit observations on the accounts of previous year have also been included in this report.

A detailed comparison of budget estimates, revised estimates and actual receipts of each Department for the financial year 2023-24 is deliberated in the sectoral analysis and relevant chapters of this report.

a. Scope of Audit

This office is mandated to conduct audit of 228 formations working under four PAOs. Total receipts of these formations were Rs. 52,446 million for the financial year 2023-24. Audit coverage relating to receipts for the current audit year comprises 39 formations of four PAOs having total receipts of Rs. 46,177.32 million for the financial year 2023-24. In terms of percentage, the audit coverage for receipts is 88 % of the auditable receipts.

Total receipts of these 228 formations were Rs. 41,897 million for the financial year 2022-23. This audit report also includes audit observations resulting from the audit of the receipts of Rs. 4,786 million for the financial year 2022-23 pertaining to 53 formations of three PAOs. In terms of percentage, the audit coverage is 11% of the receipts.

b. Recoveries at the instance of Audit

As a result of audit, a recovery of Rs. 2,759.50 million was pointed out in this report. Recovery affected from January to December 2024 was Rs. 97.27 million which was verified by audit.

c. Audit Methodology

Desk audit techniques were applied during the audit year 2023-24. This was facilitated by access to live SAP data, intranet, and internet facility and availability of permanent and planning files which were covering all the areas of activities of the auditee formations including their budget,

organizational setup and legal framework. Desk review facilitated in the identification of high risk areas for substantive testing in the field. Based on this risk analysis, field audit of the receipts formation was assigned to different audit teams.

Upon concluding the field audit, a formal exit meeting was held with the management of the auditee formations. Subsequently, a presentation of each audit inspection report was made to the Director Audit to ensure the quality of the observations. Proposed draft paras, incorporating management's responses, were issued, and PAOs were requested to convene DAC meetings for further discussion. An internal quality review was conducted to assess the adequacy of the findings against auditing standards, followed by an external quality review to finalize the report and ensure it was presentable for stakeholders.

d. Audit Impact

Audit contributed to the recovery of amounts that had been overlooked by revenue-collecting authorities during the assessment process. By identifying such lapses, Audit acted as a deterrent against revenue leakage

Recoveries accepted / established at the instance of audit are deposited into Government Treasury by the concerned departments. Recovery amounting to Rs. 97.27 million was affected during the year which was verified by Audit. Out of this total recovery, an amount of Rs. 17.29 million was recovered on the pointation of Audit which was not in the notice of the Executive before Audit.

e. Comments on Internal Controls

This audit report has identified recurring irregularities that have persisted over the years, indicating systemic weaknesses primarily caused by inadequate internal controls. While many audit entities have internal audit mechanisms in place, the financial irregularities observed suggest that these controls are not functioning effectively. A well-operating internal audit system could have aided management in implementing stronger internal controls and improving the overall control environment within audited entities.

The absence of a strong internal control system in Provincial Government Departments has led to failures in the following areas:

- Non-recovery of government dues, resulting in significant arrears in Property Tax, Motor Vehicle Tax, Water Rates, Route Permit Fees, and other levies.
- Incomplete or inaccurate assessment of government revenue, affecting the collection of Mutation Fees, Stamp Duty, Registration Fees, and Advance Income Tax.
- Revenue shortfalls due to the failure to meet government revenue targets.

f. The key audit findings of the report:

- Non-realization of Property Tax, Professional Tax, Motor Vehicle Tax, Tobacco Development Cess and Hotel Tax Rs. 855.95 million in seven cases.¹
- Non credit into government account of the amount reported as deposited Rs. 3.92 million in one case²
- Non-recovery of penalty from non-filers of monthly returns of Sales Tax on services Rs. 769.68 million in one case³
- Non/less realization and deposit of Sales Tax on services Rs. 23.08 million in two cases⁴
- Non/short-realization and realization of Water Rates, Mutation Fee, Stamp Duty, Registration Fee, CVT and Advance Income Tax Rs. 884.21 million in ten cases⁵
- Misappropriation of Government revenue Rs. 14.46 million in one case⁶
- Unverified revenue receipts worth Rs.195.99 million in one case⁷
- Loss due to non-realization of Route Permit Fee, License Fee of bus stands & 3% Prov. Govt. share from TMAs Rs. 7.30 million in three cases.⁸

Audit Paras for the audit years 2022-23 & 2023-24 involving procedural violations including intrinsic weaknesses of internal controls and irregularities, not considered worth reporting to the PAC, are attached as Annexure-A (MFDAC).

g. Recommendations

- An effective recovery mechanism needs to be developed to recover long outstanding arrears of Government revenue on account of Property Tax, Motor Vehicle Tax, Professional Tax, Abiana and Route Permit Fee.
- Reconciliation of revenue figures with the District Accounts Offices should be conducted thoroughly and regularly. This process ensures that all government receipts are accurately accounted for and properly credited to the Treasury. Proper reconciliation helps identify discrepancies and prevents potential revenue losses.
- Penalties should be imposed and recovered from service providers that fail to file their monthly Sales Tax on Services returns within due date. Enforcing these penalties serves as a deterrent against non-compliance and encourages timely submission of tax returns.

¹ Para 1.4.1,1.4.2, 1.4.3, 1.4.4, 1.4.5, 1.4.6, 1.4.8

² Para 1.4.7

³ Para 2.4.1

⁴ Para 2.4.2, 2.4.3

⁵ Para 3.4.1, 3.4.2, 3.4.3, 3.4.4, 3.4.6, 3.4.7, 3.4.8, 3.4.9, 3.4.10, 3.4.11

⁶ Para 3.4.5

⁷ Para 3.4.12

⁸ Para 4.4.1, 4.4.2, 4.4.3

- An efficient system should be established to ensure the accurate valuation of land for computation of Mutation Fee, Stamp Duty and Withholding Tax. Proper valuation ensures the government collects appropriate revenue from these transactions.
- Action should be taken against officials in cases of under assessments and non-recovery of Government revenue.
- Measures should be implemented to ensure that all receipt records are promptly and completely made available to the Audit team. Timely provision of these records is essential for conducting accurate audit, identifying discrepancies, and ensuring transparency and accountability in the management of public funds.
- Appropriate measures should be implemented for ensuring proper assessment and timely collection of the Provincial Government's share from the auction proceeds of bus stands managed by TMAs.
- DAC meeting should be convened by the PAOs regularly and compliance of DAC directives need to be ensured.

SECTORAL ANALYSIS

The key revenue-generating departments of the Government of Khyber Pakhtunkhwa include the Excise, Taxation & Narcotics Control Department, Khyber Pakhtunkhwa Revenue Authority, Revenue & Estate Department, and Transport & Mass Transit Department. For the financial year 2023-24, these departments were initially assigned a revenue target of Rs. 51,338 million, which was later revised to Rs. 50,888 million. By the end of the year, they collectively generated Rs. 52,446 million, surpassing the revised target by 3%.

The primary sources of tax revenue include Sales Tax on Services, Property Tax, Motor Vehicle Tax, Infrastructure Development Cess, Stamp Duty, Land Revenue, and Tobacco Development Cess.

Performance of Tax Collecting Departments:

Total receipt collection by the aforementioned four departments was Rs. 52,446 million in the year 2023-24, as compared to Rs. 41,897 million in the previous year, 2022-23. This represents a 25% increase in tax collection for the financial year 2023-24, as detailed below;

(Rs. in million)					
Sr. No.	Department	Actual Receipts 2022-23	Actual Receipts 2023-24	Variation Excess (+) Short (-)	Percentage of Variance
1	Excise, Taxation & Narcotics Control	4,511.22	4,528.75	17.54	0.39
2	Khyber Pakhtunkhwa Revenue Authority (KPRa)	30,646.12	41,798.13	11,152.01	36.39
3	Revenue & Estate	5,968.40	5,316.94	-651.46	-10.92
4	Transport & Mass Transit	770.99	801.70	30.71	3.98
Total:		41,896.73	52,445.52	10,548.8	25.18

Revenue of the Excise and Taxation grew marginally by Rs. 17.54 million, an increase of 0.39%. KPRa is the primary driver of the overall revenue increase, contributing Rs. 11,152.01 million, which accounts for a significant portion of the total variation. With a growth rate of 36.39%, KPRa performed very well. In case of Revenue & Estate Department, there was a shortfall of Rs. 651.46 million, reflecting a negative variance of -10.92%. This suggests a need for analysis to identify the reasons behind the poor performance and corrective measures. Transport Department showed a modest growth of Rs. 30.71 million (3.98%), reflecting steady but limited progress.

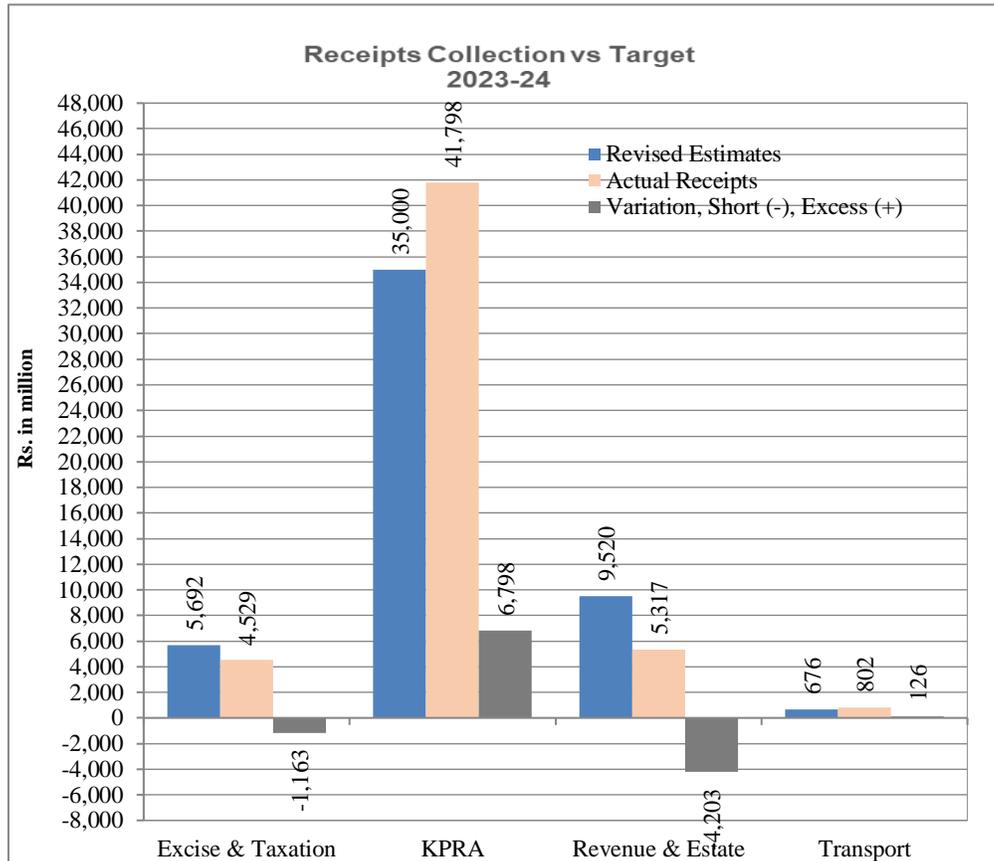
A comparison of budget estimates and actual receipts of each Department for the financial year 2023-24 is tabulated below:

(Rs. in million)

Sr. No.	Department	Budget Estimates 2023-24	Revised Estimate 2023-24	Actual Receipts 2023-24	Variation Short (-) Excess (+)	Percentage of Variance
1	Excise, Taxation & Narcotics Control	5,692.00	5,692.00	4,528.75	-1,163.25	-20.44
2	Khyber Pakhtunkhwa Revenue Authority (KPRA)	35,000.00	35,000.00	41,798.13	6,798.13	19.42
3	Revenue & Estate	9,970.00	9,520.00	5,316.94	-4,203.06	-44.15
4	Transport & Mass Transit	676.00	676.00	801.70	125.70	18.59
Total:		51,338.00	50,888.00	52,445.52	1,557.52	3.06

The table above indicates that while the overall revenue target was exceeded by 3%, the Excise, Taxation & Narcotics Control Department and the Revenue & Estate Department fell short of their targets. The shortfalls for these departments were significant, at 20% and 44%, respectively. In contrast, the Khyber Pakhtunkhwa Revenue Authority and the Transport Department surpassed their targets by 19%.

The following graph presents a comparison of the revised estimates, actual receipts, and variations for the year 2023-24.



Data Source: Estimates of Receipts 2023-24 Vol-II Finance Deptt. KP & Finance Account KP 2023-24)

Excise, Taxation & Narcotics Control Department and the Revenue & Estate Department failed to achieve their revenue targets, underscoring poor fiscal planning and inadequate groundwork in preparing budget estimates. This suggests a lack of thorough surveys and analysis during the budgeting process. The Finance Department, in collaboration with tax-collecting agencies, must adopt a data-driven approach to set realistic and achievable revenue targets. These targets should be based on a detailed analysis of departmental capacity and the potential for tax collection.

The audit has uncovered significant procedural, systemic, and regulatory weaknesses within the tax-collecting departments. Financial and administrative inefficiencies have led to the accumulation of substantial arrears in Property Tax, Motor Vehicle Tax, Water Rates (Abiana), and Route Permit Fees. Despite these mounting arrears, no substantial steps have been taken to ensure their recovery.

Chapter - 1

EXCISE, TAXATION AND NARCOTICS CONTROL DEPARTMENT

1.1 Introduction

The Excise, Taxation and Narcotics Control Department is primarily engaged in collection of various provincial taxes, duty, fees and cess as under:

- Collection of Property Tax according to the assessment of property units.
- Assessment and collection of Motor Vehicle Registration Fee and Motor Vehicle Tax from the owners of vehicles.
- Issuance of Registration Marks and Certificates to Motor vehicles.
- Issuance of Duplicate Registration Certificates of the vehicles, Change of Ownership, Change of Engine Number, etc.
- Assessment and collection of tax on Professions, Trades, Calling and Employments.
- Assessment and collection of Hotel Tax.
- Assessment and collection of Tobacco Development Cess.
- Collection of License Fee from Real Estate Agents & Motor Vehicle Dealers
- Assessment and collection of Provincial Excise Duty.
- To seize Intoxicant Liquors, Narcotics and illegal/smuggled Vehicles.
- Collection of Advance Income Tax on behalf of Federal Government at the time of registration / transfer of a vehicle and collection of Motor Vehicle Tax respectively.

Audit Profile of Excise, Taxation & Narcotics Control Department

(Rs. in million)

Sr. No.	Description	Total No.	Planned for Audit	Audited	Revenue Receipts Audited FY 2023-24
1	Formations	32	16	08	2,503.83

Comments on Budgeted Receipts (Variance Analysis)

The Excise, Taxation & Narcotics Control Department collected Rs. 4,529 million during the financial year 2023-24, which is Rs. 1,163 million short of the revised estimates of Rs. 5,692 million.

A comparison of budget estimates, revised estimates and actual receipts for the year 2023-24 is tabulated below. The variation between the revised estimates and actual receipts is depicted in both absolute and percentage terms.

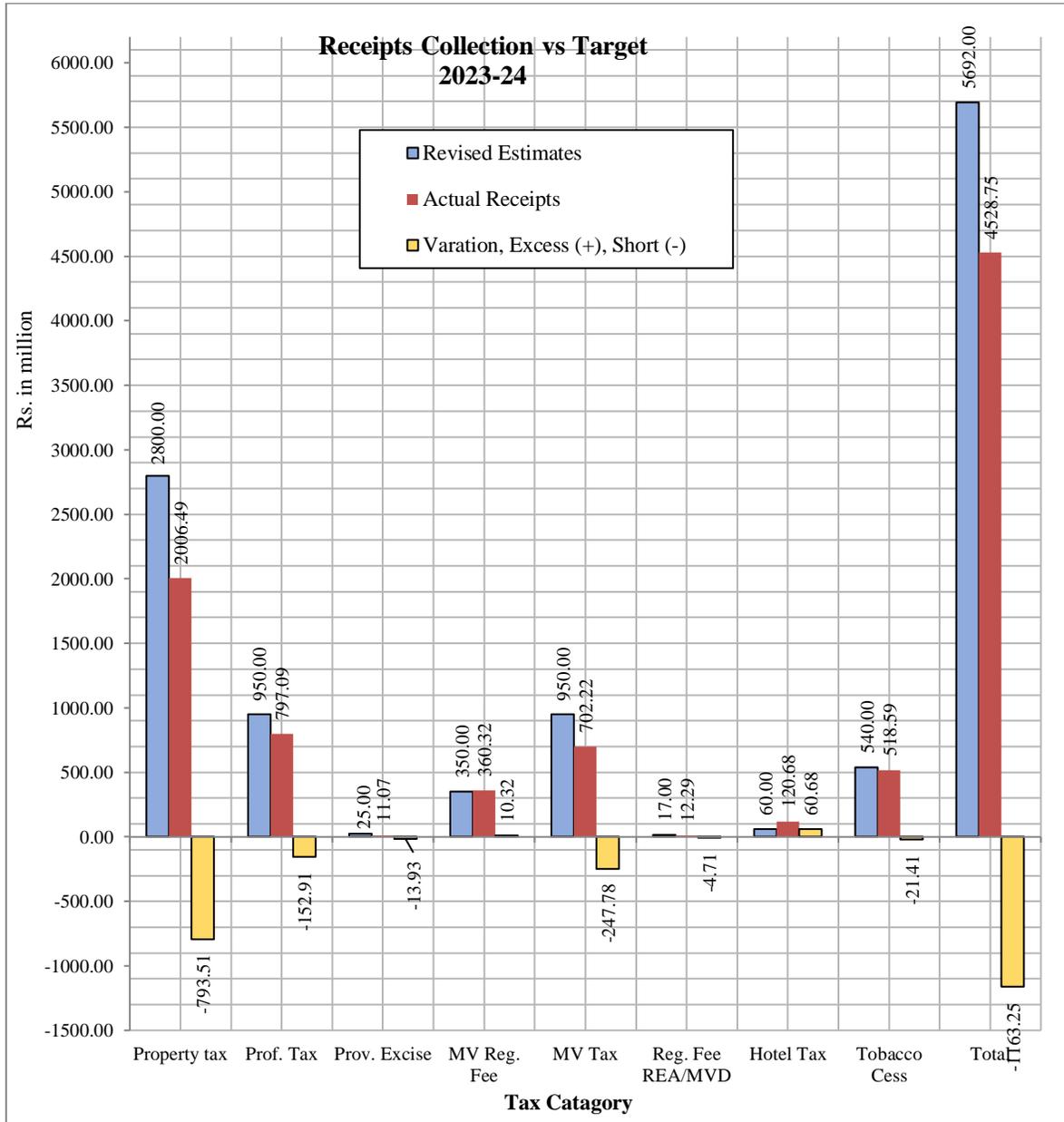
Variance Analysis of Excise, Taxation & Narcotics Control Department

(Rs. in million)								
Sr. No.	Category of Receipts	Head of Account	Budget Estimates 2023-24	Revised Estimates 2023-24	Actual Receipts 2023-24	%age of Total Receipts	Excess (+) Short (-) (Col.6-5)	Variance %age
1	Property tax	B01301	3,036.00	2,800.00	2,006.49	44.31	-793.51	-28.34
2	Professional Tax	B016	800.00	950.00	797.09	17.60	-152.91	-16.10
3	Provincial Excise Duty	B026	35.50	25.00	11.07	0.24	-13.93	-55.71
4	Motor Vehicles Registration Fee	B02801	-	350.00	360.32	7.96	10.32	-
5	Motor Vehicle Tax (Token Tax)	B02803	1,337.00	950.00	702.22	15.51	-247.78	-26.08
6	Reg. Fee Real Estate/MV Dealers	B03053	19.50	17.00	12.29	0.27	-4.71	-27.72
7	Hotel Tax	B03056	-	60.00	120.68	2.66	60.68	101.13
8	Tobacco Development Cess	B03080	464.00	540.00	518.59	11.45	-21.41	-3.97
Total :			5,692.00	5,692.00	4,528.75	100	-1,163.25	-20.44

(Data Source: Estimates of Receipts 2023-24 Vol-II Finance Deptt. KP & Finance Account KP 2023-24)

The figures reveal that actual receipts were 20% short than the revised estimates, reflecting poor fiscal planning and enforcement. This shortfall indicates that adequate surveys or research were not conducted during the preparation of budget estimates. Addressing this issue requires immediate attention and a thorough review by the department.

The following bar chart presents visual depiction of revised budget estimates, actual receipts and variation for the Excise, Taxation & Narcotics Control Department.



The department failed to meet revenue targets across all categories, except for Motor Vehicle Registration Fee and Hotel Tax. Notably, no targets were set for Motor Vehicle Registration Fee and Hotel Tax in the original budget estimates; targets for these categories were introduced later in the revised estimates, which needs justification.

Additionally, the targets for Property Tax, Motor Vehicle Tax, and Provincial Excise Duty were reduced during the year, yet the department was still unable to achieve these revised targets. This highlights significant deficiencies in fiscal planning.

It is imperative that the department investigate and address these shortcomings to improve future revenue performance.

Receipts estimates and revised estimates for 2022-23 & 2023-24

The budgeted receipts estimates and revised estimates for the years 2022-23 & 2023-24 for Excise, Taxation & Narcotics Control Department are given below. In both years, the department was unable to meet its revenue targets. This needs to be looked into.

(Rs. in million)					
Year	Budget Estimates	Revised Estimate	Actual Receipts	Variation	Percentage of Variance
2022-23	5,692	5,692	4,511	-1,181	-21
2023-24	5,692	5,692	4,529	-1,163	-20

1.2 Classified Summary of Audit Observations

Audit observations amounting to Rs. 864.78 million were raised in this report during audit of Excise, Taxation & Narcotics Control Department. The pointed out amount also include arrears and observation relating to 2022-23. The entire amount pointed out by the audit is recoverable. Summary of the audit observations classified by nature is as under:

Overview of the Audit Observations

(Rs. in million)		
Sr. No.	Classification	Amount
1	Non-production of record	-
2	Reported cases of fraud, embezzlement & misappropriation	-
3	Irregularities	-
A	Non/short-recoveries	859.87
4	Others	-
Total		859.87

1.3 Brief Comments on the Status of Compliance with PAC Directives

The status of compliance with PAC directives:

Sr. No.	Audit Report Year	Total Paras	Paras Discussed	Paras Settled	Paras Stand	Percentage of compliance	Remarks
1	2002-03	12	12	0	12	0 %	-
2	2003-04	15	15	3	12	20 %	-
3	2004-05	14	-	-	-	-	Yet to be discussed in PAC
4	2005-06	14	14	6	8	43 %	-
5	2006-07	15	-	-	-	-	Yet to be discussed in PAC
6	2007-08	15	-	-	-	-	-do-
7	2008-09	10	10	0	10	0 %	-
8	2009-10	10	10	3	7	30 %	-
9	2010-11	13	-	-	-	-	Yet to be discussed in PAC
10	2011-12	18	-	-	-	-	-do-
11	2012-13	10	10	2	8	20 %	-
12	2013-14	10	-	-	-	-	Yet to be discussed in PAC
13	2014-15	8	-	-	-	-	-do-
14	2015-16	9	-	-	-	-	-do-
15	2016-17	15	-	-	-	-	-do-
16	2017-18	11	-	-	-	-	-do-
17	2018-19	19	-	-	-	-	-do-
18	2019-20	10	-	-	-	-	-do-
19	2020-21	9	-	-	-	-	-do-
20	2021-22	8	-	-	-	-	-do-
21	2022-23	8	-	-	-	-	-do-
22	2023-24	7	-	-	-	-	-do-
Total		260	71	14	57	20 %	

Compliance with the PAC directives is poor mainly because of the lack of pursuance by the Department. It is worth mentioning here that partial recoveries have been affected by the Department. However, paras would be considered for settlement once complete recoveries are affected and verified.

1.4 AUDIT PARAS

1.4.1 Non-realization of Property Tax Rs. 449.13 million

According to Section 16 of the Urban Immovable Property Tax Act, 1958, any sum due on account of Property Tax which remains unpaid after the due date without sufficient cause to the satisfaction of the collector is required to be recovered as arrears of land revenue.

During audit for the financial years 2022-23 & 2023-24, it was observed that Excise & Taxation Offices in various districts did not recover Government revenue on account of Property Tax amounting to Rs. 449.13 million. Detail of these 15 offices is given in the **Annexure I**.

Non-realization of property tax occurred due to ineffective recovery mechanism and resulted in loss to the government exchequer.

The matter was reported to the department during February to December 2024. In the DAC meetings held in October 2024 and January 2025, the department was directed to recover the outstanding amount within two months. A sum of Rs. 2.01 million was recovered and verified by the Audit, leaving a recoverable balance of Rs. 449.134 million. No further progress was reported till finalization of this report.

Audit recommends expeditious recovery of outstanding tax from defaulters.

Note: The issue was reported earlier also in the Audit Reports for the Audit Years 2023-24 and 2022-23 vide paras number 2.4.1 & 2.4.2 having financial impact of Rs. 304.78 million. Recurrence of same irregularity is a matter of serious concern.

1.4.2 Non-realization of Property Tax from PESCO, OGDCL and MOL Pakistan Rs. 342.88 million

According to Sr. No.2 of Schedule-II to the Urban Immovable Property Tax Act 1958 as amended vide Khyber Pakhtunkhwa Finance Act 2022, Buildings and Lands acquired for the use by Government, Semi-Government, Non-Governmental Organizations, Corporate Bodies, Autonomous Bodies, Authorities, Boards, Private and Public Limited Companies, Private and Public Sector commercial organizations or Banks shall be assessed and taxed at the rate of 16% of the actual annual rent. In case building other than those exempted under Section 4 of the Act, which are owned and occupied by such organizations, tax shall be levied on the assessed annual rental value of such buildings on the rate prescribed hereinbefore.

During audit for the financial years 2022-23 & 2023-24, it was observed that various Excise & Taxation Offices did not recover Property Tax from PESCO (WAPDA), Oil & Gas

Development Company Ltd. (OGDCL) and MOL Pakistan Oil & Gas Company. This resulted in non-realization of provincial government revenue amounting to Rs. 342.88 million as detailed in the **Annexure II**.

The lapse occurred due to non-enforcement of rules and resulted in loss to the government exchequer.

The matter was reported to the respective formations and the Principal Accounting Officer between February and December 2024. During the DAC meetings held in October 2024 and January 2025, it was decided to keep the issue related to PESCO in abeyance until a joint committee, comprising representatives from the department and PESCO, reassesses the tax in accordance with court instructions. Regarding OGDCL, the department stated that the court had granted a stay order. DAC instructed that the stay order be provided to the Audit and that the case be actively pursued in the relevant court. For MOL Pakistan, DAC directed that the Director Excise South be engaged to facilitate the recovery process, with progress to be reported to the Audit. However, no further progress had been reported by the time this report was finalized.

Audit recommends implementation of the DAC directives.

Note: The issue was reported earlier also in the Audit Reports for the Audit Years 2023-24 and 2022-23 vide paras number 2.4.2 & 2.4.1 having financial impact of Rs. 470.44 million. Recurrence of same irregularity is a matter of serious concern.

1.4.3 Non-realization of 15% Provincial Government share of Property Tax from Cantonment Boards Rs. 27.94 million

According to Para 3 (3) of the Presidential Order No.13 of 1979, dated 22.08.1979, 15% share of net proceeds of Property Tax collected by a cantonment board within its limits is payable to the Provincial Government concerned.

During audit for the financial years 2022-23 & 2023-24, it was observed that the under mentioned Excise & Taxation Offices did not recover 15% Provincial Government share of Property Tax amounting to Rs. 27.94 million from the Cantonment Boards:

(Amount in Rupees)

Sr. No.	Excise and Taxation Office	PDP No./Year	15% Prov. Govt. share	Amount Recovered	Balance Recoverable
1	ETO Bannu	114/2022-23	1,000,000	-	1,000,000
2	ETO D I Khan	132/2022-23	3,680,409	-	3,680,409
3	ETO Nowshera	155/2022-23	11,218,963	-	11,218,963
4	ETO Kohat	171/2022-23	1,214,000	882,000	332,000
5	ETO II, Peshawar	71/2023-24	8,184,000	-	8,184,000
6	ETO Nowshera	146/2023-24	3,520,400	-	3,520,400
Total			28,817,772	882,000	27,935,772

The lapse occurred due to non-enforcement of Presidential Order and resulted in loss to the Provincial Government exchequer.

The matter was reported to the department during March to December 2024. In the DAC meetings held in October 2024 and January 2025 the department was directed to provide record to Audit for verification. An amount of Rs. 0.88 million was got verified from Audit leaving recoverable balance of Rs. 27.94 million. No further progress was reported till finalization of this report.

Audit recommends implementation of the DAC directives.

Note: The issue was reported earlier also in the Audit Reports for the Audit Years 2023-24 & 2022-23 vide paras number 2.4.3 & 2.4.3 having financial impact of Rs. 45.83 million. Recurrence of same irregularity is a matter of serious concern.

1.4.4 Non-realization of Professional Tax Rs. 15.13 million

According to Section 7 of the Khyber Pakhtunkhwa Finance Act 1990, there shall be levied and collected a tax, for each financial year, from persons engaged in professions, trades, callings or employment, according to the rates specified in Appendix-II to Section 3 of the Khyber Pakhtunkhwa Finance Act, 2019.

During audit of record in various Excise & Taxation Offices for the financial year 2022-23, it was observed that Professional Tax was not recovered from assesses in 281 cases. This resulted in non-realization of Government revenue amounting to Rs. 15.13 million as detailed in the **Annexure III**.

The lapse occurred due to non-enforcement of rules and resulted in loss to the government exchequer.

The matter was reported to the department during March to December 2024. DAC meetings were held in October 2024 and January 2025. DAC directed the department to get verify the recovered amount from Audit and recover the balance within two months. An amount of Rs. 0.12 million was recovered and got verified from Audit leaving a balance of Rs. 15.13 million. No further progress was reported till finalization of this report.

Audit recommends prompt recovery of outstanding Government dues from defaulters.

Note: The issue was reported earlier also in the Audit Reports for the Audit Years 2023-24 & 2022-23 vide paras number 2.4.6 & 2.4.6 having financial impact of Rs. 11.51 million. Recurrence of same irregularity is a matter of serious concern.

1.4.5 Non-realization of Motor Vehicle Tax-Rs. 9.62 million

According to Section 3 of the Motor Vehicles Taxation Act, 1958, Motor Vehicle Tax is leviable on every motor vehicle at specified rate. Failure to pay the tax within the stipulated period without sufficient cause attracts levy of penalty under Section 9 of the Act *ibid*. The unpaid tax along with penalty is recoverable as arrears of land revenue under section 11 of the Act *ibid*. Besides, registration of defaulting vehicle is also liable to be suspended or canceled under section 34 & 35 of the Motor Vehicles Ordinance, 1965.

During audit of the record for the financial years 2022-23 and 2023-24, it was observed that Excise & Taxation Offices in various Districts did not recover Motor Vehicle Tax amounting to Rs. 9.62 million. Detail of the offices is given in the **Annexure IV**.

The lapse occurred due to non-enforcement of rules and resulted in loss to the government exchequer.

The matter was reported to the department during March to December 2024. In the DAC meetings held in October 2024 and January 2025 the department was directed to verify the recovered amount from Audit and promptly recover the balance. However, no further progress was reported till finalization of this Report.

Audit recommends expeditious recovery of outstanding government dues from defaulters

Note: The issue was reported earlier also in the Audit Reports for the Audit Years 2023-24 & 2022-23 vide paras number 2.4.7 & 2.4.5 having financial impact of Rs. 11.95 million. Recurrence of same irregularity is a matter of serious concern.

1.4.6 Short realization of Tobacco Development Cess & Penalty Rs. 7.90 million

Tobacco Development cess is levied under Section II of Khyber Pakhtunkhwa Finance Act, 1996 as amended vide Khyber Pakhtunkhwa Finance (Amendment) Act, 2022. The Cess is to be collected directly from the tobacco factories on the basis of tobacco quota fixed for the factory by the Pakistan Tobacco Board in terms of Recovery of Tobacco Development Cess rules, 2004. In case of default in payment of cess or any part thereof by 31st May, the defaulter shall be liable to pay a penalty @ 25 % in addition to the cess due.

During audit for the financial year 2022-23, it was observed that Excise & Taxation Officer Swabi did not fully recover Tobacco Development Cess from Falcon Tobacco Company Pvt. Ltd by 31st May 2023. This caused non-realization of Tobacco Development Cess and penalty amounting to Rs. 7.90 million as detailed below:

(Amount in Rupees)

Type of Tobacco & Quota	Rate of Cess Per Kg	Total Cess due (Rs.)	Recovered before 31st May 2023	Outstanding on 31st May 2023 (Col 3-4)	Penalty after 31st May 2023 @25%	Total amount Recoverable
1	2	3	4	5	6	7
Flue Cured Virginia 1,500,000 kg	Rs. 6	9,150,000	2,827,780	6,322,220	1,580,555	7,902,775
White Patta 50,000 kg	Rs. 3					

Audit held that Cess and penalty was less recovered due to non-enforcement of rules and resulted in loss to the Government.

The matter was reported to the department in July 2024. DAC in its meeting held in October 2024, directed recovery of the amount and its verification from Audit within two months. However, no further progress was reported till finalization of this report.

Audit recommends prompt recovery of the pointed out government revenue.

Note: The issue was reported earlier also in the Audit Report for the Audit Year 2023-24 vide para number 2.4.5 having financial impact of Rs. 9.56 million. Recurrence of same irregularity is a matter of serious concern.

(PDP No. 283/2022-23)

1.4.7 Non-credit into government account of the amount reported as deposited Rs. 3.92 million

According to Para 26 of General Financial Rules, it is the duty of the departmental officer to see that all sums due to government are regularly and promptly credited to the government account. He should accordingly arrange to obtain from their subordinates monthly accounts and return in suitable form claiming credit for so much paid into the treasury or otherwise account for and compare them with the statement of treasury credit furnished by the Accountant General to see that the amount reported as collected have been duly credited in the public account. If any credits are claimed but not found in the accounts, enquiries should be made first of the responsible departmental officer concerned.

During audit of revenue receipts record in Excise & Taxation Offices Bannu and Swat for the financial year 2022-23, while comparing bank challans with Treasury receipts statement (SAP data), it was noticed that certain bank deposit challans through which an amount of Rs. 3.92 million was shown deposited under the heads Motor Vehicle Tax (B02803) and Registration Fee (B02801) were not found in the Treasury receipts statement. This indicates that the amount claimed deposited was not credited into the government Treasury.

(Amount in Rupees)

Sr. No.	Excise and Taxation Office	PDP No.	Amount pointed out
1	ETO Bannu	119/2022-23	2,311,299
2	ETO Swat	188/2022-23	1,608,829
Total:			3,920,128

The lapse occurred due to weak financial controls and chances of misappropriation cannot be ruled out.

The matter was reported to the department in March and June 2024. DAC in its meetings held in October 2024, directed the department to take up the issue with concerned banks and DAOs to know the factual position and thereafter submit to Audit for further necessary action. However, no further progress was reported as of the finalization of this report.

Audit recommends implementation of DAC directives.

1.4.8 Non-realization of Hotel Tax-Rs. 3.35 million

According to Section 4 of the NWFP Finance Ordinance, 2002 read with Section 7 of the Khyber Pakhtunkhwa Finance Act 2019 & 2021, there shall be levied and collected every year a tax on hotels, payable by the owner or management thereof at the rate of ten percent of the room rent per lodging unit per day of the total number of lodging unit available in the hotel concerned, provided that the assessment in relation to hotels at hill station shall be made at the aforesaid rate for six months in a year that is from 1st April to 30th September (both days inclusive).

During audit for the financial years 2022-23 & 2023-24, it was observed that Excise & Taxation Offices Mansehra and Haripur did not recover Hotel Tax from the owners or management of some hotels. This caused non-realization of government revenue amounting to Rs.3.35 million:

(Amount in Rupees)			
Sr. No.	Excise and Taxation Office	PDP No.	Amount pointed out
1	ETO Haripur	220/2022-23	600,000
2	ETO Mansehra	255/2022-23	1,656,157
3	ETO Haripur	169/2023-24	821,210
4	ETO Mansehra	204/2023-24	270,615
Total:			3,347,982

The lapse occurred due to non-enforcement of rules and resulted in loss to the government exchequer.

The matter was reported to the department in July and December 2024. DAC in its meetings held in October 2024 and January 2025 directed the department to recover the amount and verify the recovery from Audit. However, no further progress was reported till finalization of this Report.

Audit recommends prompt recovery of outstanding Government dues.

Note: The issue was reported earlier also in the Audit Report for the Audit Year 2023-24 vide para number 2.4.4 having financial impact of Rs. 108.71 million. Recurrence of same irregularity is a matter of serious concern.

Chapter-2

KHYBER PAKHTUNKHWA REVENUE AUTHORITY

2.1 Introduction

Khyber Pakhtunkhwa Revenue Authority (KPRA) was established through enactment of the Khyber Pakhtunkhwa Finance Act, 2013 in wake of 18th amendment in the Constitution of Islamic Republic of Pakistan. Its primary objective is to oversee and manage the collection of Sales Tax on Services (STS) within Khyber Pakhtunkhwa. In the year 2022, Government of Khyber Pakhtunkhwa introduced two new Acts, namely ‘The Khyber Pakhtunkhwa Sales Tax on Services Act, 2022’ and ‘The Khyber Pakhtunkhwa Revenue Authority Act, 2022’. As a result, these Acts replaced ‘The Khyber Pakhtunkhwa Finance Act, 2013’. This restructuring has led the KPRA to be governed exclusively by these Acts regarding Sales tax on Services. KPRA operates under the administrative control of the Finance Department and is responsible for the following key functions:

- Administer and collect Sales Tax on services
- Collect Infrastructure Development Cess.
- Administer and collect such other duties, taxes and levies as are assigned to it.
- Implement with the approval of the government, tax administration reforms.
- Promote voluntary tax reforms.
- Implement policies and programs for awareness and facilitation of taxpayers, stake holders and employees in order to improve the performance of the authority.
- Conduct tax audits to ensure compliance with tax laws.
- Widen the tax base.

Audit Profile of Khyber Pakhtunkhwa Revenue Authority

(Rs. in million)

Sr. No.	Description	Total No.	Audited	Revenue Receipts Audited FY 2023-24
1	Formations	1	1	41,798.13

Comments on Budgeted Receipts (Variance Analysis)

During the financial year 2023-24, the Khyber Pakhtunkhwa Revenue Authority collected an amount of Rs. 41,798.13 million which was 119.42 % of the budget estimates of Rs. 35,000 million.

A comparison of budget estimates and actual receipts for the year 2023-24 is tabulated below. The variation between the budget estimates and actual receipts is depicted in both absolute and percentage terms.

Variance Analysis

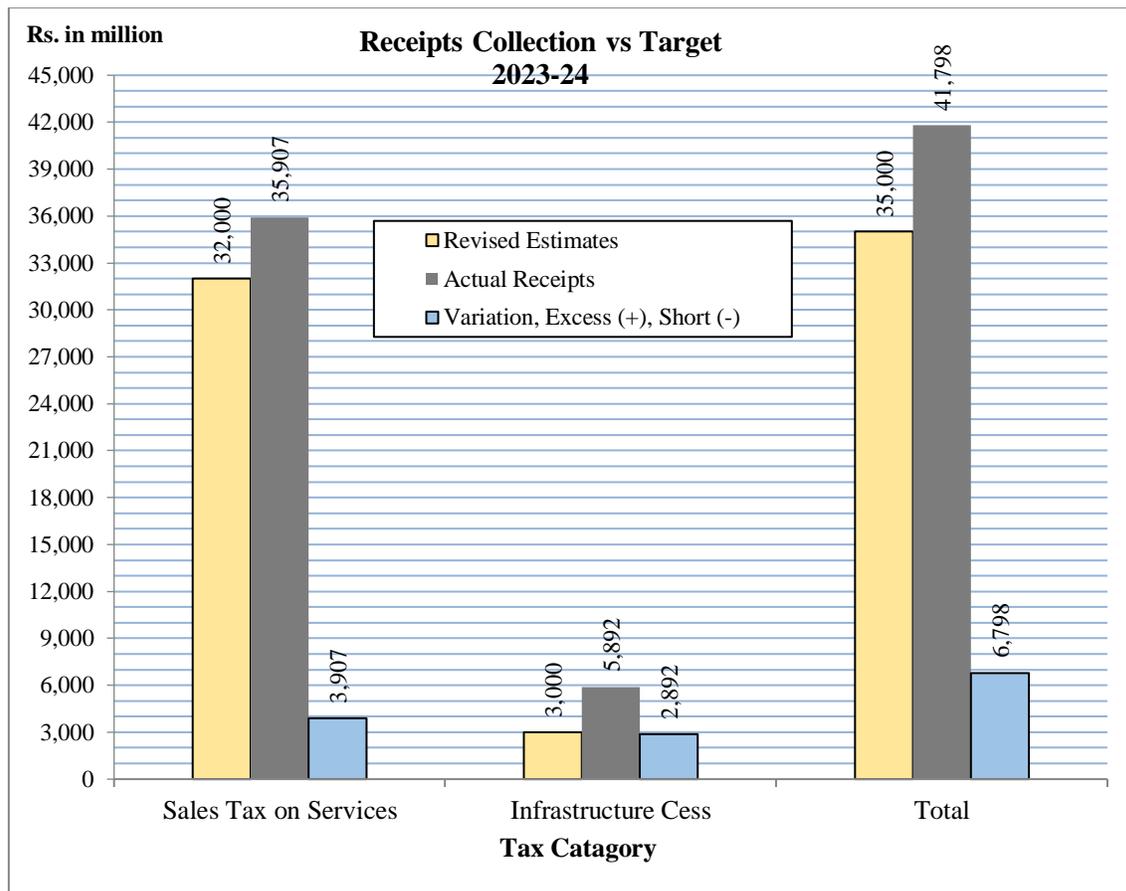
(Rs. in million)

Sr. No.	Category of Receipts	Head of Account	Budget Estimates 2023-24	Revised Estimates 2023-24	Actual Receipts 2023-24	%age of Total Receipts	Excess (+) Short (-) (Col.6-5)	Variance %age
1	KP Sales Tax on Services	B02386	32,000.00	32,000.00	35,906.56	85.90	3906.56	12.21
2	Infrastructure Cess	B03030	3,000.00	3,000.00	5,891.57	14.10	2,891.57	96.39
Total			35,000.00	35,000.00	41,798.13	100.00	6,798.13	19.42

(Data Source: Estimates of Receipts 2023-24 Vol-II Finance Deptt. KP & Finance Account KP 2023-24)

The above figures indicate that the actual receipts exceeded the estimated receipts by 19.42%. This demonstrates that the Authority not only achieved its target but also outperformed the initial projections significantly.

The following bar chart illustrates the revised budget estimates, actual receipts, and the variance between budgeted and actual receipts for the Khyber Pakhtunkhwa Revenue Authority.



The chart shows that budget and revised estimates were identical at Rs. 35,000 million, suggesting no mid-year reassessment of expected revenue. Actual Receipts exceed estimates at Rs. 41,798 million, reflecting a growth of Rs. 6,798 million (19.42% higher than both estimates). The absence of revised estimates may indicate conservative fiscal forecasting or a lack of real-time adjustments based on economic indicators. The surplus may be due to factors such as improved compliance mechanisms, economic growth in taxable services, or efficient administration. The absence of revised estimates suggests either conservative forecasting or a failure to account for mid-year trends.

Receipts estimates and revised estimates for 2022-23 & 2023-24

The budgeted receipts estimates and revised estimates for the years 2022-23 & 2023-24 of the Khyber Pakhtunkhwa Revenue Authority are given below. In the year 2022-23, KPRA was unable to achieve the target.

(Rs. in million)					
Year	Budget Estimates	Revised Estimate	Actual Receipts	Variation	Percentage of Variance
2022-23	35,000.00	35,000.00	30,646.12	-4,353.88	-12.44
2023-24	35,000.00	35,000.00	41,798.13	6,798.13	19.42

2.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 792.76 million were raised in this report during audit of Khyber Pakhtunkhwa Revenue Authority for the financial years 2023-24. Entire amount pointed out by the audit is recoverable. Summary of the audit observations classified by nature is as under:

Overview of the Audit Observations

(Rs. in million)		
Sr. No.	Classification	Amount
1	Non-production of record	-
2	Reported cases of fraud, embezzlement & misappropriation	-
3	Irregularities	-
A	Non/short-recoveries	792.76
4	Others	-
Total		792.76

2.3 Brief Comments on the Status of Compliance with PAC Directives

The audit paras related to the revenue receipts of the Khyber Pakhtunkhwa Revenue Authority have yet to be discussed in the Public Accounts Committee. The prolonged delay in addressing these audit observations has diminished the effectiveness and significance of the audit process over time. Consequently, the potential benefits of these audits, including increased transparency and accountability for the citizens, have been substantially undermined.

2.4 AUDIT PARAS

2.4.1 Non-recovery of penalty from non-filers of monthly returns of Sales Tax on services Rs. 769.68 million

According to Sr. No. 3 of the table given in Section 53 of the Khyber Pakhtunkhwa Sales Tax on Services Act, 2022, where any person fails to furnish a return within due date as specified under Section 2(x)(ii) i.e. 18th day of the month following the end of the tax period, or such other date as the Management Committee may, by Notification in the official Gazette, specify, he shall be liable to a penalty of nine thousand rupees per tax period or a fraction thereof provided that if a return is filed within ten days of the due date, he shall pay a penalty of three hundred rupees for each day of default.

During audit of the Sales Tax on services record of Khyber Pakhtunkhwa Revenue Authority for the financial year 2023-24, it was observed that the Authority did not recover penalty from registered persons who failed to file their monthly returns of Sales Tax on services, as required under the Act. This caused non-realization of Rs. 769.68 million

The lapse occurred due non-enforcement of the provisions of law and resulted in loss to the Government exchequer.

When pointed out, no reply was furnished by the management.

The matter was reported to the Khyber Pakhtunkhwa Revenue Authority in January 2025 with request to convene DAC meeting. However, the meeting was not convened till finalization of this Report.

Audit recommends recovery of penalty from the non-filers of monthly returns.

Note: The issue was reported earlier also in the Audit Report for the Audit Year 2023-24 vide para number 3.4.2 having financial impact of Rs. 912.48 million. Recurrence of same irregularity is a matter of serious concern.

(PDP No. 244/2023-24)

2.4.2 Non deposit of withheld Sales Tax on services Rs. 18.97 million

According to Rule 8 of the Khyber Pakhtunkhwa Sales Tax on Services (Withholding) Regulation, 2020, a withholding agent registered exclusively as a service provider shall deposit the withheld tax by the due date of the month in which he claims input tax credit/adjustment or make payment to the service provider, whichever is earlier. If input tax credit is not claimed within six months or is ineligible due to lack of proof of payment, he shall deposit the withheld tax on the

date on which he makes the payment to the service provider or by the last day of the said six months from the date of invoice, whichever is earlier.

During audit of the Sales Tax on services record of Khyber Pakhtunkhwa Revenue Authority for financial year 2023-24, it was observed from the monthly Sales Tax on Services returns that LMK Resources Pakistan (Private) Limited (NTN 0656945-5) provided services to TransPeshawar (The Urban Mobility Company) (NTN 7489259-8). As per the applicable rules, 100% of the Sales Tax on these services was shown as withheld by the TransPeshawar. However, a scrutiny of the TransPeshawar's monthly returns revealed that the withheld sales tax amounting to Rs. 18,974,667, as reflected in certain invoices of LMK was either not deposited or less deposited by the TransPeshawar.

The lapse occurred due to non-observance of rules and resulted in loss to the Government exchequer.

When pointed out, no reply was furnished by the management.

The matter was reported to the Khyber Pakhtunkhwa Revenue Authority in January 2025 with request to convene DAC meeting. However, the meeting was not convened till finalization of this Report.

Audit recommends recovery of the pointed out withheld tax.

(PDP No. 245/2023-24)

2.4.3 Less realization of Sales Tax on Services due to application of reduced rate of tax Rs. 4.11million

According to Sr. No. 4 of the Second Schedule to the Khyber Pakhtunkhwa Sales Tax on Services Act 2022, Sales Tax on Telecommunication and similar, allied and ancillary services including broad band services for DSL connection (including copper-line/ fiber-optic/ co-axial cable/ wireless/ satellite based internet/ email/ data/ SMS/ MMS services on WLL or cellular mobile networks) is chargeable at the rate of 19.50%.

During audit of the Sales Tax on services record of Khyber Pakhtunkhwa Revenue Authority for the financial year 2023-24, it was observed that AirMax (Private) Limited (NTN 8938974-3) provided internet services, including DSL connections and other similar services, to various consumers. However, Sales Tax on these services was charged at a reduced rate of 2% instead of 19.5% which caused less recovery of Rs. 4,110,773.

The lapse occurred due to application of incorrect rate of tax and resulted in loss to the government exchequer.

When pointed out, no reply was furnished by the management.

The matter was reported to the Khyber Pakhtunkhwa Revenue Authority in January 2025 with request to convene DAC meeting. However, the meeting was not convened till finalization of this Report.

Audit recommends that matter may be investigated and Sales Tax be recovered from the concerned registered person(s).

(PDP No. 246/2023-24)

Chapter - 3

REVENUE AND ESTATE DEPARTMENT

3.1 Introduction

The Board of Revenue was the successor of the office of the Financial Commissioner. It was originally constituted under the provisions of the West Pakistan Board of Revenue Act, 1957, which on dissolution of One Unit in 1970 became the Board of Revenue, Khyber Pakhtunkhwa.

The Revenue and Estate Department is the controlling authority in all matters connected with the administration of land, collection of Government dues including land taxes, land revenue, preparation of land records and other matters relating thereto. Senior Member Board of Revenue is incharge of the Department.

The Revenue and Estate Department is the custodian of the rights of the land holders and is the highest revenue court in the province with Appellate/Provisional jurisdiction against orders of subordinate revenue officers/courts including collectors. All Revenue Officers and Revenue Courts are subject to the general superintendence and control of the Revenue and Estate Department. The Department itself is subject to the administrative control of the Provincial Government. The key functions of the Revenue & Estate Department are as follows:

- Assessment and collection of Land Revenue, Agriculture Income Tax, Land Tax and Capital Value Tax on transfer of immovable property.
- Land surveys and record of rights, including restrictions over transfer of title.
- Laws regarding land tenure, relations between landlords and tenants, special remission of land revenue and remission under sliding scales.
- Compulsory acquisition of land, Land Acquisition Act and Rules made thereunder.
- Matters connected with the recruitment, training, pay, allowances, promotions, leave, postings and transfers of revenue staff.
- Registration of document including collection of Registration Fees.
- Stamps and Court Fees, Judicial and non-Judicial.
- Revenue Settlement and Re-assessment.
- Preparation of Gazetteers, Land Laws.
- Territorial adjustment and changes, Boundary Dispute, Land Commission.
- Land Settlement.
- Collection of Advance Income Tax on behalf of Federal Government on transfer of immovable property.

Audit Profile of Revenue & Estate Department

(Rs. in million)

Sr. No.	Description	Total No.	Planned for Audit	Audited	Revenue Receipts Audited FY 2023-24
1	Formations	160	49	28	1,661.21

Comments on Budgeted Receipts (Variance Analysis)

During the financial year 2023-24, Revenue & Estate Department, Government of Khyber Pakhtunkhwa collected an amount of Rs. 5,317 million against the revised estimates of Rs. 9,520 million.

A comparison of budget estimates, revised estimates and actual receipts for the year 2023-24 is tabulated below. The variation between the revised estimates and actual receipts is depicted in both absolute and percentage terms.

Variance Analysis of Revenue & Estate Department

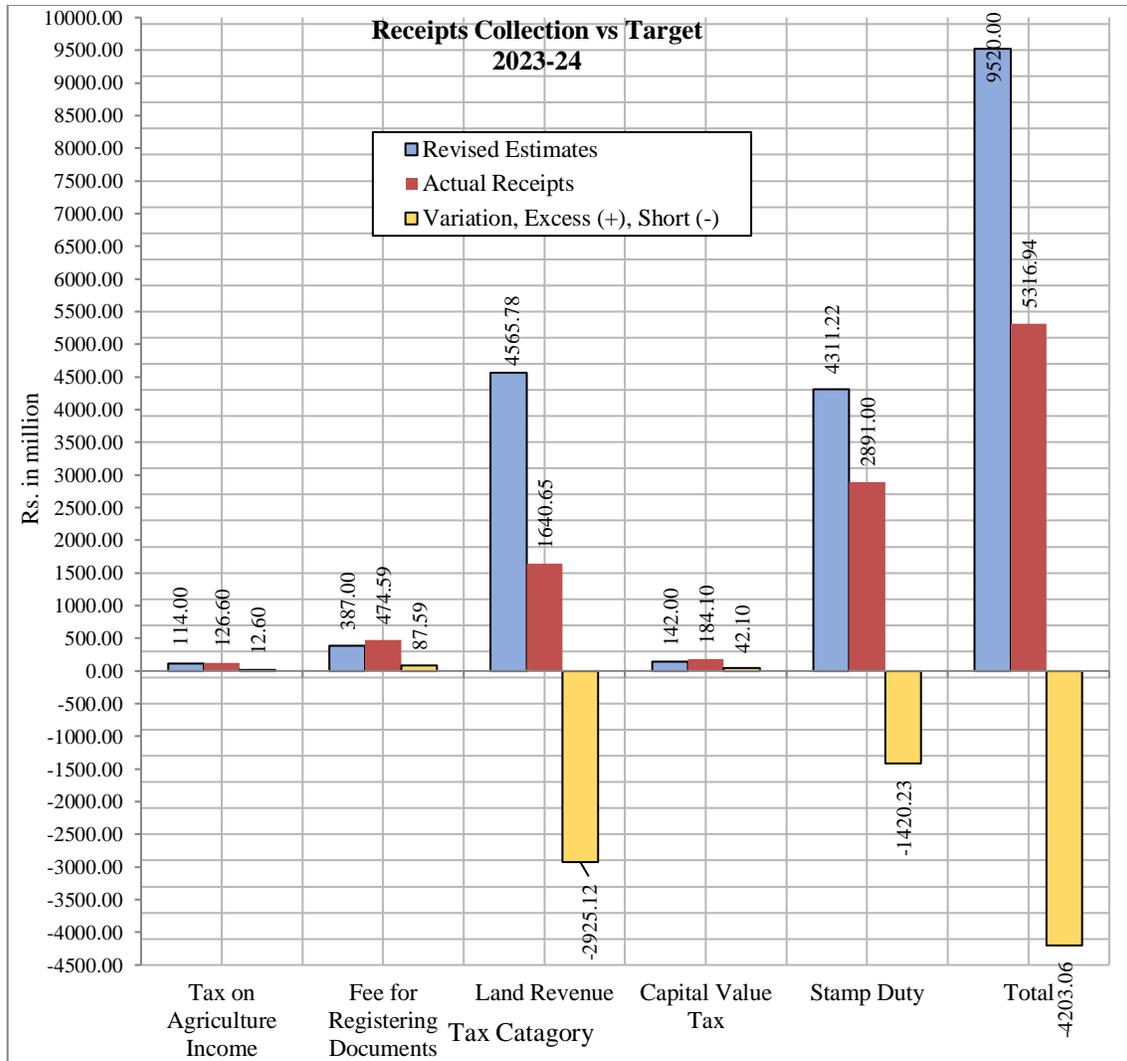
(Rs. in million)

Sr. No.	Category of Receipts	Head of Account	Budget Estimates 2023-24	Revised Estimates 2023-24	Actual Receipts 2023-24	%age of Total Receipts	Excess (+) Short (-) (Col.6-5)	Variance %age
1	Tax on Agriculture Income	B01175	114.00	114.00	126.60	2.38	12.60	11.05
2	Fee for Registering Documents	B01311,12,20	86.00	387.00	474.59	8.93	87.59	22.63
3	Land Revenue	B014	5,368.90	4,565.78	1,640.65	30.86	-2925.12	-64.07
4	Capital Value Tax	B017	-	142.00	184.10	3.46	42.10	29.65
5	Stamp Duty	B027	4,401.10	4,311.22	2,891.00	54.37	-1420.23	-32.94
Total :			9,970.00	9,520.00	5,316.94	100	-4203.06	-44.15

(Data Source: Estimates of Receipts 2023-24 Vol-II Finance Deptt. KP & Finance Account KP 2023-24)

The figures indicates that actual receipts fell short of budget estimates by 44%, underscoring a significant gap between projected and realized revenues. This shortfall highlights the Board of Revenue's inability to meet its revenue targets, reflecting shortcomings in fiscal planning. It is imperative for the relevant revenue-collecting authorities to thoroughly investigate and address these issues to improve future performance.

The following bar chart shows budget estimates, revised estimates and actual receipts of the Revenue and Estate Department.



The graph illustrates that the department failed to meet revenue targets for two major categories: Land Revenue and Stamp Duty, even after the original targets were revised downward. This underscores substantial shortcomings in fiscal planning and execution, necessitating immediate attention to address these deficiencies.

Receipts estimates and revised estimates for 2022-23 & 2023-24

The budgeted and revised receipt estimates for the years 2022-23 and 2023-24 are illustrated below. While the budget estimates for 2023-24 were revised downward, the department still failed to meet the target, resulting in a significant shortfall of Rs. 4,203 million.

(Rs. in million)

Year	Budget Estimates	Revised Estimate	Actual Receipts	Variation	Percentage of Variance
2022-23	9,970	9,970	5,968	-4,002	-40
2023-24	9,970	9,520	5,317	-4,203	-44

3.2 Classified Summary of Audit Observations

Audit observations amounting to Rs. 1,094.66 million were raised in this report during audit of Revenue & Estate Department. The pointed out amount also include observations relating to 2022-23. Summary of the audit observations classified by nature is as under:

Overview of the Audit Observations

		(Rs. in million)
Sr. No.	Classification	Amount
1	Non-production of record	-
2	Reported cases of fraud, embezzlement and misappropriation	14.46
3	Irregularities	-
A	Non/short-recoveries	884.21
4	Others	195.99
Total		1,094.66

3.3 Brief Comments on the Status of Compliance with PAC Directives

The status of compliance with PAC directives:

Sr. No.	Audit Report Year	Total Paras	Paras Discussed	Paras Settled	Paras Stand	Percentage of compliance	Remarks
1	2002-03	5	5	2	3	40%	-
2	2003-04	4	4	3	1	75%	-
3	2004-05	5	-	-	-	-	Yet to be discussed in PAC
4	2005-06	6	-	-	-	-	-do-
5	2006-07	5	-	-	-	-	-do-
6	2007-08	12	12	10	2	83%	-
7	2008-09	13	13	7	6	54%	-
8	2009-10	4	-	-	-	-	Yet to be discussed in PAC
9	2010-11	6	-	-	-	-	-do-
10	2011-12	8	-	-	-	-	-do-
11	2012-13	5	5	2	3	40%	-
12	2013-14	6	-	-	-	-	Yet to be discussed in PAC
13	2014-15	5	-	-	-	-	-do-
14	2015-16	9	-	-	-	-	-do-
15	2016-17	7	-	-	-	-	-do-
16	2017-18	9	-	-	-	-	-do-
17	2018-19	9	-	-	-	-	-do-
18	2019-20	7	-	-	-	-	-do-
19	2020-21	8	-	-	-	-	-do-
20	2021-22	4	-	-	-	-	-do-
21	2022-23	15	-	-	-	-	-do-
22	2023-24	4	-	-	-	-	-do-
Total		156	39	24	15	62%	

Compliance with the PAC directives has been satisfactory, with the department achieving partial recoveries. However, audit paras will only be considered settled once full recoveries are made and properly verified. It is important to note that the prolonged non-discussion of audit paras in the PAC has diminished the overall impact of audits, thereby reducing their potential benefits for citizens.

3.4 AUDIT PARAS

3.4.1 Non-recovery of Water Rates (Abiana) Rs. 407.89 million

According to Section 45 of the Canal and Drainage Act 1873, any sum lawfully due and certified by the Divisional Canal Officer to be so due, which remains unpaid after the day on which it becomes due, shall be recovered as arrears of land revenue.

During audit for the financial year 2022-23, it was observed that Revenue Offices under Deputy Commissioners of various districts failed to take necessary legal and administrative action against defaulters for the recovery of outstanding Water Rates (Abiana) amounting to Rs. 407.89 million. These dues remained uncollected for multiple crop seasons, including Rabi 2020-21, Kharif 2021, Rabi 2021-22, and Kharif 2022. A detailed breakdown of the concerned Revenue Offices and outstanding amounts is provided in **Annexure V**.

The lapse occurred due to in-efficiency of the department and resulted in loss to the government exchequer.

The matter was reported to the department during March to July 2024. In the DAC meetings held in October 2024 and January 2025, the department stated that the recovery of Abiana has been transferred to Irrigation department. DAC directed that the case may be referred to Irrigation Department for recovery and progress be reported to Audit. However, no progress was reported till finalization of this report.

Audit recommends expeditious recovery of the outstanding amount from defaulters.

Note: The issue was reported earlier also in the Audit Report for the Audit Year 2023-24 vide para number 4.4.1 having financial impact of Rs. 257.11 million. Recurrence of same irregularity is a matter of serious concern.

3.4.2 Non-realization and deposit of Advance Income Tax on transfer of immovable property Rs. 380.49 million

According to Sections 236C and 236K of the Income Tax Ordinance 2001 as amended vide Finance Acts 2022 & 2023, any person responsible for registering or attesting transfer of any immovable property shall at the time of registering or attesting the transfer collect from the seller and purchaser advance tax at the under mentioned rates on value of property transferred.

Section	Rate of Advance Tax for 2022-23		Rate of Advance Tax for 2023-24	
	ATL	Non-ATL	ATL	Non-ATL
236C (Sale)	2%	4%	3%	6%
236K (Purchase)	2%	7%	3%	10.5%

During audit for the financial years 2022-23 and 2023-24, it was observed that Revenue and Registration Offices in various districts failed to properly assess and deposit Advance Tax on property transactions. Tax was either not recovered or less recovered due to land assessments below notified rates. Further discrepancies included property values in CPRs being lower than mutation records, incorrect application of Active Taxpayer rates, and missing CPRs for taxes deposited via PSIDs. These lapses resulted in non-realization of Advance Tax, totalling Rs. 380.49 million in 4110 cases pointed out in 101 PDPs. Detail of the offices is given in the **Annexure-VI**.

The lapse occurred due to non-observance of law and resulted in loss to the government exchequer.

The matter was reported to the department during March to December 2024. In the DAC meetings held in October 2024 and January 2025, Paras for the financial year 2022-23 were discussed. DAC kept the paras stand till complete recovery. An amount of Rs. 835,492 was recovered and verified, leaving a balance of Rs. 380,491,954. The department did not convene a DAC meeting to discuss the remaining paras despite issuance of reminder till finalization of this Report.

Audit recommends recovery of the Government dues without further delay.

Note: The issue was reported earlier also in the Audit Report for the Audit Year 2023-24 vide para number 4.4.2, having financial impact of Rs. 49.48 million. Recurrence of same irregularity is a matter of serious concern.

3.4.3 Short-realization of Stamp Duty and Registration Fee on transfer of immovable property Rs. 25.26 million

According to Section 27-A of the Stamp Act, 1899, where any instrument chargeable with ad valorem duty under clause (b) of Article 23 or clause (b) of Article 31 of Schedule-I relates to land only or land with any building or structure thereon, the value of the land shall be calculated according to the valuation table notified by the collector in respect of land situated in the area or locality concerned.

During audit for the financial years 2022-23 and 2023-24, it was observed that Registration Offices in various districts calculated value of the land transferred at the rates lower than that notified by the District Collector. This caused under valuation of land. Further in some cases Stamp duty was not calculated according to the assessed value. This led to short realization of Stamp Duty and Registration Fee amounting to Rs. 25.26 million as detailed in the **Annexure-VII**.

The lapse occurred due to non-observance of rules and resulted in loss to the government exchequer.

The matter was reported to the department during March to December 2024. In the DAC meetings held in October 2024 and January 2025, Paras for the financial year 2022-23 were discussed. DAC directed the department to recover the amount within two months. However, no progress was reported till finalization of this report. The department did not convene a DAC meeting to discuss the remaining paras despite issuance of reminders.

Audit recommends expeditious recovery of the pointed out amount.

Note: The issue was reported earlier also in the Audit Report for the Audit Year 2023-24 vide para number 4.4.4 having financial impact of Rs. 3.27 million. Recurrence of same irregularity is a matter of serious concern.

3.4.4 Loss due to non-realization of Capital Value Tax on transfer of immovable property Rs. 21.47 million

According to Section 2 of the Khyber Pakhtunkhwa Finance Act, 2010 as amended vide Finance Act 2022, Capital Value Tax is chargeable on transfer of immovable property situated in an urban area at the rate of two percent of the recorded value of the landed area plus ten rupees per square foot of the constructed area. Provided that recorded value of landed area shall not be less than that specified in the valuation table notified by the District Collector.

During audit for the financial year 2023-24, it was observed that various Tehsildars and Sub Registrars did not assess Capital Value Tax amounting to Rs. 21.47 million on transfer of immovable property in urban areas. Detail of these offices is given in the **Annexure VIII**.

The loss occurred due to weak internal controls and resulted in loss to the government exchequer.

The matter was reported to the department during September to December 2024. The department was requested to convene DAC meeting followed by the reminders. However, the meeting was not convened till finalization of this Report.

Audit recommends prompt recovery of the government dues.

3.4.5 Misappropriation of Government revenue-Rs. 14.46 million

Para 23 of the General Financial Rules Volume I requires that every Government Officer should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence either on his part or on the part of his subordinate staff.

During audit of the undermentioned Revenue Offices for the financial years 2022-23 & 2023-24 it was observed that Advance Tax on sale and purchase of immovable property, recovered under

Sections 236C & 236K of the Income Tax Ordinance 2001 was shown deposited into Government Treasury through PSIDs. However, CPRs against these PSIDs were not available in the revenue offices. Online checking of these PSIDs revealed that there was no record of these PSIDs in FBR data which means that the amount shown deposited through these PSIDs has not actually been deposited into Govt. Treasury. Further in some cases CPRs attached with the mutations were not found in FBR record or the value of Property mentioned in certain CPRs attached with the Mutations and tax shown paid was not matching with the said CPRs available in the FBR data. Scrutiny of the record revealed that these CPRs were tempered to increase the value of property and tax paid. This caused loss of Rs. 14.46 million to the government exchequer.

(Amount in Rupees)			
Sr. No.	Name of Office	PDP No.	Amount pointed out
1	Deputy Commissioner Bannu (Tehsildar Bannu)	104/2022-23	8,426,289
2	Deputy Commissioner Peshawar (Naib Tehsildar Chamkani)	273/2022-23	2,503,160
3	Tehsildar Domail, Bannu	127/2023-24	1,083,781
4	Tehsildar Domail, Bannu	128/2023-24	1,422,355
5	Tehsildar SDC Kohat	180/2023-24	1,022,725
Total:			14,458,310

The loss occurred due to misappropriation of Advance Tax.

The matter was reported to the department during March to December 2024. In case of PDP No. 104/2022-23 DAC directed in its meeting held in October 2024 to recover the amount within one month. The department did not convene DAC meeting to discuss the remaining paras despite issuance of reminders. No further progress was reported till finalization of this report.

Audit recommends recovery of misappropriated amount besides fixing of responsibility against person(s) at fault.

3.4.6 Non-realization of Mutation Fee, Stamp Duty and Advance Tax on transfer of immovable property Rs. 12.67 million

According to Para 8 of GFR, subject to such general or specific instruction as may be issued by Government in this behalf it is the duty of the Revenue or Administrative Department concerned to see that the dues of Government are correctly and promptly assessed collected and paid into the Treasury.

During audit for the financial years 2022-23 & 2023-24, it was observed that under mentioned Revenue and Registration Officers attested mutations / registered deeds to transfer property. However, applicable Mutation Fee, Stamp Duty and Advance Income Tax was not recovered on these transfers of immovable property. This resulted in non-realization of government revenue amounting to Rs. 12.67 million

(Amount in Rupees)

Sr. No.	Name of Office	PDP No. / Year	Amount pointed out
1	Deputy Commissioner D. I. Khan (Sub Registrar D.I.Khan, Tehsildars D.I.Khan, Paharpur & Proa)	152/2022-23	4,163,307
2	Deputy Commissioner Kohat (Tehsildar SDC Kohat)	181/2022-23	3,267,917
3	Deputy Commissioner Peshawar (Tehsildar Dalazak)	297/2022-23	1,553,560
4	Tehsildar/SDC Haripur	28/2023-24	154,020
5	Tehsildar SDC Mardan	90/2023-24	2,751,204
6	Tehsildar SDC Kohat	182/2023-24	775,439
Total:			12,665,447

The lapse occurred due to non-observance of rules and resulted in loss to the government exchequer.

The matter was reported to the department during March December 2024. In the DAC meetings held in October 2024 and January 2025, Paras for the financial year 2022-23 were discussed. DAC directed recovery of the pointed out amount and its verification from Audit within two months. However, no progress was reported till finalization of this report. The department did not convene a DAC meeting to discuss the remaining paras despite issuance of reminders.

Audit recommends recovery of the pointed out taxes besides fixing responsibility against person(s) at fault.

3.4.7 Short-realization of Mutation Fee due to under valuation of land Rs. 12.24 million

According to Sr. No. 8 of the Government of Khyber Pakhtunkhwa, Revenue & Estate Department Notification No. TOSD/Mutation Fee/2014/ 26365-402 dated 29-06-2018 Mutation Fee on sale mutations was recoverable at the rate of 2% of the value of property. Furthermore, mutation fee was required to be charged on the recorded value of land transferred or on the value notified by the District Collector, whichever is high.

During audit for the financial years 2022-23 and 2023-24, it was observed that Revenue Offices in various districts calculated the value of transferred land at rates lower than those notified by the District Collector resulting in the undervaluation of land. This led to short realization of Mutation Fee amounting to Rs. 12.24 million as detailed in the **Annexure-IX**.

The lapse occurred due to non-observance of rules and resulted in loss to the government exchequer.

The matter was reported to the department during March to December 2024. In the DAC meetings held in October 2024 and January 2025, Paras for the financial year 2022-23 were discussed. DAC directed the department to recover the amount within one month. However, no progress was reported till finalization of this report. The department did not convene a DAC meeting to discuss the remaining paras despite issuance of reminders.

Audit recommends expeditious recovery of the pointed out amount.

Note: The issue was reported earlier also in the Audit Report for the Audit Year 2023-24 vide para number 4.4.3 having financial impact of Rs. 13.43 million. Recurrence of same irregularity is a matter of serious concern.

3.4.8 Short-realization of Stamp Duty and Registration Fee on mortgage of properties with Banking Companies Rs. 12.13 million

According to Notification No.1929-80/LR-III/GR, dated; 29-07-2003 issued by the Director Land Record Revenue & Estate Department Khyber Pakhtunkhwa, registration fee is chargeable at the rate of 0.5% on ad valorem basis of the value or consideration money of the compulsorily registered documents.

Under Article 40(d)(iii) of the Schedule I to the stamp Act 1899 as amended vide Finance Act 2007, stamp duty at the rate of 0.25% of the mortgaged money will be chargeable in case of mortgage with banking companies- simple/ legal mortgage for banking companies

During audit for the financial year 2023-24, it was observed that Sub-Registrars Mardan and Takht Bhai registered mortgage deeds for properties with banking companies. However, the Stamp Duty and Registration Fee for these mortgage deeds were incorrectly assessed. This led to a shortfall in government revenue amounting to Rs. 12.13 million in the following cases:

(Amount in Rupees)			
Sr. No.	Name of Office	PDP No. / Year	Amount pointed out
1	Sub Registrar Mardan	94/2023-24	6,236,594
2	Sub Registrar Mardan	95/2023-24	2,897,000
3	Sub Registrar Takht Bhai	135/2023-24	2,998,950
Total:			12,132,544

The lapse occurred due to non-observance of rules and resulted in loss to the government exchequer.

When pointed out it was replied by the management that that notices would be issued to the concerned Deed Holders for recovery.

The matter was reported to the department in October and December 2024, with a request to convene DAC meeting. However, the department did not convene DAC meeting despite issuance of reminders till finalization of this report.

Audit recommends expeditious recovery of the pointed out amount.

3.4.9 Non realization of Registration Fee on registered deeds Rs. 9.68 million

According to Notification No.1929-80/LR-III/GR, dated; 29-07-2003 issued by the Director Land Record Revenue & Estate Department Government of Khyber Pakhtunkhwa, registration fee is chargeable at the rate of 0.5% on ad-valorem basis of the value or consideration money of the compulsorily registered documents.

During audit for the financial year 2023-24, it was observed that the following Sub-Registrars did not recover or less recovered Registration Fee on document registrations. This resulted in non/short recovery of government revenue amounting to Rs. 9.68 million

(Amount in Rupees)			
Sr. No.	Name of Office	PDP No.	Amount pointed out
1	Sub Registrar Haripur	22/2023-24	816,688
2	Sub Registrar Mansehra	38/2023-24	964,150
3	Sub Registrar Swabi	98/2023-24	82,250
4	Sub Registrar Bannu	108/2023-24	3,287,893
5	Sub Registrar Karak	121/2023-24	197,368
6	Sub Registrar D. I. Khan	162/2023-24	4,326,940
Total:			9,675,289

The lapse occurred due to non-observance of rules and resulted in loss to the government exchequer.

The matter was reported to the department during October to December 2024. The department was requested to convene DAC meeting followed by the reminders. However, the meeting was not convened till finalization of this Report.

Audit recommends expeditious recovery of the pointed out amount.

3.4.10 Loss due to non-realization of Mutation Fee on exchange & gift of land Rs. 1.24 million

According to Board of Revenue Notification No.TOSD/Mutation/2014/ 26365-402 dated 29-06-2018, Mutation Fee is exempted only on exchange of agricultural land within the same revenue circle and gift of land to legal heirs. In other cases of exchange and gift of land, Mutation Fee was chargeable at the rate of 2% of the value of land notified in the valuation table.

During audit for the financial years 2022-23 & 2023-24, it was observed that Revenue Officers did not assess Mutation Fee on exchange of residential/commercial land and gift of land to

other than legal heirs. This resulted in non-realization of Government revenue Rs. 1.24 million, as detail below:

(Amount in Rupees)

Sr. No.	Name of Office	PDP No. / Year	Amount pointed out
1	Deputy Commissioner Charsadda (Tehsildar SDC Tangi)	195/2022-23	299,049
2	Deputy Commissioner Charsadda (Tehsildar Tangi)	202/2022-23	73,733
3	Tehsildar/SDC Baffa Pakhal, Mansehra	32/2023-24	253,678
4	Tehsildar/SDC Khanpur, Haripur	49/2023-24	160,000
5	Tehsildar/SDC Nowshera	68/2023-24	212,008
6	Tehsildar/SDC Karak	117/2023-24	246,377
Total			1,244,845

The loss occurred due to non-observance of rules and weak internal controls.

The matter was reported to the department in June and October 2024, with a request to convene a DAC meeting. Despite subsequent reminders, the meeting had not been convened by the time of this Report's finalization.

Audit recommends recovery of the pointed out government dues.

3.4.11 Short-realization of Stamp Duty and Registration Fee on lease deeds Rs. 1.14 million

Under Article 35(a) of Schedule I to the Stamp Act, 1899, as amended by the Khyber Pakhtunkhwa Finance Acts of 2007 and 2022, Stamp Duty is recoverable at 6% on the basis of period of lease and rent reserved. Registration Fee on Lease Deed is recoverable at the rate of 5/8th of the value of stamp duty payable on the lease.

During audit for the financial years 2022-23 and 2023-24, it was observed that in the Registration Offices mentioned below, Stamp Duty and Registration Fees were short-realized due to the miscalculation of the lease rent and application of incorrect rates of Stamp Duty. This resulted in short realization of government revenue amounting to Rs. 1.14 million.

(Amount in Rupees)

Sr. No.	Name of Office	PDP No. / Year	Amount pointed out
1	Deputy Commissioner Charsadda (Sub Registrar Tangi)	203/2022-23	38,841
2	Deputy Commissioner Swabi (Sub Registrar Lahor)	211/2022-23	22,875
3	Deputy Commissioner Peshawar (Sub Registrar-I, Peshawar)	266/2022-23	762,862
4	Sub Registrar Takht Bhai	133/2023-24	215,316
5	Sub Registrar Takht Bhai	134/2023-24	99,859
Total:			1,139,753

The lapse occurred due to non-observance of rules and resulted in loss to the government exchequer.

The matter was reported to the department during June to December 2024, with a request to convene a DAC meeting. However, the department did not convene DAC meeting despite issuance of reminders till finalization of this report.

Audit recommends expeditious recovery of the pointed out amount.

3.4.12 Unverified revenue receipts worth Rs.195.99 million

Under Section 14 of Auditor-General's (Functions, Power and Terms and Conditions of Service) Ordinance 2001, the Auditor-General shall in connection with the performance of his duties, have authority to require that any accounts, books, papers and other documents which deal with or form, the basis of or otherwise relevant to the transaction which his duties and respect of audit extended, shall be sent to such place as he may direct for his inspection. The officer In-charge of any office or department shall afford all facilities and provide record for audit inspection and comply with request for information in as complete form as possible and with reasonable expedition.

During audit of the revenue receipts record of under mentioned Revenue Offices under Deputy Commissioner Kohat for the financial years 2022-23 and 2023-24 it was observed that as per computerized record of transfer of land mutations (Intiqalat) as summarized below were attested and revenue worth Rs. 195.99 million was shown recovered on account of Mutation Fee and Advance / Withholding Tax. However, attested mutations and Treasury Challans through which land was transferred and government revenue was recovered / deposited were not available in the Service Delivery Centre (SDC) Kohat. Hence, the requisite record remained unverified/audited.

(Amount in Rupees)

Sr. No.	Name of Office	PDP No. / Year	No. of Intiqalat attested as per Computerized record	Revenue Involved
1	Tehsildar SDC Kohat	182/2022-23	928	75,751,005
	Tehsildar SDC Lachi		117	24,849,253
2	Tehsildar SDC Kohat	185/2023-24	494	95,388,534
Total:			1539	195,988,792

The lapse occurred due to non-compliance of rules and revenue receipts record remained unverified.

The matter was reported to the department in June and December 2024. DAC in its meeting held in October 2024, kept the PDP No. 182/2022-23 stand and directed the department to produce complete record to audit within a month. However, no progress was reported to Audit. The department did not convene DAC meeting to discuss PDP No. 185/2023-24 till finalization of this report.

Audit recommends production of record besides fixing responsibility against person(s) at fault.

Chapter - 4

TRANSPORT & MASS TRANSIT DEPARTMENT

4.1 Introduction

In order to provide a better transport system and to facilitate the general public, an independent Transport Department was established in September 2008 with the mandate to endeavour for efficient, affordable comfortable, reliable, safe and environment friendly transport system and provide accessibility and mobility for people and goods. As per Rules of Business 1985 (amended to-date), the department has been assigned the business of:

- Administration of Motor Vehicle Ordinance, 1965 and Rules framed thereunder.
- Administration of Directorate of Transport Khyber Pakhtunkhwa, Provincial Transport Authority, Regional Transport Authorities.
- Inspection & Certification of roadworthy vehicles.
- Formulation of Transport Policy & Planning.
- Updating of Highway Code.
- Review of Traffic Laws.
- Review of Traffic Safety Provisions.
- Monitoring and evaluation of Transport related projects.
- Issuance of route permits for stage carriages and contract carriages.
- Route Permits, fare/freights, matters relating to traffic speeds, loading, parking and halting places.
- Maintenance/Management of Public Bus Stands throughout the Province.
- Classification of routes for public service vehicles.
- Settlement of disputes among the Regional Transport Authorities.
- Settlement of terms and conditions for public service vehicles.
- Operation of Mass Transit system in Khyber Pakhtunkhwa.

Audit Profile of Transport & Mass Transit Department

(Rs. in million)

Sr. No.	Description	Total No.	Planned for Audit	Audited	Revenue Receipts Audited FY 2023-24
1	Formations	34	5	2	214.15

Comments on Budgeted Receipts (Variance Analysis)

During the financial year 2023-24, the Transport & Mass Transit Department, Government of Khyber Pakhtunkhwa collected an amount of Rs. 801 million against budget estimates of Rs. 676 million.

A comparison of budget estimates and actual receipts for the year 2023-24 is tabulated below. The variation between the budget estimates and actual receipts is depicted in both absolute and percentage terms.

Variance Analysis of Transport & Mass Transit Department

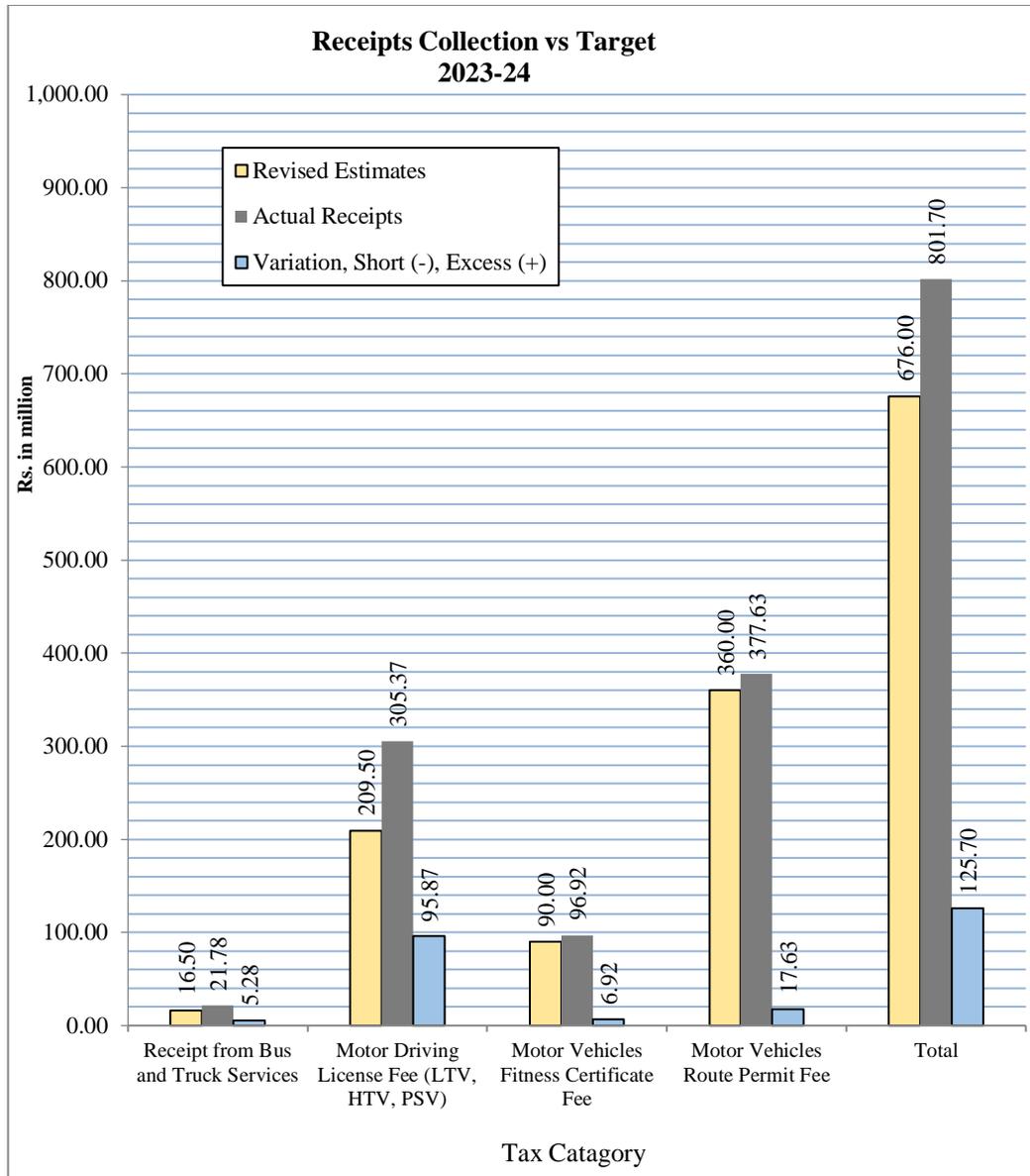
(Rs. in million)

Sr. No.	Category of Receipts	Head of Account	Budget Estimates 2023-24	Revised Estimates 2023-24	Actual Receipts 2023-24	%age of Total Receipts	Short (-) Excess (+) (Col.5-4)	Variance %age
1	Receipt from bus and truck services	B02804	16.50	16.50	21.78	2.72	5.28	31.98
2	Driving License Fee (LTV, HTV, PSV)	B02808	209.50	209.50	305.37	38.09	95.87	45.76
3	Motor Vehicles Fitness Certificate Fee	B02811	90.00	90.00	96.92	12.09	6.92	7.69
4	Motor Vehicles Route Permit Fee	B02812	360.00	360.00	377.63	47.10	17.63	4.90
Total :			676.00	676.00	801.70	100	125.70	18.59

(Data Source: Estimates of Receipts 2023-24 Vol-II Finance Deptt. KP & Finance Account KP 2023-24)

The above figures indicate that actual receipts exceeded the estimates by 19%. The Department successfully met its revenue targets across all categories.

The following bar chart shows budget estimates, and actual receipts of the Transport & Mass Transit Department.



Receipts estimates and revised estimates for 2022-23 & 2023-24

The budgeted and revised receipt estimates for the Transport & Mass Transit Department for the years 2022-23 and 2023-24 are illustrated below. The department successfully achieved its revenue targets in both years.

(Rs. in million)

Year	Budget Estimates	Revised Estimate	Actual Receipts	Variation	Percentage of Variance
2022-23	676	676	771	95	14
2023-24	676	676	801	125	19

4.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 7.30 million were raised in this report during audit of Transport & Mass Transit Department. The pointed out amount also include observation relating to the previous year. The entire amount pointed out by the audit is recoverable. Summary of the audit observations classified by nature is as under:

Overview of the Audit Observations

		(Rs. in million)
Sr. No.	Classification	Amount
1	Non-production of record	-
2	Reported cases of fraud, embezzlement and misappropriation	-
3	Irregularities	-
A	Non/short-recoveries	7.30
4	Others	-
Total		7.30

4.3 Brief Comments on the Status of Compliance with PAC Directives

The status of compliance with PAC directives:

Sr. No.	Audit Report Year	Total Paras	Paras Discussed	Paras Settled	Paras Stand	Percentage of compliance	Remarks
1	2002-03	1	1	0	1	0%	-
2	2003-04	1	1	0	1	0%	-
3	2004-05	2	-	-	-	-	Yet to be discussed in PAC
4	2005-06	3	-	-	-	-	-do-
5	2006-07	2	-	-	-	-	-do-
6	2007-08	3	3	0	3	0%	-
7	2008-09	2	2	0	2	0%	-
8	2009-10	1	-	-	-	-	Yet to be discussed in PAC
9	2010-11	2	-	-	-	-	-do-
10	2011-12	3	-	-	-	-	-do-
11	2012-13	3	3	0	3	0%	-
12	2013-14	2	-	-	-	-	Yet to be discussed in PAC
13	2014-15	1	-	-	-	-	-do-
14	2015-16	2	-	-	-	-	-do-
15	2016-17	3	-	-	-	-	-do-
16	2017-18	3	-	-	-	-	-do-
17	2018-19	3	-	-	-	-	-do-
18	2019-20	3	-	-	-	-	-do-
19	2020-21	3	-	-	-	-	-do-
20	2021-22	1	-	-	-	-	-do-
21	2022-23	3	-	-	-	-	-do-
22	2023-24	3	-	-	-	-	-do-
Total		50	10	0	10	0%	

Compliance with the PAC directives has been poor, primarily due to the Department's lack of follow-up. While partial recoveries have been made, the audit paras will only be considered for settlement once full recoveries are completed and verified. However, the prolonged non-discussion of audit paras in the PAC has diminished the overall impact of the audits, reducing their potential benefits for citizens.

4.4 AUDIT PARAS

4.4.1 Loss due to non-realization of Route Permit Fee and Penalty Rs. 2.92 million

Under Section 60 of the Motor Vehicles Ordinance 1965 read with Rules 71, 85 & 91 of the Motor Vehicles Rules 1969, route permit is issued for a specific period. The same is required to be got renewed one month before the expiry of its validity on payment of prescribed fee. In case of default exceeding three months, registration of the vehicle is liable to be suspended / cancelled under Section 34(1) (b) of the Motor Vehicles Ordinance 1965.

During audit for the financial years 2022-23 & 2023-24, it was observed that the following Transport Authorities neither recovered Route Permit Fee & Penalty from the defaulters nor suspended/canceled registration of the defaulting vehicles. This resulted in non-realization of Government revenue amounting to Rs. 2.92 million.

(Amount in Rupees)			
Sr. No.	Secretary Transport Authority	PDP No.	Amount pointed out
1	Secretary RTA Swat	94/2022-23	277,150
2	Secretary PTA Peshawar	59/2023-24	744,900
3	Secretary PTA Peshawar	60/2023-24	402,800
4	Secretary RTA Kohat	200/2023-24	1,497,050
Total			2,921,900

The lapse occurred due to weak internal controls and resulted in loss to the government exchequer.

When pointed out it was replied by the management that recovery would be made from the defaulters.

The matter was reported to the department during February to December 2024. The department was requested to convene DAC meeting followed by the reminders. However, the meeting was not convened till finalization of this Report.

Audit recommends expeditious recovery of Government dues from defaulters.

Note: The issue was reported earlier also in the Audit Reports for the Audit Years 2023-24 & 2022-23 vide paras number 5.4.2 & 4.4.1 having financial impact of Rs. 11.68 million. Recurrence of same irregularity is a matter of serious concern.

4.4.2 Non-realization of License renewal Fee -Rs. 2.35 million

According to Rules 253 & 254 of Motor Vehicles Rules 1969, annual license renewal fee from bus stands and goods forwarding agencies was recoverable at the rates approved by the Finance Department vide No. BO(Rev-II) FD/3-2/2022 dated 04-07-2022.

During audit for the financial years 2022-23 & 2023-24, it was noticed that Regional Transport Authorities Swat and Kohat did not realize license renewal fee from bus stands and goods forwarding agencies which resulted in non realization of government revenue amounting to Rs. 2.35 million as detailed below:

(Amount in Rupees)

Sr. No.	Secretary Transport Authority	PDP No. / Year	Amount pointed out
1	Secretary RTA Swat	93/2022-23	1,400,000
2	Secretary RTA Swat	95/2022-23	125,000
3	Secretary RTA Swat	96/2022-23	120,000
4	Secretary RTA Kohat	201/2023-24	700,000
Total			2,345,000

The lapse occurred due to non-enforcement of rules and resulted in loss to government.

When pointed out it was replied by the management that recovery would be made from the defaulters.

The matter was reported to the department in February and December 2024. The department was requested to convene DAC meeting followed by the reminders. However, the meeting was not convened till finalization of this Report.

Audit recommends expeditious recovery of the license renewal fee from defaulters.

Note: The issue was reported earlier also in the Audit Reports for the Audit Years 2023-24 & 2022-23 vide paras number 5.4.1 & 4.4.3 having financial impact of Rs. 9.66 million. Recurrence of same irregularity is a matter of serious concern.

4.4.3 Non-realization of 3% Provincial Government share from TMAs on account of auction of Bus Stand-Rs. 2.03 million

According to Rule 259(3c) of the Motor Vehicles Rules 1969, such additional sums not exceeding 3% of the gross receipts from fees as may be agreed between the RTA & the local authority should be recovered from the concerned TMA / Municipal Committee and deposited into Provincial Government Treasury.

During audit for the financial years 2022-23 & 2023-24, it was observed that Regional Transport Authority Kohat did not recover 3% of the gross receipts of auction of Bus Stands from some TMAs amounting to Rs. 2.03 million. Regional Transport Authority Swat did not provide figures of 3% recoverable from local authorities:

(Amount in Rupees)

Sr. No.	Secretary Transport Authority	PDP No./Year	Amount pointed out
1	Secretary RTA Swat	97/2022-23	Figures not provided
2	Secretary RTA Kohat	199/2023-24	2,031,921

The lapse occurred due to non-observance of rules and resulted in loss to the provincial government.

The matter was reported to the department in February and December 2024. The department was requested to convene DAC meeting followed by the reminders. However, the meeting was not convened till finalization of this Report.

Audit recommends determining the 3% provincial government share and ensuring its timely recovery from TMAs.

Note: The issue was reported earlier also in the Audit Reports for the Audit Years 2023-24 & 2022-23 vide paras number 5.4.3 & 4.4.2 having financial impact of Rs. 6.37 million. Recurrence of same irregularity is a matter of serious concern.

ANNEXURE – A

MFDAC

Excise, Taxation & Narcotics Control Department

Sr. No.	Name of Formation	PDP No/Year	Caption	Amount (Rs.)
1	ETO VI Peshawar	102/2022-23	Non-realization of property tax from the occupants of Auqaf properties	248,626
2	ETO VI Peshawar	103/2022-23	Short fall of revenue receipts due to non-achievement of target	206,794,997
3	ETO Bannu	118/2022-23	Non-realization of license renewal fee from real estate agents/ motor vehicle dealers	22,000
4	ETO Bannu	120/2022-23	Non-achievement of revenue target	67,742,038
5	ETO Karak	128/2022-23	Non-achievement of revenue target	10,982,885
6	ETO D I Khan	135/2022-23	Non-realization of license renewal fee from real estate agents/ motor vehicle dealers	84,000
7	ETO D I Khan	138/2022-23	Non-achievement of revenue target	88,659,811
8	ETO D I Khan	140/2022-23	Non-assessment and realization of hotel tax	-
9	ETO D I Khan	141/2022-23	Non-assessment of property tax in the newly extended areas	-
10	ETO Nowshera	159/2022-23	Non-achievement of revenue target and shortfall of revenue receipts	44,224,573
11	ETO Nowshera	161/2022-23	Non-assessment of property tax in the newly extended areas	-
12	ETO Kohat	174/2022-23	Non-realization of license renewal fee from real estate agents/ motor vehicle dealers	32,000
13	ETO Kohat	175/2022-23	Non-achievement of revenue target	55,078,709
14	ETO Swat	189/2022-23	Non-realization of license renewal fee from real estate agents/ motor vehicle dealers	182,500
15	ETO Swat	190/2022-23	Short-assessment of motor vehicle registration fee and penalty	25,623
16	ETO Swat	191/2022-23	Non-achievement of revenue target	35,486,313
17	ETO Haripur	216/2022-23	Non-realization of license renewal fee from real estate agents/ motor vehicle dealers	108,500
18	ETO Haripur	218/2022-23	Non-achievement of revenue target	60,838,875
19	ETO Haripur	221/2022-23	Non-assessment of Property Tax in the newly extended areas	-
20	ETO Chitral	223/2022-23	Non assessment of Income Tax on registration of vehicles Rs. 264,000	264,000
21	ETO Chitral	224/2022-23	Non-assessment and realization of professional tax from employees of self-accounting entities	-
22	ETO Mansehra	251/2022-23	Non-realization of license renewal fee from real estate agents/ motor vehicle dealers	55,000
23	ETO Mansehra	253/2022-23	Non-achievement of revenue target	59,104,245
24	ETO Mansehra	256/2022-23	Non-assessment of property tax in the newly extended areas	-
25	ETO Swabi	288/2022-23	Non-realization of license renewal fee from real estate agents/ motor vehicle dealers	42,500
26	ETO Swabi	289/2022-23	Non-achievement of revenue target	56,991,968

27	ETO I, Peshawar	5/2023-24	Non-credit of motor vehicle tax into government account	12,957,700
28	ETO I, Peshawar	8/2023-24	Short-assessment of motor vehicle registration fee	91,655
29	ETO II, Peshawar	72/2023-24	Doubtful deposit / non-credit of government revenue into treasury	2,320,607
30	ETO III, Peshawar	81/2023-24	Non-achievement of revenue target	231,821,961
31	ETO Nowshera	150/2023-24	Non-realization of license renewal fees from real estate agents/ motor vehicle dealers	72,500
32	ETO Charsadda	157/2023-24	Non-realization of license renewal fees from real estate agents/ motor vehicle dealers	28,000
33	ETO Charsadda	160/2023-24	Unauthentic deposit of property tax into Government Account	22,672
34	ETO Haripur	172/2023-24	Non-realization of license renewal fees from real estate agents/ motor vehicle dealers	72,500
35	ETO Haripur	173/2023-24	Under Assessment of Income Tax Due to Application of Incorrect Rate -Rs.0.03 million	31,500
36	ETO Mansehra	207/2023-24	Non-realization of license renewal fee from real estate agents/ motor vehicle dealers	65,000
37	ETO Mansehra	208/2023-24	Non-assessment/determination of hotel tax	-

MFDAC
Revenue & Estate Department

Sr. No.	Name of Formation	PDP No/Year	Caption	Amount (Rs.)
1	Deputy Commissioner Bannu	108/2022-23	Non-credit into public account of the amount reported as deposited	850,940
2	Deputy Commissioner D. I. Khan	143/2022-23	Non-retrieval of land from unauthorized occupants involving millions of rupees	-
3	Deputy Commissioner Mardan	163/2022-23	Short-realization of agriculture income tax	638,273
4	Deputy Commissioner Kohat	184/2022-23	Non-realization of agriculture income tax	4,790,460
5	Deputy Commissioner Swabi	208/2022-23	Doubtful deposit of mutation fee and water rates	3,946,879
6	Deputy Commissioner Haripur	228/2022-23	Non-realization of agriculture income tax	1,168,060
7	Deputy Commissioner Peshawar	245/2022-23	Short-deposit of mutation fee into treasury	121,750
8	Deputy Commissioner Swat	260/2022-23	Doubtful deposit of government revenue into treasury	2,837,900
9	Deputy Commissioner Peshawar	276/2022-23	Non-assessment of mutation fee & advance tax on mutation No.9755 dated 02-11-2022	-
10	Deputy Commissioner Peshawar	298/2022-23	Missing record of mouza Duran Pur & Pakha Ghulam in the office of Kanungo Shah Alam circle for the year 2022-23	-
11	Deputy Commissioner Peshawar	299/2022-23	Loss to government due to consolidating of mutations having different buyers/ sellers	678,766
12	Deputy Commissioner Peshawar	300/2022-23	Loss to government due to consolidating of mutations having different buyers/ sellers	1,813,980
13	Deputy Commissioner Peshawar	301/2022-23	Loss to government due to consolidating of mutations having different buyers/ sellers	1,243,141
14	Tehsildar/SDC Baffa Pakhal, Mansehra	33/2023-24	Non-credit into public account of the amount reported as collected / deposited	97,800
15	Sub Registrar Mansehra	41/2023-24	Non-credit into public account of the amount reported as deposited	100,101
16	Tehsildar/SDC Khanpur, Haripur	46/2023-24	Doubtful deposit of mutation fee	220,500
17	Tehsildar/SDC Sarai Nourang	102/2023-24	Non-achievement of agriculture income tax target	1,623,745
18	Tehsildar/SDC Lakki Marwat	106/2023-24	Non-achievement of agriculture income tax target	908,854
19	Sub Registrar Takht Bhai	137/2023-24	Non-credit of registration fee into Government Account	99,175
20	Tehsildar SDC Takht Bhai	142/2023-24	Unauthentic deposit of mutation fee into Government Account	857,620

Annexure-I

1.4.1 Non-realization of Property Tax-Rs. 449.13 million

(Amount in Rupees)

Sr. No.	Excise and Taxation Office	PDP No.	Amount pointed out	Amount Recovered	Balance Recoverable
1	ETO VI Peshawar	99/2022-23	8,112,919	-	8,112,919
2	ETO Bannu	113/2022-23	1,271,054	-	1,271,054
3	ETO Karak	124/2022-23	4,708,103	-	4,708,103
4	ETO D I Khan	130/2022-23	1,811,236	-	1,811,236
5	ETO Nowshera	153/2022-23	168,946,259	-	168,946,259
6	ETO Kohat	169/2022-23	5,216,104	2,013,034	3,203,070
7	ETO Haripur	212/2022-23	3,130,094	-	3,130,094
8	ETO Mansehra	247/2022-23	3,136,616	-	3,136,616
9	ETO Swabi	284/2022-23	6,948,391	-	6,948,391
10	ETO II, Peshawar	69/2023-24	146,780,875	-	146,780,875
11	ETO III, Peshawar	79/2023-24	74,681,966	-	74,681,966
12	ETO Nowshera	144/2023-24	8,893,665	-	8,893,665
13	ETO Charsadda	153/2023-24	10,737,354	-	10,737,354
14	ETO Haripur	167/2023-24	3,545,348	-	3,545,348
15	ETO Mansehra	202/2023-24	3,227,782	-	3,227,782
Total:			451,147,766	2,013,034	449,134,732

Annexure-II

1.4.2 Non-realization of Property Tax from PESCO, OGDCL and MOL Pakistan Rs. 342.88 million

(Amount in Rupees)

Sr. No.	Excise and Taxation Office	PDP No./ Year	Amount pointed out
1	ETO VI Peshawar	101/2022-23	16,800,357
2	ETO Bannu	112/2022-23	7,430,549
3	ETO Karak	122/2022-23	205,709,193
4	ETO Karak	123/2022-23	14,810,901
5	ETO D I Khan	134/2022-23	2,788,161
6	ETO Nowshera	156/2022-23	8,892,518
7	ETO Kohat	170/2022-23	3,820,608
8	ETO Haripur	214/2022-23	288,360
9	ETO Mansehra	249/2022-23	1,434,087
10	ETO Swabi	285/2022-23	1,355,260
11	ETO II, Peshawar	70/2023-24	17,954,975
12	ETO III, Peshawar	80/2023-24	44,899,820
13	ETO Nowshera	145/2023-24	5,070,364
14	ETO Charsadda	154/2023-24	9,844,236
15	ETO Haripur	171/2023-24	288,360
16	ETO Mansehra	203/2023-24	1,489,243
Total:			342,876,992

Annexure-III

1.4.4 Non-realization of Professional Tax Rs. 15.13 million

(Amount in Rupees)

Sr. No.	Excise and Taxation Office	PDP No./ Year	Amount Pointed out	Amount Recovered	Balance Recoverable
1	ETO Bannu	116/2022-23	415,000	-	415,000
2	ETO Karak	125/2022-23	935,000	-	935,000
3	ETO D I Khan	131/2022-23	1,383,000	-	1,383,000
4	ETO Nowshera	154/2022-23	495,000	-	495,000
5	ETO Kohat	172/2022-23	1,110,000	120,000	990,000
6	ETO Haripur	213/2022-23	5,027,000	-	5,027,000
7	ETO Mansehra	248/2022-23	404,000	-	404,000
8	ETO Swabi	286/2022-23	1,016,000	-	1,016,000
9	ETO Nowshera	148/2023-24	1,295,000	-	1,295,000
10	ETO Charsadda	155/2023-24	303,000	-	303,000
11	ETO Haripur	170/2023-24	2,337,000	-	2,337,000
12	ETO Mansehra	206/2023-24	528,000	-	528,000
Total			15,248,000	120,000	15,128,000

Annexure-IV

1.4.5 Non-realization of Motor Vehicle Tax Rs. 9.62 million

(Amount in Rupees)

Sr. No.	Excise and Taxation Office	PDP No.	Amount pointed out
1	ETO Bannu	117/2022-23	318,461
2	ETO Karak	126/2022-23	37,300
3	ETO D I Khan	136/2022-23	1,287,275
4	ETO Nowshera	157/2022-23	171,175
5	ETO Kohat	173/2022-23	100,350
6	ETO Swat	187/2022-23	655,365
7	ETO Haripur	215/2022-23	1,009,250
8	ETO Chitral	222/2022-23	1,821,425
9	ETO Mansehra	250/2022-23	211,325
10	ETO Swabi	287/2022-23	252,664
11	ETO I, Peshawar	7/2023-24	1,111,990
12	ETO V, Peshawar	82/2023-24	959,707
13	ETO Nowshera	149/2023-24	191,269
14	ETO Charsadda	156/2023-24	207,938
15	ETO Haripur	168/2023-24	1,021,300
16	ETO Mansehra	205/2023-24	259,550
Total:			9,616,344

Annexure-V

3.4.1 Non-recovery of Water Rates (Abiana)-Rs. 407.89 million

(Amount in Rupees)

Sr. No.	Name of Office	PDP No./Year	Amount pointed out
1	Deputy Commissioner Bannu	111/2022-23	3,138,057
2	Deputy Commissioner D. I. Khan	142/2022-23	147,333,544
3	Deputy Commissioner Mardan	162/2022-23	125,955,951
4	Deputy Commissioner Kohat	183/2022-23	1,651,660
5	Deputy Commissioner Charsadda	198/2022-23	14,868,700
6	Deputy Commissioner Swabi	207/2022-23	60,748,651
7	Deputy Commissioner Haripur	227/2022-23	2,717,201
8	Deputy Commissioner Peshawar	244/2022-23	12,790,145
9	Deputy Commissioner Swat	261/2022-23	104,413
10	Deputy Commissioner Peshawar	269/2022-23	31,176,481
11	Deputy Commissioner Peshawar	277/2022-23	339,811
12	Deputy Commissioner Peshawar	290/2022-23	7,063,514
Total:			407,888,128

Annexure-VI

3.4.2 Non realization of Advance Income Tax on sale & purchase of immovable property-Rs. 380.49 million

(Amount in Rupees)

Sr. No.	Name of Office	PDP No./Year	Amount pointed out	Amount verified	Balance Recoverable
1	Deputy Commissioner Bannu (Tehsildar & Sub Registrar Bannu)	105/2022-23	3,156,485	-	3,156,485
2	Deputy Commissioner Bannu (Tehsildar Bannu)	106/2022-23	5,152,495	-	5,152,495
3	Deputy Commissioner Bannu (Tehsildar & Sub Registrar Bannu)	107/2022-23	4,747,994	835,492	3,912,502
4	Deputy Commissioner D. I. Khan (Sub Registrar D.I.Khan, Tehsildars D.I.Khan, Paharpur & Proa)	147/2022-23	1,527,282	-	1,527,282
5	Deputy Commissioner D. I. Khan (Sub Registrar D.I.Khan, Tehsildars D.I.Khan, Paharpur & Proa)	149/2022-23	1,118,029	-	1,118,029
6	Deputy Commissioner D. I. Khan (Sub Registrar D.I.Khan, Tehsildars D.I.Khan, Paharpur & Proa)	150/2022-23	14,184,522	-	14,184,522
7	Deputy Commissioner D. I. Khan (Sub Registrar D.I.Khan, Tehsildars D.I.Khan, Paharpur & Proa)	151/2022-23	8,933,002	-	8,933,002
8	Deputy Commissioner Mardan (Sub Registrar Mardan, Tehsildars / SDCs Mardan & Katlang)	164/2022-23	13,812,489	-	13,812,489
9	Deputy Commissioner Mardan (Sub Registrar Mardan, Tehsildars / SDCs Mardan & Katlang)	165/2022-23	1,362,039	-	1,362,039

10	Deputy Commissioner Kohat (Tehsildars SDCs Kohat & Lachi)	176/2022-23	9,382,646	-	9,382,646
11	Deputy Commissioner Kohat (Tehsildars SDCs Kohat & Lachi)	177/2022-23	5,954,418	-	5,954,418
12	Deputy Commissioner Kohat (Tehsildar SDC Kohat)	178/2022-23	1,915,265	-	1,915,265
13	Deputy Commissioner Kohat (Tehsildar SDC Kohat)	179/2022-23	1,728,166	-	1,728,166
14	Deputy Commissioner Kohat (Sub Registrar Kohat)	185/2022-23	3,801,076	-	3,801,076
15	Deputy Commissioner Charsadda (Sub Registrars Charsadda & Tangi)	192/2022-23	562,408	-	562,408
16	Deputy Commissioner Charsadda (Sub Registrars Charsadda & Tangi)	193/2022-23	559,620	-	559,620
17	Deputy Commissioner Charsadda (Tehsildar / SDC Tangi)	199/2022-23	363,185	-	363,185
18	Deputy Commissioner Charsadda (Tehsildar Tangi)	200/2022-23	250,869	-	250,869
19	Deputy Commissioner Swabi (Tehsildars / SDCs Topi & Razar)	204/2022-23	2,828,415	-	2,828,415
20	Deputy Commissioner Swabi (Tehsildars / SDCs Topi & Razar)	205/2022-23	576,270	-	576,270
21	Deputy Commissioner Swabi (Tehsildar / SDC Topi)	209/2022-23	100,000	-	100,000
22	Deputy Commissioner Swabi (Sub Registrar Topi)	210/2022-23	100,000	-	100,000
23	Deputy Commissioner Haripur (Sub Registrar Haripur)	232/2022-23	2,824,081	-	2,824,081
24	Deputy Commissioner Haripur (Sub Registrar Haripur)	233/2022-23	1,652,260	-	1,652,260
25	Deputy Commissioner Peshawar (Sub Registrar II, Peshawar)	237/2022-23	1,667,977	-	1,667,977
26	Deputy Commissioner Peshawar (Sub Registrar II, Peshawar)	239/2022-23	584,159	-	584,159
27	Deputy Commissioner Peshawar (Tehsildar / SDC Shah Alam)	241/2022-23	6,336,732	-	6,336,732
28	Deputy Commissioner Peshawar (Tehsildar / SDC Shah Alam)	242/2022-23	3,921,172	-	3,921,172
29	Deputy Commissioner Swat (Sub Registrars Babozai, Matta & Bahrain)	257/2022-23	28,859,413	-	28,859,413
30	Deputy Commissioner Peshawar (Sub Registrar I, Peshawar)	263/2022-23	13,414,640	-	13,414,640
31	Deputy Commissioner Peshawar (Sub Registrar I, Peshawar)	264/2022-23	5,488,697	-	5,488,697
32	Deputy Commissioner Peshawar (Sub Registrar I, Peshawar)	265/2022-23	2,590,270	-	2,590,270
33	Deputy Commissioner Peshawar (Tehsildars Badaber & Chamkani)	270/2022-23	1,410,667	-	1,410,667
34	Deputy Commissioner Peshawar (Tehsildars Badaber & Chamkani)	271/2022-23	1,394,214	-	1,394,214
35	Deputy Commissioner Peshawar (Tehsildar City Peshawar)	274/2022-23	1,055,920	-	1,055,920
36	Deputy Commissioner Peshawar (Tehsildar City Peshawar)	275/2022-23	712,000	-	712,000

37	Deputy Commissioner Peshawar (Tehsildars Dalazak, Tehkal & Mattani)	293/2022-23	10,904,200	-	10,904,200
38	Deputy Commissioner Peshawar (Tehsildars Dalazak, Tehkal & Mattani)	294/2022-23	6,363,679	-	6,363,679
39	Deputy Commissioner Peshawar (Tehsildars Dalazak & Mattani)	295/2022-23	10,511,260	-	10,511,260
40	Deputy Commissioner Peshawar (Tehsildars Dalazakl & Mattani)	296/2022-23	15,504,070	-	15,504,070
41	Sub Registrar II, Peshawar	3/2023-24	5,807,728	-	5,807,728
42	Sub Registrar II, Peshawar	4/2023-24	1,417,017	-	1,417,017
43	Sub Registrar Abbottabad	11/2023-24	1,761,109	-	1,761,109
44	Sub Registrar Abbottabad	12/2023-24	630,844	-	630,844
45	Tehsildar/SDC Balakot	14/2023-24	5,872,579	-	5,872,579
46	Tehsildar/SDC Balakot	15/2023-24	559,281	-	559,281
47	Sub Registrar Haripur	19/2023-24	16,661,465	-	16,661,465
48	Sub Registrar Haripur	20/2023-24	11,057,537	-	11,057,537
49	Tehsildar/SDC Haripur	24/2023-24	2,426,442	-	2,426,442
50	Tehsildar/SDC Haripur	25/2023-24	1,291,293	-	1,291,293
51	Tehsildar Baffa Pakhal, Mansehra	30/2023-24	1,035,996	-	1,035,996
52	Tehsildar Baffa Pakhal, Mansehra	31/2023-24	728,100	-	728,100
53	Sub Registrar Mansehra	36/2023-24	5,309,055	-	5,309,055
54	Sub Registrar Mansehra	37/2023-24	1,291,621	-	1,291,621
55	Tehsildar/SDC Khanpur, Haripur	43/2023-24	5,887,298	-	5,887,298
56	Tehsildar/SDC Khanpur, Haripur	44/2023-24	4,143,892	-	4,143,892
57	Tehsildar/SDC Havalian, Abbottabad	52/2023-24	2,463,227	-	2,463,227
58	Tehsildar/SDC Havalian, Abbottabad	53/2023-24	2,562,125	-	2,562,125
59	Tehsildar/SDC Abbottabad	56/2023-24	852,650	-	852,650
60	Tehsildar/SDC Abbottabad	57/2023-24	882,650	-	882,650
61	Tehsildar/SDC Pabbi Nowshera	61/2023-24	1,668,150	-	1,668,150
62	Tehsildar/SDC Pabbi Nowshera	62/2023-24	288,283	-	288,283
63	Tehsildar/SDC Nowshera	65/2023-24	3,410,454	-	3,410,454
64	Tehsildar/SDC Nowshera	66/2023-24	3,105,155	-	3,105,155
65	Tehsildar/SDC Swabi	76/2023-24	1,372,145	-	1,372,145
66	Tehsildar/SDC Swabi	77/2023-24	1,586,255	-	1,586,255
67	Tehsildar/SDC Mardan	88/2023-24	389,091	-	389,091
68	Tehsildar/SDC Mardan	89/2023-24	307,995	-	307,995
69	Sub Registrar Mardan	92/2023-24	3,342,341	-	3,342,341
70	Sub Registrar Mardan	93/2023-24	2,106,103	-	2,106,103
71	Tehsildar/SDC Sarai Nourang	100/2023-24	1,432,959	-	1,432,959
72	Tehsildar/SDC Sarai Nourang	101/2023-24	302,224	-	302,224
73	Tehsildar/SDC Lakki Marwat	104/2023-24	1,228,495	-	1,228,495
74	Tehsildar/SDC Lakki Marwat	105/2023-24	647,038	-	647,038
75	Sub Registrar Bannu	111/2023-24	220,648	-	220,648
76	Sub Registrar Bannu	112/2023-24	126,084	-	126,084
77	Sub Registrar Bannu	113/2023-24	4,042,500	-	4,042,500
78	Tehsildar/SDC Karak	115/2023-24	7,039,458	-	7,039,458
79	Tehsildar/SDC Karak	116/2023-24	3,542,220	-	3,542,220
80	Sub Registrar Karak	119/2023-24	838,350	-	838,350
81	Sub Registrar Karak	120/2023-24	156,727	-	156,727
82	Tehsildar/SDC Domail, Bannu	124/2023-24	3,989,482	-	3,989,482
83	Tehsildar/SDC Domail, Bannu	125/2023-24	2,215,221	-	2,215,221
84	Tehsildar/SDC Domail, Bannu	126/2023-24	4,673,235	-	4,673,235
85	Tehsildar/SDC Domail, Bannu	129/2023-24	5,891,471	-	5,891,471
86	Sub Registrar Takht Bhai	131/2023-24	5,590,859	-	5,590,859

87	Sub Registrar Takht Bhai	132/2023-24	3,957,810	-	3,957,810
88	Tehsildar/SDC Takht Bhai	139/2023-24	353,417	-	353,417
89	Tehsildar/SDC Takht Bhai	140/2023-24	100,218	-	100,218
90	Sub Registrar D. I. Khan	163/2023-24	24,161,248	-	24,161,248
91	Sub Registrar D. I. Khan	165/2023-24	145,530	-	145,530
92	Tehsildar/SDC Kohat	177/2023-24	5,319,746	-	5,319,746
93	Tehsildar/SDC Kohat	178/2023-24	3,077,141	-	3,077,141
94	Tehsildar/SDC Kohat	179/2023-24	9,101,813	-	9,101,813
95	Tehsildar/SDC Kohat	181/2023-24	808,450	-	808,450
96	Tehsildar/SDC Kohat	186/2023-24	185,700	-	185,700
97	Sub Registrar Kohat	187/2023-24	1,795,301	-	1,795,301
98	Sub Registrar Kohat	190/2023-24	951,697	-	951,697
99	Sub Registrar Kohat	191/2023-24	543,827	-	543,827
100	Tehsildar/SDC D. I. Khan	193/2023-24	1,120,706	-	1,120,706
101	Tehsildar/SDC D. I. Khan	194/2023-24	237,904	-	237,904
Total			381,327,446	835,492	380,491,954

Annexure-VII

3.4.3 Short-realization of Stamp Duty and Registration Fee on transfer of immovable property -Rs. 25.26 million

(Amount in Rupees)

Sr. No.	Name of Office	PDP No./Year	Amount pointed out
1	Deputy Commissioner D. I. Khan (Sub Registrar D.I.Khan, Tehsildars D.I.Khan, Paharpur & Proa)	148/2022-23	651,911
2	Deputy Commissioner Mardan (Sub Registrar Mardan)	167/2022-23	120,382
3	Deputy Commissioner Kohat (Sub Registrar Kohat)	186/2022-23	81,848
4	Deputy Commissioner Charsadda (Sub Registrars Charsadda & Tangi)	194/2022-23	82,120
5	Deputy Commissioner Haripur (Sub Registrar Haripur)	231/2022-23	472,359
6	Deputy Commissioner Peshawar (Sub Registrar-II, Peshawar)	238/2022-23	741,336
7	Deputy Commissioner Swat (Sub Registrars Babozai & Bahrain)	258/2022-23	2,673,694
8	Deputy Commissioner Peshawar (Sub Registrar-I, Peshawar)	267/2022-23	476,923
9	Sub Registrar II, Peshawar	1/2023-24	1,054,345
10	Sub Registrar Abbottabad	13/2023-24	115,460
11	Sub Registrar Haripur	18/2023-24	1,061,200
12	Sub Registrar Mansehra	40/2023-24	128,573
13	Sub Registrar Bannu	110/2023-24	52,535
14	Sub Registrar D. I. Khan	161/2023-24	17,322,110
15	Sub Registrar Kohat	189/2023-24	226,594
Total			25,261,390

Annexure-VIII

3.4.4 Loss due to non-realization of Capital Value Tax on transfer of immovable property-Rs. 21.47 million

(Amount in Rupees)

Sr. No.	Formation	PDP No. / Year	Amount pointed out
1	Sub Registrar II, Peshawar	2/2023-24	5,937,790
2	Sub Registrar Abbottabad	10/2023-24	5,798,968
3	Sub Registrar Haripur	21/2023-24	1,313,000
4	Tehsildar/SDC Haripur	26/2023-24	538,000
5	Sub Registrar Mansehra	39/2023-24	669,244
6	Tehsildar/SDC Khanpur, Haripur	48/2023-24	114,780
7	Tehsildar/SDC Havalian, Abbottabad	51/2023-24	975,135
8	Tehsildar/SDC Abbottabad	55/2023-24	568,664
9	Tehsildar/SDC Pabbi Nowshera	63/2023-24	142,000
10	Tehsildar/SDC Swabi	75/2023-24	2,390,458
11	Sub Registrar Mardan	96/2023-24	309,000
12	Sub Registrar Swabi	99/2023-24	496,614
13	Sub Registrar Bannu	109/2023-24	779,701
14	Sub Registrar D. I. Khan	164/2023-24	348,539
15	Tehsildar/SDC Kohat	183/2023-24	308,022
16	Sub Registrar Kohat	188/2023-24	626,500
17	Tehsildar/SDC D. I. Khan	195/2023-24	156,208
Total			21,472,623

Annexure-IX

3.4.7 Short-realization of Mutation Fee due to under valuation of land- Rs. 12.24 million

(Amount in Rupees)

Sr. No.	Name of Office	PDP No. / Year	Amount pointed out
1	Deputy Commissioner Bannu (Sub Registrar & Tehsildar Bannu)	109/2022-23	68,618
2	Deputy Commissioner Mardan (Tehsildars/ SDCs Mardan, Katlang & Rustam)	166/2022-23	117,063
3	Deputy Commissioner Kohat (Tehsildars SDC Kohat & Lachi)	180/2022-23	2,263,936
4	Deputy Commissioner Charsadda (Tehsildar Tangi)	201/2022-23	248,910
5	Deputy Commissioner Swabi (Tehsildars /SDC Topi & Razar)	206/2022-23	29,188
6	Deputy Commissioner Peshawar (Tehsildar /SDC Shah Alam & Mathra)	243/2022-23	118,072
7	Deputy Commissioner Swat (Tehsildars/ SDCs Babozai & Khwazakhela)	259/2022-23	380,860
8	Deputy Commissioner Peshawar (Tehsildars Badhber & Chamkani)	272/2022-23	325,275
9	Deputy Commissioner Peshawar (Tehsildars Dilazak & Mattani)	292/2022-23	1,019,173
10	Tehsildar/SDC Balakot	16/2023-24	70,348
11	Tehsildar/SDC Haripur	27/2023-24	474,498

12	Tehsildar/SDC Baffa Pakhal, Mansehra	34/2023-24	63,702
13	Tehsildar/SDC Khanpur, Haripur	45/2023-24	1,894,764
14	Tehsildar/SDC Havalian, Abbottabad	50/2023-24	797,738
15	Tehsildar/SDC Abbottabad	54/2023-24	548,433
16	Tehsildar/SDC Pabbi Nowshera	64/2023-24	27,467
17	Tehsildar/SDC Nowshera	67/2023-24	89,397
18	Tehsildar/SDC Swabi	74/2023-24	304,663
19	Tehsildar/SDC Sarai Nourang Lakki Marwat	103/2023-24	27,461
20	Tehsildar/SDC Karak	118/2023-24	104,358
21	Tehsildar/SDC Domail, Bannu	123/2023-24	2,037,225
22	Tehsildar/SDC Takht Bhai	141/2023-24	29,752
23	Tehsildar/SDC Kohat	176/2023-24	950,063
24	Tehsildar/SDC D. I. Khan	196/2023-24	250,421
Total			12,241,385
