



A company set up under section 42 of the Companies Ordinance, 1984

PHA FOUNDATION

MINISTRY OF HOUSING & WORKS

SHAHEED-E- MILLAT, SECRETARIAT, BLUE AREA, ISLAMABAD



No. PHA-F/42nd BoD Meeting/2020/227

Dated: November 23, 2020

Subject: MINUTES OF 42nd BOD MEETING OF PHA FOUNDATION HELD ON OCTOBER 28, 2020 IN THE COMMITTEE ROOM OF PHA FOUNDATION, ISLAMABAD.

I am directed to enclose copy of approved minutes of 42nd meeting of BoD of PHA Foundation held on October 28, 2020 at 01:30 PM under the chairmanship of Federal Minister for Housing & Works / Chairman, PHA Foundation in the Committee Room of PHA Foundation, Islamabad.

Encl: As above


(MUHAMMAD IRFAN KHAN)
Director (Monitoring & Coord)

Distribution:

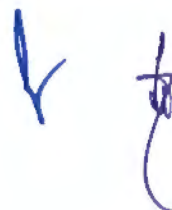
1. Ch. Tariq Bashir Cheema,
Federal Minister for Housing & Works/
Chairman, PHA Foundation,
Islamabad.
2. Dr. Imran Zeb Khan,
Secretary Housing & Works,
M/o Housing & Works,
Islamabad.
3. Mr. Zahoor Ahmed,
Additional Secretary,
M/o Housing & Works,
Islamabad.
4. Mr. Tariq Rashid,
Chief Executive Officer,
PHA Foundation,
Islamabad.
5. Mr. Ayaz Ahmed Khan,
Member Engineering,
CDA, Islamabad.
6. Mr. Yaseen Shar Baloch,
Joint Secretary (Admin),
M/o Housing & Works,
Islamabad.
7. Mr. Rizwan Ahmed Sheikh,
Financial Advisor (Works)/
Joint Secretary, Finance Division,
Islamabad.
8. Mr. Waseem Hayat Bajwa,
Director General,
FGEHA, Islamabad.
9. Mr. Amir Mohyuddin,
Joint Secretary (Estate),
M/o Housing & Works,
Islamabad.
10. Mr. Shahid Farzand,
Director General,
Pak. PWD, Islamabad.

Copy for information to:

- i. PS to Chief Executive Officer, PHA Foundation, Islamabad.
- ii. PA to Chief Engineer, PHA Foundation, Islamabad.
- iii. PA to Company Secretary, PHA Foundation, Islamabad.
- iv. PA to All Directors, PHA Foundation, Islamabad.
- v. Section file.

MINUTES OF 42ND BOD MEETING OF PHA FOUNDATION

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42nd meeting of the Board of Directors of PHA Foundation was held under the chairmanship of Honourable Federal Minister for Housing & Works / Chairman, PHA Foundation on October 28, 2020 at 01:30 PM in Committee Room of PHA Foundation Islamabad.

2. The meeting started with recitation from the Holy Quran.

AGENDA ITEM NO. 01

CONFIRMATION OF MINUTES OF 41ST BOD MEETING OF PHAF.

41st Meeting of the Board of Directors of PHA Foundation was held under the Chairmanship of Honourable Federal Minister for Housing & Works / Chairman, PHA Foundation on July 27, 2020 at 12:30 PM in the Committee Room of PHA-Foundation, Islamabad. The minutes were circulated among all members of the Board of Directors. No written objection to the minutes was received within stipulated time. Thus, Members of BoD were requested to confirm minutes of 41st BoD Meeting.

The Board confirmed minutes of 41st BoD Meeting.

AGENDA ITEM NO. 02

REVIEW OF PHA-F EXISTING JOINT VENTURE POLICY.

It was apprised that in line with the vision of the Prime Minister of Pakistan to construct five million houses, PHA-F being an implementing arm of Ministry of Housing and Works was entrusted with task to launch and develop housing schemes across the country. Since inception, PHA-F had developed 24 projects with 6020 apartments in Karachi, Lahore, Peshawar and Islamabad. In addition, four projects with 5362 apartments/houses were in final phases of construction at I-16/3, I-12/1 and Kurri Road, Islamabad. Moreover, two projects with 21350 housing units/apartments were recently launched in Quetta and Peshawar. Besides, two projects at Gwadar and Gilgit-Baltistan were in the planning phase.

2. The forum was further apprised that land was a prerequisite for development of housing projects but acquiring land was a challenge for PHA-F. Earlier, PHA-F undertook its projects on the lands provided by the Government. After devolution of the housing sector to the provinces, PHA-F had been facing problems in acquiring land from Provincial as well as Federal Government for its projects that eventually affected the progress of organization in accomplishment of its objectives.

3. To accomplish its purpose of provision of affordable housing units, PHA-F proposed a Joint Venture Policy, which was approved by the Board of Directors, PHA-F in its 26th BoD meeting dated 14-07-2017. Subsequently, Expression of Interest was called through National Dailies. In response, a few proposals were received but the sites of the lands offered for JVs were not found feasible as per TORs of the JV Policy.

4. It was highlighted that FGEHF (now FGEHA) revised its Joint Venture Policy with the following changes in the said Policy in line with Principle Guidelines of Cabinet in its meeting dated 18-08-2016, which was approved by the Cabinet along with its Regulations due to which FGEHA successfully launched several housing projects through Public Private Partnership across the country:

- i. The Housing Foundation may have contract with JV partner for end/finished product i.e. Apartments/Houses on turnkey basis against final cost including all expenses i.e. land price, infrastructural cost, utilities, construction cost etc. the quota/share of both parties may be decided.
 - ii. Land sharing formula being part of CDA Policy and also successfully practiced by Defense Housing Authority (DHA), would be applied to Federal Government Housing Foundation. The proportionate share of Housing Foundation and the land provider would fall within a ratio of 70:30 or one developed Kanal for four Kanals of raw land to the land provider, as mutually agreed.
5. The matter was referred to the Land & Estate Committee for the deliberation and recommendations. The Land and Estate Committee after detailed discussion forwarded the following recommendations for the approval of the Board of Directors of PHA-F:

RECOMMENDATIONS:

- i. The Joint Venture Policy would be re-activated and housing projects launched through Public Private Partnership.
- ii. Focus shall be on extension of maximum benefits to the customers especially the low income groups. Such considerations would be made part and parcel of the JV agreement with JV partner.

DISCUSSION:

6. The Chairman BoD inquired whether PHAF had earlier undertaken any Joint Venture with any private company and if so what was the outcome? It was responded that PHAF had entered into a joint venture with Maymar Housing Company but it could not deliver the expected results. Issues with them could not be resolved till to date.

7. The Deputy Chairman of the BoD highlighted that Government was pursuing the vision of the construction of five million houses, so accomplishing it through Joint Ventures by the implementing arms of Ministry of Housing and Works was an option. It was clarified that Joint Ventures with Government agencies was not an issue for the organization. Such an arrangement was in place with the Provincial Governments of Khyber Pakhtunkhwa, Government of Baluchistan & Gilgit Baltistan. It was appropriate that Government Land Owning Agencies identified state land on which housing projects could be launched.

8. A member of the BoD inquired whether PHAF being an NPO registered under section 42 of Companies' Ordinance 1984 (Companies' Act 2017) could enter into JVs with private parties whose sole aim was profit making. That profits earned would be charged from the allottees. It was responded that the policy was approved by the cabinet for FGEHF when it was an NPO. However, the question raised and other allied questions needed to be looked into.

DECISION:

After detailed discussion, it was decided to defer the agenda item with the direction to the Management of PHAF to study the Joint Venture policy in detail in the backdrop of the legal aspects. Then after, the policy would be placed before the BoD for a decision.



IDENTIFICATION AND HANDING OVER OF PIECES OF LAND BY PAK.PWD & FGEHA ALREADY APPROVED FOR PROJECTS OF PHA-F

The forum was apprised that on 11-09-2017, Ministry of Housing and Works conveyed the directions of the Federal Minister for Housing and Works to Director General (Pak.PWD), wherein the following pockets of land were approved to be handed over to PHA-F for construction of housing projects:

- i. 24 Kanal land of Pak.PWD at Multan.
- ii. 12 Kanal land at Wafaqi Colony adjacent to Federal Lodges, Lahore.
- iii. Land measuring 03 Kanal of inquiry office, Pak.PWD situated within the boundary wall of PHA-F existing project at G-10/2, Islamabad.

2. Accordingly, on 03-11-2017, PHA-F took up case with Director General (Pak.PWD) for handing over of the aforesaid pockets of land to PHA-F.

3. Besides, the instant matter was also discussed in the 27th meeting of the Board of Directors of PHA-F held on 07-12-2017, wherein it was endorsed that the subject pockets of land would be transferred to PHA-F for initiation of new housing projects.

4. Pak PWD had repeatedly been approached for implementation of the directions of the Ministry of Housing and Works and Board of Directors of PHA-F. Their response was still awaited. It was requested that keeping in view the priority of the government for construction of five million houses, Pak PWD would be directed to hand over the subject sites at the earliest so that housing projects could be initiated at the earliest.

DECISION:

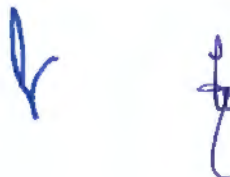
After discussion, it was decided that matter had already been decided by BoD, PHAF, therefore, it should be referred to the Ministry of Housing and Works for implementation.

F.G Employees Housing Authority (FGEHA)-

5. The forum was apprised that on the request made by PHA-F, the Executive Committee of FGEHF (now FGEHA) in its 137th meeting held on 15-12-2015 approved provision of 15 acres of land to PHA-F in all its upcoming projects. F.G Employees Housing Authority was requested vide PHA-F's letters of even number dated 19-01-2016, 16-01-2017, 02-06-2017, 27-03-2019 and subsequently through Ministry of Housing and Works dated 22-05-2017 & 31-05-2017 for identification of land for construction of housing projects.

6. Subsequently, PHA-F Board of Directors on 27-02-2019 decided that "*FGE Housing Foundation will transfer 15 Acres of land to PHA-F in F-14, F-15 and Park Road Islamabad each subject to clearance of the case from the Supreme Court*".

7. The matter was referred to the Land & Estate Committee for deliberation and recommendations. After threadbare discussion, the Committee forwarded the following recommendations for endorsement of the Board of Directors of PHA-F:



RECOMMENDATIONS:

- i. The matter regarding providing already approved land by Pak PWD may be taken up with Pak PWD through Ministry of Housing and Works.
- ii. An agenda item on the following matters may be placed before the Board of Directors of PHA-F:
 - a. Request for provision of lands by FGEHA for the projects of PHA-F in their newly allocated sectors in Islamabad.
 - b. Request for launching of housing projects by PHA-F and FGEHA on mutually agreed upon terms conditions in other cities, wherever, FGEHA possessed land.

DISCUSSION:

8. The forum was informed that the matter of identification of suitable lands for launching of housing project was taken up with FGEHA. The management of both the organizations had a detailed meeting on 23rd October, 2020 where they agreed on the following:

- i. FGEHA shall allocate land (1 plot) for apartments projects of PHAF in all future schemes, allocated schemes, allocated by Federal Cabinet to FGEHA and acquired through Land Acquisition Act-1894 including F-14/15, Park Road, sector G-12 & F-12. The sites for projects of apartments shall be planned near commercial areas of the sectors/schemes, as per CDA/local municipal byelaws.
- ii. PHAF shall pay all dues, per kanal as per actual (cost incurred to FGEHA) of the allocated land to FGEHA in its schemes.
- iii. PHAF shall launch/ execute / construct apartments schemes for its members as per its procedures and FGEHA shall approve all plans including layout plans, engineering designs etc. on land under the lawful jurisdiction of FGEHA.
- iv. Plot # 2 and plot # 3 measuring 7.71 Kanals each, shall be allocated to FGEHA and PHAF respectively for construction of new office building. Further decided that PHAF will pay the cost of the land as per actual to FGEHA according to the prevailing rates of CDA as per its byelaws.
- v. Urban Regeneration FGS colony, Sariab Road Quetta shall be solely executed by FGEHA and 50% share of apartments shall be given to PHAF for onward allotment to its members.
- vi. FGEHA will share the list of its employees to PHAF for allotments in its schemes according to the decisions taken by the respective Board of Directors of FGEHA and PHAF, on actual construction cost basis as per policy.

DECISION:

The efforts of the management of both the organizations for amicable solution of their mutual issues was appreciated. The efforts needed to continue for more fruitful results.



TEN DAYS CONDONATION FOR PHA-F EMPLOYEE QUOTA IN PHA-F's HOUSING PROJECT

It was apprised that PHAF had a policy of allotment of housing units to its employees on concessional rates (construction cost), which was also extended to the officers and officials who served in PHAF on deputation basis for one year.

2. Mr. Asif Naveed, an officer of Audit and Accounts Group (BS-18) who served as Director (Admin) on deputation basis from 02-08-2017 to 27-07-2018, submitted an application for condonation of six days period which was short of one year so that he could become eligible for the benefits extended to employees of PHAF.

3. The matter was referred to the Land & Estate Committee for deliberation and recommendations. The committee after consultative discussion recommended that the matter may be placed before the Board of Directors of PHA-F for empowering the CEO for condonation of period up to 30 days. Cases for condonation of period beyond 30 days would be placed before BoD for consideration.

DISCUSSION:

4. It was inquired whether such condonation was covered under the existing rules. The meeting was apprised that it was not covered under the existing rules; therefore, it was brought before the BoD for decision. It was further inquired whether BoD was empowered to do such condonation. It was responded that BoD was the apex decision making body of the company. The matter was presented as a matter of policy decision.

5. Joint Secretary Estate highlighted that the recommendations of the Land and Estate committee were also for making a policy decision in this regard.

DECISION:

After thorough discussion, the BoD approved the condonation policy up to 30 days. Cases for condonation upto 30 days shall be placed before the BoD as per amended policy on case to case basis.

REQUEST FOR RE-CONSIDERATION OF DPC ON ADDITIONAL COST

It was apprised that PHAF offered possession of houses to allottees of PHAF Officers Residencia, Kurri Road in March, 2019. The allottees were asked to clear all outstanding dues against their housing units to takeover possession. However the pace of clearance of additional cost by allottees was very slow. The matter was placed in 39th BoD wherein it was decided that:

"The defaulters would be given one month grace period for clearing their outstanding dues. Active communication through notices, SMS & calls would be maintained with them. A DPC @2% would be charged on the additional cost w.e.f 1st June, 2020.

2. The decision of the BoD was circulated among the allottees of the project. It had very positive impact on the recovery of the additional cost. The current status of possession and additional cost received was as under:-

Cat	Units	Possession offered	Additional Cost Paid	% age	Possession status
I	117	117	93	73.97%	304
II	178	178	130		
III	293	293	213		
Total		588	436		

3. It was highlighted that the allottees that were willing to clear their additional cost, were reluctant to pay 2% DPC on Additional cost which was on the lump sum amount of Additional cost as under:

Category	Additional cost Amount	2% DPC Per Month
I	Rs. 1,642,723/-	Rs. 32,854/-
II	Rs. 1,007,939/-	Rs. 20,159/-
III	Rs. 443,451/-	Rs. 8,869/-

4. Due to the prevailing situation, they had requested for waiver of DPC on Additional cost on humanitarian grounds. The DPC on additional cost was levied to compel the allottees to pay it in time for the timely completion of the project which they had already done, therefore, the following were proposed:

- i. Imposition of DPC on Additional Cost would be waived off ab-initio.
- ii. PHAF would provide the services of security, sanitation, gardening and any other common facility till the time the responsibilities of project were taken over by respective representative association or any other organization or company.
- iii. The facilities would be charged against the project till 31st December, 2020.
- iv. On taking over by allottees' association or a company or organization for the facilities enlisted above, the expenses would be met by the allottees themselves.

DISCUSSION:

5. It was inquired as to why it was felt necessary to withdraw the decision of the BoD of imposing DPC on additional cost? It was responded that PHAF was an NPO, therefore, all the amount collected in the head of DPC as earlier decided by BoD was transferred to the project account, therefore, the only purpose behind the imposition of the DPC was early clearance of the outstanding amount for maintaining the flow of funds for its early completion.

6. The proposal for the waiver of DPC on the additional cost was aimed to expedite the handing over process of the project to the allottees. It was further inquired whether the DPC imposed on the additional cost had been collected. It was responded that the DPC on additional cost would be collected as liability against the allottees.

DECISION:

After thorough discussion, the proposals at Para 4 above were approved.

RESTORATION OF ALLOTMENT OF APARTMENT NO SF 05 (D TYPE) BLOCK. 62, I-11, ISLAMABAD.

It was stated that in 2012 around 93 apartments were allotted to the employees of PHA-F and M/o Housing & Works in G-10/2, G-11/3 and I-11/1 project of PHA-F. Mr. Samiullah an employee of Estate Office, Ministry of Housing and Works was transferred and posted as DEO in PHA for a period of three years. During his posting he was allotted D type apartment No. SF 05, Block No. 62, in I-11, Islamabad. He deposited down payment as per rule and policy. In 2013 the subject allotment of apartment was cancelled on the directions of NAB along with other 23 apartments.

2. It was further apprised that NAB Rawalpindi initiated an inquiry to probe into the matter of these allotments in 2013 and issued directions to cancel such allotments where length of service of the allottees was less than 1 year at the time of allotment. It was further directed to auction the cancelled apartments in future. PHA-F forwarded cancellation letter to 24 allottees including Mr. Samiullah to take refund of their deposited amount but most of the allottees, out of these 24, had sold their apartments before the cancellation and some filed court cases and took court stay against the cancellation of their apartments.

3. The court cases were decided by IHC as under ***"according to the record, the allotments were made under the prevalent policy ratified by 7th BoD meeting, therefore, the allotments cannot said to have been made illegally. Since allotments were acted upon through payment of necessary dues and petitioners had also got possession of allotted apartment, subsequently cancelation is clearly hit by the principle of locus poenitentiae."*** The decision of the single bench was challenged PHAF before the double bench. The case was decided as ***"in view of above position, the appellant has no grievance against the impugned judgment inasmuch the inquiry, in which, recommendation was made for cancellation of allotment, stands closed."*** PHA-F filed CPLA against the judgment of High Court in the Supreme Court which was dismissed as ***"having considered the arguments and the contents of the impugned judgment, we do not find any legal or factual error warranting interference by this court. Dismissed accordingly"***.

4. It was highlighted that as per restoration policy of PHA-F, only that apartment was restored which was cancelled due to non-deposit of three consecutive installments and the apartment was not allotted or auctioned to anybody else subject to clearance of restoration charges. In the case of instant apartment, the cancellation was made on the directions of NAB and allottee took the full refund of his deposited amount on the directions of PHA-F. On the other side, the court has already declared the cancellation as void ab-initio and flat was still vacant till that date. The applicant Mr. Samiullah had then deposited an amount of Rs. 300,000/- in favour of PHA-F vide Pay order No. 06998695 dated February 24, 2020.

5. It was further added that in a similar nature case of Mr. Muhammad Shahid Hussain ex allottee of apartment No. TF 07, Block No. 61 I-11, had also taken refund was placed in the 32nd PHAF Board meeting. PHA-F Board did not accord approval of restoration of the said apartment.

6. Advice of Legal Wing was sought in the matter. Legal advisor had advised that:



- a. The allottee alongwith his request for restoration of apartment has- submitted pay order of Rs. 300,000/-in favour of PHA-F.
- b. His apartment, if not cancelled and further allotted, the request of previous allottee may be considered on humanitarian grounds by the Competent Authority or the Board.

DISCUSSION:

7. It was inquired whether the apartments were available for allotment. The meeting was apprised that the apartments were available for allotment. It was further inquired whether they would be allotted on payment to the allottees. It was responded that they would be allotted/restored as per originally offered price of the apartments.

DECISION:

After thorough discussion, it was decided that since there was no legal and financial hindrance in the restoration of the apartments in the name of Samiullah and Shahid Hussain, therefore, both the apartments shall be restored.

AGENDA ITEM NO. 07

DEPLOYMENT OF 2X FC PLATOON AT PHA RESIDENCIA SURIAZI PESHAWAR:

It was apprised that PHA Foundation launched a housing scheme on a land measuring 8500 Kanals provided by the Provincial Government of Khyber Pakhtunkhwa. It would be consisting of approximately 16000 housing units of different categories. PHA-F had issued offer letters to all the successful members. M/s Nespak had been hired as design consultant for the project and launching of physical work on the project was planned in the near future. For the smooth execution of the project, adequate security arrangements were required for the staff working on the project.

2. PHA-F had formally requested M/o Interior through M/o Housing and works for the deployment of 2x platoons of the FC at PHA Residencia, Peshawar project at Surizai Kohat Road Peshawar. Ministry of Interior consented for deployment of the requested platoon as per terms and conditions of the force.

DISCUSSION:

3. It was inquired whether the deployment of the FC platoons was necessary. It was informed that for smooth initiation of project activities 2x FC platoons would be required for security of the staff working on the project. It was further inquired as to what would be the cost of the FC platoon per year. The meeting was apprised that an FC Platoon would cost around 18.9 million per year. So, two platoons would cost 37.8 million per annum. The cost would be charged to the project account.

DECISION:

The Board agreed for hiring of 2X FC Platoons on standard terms and conditions as conveyed by FC (CHQ Peshawar) as per requirement of the project initially for one year.

REVISED PAYMENT SCHEDULE OF PHA RESIDENCIA PESHAWAR SURIZAI HOUSING PROJECT

It was apprised that PHAF had launched a housing scheme PHA Residencia Peshawar on a land measuring 8500 Kanals provided by Provincial Government of Khyber Pakhtunkhwa. PHA Residencia would consist of (Grey Structure) houses and finished apartments. Upon completion, the entire project would be handed over to PHA, Khyber Pakhtunkhwa.

2. In the light of MOU, PHA Foundation launched membership drive that ended on 15 May, 2020 and 26816 applications were received.

3. Computerized balloting through software firm M/s Creative Garage was conducted on August 11, 2020 in the presence of balloting committee, media persons and honourable Federal Minister for Housing and Works in committee room of PHA Foundation.

4. The consultant M/s NESPAK prepared lay out plan and multiple options with varying covered area, space utilization, design and cost/prices which were discussed and presented before 41st BoD meeting held on July 27, 2020.

5. PHA-F issued offer letters to all successful members conveying the cost of houses finalized by the consultant. However, a sizable number of the successful members, particularly government employees have shown reservation on the price & payment schedule citing their meager resources. The detail of categories wise cost and payment plan for FGE/PGE and general public was as under:

PAYMENT SCHEDULE FOR PHA RESIDENCIA PESHAWAR PROJECT

PAYMENT SCHEDULE FOR FG/PG EMPLOYEES OF (KPK)							
Category	Options	Covered Area	Total Price	10%Down Payment	80% payment in (12) Quarterly Installments	12 Quarterly Installments @ each	10% amount at the time of possession
CAT-I (50x90)	Option-A	4,518	12,849,710	1,284,971	10,279,768	856,647.33	1,284,971
	Option-B	3,937	12,025,422	1,202,542	9,620,338	801,694.80	1,202,542
	Option-C	3,740	11,705,327	1,170,533	9,364,262	780,355.13	1,170,533

PAYMENT SCHEDULE FOR M/O H & W, PHAF, KP PHA, HOUSING DEPARTMENT KP EMPLOYEES							
Category	Options	Covered Area	Total Price	10%Down Payment	80% payment in (12) Quarterly Installments	12 Quarterly Installments @ each	10% amount at the time of possession
CAT-I (50x90)	Option-A	4,518	12,594,710	1,259,471	10,075,768	839647.3333	1,259,471
	Option-B	3,937	11,770,422	1,177,042	9,416,338	784694.8	1,177,042
	Option-C	3,740	11,450,327	1,145,033	9,160,262	763355.1333	1,145,033

PAYMENT SCHEDULE FOR FG/PG EMPLOYEES OF (KPK)

Category	Options	Covered Area	Total Price	10% Down Payment	80% payment in (12) Quarterly Installment	Quarterly Installment Amount	10% amount at the time of possession
CAT-II 40x80	Option-A	3,051	9,574,874	957,487	7,659,899	638,324.93	957,487
	Option-B	2,983	9,307,121	930,712	7,445,697	620,474.73	930,712
	Option-C	2,941	9,286,276	928,628	7,429,021	619,085.07	928,628

PAYMENT SCHEDULE FOR M/O H & W, PHAF, KP PHA, HOUSING DEPARTMENT KP EMPLOYEES

Category	Options	Covered Area	Total Price	10% Down Payment	80% payment in (12) Quarterly Installment	Quarterly Installment Amount	10% amount at the time of possession
CAT-II 40x80	Option-A	3,051	9,344,874	934,487	7,475,899	622,991.6	934,487
	Option-B	2,983	9,077,121	907,712	7,261,697	605,141.4	907,712
	Option-C	2,941	9,056,276	905,628	7,245,021	603,751.7333	905,628

PAYMENT SCHEDULE FOR FG/PG EMPLOYEES OF (KPK)

Category	Options	Covered Area	Total Price	10% Down Payment	80% payment in (12) Quarterly Installment	Quarterly Installment Amount	10% amount at the time of possession
CAT-III (30x60)	Option-A	2,203	6,323,436	632,344	5,058,749	421,562.40	632,344
	Option-B	2,122	6,311,993	631,199	5,049,594	420,799.53	631,199
	Option-C	1,990	6,092,394	609,239	4,873,915	406,159.60	609,239

PAYMENT SCHEDULE FOR M/O H & W, PHAF, KP PHA, HOUSING DEPARTMENT KP EMPLOYEES

Category	Options	Covered Area	Total Price	10% Down Payment	80% payment in (12) Quarterly Installment	Quarterly installment Amount	10% amount at the time of possession
CAT-III 30x60	Option-A	2,203	6,118,436	611,844	4,894,749	407,895.73	611,844
	Option-B	2,122	6,106,993	610,699	4,885,594	407,132.87	610,699
	Option-C	1,990	5,887,394	588,739	4,709,915	392,492.93	588,739

PAYMENT SCHEDULE FOR FG/PG EMPLOYEES OF (KPK)

Category	Options	Covered Area	Total Price	10% Down Payment	80% payment in (12) Quarterly Installment	Quarterly Installment Amount	10% amount at the time of possession
CAT-IV (25x50)	Option-A	1,539	5,053,039	505,304	4,042,431	336,869.27	505,304
	Option-B	1,272	4,390,172	439,017	3,512,138	292,678.13	439,017
	Option-C	1,002	3,494,886	349,489	2,795,909	232,992.40	349,489

PAYMENT SCHEDULE FOR M/O H & W, PHAF, KP PHA, HOUSING DEPARTMENT KP EMPLOYEES

Category	Options	Covered Area	Total Price	10% Down Payment	80% payment in (12) Quarterly Installment	Quarterly Installment Amount	10% amount at the time of possession
CAT-IV (25x50)	Option-A	1,539	4,873,039	487,304	3,898,431	324,869.27	487,304
	Option-B	1,272	4,210,172	421,017	3,368,138	280,678.13	421,017
	Option-C	1,002	3,314,886	331,489	2,651,909	220,992.40	331,489

PAYMENT SCHEDULE FOR GENERAL PUBLIC INCLUDING (MEDIA, SPECIAL PERSON, OVERSEAS PAKISTANIS AND MERGED DISTRICT OF KPK)

Category	Options	Covered Area	Total Price	10% Down Payment	80% payment in (12) Quarterly Installments	12 Quarterly Installments @ each	10% amount at the time of possession
CAT-I (50x90)	Option-A	4,518	14,124,710	1,412,471	11,299,768	941,647.33	1,412,471
	Option-B	3,937	13,300,422	1,330,042	10,640,338	886,694.80	1,330,042
	Option-C	3,740	12,980,327	1,298,033	10,384,262	865,355.13	1,298,033

PAYMENT SCHEDULE FOR GENERAL PUBLIC INCLUDING (MEDIA, SPECIAL PERSON, OVERSEAS PAKISTANIS AND MERGED DISTRICT OF KPK)

Category	Options	Covered Area	Total Price	10% Down Payment	80% payment in (12) Quarterly Installment	Quarterly Installment Amount	10% amount at the time of possession
CAT-II 40x80	Option-A	3,051	10,724,874	1,072,487	8,579,899	714,991.60	1,072,487
	Option-B	2,983	10,457,121	1,045,712	8,365,697	697,141.40	1,045,712
	Option-C	2,941	10,436,276	1,043,628	8,349,021	695,751.73	1,043,628

PAYMENT SCHEDULE FOR GENERAL PUBLIC INCLUDING (MEDIA, SPECIAL PERSON, OVERSEAS PAKISTANIS AND MERGED DISTRICT OF KPK)

Category	Options	Covered Area	Total Price	10% Down Payment	80% payment in (12) Quarterly Installment	Quarterly Installment Amount	10% amount at the time of possession
CAT-III 30x60	Option-A	2,203	7,348,436	734,844	5,878,749	489,895.73	734,844
	Option-B	2,122	7,336,993	733,699	5,869,594	489,132.87	733,699
	Option-C	1,990	7,117,394	711,739	5,693,915	474,492.93	711,739

PAYMENT SCHEDULE FOR GENERAL PUBLIC INCLUDING (MEDIA, SPECIAL PERSON, OVERSEAS PAKISTANIS AND MERGED DISTRICT OF KPK)

Category	Options	Covered Area	Total Price	10% Down Payment	80% payment in (12) Quarterly Installment	Quarterly Installment Amount	10% amount at the time of possession
CAT-IV (25x50)	Option-A	1,539	5,953,039	595,304	4,762,431	396,869.27	595,304
	Option-B	1,272	5,290,172	529,017	4,232,138	352,678.13	529,017
	Option-C	1,002	4,394,886	439,489	3,515,909	292,992.40	439,489

6. It was further added that a number of successful members of PHA Residencia Peshawar project had lodged complaints regarding payment schedule at PMDU and requested for the relaxation of payment schedule.

7. Keeping in view the above facts the following proposal was submitted for approval of the BoD PHA-F for all categories of houses and quotas:

"The revised payment schedule would consist of 14 quarterly installments i.e. 3.5 years instead of 12 quarterly installments i.e. 3 years and revised payment plan would be issued accordingly."

DISCUSSION:

8. It was inquired as to what was the targeted time frame for the completion of the project. It was informed that the targeted time for completion of the project was three years. It was further inquired whether it was possible to stagger the payment schedule beyond the targeted time frame of the project. It was also pointed out that commercial banks had been directed to offer soft loans to the allottees, therefore, that facility could be availed.

9. The Deputy Chairman, BoD pointed out that PHAF did not allot house and street numbers in their allotment in the PHA Residencia Peshawar Project which was a hindrance in the processing of loans by the banks especially Askari Bank. It was responded that street and house number were not allotted due to administrative reasons. However, the issue with banks would be resolved amicably.

10. It was suggested that rather than relaxing the installment plan it should be started with effect from the date of the award of contract for physical work of the project.

DECISIONS:

After thorough discussion, the following was decided:

1. The targeted time frame for completion of the project was three years.
2. The issues raised by the banks shall be resolved so that they can finance the allottees.
3. The installment plan shall commence with effect from the date of award of the first contract for physical work of the project.

AGENDA ITEM NO. 09

WAFAQI MOHTASIB'S REFERRAL OF ALLOTTEE ISSUES FOR PLACING BEFORE THE BOD

i. Case No. WMS-HQR/0009760/19 Filed By Mr. Tahawwar Ahmad and Others

It is apprised that Mr. Tahawwar Ahmad, allottee of House No. 53, Lane No. 02, Category-I, along with others filed a complaint No. WMS-HQR/0009760/19 in Honourable Wafaqi Mohtasib regarding unjust demand of extra amount.

2. Mr. Tahawwar Ahmad, Mr. Abdul Shafiq, Mr. Zafar Iqbal Qadir, Mr. Fakhar Abbas Naqvi and Mr. Abdul Ghani Sameen, the allottee of Cat-I housing units in POR, Kurri Road, Islamabad filed a complaint in Wafaqi Mohtasib against the imposition of additional cost and possession charges by PHA-F. They prayed to Wafaqi Mohtasib to direct PHA-f to charge no additional charges, instead adjust the extra demanded amount from the interest earned on their deposited amount.

3. The matter was contested as the waiver of delayed payment charges and other allied issues of PHAF Officers Residencia project was presented before BoD in its 33rd meeting held on April 09, 2019. After detailed discussions BoD decided the matter as "income that's interest earned and delayed payment charges (DPC) on installments of allottees as per revised payment schedule from the date of commencement of actual work on project would go to the

project account". The Wafaqi Mohtasib after hearing gave the following directions: "The issues raised by the complainants may be placed before the BoD, a competent forum for reconsideration. So that they (complainant allottees) are not discriminated viz-a-viz the defaulters".

4. Subsequently, the matter was placed before the Board of Directors in its 40th meeting held on 18-06-2020. The Board unanimously agreed that the matter stood already decided in 33rd meeting of the BoD on the basis of the recommendations of the Committee constituted for the purpose and the recommendations had already been implemented. Therefore, the request for waiver of delayed payment charges or additional cost could not be acceded to.

5. The decision was communicated to Wafaqi Mohtasib and the allottee. The complainant filed a review petition and argued that the matter had not been considered by the BoD of the PHAF in its true perspective and the decision of the Board to distribute profit equally among all the allottees irrespective of their background of payment was not based on justice and fair play. He requested that the PHA would be advised to adjust allottees before the effective schedule of payment dated 31-10-2016 (i.e. 2012-2016) and PHA should not levy any extra penalty of the additional funds demanded unjustly from the complainant allottees".

6. The Wafaqi Mohtasib gave following recommendations in review petition:

FINAL RECOMMENDATIONS FOR IMPLEMENTATION:

"In view of the position enunciated in paras above, the review petition of the complainants is accepted and the earlier findings are modified to the extent of the contents of para above. The Agency is recommend to place the matter in next meeting of its BoD to consider the issue in its true perspective and devise a mechanism to compensate the complainants to remove the discrimination done to them vis-a-vis the defaulter allottees".

ii Case No. WMS-HQR/1043/20 Filed By Mr. Muhammad Anwar Khan

7. Mr. Muhammad Anwar is allottee of house No. 660, Lane No. 21, Cat-III, POR, Islamabad. He filed a petition before the Wafaqi Mohtasib against the additional cost of Rs. 443,451/- and possession charges of Rs. 66,600/- . The allottee prayed that he deposited full payment of the Grey Structure of house in July, 2012. PHAF was required to complete the construction by the end of the year 2014. They delayed the construction and kept the money in saving account and earned profit on it. The complainant, therefore, prayed that:

- i. PHA-F's demand of Additional Charges of Rs. 510,051/- is unjustified. He requested to charge no additional amount, instead adjust the extra demanded amount from the profit earned on his deposited amount in lump sum in 2012.
- ii. The possession charges are also unjustified, never mentioned in original payment schedule.
- iii. To demand no extra cost, instead adjust it (if any) against the profit earned on his deposit, which could be minimum @ Rs. 30,000/- per month w.e.f. 31-07-2012.

8. After hearing on 24-02-2020, the Wafaqi Mohtasib decided the case as follow:



"A reported by Agency, the decision regarding adjustment of the interest and wavier of the DPC was earlier taken up by its Board in its 34th Meeting. The issue of lump sum payment and interest accrued on it, raised by complainant may be placed before the BoD, a competent Forum for reconsideration. The Agency is, therefore advised to place the submissions and grievance of the complainant, before the Board of Directors in the next Meeting."

DISCUSSION:

9. It was apprised that the additional cost was imposed on the allottees of POR Kurri Road, after a long deliberation by a Joint Committee of allottees of the project, representatives of PHAF M/o Housing & Works and Auditor General of Pakistan which was constituted on November 28, 2018. The recommendations of the committee were placed before the BoD in its 33rd meeting for consideration. The BoD after through discussion approved the recommendations of the committee.

10. In the light of the decision of BoD, the delayed payment charges (DPC) collected amounting to Rs. 90.51 Million and interest earned on the funds of the project (Rs. 373.97 million) were shifted towards the revenue of the project where from all the allottees of the project were compensated.

11. It was further informed that as a benefit of an amount of Rs. 1,476,884/-each, had already been extended to Mr. Tahawwar & others as follow:

On account of Additional Cost:

S. N.	Name of Allottee	H. No	Actual Additional Cost	Present Additional Cost	Compensation given
1	Tahawwar Ahmed	53	2,862,334/-	1,642,723/-	1,219,611/-
2	Abdul Shafiq	63	2,862,334/-	1,642,723/-	1,219,611/-
3	Zafar Iqbal Qadir	39	2,862,334/-	1,642,723/-	1,219,611/-
4	Abdul Ghani Sameen	57	2,862,334/-	1,642,723/-	1,219,611/-

On account of Delayed Payment Charges:

S. N.	Name of Allottee	H. No	DPC as per Old Schedule	DPC as per new Schedule	Benefit extended
1	Tahawwar Ahmed	53	257,273/-	Nil	257,273/-
2	Abdul Shafiq	63	745,013/-	188,875/-	556,138/-
3	Zafar Iqbal Qadir	39	3,747,780/-	1,478,871/-	2,268,909/-
4	Abdul Ghani Sameen	57	867,378/-	11,453/-	855,925/-

12. Whereas benefit of Rs. 993,570/- on account of 10% rebate on total cost of housing unit and difference in additional cost had already been extended to Mr. Muhammad Anwar as follow:

On account of Additional Cost:

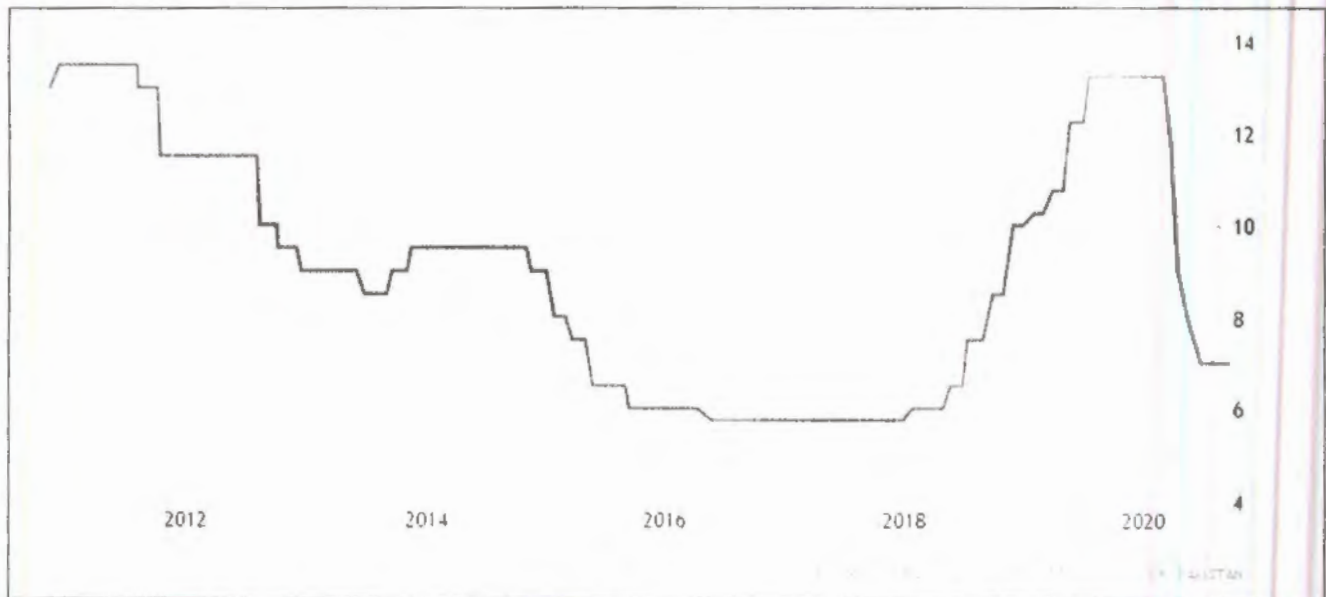
S. N.	Name of Allottee	H. No	Actual Additional Cost	Present Additional Cost	Compensation given
1	Muhammad Anwar Khan	660	Rs. 964,924/-	Rs. 443,451/-	Rs. 521,473/-

On account of Rebate:

S. N.	Name of Allottee	H.N.	Total Cost of Unit at the time of allotment	10% Rebate given
1	Muhammad Anwar Khan	660	Rs. 4,720,972/-	Rs. 472,097/-

13. Therefore, being non-profit organization, it was not possible to accede to the request of the complainants.

14. Furthermore, it was further apprised that PHA Foundation had been maintaining a separate project account for fund management of PHA Officers Residencia (POR) project which was on daily product (profit) basis. In this account the inflow and outflow of funds was going on continuous basis. The Bank account was maintained with scheduled bank of Pakistan in line with Finance Division guidelines, 2003 amended from time to time on daily product (profit) basis. All the earned interest had been extended to the project for offsetting additional cost. The interest rate varied from 2011 to 2020. It ranged from 11.50% to 7.0% as follow, whereas DPC were fixed @ 2% per month and 24% per annum, which were higher than the interest rate.



15. Foregoing in view, an amount of Rs. 373.975 million interests earned from PHA Officers Residencia Project (POR) bank account had already been extended to project. Consequently, the said allottees had ultimately received benefit of interest earned on the account of project deposit.

16. Moreover, at this stage when most of the allottees had cleared all their dues and had either taken over possession or were in the process of taking over possession, calculation of

(Handwritten signature/initials)

interest on individual basis was not practically possible. Detail of status of possession was as follow:

Cat	Total Completed	Additional Cost Paid	%age	All Dues Clear	Possession status
I	117	93	73.97 %	60	180
II	178	130		92	
III	293	212		151	
Total	588	435		303	

DECISION:

It was noticed that the matter had already been decided in consultation with the allottees committee and that the allottees were facilitated to the maximum, therefore, request of the applicants was regretted.

AGENDA ITEM NO. 10

UPDATED PHYSICAL AND FINANCIAL PROGRESS OF THE ONGOING PROJECTS OF PHAF

In the light of 41st BoD meeting agenda Item No.1 wherein it was decided that presentation to the Board of Directors on physical and financial progress of each project be given on quarterly basis. Accordingly CEO, PHAF presented physical and financial progress of all the ongoing projects to the members of the Board as per following:

KURRI ROAD PROJECT:

2. Board Members were informed that Kurri Road project was started in 2012 to provide houses on ownership basis to the federal government officers of BPS-20 to BPS- 22 in Zone IV at Kurri Road Islamabad on a piece of land measuring 90 acres to construct 588 Nos. of houses in total as per following detail:

- 117 Nos. of Category-I (50X90) Houses
- 178 Nos. of Category-II (40X80) Houses
- 293 Nos. of Category-III (30X60) Houses

3. The Project was bifurcated into two sections i.e. Infra-Structure Work and Construction of Grey Structure Houses.

4. It was intimated that the delay was caused by different extraneous reasons including the following:

- Delay in release of Payments (*due to non-timely payment of the additional cost levied with the approval of BoD due to which there was shortage of funds for timely release of payments*)
- Climate Condition (Rainfall)
- Stoppage of work by CDA
- Stoppage of Aggregate Crushing on Margallah Hills
- Unavailability of Bricks due to closure of Brick Kiln's
- Political Unrest in Islamabad.

- Relocation of houses.
- Stoppage/Slowdown of work due to Covid-19/Corona Virus (Latest cause of extension)

5. Extensive efforts were made to overcome the lag in progress due to the reason stated above i/c Covid-19 Pandemic and all the other technical / administrative issues for early completion of the project by taking following steps:

- Progress review meetings were held under the chairmanship of CEO PHAF on Weekly basis attended by all the relevant officers where in-depth project wise progress was discussed and issues (if any) were highlighted for early resolution.
- Regular meetings with consultants and contractors were being carried out at site by the relevant staff to ensure that work at site was executed in accordance with approved specification and enhanced pace of progress for achieving the targeted dates.
- Elaborate efforts were made to resolve issues with CDA to overcome impediments in approval processes.

6. In light of the efforts stated above construction of all the 588 Grey Structure Houses had been completed and handing / taking over of the houses after clearing of dues by the allottees was in progress. Moreover infrastructure work was 75% completed and was anticipated to be completed by 31st December, 2020.

I-12 PROJECT:

7. Board Members were informed that the completion span/period had been extended from 3 years (Initially) to approx. 5 years mainly due to the following reasons:

- Political Unrest in Islamabad
- Adverse Climate Conditions (Rainfall)
- No access to the site due to Cattle Market during EID seasons
- Stoppage of work by CDA
- Inclusion of Additional Basements
- Additional Work of Box Culvert
- Stoppage of Aggregate Crushing on Margallah Hills.
- Stoppage/Slowdown of work due to Covid-19 (Latest cause of delay)

8. Moreover, substantial progress had been achieved at the project site and a significant number of D and E Type apartments had been booked now and currently there was no shortage of funds.

9. Furthermore, extensive efforts were being made to overcome the lag in progress due to the reason stated above reason i/c COVID-19 pandemic and any other technical/administrative issues for early completion of the project by taking following steps:

- Progress review meeting were held under the chairmanship of CEO PHAF on weekly basis attended by all the relevant officers where in-depth project wise progress was discussed and issues (if any) were highlighted for early resolution.
- Regular meeting with consultants and contractors were being carried out at site by the relevant staff to ensure that work at site was executed in accordance with approved specification and enhanced pace of progress for achieving the targeted dates.
- Payments of the consultant and contractors were released within time, so to push the contractor toward early completion of the project.

10. It was informed that the issues of approval for the project from CDA were hectically pursued as all the prerequisites i.e. preparation and vetting of nullah diversion were submitted in CDA and in addition as per CDA requirements designing of trunk sewer for I-12 Sector was being carried out by PHAF through a third party as conveyed by CDA itself. Further matters relating to service providing agencies i.e. IESCO, SNGPL etc. were also pursued, but the non-approval of layout/building plan and issuance of NOC from CDA was a main hurdle to achieve the allied facilities from the quarter concerned.

11. It was further informed to the Board members that the termination process for package 01 & 02 of I-12 project had been finalized and all the contractual formalities including valuation of work done, estimation / measurements and preparation of tender documents for retendering of the said packages were completed and retendering process would be completed in due course of time. The Board members emphasized for early retendering of package 01 & 02 of I-12 Project.

12. In conclusion, the CEO highlighted in the light of above discussions that the project was anticipated to be completed by December 2021.

I-16/3 PROJECT:

13. Board Members were informed that the completion span/period of the project had been extended from 2.5 years (Initial) to approx 4.35 years (As per the latest extension of time granted) mainly due to the following reasons:

- Delay in release of Payments (*As initially the booking status of the project was not so encouraging so there was severe shortage of funds*)
- Climate Condition (Rainfall)
- Stoppage of work by CDA
- Stoppage of Aggregate Crushing on Margalla Hills
- Unavailability of Bricks due to closure of Brick Kiln's
- Political Unrest in Islamabad.
- Stoppage/Slowdown of work due to Covid 19/Corona Virus (*Latest cause of extension*)

14. Moreover once substantial progress was achieved at the project site and good will of the project was established among government employees and general public all the 672 B-Type and 912 E-Type apartments were booked and at present there was no funds constraints.

15. Further extensive efforts were being made to overcome the lag in progress due to the reasons stated above by taking following steps:

- Progress review meeting were regularly held under the chairmanship of CEO PHAF on Weekly basis attended by all the relevant officers where in in-depth project wise progress was discussed and issues (if any) were highlighted for early resolution.
- Regular meeting with consultants and contractors were being carried out at site by the relevant staff to ensure that work at site was executed in accordance with approved specification and increase the pace of progress for achieving the targeted dates.
- Payments of the Consultant and Contractors were released within time, so to push the contractor toward early completion of the project.

16. It was also intimated that the project had been approved by CDA Design Vetting Committee (DVC) and accordingly CDA was requested for issuance of NOC which was being pursued.

17. In conclusion, the CEO highlighted in the light of above discussions that the project was anticipated to be completed by June, 2021.

G-10/2 PROJECT:

18. CEO presented physical and financial progress of the projects to the members of the Board. He informed that construction activities in Block No. 24 of the said project were in full swing and all possible measures were taken for early completion of the project. That extensive efforts were being made to overcome the lag in progress due to COVID-19 Pandemic or any other technical / administrative issues.

19. The major reasons for the delay in progress of the subject project were listed as under:

- Political Unrest in Islamabad
- Adverse Climate Conditions (Rainfall)
- Stoppage/Slowdown of work due to Covid-19 (Latest cause of extension)
- Shortage of Construction Material
- Stoppage of work by CDA
- Unavailability of bricks due to closure of Brick kilns.

20. Furthermore, extensive efforts were being made to overcome the lag in progress due to the reason stated above i.e. COVID-19 pandemic and any other technical/administrative issues for early completion of the project by taking following steps:

- Progress review meeting were held under the chairmanship of CEO PHAF on weekly basis attended by all the relevant officers where in-depth project wise progress was discussed and issues (if any) were highlighted for early resolution.
- Regular meeting with consultants and contractors were being carried out at site by the relevant staff to ensure that work at site was executed in accordance with approved specification and increase the pace of progress for achieving the targeted dates.
- Payments of the consultant and contractors were released within time, so to push the contractor toward early completion of the project.

21. It was informed that non-approval of layout/building plan and issuance of NOC from CDA was being hectically pursued by PHA-F.

22. The handing / taking over of apartments of the 23 Nos. of Block was almost completed and the scheme was functional, moreover, construction work on Block-24 was anticipated to be completed by March, 2021.



UP TO DATE PROGRESS OF KUCHLAK ROAD PROJECT, QUETTA

Project Name	Construction of Row Houses and Apartments at Kuchlak Road Quetta
Date of Commencement	July 2020
Completion Period	July 2023
Consultant	M/s EA (Pvt) Ltd.

Package Wise Progress is as follows:

Package	Design Review / Supervisory Consultants	Contractors	Date of Commencement	Date of Completion	Contract Cost (M)	Financial Progress	Physical Progress
1	M/s EA (Pvt) Ltd.	M/s NLC	June 2020	June 2023	Rs. 1,225.9	NIL	2.5%
2		M/s NLC	June 2020	June 2023	Rs. 899.1	NIL	2%
3		M/s NLC	June 2020	June 2023	Rs. 554.3	NIL	3%
4		M/s NLC	Work held up due to certain design and planning issues				
5		M/s Abel	July 2020	July 2023	Rs. 1,259.7	NIL	1.75%
6		M/s Abel	Sept 2020	Sept 2023	Rs. 1,118.9	NIL	0.5%
7		M/s Zarif Khan	Sept 2020	Sept 2023	Rs. 783.63	NIL	0.25%
8		M/s Shahid Builders	July 2020	July 2023	Rs. 946.69	NIL	1%
9		M/s Aaghal Gul	July 2020	July 2023	Rs. 904.5	NIL	3%
10		M/s Zarak Construction	Work held up due to litigation				

DECISION:

The Board appreciated efforts of PHA Foundation vis-à-vis PHA Officer Residencia, Kurri Road Project, I-16/3 Project, I-12/1, G-10/2 Project, Islamabad and Kuchlak Road Project, Quetta and directed PHAF to enhance the progress for early completion of all projects.



RE-TENDERING OF THE WORK UNDER PACKAGE-09 IN PHA-F I-12 PROJECT.

The BoD was informed that construction of Multi-Storey Apartments under Package-09 at Sector I-12 Islamabad comprised of the following:

i. No. of Blocks	3 (Block V, W, Z)
ii. Total No. of Apartments	420
iii. Scope of Work	Basement & Ground plus 9 Floors
iv. Total No. of Apartments Allotted in Package 09 at present	71
v. Total No. of Apartments shifted to other blocks on request of Allottees	22
vi. No. of Vacant Apartments in Package-09	327
vii. Covered Area (each apartment)	710 Sft.

2. The booking for apartments under Package-09 was stopped.

Construction Status of Package-09

3. The work was awarded to M/s Exceed (Pvt) Ltd. on 12th July, 2016 with the following details:

i. Cost of Project	PKR. 904,566,131/-
ii. Date of Start	27 February, 2017
iii. Date of Completion	36 Months (Terminated)
iv. Physical Progress	~1% (only excavation)
v. Financial Progress	PKR. 8,469,976/- (0.9%)

4. The subject project was awarded to M/s Exceed (Pvt). Ltd. dated July 12, 2016 with a completion period of 36 months having contract price Rs. 904,566,131/-. The contractor M/s Exceed (Pvt) Ltd. took the work in hand, and after receipt of his 1st IPC, unilaterally abandoned the work. Resultantly after fulfillment of the contractual formalities, the Employer terminated his contract agreement under clause 63.1 (Default of contractor) upon the determination of The Engineer of the project on 25-04-2018. The contractor challenged the termination order and filed a petition in Court of Law. The Law Wing of PHA-F informed on 10-05-2018 that Engineering Wing of PHA-F may proceed further as per Contract Agreement as the restraining orders of Court has not yet passed by the High Court. Accordingly, retendering process was initiated and could not be processed due to non-approval of layout plan and issuance of NOC from CDA.

5. The BoD was further informed that the soil strata of the vacant premises was soft, absorbed moisture, resultantly became slushy due to rainfall and water percolation, there was an apprehension that the moisture might affect the structure work of adjacent package. To avert these apprehensions and to prevent the adjacent packages from any adverse effect, retendering process was proposed.

6. Legal Wing, PHA-F had also clarified that there was no hindrance in retendering of package-09 as the contract had already been terminated. The Engineering Wing PHA-F might re-tender the project, so as to complete the balance work without any further loss of time, and complete the project to become operational.

7. In 39th BoD Meeting Agenda No.08, it was decided that the Engineering Wing should revisit the existing plan of package-09. The decision was shared with the consultant of the project and expressed that since the contractor had been terminated and the remaining works were still abandoned, so the balance work was to be re-tendered at risk and cost basis. Moreover, the layout/building plans had already been submitted in CDA and PHA-F was in pursuance with CDA for conducting the Design Vetting Committee (DVC). Therefore at this stage, it was proposed that change in the Layout/Building Plan might cause complications regarding obtaining approval from CDA and might also create complication in court cases.

8. The matter was placed before the BoD for accord of approval for retendering of the work for its timely completion and accordingly handing over to the allottees.

DISCUSSION:

9. CEO, PHAF informed the BoD that there were two options regarding Package-09:

- i. Either the excavated area be refilled / backfilled and treated as an open area / space
or
- ii. To retender the said work / package at risk and cost basis

10. In this regard, CEO, PHAF further elaborated that the layout plan of the subject scheme had already been submitted to CDA which was in process of approval. At this stage, change in layout / building plan might cause complications in obtaining approval from CDA.


DECISION:

After threadbare discussion, the BoD unanimously approved re-tendering of the work at risk and cost basis under package-09 in PHA-F I-12 project, Islamabad.

AGENDA ITEM NO. 12

ACCEPTANCE OF PERFORMANCE BOND ALREADY SUBMITTED FROM M/S UIC FOR THE WORK "CONSTRUCTION OF 168 NOS OF B-TYPE APARTMENTS UNDER PACKAGE-07 AT SECTOR I-16/3, ISLAMABAD"

The BoD was informed that Project "Construction of 168 nos of B-Type Apartments under Package-07 at Sector I-16/3, Islamabad" was awarded to M/s National Construction, Ministry of Housing & Works and accordingly contractor submitted Performance Guarantee from National Insurance Company for a period w.e.f 15-05-2016 to 23-04-2020 and after expiry of the same an extension was submitted from United Insurance Company w.e.f 24-04-2020 to 30-06-2021 vide M/s NC letter dated 08-06-2020, however the same was returned in light of Finance Wing circular dated No. PHA/Fin/BG/AllProjects.2020/193 dated 26-08-2020 as the said Insurance Company was in litigation in a court of Law with PHAF.



2. Subsequently the contractor vide their letter No .NCL/ISL/DGM(E)/2020/206 dated 13-10-2020 requested to accept Performance Bond already submitted from M/s UIC with following justifications;

- a) Clause 25.5 of Particular Conditions of Contract Part-II which clearly shows that "all insurance relating to contract may be obtained from any Insurance Company operating in Pakistan with at least 'AA' rating" regarding the subject cited above.
- b) In accordance with the Contract provisions, NCL submitted the Performance Bond at the time of signing of Contract Agreement. Recently, on expiry of the same, NCL got it renewed from M/s UIC by paying a handsome premium and submitted to PHA-F as per Contract Clause 25.5.
- c) That is National Construction Limited (NCL) has submitted Performance Bond vide letter No. NCL/ISL/DGM(E)/2020/175 on 8th June 2020, issued from United Insurance Company of Pakistan amounting to Rs. 71.223 Million extended upto 30th June 2021.
- d) Whereas PHA-F refused to accept the NCL's Performance Bond vide letter No. PHA-F/CE/ISL/2020/237 on 21st July 2020, stating that M/s UIC is under litigation with PHA-F on various projects.
- e) However neither any informed about the preferred Insurance Companies nor any prior information about the litigation with M/s UIC or any other Insurance Company was conveyed."
- f) In future, any extension of requisite Bonds / Guarantee will be obtained by NCL from the Insurance Companies listed by PHA-F vide letter No. PHA-F/CE/ISL/2020/271 dated 16th September, 2020.

3. Lastly M/s NCL vide letter No. NCL/ISL/DGM(E)/2020/200 dated 21st September 2020 requested PHA-F that **being the sister organizations working under the aegis of Ministry of Housing & Works the Performance Bond already submitted for M/s UIC may be accepted in the best interest of the Project.**

DECISIONS:

After detailed deliberation it was decided to accept the insurance bonds / guarantees submitted by the contractors / consultants in accordance with their respective contract agreement prior to issuance of PHAF circular No. PHAF/Fin/BG/AllProjects/2020/193 dated 26-08-2020 regarding debarring of 3 insurance companies on account of litigation with PHAF / default on their part.

2. In future, any extension of requisite Bonds / Guarantee of the ongoing projects would be obtained from the Insurance Companies/ Banks in accordance with contract agreement excluding the list of insurance companies defaulted as mentioned in circular issued by PHA-F. Further for all new projects, only bank guarantees would be obtained against the performance security.

AGENDA ITEM NO. 13

RELEASE OF RETENTION MONEY DEDUCTED SO FAR AMOUNTING TO RS. 28.80 MILLION FOR THE WORK "CONSTRUCTION OF 168 NOS OF B-TYPE APARTMENTS UNDER PACKAGE-07 AT SECTOR I-16/3, ISLAMABAD"

The BoD was informed that Project "Construction of 168 Nos. of B-Type Apartments under Package-07 at Sector I-16/3, Islamabad" was awarded to M/s National Construction,

Ministry of Housing & Works for a contract cost of 712 Million and till date progress of only 47% had been achieved and the completion date as per E.O.T is 4-01-2021 i.e. almost 50% of work was to be completed within 03 months if not extended further.

2. The contractor vide their letter no.NCL/ISL/DGM(E)/2020/207 dated 13-10-2020 had requested to requested to release Retention Money Deducted so for i.e. Rs.28.80 Million up to IPC-20 with following justifications:

- a) As per clause 60-3 upon the issue of the taking over certificate with respect to the whole of the works one half the retention money or upon the issuance of a taking over certificate with respect to a section or part of the permanent work only such proportion there of as the engineer determines having regard to the relative value of such section or part of the permanent works would be certified by the engineer for payment to the contractor.
- b) Presently NCL had completed nearly 50% of the progress of work but facing acute cash flow problems due to the following reasons.
 - i. Huge deduction from running IPCs i.e.
 - Mobilization Advance 20%
 - Retention Money 10%
 - Income Tax 07%
 - **Total deduction 37%**After deduction of 37% from running IPCs it is difficult to clear the liabilities of Sub-contractors and Suppliers.
 - ii. Also due to pandemic (Covid-19) in the Country the sequence of bills vs liabilities is disturbed for last five months, and maximum liabilities have been maximized mainly due to the facts.
- c) After opening of markets subsequent to Corona virus lockdown suppliers /manufactures have too much back log and they are not taking new orders without 100% advance payment. This scenario was not anticipated by any contractor and is like Force Majeure.
- d) NC has requested that in order to bridge the financial gaps in cash flow of NCL, PHA-F may release the Retention Money deducted so for i.e. Rs.= 28.80 M upto IPC-20."

3. It was worth mentioning here that Rs. 17 Million on account of mobilization advance is still outstanding against NC and there was no provision in the contract agreement for release of retention money prior to completion of the project.

DISCUSSION:

4. MD, M/s NCL briefed the Board members that NCL had completed nearly 50% of the work but was facing acute cash flow problems due to the above-mentioned reasons and in order to bridge the financial gaps in cash flow of NCL, PHA-F might release the Retention Money deducted so far.

5. A member of the BoD inquired whether there was any provision in the contract agreement for release of retention money. It was responded that as per contract, retention money amounting to 5% of the contract cost was deducted @ 10% of the IPC and 50% of which was released upon taking over certificate / substantial completion of the project and remaining 50% on completion of defect liability period.



DECISION:

After detailed discussion it was decided that MD M/s NCL in consultation with PHAF would prepare a viable proposal for completion of the project in light of the contract agreement and accordingly place the same before the upcoming BoD for information and further direction.

AGENDA ITEM NO. 14

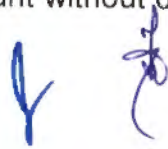
REVIEWING THE DECISION REGARDING DEDUCTION OF 10% CANCELLATION CHARGES ON DUE AMOUNT.

The BoD was apprised that Mr. Haider Nawabshah, an allottee of E type Apartment No.13 Block No. Z, package 9 of I-12/1 project went to Wafaqi Mohtasib with the plea that he applied for apartment in I-12/1 sector, Islamabad as advertised by PHAF and paid Rs.982226/- including down payment and three installments. However, the PHA-F, could not start work on the block in which he was allotted the flat since then. Eventually, he was refunded his deposited amount after deduction of Rs.266899/- @ 10% deduction on due amount.

2. Wafaqi Mohtasib directed PHAF to place the matter before the BoD to review its decision taken earlier for refund of total amount in cases where project commencement was not seen, as per original work/ notified plan or agreement or with the allottees. The case was forwarded to the competent authority. It was decided that the matter would be placed before the Land & Estate committee of the Board for deliberation and recommendation.

3. Accordingly, the matter was placed before the Land & Estate Committee for deliberations and recommendation. After detailed discussion, the committee gave the following recommendations:

- Since, construction work on Package 09 (blocks V, W & Z) had not been started then, therefore, if any allottee of the package 9 of I-12/1 project opted for refund, he/she would be refunded full amount deposited by him/her including the instant allottee.
- The payment schedule of the allottees of V, W & Z blocks would also be rescheduled. The starting date would be considered from the date of award of contract for commencement of physical work on these blocks.
- In all upcoming projects, the following policy proposals for refund were recommended:
 - There would be no refund in the first year in any project. Time of a project would be reckoned from the date of award of contract for the physical work of a project.
 - If an allottee intended to take refund in second year of a project, he would be refunded amount after deduction of cancellation charges @ 10% of the due amount.
 - In 3rd year of a project, an amount would be refunded after the deduction of cancellation charges @ 7% of the due amount.
 - In the 4th year of a project, an amount would be refunded to the allottee after deduction of 3% of the deposited amount.
 - In the 5th year of a project, an amount without deduction would be refunded to the allottee.



4. The recommendations of the Land & Estate Committee were placed before BoD for consideration.

DECISION:

After thorough discussion, it was approved that the allottees of the Package 09 may be refunded the whole amount if they so desired. Furthermore it was also directed that in cases where work could not commence on housing units after award of work for a considerable time. The allottees of respective package if they opted for refund might be refunded without cancellation charges.

AGENDA ITEM NO. 15

WAIVER OF CANCELLATION CHARGES ON HUMANITARIAN GROUNDS IN WAFAQI COLONY LAHORE PROJECT.

The BoD was apprised that Mr. Amjid Saleem, an allottee of E type apartment in Wafaqi Colony project, Lahore forwarded a request for the refund of the entire amount deposited by him without deduction of cancellation charges on humanitarian grounds because of his prolonged illness of Tuberculosis and road accident. He is an employee of Islamabad Police and was on duty when a truck smashed him. His both hands were broken and was severely injured. Therefore, he could not continue his installments. Since he had spent lots of money on his treatment, therefore, he requested for refund of his entire deposited amount without deduction.

2. it was further added that that Mr. Amjid Saleem got this apartment booked in 2016 by depositing down payment @ 15% of the total price i.e. 3150000/-. He was issued payment schedule of 8 quarterly installments but the allottee failed to adhere to the payment schedule and defaulted three consecutive installments. In pursuance of clause 5.1 of the terms and conditions he was served with cancellation notice in December, 2019. The request of the allottee was forwarded to competent authority. It was decided to refer the matter to the Land & Estate Committee for deliberation and recommendation.

3. Accordingly, the Land & Estate Committee forwarded the following recommendations to be placed before BoD:

- The CEO PHA-Foundation would after initial examination place the cases of refund without deduction of the following nature before the BoD for consideration:
 - i. Where an allottee dies and his family can't afford to continue the installment plan further.
 - ii. Any permanent disability faced by an allottee. (On the certificate issued by a registered medical practitioner and admissible in the court of law).
 - iii. In case of terminal/critical disease. (On the certificate issued by a registered medical practitioner and admissible in the court of law).

4. The recommendations of the committee were placed before the BoD for consideration.

DECISION:

After thorough discussion, the proposals of the Land & Estate Committee were approved.



RECRUITMENT MADE DURING THE YEAR 2018 AGAINST VARIOUS VACANT POSTS IN PHA FOUNDATION.

The BoD was apprised that PHAF that during the year 2018 PHAF recruited 24 employees of different cadres from BS-02 to BS-05 and since then, PHAF is disbursing monthly salaries to them. However after recruitment of these 24 employees the matter was not placed before the BoD of PHAF for approval / clearance which is mandatory as per Rule 11 of PHAF Employees (Service) Regulations 2017 and 2020. Therefore, the subject matter was placed before the BoD meeting for approval / clearance to avoid any administrative and financial implications.

02. In this regard, it was apprised that Ministry of Housing and Works forwarded NOC of the Establishment Division for filling of vacant posts vide letter dated 23-01-2017. In compliance to the directions the same alongwith details thereof were placed before the BoD in 24th meeting held on 13-02-2017 under agenda item No.5, wherein approval of the BoD was solicited for fill-up the vacant posts. The recruitment process was delayed and on expiry of NOC afresh NOC was obtained from the Establishment Division on 15-11-2017. Accordingly, after re-examination of vacancy position, 26x vacant posts of BS-01 to BS-05 were re-advertised in national dailies on 09-12-2017 for filling-up from different regions through walk in interview. The Departmental Selection Committee (DSC) of BS-01 to BS-05 had conducted the interviews of the candidates and submitted its recommendations for appointment of following 25x candidates:

S.#	NAME	CNIC NO.	DESIGNATION	BPS	QUOTA OF APPOINTMENT
1	Mr. Aftab Khan	11101-4433726-9	Driver	5	Merit-I
2	Mr. Farhad Ullah	11101-5242585-9	Driver	5	Merit-II
3	Mr. Shakeel Ahmed	43203-8415627-1	Driver	5	Sindh (R)
4	Mr. Faheem Ullah	111101-2819642-5	Driver	5	ICT Punjab
5	Mr. Maqbool Ahmed Soomro	43203-3045786-3	Dispatch Rider	5	Sindh (R)
6	Mr. Farhad Ullah	11101-8196399-5	Record Keeper	5	KPK
7	Mr. Atta Ullah	43205-7557277-5	Record Keeper	5	Sindh (R)
8	Mr. Noorza Ali Khan	11201-8584298-7	Naib Qasid	2	KPK
9	Mr. Ismail	17301-6816113-7	Naib Qasid	2	KPK
10	Mr. Muhammad Zohaib Khan	11101-1342376-5	Naib Qasid	2	KPK
11	Mr. Saleem Khan	11101-8756051-1	Naib Qasid	2	KPK
12	Mr. Sajjad Khan	11101-7448110-5	Naib Qasid	2	KPK
13	Mr. Zia Ullah	11102-0356170-5	Naib Qasid	2	FATA
14	Mr. Sher Muhammad	11101-5645581-3	Naib Qasid	2	FATA
15	Mr. Fakhar Ul Din	22201-8790320-5	Naib Qasid	2	FATA
16	Mr. Fahim Ullah	11102-0354819-7	Naib Qasid	2	FATA
17	Mr. Muhammad Ahmed	11101-5447730-7	Naib Qasid	2	FATA
18	Mr. Hafeez Ullah	11101-3035332-7	Naib Qasid	2	Islamabad
19	Mr. Muhammad Alam	53405-8665990-1	Naib Qasid	2	Balochistan
20	Mr. Imran Khan	53202-7339775-7	Naib Qasid	2	Balochistan

21	Mr. Fazal Ur Rehman	51201-3624156-7	Naib Qasid	2	Balochistan
22	Mr. Khalid Muhammad	51401-6029129-3	Naib Qasid	2	Balochistan
23	Mr. Pir Muhammad	56302-2914207-7	Naib Qasid	2	Balochistan
24	Mr. Waseem Ullah	61101-9533579-1	Cook	2	Islamabad
25	Mr. Muhammad Khadim	11101-9709715-9	Security Guard	2	Islamabad

03. On the recommendations of the DSC, the above mentioned candidates were issued offer of appointment against the posts as mentioned against each with the approval of Appointing Authority i.e. the then CEO, PHA Foundation wherein 24x employees have joined their duties except the candidate mentioned at Sr. No. 4. However, after appointment as per rules 11 of PHAF Employees (Service) Regulations 2017, the matter was required to be placed before the BoD for information/ consideration and clearance of the appointments and same was not done. The relevant rule 11 of PHAF Employees (Service) Regulations 2017 & 2020 was reproduced as under:-

“all regular appointments shall be made through prescribed manner and subject to approval / clearance by the Board”

04. The BoD was further apprised that all these 24 new recruited employees have completed their probation period. During the course of period domicile along with police verification and educational certificates were also carried out. In this regard, domiciles certificates of 23 out of 24 employees were verified from the concerned provincial authorities except the employee mentioned at Sr. No.19. Moreover, police verification of 18 out of 24 employees has also been completed except the employees mentioned at Sr. No. 19, 20, 21, 22, 23. 24. The educational certificates were also verified by relevant Boards.

05 In view of above mentioned explanation, the matter was placed before BoD for kind consideration and information in line with rule 11 of PHAF Service Regulations 2017 & 2020 of the above mentioned appointments made by PHAF through walk in interview in the year 2017-18.

DISCUSSION:

06. The Deputy Chairman BoD inquired whether any investigation against this recruitment process was under way in NAB wherein it was informed that NAB was investigating the subject recruitments. The BoD was of the view that matter may be pended till final outcome of the inquiry underway in the NAB. The CEO PHAF inquired whether the salaries of these employees might be stopped or otherwise, wherein the BoD directed to maintain the status-quo till finalization of the inquiry.

DECISION:

The BoD after deliberations unanimously decided that the status-quo in the case be maintained. The matter would be placed before the BoD again after final outcome of the inquiry underway in NAB.

ENLISTMENT OF PAF HOSPITAL ISLAMABAD ON THE PANEL OF PHA FOUNDATION

It was apprised that an application was received from PAF Hospital, Islamabad regarding enlistment as PHA-F's panel Hospital wherein they have informed that PAF Hospital was a **Tertiary Care Hospital/ Open to Public** in line with PAF vision of imparting community health care which was also easily accessible and highly affordable for the civilian community of twin cities. They had further stated that the Hospital had well equipped **24/7 Emergency Services**, Medical, Covid-19 Testing Facility, Surgical, Obs Gynae, ENT, Eye, Radiology, Pathology, Dermatology, Psychiatry, Physiotherapy, Gastroenterology, Cardiac Dental, Vascular & Pediatric Surgery, Kidney Transplant Surgery and Orthopedic departments, with foreign trained specialist doctors and Consultants and for Indoor-Patient the hospital had excellent General Wards, Semi Private & Private Rooms with best nursing care along with 9 well equipped Operation Theaters & Latest Laparoscopes, Ortho scopes, Anesthesia, Equipment, Surgical and Orthopedic, Equipment and 24 Hours fool proof security systems. The Committee was further informed that the Hospital Administration had provided the **Panel Rate Book i.e. Consultancy Services & Hospital Charges** and requested for enlistment on the panel of PHAF.

02. Accordingly as per approval of the competent authority the matter was placed before the Purchase Committee of PHAF Board in its meeting dated 24-09-2020 for examination and recommendations as per **PHA-F Regulations for Medical Attendance, 2017**. The Committee discussed the proposal and examined the request of PAF Hospital and rates including Consultancy Charges, Investigation, Operations, medicine charges etc. and directed Inspection /Evaluation Committee of PHAF to visit and inspect the hygiene conditions, overall environment, diagnostic facilities, availability of staff/ Consultants and other primary / tertiary services of the Hospital. Accordingly, the Inspection /Evaluation Committee comprising of Deputy Director (Admin), Deputy Director (Finance) and Deputy Director (Engineering) visited PAF Hospital on 28-09-2020 and submitted satisfactory report wherein it was stated that the staff / Consultants were available and hygiene conditions, overall environment, diagnostic facilities, other primary/ tertiary services provided by the Hospital were satisfactory.

03. The BoD was further informed that the Purchase Committee convened a meeting with representative of PAF Hospital Islamabad to negotiate the rates wherein on the request of the Committee they have offered the following discount for provision of medical facilities to the employees of PHA-F vide letters dated 06-10-2020 and 20-10-2020:

- i) 25% Discount on all medical services.
- ii) 10% Discount on Cardiac Procedure.
- iii) 10% Discount on Medicines.

04 As per minutes of the Purchase Committee, the Committee after going through the inspection report and data provided by the Hospital, evaluated and assessed the proposal as per weightage scale. The evaluation of the Committee was as under:-

S. No.	1	2	3	4	5	6	Total Weightage
Selection Criteria	Accessibility / proximity	Experience	Availability of consultants/ specialists	Category of Hospital	Availability of Imaging and Diagnostic facilities	Discount offer	
Weightage	20	15	15	20	20	10	100
PAF Hospital Islamabad	20	13	15	20	20	10	98

05. After threadbare point-wise deliberations and analysis the Purchase Committee unanimously recommended that PAF Hospital may be placed on the panel of PHA Foundation keeping in view of the inspection report and affordable / discounted rates. **The committee further recommended that an agenda item in this regard may also be placed before the forthcoming BoD meeting for approval.**

06. In this regard, the relevant Regulations of **PHA-F Regulations for Medical Attendance, 2017** i.e. 2.6.4, 2.6.7 are reproduced as under:

2.6.4 Other private clinics/hospitals desirous to be included in the Panel of PHA-F shall have to apply for this specific purpose to the Admin wing at Head Office.

2.6.7 Recommendations for registration of Hospitals/Clinics on PHAF panel shall be made by the PHAF management to the BoD.

2.6.8 Names of hospitals and clinics shall be approved by the PHA-F BoD.

07. In view of the above, PHA-F proposed the placement of PAF hospital on PHA-F panel by replacing the Ali Medical Centre Islamabad as general criteria while recommending, enlistment of hospital on panel is three (3) hospital where strength of employees is 201 to 500.

DECISION:

The BoD unanimously approved the enlistment of PAF Hospital, Islamabad on the panel of PHA Foundation as per PHAF Regulations for Medical Attendance, 2017 and de-enlistment of Ali Medical Centre Islamabad.

AGENDA ITEM NO. 18

PHA FOUNDATION VEHICLE POLICY-2020

It was apprised that PHA Foundation was a self-revenue generating company registered with SECP under Section 42 of the Companies Ordinance 1984. PHA Foundation functions under the corporate Governance regime with its independent Board of Directors which takes all decisions regarding PHA Foundation under the prescribed rules and regulations. It was further informed that there is no vehicle policy/rules in PHAF, therefore, PHAF adopted the Federal Government Staff Car Rules, 1980 to operate its official vehicles. However, being a Company PHAF intends to formulate its own vehicle policy on the analogy of FGEHA, for proper utilization of official vehicles in the best interest of the organization. Accordingly, the matter was placed before the Finance & Account Committee of PHAF BoD wherein the committee after threadbare clause wise discussion recommended the PHAF Vehicle Policy-2020.

DISCUSSION:

2. It was informed that the agenda No. 18 regarding Vehicle Policy was under the deliberations of Finance & Accounts Committee of PHAF, so the present agenda might be dropped. Deputy Chairman / Secretary Housing & Works expressed that since the matter was an administrative issue, the CEO, PHAF might decide the matter at his end.

DECISION:

The matter was discussed and the BoD decided that the subject matter being administrative in nature might be decided by the CEO, PHAF.

PHA-F HOUSING SCHEME (KUCHLAK) QUETTA: PACKAGE-10 EXTERNAL DEVELOPMENT & INFRASTRUCTURE WORK.

It was apprised that advertisement for Prequalification of the package-10 External Development and Infrastructure Work was published in nationwide newspapers on 10-08-2019. As per the Financial Bid Evaluation Report of Contract No. PHA-F20/10 package-10, a total of fifteen (15) numbers of Technical Bids were received and eleven (11) out of fifteen (15) firms were declared as prequalified for External Development and infrastructure works. Tender documents were collected by nine (09) firms, however, only following two (02) firms participated in the bidding process:

- i. Ms Zarak Construction Company (ZCC)
- ii. M/s Frontier Works Organization (FWO)

2. Pre-Bid Meeting was conducted on 23-12-2019, eight (08) days prior to the bid submission deadline. During pre-bid meeting, PHA-F responded to twenty four (24) queries of the bidders. Minutes of pre Bid Meeting were issued on 24-12-2019.

3. There was no query raised by the said bidder regarding correction of arithmetic error in main summary of scheduled item on page No. 2 of BOQ. However, the same arithmetic error was corrected by PHA-F through issuing an addendum No.1 dated 24-12-2019. As per the Sr.No.01(C), the sub-total cost of scheduled item was corrected as Rs. 664,253,512/-. The minutes of Pre Bid meeting as well as above referred addendum was dispatched by PHA-F vide Pakistan post UMS dated 27-12-2019. M/s FWO submitted their bid by rectifying the arithmetic error in subtotal cost of scheduled item. However, M/s Zarak Construction submitted their bid without rectifying arithmetic error in sub total cost of scheduled item and subsequently quoted their financial bid as 7.75% above the rate mentioned against both the schedule as well as non-schedule items. Hence, the financial bid of M/s Zarak Construction Company came up as Rs. 653,374,091/-

4. PHA-F issued Letter of Acceptance (LOA) to M/s Zarak Construction Company vide letter No.PHA-F-2010/Package-10/ISL/20202/602 dated 04-02-2020 for the sum of Rs. 653,374,091/- @ 23.17% below the corrected BOQ.

5. M/s. Zarak Construction Company vide letter No. ZCC/Tender/PHA/2020/ dated 06-02-2020 lodged a complaint to PHA-F regarding rectification of error in LOA. The complaint of M/s. Zarak Construction Company was replied by PHA-F vide letter No. PHA-F/PD (Kuchlak) /ISL/2020/64 dated 21-02-2020. Subsequently, M/s Zarak Construction Company logged a complaint in PPRA vide letter No. ZCC/Tenders/2020/dated 19-02-2020. Meanwhile, M/s Zarak Construction Company also approached the Honourable Baluchistan High Court on 06-04-2020.

6. After a lapse of almost 09 months, Public Procurement Regulatory Authority (PPRA) issued the Evaluation Report No.01/2020-21 vide letter No. 11(100)M&E/PPRA/2019/310 dated 21-10-2020. The directives issued by the PPRA are reproduced as under:

"Since, the complaint of the bidder was regarding the grievance on the Financial Evaluation Report (and subsequently issuing LOA on the basis of such report). Rather than any dispute arisen after the award of contract, and the same was not addressed by an independent Grievance Redressal Committee; so the complaint should be resolved in accordance with

Rule 48 of PP Rules-2004, rather than any dispute resolution through arbitration. PHA-F is directed to constitute an Independent and impartial Grievance Redressal Committee (GRC), and the grievance of the bidder be addressed by the same GRC after considering the complete case on merit. The report of the GRC should reach the office of the undersigned within two weeks."

7. Resultantly, following Grievance Redressal Committee was constituted:

1. Mr. Anwar Ul HaQ Dogar	Joint Engineering Advisor	In Chair
2. Mr. Attaullah Waqas	Chief Engineer(FGEHA)	Member
3. Mr. Muhammad Irfan	Project Director (Kuchlak)	Member
4. Mr. Abdul Qayyum	Director Finance	Member
5. Mr. Javed Iqbal Malik	Dy. Director (CM)	Member
6. Mr. Fazal Ahmad	Asst. Director (Kuchlak)	Member
7. Mr. Zubair Ali Thaheem	Asst. Director (Legal)	Member
8. Mr. Shehryar	Consultant Representative	Member

8. Mr. Faqir Muhammad, Engineering Consultant and Malik Nazeer, The Engineer, Kurri Road Project shall assist the said Committee.

DISCUSSION:

9. The BoD observed that in the light of PPRA recommendations an independent and impartial technical committee may be constituted under the chairmanship of Joint Engineering Advisor (JEA), M/o Housing & Works along with members comprising of Pak PWD and Federal Government Employees Housing Authority (FGEHA).

DECISION:

The BoD unanimously approved an independent and impartial committee comprising of officers from M/o Housing & Works, Pak. PWD and FGEHA. The committee shall examine the issue in depth in consultation with PHAF and M/s Zarak Construction Company and submit its report & recommendations to PPRA within 14 days positively.

TABLE AGENDA NO. 01

AUCTION OF SHOPS IN COMMERCIAL CUM RESIDENTIAL BLOCKS-A&B AT PHAF OFFICERS RESIDENCIA PROJECT, KURI ROAD.

The BoD was apprised that Commercial cum Residential Blocks A & B of the PoR Kurri project comprises of 88 shops of various sizes. Prices of these shops were evaluated by registered state bank evaluator. Subsequently, it was decided by the BoD to auction these shops on the evaluated rates. The revenue to be collected from the auction of these shops had been accounted towards the total revenue needed for the completion of the project.

2. These shops were initially offered for auction in September 2019 but the auction was cancelled on the directions of CDA. After obtaining the NoC from CDA and approval of Lay Out Plan, the auction of 88 shops was conducted in January 2020. Only 27 shops were bid for at expected revenue of booking 173.5 million against base price of 273.02 million.

3. The recommendations of the auction committee were placed before the 38th BoD meeting for consideration. The BoD rejected the bid being lower than both FSV and Base price. It was also directed to conduct the auction in phases. Accordingly auction was held on 24-25 October, 2020 at Islamabad Hotel, Melody, Islamabad. 60 brochures were sold and 27 tokens issued.

4. It was further added that the auction was started by offering the shops in Block-A on ground floor. The bids for all shops were started above the Forced Sale Value (FSV) for each shop. On first day 19 and on second day 8 shops were sold respectively as tabulated below:

Block	Floor	Total No. of Shops	No. of Booked Shops booked	Expected Revenue from bookings at offered price (Rs. M)	Expected Revenue if sold at Base Price (Rs. M)
A	Ground	24	14	133.3	144.77
	Basement	14	03	25.9	27
B	Ground	10	10	97.4	103.6
	Basement	07	0	0	0
Total		55	27	256.6	275.37

5. It was added that the auction committee observed that the final bids for most of shops were a bit lower than the sale price. However, these bids were exclusive of admissible taxes payable by the bidders. If taxes were included in the final bids, then the prices of shops would go above the reserved price.

6. The BoD was further apprised that the auction committee had forwarded the following recommendations to be placed before the BoD.

a) All bids may be accepted being above the FSV and near to base price which would help in generation of revenue for the project which ultimately would have a better impact on the auction of the left over shops in the next round of auction.

OR

b) The highest bids received 10% below the base price may be accepted. Bids lower than 10 % of the base price may be rejected.

7. The recommendations of auction committee were submitted before the BoD for consideration and decision.

DISCUSSION:

8. The CEO PHAF commended the hard work of the auction committee for generation of such an encouraging response in the market when the economy of the country was badly hit by Corona pandemic. The Deputy Chairman, BoD commended the role of the management of PHAF in value addition to the commercial blocks of the project due to their persistent efforts for early completion of the project.

9. It was inquired whether the admissible tax was part of the price. It was responded that the prices were exclusive of the admissible taxes. The bidders have to pay the admissible

taxes over and above the prices. The Chairman of the auction committee further apprised the forum that the prices for the shops were higher than the previous auction. Acceptance of the highest bids would bring not only the much needed funds for the completion of the project but also good will for PHAF which would have very positive impact on the auction of the rest of shops in the project.

DECISION:

After thorough discussion, it was decided that the highest bids offered against each shop offered for auction in the auction held on 24th and 25th October, 2020 be accepted in the best interest of the project and organization.

TABLE AGENDA NO. 02

WRITTEN TEST FOR RECRUITMENT IN PHAF AGAINST VARIOUS CADRES (BS-09-BS-17) VACANT POSTS

It was apprised that BoD in its 41st meeting held on 27-07-2020 under agenda item No.05 approved SoP's / Mechanism for recruitment in PHA Foundation in light of Establishment Division O.M No.53/1/1/2008-SP dated 06-05-2020 and O.M No.53/19/2016-SP dated 04-06-2020. In this regard the matter was placed before Human Resource (HR) Committee of PHA Foundation BoD in its meeting held on 10th September, 2020 wherein the committee deliberated upon the SoP's/Mechanism and recommended the following for approval of BoD:

- A. Recruitment shall be carried out in the light of guidelines of Establishment Division OM No. 53/1/1/2008-SP dated 06-05-2020 and OM No. 53/19/2016-SP dated 04-06-2020.
- B. The HR Committee decided to co-opt Director (Admin) of PHAF who shall be over all incharge for conduct of written test. The Committee requested Director (Admn) following: -
 - a) Constitute a center wise committee to conduct written test on each center with the approval of MD, PHAF. The conduct and execution of written test shall be performed by the written test conduct committee notified by PHAF Management.
 - b) Devise SOP/ Step wise procedure and share with the members of HR Committee and MD, PHAF about the stepwise procedure for conduct of written test in all centers.
 - c) Carry out the printing of question papers, answer sheets their dispatch and collection after the test.
- C. HR Committee requested MD, PHAF to write letters to two leading universities of Islamabad i.e. COMSATS and NUST as per directions of BoD for the preparation of Question Papers as per approved syllabus and checking of answer sheets and for this they should submit their charges etc for the approval of management of PHAF. In this regard a draft letter was devised by HR Committee for the approval and signature of MD, PHAF.
- D. HR Committee decided that as directed by BoD, they shall supervise the conduct of written test and after finalization of arrangements / centers by the management of PHAF, the members of HR Committee shall distribute each center among themselves for visits during conduct of written test to monitor that the tests are conducted in proper manner as per guidance / SOPs devised by BoD and as per guidelines of the Establishment Division.



- E. Each member of the HR Committee shall visit each center assigned and submit a detailed report for the perusal of HR committee and MD of PHAF.
- F. HR Committee shall perform supervisory role and maximum cooperation shall be extended during conducting of written tests to management of PHAF and Assistant Director (HR) shall act as a secretary of the HR Committee.

2. It is further apprised that BoD also approved the following in its 41st meeting:

- i. PHAF will offer the following Tests Centers to the candidates for the test appearance in Islamabad and major cities of Punjab, Sindh, KPK, Balochistan, GB/FATA and AJK and candidates shall be required to select one (01) desired place according to his/her convenience:
 - a. Karachi
 - b. Sukkur
 - c. Multan/Bahawalpur
 - d. Quetta
 - e. DIKhan/Bannu
 - f. Lahore
 - g. Peshawar
 - h. Islamabad/Rawalpindi
- ii. PHAF shall establish the test centers in above mentioned cities where minimum 200 candidates are available. In case of less strength candidates will assigned nearest test city.

3. It is imperative to mention here that PHA Foundation is unable to organize and conduct the tests on above mentioned centers simultaneously. To make the process more transparent and effective written tests of all cadres posts may be conducted at only one station i.e. Islamabad/Rawalpindi. Moreover, processing fee may also be obtained from shortlisted applicants as previously no processing fee was received from the applicants.

4. The BoD was further apprised that in compliance to BoD decision and on the recommendations of HR Committee PHAF wrote letters to NUST and Comsats University for preparation and checking of written test papers whereby NUST University has regretted the request of PHAF and response of Comsats University was awaited.

5. In view of the above, following proposals were submitted for perusal and approval of BoD:

- a. Recommendations of HR Committee of PHAF BoD mentioned above may be approved.
- b. Approval may be accorded to conduct the written tests of advertised posts at Islamabad/Rawalpindi only.
- c. Approval may be accorded to obtain processing fee @500 per candidates from shortlisted candidates
- d. Approval may be accorded to sign the MoU with Comsats as per their proposal (I otherwise PHAF management may be allowed to assign responsibility of paper preparation/checking to the committee of experts of relevant domain.

DISCUSSION:

6. The Chairman BoD inquired about the Number of applicants from each province whereby the BoD informed about the number of applicants. The BoD was of the view that it would be very difficult and expensive for candidates of Balochistan and Sindh to appear at Islamabad / Rawalpindi. However, the candidates belonging to Punjab and KPK can appear for the written test at Islamabad. The BoD was further apprised that the consent of COMSAT University has now been received, wherein they are agreed upon for preparation, checking, printing, packing and sealing of question papers alongwith provision of answer sheets. The COMSAT University has forwarded the following rates for the said assignment through expression of interest:



S. N.	DESCRIPTION	RATES (excluding tax)
PREPARATION AND CHECKING OF TEST PAPERS FOR OFFICERS CADRE POSTS		
01	Preparation of written test papers (post wise)	15,000/- (Each paper)
02	Preparation of MCQ's test papers (post wise)	15,000/-
03	Checking of test papers	250 each paper
PREPARATION AND CHECKING OF TEST PAPERS FOR STAFF CADRE POSTS		
01	Preparation of MCQs test paper (post wise)	10,000/-
02	Checking of test papers	200/- each paper
03	Preparation of skill test papers for steno-typist (English & Urdu).	10,000/- Each Paper
04	Checking of test papers of steno-typist	200/- each paper
PRINTING & STATIONARY		
01	Printing, Packing and sealing of test papers	15/- Each paper
02	Answer sheets	20/- Each paper sheet

DECISIONS:

After detailed deliberations the BoD gave the following decisions:

- The BoD approved the above mentioned recommendations of HR Committee of PHAF meeting held on 10th September, 2020.
- The BoD directed to conduct the written tests of advertised posts at Quetta, Karachi and Islamabad/Rawalpindi only.
- The BoD approved to obtain processing fee @ 400 per candidate from shortlisted candidates.
- The BoD allowed the management of PHAF to assign the task regarding "**preparation, printing, packing and sealing of question papers alongwith provision of answer sheets and marking of papers**" to COMSATS University Islamabad as per their proposal.

The meeting ended with a vote of thanks and to from the chair

42ND BOD MEETING OF PHA FOUNDATION

OCTOBER 28, 2020

ATTENDANCE SHEET

S. No.	Name	Designation	Signature
1	Mr. Tariq Bashir Cheema, Federal Minister for Housing & Works/ Chairman, PHA Foundation, Islamabad	Chairman	
2	Dr. Imran Zeb Khan, Secretary, M/o Housing & Works, Islamabad	Dy. Chairman	
3	Mr. Zahoor Ahmed, Additional Secretary, M/o (H&W), Islamabad	Member	
4	Mr. Amir Mohyuddin, Joint Secretary (Estate), M/o Housing & Works, Islamabad	Member	
5	Mr. Shahid Farzand, Director General, Pak. PWD, Islamabad	Member	 28/10/2020
6	Mr. Yaseen Shar Baloch, Joint Secretary (Admin), M/o Housing & Works, Islamabad	Member	
7	Mr. Rizwan Ahmad Sheikh, Financial Advisor (Works)/ Joint Secretary, Finance Division, Islamabad	Member	
8	Mr. Waseem Hayat Bajwa, Chief Executive Officer, FGEHA, Islamabad	Member	
9	Mr. Ayaz Ahmed Khan, Member Engineering, CDA, Islamabad	Member	
10	Mr. Tariq Rashid, Chief Executive Officer, PHA Foundation, Islamabad	Member	
