

**MINUTES OF THE 46<sup>TH</sup> MEETING**

FEDERAL GOVERNMENT EMPLOYEES HOUSING FOUNDATION  
SHAHEED-E-MILLAT SECRETARIAT  
ISLAMABAD

\*\*\*

November 7, 1996

No. 7(3)/96-HF(A)

Subject:

MINUTES OF THE 46TH MEETING OF THE EXECUTIVE COMMITTEE OF THE  
BOARD OF GOVERNORS OF THE FEDERAL GOVERNMENT EMPLOYEES  
HOUSING FOUNDATION HELD ON OCTOBER 29, 1996.

The 46th meeting of the Executive Committee of the Board of Governors of the Federal Government Employees Housing Foundation was held on October 29, 1996 at 1030 hours in the Committee Room of the Works Division under the Chairmanship of Secretary, Housing and Works.

A copy of the minutes of the above meeting is enclosed for information.

  
( SYED HAMID HUSSAIN )  
Director (Finance & Admn)

- |   |                                                                                       |     |                                                                                               |
|---|---------------------------------------------------------------------------------------|-----|-----------------------------------------------------------------------------------------------|
| 1 | Mr. Shaukat Ali Shaikh,<br>Secretary,<br>Housing and Works Division,<br>Islamabad.    | 7.  | Mr. Sarshar Ali Malik,<br>Director General,<br>Housing Foundation, Islamabad.                 |
| 2 | Mr. Abdul Rashid Baloch,<br>Joint Secretary (Works),<br>Islamabad.                    | 8.  | Mr. Saif Ali,<br>Deputy Secretary (Admn),<br>Works Division.                                  |
| 3 | Mr. Muhammad Riaz<br>Director General,<br>Pak PWD, Islamabad.                         | 10. | Syed Hamid Hussain,<br>Director (Finance/Admn)<br>Housing Foundation, Islamabad.              |
| 4 | Mr. Mohammad Aslam,<br>Joint Secretary,<br>Cabinet Division,<br>Islamabad.            | 11. | Mr. Shahid Hameed,<br>Director (Technical)<br>Housing Foundation, Islamabad.                  |
| 5 | Mr. Abdur Rashid Ghauri,<br>Financial Adviser (Works)<br>Islamabad.                   | 12. | Mr. Taseer Hussain Kardar,<br>OSD. Co-opted Member<br>Category-V allottees, Islamabad.        |
| 6 | Dr. Mohammad Rasool Khan,<br>Joint Engineering Adviser,<br>Works Division, Islamabad. | 13. | Mr. Yawar Ausaf Sherwani,<br>Assistant Computer Programmer,<br>Housing Foundation, Islamabad. |
|   |                                                                                       | 14. | Malik Zafar Abbas,<br>Assistant Director (Admn)<br>Housing Foundation, Islamabad.             |

FEDERAL GOVERNMENT EMPLOYEES HOUSING FOUNDATION  
SHAHJEEB-E-MILLAT SECRETARIAT  
ISLAMABAD

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November 4, 1996

E.No. 7(3)/96-III-(A)

Subject: MINUTES OF THE 46TH MEETING OF THE EXECUTIVE COMMITTEE  
OF THE FEDERAL GOVERNMENT EMPLOYEES HOUSING  
FOUNDATION.

The 46th meeting of the Executive Committee was held on 29.10.1996, at 1030 hours in the Committee Room of the Housing and Works Division under the Chairmanship of the Secretary, Housing and Works. The proceedings started with the recitation from the Holy Quran by Dr. Mohammad Rasool Khan, Joint Engineering Advisor, Housing and Works Division.

2. The list of the participants is appended.

Item No.1

Confirmation of the minutes of the 45th meeting of the Executive Committee

3. The minutes of the 45th meeting of the Executive Committee were unanimously confirmed by the members of the Executive Committee.

Item No.2

Implementation status of the decisions taken in the 45th meeting of the Executive Committee

4. The Director General, Housing Foundation apprised the Executive Committee of the actions taken in the light of the decisions arrived at in the 45th meeting as follows:-

(a) Payment to District Collector

The Executive Committee was informed that an amount of Rs 300 million had already been placed at the disposal of the District Collector, Islamabad as first instalment towards the cost for acquisition of land in sector G-13, Islamabad.

(b) No Objection Certificate (NOC) for sector G-13, Islamabad

It was brought to the notice of the Executive Committee that the Chairman, CDA., during the meeting of the Board of Governors of the Federal Government Employees Housing Foundation held on 23.5.1996, had stated that the CDA had no objection to the launching of the housing scheme in sector G-13, however, formal NOC in this respect had not been issued to date.

(c) Development of G-13 sector

The Executive Committee was informed that as desired by the Chairman, Board of Governors, a meeting was held with the CDA regarding execution of development works in sector G-13, Islamabad. It was agreed that the CDA would furnish an out-line proposal for undertaking planning, designing and execution of the infrastructure development work in sector G-13 indicating the anticipated costs and time schedule within a fortnight.

DECISIONS

- (i) It was desired by the Executive Committee that a fresh reference may be made to the CDA for the issuance of NOC for housing scheme in sector G-13, Islamabad (Phase-III).
- (ii) The Chairman, Executive Committee desired that option for planning/designing and execution of development works should be kept open and in order to ensure economical and competitive costs, alternative proposals should also be obtained from Pakistan PWD., National Engineering Services Pakistan (NESPAK) and other reputed organisations.

Item No.3

**Progress on on-going housing scheme for Federal Government Employees on ownership basis at Islamabad and other cities**

5. The Director General, Housing Foundation briefly apprised the members of the progress of the on-going housing scheme on ownership basis at Islamabad and other cities. He

informed that in Phase-I of the housing scheme at Islamabad, only 84 out of 1595 houses of various categories remained to be handed over to the allottees on the clearance of dues outstanding against them. The matter regarding constitution petition filed by some of the allottees in the Supreme Court of Pakistan remained subjudice. A compromise was arrived at between the parties during a meeting held at the residence of the Minister for Housing and Works and was duly filed in the Court on the date of hearing of the case, i.e., 22.10.1996. However, the Counsel for the petitioners sought adjournment to sort out certain issues among the petitioners.

6. The Executive Committee expressed its satisfaction on the repayment of the principal amount of Rs 100 million loan to the Finance Division. The interest at the reduced rate of 7 percent per annum, as agreed by the Finance Division, would also be paid by June 1997.

7. The Executive Committee expressed its deep concern over the continued delay in the development of D-12 and E-12 sectors Islamabad and desired that the matter may be taken up with the CDA at the level of the Chairman.

8. The Joint Secretary, Cabinet Division, desired to know the details of the widows of the Federal Government employees to whom plots had been allotted against 5% quota reserved for the purpose in Phase-II of the housing scheme at Islamabad. The Director General, Housing Foundation promised to supply the requisite information in the next meeting of the Executive Committee.

9. On a query from the Joint Secretary, Cabinet Division, regarding allotment of plots in I-8 and other sectors of Islamabad recently, the Director General, Housing Foundation informed that a number of plots were placed at the disposal of the Housing Foundation by the CDA on the directions of the competent authority and the same were allotted with the approval of the Chairman, Board of Governors to the employees working in Aiwan-e-Sadr, Prime Minister's Secretariat and other organisations. The plots thus earmarked against the special allocation did not form part of the Phase-I and Phase-II of the housing scheme.

12. A Sub-Committee was constituted under the Chairmanship of Mr. Mohammad Rafiq Ahmad, Director General, Pakistan PWD., for looking into the issue of imposition of liquidated damages, the report of which was discussed in the 44th meeting of the Executive Committee held on 12.11.1995. It was observed that while looking into the issue, the Sub-Committee had not examined the claims of the Contractors. Another Sub-Committee under the Chairmanship of Mr. Muhammad Piaz, Director General, Pakistan PWD., was formulated to re-examine the issue of imposition of liquidated damages along with the claims of the Contractors.

13. The Sub-Committee held several meetings with the Contractors/their representatives and as mutually agreed, first discussed the common claims with the representatives jointly and afterwards the claims of individual nature of each Contractor were examined in the light of the documents furnished by them.

14. The Sub-Committee recommended the following:-

#### CLAIMS OF COMMON NATURE

##### Claim No.1

14.1 In view of the prevailing engineering practices quantities corresponding to the plinth areas in respect of various housing units to be accepted for payments of the item of termite control treatment and necessary adjustments made in the final bills of the Contractors.

##### Claim No.2

14.2 The claims for separate payments of painting to the doors was not considered admissible.

##### Claim No.3

14.3 Claim for only that much quantity of earth filling under floors was recommended for payment which had been brought from outside sources and filled, in addition to the surplus earth available from the excavation and back-filling of the trenches.

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Claim No.4

14.4 Claim for payment for providing and fixing ventilation pipes in underground and overhead tanks was found admissible.

Claim No.5

14.5 The claim of the Contractors for refund of additional expenditures on account of reduction of consultancy services beyond March 1993, already recovered from the contractors was not found tenable.

Claim No.6

14.6 The claim on account of additional quantity of steel and cement provided in underground water tanks due to revision of structural design/drawings was found admissible and recommended for payment to the Contractors as per rates available in the BOQ.

Claim No.7

14.7 The Sub-Committee observed that the rates of following items were decided in consultation with the representatives of the Contractors and duly conveyed to them, therefore, claim on these accounts were not found admissible.

- i) CC 1:4:8 in foundation.
- ii) CC 1:3:6 in foundation.
- iii) Commercial ply door shutters due to variation of thickness of ply from 4mm to 3mm.
- iv) RCC 1:2:4 in plinth beams.
- v) Steel windows.

Claim No.8

14.8 The claim for extra payment for stop cock assembly was not considered tenable as the rate for providing stop cock was approved and conveyed to the Contractors by the consultant in terms of provisions of their contracts, whereas its assembly and fixing was paid to the Contractors as per relevant BOQ items.

Claim No.9

14.9 The claim of Contractors for extra payment for providing Asbestos tee-bend in rain water spouts was not found tenable.



Claim No.10

14.10 The Contractors claim for additional payment on account of modified/changed designs of some of the houses was not found tenable as it was observed that the Contractors were duly paid for the actual work done on the BOQ rates available in case of all such houses.

Claim No.11

14.11 The recovery of cost of incomplete/deficient items taken in the punch list at the time of taking over possession of houses contested by the Contractors was neither found justified nor tenable as it was revealed by the Housing Foundation's staff that the said recovery was being affected due to failure of Contractors to rectify the defects/deficiencies within the notified period on the basis of cost evaluation as per contract rates (and not market rates as claimed by the allottees).

Claim No.12

14.12 The Contractors claims for incurring additional expenditure on account of preparation of measurement files/final bills due to change of billing procedure was not found tenable and were rejected as none of the Contractors supplied the details in support of their claims.

MISCELLANEOUS CLAIMS

15. The Contractors could not substantiate any of their claims on account of the following items:-

- i) Reduction in scope of contract work (Loss of Profit)
- ii) Watch and ward expenses after cut off date.
- iii) Additional expenses due to prolongation of Contract.
- iv) Expenditure on account of back filling of trenches excavated by the agencies like WAPDA, SNGPL and PTC for provision of external services in the area.
- v) Escalation in the cost of labour and material.
- vi) Additional expenditure for providing and fixing mesh over expansion joints.

INDIVIDUAL CLAIMS

16. The Sub-Committee discussed the claims of individual nature with the contractors/their representatives. M/s Steel Force (Pvt) Limited refused to participate in the

deliberations on the plea that their case was subjudice in the court and they were only willing to participate in the deliberations, if the Housing Foundation wished to settle their claims outside the court.

17. All Contractors except for M/s Karachi Constructors (Pvt) Limited, M/s Jumani Group of Companies (Pvt) Limited and M/s Housing Development Associates (Pvt) Limited did not put-forth any claim except those of the claims of common nature.

**M/s Karachi Constructors (Pvt) Limited**

18. The Contractor presented their claims on the following accounts:-

- i) Claim for non-handing over of the plots.
- ii) Claim on account of rock blasting.
- iii) Deliberate delay in issuance of completion certificate.

None of the claim was found tenable as they could not be substantiated from the documents furnished by the Contractor.

**M/s Jumani Group of Companies (Pvt) Limited**

19. The Contractor presented their claim on the following accounts:-

- i) Claims for non handing over of the plots.
- ii) Claim on account of rock blasting.
- iii) Deliberate delay in issuance of completion certificate.

None of the claim was found tenable as they could not be substantiated from the documents furnished by the Contractor.

**M/s Housing Development Associates (Pvt) Limited**

20. The Contractor put-forth the following claims:-

- i) Earth filling.
- ii) Rock blasting.
- iii) Houses taken on "as is where is" basis.
- iv) Preparation of measurement files by the Contractors.
- v) Reduction in scope of work.

vi) Delay in handing over of the plots.

None of the claim was found tenable as they were not substantiated by the Contractor's representatives.

### LIQUIDATED DAMAGES

21. The Sub-Committee suggested that:

- i) The overall amount of liquidated damages be reduced to Rs 11.25 million by limiting the same to Rs 1.25 million in all individual packages wherein it exceeded the said sum. The amount of liquidated damages imposed and recommended by the present Sub-Committee in case of each Contractor/package are given below:-

Sr#	Pkg#	Name of Contractors	<u>Liquidated Damages</u> (in Million Rs)	
			Imposed	Recommended by the present Sub-Committee
1.	04	M/s Mohammad Hussain & Co.	3.386	0.735
2.	05	M/s A S Khan Construction	4.659	0.070
3.	06	M/s Muhandaseen	3.567	0.085
4.	07	M/s Sim Sim Builders	3.066	0.500
5.	08	M/s Steel Force	2.041	1.020
6.	09	M/s Redco Pakistan	2.789	1.250
7.	11	M/s Redco Pakistan	3.019	1.250
8.	12	M/s Redco Pakistan	2.583	1.250
9.	14	M/s Ruff Builders	3.135	0.960
10.	15	M/s Housing Dev Associates	2.842	1.250
11.	16	M/s Jumani Group of Co.	2.039	0.620
12.	17	M/s Sarco International	3.034	0.965
13.	18	M/s Karachi Constructors	1.943	0.045
14.	19	M/s Eastern Services	3.002	1.250
Total			41.105	11.250

- ii) The financial liability already committed on account of consultancy charge to the Consultants beyond their stipulated period and partially recovered from the Contractors be adjusted against the liquidated damages.
- iii) The balance amount of liquidated damages, after clearing the committed liability be paid to the allottees as partial compensation for delay in completion of houses on the part of the Contractors.
- iv) It is upto the competent forum to take policy decision regarding waiver of the liquidated damages in respect of M/s Muhandaseen (Pvt) Limited and M/s Jumani Group of Companies (Pvt) Limited as ordered by the Chairman, Board of Governors Minister for Housing and Works.
- v) Since, the case of M/s Steel Force (Pvt) Limited is subjudice, the liquidated damages may be imposed in the light of the decision of the court.

#### DECISION

The findings/recommendations of the Sub-Committee were approved by the Executive Committee and it was desired that the same may be put up before the Chairman, Board of Governors, before its implementation.

#### Item No.5

#### **Housing Scheme (Phase-III) for Federal Government Employees on Ownership Basis in Sector G-13, Islamabad**

23. The Executive Committee was informed that the Housing Scheme (Phase-III) in sector G-13 received a tremendous response from the applicants. So far, about 27,620 applications have been accounted for. The computerisation of the applications is in hand and it would be completed by the end of November 1996. The lists of the successful applicants would

become available by March-April, 1997, after detailed scrutiny of the documents enclosed with the applications. An amount of Rs 300 million was placed at the disposal of the District Collector, Islamabad to start the acquisition of land in G-13 sector, Islamabad.

### DECISIONS

- (i) The Executive Committee while appreciating the response to the Phase-III of the Housing Scheme in sector G-13 at Islamabad approved the time-schedule for the issuance of allotment letters to the successful applicants on provisional basis after computerisation of the record and proper scrutiny of the applications.
- (ii) The District Collector, Islamabad may be asked to release payment to the land owners after mutation of land and handing over possession to the Housing Foundation free from all encumbrances in order to avoid any dispute/complication in the process.

### Recruitment of Staff

24. The Director General, Housing Foundation apprised the Executive Committee that in December 1989, staff consisting of 77 was approved for the Federal Government Employees Housing Foundation by the competent authority, which was subsequently raised to 99 in 1992 at the advent of Phase-II. It was later on reduced to 56 in 1995. He further apprised the Executive Committee that Federal Government Employees Housing Foundation was at present working with only 52 staff members which was the bare minimum strength.

25. The Director General, Housing Foundation highlighted emphatically that with the launching of Phase-III the volume of work in all wings/sections of the the Housing Foundation had increased manifold which necessitated and justified recruitment of additional staff.

26. The requirement of the following staff was, therefore, put up for approval of the Executive Committee:-

	12
Assistant Director (BPS-17)	1
Stenotypist (BPS-12)	4
Assistant (BPS-11)	4
LDC (BPS-5)	1
Account Assistant (BPS-11)	2
Naib Tehsildar (BPS-14)	1
Patwari (BPS 5/7)	1
Junior Draftsman (BPS-7)	1
Driver (BPS-4)	1
Total	16

**DECISION**

The Executive Committee approved the recruitment of the additional staff as proposed by the Director General, Housing Foundation

**Item No.6**

**Medical Facilities to the Officers/Officials on Deputation to the Housing Foundation from Other Departments**

The Executive Committee was apprised that an amount ranging from Rs 200 to Rs 400 was being paid monthly to the employees of the Federal Government Employees Housing Foundation, both deputationists and directly recruited ones as medical allowance. In view of the exorbitant rise in the fee of the doctors and the prices of the medicines, it was proposed to increase the medical allowance by 50% as the employees serving in the Housing Foundation were not being entertained by the Government hospitals. Moreover, there was no arrangement for indoor treatment in emergency cases, such as, an employee's son was bitten by a mad dog and he had to incur an expenditure of Rs 7000/- on anti-rabbies treatment, reimbursement of which when claimed was refused.

**DECISION**

The Executive Committee did not agree to the increase in the Medical allowance as a part of pay but agreed to extend

hospitalization facility for indoor treatment on medical advice in Pakistan Institute of Medical Sciences (PIMS), Federal Government Services Hospital (Poly Clinic) and CDA Hospital. It was further agreed that expenses borne by the employees while receiving treatment duly vouched by the hospital authorities would be reimbursed. The reimbursement claim of Mr. Younus Aasi was also tacitly approved by the Executive Committee.

#### Item No.7

#### **Restoration of House Rent Allowance of the Employees of the Housing Foundation and Extending the Hiring Facility to the Deputationists in the Housing Foundation**

28. It was explained to the Executive Committee that House Rent Allowance earlier approved by the Committee in its 31st meeting @60% of Basic Pay to the employees of the Federal Government Employees Housing Foundation was frozen at the old pay scales on 31.5.1994. It was proposed that the said allowance be restored @60% of the Basic Pay re-fixed as on 1.6.1994.

29. The Executive Committee was also apprised that as per general terms and conditions of the deputation, no Government servant would be placed in a disadvantageous position after proceeding on deputation to other departments/organisations and he would continue to avail facilities which he had been enjoying in his parent department but as the Federal Government Employees Housing Foundation was not on the pool of the Estate Office, the deputationists were facing numerous problems regarding hiring of houses according to their entitlement. In this context, cases of two officials namely Mr. Mazharul Islam, Sub-Engineer and Younus Masih Aasi, Sub-Engineer were quoted who were served de-hiring notices by the Estate Office stating that providing accommodation to its employee was the responsibility of the Federal Government Employees Housing Foundation and not of the Estate Office, Islamabad.

**DECISION**

- (i) The Executive Committee agreed to the admissibility of the House Rent Allowance of 60% of the Basic Pay to the employees directly recruited by the Federal Government Employees Housing Foundation.
- (ii) The Executive Committee agreed to extend the facility of hiring houses to the Federal Government Employees on deputation to the Housing Foundation as per their entitlement after observing all procedural formalities laid down by the Federal Government.

**Item No.8****Requirement of Computers for Phase-III Sector, G-13, Islamabad**

30. This issue was spelled out briefly by the Director General, Housing Foundation. It was brought to the knowledge of the Executive Committee that the Computer Centre in the Housing Foundation was set-up somewhere in February 1991. It catered to the requirements of Phase-I, Phase-I (Extension) and Phase-II. The space available in that computer was, therefore, fully utilized for these aforementioned phases of the Housing Schemes earlier launched. Resultantly, there was no further space available for Phase-III. The Housing Foundation, was therefore, badly in need of a new computer for processing the applications received for Phase-III (which were three times the number of the applications of previous schemes put together) and compilation of other data base requirements for Accounts Wing, Technical Wing and Estate Wing. The Word Processing requirements as a result of frequent questions received from National Assembly and Senate of Pakistan was over and above that.

31. The Director General, Housing Foundation informed the Executive Committee that the estimated storage requirement for Phase-III of Federal Government Employees Housing Scheme was about 2.0 GB (Giga Bytes). Besides at the same time, the estimated storage requirement for operating system software and processing of Phase-III would be about 1.5 GB.



The total requirement, therefore, was computed as 3.5 GB. It was, therefore, proposed that Federal Government Employees Housing Foundation should purchase a mid-range computer preferably RS6000 with tentative cost in Pakistan Rupee equivalent to US\$ 50,711/-.

### DECISION

The Executive Committee approved the purchase of computer as proposed by the Director General, Housing Foundation in principle with the direction to carry out purchase by floating open tender.

### Item No.9

#### **Penalty on Account of non Completion of Houses in Sector I-8 and G-11 with the Prescribed Construction Period**

32. The Executive Committee was apprised that the completion period allowed to allottees of Phase-I of the housing scheme I-8 and G-11 sectors had expired on the June 30, 1996. It was proposed to levy penalty for delayed construction of houses at the following rates:-

i)	Vacant plots	Rs 25/- per sq.yd. per annum
ii)	Construction completed upto plinth level	Rs 15/- per sq.yd. per annum
iii)	Construction completed upto structure and beyond	Rs 10/- per sq.yd. per annum

### DECISION

It was decided that the penalty charges at the rate of Rs 5000/-, Rs 3000/- and Rs 2000/- may be levied on houses of categories-I, II and III respectively on vacant plots. In case where construction of houses had not been completed, the penalty charges may be reduced by 50%. However, imposition of all such charges would be effective only after it had been ascertained from the CDA that they would not be charging any penalty for delayed completion of houses so as to avoid double taxation.

33.

The meeting concluded with a vote of thanks to the Chair.