

MINUTES OF THE 102ND
MEETING OF EXECUTIVE
COMMITTEE

Most Immediate
By Special Messenger

FEDERAL GOVERNMENT EMPLOYEES HOUSING FOUNDATION
10- MAUVE AREA, G-10/4
ISLAMABAD

<<>>

No. 11(4)/2008-HF(A)/102

Islamabad, the 07th October 2008.

Subject:- **MINUTES OF 102ND MEETING OF THE EXECUTIVE COMMITTEE/BOARD OF DIRECTORS OF THE FEDERAL GOVERNMENT EMPLOYEES HOUSING FOUNDATION HELD ON 10.09.2008.**

The 102nd meeting of the Executive Committee/Board of Directors of the Federal Government Employees Housing Foundation, Islamabad was held on 10.09.2008 at 11.00 A.M. in the Committee Room of M/O Housing & Works, B-Block, Pak. Secretariat, Islamabad. The minutes of the said meeting are enclosed.



(Sher Afzal Khan)
Company Secretary / Director(Admn)
Ph: 051/926 716

Encl: As above.

- | | |
|--|---|
| 1. Mr. Sami-ul-Haq Khilji,
Secretary,
M/O Housing & Works,
Islamabad. | 2. Mr. Muhammad Zafeer Abbasi,
Additional Secretary,
M/O Interior, Islamabad. |
| 3. Mr. Ali Akbar Shaikh,
Director General,
Pak. PWD, Islamabad. | 4. Mr. Mehmood Akhtar,
Financial Advisor(Works),
Islamabad |
| 5. Mr. Fakhar Zaman,
Joint Secretary,
M/O Housing & Works,
Islamabad. | 6. Mr. Sohail Ahmad Mian,
Joint Secretary(Cabinet),
Cabinet Division,
Islamabad. |
| 7. Raja Nowsherwan,
Member Planning,
CDA, Islamabad. | 8. Mr. Ali Abid,
Joint Engineering Adviso.
M/O Housing & Works,
Islamabad. |
| 9. Mr. Muhammad Zaheer Khan,
Deputy Secretary(Admn),
M/O Housing & Works, Islamabad. | |

Copy for information to:-

10. P.S. to Director General, Housing Foundation, Islamabad.
11. Director(Estate), Housing Foundation, Islamabad.

FEDERAL GOVERNMENT EMPLOYEES HOUSING FOUNDATION
10-MAUVE AREA, G-10/4, ISLAMABAD

Subject: MINUTES OF 102ND MEETING OF THE EXECUTIVE COMMITTEE/BOARD OF DIRECTORS OF F.G.E.HOUSING FOUNDATION HELD ON 10.09.2008.

The 102nd meeting of the Executive Committee/Board of Directors was held on 10.09.2008 at 12:00 P.M. in the Committee Room of the Works Division- B. Block, Pak. Secretariat, Islamabad under the Chairmanship of Secretary (H&W). List of participants is annexed.

2. The meeting started with recitation from the Holy Quran. The Chairman welcomed the participants and gave a brief background of the meeting. Following decisions were taken after detailed discussions on the agenda items.

AGENDA ITEM NO.1 CONFIRMATION OF THE MINUTES OF 101ST MEETING.

The Board of Directors/Executive Committee confirmed the minutes of the 101st meeting after incorporating following minor changes proposed by the Financial Advisor (Works) in paras 7, 9 and 14.

Para No.	Line	Word "For" is to be added before the words "the sale" and a "coma" is to be added after the word "apartments".
	7	
9	2	The word "only" appearing after the word "Quote" is to be deleted.

The para "14" was to be recorded as

" The Board of Directors approved the proposal to process the cases for transfer of plots where there is no stay order/court directions to the contrary for such transfer of title.

The revised minutes after incorporating the above amendments have been issued vide letter No.11(4)/2008-HF(A)/101 dated 11.09.2008..

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IMPLEMENTATION STATUS OF DECISIONS TAKEN IN 101ST MEETING.

The Chairman Executive Committee sought implementation status of important item/decision taken during 101st meeting. The same is discussed as below:

AGENDA ITEM ALLOTMENT OF PLOTS TO FEDERAL GOVERNMENT EMPLOYEES IN SECTOR I-8 ISLAMABAD.

Financial Advisor (Works) explained that the meeting of the sub committee could not be called due to late issuance of minutes of 101st Committee meeting. The same would be convened and its recommendations submitted for perusal of Executive Committee at an early date.

AGENDA ITEM ALLOCATION OF PLOTS TO ICT AND CDA EMPLOYEES IN RECOGNITION OF THEIR MERITORIOUS SERVICES AND ADJUSTMENT OF PLOTS AMONG VARIOUS QUOTAS.

Joint Engineering Advisor also took the plea that meeting of the sub committee could not be convened and its recommendations finalized for want of approved minutes. The same would be submitted for the perusal of Executive Committee at an early date.

NEXT SCHEME OF F.G.E.H.F. AT ISLAMABAD. The Chief Executive showed keen interest in launching the new phase for developed plots at Islamabad and apprised the Committee that Sector F-12 may or may not be available to the Housing Foundation for allotment of developed plots to government servants. He also informed that he has already directed to adopt a two pronged strategy and also look for acquisition of private land as mandated under the Memorandum and Articles of Association of the Housing Foundation. Joint Secretary (Cabinet) apprised the meeting that on the initiative of Cabinet Division, CDA has initially agreed to give NOC for allotment of two Sub Sector of F-12 i.e. F-12/2 & F-12/3. However there were a few issues like encroachment, sale and purchase of land by local/un-authorized people etc which needs to be settled before hand. The Director

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General, FGEHF pointed out the main issue was land acquisition in F-12 as the award was announced way back in 1985 and CDA authorities of late have been saying that although they have paid some compensation but they may not be able to take complete possession of land. Member (Planning) CDA also stated that CDA has only partial possession of the Sector.

Chief Executive directed the sub committee formed in the 100th meeting of the Executive Committee to go ahead with private purchase of land and give a comprehensive report covering all aspects especially title of land, prevalent rate in the area and feasibility of the land for the next scheme so that purchase can be made in most transparent and economical manner. He emphasized the need for finalization of acquisition at an early date because of the acute shortage of housing units in the country and emphasis being laid by the Government to provide housing to all. Joint Secretary (Cabinet) suggested that the price of recent allocation of land by CDA to PHA on Kuri Road may be used as a bench mark for negotiation with private parties. However the committee was of the view that prices of land would vary based on location, possession, title and availability of utilities etc in the area. However Zone-IV is in ideal place for future acquisition of land. Member (Planning) CDA also endorsed the view and suggested that Housing Foundation may also look in to the possibility of acquiring land in Motorway Corridor.

The Committee also directed the Director General (HF) to bring age wise seniority issue for retired Federal Government employees in next meeting so that the decision for marking cut off date for future scheme is taken in line with Court judgments on issue.

AGENDA ITEM NO.2

AUDIT OF ACCOUNTS OF THE FEDERAL GOVERNMENT EMPLOYEES HOUSING FOUNDATION FOR THE PERIOD 1992-93 TO 2001-2002.

The Committee expressed its concern over the delay in finalization of audited accounts. Financial Advisor (Works) was of the view that these are very old accounts pertaining to period 1992-93 to 2001-02 and it is very difficult to have an independent view on recording of individual entries. The auditors in reply to the query made by Financial Advisor(Works)

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informed that they had not considered the reports of commercial audit wing of the Auditor General Department. The Director(Estate)Housing Foundation explained that since Housing Foundation is not provided the Government funds hence the Commercial Audit wing of Auditor General Office could not audit its accounts. The Director (Finance) Housing Foundation added that seed money amounting to Rs.100 million provided by the Government of Pakistan was paid back in full alongwith interest in the year 1996-97. He further explained that as per the decision of Law and Justice Division, F.G.E.H.F is not bound to get its accounts audited by Auditor General Department.

Financial Advisor (Works) also expressed his concern over the non recovery of Rs.4.5 million from an Accounts Wing official and the payment for Rs.37.8 million to a party in Lahore for purchase of land. Law Officer (HF) explained that execution petition of decree amounting to Rs.4.5 million filed against Mr. Muhammad Yaqoob an ex-official of Housing Foundation are pending with Civil Court, Islamabad and Rawalpindi as the accused is absconding and his property is not traceable for attachment. He also explained that a suit for recovery of Rs.37.8 million from M/S Universal Enterprises(Agha Raza Ali Qazalbash and Zahid Shafique) is pending in Civil Court, Lahore. He also apprised that a criminal case against the accused was lodged with FIA / NAB. As a result of the pursuance of Housing Foundation the bail application of Agha Raza Ali Qazalbash was rejected by the Supreme Court of Pakistan. However, being a very influential person he could not be arrested by the NAB, whereas the accused Zahid Shafique had absconded. The Committee directed that reminder be given to NAB authorities for expeditious settlement of the case. It also directed Housing Foundation to take up case with Punjab police through Secretary (H&W) for apprehending the accused. The Committee also formed a two member team comprising Director (Estate) Housing Foundation and Law Officer, Housing Foundation to contact with the party and settle the issue. The Director (Finance) informed the committee that the Finance and Estate Wing of Housing Foundation were working to computerize data of the allottee so that off setting can be done. He

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also apprised that the same would be incorporated in the subsequent accounts.

Financial Advisor (Works) questioned the auditor whether the qualifications pointed out by them have any financial risk to which the representative of the audit firm replied in negative and stated that they are related to record maintenance and reconciliation only. He also said that delay in preparation of audited accounts was also partially due to removal of qualifications pointed out by them and present Management has satisfied them to a great extent. The Executive Committee on this observation of the Audit that "the qualification presented no financial risk" accorded its concurrence. The Chief Executive directed that a good internal audit department be established in Housing Foundation by hiring personnel from the open market. The Committee was of the view that internal audit department should report to the Chief Executive. Member (Planning) CDA suggested to hire a private company for the purpose so that it may be held accountable in case of failure. The Committee directed the Housing Foundation to look into the possibility of hiring of a firm. The Committee also directed the Housing Foundation to undertake complete computerization of its data and record to ensure transparency and completeness.

The issue regarding appointment of following two firms was also discussed in detail:

- a) M/S Aslam Malik & Co for preparation of Housing Foundation accounts for the year 2002-03 to 2005-06 and
- b) M/S Suhail & Co for audit of Housing Foundation accounts for the year 2002-03 to 2005-06

Director General, Pakistan P.W.D who was then Director General, Housing Foundation explained that both the firms were selected through open bids in a transparent and economical manner in line with the directions given by the Executive Committee in its 87th meeting. The Committee expressed its satisfaction on the same and directed the Housing Foundation management to complete this task soon.

The Executive Committee gave the following approvals:

- i) The placement of Audited Accounts for the period 1992-93 to 2001-02 before the Annual General Meeting for final approval.

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- ii) Placement of demand of additional fee of Rs.200,000/- by the auditors before the Annual General Meeting for approval.
- iii) Appointment of M/S Sohail & Co. Chartered Accountants by the AGM as 'auditors' for the period 2002-03 to 2005-06.
- iv) Grant of honoraria equal to one basic pay to the 8 members of Finance Wing who worked tirelessly for the last 10 months to complete this long outstanding task.

TABLE AGENDA: ALLOTMENT OF AMENITIES PLOTS FOR ESTABLISHMENT OF SCHOOL AND ON PLOT IN FEDERAL GOVERNMENT EMPLOYEES HOUSING SCHEME (PHASE-I) IN SECTOR 24-B, KDA SCHEME-33 REPUTES MADE BY PEC TAKEN KDA COST REDUCED THEIR BIDS.

The Executive Committee was informed that

The proposal for establishment of School and Dispensary in FGE housing scheme (Phase-I), Sector 24, KDA scheme 33 were invited from interested parties on 31st May from well reputed and experienced parties in the respective fields.

The following 02 bids were received for establishment of school on the plot measuring 4167 Sq.yds.

S.No.	NO OF BIDS	RATE OF BID (Rs)
1	M/s TEC Education Solution Karachi	400 P.Sq.yds
2	M/s Bahria Foundation Karachi	300 P.Sq.yds

However, M/s Bahria Foundation did not attach the bid security @ 25% total bid price as per condition for invitation of bids. In the case of Hospital, only one bidder M/s Shah Abdul Latif Bithai Welfare furnished their bid and quoted their rates @ Rs. 500 P.Sq.Yds. Both the bids were rejected by the competent authority for quoting very low rates and technically being single bids.

M/s TEC Education Foundation Karachi vide letter dated 8th September 2008 (Annex) has made representation against the rejection of

Karachi

their bid as that does not bear any cogent ground as there was no minimum bid amount given in the documents, provided to them. They have also indicated to give value addition to the plot by building and operating world class educational facility.

The matter was discussed thread bare. Financial Advisor (Works) was of the view that Government of Sindh be approached for establishing a school and hospital on the plots earmarked for the same. He contended that this would enable all the allottees to have better facilities at their doorsteps. Joint Secretary (Cabinet) was of the view that giving these plots to private parties would ensure establishment of facilities of good standard and also bring in revenue to the housing foundation. Director General, Housing Foundation informed the meeting that Housing Foundation had previously taken up the issue of establishment of dispensary with the department of Health, Government of Sindh but no response was received.

Chief Executive stressed that bids were taken after the decision of Executive Committee so it won't be possible now to go back. The Committee decided that the following Sub-Committee should hold negotiations with the highest bidder who otherwise satisfied the criteria for bid

1	Joint Secretary (ICT) Interior Division	Chairman
2	Deputy Financial Advisor, Works	Member
3	Director (Estate) Housing Foundation	Secretary / Member
4	ADC (R) ICT	Member
5	Director (Housing Societies) CDA	Member
6	Law Officer, Housing Foundation	Member
7	A representative of Pak-PWD	Member

In case no satisfactory response is received then bids should be invited afresh.

The meeting concluded with a vote of thanks for the chair.

