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**PHA FOUNDATION
MINISTRY OF HOUSING & WORKS**

No. PHA-F/15th -Board Meeting/2014/ 407
April 28, 2014

**SUBJECT: MINUTES OF 15TH MEETING OF THE BOARD OF DIRECTORS
(BOD) OF PHA FOUNDATION.**

I am directed to enclose copy of approved minutes of 15th meeting of the BoD of PHA Foundation which was held on April 15, 2014 at 1000 hours in the Committee Room of Ministry of Housing & Works please.

Encl: As above

Zaheer
28-4-14
(Zaheer Hasan)
Director (Admin)/
Company Secretary

Distribution:

1. Barrister Usman Ibrahim,
Minister of State for Housing &
Works/ Chairman, PHA
Foundation, Islamabad.
2. Mr. Seerat Asghar,
Secretary Housing & Works,
M/o Housing & Works, Islamabad.
3. Mr. Tariq Viqar Bakhshi,
Joint Secretary,
M/o Housing & Works,
Islamabad.
4. Mr. Ruhail Muhammad Baloch,
FA (Works) / Joint Secretary,
Finance Division, Islamabad.
5. Mr. Sanullah Aman,
Member Engineering,
CDA, Islamabad.
6. Mr. Waqas Ali Mehmood,
Director General (FGEHF),
FGEHF, Islamabad.
7. The Joint Engineering Advisor,
M/o Housing & Works,
Islamabad.
8. Mr. Atta-ul-Haq Akhtar,
Director General,
Pak PWD, Islamabad.
9. Mr. Jamil Ahmed Khan,
Deputy Secretary (Admin)
M/o Housing and Works,
Islamabad.

CC:

1. All Directors, PHA Foundation.
2. PS to MD/ Chief Executive Officer, PHA Foundation, Islamabad.

MINUTES OF THE MEETING

SUBJECT: 15TH MEETING OF THE BOARD OF DIRECTORS (BOD) OF PHA FOUNDATION HELD ON APRIL 15, 2014.

15th meeting of the Board of Directors of PHA Foundation was held under the Chairmanship of Honorable Minister of State for Housing & Works/ Chairman, PHA Foundation on April 15, 2014 at 1000 hours in the Committee Room of Ministry of Housing & Works. List of participants is annexed at page No. 13.

The meeting started with recitation of the Holy Quran. The MD, PHA Foundation gave a detailed briefing to the members of the Board regarding decisions of the 14th Board meeting held on March 11, 2014 and a quick recap on implementation of the decisions of previous Board meeting was shared with the members of the Board. Afterwards business as per following agenda items was conducted:

Tahir I. Daroch

Zaher

AGENDA ITEM NO.1

CONFIRMATION OF MINUTES OF 14TH BOD MEETING

The Managing Director/ Chief Executive Officer, PHA Foundation briefed the Board and stated that minutes of previous meeting held on 11th March, 2014 were circulated among the members. The board members raised a few observations and following decision was made:

DECISION:

The minutes were confirmed as per following amendments:

Table Agenda Item, Decision No. 2 & 3:

The term "Draft Sale Agreement" may be read as "Possession Certificate".

Table Agenda Item:

Following decision be added:

"PHAF will carry out the supervisory work of UET Shops, Lahore in-house."

**APPROVAL OF RESCHEDULING OF ADDITIONAL PAYMENT FOR
E-TYPE APARTMENTS AT G-11/3, ISLAMABAD PROJECT**

In reference to levy of additional cost/ escalation charges of Rs.799,643/- each at E-Type apartments in G-11/3, Islamabad project following payment schedule was issued to the allottees for depositing additional cost:

SN	Installment Amount (Rs.)	Due Date
1	266,562/-	10-03-2014
2	266,562/-	10-05-2014
3	266,562/-	10-06-2014

2. Allottees of said project approached the competent authority and expressed their concern on additional cost levied on account of escalation. The allottees further argued that being part of the low paid income group, the above-mentioned payment schedule is very tough and they cannot adhere to it due to their limited income and financial constraints.

DECISIONS:

1. The BoD approved following payment schedule for additional cost of E-type apartments in G-11/3, Islamabad project:

If letter is issued on 16-04-2014

<i>Installment</i>	<i>Date</i>	<i>Amount</i>
1 st	30 th April, 2014 (Within ten days of issuance of letter)	Rs.100,000/-
2 nd	30 th May, 2014	Rs.199,643/-
3 rd	30 th July, 2014	Rs.250,000/-
4 th	At the time of possession (30 th August, 2014)	Rs.250,000/-

Tareen

2. The Board approved 10% rebate on additional cost, which comes to Rs.79,964/-, for those allottees who deposit additional cost/ charges in lump sum.
3. Draft letter conveying revised payment schedule, as amended during the BoD meeting, may be issued.

Tareen I. Akush.

**APPROVAL OF MINUTES OF INVESTMENT COMMITTEE
FORMED IN 12TH BOD MEETING HELD ON DECEMBER 16, 2013**

The Honorable Chair inquired about the details of funds available with PHAF under various heads. After detailed deliberations and input from all Board members regarding bank ratings and interest rates following decisions were taken:

DECISIONS:

1. For Placement of Rs. 591 Million In Daily Product Account:

Since Standard Chartered Bank has quoted the best interest rate @ 9.55% on daily product account and it has got rating "AAA" which is the best rating in the banking industry as per PACRA/JCR-VIS credit rating for local banks, therefore, the amount of Kurri Project amounting to Rs.591 Million be shifted into the daily product account with Standard Chartered Bank to safeguard & secure the deposits of Kurri project's allottees presently available with Silk Bank. This will address the complaints of Kurri project's allottees as Standard Chartered has got AAA rating in comparison to Silk Banks A-.

2. For Placement of Rs. 400 Million As TDR For Three Months:

Although National Bank of Pakistan offered lesser interest rate i.e. 9.5% in comparison to three Banks (Silk Bank, Soneri Bank & Sindh Bank) but National Bank of Pakistan is enjoying "AAA" rating which is considered as best rating in banking industries as per PACRA/JCR-VIS credit rating for banks. Therefore, in order to safeguard and secure the deposits of Kurri project's allottees and to diversify the funds of PHA-F as per policy of Finance Division, the amount of Rs.400 million be placed with National Bank of Pakistan in the shape of TDR.

3. For Placement of Rs. 200 Million As TDR For Six Months:

As per Finance Division policy and to diversify the funds of PHA-F, Silk and Soneri Banks have A- and AA- rating respectively, therefore, Rs.200 Million be placed with Habib Metropolitan Bank which has quoted interest rate of 9.75% and has AAA+ ratings.

Tahir

Tahir I. Daroch

**PRINCIPAL APPROVAL OF SHIFTING OF HOUSING SCHEME
FOR GOVERNMENT EMPLOYEES (BS 17 – 19)
FROM SECTOR I-12 TO SECTOR I-16, ISLAMABAD
AND INITIALIZING OF PROJECT PLANNING**

PHA Foundation launched a housing scheme in Sector I-16/3 in July, 2011 for low paid Federal Government Employees (BPS 1-16) and for the poor, shelter-less and low paid citizens including overseas Pakistanis. CDA offered **15.6 acres** of land for the project and total price of the land was fixed as **Rs.254.826 Million**. Another housing scheme was launched in Sector I-12, Islamabad in 2010 for the Federal Government Officers of BPS 17 - 19. 15 acres of land was offered by CDA in Sector I-12 for the project and total cost of land comes to Rs.254.1 Million.

2. In housing scheme at Sector I-16/3, **522** applications were received and each applicant deposited a sum of Rs. 241,000/- as 'mobilization cash'. 130 applicants have taken refund of the subject amount while 392 applicants are still members in the scheme. In housing scheme at Sector I-12, 47 applicants deposited the down-payment out of which 22 applicants have taken the refund while 25 applicants are still members in the scheme.

3. Sector I-16 is far from the city as compared to Sector I-12. It has been observed that the Federal Government Officers are comparatively well-equipped in terms of transportation as compared to the low paid income group and the housing scheme envisaged for them can be shifted to Sector I-16. The suggestion is made purely on compassionate considerations with the intent to keep the low paid income group closer to the city center and other indispensable features of urban living.

4. After detailed deliberations the BoD made following decisions:

Talwar

DECISIONS:

- 1. The housing scheme for Federal Government Officers of BPS 17 - 19 may be shifted to Sector I-16/3, Islamabad from I-12. The Engineering Wing of PHAF will initialize project planning for subject scheme before it is launched.**
- 2. One block may be planned in Sector I-16/3 to accommodate 392 existing applicants of Sector I-16/3 housing scheme.**
- 3. The land at Sector I-12, Islamabad may be reserved for launching a housing scheme for low paid income group.**

Talwar → I. Durkhan.

APPROVAL OF REVISED RATES FOR D & E TYPE APARTMENTS
WAFAQI COLONY, LAHORE PROJECT

As per decision taken in the 13th BoD meeting of PHA Foundation, a Committee was constituted to scrutinize and justify the proposed increase in prices of D and E type additional apartments and submit its findings in next BoD meeting. Members of the Committee were:

- i. Mr. Hassan S. Haqqani, MD, NCL Islamabad
- ii. Mr. Ata-ul-Haq Akhtar, DG, Pak PWD, Islamabad
- iii. Mr. Musadaq Khwaja, Director (Engineering), PHAF, Islamabad
- iv. Mr. Tafakhur Ali Asadi, Director (Finance), PHAF, Islamabad
- v. Ms. Syeda Shafaq Ali, Director (Land and Estate), PHAF, Islamabad(*Convener*)

2. The existing average prices of D and E type apartments at Wafaqi Colony, Lahore are as follows:

Type		Price
D Type(Old)	General Public	4.21 M
	Federal Govt.	3.51 M
E Type(Old)	General Public	3.55 M
	Federal Govt.	2.85 M
D Type(Additional)	General Public	4.21 M
	Federal Govt.	3.51 M
E Type(Additional)	General Public	3.85 M
	Federal Govt.	2.85 M

3. The Committee reviewed prices of D and E type apartments (Old & Additional) keeping in view the cost of construction, infrastructure development, contingencies, consultancy and management, escalation, connection charges, etc.

DECISION:

After detailed discussions the BoD approved following floor-wise revised prices of apartments as worked out by the Committee:

Floor	Price (in Rs.)			
	General Public "D" Type	Federal Govt. "D" type	General Public "E" Type	Federal Govt. "E" type
Third	4,050,000	3,800,000	3,550,000	3,000,000
Second	4,100,000	3,850,000	3,600,000	3,050,000
First	4,150,000	3,900,000	3,650,000	3,100,000
Ground	4,200,000	3,950,000	3,700,000	3,150,000

Tahir I. Darwish

DEFER/ WAIVER OF DELAYED PAYMENT CHARGES
FOR KURRI ROAD, ISLAMABAD PROJECT

Various Board members raised concern that an initial cut-off date may be mentioned after which Delayed Payment Charges (DPC) would be waived. After further discussions following decision was made:

DECISION:

Talwar

Delayed payment charges (DPC) may be waived off from date of Suspension of work till resumption of work at Kurri Road Project, Islamabad.

Talwar I. Durrani

**SELLING OF OLD CANCELLED APARTMENTS OF
OLD D & E TYPE Wafaqi Colony, LAHORE PROJECT**

The Board was apprised that following D and E Type apartments are lying vacant in the old project of Wafaqi Colony, Lahore on account of cancellation due to non-payment of installments:

SN	Name of Project	Total No. of Apartments	No. of Cancelled/ Vacant Apartments
1	Wafaqi Colony D Type GP	30	3
2	Wafaqi Colony D Type FG	30	10
3	Wafaqi Colony E Type GP	30	10
4	Wafaqi Colony E Type FG	30	4
	Total	120	27

2. It was briefed that to auction above mentioned apartments may not be feasible as the prices of apartments are already higher than prevalent market price. Therefore, auctioning the apartments may not generate a good response and may not be able to grab desirable prices.

3. During discussion the Director General, Pak PWD raised an issue that title of the land belongs to Pak PWD and not to PHAF whereas the Director (Land & Estate), PHAF was of the view that Pak PWD had given title to PHAF.

4. After detailed discussions following decisions were made:

Talib

DECISION:

- 1. The Board approved that the allotment of 27 cancelled/ vacant D and E Type apartments in the old project of Wafaqi Colony, Lahore may be made on first come first serve basis to the General Public.**
- 2. A summary may be moved to the Prime Minister by Ministry of Housing & Works to change title of land in favor of PHAF free of cost.**

Talib I. Danish

PRINCIPAL APPROVAL FOR BUILDING OF ADDITIONAL BLOCKS OF B & D TYPE IN ONGOING PROJECT OF G-10/2, ISLAMABAD

PHAF undertook construction of 368 D-type apartments in sector G-10/2 Islamabad during 2008 and in order to utilize the available balance land at the project site it is proposed to construct a block of executive B-Type apartments and an additional block of D-Type apartments in addition to 23 blocks already under construction.

2. PHAF was allotted land measuring 6.9 acres(300564 Sft) by CDA in sector G-10/2 along Sawan Road vide allotment no.CDA/PLW-UP-(157)/2007/742 dated 10-03-2007 and accordingly the possession of said land was handed over by CDA to PHA Land Wing vide letterNo.CDA/PLW-L-Survey-1(17)/90/263 along with the copy of part plan. The layout plan of the site prepared by consultants of the project was subsequently approved by CDA vide CDA drawing wing letter no.CDA/PLW/UP-10(21)PHA/Housing Dwg/08/304 dated 12-09-2009 showing land measuring 7.79 acres (339720 Sft) including the 23 D-Type blocks and vacant area including the existing Telecom Tower.

3. It is further pointed out that a Telecom Tower is installed on the location where executive B-Type apartments are proposed for which CDA has already been approached to remove the tower however the Mobile Company have got stay order from the court which is now required to be pursued for removal of same to initiate the proposal of executive B-Type apartments on this land.

4. Accordingly the case is placed before the board for consideration and principal approval for initiating the project for construction of additional blocks of executive B-Type apartments and D-Type apartments having tentatively 16 B-Type & 16 D-Type apartments with G+3 configuration on available land. In total there will be 32 additional apartments of B & D-Type in addition to the already under construction 368 D-Type apartments.

5. After detailed discussions following decisions were made:

Tahir

DECISIONS:

- 1. The Board principally approved initiating the project for construction of additional blocks of Executive B-Type Apartments and D-Type Apartments having tentatively 16 B-Type & 16 D-Type apartments with G+3 configuration on available land. In total there will be 32 additional apartments of B & D-Type in addition to the already under construction 368 D-Type apartments.**
- 2. The Board further directed to make efforts for removal of Telecom Tower from the site.**

Tahir I. Danish

APPROVAL OF PAYMENT TO CONSULTANTS OF STALLED PROJECTS

Following bills of Contractors were submitted to the Board for approval:

S N	Project	Name of Contractor	Physical Progress	Old Pending Bills (Mn)	New Bills (Mn)	Payment Proposed (Mn)	Expected Completion Date	Remarks
1	208 C- Type Apartments at G-11/3 Islamabad	M/S Abdul Majeed & Co	100%	NIL	9	9	Completed	Approved during 13th BOD, however, not reflected in minutes of meeting issued subsequently. It is put up to revalidate the approved amount.
2	400 E-Type Apartments at G-11/3 Islamabad	M/S Abdul Majeed & Co	94%	NIL	34.451	34.451	31-07-2014	Bill is not verified by M/s Sampak, consultant of project due to his own nonpayment on account of his services. The amount is put up as per contractor bills/work done by him.
3	Infrastructure Work at C & E type Apartments at G-11/3 Islamabad	M/S Abdul Majeed & Co	93%	NIL	27.20	27.20	31-07-2014	Bill is not verified by M/s Sampak, Consultant of project due to his own nonpayment on account of his services. The amount is put up as per contractor bills/work done by him.
4	60 D type Apartments at Wafaqi Colony Lahore	M/S Iftikhar & Co	95%	NIL	11.43	11.43	30-05-2014	Verified bill received
5	60 E type Apartments at Wafaqi Colony Lahore	M/S Iftikhar & Co	92%	NIL	14.11	14.11	30-05-2014	Verified bill received
6	UET Shops	M/S Toor Trading Corporation	99%	NIL	1.36	1.22	---	Bill is not verified by M/s Sampak, consultant of project due to his own nonpayment on account of his services. The amount is put up as per contractor bills/work done by him.

Tahir I. Durrani

Tahir

2. After detailed deliberations following decisions were made:

DECISIONS:

1. **The bills of Contractors at serial numbers 1, 4 and 5 are approved. The bills of Contractors that are not already verified are also approved subject to verification from Director (Engineering), PHAF.**
2. **The bills of Consultants may be pended for now.**

Talib

Talib L. Damski

**EXTENSION IN THE CONTRACT OF
MR. MIAN MOENUDDIN KAKAKHEL,
THE ENGINEER, KURRI ROAD PROJECT**

The Director (Finance), PHAF informed that pay of Mr. Mian Moenuddin was withheld because there was no time limit/ date on his Contract Order.

2. The Director General, Pak PWD was of the view that "The Engineer" can be hired for the duration of the project and frequent changes in the hiring of "The Engineer" should be avoided.
3. The Managing Director, NCL was of the view that if the Contract under which "The Engineer" is hired is valid then "The Engineer" may continue till the validity of the Contract.
4. After further discussions the Board gave following decision:

DECISION:

"The Engineer" will continue to work on Kurri Road, Islamabad project as per past practice till hiring of the Supervisory Consultant; after which his services will be dispensed with.

Tahir I. Darushi

Tahir

ADDITION TO THE RESOLUTION PASSED IN FIRST BOD MEETING OF PHAF

The Board was informed that in first BoD meeting held after PHA was converted into PHAF, it was resolved that all financial and administrative authority would rest with the Chief Executive/ MD, PHAF for running day to day affairs of the Foundation.

2. It was further elaborated that since last many months there is no full time MD of PHAF and officers are being posted on look after or acting charge basis. This creates an anomaly because officers on acting or current charge cannot exercise full financial and administrative authority of MD/ Chief Executive Officer as envisaged in the first Board meeting.

3. It was therefore proposed that the resolution of the first Board meeting should be extended to include delegation of financial and administrative authority on those Managing Directors who have been posted on acting and current charge. And this decision may be deemed to apply with retrospective effect.

4. The Board paned following resolution:

DECISION:

“Resolved that Mr. Omer Rasul (Ex-MD, PHAF) has been retrospectively allowed all financial and administrative powers to run the day to day affairs of the Company during his tenure as acting MD, PHAF. Whereas, Mr. Tariq Viqar Bakhshi (current MD, PHAF) will exercise all financial and administrative powers for running day to day affairs of the Company.”

Talib

Tariq Viqar Bakhshi

LIST OF PARTICIPANTS

SN	Name & Designation	Status in the Board	Presence
1	Barrister Usman Ibrahim, Minister of State for H&W/ Chairman PHA Foundation, Islamabad.	Chairman	Attended
2	Mr. Seerat Asghar, Secretary Housing & Works, M/o Housing & Works, Islamabad.	Deputy Chairman	Not Attended
3	Mr. Tariq Viqar Bakshi, Joint Secretary, H&W/ Acting MD, PHAF, Islamabad.	Member	Attended
4	Mr. Ruhail Muhammad Baloch, Financial Advisor (Works) / Joint Secretary, Finance Division, Islamabad.	Member	Attended
5	Mr. Sana Ullah Aman, Member Engineering, CDA, Islamabad.	Member	Not Attended
6	Mr. Waqas Ali Mehmood, Director General, FGEHF, Islamabad.	Member	Attended
7	Joint Engineering Advisor, M/o Housing & Works, Islamabad.	Member	Not Attended
8	Mr. Atta-ul-Haq Akhtar, Director General, Pak PWD, Islamabad.	Member	Attended
9	Mr. Jamil Ahmed Khan, Deputy Secretary (Admin), M/o Housing & Works, Islamabad.	Member	Attended
