



**SPECIAL AUDIT REPORT ON  
PROPERTY AND LAND  
DEPARTMENT,  
PAKISTAN RAILWAYS**

**AUDIT YEAR 2021-22**

**AUDITOR GENERAL OF PAKISTAN**

## **PREFACE**

The Auditor General of Pakistan conducts audit under Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Sections 8 and 12 of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001. The Special Audit of Property and Land Department of Pakistan Railways was conducted accordingly.

The Directorate General Audit Railways conducted this special audit for the period from 2018 to 2021 to evaluate implementation of land leasing policies, identify loopholes in them, making objective comments on transparency of processes (bidding, land leasing, rent collection, renewal & extension of lease contract, reclamation and retendering etc.) and report findings to all stake-holders with plausible and pragmatic recommendations to increase revenue generation from PR land.

The audit was conducted in accordance with INTOSAI standards. All audit observations included in this report have been finalized in the light of discussions held during DAC meetings.

The Special Audit Report is submitted to the President of Pakistan in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan 1973, for causing it to be laid before both houses of Majlis-e-Shoora (Parliament).

**Islamabad**  
**Dated:**

**(Muhammad Ajmal Gondal)**  
**Auditor General of Pakistan**

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## Abbreviations and Acronyms

A.I.O.W	Assistant Inspector of Works
AWT	Army Welfare Trust
C.I.A	Chief Internal Auditor
CEN	Chief Engineer
CEO	Chief Executive Officer
CPO	Chief Personnel Officer
DAC	Departmental Accounts Committee
DAO	Divisional Accounts Officer
DC	Deputy Commissioner
DD/P&L	Deputy Director Property and Land
DEN	Divisional Executive Engineer
DG/P&L	Director General Property and Land
DLA	Director Legal Affairs
DS	Divisional Superintendent
FA&CAO	Financial Advisor & Chief Accounts Officer
FBR	Federal Board of Revenue
GIS	Geographic Information System
HQ	Headquarter
I.G	Inspector General
I.O.W	Inspector of Ways
KCR	Karachi Circular Railways
NOC	No Object Certificate
P&L	Property & Land
P.W.I	Permanent Inspector of Ways
PAC	Public Accounts Committee
PD/PMU	Project Director/ Project Management Unit
PO	Principal Officer
PR	Pakistan Railways
PRECHS	Pakistan Railways Employees Cooperative Housing Society
Pvt Ltd	Private limited
REDAMCO	Railway Estate Development & Marketing Company
SOPs	Standard Operating Procedures
SRO	Statutory Regulatory Orders
TOR	Terms of Reference

## **EXECUTIVE SUMMARY**

Pakistan Railways owns 168,789 acres (1,350,312 Kanals) of land spreading all over the country making it one of the biggest land holder entity of Pakistan. Major chunk of this land is leased out for agricultural and commercial purposes to generate revenue.

Directorate General of Pakistan Railways Audit conducted special audit of PR lands for the period from 2018-2021, to study, analyze and review land-leasing policies, rules and SOPs governing PR lands to assess their effectiveness, identify loopholes and suggest remedial measures to improve existing policy framework for the effective management of PR land, optimization of revenue generation and minimization of revenue leakages. One of the major threats to Railway land is encroachment by private individuals and Government organizations etc. Special Audit of PR lands not only examined mechanism for reporting and removal of encroachments on PR lands but also endeavored to dig out reasons for this recurring phenomenon. Audit also assessed the impact of decisions/verdicts of august Supreme Court of Pakistan on leasing processes and removal of encroachments, particularly a recent decision for decreasing the lease period of PR lands from ten to five years and subsequent ban on leasing altogether.

Audit observed issues of potential significance regarding implementation of rules & regulations, lack of oversight on execution of contracts. The concept of time value of money has not been kept in mind causing loss to the PR by not realizing accounts receivable from the defaulters for years.

### **Key Audit Findings:**

Major Audit findings are given below:

- i. Policies and procedures were not followed while leasing out PR lands.
- ii. Open competition was not ensured in leasing out land.
- iii. Non-finalization of lease agreements on time.

- iv. Non-renewal of lease contracts.
- v. Partial implementation of verdicts of august Supreme Court of Pakistan.
- vi. Financial loss to Pakistan Railways on account of non-leasing and delayed leasing of PR lands.
- vii. Collusion of PR management with encroachers.
- viii. Delayed recovery of accounts receivables.

## **1. INTRODUCTION**

Pakistan Railways owns 168,789 acres of land inclusive of high value commercial properties in all major cities of Pakistan. The core function of Pakistan Railways is transportation of goods and passengers. The land under title of PR was meant for present and future demands for expansion of transportation network. The pace of expansion of PR network could not match with that of Road networks. The PR categorized lands under its title into two major categories as operational and surplus lands, the surplus land is the land which is not likely to come under operational use in foreseeable future. The PR administration decided to lease out surplus land for various purposes to generate revenue and compensate operational losses. The PR administration framed policies and developed institutional mechanisms for leasing out surplus lands to Government departments as well as private businesses firms and individuals. Leasing of land is not strictly a core business of PR and by virtue of its tertiary position, it is vulnerable to leakages, irregularities and asset erosion. Special Audit of PR lands was conducted on the directives of the august forum of PAC (Sub-committee VII) to report significant findings and recommend policy level interventions to the management for the safety and optimal utilization of PR land resources. The land assets held by PR are managed by Directorate General of Property and Land; having separate organizational presence in all divisions of PR. Audit activity was planned and executed to analyze the organization from top to bottom in achieving its objectives.

## **2. AUDIT OBJECTIVES**

The main audit objectives in the light of TORs are as under:

- i. To assess whether land revenue targets were realistic and whether targets were achieved or not.
- ii. To review transparency of leasing process.
- iii. To examine drafting, execution and monitoring of lease agreements.
- iv. To review compliance with the applicable rules, regulations and policies.
- v. To examine the efficiency of recovery mechanism.

- vi. To conduct physical verification of land leased out on test check basis.
- vii. To review the efforts made by PR management for retrieval of encroached land.
- viii. To assess effectiveness of the SOPs in safeguarding railway land from encroachers.

### **3. AUDIT SCOPE AND METHODOLOGY**

#### **3.1 Scope of Audit**

The scope of Special audit of Property & Land Department was limited to the scrutiny of revenue record pertaining to last three years (FY 2018-19 to FY 2020-21) and was executed at Railway Headquarters Office and operating Divisional offices. Audit was planned, conducted and findings were reported on the basis of Terms of reference duly approved by the office of the Auditor General of Pakistan.

#### **3.2 Audit Methodology**

The audit was conducted as per following methodology:

- i. Reviewing agreements and their implementation.
- ii. Reviewing record relating to high value lease agreements executed by the Directorate General of Property & land
- iii. Analyzing recovery processes, examining recoverable amounts, incidence of encroachments and availability of vacant land for commercial exploitation.
- iv. Field visits to seven formations of PR dealing with land management to ascertain relevant record.

### **4. AUDIT FINDINGS AND RECOMMENDATIONS**

#### **4.1 Review of Policies/SOPs/Rules regarding leasing of land**

##### **4.1.1 Loss due to leasing out stacking plot against policy in vogue – Rs 39.97 million**

As per revised policy issued by PR Headquarters Lahore dated 29.09.2018 for leasing of land for stacking purpose, the benchmark/base rate should be 8% of DC value and lease period should be one year further extendable for one year after 20% increase in annual rents.



During Special Audit of Property & Land Department at Lahore, Multan and Karachi in October 2021, following irregularities were observed:

- i. The stacking plots at Railway Station Multan were auctioned on 14.03.2019. Divisional Administration auctioned the Railway land at lesser rates than the policy benchmark and plan was not approved by the Railway Headquarter. Therefore, Pakistan Railways sustained a loss of Rs 6.39 million due to leasing at arbitrarily less rate **as detailed in Annex-A.**
- ii. Plot No. 8 measuring 10,960 sft at Peco Road Badami Bagh, Lahore was leased out to Sheikh Azmat Ullah for stacking purposes during 2005 without open auction. Pakistan Railways could have earned Rs 9.72 million by leasing out said land through re-auction at rate of Rs 5.697 million per annum. Therefore, Pakistan Railways sustained a loss of Rs 9.72 million due to award of land and lower rates **as detailed in Annex-B.**
- iii. A piece of Railway land measuring 21305.56 Sq. Yard at Juma Goth Railway Station, Karachi was leased out to Mughal Iron & Steel Industries Limited for stacking purposes at the rate of 1% of the prevailing DC rate i.e. Rs 1.70 million against the policy. Whereas this land should have been leased out at the rate of 8% of DC value i.e. 13.64 million. Due to this, Pakistan Railways sustained a loss of Rs 23.86 million for two years i.e. 2020-21 and 2021-22.

This resulted into loss of Rs 39.97 million to Pakistan Railways due to award of Railway land against policy at low rates. Moreover, above situation clearly shows inconsistency by PR in managing land.

The matter was taken up with management in November, 2021 and also discussed in DAC meeting held on 07.01.2022 and 14.01.2022. In respect of Sr. No. (i) DAC was informed that there was no policy to auction stacking plot on 8% DC value as a benchmark. Benchmark was fixed by Divisional Assessment Committee and approved by Divisional Superintendent. However, plans for approval were sent to Headquarter Office, Lahore, vide letter dated 15-02-2021. Audit informed the DAC that there was a policy dated 29.09.2018 regarding leasing of land for stacking

purposes. According to said policy the benchmark should have been at the rate of 8% of the DC value of land. Audit also informed the DAC that land was auctioned on 14.03.2019 but the land plan for approval was sent to HQ office on 15.02.2021 i.e. with a delay of about two years. DAC directed the PO that a rational policy for short term leasing i.e. one year be devised for auction of land instead of long term policy for obtaining the competitive rates in favor of Railways. The Chair (Secretary Railways) directed the C.I.A to convey displeasure to DG/ P&L for not submitting replies against the Sr. No. (ii) and (iii) and directed to submit reply within one week. Compliance of DAC directives was awaited.

Audit recommends that matter may be probed to fix responsibility for leasing out land on lower rates, agreement may be revised and recoveries be made under intimation to Audit.

## **4.2 Review of auction process**

### **4.2.1 Loss on account of premium due to non-auction of shops – Rs 2.07 million**

Para 1801 of General Code provides that means should be devised to ensure that every Railway servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part and also for any loss arising from fraud or negligence on the part of any other railway servant to the extent that it may be shown that he contributed to the loss by his own action or negligence.

During Special Audit of Property & Land Department at Sukkur Division in October 2021, it was observed that 10 shops at Nawab Shah were leased out to lessees on 1<sup>st</sup> April 2003 for 10 years further extendable to 5 years. The lease period finally expired on 30.03.2018 and land is still under illegal occupation of old lessees. After expiry of lease agreement, the Administration of Sukkur Division did not auction these shops to generate revenue on account of premium. Therefore, Pakistan Railways sustained a loss of Rs 2.07 million (207000X10) on account of lease premium due to failure to auction the shops after expiry of lease period and non-retrieval of land.

The matter was taken up with the management in November, 2021 and also discussed in DAC meeting held on 14.01.2022 but there was no response from the management. The Chair (Secretary Railways) directed

the C.I.A to convey displeasure to D.G/ P&L for not submitting replies against the Para and directed to submit reply within one week. Compliance of DAC directives was awaited.

Audit recommends that matter may be investigated at an appropriate level to fix responsibility against those held responsible for not auctioning the shops in time.

#### **4.2.2 Loss due to non/incorrect fixation of lease premium by REDAMCO management – Rs 103.60 million**

As per decision against item No. 18 of Executive Committee of Railway Board meeting dated 13.07.2009, the minimum reserve price of the land to be given out on 33 years lease hold rights basis shall be 35% of the value of land as assessed for 99 years leasehold rights. Further it provided that the minimum reserve market price of Railway lands shall be fixed on the basis of the assessment made by the concerned Railway Division and by the independent accredited evaluator. In case the variance between Divisional assessment and independent evaluation goes up to 30%, the average of the two valuations shall be used as minimum reserve price.

During Special Audit of Property & Land Department at Karachi Division in October 2021, it was observed that land measuring 5221 Sq. yards at Karachi Division was leased out on premium and annual rental basis for 33 years. Instead of fixing the base prices for premium as Rs 107.00 million according to policy, the REDEMCO management leased out the sites at a premium of Rs 3.40 million by incorrect fixing/without fixing the base price. This resulted in loss of Rs 103.60 million to Pakistan Railways due to non/incorrect fixation of lease premium in violation of above policy **as detailed in Annex-C.**

The matter was taken up with the management in November, 2021 and also discussed in DAC meeting held on 14.01.2022. The Chair (Secretary Railways) directed the C.I.A to convey displeasure to D.G/ P&L for not submitting the replies against the Paras and directed to submit reply within one week. Compliance of DAC directives was awaited.

Audit recommends that matter be probed to fix responsibility for incorrect fixation of lease premium and action be taken against those held responsible besides recovery of the amount of loss from responsible under intimation to Audit.

#### **4.2.3 Loss due to award of Railway land at lower rate – Rs 12.42 million**

Para 1801 of General Code provides that means should be devised to ensure that every Railway servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part and also for any loss arising from fraud or negligence on the part of any other railway servant to the extent that it may be shown that he contributed to the loss by his own action or negligence.

During Special Audit of Property & Land Department at Sukkur Division in October 2021, following irregularities were observed:

- i. Auction for leasing out of Railway land measuring 33 Kanal, for Marriage Lawn at Railway Rest House, Larkana in Sukkur Division was held on 24.09.2016. The contract was awarded to the highest bidder, i-e, Mr. Asif Ali for Rs 4.49 million per annum but he failed to deposit Railway dues and his token money of Rs 100,000 was forfeited. Instead of offering the same land to second highest bidder who offered Rs 4.49 million having difference of only 1000. The land was re-auctioned on 16.01.2017 and highest bidder offered Rs 2.126 million per annum for three years i.e. Rs 5368 per month per Kanal. The Divisional Administration leased out the said land in favor of Mr. Mustaq Hussain. Thus PR sustained a loss of Rs 2.36 million.
- ii. Railway land for petrol pump was leased out to Jam Fida Hussain and Bros. Pvt. Ltd. on 10.11.2017 to second highest bidder on annual rental for Rs 1.40 million. The first highest bidder offered Rs 3.78 million annual rent. The bid of first highest bidder was cancelled due to failure to deposit Railway dues in time. Instead of re-auctioning of the same for generation of more competitive rates, the Divisional Administration leased the said land to second highest bidder. Thus PR sustained a loss of Rs 7.14 million from 2017 to 2021. It was further observed that the annual rent Rs 2.91 million for the period from 10.08.2019 to 09.08.2020 and

10.08.2020 to 09.08.2021 has not been deposited by the lessee up till now.

This resulted into loss of Rs 12.42 million to Pakistan Railways due to award of Railway land at low rates and non-recovery of annual rent in time. Moreover, above situation clearly shows inconsistency by PR management in managing land.

The matter was taken up with the management in November, 2021 and also discussed in DAC meeting held on 07.01.2022 and 14.01.2022. In respect of Sr. No. (i) DAC was informed that the bidder failed to deposit bid money and his security money was forfeited and the said land was auctioned again and successful bidder deposited bid money, and land was handed over to the contractor. The policy is silent about offering cancelled bid to 2nd lowest bidder. Therefore, re-auction was arranged. DAC constituted an inquiry committee comprising CPO and Director/ Legal Affairs to probe the matter examining the legal aspect of awarding Railway land to the 2nd highest bidder in case of first highest bidder's default. Moreover, Jam Brother & Company deposited Rs 1.400 million for the period of 19.10.2021 to 18.10.2022. However, all out efforts are being made for the recovery of balance outstanding amount from the lessee. DAC pended the para and directed the inquiry committee to submit report to DAC within 15 days. In respect of Sr. No. (ii) However, DAC directed that the inquiry committee constituted against Sr. No. 4.2.5 (i) to inquire the matter. Compliance of DAC directives was awaited.

Audit recommends that matter be probed to fix responsibility for award of contract at very low rates and amount involved be recovered from those held responsible.

#### **4.2.4 Loss due to auction of Railway land for Marquee at lower Rate – Rs 36.16 million**

As per clause 4 of policy for licensing of railway land for marriage lawn/marquee, the base rate of annual rent will be calculated on the basis of 10 % on the average of market and DC price (commercial rate) of the approved sites of big cities and 8% on the average of market and DC price for small cities.

During Special Audit of Property & Land Department at Rawalpindi Division in September 2021, it was observed that an agreement dated 06.2021 was executed with Mr. Muhammad Zahoor

Abbasi regarding leasing of Railway land, measuring 8.07 Kanal at Westbridge Road Rawalpindi for Marquee purpose. The offer of lessee Rs 2.506 million against base rate of Rs 2.50 million was accepted by Railway management. As per policy, instead of Rs 2.50 million the base rate should have been Rs 38.66 million ((cost of land x10/100) 386,553,000x10/100)). Due to this, Pakistan Railway suffered a loss of Rs 36.16 million on account of award of Railway land on lower rate

The matter was taken up with the management in November, 2021 and also discussed in DAC meeting held on 07.01.2022. DAC was informed that keeping in view the COVID-19 pandemic situation which adversely affected the Marriage Lawn/Marquee business due to restriction imposed by Govt. of Pakistan. The auction of marriage lawn/marquee was conducted on recommendation of Divisional Assessment Committee purely in the interest of the earning and to safeguard the Railway assets. DAC directed to constitute an inquiry committee comprising DG/Planning and Director/ Civil to check the ground reality and submit report within one month. Compliance of DAC directives was awaited.

Audit recommends that matter may be probed to fix responsibility for awarding the land on lower rate. Audit further recommends that compliance of DAC directives be ensured.

#### **4.2.5 Loss due to award of land for car parking/motor cycle stand on lower rates – Rs 3.18 million**

As per clause 10 of the policy of PR Headquarters office, Lahore, for Car Parking dated 31.01.2017 the bids shall be invited on annual rental basis by fixing the base price as per following table:

Category	Annual Rent on DC value	Benchmark	
		DC value (million per marla)	Expected earnings as per DC rate (million)
A	10%	As per DC rate of Area	As per DC rate of the Area
B	8%		
C	6%		

During Special Audit of Property & Land Department at Quetta Division in October 2021, it was observed that car/motorcycle/cycle parking stand near AG office saloon, adjacent Quetta Division was leased out to Mr. Muhammad Akram for a period from 14.04.2015 to 13.04.2016 at Rs 960,000 per annum. The agreement was renewed for further one year with 10% increase in the monthly rent i.e. Rs 1.056 million from

14.04.2016 to 13.04.2017. After expiry of lease agreement, the land was not put on auction and same contractor was allowed to retain the property on daily basis i.e. Rs 3185/day (Rs 1.162 million per annum). Re-auction was not conducted even after lapse of more than four years. As per above policy, the base rate should have been Rs 2.40 million per annum. Negligence and slackness of Divisional Administration in not auctioning at competitive rates as per policy resulted in loss of Rs 3.18 million as **detailed in Annex-D.**

The matter was taken up with the management in November, 2021 and also discussed in DAC meeting held on 14.01.2022 but no management response was given. The Chair (Secretary Railways) directed the C.I.A to convey displeasure to D.G/ P&L for not submitting replies against the Para and directed to submit reply within one week. Compliance of DAC directives was awaited.

Audit recommends that efforts be made to re-auction the land at the earliest and responsibility be fixed for failure to auction parking stand in time.

#### **4.2.6 Non-utilization of available/surplus commercial land 108.55 acres**

Para 807 of Pakistan Government Railway Code for the Engineering Department provides that all Railway land should be managed on commercial lines, and administration should endeavour to develop the resources of, and put to profitable use, any areas in its occupation which are lying idle and can be put to profitable use. Such land is called “available” land.

During Special Audit of Property & Land Department at Multan Division in September 2021, it was observed that 108.55 acres of available commercial land was lying unutilized. Railway management failed to put the above said land to profitable use. This resulted in loss of potential earnings of millions of rupees and may result in its encroachment.

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 07.01.2022. DAC was informed that Pakistan Railways made all out efforts to lease out all commercial/ agricultural land. Advertisement was properly carried out through national & local newspapers, TV Cable and display of banners in the vicinity of the area where auction was executed. DAC took serious

notice for non-utilization of available/surplus commercial land measuring 108.55 acres and directed to constitute an inquiry committee comprising DS/ Multan and DEN/Multan to probe the matter and submit report within one month. . Compliance of DAC directives was awaited.

Audit recommends that the surplus commercial land may be put to profitable use as per policy and procedures in order to generate revenue.

#### **4.2.7 Loss of potential earnings due to non-auction of prime sites for petrol pump – Rs 141.55 million**

Para 807 of Pakistan Railways Code for the Engineering Department provides that all Railway land should be managed on commercial lines, and Railway administration should endeavor to develop the resources of, and put to profitable use, any areas in its occupation which, though not eligible for disposal are lying idle and can be put to profitable use.

During Special Audit of Property & Land Department at Multan Division in September 2021, it was observed that Joint Deputy Director/Property & Land endorsed the PD/PMU's identified prime sites for establishment of Petrol Pumps over Multan Division and requested to DD/P&L to provide check list and DC price list. The Administration of Multan Division provided the same after lapse of one month and informed the DG/P&L that the site plan of prime land has already been sent to Headquarter, office on 27.09.2018. The Pakistan Railway land at Multan Division was not put to profitable use due to the negligence of Management/Administration of Pakistan Railways. This resulted in loss of potential earnings amounting to Rs 141.55 million due to slackness and inefficiency of Railway management **as detailed in Annex-E**.

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 07.01.2022. DAC was informed that all out efforts were made to lease out all commercial/agricultural plots of land. Advertisement was properly carried out through national & local NEWS Papers, TV Cable and display of banners in the vicinity of the area where auction is executed. DAC directed to constitute an inquiry committee comprising DS/ Multan and DEN/Multan to probe the matter and submit report within one month. Compliance of DAC directives was awaited.



Audit recommends that responsibility be fixed for non-auction of prime sites. Action may be taken against those held responsible besides efforts be made to auction the land as per rules and regulations.

#### **4.2.8 Infructuous expenditure due to non-auction of shops – Rs 8.5 million**

Para 1801 of General Code provides that means should be devised to ensure that every Railway servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part and also for any loss arising from fraud or negligence on the part of any other railway servant to the extent that it may be shown that he contributed to the loss by his own action or negligence.

During Special Audit of Property & Land Department at Karachi Division in October 2021, it was observed that 20 shops were constructed by REDEMCO opposite naval heights, Kala Pull, Karachi during 2015 with a total cost of Rs 17.00 million. Out of 20 shops, 10 shops were leased out and physical possession of these shops was handed over to successful bidders on 08.12.2018 after lapse of 3 years. Whereas, remaining 10 shops were handed over to Deputy Director/Property & land Karachi on 17.04.2019 without leasing out the said shops. These shops were not leased out even after lapse of more than six years by Divisional Administration. Thus expenditure incurred on construction of shops was wasteful as no fruitful results were obtained by Divisional Administration. This resulted in infructuous expenditure of Rs 8.5 million due to non-auction of shops in time.

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 14.01.2022 but the management did not respond. The Chair (Secretary Railways) directed the C.IA to convey displeasure to D.G/ P&L for not submitting the replies against the Para and directed to submit reply within one week. Compliance of DAC directives was awaited.

Audit recommends that action be taken against those held responsible and the shops be leased out as per policy and procedures in order to generate revenue.

#### **4.2.9 Loss due to irregular extension in lease agreement – Rs 3.98 billion**

As per clause-2 of the policy for re-licensing/renting of already constructed shops, the auction proceedings for re-auction of the site shall be processed by DS six months before the expiry of the agreement. Further, clause-4 for policy for licensing of Railway land for Marriage Lawn/Marquee provides that the base rate of annual rent will be calculated on the basis of 10 % on the average of market and DC price (commercial rate) of the approved sites of big cities and 8% on the average of market and DC price for small cities. Furthermore, clause-II revised policy dated 05.2019 provides that the minimum base rate for auction for upfront premium shall be 25% of commercial DC rate of area.

During Special Audit of Property & Land Department at Karachi Division in October 2021, it was observed that contract agreement with M/s Shapes Pvt. Ltd. expired on 01.06.2016 and the said property had to be re-auctioned through open bidding process which could not be done before 01.06.2016. Management of PR by irregularly extending undue favor extended the period of lease for another term of 5 years without obtaining lease premium and increased rents. Audit is of the view that had the PR administration re-auctioned the property by open bidding it could have earned Rs 3.98 million in premium and annual rents **as detailed in Annex-F**. Moreover, Audit observed manipulation of assessment process by assessing at extremely low rates to favor the lessee.

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 14.01.2022 but no reply was given by the management. The Chair (Secretary Railways) directed the C.I.A to convey displeasure to D.G/ P&L for not submitting replies against the Para and directed to submit reply within one week. Compliance of DAC directives was awaited.

Audit recommends that matter be probed to fix responsibility for irregular extension in lease agreement and action be taken against those involved in wrong valuation of land. Land be re-evaluated from another approved valuator of State Bank of Pakistan.

### **4.3 Examination of leasing process**

#### **4.3.1 Loss due to non-finalization of stacking plots cases at higher benchmark rates – Rs 2.004 million**

Para 807 of Pakistan Government Railway Code for the Engineering Department provides that all Railway land should be managed on commercial lines, and administration should endeavor to develop the resources of, and put to profitable use, any areas in its occupation which are lying idle and can be put to profitable use. Such land is called “available” land.

During Special Audit of Property & Land Department at Multan Division in September 2021, it was observed that Divisional Management Multan submitted 58 cases of stacking plots for approval to Director Property & land, Headquarter Office, Lahore in 2016. Out of 58 only 26 cases were approved and remaining 34 cases were rejected due to low offered rates than 8% of DC value. The Divisional Superintendent appraised the AGM/I that the 8% of DC value rate for stacking plots was too much high which was even higher than the premium applied on already constructed shops and these high rates were beyond the capacity of the bidders and requested to approve the cases of highest bidder as per site situation on the recommendation of Divisional Assessment Committee. This will also cause loss of revenue and facilitate encroachment on Railway land. The AGM/I rejected the request of Divisional Superintendent, Multan. All 58 plots have not been leased out till date of Audit. This resulted in loss of Rs 2.004 million due to mismanagement of Railway administration. Moreover, said plots are under occupation/encroachment.

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 14.01.2022. The Chair (Secretary Railways) directed the C.I.A to convey displeasure to D.G/P&L for not submitting replies against the Para and directed to submit reply within one week. Compliance of DAC directives was awaited.

Audit recommends that matter be inquired to fix responsibility for non-finalization of cases of stacking plots. Action may be taken against those held responsible besides recovery of the amount involved from persons found at fault.

#### **4.3.2 Loss of potential earnings due to non-execution of lease deed – Rs 114.28 million**

Para 807 of Pakistan Railways Code for the Engineering Department provides that all Railway land should be managed on commercial lines, and Railway administration should endeavor to develop the resources of, and put to profitable use, any areas in its occupation which, though not eligible for disposal are lying idle and can be put to profitable use.

During Special Audit of Property & Land Department in September/October 2021, following irregularities were observed:

- i. An open auction of Railway land for stacking purpose at Nawabshah was held on 31.03.2016. The Railway management declared highest bidder who submitted highest bid. The approval of successful bidder was not granted by the Division Administration even after lapse of more than 5 years. Therefore, PR sustained a loss of Rs 4.61 million due to non-execution of lease deed **as detailed in Annex-G.**
- ii. The sealed bid for Railway land measuring 3111 sq. yards at KM No. 178/3 near Bridge No.07 left side between KOT-HDR, Hyderabad was invited on 16.11.2020 for establishment of petrol pump for five years. M/s Gas & Oil Pakistan Pvt. Ltd. (GO) offered the highest bid of annual rent at the rate of Rs 5030 per sq. yard i.e. Rs 15.65 million. The Railways management even after lapse of 09 months up to September 2021 has not finalized the case.
- iii. The sealed bid for Pakistan Railways property Bungalow No. 171 & 172 measuring 8095 Sq. Yards at Adam Road Karachi was opened on 24.12.2020. M/s Saqlain Enterprises offered highest bid of Rs 11,492 per Sq. Yards i.e. Rs 93.03 million per annum. The lease agreement was not executed even after lapse of more than nine (9) months by the Railway management up till date of audit.
- iv. Auction of 26 sites for agricultural purpose at Khanpur-Chachran was held on 17.11.2020. Out of this, bidders of 22 sites were declared as successful, 04 bids were rejected due to failure to deposit 50% of bid money. The

agreements with successful bidders were not executed despite lapse of more than seven months up till i.e. 28.06.2021. Thus, PR sustained a loss Rs 996,102 due to non-finalization of lease agreement as **detailed in Annex-H.**

This resulted in loss of potential earnings amounting to Rs 114.28 million due to slackness and inefficiency of Railways management.

The issues were taken up with the management in November 2021 and also discussed in DAC meetings held on 07.01.2022 and 14.01.2022. In respect of Sr. No. (i) DAC was informed that an inquiry Committee comprising Dy. Director/P&L, Headquarters and Divisional Engineer-I/ Sukkur is nominated to probe the issue and fix responsibility for finalizing the auction proceedings/bids. Sooner the updates will be received, same shall be apprised accordingly. DAC directed that the stated inquiry report be submitted to Audit through DG/Land within a month. In respect of Sr. No. (ii), (iii) & (iv) DAC directed the P.O that legal complications be resolved and Para be kept pending. Compliance of DAC directives was awaited.

Audit recommends that responsibility be fixed for non-execution of agreement. Action may be taken against those held responsible besides efforts be made for early finalization of lease deeds as per rules and regulations.

#### **4.3.3 Irregular award of lease agreement and loss due to non-inclusion of escalation clause – Rs 2.54 million**

Para 1801 of General Code provides that means should be devised to ensure that every Railway servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part and also for any loss arising from fraud or negligence on the part of any other railway servant to the extent that it may be shown that he contributed to the loss by his own action or negligence.

During Special Audit of Property & Land Department at Quetta Division in October 2021, it was observed that land measuring 2500 Sq. Yards (22500 sft) at Joint Road Quetta near Pakistan Railways football ground was offered for commercial exploitation on 33 years basis. Only one participant participated in bidding process and the agreement was

finalized on single bid, further, the rates were irregularly negotiated with bidder without going in to re-tendering for obtaining more competitive rates. It was further observed that lease agreement was finalized on premium of Rs 25.25 million and annual rent of Rs 1 per sft amounting to a total of Rs 22,500. Moreover, 8% annual escalation clause was not inserted in agreement against the rules. This resulted in irregular execution of lease agreement by extending undue favor to lessee causing loss of Rs 2.54 million to the department. This depicts poor financial and internal controls in contract management **as detailed in Annex-I.**

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 14.01.2022 but the management did not respond. The Chair (Secretary Railways) directed the C.I.A to convey displeasure to D.G/ P&L for not submitting replies against the Para and directed to submit reply within one week. Compliance of DAC directives was awaited.

Audit recommends that matter be probed to fix responsibility for extending undue favor to the bidder and action be taken against those held responsible besides recovery of the amount involved from those at fault.

#### **4.3.4 Loss due to irrational leasing out of Railways land at lower rate – Rs 89.78 million**

Para 1801 of General Code provides that means should be devised to ensure that every Railway servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part and also for any loss arising from fraud or negligence on the part of any other railway servant to the extent that it may be shown that he contributed to the loss by his own action or negligence.

During Special Audit of Property & Land Department at Lahore Division in November 2021, it was observed that Railway plot No. 41/A, measuring 7000 sft located near Badami Bagh, was leased out to M/s Mughal Sons (Pvt. Ltd) for 99 years on 04 June, 2001 against premium money of Rs 7.93 million and annual Rent of Rs 10 only. Before leasing out land for 99 years, the land was licensed out to Mughal & Sons on annual rental basis on May, 2000 at the rate of Rs 141 per sft for a total amount of Rs 987,000. The Railway administration, by granting undue favor to licensee, leased out land for only Rs 7.93 million without proper cost benefit analysis. The Railway Administration could have earned more

revenue if the land had been leased out on annual rental basis or leased out for 99 years by considering the annual rent for 99 years i.e. Rs 97.71 million. Therefore, Pakistan Railways sustained a loss of Rs 89.78 million due to leasing out of Railway land at lower rate **as detailed in Annex-J**.

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 07.01.2022. DAC was informed that the Railway administration has recovered full amount of land in the light of cabinet decision and the ground rent is being recovered regularly. Agreement has been executed between the lessee and Railways administration. DAC took serious notice of leasing out Railway land at lower rate and directed to constitute an inquiry committee comprising Mr. Aamir Nasir (CPO) & Member Finance to probe the matter and to submit report to DAC as well as to Audit within 15 days. DAC, however, kept the Para pending. Compliance of DAC directives was awaited.

Audit recommends that matter be probed to fix responsibility for leasing out of land at lower rates and amount involved be recovered from those held responsible.

#### **4.4 Examination of initial agreements and their renewal process**

##### **4.4.1 Non recovery of outstanding amount from AWT – Rs 7.02 million**

Para 316 (a) of Pakistan Government Railway code for accounts department stipulates that the amounts due to Railway for service rendered, supplies made, or for any other reasons, are correctly and promptly assessed and recovered as soon as they fall due.

During course of Special Audit of Property & Land Department at Multan Division in September 2021, it was observed that a piece of land was leased for establishment of CNG/Petrol Pump to Army Welfare Trust (AWT) during December 2000 for a period of 33 years at an annual rent of Rs 1.38 million near Chowk Aziz Hotel Multan with 25% increase after every 03 years. It was noticed that an amount of Rs 7.02 million against Army Welfare Trust for the period from 18.05.2014 to 18.05.2020 remains outstanding. No action was taken against the lessee under terms and conditions of agreement, which indicated negligence on part of management. This resulted into loss of Rs 7.02 million on account of non-recovery of outstanding amount.

The matter was taken up with the management in November, 2021 and also discussed in DAC meeting held on 14.01.2022. DAC was informed that an amount of Rs. 2.82 million has been received from Assistant Manager Finance (Askari CNG Project) vide letter No. Askgas/Fin/Railway/2020-21 dated 23-11-2021 through cheque No. Rs 19.38 million dated 23-11-2021 as rental charges for the period from 18-05-2021 to 17-05-2022. Regarding claims of AWT authorities, Senior Manager Finance Askari CNG Project Army Welfare Trust vide letter No. Askgas/Fin/Railway /2019-20 dated 30-11-2021 informed that Askari CNG Project Army Welfare Trust, is regularly paying rents of Railway sites and nothing is outstanding on part of AWT, details of last five years rental payments of all sites, as requested, amounting to Rs 15.23 million may be provided. The division has been requested to contact the Company and provide certain information. Upon receipt of same, decision on the stance of AWT will be taken. DAC directed that D.S/ Multan, DAO/ Multan and a representative from Audit will jointly perform verification and submit report within one month. Compliance of DAC directives was awaited.

Audit recommends that matter may be probed to fix responsibility for non-recovery of railways dues in time. Action may be taken against those held responsible besides recovery of the amount under intimation to audit.

#### **4.4.2 Non-recovery of outstanding rental charges from oil companies Rs 173.65 million**

Para 316 (a) of Pakistan Government Railway Code for the Accounts Department stipulates that “the amounts due to the Railway for services rendered, supplies made, or for any other reason, are correctly & promptly assessed and recovered as soon as they fall due”.

During the course of Special Audit of Property & Land Department in September/October 2021, it was observed that an amount of Rs 173.65 million was lying outstanding against oil companies over various divisions of Pakistan Railways. The Railways management failed to recover the long outstanding lease charges from oil companies as detailed below:



Sr. No.	Name of Oil Companies	Outstanding Amount (in million)	Divisions
1.	PSO	52.37	Multan, Sukkur, Karachi and Quetta
2.	Shell	114.06	Multan, Karachi and Quetta
3.	Caltex	7.22	Sukkur, Karachi and Quetta
<b>Total</b>		<b>173.65</b>	

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 07.01.2022 & 14.01.2022. In respect of Sr. No. 1 & 2, DAC directed that the concerned Divisional Superintendents and DENs should ensure full recovery of rental charges from oil companies and submit report to DAC and Audit within 15 days and kept the issue pending. In respect of Sr. No. 3 & 4, DAC directed D.G/ P&L that amount recovered may be got verified from Audit and concrete efforts be made for recovery of outstanding rental charges from oil companies. In case of delay in recovery from oil companies, the notices regarding closure of their business within 14 days be served to both the oil companies. Compliance of DAC directives was awaited.

Audit recommends that responsibility be fixed for non-recovery of advance lease charges from oil companies. Action may be taken against those found at fault besides recovery of the amount from the oil companies.

#### **4.4.3 Non-recovery of outstanding lease charges from Rail Mail Service – Rs 4.56 million**

Para 316 (a) of Pakistan Government Railway Code for the Accounts Department stipulates that “the amounts due to the Railway for services rendered, supplies made, or for any other reason, are correctly & promptly assessed and recovered as soon as they fall due”.

During course of Special Audit of Property & Land Department at Multan Division in Sept-Oct 2021, it was observed that 10840 sft. of land was leased out to Rail Mail Service at different locations over Multan Division. An amount of Rs 6.49 million was recoverable from the department for a period from July 2020 to June 2022. Out of total receivables, an amount of Rs 1.93 million was recovered leaving a balance of Rs 4.56 million which has not been paid by the Rail Mail Service despite lapse of a considerable period of time.

The matter was taken up with the management in November, 2021 and also discussed in DAC meeting held on 07.01.2022. DAC was apprised that an amount of Rs. 6.49 million was outstanding against Rail Mail Service from July 2020 to June 2022. Out of which an amount of Rs 2.35 million has been recovered and efforts are being made for recovery of balance outstanding amount Rs. 4.13 million. DAC considered the reply satisfactory and settled the Para subject to verification of recovery by Audit. Compliance of DAC directives was awaited.

Audit recommends that matter may be taken up with higher ups of Rail Mail Service for clearance of outstanding amount under intimation to Audit.

#### **4.4.4 Non-recovery of annual rent from lessee of fish ponds/borrow pits and encroacher of fish ponds – Rs 1.87 million**

Para 316 (a) of Pakistan Government Railway code for accounts department also stipulates that the amounts due to Railway for service rendered, supplies made, or for any other reasons, are correctly and promptly assessed and recovered as soon as they fall due.

During course of Special Audit of Property & Land Department at Sukkur Division in October 2021, it was observed that fish ponds were leased out to Mr. Hatim on 26.11.2012 for the period of three years on Rs 307,000 per annum. The lease period was extended for further three years up to 30.11.2018. The lessee did not pay full amount for the period from 2018 and 2019, therefore an amount of Rs 466,912 is outstanding against him.

Audit further observed that 2 fish ponds were encroached by Mr. Muhammad Jamil Abro and Sher Muhammad since 2008 and vacated in 2015. The Assistant Executive Engineer, Larkana worked out the rental charges for unauthorized use of Railway land for fish pond purpose at the rate of Rs 100,000 per pound and directed the IOW/Larkana to recover an amount of Rs 1.40 million for unauthorized period of seven years. It is pertinent to mention here that even after lapse of more than 6 years, the amount has not been recovered from encroachers. Audit, therefore, is of the view that the amount of Rs 1.87 million was required to be recovered from lessees and encroachers.

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 14.01.2022 but the

management did not respond. The Chair (Secretary Railways) directed the C.I.A to convey displeasure to D.G/ P&L for not submitting replies against the Para and directed to submit reply within one week. Compliance of DAC directives was awaited.

Audit, therefore, recommends that matter may be investigated at an appropriate level to fix responsibility against those held responsible. Amount may be recovered under intimation to audit and financial controls be strengthened to avoid recurrence.

#### **4.4.5 Loss due to non-recovery of Railway dues from Government Departments – Rs 221.28 million**

Para 316 (a) of Pakistan Government Railway Code for the Accounts Department stipulates that “the amounts due to the Railway for services rendered, supplies made, or for any other reason, are correctly & promptly assessed and recovered as soon as they fall due”.

During Special Audit of Property & Land Department in October 2021, it was observed that an amount of Rs 221.28 million was recoverable from Government Departments such as Postal Department, Food Department and Wapda as per details given below. The Railway management failed to realize the same which reflects negligence on the part of management.

*(Rs in million)*

<b>Sr. No.</b>	<b>Description</b>	<b>Division</b>	<b>Period</b>	<b>Amount (in million)</b>
1	Land lease charges from Wapda at Sukkur & Rohri	Sukkur	2020-21	71.81
2	Land lease charges from Postal Department at Kotri and Hyderabad	Karachi	Since long	8.57
3	Land lease charges from Food Department	Multan	July, 2016 to June 2022	96.35
4	-do-	Sukkur	Since long	20.94
5	-do-	Quetta	Since long	23.61
<b>Total</b>				<b>221.28</b>

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 07.01.2022 & 14.01.2022. Against Audit observation at Sr No. 2, DAC was informed that on the basis of joint re-measurement of the area, the amount was calculated for rent of both sites i.e. Hyderabad and Kotri w.e.f. 01.07.2011 to 2018 and same was

conveyed to Postal authorities for arranging early payment of outstanding amount of Rs. 1.80 million and Rs. 4.45 million for Hyderabad and Kotri respectively vide letter No. 473-W/Misc//LM/Policy/2010 dated 30.12.2021. DAC directed C.I.A for immediate correspondence with the Ministry of Communication through Member Finance for early recovery of rental charges amounting to Rs. 8.57 million as per audit observation.

In respect of Sr. No. 3 & 4, DAC directed that concerned Divisional Superintendents and DENs should ensure full recovery of lease charges from Punjab Food Department and submit report to DAC and Audit within 15 days. Compliance of DAC directives was awaited.

Audit recommends that serious efforts be made to expedite recovery besides fixing responsibility for non-recovery of dues in each case.

#### **4.4.6 Loss due to Mis-utilization of land and non-recovery of rental charges – Rs 9.66 million**

Para 316 (a) of Pakistan Government Railway Code for the Accounts Department stipulates that “the amounts due to the Railway for services rendered, supplies made, or for any other reason, are correctly & promptly assessed and recovered as soon as they fall due”. Para 807 of Pakistan Government Railway Code for the Engineering Department provides that all Railway land should be managed on commercial lines, and administration should endeavour to develop the resources of, and put to profitable use, any areas in its occupation which are lying idle and can be put to profitable use. Such land is called “available” land.

During course of Special Audit of Property & Land Department at Karachi Division in October 2021, it was observed that an open auction of Plot-A (Ex-PSO depot) for car/motorcycle parking stand was held on 17.06.2015. The highest bid offered by Mr. Nashtar Ali of Rs 1.61 million per annum was accepted and the possession of land was handed over to the lessee on 02.09.2015 after the auction of land after depositing 30% of bid money. The lessee did not deposit the remaining 70% of bid money up to June 2016 and management cancelled the bid and forfeited the 30% bid money. Audit further observed that the lessee built a double story bungalow since long on Plot-A. The land remained under the unauthorized occupation of lessee and management failed to vacate the site up till now. The Railway management neither recovered outstanding amount of Rs 9.66 million as occupancy charges nor got the site vacated. **(Detail in Annex-K)**

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 14.01.2022 but the management did not reply. The Chair (Secretary Railways) directed the C.I.A to convey displeasure to D.G/P&L for not submitting replies against the Para and directed to submit reply within one week. Compliance of DAC directives was awaited.

Audit recommends that matter be probed to fix responsibility for non-recovery/ non vacation of land from unauthorized occupant. Land be got vacated and amount be recovered under intimation to Audit.

#### **4.4.7 Non-recovery of outstanding rent and late payment penalty charges from lessees of Railway land – Rs 29.39 million**

Para 316 (a) of Pakistan Government Railway Code for the Accounts Department stipulates that “the amounts due to the Railway for services rendered, supplies made, or for any other reason, are correctly & promptly assessed and recovered as soon as they fall due”.

During Special Audit of Property & Land Department in October 2021, following cases of non-recovery of annual rental charges along-with penalties were observed:-

- i. During course of Special Audit of Property & Land Department at Karachi Division in October 2021, it was observed that an agreement was executed between Pakistan Railways and M/s Foundation Public School dated 15.06.2002 on annual rent of Rs 1.800 million with a 25% escalation after every three years. It was further observed that the advance rent Rs 6.87 million along-with penalty at the rate of Rs 30% per annum Rs 4.12 million for the period of 2020-21 and 2021-22 also not recovered from the lessee. Therefore, an amount of Rs 10.99 million is outstanding against the lessee.
- ii. The management of Pakistan Railway failed to recover the rental charges from lessees of Railway land leased out by REDAMCO for the period from 01.03.2021 to 28.02.2022 along-with late payment penalty Rs 12.90 million (**Detail in Annex-L**).
- iii. The land measuring 22,500 sft, was leased to Mr. Syed Azhar Abbas Bukhari for a period of 33 years for establishment of CNG/Petrol Pump with annual commitment fee of Rs 10.180 million and annual rent of Rs 1.201 million with 8% compound

increase each year. The advance rent of Rs. 2.70 million with 8% escalation for the period from 12.06.2020 to 12.06.2021 has not been deposited by the lessee. This resulted into loss of Rs 2.70 million on account of non-recovery of outstanding amount.

- iv. Ten (10) Nos. shops at Nawab shah were leased out on 1<sup>st</sup> April 2003 for a period of 10 years further extendable for 5 years. The lease period finally expired on 30.03.2018. The monthly rent of Rs 6,672 for the period from 01.04.2018 to October, 2021 was not paid by the lessees. Therefore, an amount of Rs 2.80 million (6672x10x42) is still outstanding against the lessees.

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 14.01.2022. Against matter at Sr. No. (i) DAC was informed that there is acute shortage of supervisory staff in P&L Branch i.e. I.O.W, Estate Inspector, AIOW and Work Mistry, due to which recovery could not be made timely. However, fresh reminder has been issued for recovery of amount due. DAC directed the P.O that the matter for recovery of amount be pursued vigorously. Strict action be taken and letters/notices be issued for recovery within due time otherwise building will be retrieved back. Against matter at Sr. No. (ii) DAC was informed that an amount of Rs.11.62 million has been recovered, without penalty of late payment for which letters have been issued to recover the outstanding amount against late payment surcharge i.e. Rs. 837,366/- .The same would be communicated as and when received. DAC directed D.G/ P&L to issue letters/ notices to concerned parties for depositing outstanding penalty charges. DAC further directed that the Para is settled to the extent of the amount recovered. Against Sr No. (iii) the PO apprised that the subject case was placed before the District Implementation Committee constituted by the Board of Revenue, Punjab on 05-08-2020 duly attended by the Railway authorities. After deliberation, it was considered expedient that keeping in view long standing entries in land records showing Pakistan Railways in possession while Provincial Government as owner, prior permission of the Board of Revenue may be sought for implementing the subject noted judgment of honorable Supreme Court of Pakistan reviewing Mutation No. 356 and to transfer title of said land in favour of Pakistan Railways. Hence, the question for paying the rent for period mentioned by Audit does not arise as title of the land was disputed. DAC directed D.G/ P&L to pursue the matter continuously/vigorously by making correspondence at higher level through Member Finance. Against Sr. No.

(iv) DAC was informed that Railway Administration is continuously pressing hard upon the Food Authorities to get already partially calculated outstanding amount released from the Finance Department and to make payment accordingly to the Railway Department and efforts are being made for early recovery of outstanding dues. DAC considered the reply satisfactory and settled the Para subject to verification by Audit. Compliance of DAC directives was awaited.

Audit recommends that responsibility be fixed for non-recovery of advance lease charges and late payment penalty from lessees of Railway land. Action be taken against those found at fault besides recovery of the outstanding amount.

#### **4.4.8 Loss due to non-recovery of outstanding lease charges – Rs 2.91 million**

Para 1801 of General Code provides that means should be devised to ensure that every Railway servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part and also for any loss arising from fraud or negligence on the part of any other railway servant to the extent that it may be shown that he contributed to the loss by his own action or negligence.

During course of Special Audit of Property & Land Department at Sukkur Division in October 2021, it was observed that Jam Fida Hussain petroleum was leased out on 10.11.2017 to second highest bidder on annual rents of Rs 1.40 million with 8% compound annual escalation. A period of 09 months was allowed as mobilization period by Divisional Management for setting up of filling station. It was further observed that the possession of land was handed over to lessee on 15.01.2018. The first advance annual rent was deposited by the lessee for the period from 10.08.2018 to 09.08.2019 whereas the annual rent for the period from 10.08.2019 to 09.08.2020 and 10.08.2020 to 09.08.2021 has not been deposited by the lessee up till now. This resulted in loss of Rs 2.91 million on account of annual rent to Pakistan Railways due to the slackness and negligence of Pakistan Railways Administration.

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 14.01.2022. P.O apprised that the Second highest bid was accepted by the Competent Authority and

there is no bar on accepting 2nd highest in case 1st bidder fails to submit bid amount. Moreover, Jam Brother & Company deposited rupees 1.400 million for the period of 19.10.2021 to 18.10.2022. However, all out efforts are being made for the recovery of balance outstanding amount from the lessee. DAC directed to constitute a committee comprising C.P.O & Director/ Legal Affairs to probe the matter and submit report within two weeks. Compliance of DAC directives was awaited.

Audit recommends that matter be probed to fix responsibility against those held responsible for non-recovery of annual rents in time. Outstanding rental charges be recovered at the earliest under intimation to audit.

#### **4.4.9 Loss due to non-renewal of lease agreement with Telenor – Rs 5.11 million**

Clause C of license agreement dated 04.12.2015 provides that according to clause 2.1 of the addendum dated 30<sup>th</sup> Jan, 2015 both parties are agreed to enter into this license agreement for the term of five years for the operation of already installed 14 BTS sites by the licensee (more particularly described in schedule-I below w.e.f 16.09.2015 to 15.09.2020).

During Special Audit of Property & Land Department at Karachi Division in October 2021, it was observed that 14 BTS sites were leased out by Pakistan Railways to M/s Telenor Pakistan Private Limited for a period of five years from 16.09.2015 to 15.09.2020 over entire network of Pakistan Railways. Out of 14 sites, 05 sites of Karachi were under occupation of Telenor Pakistan. Despite lapse of more than a year, neither the agreement had been renewed by Karachi Division nor land occupation charges been recovered from Telenor Pakistan. Thus Pakistan Railways sustained a loss of Rs 5.113 million (4648093+10%) due to non-renewal of lease agreement.

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 14.01.2022. P.O explained that agreement with M/s Telenor Pakistan (Pvt) Ltd expired on 15.09.2020 and they have cleared all their dues. Previous agreement of 5 years, which expired on 15.09.2020, included 10% increase in annual rent every year. New agreement with M/s Telenor is under process. Furthermore, an advance rent for year 2021-22 has also been recovered with 10% increase amounting to Rs. 10.06 million resulting in no loss to Pakistan Railways. DAC considered the reply satisfactory and recommended the Para for



settlement subject to verification by Audit. Compliance of DAC directives was awaited.

Audit recommends that matter may be probed to fix responsibility for delay in renewal of agreement and action be taken against those held responsible besides recovery of the amount of occupational charges under intimation to Audit

#### **4.4.10 Loss due to non/incorrect fixation of annual rent by REDAMCO management – Rs 131.36 million**

As per certificate of approved valuator dated 30.03.2016, the base rental charges per month for first year is Rs 175,000 and lease premium Rs 17.580 million for 33 years. Further, para 1801 of General Code provides that means should be devised to ensure that every Railway servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part and also for any loss arising from fraud or negligence on the part of any other railway servant to the extent that it may be shown that he contributed to the loss by his own action or negligence.

During Special Audit of Property & Land Department at Lahore Division in November 2021, it was observed that a site, adjacent to Railway Rest house on main Circular Road at Kasur measuring 13,175 sft, was leased out to only participant i.e. M/s Hub enterprises for 33 years against lease premium of Rs 17.60 million and annual rent of Rs 1.20 million on 24.12.2016 without obtaining the competitive rates. It was further observed that instead of leasing out the land at the rate of Rs 2.10 million per annum as assessed by the private valuator the land was leased out on Rs 1.20 million per annum. This resulted in loss of Rs 131.36 million to Pakistan Railways due to leasing out of Railway land at lower rates **as detailed in Annex-M.**

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 14.01.2022 but the management did not respond. The Chair (Secretary Railways) directed the C.I.A to convey displeasure to D.G/ P&L for not submitting replies against the Para and directed to submit reply within one week. Compliance of DAC directives was awaited.

Audit recommends that matter be probed to fix responsibility for irrational fixation of annual rental charges and action be taken against

those held responsible besides recovery of the amount of loss under intimation to Audit.

#### **4.4.11 Loss due to fixation of wrong benchmark and non- finalization of lease deed – Rs 3.38 million**

As per clause-II revised policy dated 05.2019 for already construction of shops, the minimum base rate for auction for upfront premium shall be 25% of commercial DC rate of area.

During Special Audit of Property & Land Department at Lahore Division in November 2021, it was observed that 3 shops near guard running room were auctioned on 22.06.2019. The benchmarks were made without considering the DC rates issued by FBR on 01.02.2019. As per FBR notification No. S.R.O.121(I)/2019 dated 01.02.2019, the DC rate for Mcleod Road, Lahore was Rs 2.69 million whereas the Divisional Administration assessed it at Rs 2.24 million. This resulted into award of shops below the benchmark. It is worth mentioning that lessee did not deposit the premium Rs 2.51 million along-with occupancy charges Rs 0.43 million till the date of audit. This resulted into loss of Rs 3.38 million due to fixation of wrong benchmark and non-recovery of premium and occupancy charges **as detailed in Annex-N**.

The matter was taken up with the management in November, 2021 and also discussed in DAC meeting held on 14.01.2022 but the management did not respond. The Chair (Secretary Railways) directed the C.I.A to convey displeasure to D.G/ P&L for not submitting replies against the Para and directed to submit reply within one week. Compliance of DAC directives was awaited.

Audit recommends that matter be probed to fix responsibility for late finalization of lease agreements and action be taken against those held responsible.

#### **4.5 Examine the effect of decisions of Supreme Court of Pakistan regarding leasing of land only for five years**

Audit assessed the impact of decisions/verdicts of Supreme Court of Pakistan on leasing processes and removal of encroachments, particularly a recent decision shrinking the lease period of PR lands from ten to five years and subsequent ban on leasing altogether. Audit observed that PR administration did not make policy level decisions to curb institutional malpractices. PR administration resolved cases in their

singularity and left everything as it was in all remaining cases. Audit found out that PR lands were being encroached continuously with the connivance of PR employees. Another important decision made by Honorable Supreme court of Pakistan to limit the period of lease from fifteen to five years which has been inculcated by PR administration into policy framework. The previous trend of leasing for longer periods of time facilitated leakages in terms of loss of revenue in delays in commencement of lease agreements and re-auction after the expiry of lease period along with a misplaced sense of ownership in lessees. The shorter periods of lease will enhance revenue generation capacities of PR lands by obtaining premiums at a faster pace than the previous practice.

The decision of Honorable Supreme court of Pakistan to ban all kinds of leases, however, is depriving PR of revenue worth billions of rupees. It is pertinent to mention here that most of the PR lands were leased out from year 2003 to 2006 and most of the leases have either expired or are at the verge of expiry, the imposition of ban at this crucial point in time will facilitate encroachments as well as malpractices by PR employees. The decision has also been used as an excuse for willful restraint from re-auctioning of PR properties to personal advantages of PR field staff.

#### **4.5.1 Loss of potential earning due to non-re-auction/under-assessment of the land under unauthorized occupation of M/s Shape Rs 1.16 Billion**

As per clause-2 of the policy for re-licensing/renting of already constructed shops, the auction proceedings for re-auction of the site shall be processed by DS six months before the expiry of the agreement. Further, clause-4 for policy for licensing of Railway land for Marriage Lawn/Marquee provides that the base rate of annual rent will be calculated on the basis of 10 % on the average of market and DC price (commercial rate) of the approved sites of big cities and 8% on the average of market and DC price for small cities. Furthermore, clause-II revised policy dated 05.2019 provides that the minimum base rate for auction for upfront premium shall be 25% of commercial DC rate of area.

During Special Audit of Property & Land Department at Karachi Division in October 2021, it was observed that plot no.139 Mcneil Road was leased out to M/s Shapes Pvt. Ltd. on 01.06.2001, the lease agreement had expired on 30.06.2021. As per policy the land should be re-auctioned

six months before the expiry of agreement. Railway management did not put the land for re-auction six months prior to the expiry of lease agreement i.e. during January 2021, resultantly the land remains under unauthorized occupation of Shapes (Private) Limited. The valuation of land was assessed by Engineering Pakistan International (Private) Limited during November, 2020 and informed Divisional Administration vide letter No. EPI/PR/Bill/20-621-1629-Duplicate dated 20.11.2020 that the value of land comes to Rs 4.721 Billion, whereas, the Divisional Assessment Committee assessed the value of land on the basis of DC rates as Rs 1.89 Billion. The average of two valuations comes to Rs 3.31 Billion. As per policy in vogue, the annual rent should be calculated on the basis of 10% on average of market and DC price, and premium benchmark should be assessed by Divisional Assessment Committee which should be at least 25% of the average of DC rates and prevalent market rates. Therefore, annual rent for the said plot should be Rs 330.52 million ( $3,305,195,019 \times 10/100$ ) on the basis of policy and benchmark for premium should be Rs 826.299 million ( $3,305,195,019 \times 25/100$ ). Therefore, if the land was re-auctioned by management of Pakistan Railways then PR could have earned Rs 1.16 Billion (Rs 330.519,502+ Rs 826,298,755). Thus Pakistan Railway sustained loss of Rs 1.16 Billion on account of annual rental charges and one time premium due to the negligence and slackness of management of Pakistan Railways.

DAC was apprised that before expiry of agreement i.e. 30.06.2021 M/s Shapes Club applied for extension in licensee and same was granted for 6 months on depositing of occupancy charges of 06 months Rs 9.174 million @ 25% increase on last rent i.e. Rs. 1.48 million of 2020-2021 and same was deposited by M/s Shapes in Dec-2021. At the time of expiry of agreement in June -2021, ban of Supreme Court of Pakistan is in force on all kinds of leases. Audit is of the view that contention of the management was not supported by documents and till the date of meeting no supporting documents were produced and recommended that para be pended. However, the chair considered the reply of management satisfactory and settled the Para.

Audit recommends that matter be probed to fix responsibility for failure to re-auction the land in time and non-vacation of land from unauthorized occupants and land be got vacated at the earliest.

#### 4.6 Examination of Encroachment cases on Railway lands

##### 4.6.1 Encroachment of Railway land measuring 2,617.43 acres valuing Rs 3.494 Billion

Para-803 of Pakistan Government Railway Code for the Engineering Department emphasizes the need to preserve unimpaired the title to land in its occupation and keep it free from encroachments. Para 807 of Pakistan Government Railway Code for the Engineering Department stipulates that all Railway land should be managed on commercial lines and Railway administration should endeavor to develop the resources of, and put to profitable use, any areas in its occupation which are lying idle and can be put to profitable use.

During Special Audit of Property & Land Department in Sept/Oct 2021, it was observed that various categories of Railway land, measuring 2617.426 acres valuing Rs 3.49 Billion, at different divisions of Pakistan Railways were encroached since long. Thus, 2617.43 acres of Railway land valuing Rs 3.49 Billion was under encroachment due to negligence of management and Pakistan Railways was being deprived of potential earnings.

Sr. No.	Division	Land (in acres)	Valuing (in millions)	Period
1.	Multan	1937	-	Since long
2.	Rawalpindi	87.135	3493.798	Since long
3.	Quetta	593.291	-	Since long
<b>Total</b>		<b>2617.426</b>	<b>3493.798</b>	

Audit is of the view that had Railway management been vigilant, the valuable railway land could have been saved from encroachment and could be utilized for enhancement of Railways' revenue. The Railway management not only failed to retrieve the land from unauthorized occupants but also sustained losses in realization of potential revenues.

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 07.01.2022 & 14.01.2022. In respect of Sr. No. 1, DAC was informed that Pakistan Railways has taken serious steps to retrieve the land, for this purpose, Pakistan Railways regularly issued anti-encroachment schedule for every 3 months over all the Divisions to retrieve the Railway land from encroachers and efforts are being made to convert agricultural encroachment into agricultural lease through open public auction. DAC directed that DS/ Multan, DG/P&L and

I.G/ Railway Police to make joint efforts for retrieval of maximum Railways land from encroachers and pended the para. In respect of Sr. No. 2 & 3, the chair (Secretary Railways) directed the C.I.A to convey displeasure to D.G/ P&L for not submitting the replies against the Para and directed to submit reply within one week. Compliance of DAC directives was awaited.

Audit recommends that action be taken for early retrieval of sites and responsibility be fixed against those found negligent.

#### **4.6.2 Encroachment of Railway land at Chenab West Bank station for establishment of park – Rs 41.60 million**

Para-803 of Pakistan Government Railway Code for the Engineering Department emphasizes the need to preserve unimpaired the title to land in its occupation and keep it free from encroachments. Para 807 of Pakistan Government Railway Code for the Engineering Department stipulates that all Railway land should be managed on commercial lines and Railway administration should endeavor to develop the resources of, and put to profitable use, any areas in its occupation which are lying idle and can be put to profitable use.

During course of Special Audit of Property & Land Department at Multan Division in Sept-Oct 2021, it was observed that 52 acres of land situated at Chenab west bank station yard was encroached by District Government Muzaffargarh during the year 1991 by establishing unauthorized Park. The land was in the ownership of Pakistan Railways and being under unauthorized occupation of District Government. The Railway management highlighted the issue with concerned Authorities during September 2018 after lapse of 17 years. It is astonishing that the total area of the encroached land was 52 acres which had been reduced to 30 acres in GIS system and the status of 22 acres was not available with Divisional Management. The Railway Management not only failed to recover the land worth Rs 41.60 million from local government but also sustained loss of potential earnings **as detailed in Annex-O.**

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 14.01.2022. DAC was apprised that Railway land available at Chenab West Bank Station Yard has been encroached by District Government Muzaffargarh during the year 1991 by establishing unauthorized Park. The Railway land plan and Misale Miadi up to 1986-87 and 2010 show the ownership of Railway

department. However, since 2018 ownership of Forest Department is shown in Revenue record. Division approached Revenue department for correction in Revenue record in favor of Pakistan Railway and fix a suitable date for meeting on the subject matter but response is still awaited from Revenue Department. All efforts are being made to resolve the issue and outcome will be intimated accordingly please. DAC constituted an inquiry committee comprising D.S/ Multan & Joint Director/P&L) to probe the matter and submit report within one month. Compliance of DAC directives was awaited.

Audit recommends that action be taken for early retrieval of sites and responsibility be fixed against those found negligent. The GIS record be updated as per Railway land plan under intimation to Audit.

#### **4.6.3 Encroachment of Railway land & establishment of petrol pumps – Rs 2.17 billion**

Para 803 of Pakistan Government Railway Code for the Engineering Department stipulates that Railway administration should preserve unimpaired the title to all land in its occupation and keep it free from encroachment. With a view to obviate any litigation, accurate land plans of all Railway land should be maintained and boundaries adequately demarcated and verified therewith at regular intervals.

During course of Special Audit of Property & Land Department at Karachi Division in October 2021, it was observed that eleven (11 Nos.) sites of Railway land were encroached by establishing petrol pumps by different persons at Hyderabad and Karachi Cantonments during the years from 2000 to 2010. Therefore, land valuing Rs 2.17 Billion is still under encroachment **as detailed in Annex-P**. This resulted in loss of potential earnings of millions of rupees and may result in its permanent encroachment.

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 07.01.2022. DAC was informed that 8 nos. out of 11 nos. of sites at HDR were sealed in May/June-2021. Due to High court's order and other disputes, these were de-sealed. However, only 1 no. petrol pump at Sehwan Sharif remains to be sealed for which notices had already been issued to occupants. DAC directed D.G/P&L and CEO/ Sr. General Manager to review the efforts for retrieval of Railway land within 15 days otherwise file suit in Supreme

Court of Pakistan for retrieval of encroached Railways land. Compliance of DAC directives was awaited.

Audit recommends that the commercial land may be retrieved from encroacher and be put in profitable use as per policy and procedures in order to generate revenue.

#### **4.6.4 Unauthorized construction of shops on Railway land – Rs 15.52 million**

Para 803 of Pakistan Government Railway Code for the Engineering Department stipulates that Railway administration should preserve unimpaired the title to all land in its occupation and keep it free from encroachment. With a view to obviate any litigation, accurate land plans of all Railway land should be maintained and boundaries adequately demarcated and verified therewith at regular intervals.

During Special audit of Property & Land Department at Multan Division in September 2021, it was observed that a number of outsiders constructed 121 shops at Mohsinwal yard unauthorizedly since long. Railway management did not lodge any anti encroachment campaign against the illegal occupants of shops. This resulted in unauthorized construction of shops on Railway land valuing Rs 15.52 million.

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 07.01.2022. DAC was informed that some outsiders encroached Railway land and constructed 121 shops illegally at Mohsinwal Yard since long. But anti encroachment operation from Railways remained unsuccessful because of agitation by shopkeepers and creation of law & order situation at site. However, efforts are being made either to vacate or regularize these shops under the policy. DAC directed that I.G/ Railway Police and Divisional Superintendent/ Multan should make special efforts for vacation of these unauthorized shops on Railway land and submit report to DAC as well as to Audit within one month. Compliance of DAC directives was awaited.

Audit recommends that action be taken for early retrieval of land and responsibility be fixed against those found negligent.



#### **4.6.5 Encroachment of Railway land and illegal allotment to private parties by PRECHS at Gilani Railway Station, Karachi – Rs 4.40 Billion**

Para 803 of Pakistan Government Railway Code for the Engineering Department stipulates that Railway administration should preserve unimpaired the title to all land in its occupation and keep it free from encroachment. With a view to obviate any litigation, accurate land plans of all Railway land should be maintained and boundaries adequately demarcated and verified therewith at regular intervals.

During Special Audit of Property & Land Department at Karachi Division in October 2021, it was observed that Pakistan Railways Employees Cooperative Housing Society (PRECHS), Karachi has occupied 63.13 acres of prime Railways land valuing Rs 4.396 Billion at Gulshane Iqbal, Gilani Railway station through illegal and unregistered lease in 1980 for 99 years without issuance of NOC from Pakistan Railways. The PRECHS illegally allotted the Railway land to private parties and they had illegally utilized the land for residential and commercial purpose and multistory commercial buildings plazas had been constructed on Railway land. The matter regarding encroachment of Railway land and illegal allotment of Railway land by PRECHS was highlighted in media. Moreover, the Supreme Court of Pakistan has also taken suo motu notice and ordered on 24.09.2020 for removal of encroachment in connection with revival of Karachi Circular Railway (KCR). Despite orders of honorable Supreme Court of Pakistan, the Railway land measuring 63.13 acre valuing Rs 4.40 Billion was not retrieved and the project of KCR was not operationalized on Gilani Railway station.

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 14.01.2022. DAC was informed that PRECHS, Karachi has occupied 63.13 acres prime Railway land at Gulshan-e-Iqbal, Gillani Railway Station through illegal and unregistered lease in 1980 for 99 year without issuance of NOC from Pakistan Railways. Moreover, PRECHS, illegally allotted Railway land to private parties who illegally utilized land for residential and commercial purpose. Furthermore, notices are also being issued to all the un-authorized occupants. DAC directed D.G/ P& L that a detailed reply duly supported with documentary evidence be furnished to Audit within one month. Compliance of DAC directives was awaited.

Audit recommends that matter be probed to fix responsibility for illegal transfer of Railway land by PRECHS to private parties, Responsibility be fixed on the persons found at fault, remedial measures be adopted to avoid such recurrence.

#### **4.6.6 Non retrieval of 602 Railway quarters from illegal occupants**

Para 807 of Pakistan Government Railway Code for the Engineering Department provides that all Railway land should be managed on commercial lines, and administration should endeavor to develop the resources of, and put to profitable use, any areas in its occupation which are lying idle and can be put to profitable use. Such land is called “available” land.

During Special Audit of Property & Land Department at Sukkur Division in October 2021, it was observed that 602 Railways quarters were under illegal occupation of outsiders. It is worth mentioning here that neither the Railway Administration got these quarters vacated from illegal occupants nor commercial rents were taken from them. Thus, 602 Nos. railway quarters valuing billions of rupees were under encroachment due to negligence of management of Pakistan Railways and the department is being deprived of potential earnings.

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 14.01.2022. The Chief Engineer/Open Line explained that during the last six months 103 railways quarters have been vacated from unauthorized occupation and handed over to proper allottees/ employees. An amount of Rs 648,919 has been recovered and efforts are being made to recover the outstanding amount of Rs.665918. DAC directed to constitute a committee comprising Mr.Amjad Iqbal (Joint Director/P&L) and Mr. Murad Saeed (Dy.F.A) to visit and check the site. Responsible persons be identified and report be submitted within 30 days. Compliance of DAC directives was awaited.

Audit recommends that action be taken for early retrieval of 602 quarters and responsibility be fixed against those found negligent.

#### **4.7 Examination of Bills receivables mechanism**

##### **4.7.1 Loss due to non-recovery of annual rent – Rs 3.14 million**

As per clause-4 of lease deed dated 17.11.2016 First year annual rent has been paid by lessee in advance. Subsequent annual rent with 8% increase (compound) shall be paid on each anniversary of the date of

singing of agreement, provided that the first year annual rent shall include a mobilization period of 09 months.

During Special Audit of Property & Land Department at Lahore Division in November 2021, it was observed that a site adjacent to Railway Rest house, on main Circular Road at Kasur measuring 13,175 sft, was leased out to M/s Hub enterprises for establishment of petrol pump on 17.11.2016 against lease premium of Rs 17.60 million and annual rent of Rs 1.20 million with 8% annual compounded increment. On 24.12.2016, the lease hold rights were transferred by M/s Hub enterprises to Mr. Wahab Rashid. It was further observed that after payment of rent up to 2019, annual rents for the period 17.11.2019 to 16.11.2021 were not deposited by the lessee. This resulted in loss of Rs 3.14 million on account of non-depositing of the annual rent on due date **as detailed in Annex-Q**.

The matter was taken up with the management in November, 2021 and also discussed in DAC meeting held on 14.01.2022 but the management did not submit any reply to the audit observation. The Chair (Secretary Railways) directed the C.I.A to convey displeasure to D.G/P&L for not submitting replies against the Para and directed to submit reply within one week. Compliance of DAC directives was awaited.

Audit recommends that outstanding amount may be recovered from the contractor and action may be taken against those responsible for non-realizing of railway dues in time.

#### **4.7.2 Non-recovery of outstanding rental/occupancy charges of Railway Shops – Rs 46.13 million**

Para 316 (a) of Pakistan Government Railway Code for the Accounts Department stipulates that “the amounts due to the Railway for services rendered, supplies made, or for any other reason, are correctly & promptly assessed and recovered as soon as they fall due”.

During Special Audit of Property & Land Department in October/November 2021, it was observed that an amount of Rs 46.13 million was recoverable from the lessees of commercial land and shops on account of rental/occupancy and penalty charges **as detailed in Annex-R**. Railway management failed to realize the same which reflects negligence on the part of management.

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 07.01.2022 & 14.01.2022. In

respect of Sr. No. (i), (ii) & (iii), the chair (Secretary Railways) directed the C.I.A to convey displeasure to D.G/ P&L for not submitting replies against the Paras and directed to submit reply within one week. Compliance of DAC directives was awaited. In respect of Sr. No. (iv), DAC was informed that auction of this shop was conducted on 31.12.2020 in which Mr. Khalil Ahmed has offered highest rate of Rs.139,000 as rental charges and fix premium of Rs.338,500. The successful bidder had deposited 50% amount of bid money at the time of auction, but he failed to deposit the remaining amount, resultantly, the shop was sealed and new lessee has deposited the previous rental charges amounting to Rs 343,435 vide Pay order No. 24910138 dated 30.12.2021.DAC considered the reply satisfactory and settled the Para subject to verification by Audit regarding recovery of lease premium and rental charges. Compliance of DAC directives was awaited.

Audit recommends that matter be probed to fix responsibility for non-recovery/non vacation of land from unauthorized occupants. Land be got vacated and amount be recovered under intimation to audit.

#### **4.7.3 Non-remittance of withholding tax on account of auction of shops – Rs 2.47 million**

Sales Tax Special Procedure (Withholding) Rules, 2007 17[or sub-rule (6)], the sales tax deducted at source shall be deposited by the withholding agent in the designated branch of National Bank of Pakistan under 18 [under relevant head of account] on sales tax return cum-payment challan in the form set out.

During Special Audit of Property & Land Department at Lahore Division in November 2021, it was observed that the contactors/bidders did not deposit 10% withholding tax. Audit has worked out the amount of Rs 2.47 million on account of withholding tax against lease of shops and khokha shops **as detailed in Annex-S.**

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 14.01.2022. The Chair (Secretary Railways) directed the C.I.A to convey displeasure to D.G/ P&L for not submitting replies against the Para and directed to submit reply within one week. Compliance of DAC directives was awaited.

Audit recommends that responsibility be fixed and amount of Withholding tax be remitted to Tax Authorities immediately under

intimation to Audit. Financial and management controls be strengthened to avoid recurrence.

#### **4.7.4 Loss due to non-recovery of premium on account of yearly extension in lease period Rs 15.84 million**

As per clause-II revised policy dated 05.2019 for already constructed shops, the minimum base rate for auction for upfront premium shall be 25% of commercial DC rate of area.

During Special Audit of Property & Land Department at Lahore Division in November 2021, it was observed that plot (E), near Railway Station Sialkot measuring 2880 sft, was leased out to Sheikh Umar Sethi on 18.03.2006 for a period of 10 years, further extendable for a period of 5 years. After expiry of initial period of 10 years on 17.03.2006, the Railway management by granting undue favor to lessee, extended lease period on 14.01.2020 for further five years. The premium money amounting Rs 15.840 million has not been deposited by lessee even after lapse of 22 months. This resulted into loss of Rs 15.84 million on account of premium money due to slackness and negligence of Divisional Administration.

The matter was taken up with the management in November 2021 and also discussed in DAC meeting held on 14.01.2022 but the management did not submit any replies. The Chair (Secretary Railways) directed the C.I.A to convey displeasure to D.G/P&L for not submitting replies against the Para and directed to submit reply within one week. Compliance of DAC directives was awaited.

Audit recommends that matter be probed to fix responsibility for non-obtaining of premium money from lessee. Amount may be recovered from the lessee without further loss of time under intimation to audit.

#### **4.8 Critical Review**

Since Pakistan Railways is an organisation primarily meant for transportation of passengers and goods. Land, being a secondary concern, is vulnerable to mismanagement, leakages, financial erosion and neglect. Land, nevertheless, has a potential to bridge the gap between revenue and expenditure of PR which has brought the organisation close to a halt. A major chunk of PR lands have been categorised as barren, the categorisation has no systematic basis as PR has no system in place to identify the sites having potential for agriculture, industry or commercial activities. Although new sites are always leased out for various purposes

but reliance of identification is on applicants themselves or occasional visits by senior management. Audit observed that there should be a proper institutional mechanism for identification of sites for exploitation for revenue generation, a policy framework in this context will add much value to this process. The mechanism will be expanding the revenue base itself and safeguarding the assets from unwanted encroachments. One particular dimension of this issue is the closed sections, sections where Train operations have been suspended since long for a variety of reasons. Property and land was least maintained and monitored in closed sections of all divisions. These sections, though closed for operations, have valuable land assets in them. No survey of closed sections was conducted to assess the extent of encroachment and to identify potential sites for commercial exploitation. Audit recommends refocusing the forgotten parts of Railways properties. Examination of policies revealed to Audit team that the problem was not with the policies but their implementation at field level. The remedy against default and late payments is provided in the form of penalties such as fine and cancellation as extreme measure. The implementation, though, remains poor at section level which is reflected in accounts receivables and becomes an encouragement for encroachers. The properties auctioned must be leased to successful bidders within fifteen days of date of auction, Audit observed that years passed between auctioning and signing of agreements, documents remain silent about the fate of such gaps. The act of abolishing the office of Director Vigilance in 2019 gave free hand to field staff to have their way in renewing the leases and retrieving properties from defaulters. The Department remained unable to safeguard its real estate assets for want of field staff. The responsibility matrix is not well framed; staff having authority without responsibility manage most of the affairs of PR properties. Encroachment of high value properties is a recurring phenomenon; Audit observed that the Department could not stitch in time by constructing boundary walls around high value properties. Audit also found that connivance of PR employees cannot be ruled out in encouraging encroachers. Audit found plethora of applications and dozens of whistle blowers from civil societies intimating Divisional higher-ups about encroachments, even with pictorial evidences, but the Department failed to take any action against either the employees or the encroachers.

Supreme Court of Pakistan took suo moto notices against encroachment on PR properties but they remained limited to individual cases and could not bring any policy changes in the existing framework.

Supreme Court of Pakistan put a limit of five years for leasing of PR properties which is an important development. Leases for longer periods of time, such as done by REDEMCO, invited title disputes and given unenthusiastic approach of PR in pursuing court cases, assets are often lost to previous tenants. The honorable Supreme Court of Pakistan has banned all leases of PR lands recently but the decision remained silent about on-going leases which are going to expire very soon. The decision gave an excuse to the field staff for keeping the rents from escalating and rents are being received on occupancy basis without obtaining handsome amount of premium. No policy change can be implemented without deployment of adequate field staff which is responsible for PR properties and answerable to DG/P&L. At the moment, DG/P&L has no field staff of its own and by virtue of being an inverted pyramid; the organisation is unable to fulfill its avowed functions. Audit recommends framing of a robust watch and ward system against encroachments and a mechanism for rewards and punishments for field staff who fail to fulfill their responsibilities.

## **5. Conclusion**

Audit found that field staff maintaining PR properties at section level was poorly equipped with any knowledge or skills related to revenue matters. All of the field staff comprised of engineers who had engineering job descriptions and were answerable to engineering management for the discharge of their duties. The façade of Directorate of property and land had no roots at the ground level and ironically the Directorate is too headed by an officer from engineering field. The capacity issue is most significant issue when it comes to grading the risks involved in mismanagement of PR lands and properties. Audit recommends setting up of a revenue branch to look after the affairs of lands with dedicated staff so that engineers could focus on their main functional area. Audit found out that comprehensive land surveys could not be conducted by PR administration for decades which makes the revenue records unreliable. A project for computerisation of land record was completed by DG/P&L which was expected to be of great help to Audit. Unfortunately, Audit observed that the revenue records kept with headquarters differed significantly from the ones maintained at Divisional levels and both of the earlier mentioned records differed with the ones maintained at section level. A comprehensive re-survey of PR properties can serve as a foundation stone for reformation of land management in PR.

Another important issue with leasing of PR lands is that of value assessment of assets being put to auction. PR has developed a procedure for assessment which is done through Divisional Assessment Committee and independent evaluators keeping in view the DC rates of the area. Audit observed that domain was too large to be managed by a single committee of three officers who had other operational jobs to handle. Moreover, DC rates are the average of highest and lowest rates of a considerably large area and PR, being a very old organisation had properties mostly in the hearts of old commercial areas. DC rates, being basis for valuation and assessment, are disadvantageous to PR. The Department should have market survey of its own to re-assess the rates and then a robust application mechanism for implementation of those rates, the activity may involve rent assessment of sister markets owned by private persons etc. Audit found out instances of leasing at rates lower than even the DC rates.

The process of auction should be competitive and transparent. If there is a delay in signing of lease agreement more than the stipulated period of time, formal inquiry should be initiated. The lack of vigilance is paving way for financial leakages throughout the PR properties. Audit recommends fixation of responsibility for delay in signing of agreements. Audit also observed that many of the lease agreements were not even signed by the competent authority which has never called for any disciplinary action. The mechanism for reward and punishment must be upgraded.

Audit observed that the revenue targets set by PR administration were very low as compared to the revenue potential of PR properties. These low targets were not met in many cases, Audit recommends thorough scrutiny of the process which enables the PR administration for setting targets which will also include earlier mentioned re-assessment of existing resources and adding new resources by fresh surveys of properties.

Encroachment of PR properties has cost the Department billions of rupees, Audit recommends that this rapid asset erosion can be checked by insignificant expense of constructing boundary walls around PR properties. PR handed over large swathes of land to Directorate General Kachi Abadis of various provinces with a commitment to construct boundary walls around such slum dwellings but the Directorates never kept their commitments paving way for expansion of slums. Audit



recommends construction of boundary walls at the expense of PR because it is the Department's assets that are at stake.

### **ACKNOWLEDGEMENT**

We wish to express our appreciation to the Director General, Property & Land and staff for the assistance and cooperation extended to the auditors during this assignment.

**Annex-A****NON FIXATION OF BENCHMARK {(Para No 4.1.1(i)}****(Amount in Rs)**

Sr.#	Name of Highest Bidder	Plot No.	Area in marla	Offered Rate	DC value of land			8% benchmark mark	Total Loss (Rs)
					Rate Per Sft	Per Marla	Total value of area		
1	Shiek Zahid Mehmood	11	2.94	106,500	6,679	1,816,688	5,341,063	427,285	320,785
2	Najma Begum	4	5.29	188,000	6,679	1,816,688	9,610,280	768,822	580,822
3	Faheem Aslam Bhutta	12	4.96	171,000	6,679	1,816,688	9,010,772	720,862	549,862
4	Ejaz Yousaf	13-B	2.2	80,000	6,679	1,816,688	3,996,714	319,737	239,737
5	Shamshad Ali	14-A	2.94	107,000	6,679	1,816,688	5,341,063	427,285	320,285
6	Shahbaz Ali	14-B	2.94	107,000	6,679	1,816,688	5,341,063	427,285	320,285
7	Mehar Ali Khan	16	5.88	210,000	6,679	1,816,688	10,682,125	854,570	644,570
8	Dost Muhammad	16-A	0.73	27,000	6,679	1,816,688	1,326,182	106,095	79,095
9	Riaz Ahmed	18	3.31	120,000	6,679	1,816,688	6,013,237	481,059	361,059
10	Muhammad Shahzad	2	2.48	88,300	6,679	1,816,688	4,505,386	360,431	272,131

11	Hassan Javed	3	5.51	195,000	6,679	1,816,688	10,009,951	800,796	605,796
12	Shaikh Muhammad Khalid	5	2.64	95,000	6,679	1,816,688	4,796,056	383,685	288,685
13	Shaik Imran	7	5.29	201,000	6,679	1,816,688	9,610,280	768,822	567,822
14	Shaikh Abdul Manan	8	2.94	106,400	6,679	1,816,688	5,341,063	427,285	320,885
15	Raza Khan	19	2.57	95,000	6,679	1,816,688	4,668,888	373,511	278,511
16	Mumtaz Hussain	9	2.94	106,500	6,679	1,816,688	5,341,063	427,285	320,785
17	Mumtaz Hussain	10	2.94	106,500	6,679	1,816,688	5,341,063	427,285	320,785
<b>Total</b>									<b>6,391,900</b>
<b>Rs in million</b>									<b>6.392</b>

## Annex-B

**Statement showing the detail of loss due to leased out stacking plot against the policy in  
{(Para No. 4.1.1(ii))}**

(Amount in Rs)

<b>Location</b>	<b>Land in Marlas</b>	<b>DC value of land during 2019 (per marla)</b>	<b>Total Cost of land (Col-2*Col-3)</b>	<b>8% of DC value as per Policy</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Plot No.8, Peco Road Badami Bagh, Lahore	40.29 (10,960 sft)	1,767,480	71,219,047	<b>5,697,524</b>
<b>Rent Paid by lessee less DC value calculated</b>				
<b>Year</b>	<b>Rent Paid</b>	<b>8% DC value</b>	<b>Loss (Col-2-Col-3)</b>	<b>Loss for Two Years (Column2*2)</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
2018-19 and 2019-20	389,628 and 447,168	5,697,524	4,860,728	<b>9,721,456</b>
<b>Total Loss in Million</b>				<b>9.72</b>

## Annex-C

**Statement Showing the detail of incorrect fixation of lease premium by REDAMCO management  
(Para No.4.2.2)**

(Rs in million)

Sr#	Leased out to	Location	Land (Sq yard)	Total Cost of land (Average)	Base Price as per independent valuator (35% of value of 99 years)	Divisional Assessment Committee	Base Price Should be (Average of Two valuation)	Actual premium received	Total Loss
1	M/s Gas & Oil Pvt. Ltd.	Dak Bangalow and Dr. Daudpota Road, Karachi	2500	207.5	55.125	75.6	65.36	1.00	64.36
2	M/s Paramount Petroleum	Paposh Nagar, near L-xing # 14, Karachi	1388	55.56	17.501		17.501	0.902	16.599
3	M/s Asian Energy Group	Drigh Colony, Shahrah-e-Faisal, Karachi	1333	76.65	23.09	25.19	24.14	1.5	22.64
<b>Total</b>			<b>5221</b>				<b>107.00</b>	<b>3.40</b>	<b>103.60</b>

**Annex-D**

**Loss due to award of land for car parking/motor cycle stand at lower rates (Para No. 4.2.5)**

**(Amount in Rs)**

<b>Sr No</b>	<b>Period</b>	<b>Area of land (in sft)</b>	<b>DC Rate per sft</b>	<b>Total cost of land</b>	<b>Benchmark 8% of DC value</b>	<b>Rent charged on Daily basis</b>	<b>Annual rent (3185*30*12)</b>	<b>Total Loss (column 6 - 8)</b>	<b>Remarks</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
1	14.08.2017 to 13.08.2018	9536	2400	22,886,400	1,830,912	3185	1,146,600	684,312	10% increase of remaining period
2	14.08.2018 to 13.08.2019				2,014,003		1,261,260	752,743	
3	14.08.2019 to 13.08.2020				2,215,403		1,387,386	828,017	
4	14.08.2020 to 13.08.2021				2,436,943		1,526,125	910,819	
<b>Total</b>								<b>3175892</b>	
<b>Rs in million</b>								<b>3.18</b>	

**Annex-E****Statement showing the detail of loss of potential earnings due to non-auction of prime sites for petrol pump (Para No.4.2.7)****(Rs in million)**

<b>Sr. No.</b>	<b>Site/Location</b>	<b>Area in Marla</b>	<b>DC Value</b>	<b>Minimum Benchmark 10% of DC value</b>
1	Khanewal (Near Qtr No. G.T Road)	80	70.5	7.05
2	Chistian (Left Side)	220.38	53	5.3
3	L-xing No. 88-A Km124/1-2 between JNS-LAH	60	410	41
4	Bhakkar (L-xing No. 142-B Right Side)	105.56	83	8.3
5	Adam Wahan (Chamb Mor)	100	56	5.6
6	Lodhran	100	229	22.9
7	Pakpattan (No.2)	110.19	287	28.7
8	Pakpattan (No.3)	66.11	227	22.7
<b>Total</b>				<b>141.55</b>

**Annex-F**

**Statement showing detail of loss due to irregular extension in lease agreement  
(Para No. 4.2.9)**

**(Rs in billion)**

Sr. No.	Total Cost of land (amount in billion)	Premium (@ 25% of cost of land)	Annual Rent 2016-17	Annual rent with 8% escalation				Total (Col 3+4+5 +6+7+8)
				2017- 18	2018- 19	2019- 20	2020- 21	
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>
1	4.75	1.19	0.48	0.51	0.55	0.60	0.65	<b>3.98</b>



**Annex-G****Loss of potential earning due to non-execution of lease agreement  
{(Para No. 4.3.2 (i))}****(Amount in Rs)**

<b>Sr.#.</b>	<b>Name</b>	<b>Location</b>	<b>area in Kanal</b>	<b>Per month Rent</b>	<b>Annual</b>
1	Hakim Ali	Near Bismillah Kauta At Dour	0.92	17,600	211,200
2	Zulfiqar Ali	Near Bismillah Kauta At Dour	0.92	17,400	208,800
3	Mir Hassan	Dour near Goods Platform	0.92	17,600	211,200
4	Gul Hassan	Dour near Goods Platform	0.92	17,500	210,000
5	Raza Ali	Dour toward TDM end	0.66	17,600	211,200
6	Imam Din	Dour toward TDM end	0.66	17,400	208,800
7	Islam Ahmad	Dour Up side ROH end	0.22	17,700	212,400
8	Muhammad Iqbal	Dour Up side Reti end	0.22	17,500	210,000
9	Muhammad Shabbir	Dour Up side Reti end	0.22	18,000	216,000
10	Islam Ahmad	Dour Up side Reti end	0.22	17,900	214,800
11	Muhammad Murad	Sarkari Yard	1.00	18,000	216,000
12	Muhammad Younis	Sarkari Yard	1.00	17,600	211,200
13	Muhammad Iqbal	Down (up) side Near S. No.2	0.46	17,400	208,800
14	Islam Ahmad	Down (up) side Near S. No.2	0.46	17,200	206,400
15	Imam Din	Down (up) side in Yard	0.38	17,800	213,600

16	Raza Ali	Down (up) side in Yard	0.38	17,600	211,200
17	Safeer Hussain	Dour (up) side in yard	0.46	17,500	210,000
18	Riaz Ali	Dour (up) side in yard	0.46	17,300	207,600
19	Riaz Ali	Down (up) Side new B No. 2	0.95	17,300	207,600
20	Safeer Hussain	Down (up) Side new B No. 2	0.95	16,800	201,600
21	Insaf Ali	Down side in Yard	0.19	17,000	204,000
22	Fateh Muhammad	Down side in Yard	0.19	16,800	201,600
<b>Total</b>					<b>4,614,000</b>
<b>Rs in million</b>					<b>4.61</b>

**Annex-H**

<b>Loss due to non-finalization of lease agreement {(Para No. 4.3.2(iv))}</b>				
<b>(Rs in million)</b>				
<b>Sr #</b>	<b>Name of Bidder</b>	<b>Location</b>	<b>Area in Acres</b>	<b>Total</b>
1	Altaf Ahmad	Basti Jam Shahrukh R/S KPR-KLF	1.38	41,607
2	Muhammad Masood Khan	Moza Kotla Meran near Canal 3/L L/S KPR-KFL	2	60,600
3	Muhammad Adeel	Moza Ghtia near Grav Yard R/S KPR-KLF	2	53,025
4	Murtaza Farooq	Moza Ghtia near Grav Yard R/S, L/S KPR-KLF	1.75	22,725
5	Muhammad Naeem Akhtar	Near Pacca Road to Basti Khawara Moza Ghotia R/s KPR-KFL	0.75	30,300
6	Muhammad Farooq Shahid	Moza Hakra near Abbasi Canal bt KPR-KLF	1	15,225
7	Muhammad Farooq Shahid	Bridge No. 20 L/S, R/S Moza Ghotia Basti Khawra KPR-KFL	0.5	15,225
8	Muhammad Ramzan	Murad Wah near Bridg No. 51 R/S KPR-KFL	0.5	15,300
9	Abdul Gaffar	Jajja Yard Bridge No. 71 R/S, L/S	0.5	60,900
10	Allah Dad	Moza Ghotia bt KPR-KFL	2	15,375
11	Fayyaz Khan	Moza Ghotia bt KPR-KFL	0.5	3,998
12	Muhammad Rafi	Kotla Miran link canal 3/L L/S KLF-KPR	0.13	30,600
13	Abdul Sattar	Along Ghari Road Ghotia R/s KLF-KPR	1	23,063
14	Abdul Rehman Khan	Kotla Miran Basti Chania KLF-KPR	0.75	23,063
15	Sadiq Hussain	Near Jajja Outer Signal & Bridge No. 70 KLF-JJh	0.75	45,900
16	Muhammad Afzal	Moza Malikpu Jajja Abbasi R/S, L/S KLF-JJh	1.5	38,250

17	Khan Muhammad	Ghari Road infront of Chowki & Pump bt	1.25	7,688
18	Ahmad Din	Moza Ghotia Bridge No. L/S KLF-JJH	0.25	11,685
19	Sajid Fareed	Moza Zahirpir infront of Tameerimilat School bt JJH-ZRP	0.38	5,438
20	Jam Saeed Ahmed	Malikpur & Khali Khair Shah Bridg No. 58 to 75 JJH-ZRP	0.25	70,688
21	Muhammad Khalid	Moza Ghotia L/S, R/S, JJH-ZRP	3.25	45,675
22	Attak Ahmad		1.5	27,738
<b>Total Rent amount</b>				<b>664,068</b>
<b>One year rent as security</b>				<b>332,034</b>
<b>Total Loss</b>				<b>996,102</b>

**Annex-I****Irregular award of lease agreement and loss due to non-inclusion of escalation clause  
(Para No. 4.3.3)****(Amount in Rs)**

<b>Sr. No</b>	<b>Year</b>		<b>Rent Charged</b>	<b>Annual Rent with 8% escalation</b>	<b>Difference</b>
1	29.02.2008	28.02.2009	22,500	22,500	0
2	29.02.2009	28.02.2010	22,500	24,300	1,800
3	29.02.2010	28.02.2011	22,500	26,244	3,744
4	29.02.2011	28.02.2012	22,500	28,344	5,844
5	29.02.2012	28.02.2013	22,500	30,611	8,111
6	29.02.2013	28.02.2014	22,500	33,060	10,560
7	29.02.2014	28.02.2015	22,500	35,705	13,205
8	29.02.2015	28.02.2016	22,500	38,561	16,061
9	29.02.2016	28.02.2017	22,500	41,646	19,146
10	29.02.2017	28.02.2018	22,500	44,978	22,478
11	29.02.2018	28.02.2019	22,500	48,576	26,076
12	29.02.2019	28.02.2020	22,500	52,462	29,962
13	29.02.2020	28.02.2021	22,500	56,659	34,159
14	29.02.2021	28.02.2022	22,500	61,192	38,692
15	29.02.2022	28.02.2023	22,500	66,087	43,587
16	29.02.2023	28.02.2024	22,500	71,374	48,874
17	29.02.2024	28.02.2025	22,500	77,084	54,584
18	29.02.2025	28.02.2026	22,500	83,250	60,750

19	29.02.2026	28.02.2027	22,500	89,910	67,410
20	29.02.2027	28.02.2028	22,500	97,103	74,603
21	29.02.2028	28.02.2029	22,500	104,872	82,372
22	29.02.2029	28.02.2030	22,500	113,261	90,761
23	29.02.2030	28.02.2031	22,500	122,322	99,822
24	29.02.2031	28.02.2032	22,500	132,108	109,608
25	29.02.2032	28.02.2033	22,500	142,677	120,177
26	29.02.2033	28.02.2034	22,500	154,091	131,591
27	29.02.2034	28.02.2035	22,500	166,418	143,918
28	29.02.2035	28.02.2036	22,500	179,731	157,231
29	29.02.2036	28.02.2037	22,500	194,110	171,610
30	29.02.2037	28.02.2038	22,500	209,639	187,139
31	29.02.2038	28.02.2039	22,500	226,410	203,910
32	29.02.2039	28.02.2040	22,500	244,523	222,023
33	29.02.2040	28.02.2041	22,500	264,084	241,584
<b>Total</b>					<b>2,541,389</b>

**Annex-J****Irrational decision resulted into loss on account of lease out Railway  
land at lower rate (Para No. 4.3.4)****(Amount in Rs)**

<b>Annual Rent during 2000</b>	987,000	
<b>Leased out for the period</b>	99 years	
<b>Total Rent for 99 years</b>	987000x99=97,713,000	
<b>Lease money received</b>	7,933,333	
<b>Total Loss</b>	97,713,000- 7,933,333=	<b>89,779,667</b>
<b>Rs in million</b>		<b>89.78</b>

**Annex-K****Mis-utilization of land and land lease charges  
(Para No. 4.4.6)**

<b>Sr #</b>	<b>Leased out to</b>	<b>Location</b>	<b>Period of Rental Charges</b>	<b>Amount in million</b>
1	Mr. Nashtar Ali	Plot-A (Ex-PSO depot)	02.09.2015 to 02.09.2016	1.61
2			02.09.2016 to 02.09.2017	1.61
3			02.09.2017 to 02.09.2018	1.61
4			02.09.2018 to 02.09.2019	1.61
5			02.09.2019 to 02.09.2020	1.61
6			02.09.2020 to 02.09.2021	1.61
	<b>Total Rent amount</b>			<b>9.66</b>



**Annex-L****Non recovery of annual rental charges {(Para No. 4.4.7(ii)}****(Amount in Rs)**

<b>Sr.#</b>	<b>Name of Lessee</b>	<b>Period of Rent</b>	<b>Location</b>	<b>Outstanding amount</b>	<b>Penalty</b>	<b>Total Amount</b>
1	M/s Bismillah	01.03.2021 to 28.02.2022	Near PAPOSH Nagar Karachi	5,593,731	382,239	5,975,970
2	M/s Subhan Allah Associates	01.03.2021 to 28.02.2022	near Cantt Station Dr. Daudpota Road Karachi	6,476,803	442,581	6,919,384
<b>Total</b>						<b>12,895,354</b>
<b>Rs in million</b>						<b>12.90</b>

**Annex-M****Loss due to non/incorrect fixation of annual rent by REDAMCO management – Rs 131.36 million  
(Para No. 4.4.10)****(Amount in Rs)**

Sr. No	Period		Annual Rent charged with 8% compounded escalation	Annual rent should be with 8% compounded escalation	Difference
	From	To			
1	24.09.2017	23.09.2018	1,200,000	2,100,000	900,000
2	24.09.2018	23.09.2019	1,296,000	2,268,000	972,000
3	24.09.2019	23.09.2020	1,399,680	2,449,440	1,049,760
4	24.09.2020	23.09.2021	1,511,654	2,645,395	1,133,741
5	24.09.2021	23.09.2022	1,632,587	2,857,027	1,224,440
6	24.09.2022	23.09.2023	1,763,194	3,085,589	1,322,395
7	24.09.2023	23.09.2024	1,904,249	3,332,436	1,428,187
8	24.09.2024	23.09.2025	2,056,589	3,599,031	1,542,442
9	24.09.2025	23.09.2026	2,221,116	3,886,953	1,665,837
10	24.09.2026	23.09.2027	2,398,806	4,197,910	1,799,104
11	24.09.2027	23.09.2028	2,590,710	4,533,742	1,943,032
12	24.09.2028	23.09.2029	2,797,967	4,896,442	2,098,475
13	24.09.2029	23.09.2030	3,021,804	5,288,157	2,266,353
14	24.09.2030	23.09.2031	3,263,548	5,711,210	2,447,661
15	24.09.2031	23.09.2032	3,524,632	6,168,107	2,643,474
16	24.09.2032	23.09.2033	3,806,603	6,661,555	2,854,952

17	24.09.2033	23.09.2034	4,111,131	7,194,480	3,083,348
18	24.09.2034	23.09.2035	4,440,022	7,770,038	3,330,016
19	24.09.2035	23.09.2036	4,795,223	8,391,641	3,596,418
20	24.09.2036	23.09.2037	5,178,841	9,062,972	3,884,131
21	24.09.2037	23.09.2038	5,593,149	9,788,010	4,194,861
22	24.09.2038	23.09.2039	6,040,600	10,571,051	4,530,450
23	24.09.2039	23.09.2040	6,523,849	11,416,735	4,892,886
24	24.09.2040	23.09.2041	7,045,756	12,330,074	5,284,317
25	24.09.2041	23.09.2042	7,609,417	13,316,480	5,707,063
26	24.09.2042	23.09.2043	8,218,170	14,381,798	6,163,628
27	24.09.2043	23.09.2044	8,875,624	15,532,342	6,656,718
28	24.09.2044	23.09.2045	9,585,674	16,774,929	7,189,255
29	24.09.2045	23.09.2046	10,352,528	18,116,923	7,764,396
30	24.09.2046	23.09.2047	11,180,730	19,566,277	8,385,547
31	24.09.2047	23.09.2048	12,075,188	21,131,579	9,056,391
32	24.09.2048	23.09.2049	13,041,203	22,822,106	9,780,902
33	24.09.2049	23.09.2050	14,084,500	24,647,874	10,563,375
<b>Total</b>					<b>131,355,558</b>
<b>In million</b>					<b>131.36</b>

**Annex-N**

**Loss of due to fixation of wrong benchmark and non-finalization of lease dead (Para No. 4.4.11)**

**(Amount in Rs)**

<b>Sr. No</b>	<b>Shop No</b>	<b>Area</b>	<b>DC value 2019 per marla</b>	<b>Total Area in marlas</b>	<b>Total value of land</b>	<b>25% of DC value (benchmark)</b>	<b>Benchmark as per Division administration</b>	<b>land leased on</b>	<b>Total</b>
1	1	321	2691192	1.427	3839434	959858	800000	830000	159858
2	2	238	2691192	1.058	2846683	711671	600000	635000	111671
3	3	349	2691192	1.551	4174338	1043584	870000	900000	173584
<b>Total (A)</b>									<b>445114</b>
<b>Wrong fixation</b>									<b>0.45</b>

<b>Non recovery of Premium, rent and Occupancy Charges</b>			
<b>Shops No</b>	<b>Premium and rent</b>	<b>Occupancy Charges</b>	
Shop No.1	882,544	207,654	1,090,198
Shop No.2	611,382	124,406	735,788
Shop No.2	1,013,022	100,306	1,113,328
<b>Total (B)</b>	<b>2,506,948</b>	<b>432,366</b>	<b>2,939,314</b>
<b>Total (A)</b>			<b>445,113.7067</b>
<b>Grand Total (A+B)</b>			<b>3,384,427.707</b>
<b>Rs in million</b>			<b>3.38</b>

**Annex-O****Statement showing the detail of Encroachment of Railway land at Chenab West Bank Station  
(Para No.4.6.2)**

<b>Sr. No</b>	<b>Name of Site</b>	<b>Area in acre</b>	<b>Schedule Rate</b>	<b>Total (Rs)</b>
1	Sunnaky of Chenab River, Tehsil Muzaffargarh	5	200,000	1,000,000
2	Sunnaky of Chenab River	5	800,000	4,000,000
3	Sunnaky of Chenab River	5	2,000,000	10,000,000
4	Sunnaky of Chenab River	31	800,000	24,800,000
5	Do Aba Tehsil Muzaffargarh	6	300,000	1,800,000
<b>Total</b>		<b>52</b>		<b>41,600,000</b>
<b>Rs in million</b>				<b>41.60</b>

**Annex-P****Encroachment of Railway land by establishment of petrol pumps on Railway Land  
(Para No. 4.6.3)****(Amount in Rs)**

<b>Sr.#</b>	<b>Site/Location</b>	<b>Encroach during Year</b>	<b>Area Kana in Railway</b>	<b>Area in Sq. Yard</b>	<b>Encroacher/ Oil Company Name</b>	<b>DC Value per Sq Yard</b>	<b>Total Cost of Land</b>
1	Fateh Chowk, Auto Bhan Road, Latifabad	2006	10	6044.4	Thar CNG Pump	90,000	544,000,000
2	Fateh Chowk, Auto Bhan Road, Latifabad	2006	9.83	5941.7	Shell Pump	90,000	534,752,000
3	Fateh Chowk, Auto Bhan Road, Latifabad	2006	0.68	411.0	PSO	90,000	36,992,000
4	Hyderabad Badin Road	2009	2.61	1577.6	Diyal Das S/o Qasomal	150,000	236,640,000
5	Hyderabad Badin Road	2006	1.22	737.4	Diyal Das S/o Qasomal	150,000	110,613,333
6	Auto Bhan Road, N-5 Hyderabad	2006	2.88	1740.8	Mudasir/Hascol	150,000	261,120,000
7	Auto Bhan Road, N-5 Hyderabad	2006	1.28	773.7	Dr. Bashir/PSO	150,000	116,053,333
8	Latifabad No 2, Latifabad Road	2006	1.04	628.6	Abdullah/ Admore Petrol Pump	90,000	56,576,000
9	Sehwan Station Indus Highway	2010	2.29	1384.2	Lal Chand/Lal Qalander CNG	34,000	47,062,044

10	Mian Korangi Road Cantt Station	2000	1.44	870.4	Total Pump	110,000	95,744,000
11	Mian Korangi Road Cantt Station	2000	1.99	1202.8	PSO	110,000	132,312,889
<b>Total</b>							<b>2,171,865,600</b>
<b>Rs in million</b>							<b>2,171.87</b>

**Annex-Q**

**Loss due to non-recovery of annual rent (Para No. 4.7.1)**

**(Amount in Rs)**

<b>Sr. #</b>	<b>Location</b>	<b>Period</b>		<b>Annual Rent with 8% escalation</b>
1	Circular Road Kasur adjacent to Railway Rest House	17.11.2016	16.11.2017	1,200,000
2		17.11.2017	16.11.2018	1,296,000
3		17.11.2018	16.11.2019	1,399,680
4	<b>Recoverable since 17.11.2019</b>	<b>17.11.2019</b>	<b>16.11.2020</b>	<b>1,511,654</b>
5		<b>17.11.2020</b>	<b>16.11.2021</b>	<b>1,632,587</b>
<b>Total</b>				<b>3,144,241</b>
<b>Rs in million</b>				<b>3.144</b>



**Annex-R****Statement showing details of outstanding rental charges of Commercial land and shops  
Sr. No.(i) (Para No. 4.7.2)****(Amount in Rs)**

S.No.	Shop No	Lessees M/s	Period		Area SFT	Rental Charges	Previous period outstanding	Total outstanding Rs
			From	To				
1	1	Gull M. Khan	28.04.21	27.04.22	149	44204	204993	249,197
2	2	M. Amir Umer	03.07.21	02.07.22	604.47	293,637	-	293,637
3	3	M. Javeed	28.04.21	27.04.22	85.00	25,224	107,303	132,527
4	4	M. Jamil	28.04.21	27.04.22	89.00	26,411	88,806	115,217
5	5	M. Pervaiz Qureshi	28.04.21	27.04.22	392.40	96,419	-	96,419
6	6	M. Tufail	28.04.21	27.04.22	83.00	24,630	82,819	107,449
7	7	Shoukat Ali	28.04.21	27.04.22	72.00	21,366	89,384	110,750
8	8	Ehtisham	28.04.21	27.04.22	97.00	28,784	158,653	187,437
9	9	Sabir Hussain	28.04.21	27.04.22	221.00	65,582	220,519	286,101
10	10	M. Farooq	28.04.21	27.04.22	227.00	67,361	308,136	375,497
11	11	Syed Moeen-ud-Din	27.04.21	28.04.22	278.00	76,386	136,079	212,465
12	12	M. Najeeb Baig	28.04.21	27.04.22	286.00	84,870	410,605	495,475
13	13	M. Hanif	28.04.21	27.04.22	144.00	42,732	497,498	540,230
14	14	Kamran	28.04.21	27.04.22	94.00	27,894	93,796	121,690
15	15	M. Hanif	28.04.21	27.04.22	237.00	70,330	236,108	306,438
16	16	M. Ashraf	28.04.21	27.04.22	157.00	46,589	189,310	235,899
17	18	Shabab Khan	28.04.21	27.04.22	141.00	41,842	244,094	285,936
18	19	Shabab Khan	28.04.21	27.04.22	126.00	37,390	486,612	524,002

19	20	Roshan Din	28.04.21	27.04.22	136.00	40,359	288,465	328,824
20	22	Jan Muhammad	28.04.21	27.04.22	107.00	31,752	45,096	76,848
21	24	M. Nawaz	28.04.21	27.04.22	105.00	31,158	118,913	150,071
22	25	Siddique Ahmed	28.04.21	27.04.22	107.00	31,752	218,595	250,347
23	26	M. Aleem	28.04.21	27.04.22	103.00	30,565	202,759	233,324
24	1	Sh. M. Rafique, Gosht Market near Railway Station Lahore Parking Stand	03.07.21	02.07.22	567.00	293,064	272,613	565,677
25	2	M.Amir Umer, Gosht Market near Railway Station Lahore Parking Stand	03.07.21	02.07.22	604.47	293,637	-	293,637
26	3	Mehraj Bibi, Gosht Market near Railway Station Lahore Parking Stand	03.07.21	02.07.22	408.44	212,417	96,682	309,099
27	4	Sohail Zafar, Gosht Market near Railway Station Lahore Parking Stand	03.07.21	02.07.22	204.67	105,812	-	105,812
28	5	Iqrar Ahmed, Gosht Market near	03.07.21	02.07.22	252.06	127,996	179,858	307,854

		Railway Station Lahore Parking Stand						
29	6	Muhammad Akram, Gosht Market near Railway Station Lahore Parking Stand	03.07.21	02.07.22	437.60	224,310	318,074	542,384
<b>Total-A</b>								<b>7,840,243</b>

**Sr. No.(ii)**

**(Amount in Rs)**

<b>Sr.#.</b>	<b>Shop No</b>	<b>Lessees M/s</b>	<b>Location</b>	<b>Date of Approval</b>	<b>Date of Open Bid</b>	<b>Area SFT</b>	<b>One Year Rent</b>	<b>Outstanding Rental Charges</b>
1	Add	Khalil Ahmad	Shopping Center No. 15	25.05.21	31.12.20	210	139,000	434,850
2	59	Majeed Hussain Tahir	Shopping Center No. 7	27.07.21	20.05.21	200	139,000	351,939
3	58/Add	Muhammad Ashraf Khan	Locoshed	26.07.21	20.05.21	818.125	340,000	1,159,000
4	55	M. Munir Rana	Locoshed	27.07.21	20.05.21	100	91,500	221,400
5	54/Add	Muhammad Saeed Majeed	Locoshed	26.07.21	20.05.21	300	214,000	214,000
6	49	Rana Asif Mehmood	Shopping Center No. 7	27.07.21	20.05.21	100	83,000	194,693
7	46	Muhammad Toqeer	Locoshed	27.07.21	20.05.21	100	84,000	193,015

8	2	Raja Aurangzeb	Locoshed	22.04.21	30.11.19	144	25,000	91,671
9	43	Ghulam Qadeer Bhatti	Locoshed	27.07.21	20.05.21	100	80,000	262,500
10	5-A	Falak Sher	Shopping Center No. 7	08.09.21	09.10.20	300	99,000	389,884
11	5	Naveed Saleem	Gas Colony	17.01.20	30.11.18	150	86,000	762,659
12	42	M. Amir	Opposite Tablighi Markaz Raiwind	05.04.21	28.02.20	128	38,400	254,300
13	43	Waheed-ur-Rehman	Opposite Tablighi Markaz Raiwind	05.04.21	28.02.20	128	38,400	249,300
14	6	M. Shamshad Din	Opposite Tablighi Markaz Raiwind	05.04.21	11.01.20	245	73,500	697,500
15	17	Israr Ahmed	Opposite Tablighi Markaz Raiwind	22.06.21	10.10.20	100	26,000	177,500
16	29	Salman Shahzad	Opposite Tablighi Markaz Raiwind	22.06.21	10.10.20	100	26,000	172,000
17	21	M. Anwar	Opposite Tablighi Markaz Raiwind	22.06.21	10.10.20	1000	26,000	176,500
18	20	M. Hadayat	Opposite Tablighi Markaz Raiwind	22.06.21	10.10.20	100	26,000	172,000
19	26	Riasat Ali	Opposite Tablighi Markaz Raiwind	22.06.21	10.10.20	100	26,000	179,000
20	8	M. Tariq	Opposite Tablighi Markaz Raiwind	22.06.21	10.10.20	100	26,000	179,500
21	25	Rana Amjad Hussain	Opposite Tablighi Markaz Raiwind	22.06.21	10.10.20	100	26,000	177,000
22	76	Shafqat Ali	Opposite Tablighi Markaz Raiwind	05.04.21	29.02.20	124	37,200	246,400
23	60	Salman Khadim	At Kot lakhpat	19.05.21	10.01.20	100	32,500	202,500
24	55	Mushtaq Ahmed	At Kot lakhpat	19.05.21	10.01.20	100	32,500	203,000
25	58	Malik Abdul Majeed	At Kot lakhpat	19.05.21	10.01.20	100	32,500	200,000

26	355	Touseef Ulfat	At Kot lakhpat	19.05.21	10.01.20	100	32,500	204,000
27	342	Malik Muhammad Shahbaz	At Kot lakhpat	19.05.21	10.01.20	100	32,500	197,500
28	138	M. Latif	At Kot lakhpat	Not Yet	10.01.20	100	32,500	206,000
29	32	M. Shahbaz Ashraf	At Kot lakhpat	19.05.21	09.01.20	100	32,500	197,500
30	59	Malik Abdul Majeed	At Kot lakhpat	19.05.21	10.01.20	100	32,500	197,000
31	69	M. Kashif Javaid	At Kot lakhpat	19.05.21	10.01.20	100	32,500	202,500
32	230	M. Pervaz	At Kot lakhpat	19.05.21	10.01.20	100	32,500	203,000
33	120	M. Mansoor Khan	At Kot lakhpat	19.05.21	10.01.20	100	32,500	203,500
34	42	M. Riaz Rao	At Kot lakhpat	19.05.21	09.01.20	100	32,500	195,500
35	315	Hashim Ali	At Kot lakhpat	19.05.21	10.01.20	100	32,500	205,000
36	195	Muhammad Aslam	At Kot lakhpat	19.05.21	10.01.20	100	32,500	203,000
37	47	M. Waseem	At Kot lakhpat	19.05.21	09.01.20	100	32,500	196,000
38	343	Ghulam Hussain	At Kot lakhpat	19.05.21	10.01.20	100	32,500	205,000
39	119	M. Mansoor Khan	At Kot lakhpat	19.05.21	10.01.20	100	32,500	202,500
40	46	M. Ramzan	At Kot lakhpat	19.05.21	10.01.20	100	32,500	195,500
41	12	Shafqat Ali	At Pattoki Station	21.04.21	14.01.20	100	26,000	155,000
42	18	Ijaz	At Pattoki Station	22.04.21	14.01.20	100	26,000	160,500
43	21	M. Mansha	At Pattoki Station	22.04.21	14.01.20	100	26,000	164,000
44	17	M. Imran Mehmood	At Pattoki Station	22.04.21	14.01.20	101	26,000	162,500
45	8	M. Hafeez	At Pattoki Station	22.04.21	14.01.20	100	26,000	159,500
46	10	Abid Hussain	At Pattoki Station	21.04.21	14.01.20	100	26,000	157,000
47	15	Muhammad Ahmed	At Pattoki Station	22.04.21	14.01.20	100	27,400	163,300
48	14	M. Qaiser Shehzad	At Pattoki Station	22.04.21	14.01.20	100	26,000	161,000

49	22	Muhammad Amin	At Pattoki Station	22.04.21	14.01.20	100	26,000	149,000
50	23	Shahid Mehmood	At Pattoki Station	22.04.21	14.01.20	49	13,000	83,500
51	1	M. Naseem	At Pattoki Station	22.04.21	14.01.20	100	26,000	154,500
52	10	Khalid Mehmood	Opposite Tablighi Markaz Raiwind	22.06.21	10.10.20	100	26,000	79,000
53	350	Ch. M. Adil	At Kot lakhpat	19.05.21	10.01.20	100	32,500	196,000
54	13	M. Sajjad	At Pattoki Station	21.04.21	14.01.20	100	26,000	160,000
55	11	Abid Hussain	At Pattoki Station	22.04.21	14.01.20	100	26,000	158,000
56	4	Abid Hussain	At Pattoki Station	22.04.21	14.01.20	144	51,000	262,500
57	3	Asif Mehmood	At Pattoki Station	22.04.21	14.01.20	144	51,000	269,500
58	6	M. Afzal	At Pattoki Station	22.04.21	14.01.20	100	26,000	159,500
59	20	Kashif	At Pattoki Station	22.04.21	14.01.20	100	26,000	163,000
60	24	Kashif Ali	At Pattoki Station	22.04.21	14.01.20	100	26,000	161,000
61	9	Suleman Anwar	At Pattoki Station	22.04.21	14.01.20	100	26,000	158,000
62	16	Imran Mehmood	At Pattoki Station	22.04.21	14.01.20	99	26,000	161,500
63	19	Safdar Javed	At Pattoki Station	22.04.21	14.01.20	100	26,000	162,000
64	25	Kashif Ali	At Pattoki Station	22.04.21	14.01.20	225	116,000	647,000
65	13	M. Tahir Bashir	Opposite Tablighi Markaz Raiwind	22.06.21	10.10.20	100	26,000	180,000
66	28	Khalid Javed	Opposite Tablighi Markaz Raiwind	22.06.21	10.10.20	100	26,000	228,500
67	24	Shahbaz Ali	Opposite Tablighi Markaz Raiwind	26.04.21	17.11.20	100	26,000	212,000
68	9	Muhammad Usman	Opposite Tablighi Markaz Raiwind	22.06.21	10.10.20	100	26,000	169,500

69	12	Muhammad Usman	Opposite Tablighi Markaz Raiwind	22.06.21	10.10.20	100	26,000	173000
70	5	AnwarAhmed	Opposite Tablighi Markaz Raiwind	22.06.21	10.10.20	100	26,000	177,000
71	6	Sana-Ullah-Khan	Opposite Tablighi Markaz Raiwind	22.06.21	10.10.20	100	26,000	182,000
72	16	Liaqat Ali	Opposite Tablighi Markaz Raiwind	22.06.21	17.11.20	100	26,000	177,000
73	2	Khalil Ahmed	At Pattoki Station	22.04.21	14.01.20	100	26,000	169,500
74	7	M. Aslam	At Pattoki Station	22.04.21	14.01.20	100	26,000	159,500
75	5	Irshad Hussain	At Pattoki Station	22.04.21	14.01.20	100	26,000	146,000
<b>Total-B</b>								<b>17,056,411</b>
<b>Rs in million</b>								<b>17.06</b>

(Sr. No.iii & iv)

<b>Sr. No.</b>	<b>Land Leased out to</b>	<b>Location</b>	<b>Annual Rent (Rs)</b>	<b>Occupancy Charges (Rs)</b>	<b>Total (Rs)</b>
1	M/s Shapes	Plot No. 139 Mcneil Road (Office & Fitness Club) Karachi Cantt, Karachi	14,678,184	6,115,910	<b>20,794,094</b>
2	Mr. Khalil Ahmed	Shopping center No. 15 at cooperative store chowk, Lahore	434,850	-	<b>434,850</b>
<b>Total-C</b>					<b>21,228,944</b>

(Amount in Rs)

<b>SUMMARY (Annex-Q)</b>		
<b>Sr. No. (as per Para)</b>	<b>Total</b>	<b>Grand Total</b>
Sr. No (i)	Total-A	7,840,243
Sr. No. (ii)	Total-B	17,056,411
Sr. No. iii & iv	Total-C	21,228,944
<b>Grand Total</b>		<b>46,125,598</b>
<b>Rs in million</b>		<b>46.13</b>



**Annex-S****Statement showing the details of withholding tax on account of auction of shops and khokha shops  
(Para No.4.7.3)  
(Amount in Rs)**

<b>S.No.</b>	<b>Shop No</b>	<b>Lessee M/s</b>	<b>Location</b>	<b>Area SFT</b>	<b>Withholding Tax</b>
1	Add	Khalil Ahmad	Shopping Center No. 15	210	47,750
2	59	Majeed Hussain Tahir	Shopping Center No. 7	200	38,900
3	58/Add	Muhammad Ashraf Khan	Locoshed	818.125	136,500
4	55	M. Munir Rana	Locoshed	100	21,650
5	54/Add	Muhammad Saeed Majeed	Locoshed	300	66,400
6	51	Ibrar Ahmad	Locoshed	300	78,600
7	49	Rana Asif Mehmood	Shopping Center No. 7	100	20,800
8	46	Muhammad Toqeer	Locoshed	100	20,900
9	2	Raja Aurangzeb	Locoshed	144	34,500
10	43	Ghulam Qadeer Bhatti	Locoshed	100	20,500
11	40	Abdul Hassan	Locoshed	100	20,000
12	5-A	Falak Sher	Shopping Center No. 7	300	94,000
13	5	Naveed Saleem	Gas Colony	150	108,000
14	42	M. Amir	Opposite Tablighi Markaz Raiwind	128	35,500
15	43	Waheed-ur-Rehman	Opposite Tablighi Markaz Raiwind	128	34,500

16	6	M. Shamshad Din	Opposite Tablighi Markaz Raiwind	245	110,100
17	17	Israr Ahmed	Opposite Tablighi Markaz Raiwind	100	25,100
18	29	Salman Shahzad	Opposite Tablighi Markaz Raiwind	100	24,000
19	21	M. Anwar	Opposite Tablighi Markaz Raiwind	100	24,900
20	20	M. Hadayat	Opposite Tablighi Markaz Raiwind	100	24,000
21	26	Riasat Ali	Opposite Tablighi Markaz Raiwind	100	25,400
22	8	M. Tariq	Opposite Tablighi Markaz Raiwind	100	25,500
23	25	Rana Amjad Hussain	Opposite Tablighi Markaz Raiwind	100	25,000
24	76	Shafqat Ali	Opposite Tablighi Markaz Raiwind	124	34,500
25	60	Salman Khadim	At Kot lakhpat	100	27,500
26	55	Mushtaq Ahmed	At Kot lakhpat	100	27,600
27	58	Malik Abdul Majeed	At Kot lakhpat	100	27,000
28	355	Touseef Ulfat	At Kot lakhpat	100	27,800
29	342	Malik Muhammad Shahbaz	At Kot lakhpat	100	26,500
30	138	M. Latif	At Kot lakhpat	100	28,200
31	32	M. Shahbaz Ashraf	At Kot lakhpat	100	26,500
32	59	Malik Abdul Majeed	At Kot lakhpat	100	26,400

33	69	M. Kashif Javaid	At Kot lakhpat	100	27,500
34	230	M. Pervaz	At Kot lakhpat	100	27,600
35	120	M. Mansoor Khan	At Kot lakhpat	100	27,700
36	42	M. Riaz Rao	At Kot lakhpat	100	26,100
37	315	Hashim Ali	At Kot lakhpat	100	28,000
38	195	Muhammad Aslam	At Kot lakhpat	100	27,600
39	47	M. Waseem	At Kot lakhpat	100	26,200
40	343	Ghulam Hussain	At Kot lakhpat	100	28,000
41	119	M. Mansoor Khan	At Kot lakhpat	100	27,500
42	46	M. Ramzan	At Kot lakhpat	100	26,100
43	12	Shafqat Ali	At Pattoki Station	100	21,500
44	18	Ijaz	At Pattoki Station	100	21,700
45	21	M. Mansha	At Pattoki Station	100	22,400
46	17	M. Imran Mehmood	At Pattoki Station	101	22,100
47	8	M. Hafeez	At Pattoki Station	100	21,500
48	10	Abid Hussain	At Pattoki Station	100	21,000
49	15	Muhammad Ahmed	At Pattoki Station	100	21,700
50	14	M. Qaiser Shehzad	At Pattoki Station	100	21,800
51	22	Muhammad Amin	At Pattoki Station	100	20,500
52	23	Shahid Mehmood	At Pattoki Station	49	11,500
53	1	M. Naseem	At Pattoki Station	100	20,500
54	10	Khalid Mehmood	Opposite Tablighi Markaz Raiwind	100	25,400
55	350	Ch. M. Adil	At Kot lakhpat	100	26,200

56	13	M. Sajjad	At Pattoki Station	100	21,600
57	11	Abid Hussain	At Pattoki Station	100	21,200
58	4	Abid Hussain	At Pattoki Station	144	32,100
59	3	Asif Mehmood	At Pattoki Station	144	33,500
60	6	M. Afzal	At Pattoki Station	100	21,500
61	20	Kashif	At Pattoki Station	100	22,200
62	24	Kashif Ali	At Pattoki Station	100	21,800
63	9	Suleman Anwar	At Pattoki Station	100	21,200
64	16	Imran Mehmood	At Pattoki Station	99	21,900
65	19	Safdar Javed	At Pattoki Station	100	22,000
66	25	Kashif Ali	At Pattoki Station	225	83,000
67	13	M. Tahir Bashir	Opposite Tablighi Markaz Raiwind	100	25,600
68	28	Khalid Javed	Opposite Tablighi Markaz Raiwind	100	35,300
69	24	Shahbaz Ali	Opposite Tablighi Markaz Raiwind	100	32,000
70	9	Muhammad Usman	Opposite Tablighi Markaz Raiwind	100	23,500
71	12	Muhammad Usman	Opposite Tablighi Markaz Raiwind	100	24,200
72	5	AnwarAhmed	Opposite Tablighi Markaz Raiwind	100	25,000
73	6	Sana-Ullah-Khan	Opposite Tablighi Markaz Raiwind	100	26,000

74	16	Liaqat Ali	Opposite Tablighi Markaz Raiwind	100	25,000
75	2	Khalil Ahmed	At Pattoki Station	100	23,500
76	7	M. Aslam	At Pattoki Station	100	21,500
77	5	Irshad Hussain	At Pattoki Station	100	18,800
<b>Total</b>					<b>2,467,000</b>
<b>Rs in million</b>					<b>2.47</b>