



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

**Subject: MINUTES OF 42ND MEETING OF EXECUTIVE BOARD OF THE
FEDERAL GOVERNMENT EMPLOYEES HOUSING AUTHORITY
HELD ON 11TH SEPTEMBER 2025**

42nd meeting of Executive Board (EB) of Federal Government Employees Housing Authority (FGEHA) was convened on 11th September 2025 at 2:00 PM in the Committee Room of Ministry of Housing and Works, 1st Floor, B-Block, Pak, Secretariat, Islamabad under the Chairmanship of Honourable Federal Minister for Housing & Works.

2. Proceedings of meeting commenced with recitation from the Holy Quran. At the outset, the Chair welcomed participants. List of participants is enclosed.

3. Proceedings of the Board meeting are presented below:-

AGENDA NO. 01

Subject: BUDGET OF FGEHA FOR THE FINANCIAL YEAR 2025-2026

4. The Board was apprised that following instructions in the last Board meeting, the Finance, Budget & Accounts Committee directed FGEHA to address concerns raised by Secretary Housing & Works. The Committee held several meetings to review the revised budget estimates and after detailed scrutiny recommended the revised estimates for approval of the FGEHA Board.

5. The Finance Wing of FGEHA reviewed the original estimates received from various wings of FGEHA and prepared revised estimates as per directions of the Board. Establishment Budget was estimated at Rs. 2,247,831,395/- against projected income/profit receipts of Rs. 2,510,458,317/-, reflecting a total surplus of Rs. 264 million. Budget was prepared while considering prevailing inflationary trend and anticipated increase in pay and allowances by Federal Government and incorporating corresponding financial impact. The Development Budget was estimated at Rs. 74,681,870,240/- against expected receipts of Rs. 75,418,586,120/- for FY 2025-26, reflecting decrease of 30% compared to Rs. 106,829,054,292/- proposed in FY 2024-25. Finance Wing had requested all Project Directors (PDs) to rationalize their budget estimates and revised budget was prepared accordingly, after due consideration of all relevant factors.

6. It was further informed that meeting of Finance, Budget and Accounts Committee of FGEHA was held on Tuesday, 9th September, 2025 in office of Joint Secretary (Expenditure H&W), Finance Division at 10:30 a.m. Director Finance, FGEHA placed Budget of FGEHA for Financial Year 2025-2026 before committee members.

7. Director Finance FGEHA briefed on the salient features of the proposed budget and informed that it had been prepared in view of salaries to be increased by Federal Government as per practice in vogue and current inflation. The Committee deliberated in detail on budget proposals and raised various questions over cash flows of Projects and Administrative Budget of FGEHA. The Committee directed Director Finance, FGEHA to give head-wise detailed presentation on Budgetary proposal for further discussion.

8. The Board was informed that Chairperson of committee urged FGEHA to avoid following conventional path of Developing Budget and proposed to rationalize budget as per directions of Executive Board. The compliance was made in letter and spirit and budget for FY 2025-26 was submitted after making necessary modifications and rationalization. Committee was justified about recommended Establishment Charges (current) Budget FY 2025-26 Rs 2,247,831,395/- against proposed Revenue Estimates FY 2025-26 Rs 2,510,458,317/-. The Finance, Budget and Accounts committee also rationalized developmental budget to Rs 74,681,870,240/- against proposed budget receipt 75,418,586,120/- .Summary statement of budget is as under:-

SUMMARY STATEMENT OF BUDGET ESTIMATE (BE) 2024-25, REVISED ESTIMATES (RE) 2024-25 OF REVENUE RECEIPTS AND EXPENDITURE AND PROPOSED BUDGET ESTIMATES (BE) 2025-26					
(Rs. In Billion)					
#.	ESTIMATES/FINANCIAL YEAR	DESCRIPTION	AMOUNT		
			CURRENT	DEVELOPMENT	TOTAL
1	Budget Estimates 2024-25	REVENUE*	3.648	106.829	110.477
		EXPENDITURE	3.612	3.001	6.613
	Estimated Opening Balance (REVENUE) FOR FY 2025-26		0.036	103.828	103.864
2	REVISED ESTIMATE (RE) 2024-25 ON ACTUAL BASIS:	REVENUE	2.806	3.314	6.12
		EXPENDITURE	1.994	15.007	17.001
	ACTUAL OPENING BALANCE (REVENUE CURRENT SIDE FY 2025-26)		0.812	-11.693	-10.881
3	PROPOSED BUDGET ESTIMATE (BE) 2025-26	REVENUE*	2.511	75.418	77.929
		EXPENDITURE	2.247	74.681	76.928

			0.264	0.737	1.001
	*Includes opening balance of RS 812 million (Actual revenue current side) for financial year 2025-26 and proposed revenue estimates of Rs 1.699 billion which comes to Total BE of Rs 2.511 billion (Current side Revenue)				

9. The recommendations of the Finance, Budget & Accounts Committee of FGEHGA are as follow:

- i. Finance, Budget & Accounts committee emphasized for quarterly review meeting of Finance, Budget & Accounts Committee for monitoring and budgetary control.
- ii. It was also suggested that digitization of Authority may be secured and for that the FGEHA will take it up with FABS Directorate to seek SAP solution for real time Budgeting and Reporting.
- iii. Chief Economic Appraisal of Planning Commission may be included as a member of DWP of the FGEHA for approval of PC-1 projects of Authority with the approval of Competent Authority / Forum.
- iv. After detailed deliberation, Finance Budget and Accounts Committee recommended Budget for Financial Year 2025-26 of FGEHA to place the same before Executive Board for approval with above recommendations.

10. The Board was apprised that, in accordance with directions of Secretary Housing & Works / Principal Accounting Officer (PAO) and Board members, Finance Wing revisited budget for FY 2025-26. The revised budget, duly incorporating rationalizations and adjustments was subsequently presented before Finance, Budget & Accounts Committee and further recommended for approval from the Board. During discussion, it was advised that heads of *Stipend* and *Eid Bonus* should be discontinued and merged into *Honorarium* head. Additionally, allocation under this head was rationalized, reducing it from Rs. 35 million to Rs. 18 million. It was further emphasized that overall budget structure should be aligned with budgeting practices of Federal Government.

DECISION

11. The Board unanimously approved recommendation of the Finance, Budget and Accounts Committee

AGENDA ITEM NO.02

Subject: INFRASTRUCUTRE DEVELOPMENT WORKS OF SUB SECTOR G-14/1, (PHASE-I) ISLAMABAD.

WRIT PETITION No. (3090/2025) UNDER ARTICLE 199 OF THE CONSTITUTION OF ISLAMIC REPUBLIC OF PAKISTAN COURT DIRECTIONS ON G-14/1

12. The Board was informed that M/s Awais Iqbal N Daow Rajput Associates Company (Pvt) Ltd filed Writ petition No (3090/2025) vs Federal Government Employees Housing Authority (FGEHA) through its Director General.

13. It was informed that the petitioner (M/s Awais Iqbal N Daow Rajput Associates) has prayed that letter No.83 (DT)/G-14/1-DEV/2019/FGEHA dated 15th July, 2025 issued by FGEHA whereby it had been informed that the bidding process for Infrastructure Development Works of Sub-Sector G-14/1, Islamabad Phase-I, in which petitioner company had submitted bid was cancelled. The petitioner prayed before the Court that the impugned letter may be declared illegal, unlawful and ultra vires. He also sought a direction to FGEHA to issue work order in its favour and restrain FGEHA from initiating a fresh bidding process concerning aforementioned project / location. The learned counsel for the petitioner, during the course of preliminary arguments, submitted that the petitioner would be satisfied if the Court issued a direction to the FGEHA Board to address the grievance of the petitioner by passing a well-reasoned order, after affording a proper opportunity to present its case, in accordance with law.

Directions of Islamabad High Court in WP No 3090/2025

14. It was briefed that the Islamabad High Court, vide order dated 11th August 2025 in Writ Petition No. 3090/2025, directed that the FGEHA Executive Board to:-

- Decide petitioner's case through a speaking order within 30 days.
- Provide petitioner a proper opportunity of hearing and ensure consideration of all legal rights and entitlements.

Background:

15. The issue of Infrastructure Development Works of Sub-Sector G-14/1, Islamabad Phase-I was discussed in the FGEHA 41st BoD meeting held on 26th August 2025. The Board was apprised that a bidder, M/s Awais Iqbal N Daow Rajput Associates, had filed a writ petition against FGEHA regarding annulment / cancellation of bidding process for the

project and the Hon'ble Court directed FGEHA to decide petitioner's case through a speaking order within 30 days from receipt of certified copy of order.

16. Director General and other officers of the FGEHA briefed the Board about the background of the project and the bidding process. It was informed that the bidding process commenced on 9th August 2024, and the findings of the Technical Evaluation Committee's report were issued on 27th November 2024 and the Final Evaluation Report on 11th December 2024. FGEHA Director Technical informed about the challenges faced with the PPRA E-Pads and uploading of results on PPRA website. It was informed that after due processing and in view of observations raised by Director Internal Audit, the competent authority annulled / cancelled the bidding process under Rule 33 of Public Procurement Rules, 2004. The Working Paper for 41st FGEHA Board meeting (*Annex-II*) for the same agenda item provides detailed background of the case.

17. The Board members raised several observations especially on the delay of almost a year in reaching a final decision by FGEHA management. Following detailed deliberations and discussions, the Board constituted a three-member committee to examine the entire process of procurement / bidding and to identify reasons for delay of almost a year for FGEHA to reach a final decision. The Committee was also directed to afford the petitioner an opportunity of hearing and present its findings and recommendations in the next Board meeting to be convened well before the Court mandated timelines. The following Committee was constituted:

- i. Mr. Muhammad Shahid Hussain Managing Director, PHA
- ii. Mr. Waseem Hayat Bajwa Chief Executive Officer, PIDCL
- iii. Mr. Fayyaz ul Haq Joint Secretary (Estate), M/o (H&W)

The Committee was authorised to co-opt any technical member from FGEHA and/or PHA, if deemed necessary.

18. In compliance with the Board decision, the committee was notified on 1st September 2025. The Committee submitted its report on 10th September 2025.

19. The Board invited MD / CEO PHAF, Chairman of the Committee, to present the Committee's report (*Annex-III*). He outlined the Committee's conclusions that annulment of the bidding process by DG FGEHA was procedurally and legally flawed since it did not cite any specific or justifiable grounds; was beyond permissible time; and without affording the petitioner an opportunity of hearing. He further stated that no valid technical or financial

objections were raised by other bidders while objections by FGEHA officers (Director Staff / Internal Audit and Chief Engineer) were unsubstantiated and raised after due process for the procurement had been followed as FGEHA Bid Validation Committee in its report had declared the bidding process in accordance with PPRA Rules and the Financial Bid was declared reasonable by Director Technical FGEHA. Lastly, he apprised that the delay in decision-making and procedural inconsistencies within FGEHA had led to reputational harm, unjustified delay in long-pending development and potential financial losses due to further escalation. He read out the Recommendations of the Committee (recorded verbatim below):

“Recommendations:-

1. *Keeping in view the Committee’s assessment at Para-3 of the report, the DG FGEHA shall revisit the annulment order dated 15 July 2025 by re-examining it in the light of PPRA Rules, in particular PPRA Rule 38-B, reproduced below;*

“38B. Single responsive bid in goods, works and services.-

- (1) The procuring agency shall consider single bid in goods, works and services if it-*
- (a) meets the evaluation criteria, ensures compliance of specifications and other terms & conditions expressed in advertisement or bid solicitation documents;*
 - (b) is not in conflict with any provision of the Ordinance.*
 - (c) conforms to the technical specifications.*
 - (d) has financial conformance in terms of rate reasonability:*

Provided that except unsolicited proposal, in case of pre-qualification proceedings single bid shall not be entertained.

(2) The procuring agency shall make a decision with due diligence and in compliance with general principles of procurement like economy, efficiency and value for money”

Accordingly subject to concurrence under PPRA Rule 38-B, the annulment should be set aside and the contract be awarded to the petitioner within one week, in compliance with legal requirements and procurement rules.

2. *A detailed explanation be sought from concerned officers of FGEHA for the seven-month delay between evaluation (December 2024) and annulment (July 2025), and clarify why the annulment order was issued after expiry of the bid validity period without proper documentation under PPRA Rule 26.*

3. *Board of Directors of FGEHA shall*

- Provide the petitioner/contractor an opportunity of personal hearing in line with the directions of the Islamabad High Court to ensure due process and natural justice.*
- Disciplinary action be initiated against officers whose conduct contributed to procedural irregularities.*
- Consultant NESPAK’s role be formally reviewed and reprimanded for poor performance.*
- Institutional reforms be undertaken to: -*

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- *Strengthen compliance and documentation mechanisms for procurement processes.*
 - *Ensure technical experts are mandatorily included in all evaluation and validation committees."*

20. Chief Engineer FGEHA submitted that the Committee's Report was shared only hours before the Board meeting and FGEHA staff could not carry out detailed review. He said that the response was therefore general and limited and a detailed scrutiny for an informed decision was required. The Board discussed the views expressed by Chief Engineer and did not agree to the proposal considering the timelines to FGEHA Executive Board mandated by the Hon'ble Court and considering the fact that FGEHA staff has delayed reaching a decision for almost a year due to internal inconsistent decision making and questionable processing. The Board also noted that almost all projects of FGEHA were stalled due to similar practices by FGEHA, which not only caused distress and financial loss to members but reputational harm to FGEHA and its Board.

21. The Board members then asked several queries on the Report from the committee members as well as FGEHA staff. It was inquired whether the rates quoted by the successful bidder were ascertained to be reasonable, to which MD PHA responded that Director Technical FGEHA had compared them with NHA CSR 2024 and MRS 2024, found them reasonable as per record. Chief Engineer FGEHA opined that this comparison was not appropriate and bid should be assessed against Technical Sanction (TS). He said that the bid was 25.16% higher than the TS which was beyond 15% limit set by the Planning Manual of the Planning Commission. Chief Engineer FGEHA was of the opinion that financial bids should have been sent to NESPAK for bid evaluation. MD PHAF further stated that as per the record TS Estimate was based on PWD 2022 with a 30% premium and although the quoted bid was above the TS Estimate, whereas at the same time bid was below MRS 2024 and NHA-CSR 2024 schedules. This contradiction reflected that the TS estimate was never rechecked or updated, and no comparative study of recent FGEHA tenders was undertaken despite prolonged scrutiny by the Chief Engineer's office which should have been the first step before proceeding towards annulment.

22. On a query from Additional Secretary H&W, FGEHA officers informed that the procurement was advertised as a Single Stage Two Envelope (SSTE) process under PPRA Rule 36 (b), requiring simultaneous submission of technical and financial bids, which was not followed; technical bids were received on 30th August 2024, while financial bids were received on 12th September 2024, which constituted mis-procurement under PPRA Rule 50. Two

members of original five-member Procurement Committee dissented on the issue of separate and late receipt of Financial Bids. It is further stated that although M/s NESPAK qualified a single bidder, viz. M/s Abdul Sattar & Co, yet this was not agreed by the Committee. Additionally, while a Deputy Director (Staff) had notified project committees for future procurements as part of FGEHA Business Plan, Director Technical issued a reconstitution of Procurement Committee on 22nd October, 2024, which could not apply retrospectively to an ongoing process. Despite this, a new committee conducted the evaluation, and the Technical and Final Evaluation Reports were processed unsigned, violating PPRA Rule 35 to avoid responsibility. Another member of FGEHA staff raised the issue of absence of specific permission from PPRA and receipt & process of bidding in hard form. It was further highlighted that another prospective bidder, M/s MN Construction, had also approached PPRA, leading to delays.

23. Commenting on FGEHA officers submissions, MD PHAF clarified that M/s MN Construction's objection pertained to Pre-bid/bidding documents and not the bidding process. He further informed that the bidding process should not have been carried forward if any violation of PPRA Rule 36-b(i) or any other clause was noticed. All the communication, including letters regarding constitution of the Evaluation Committee, as well as technical and financial bid submissions and openings, were copied to the DG FGEHA and Chief Engineer FGEHA. No objection were raised by Chief Engineer FGEHA at that time. Moreover, as stated above, two members of the Procurement Committee disagreed with the late opening of financial bids. The record was also silent on whether they separately gave any written statements of dissent and, if so, what action was taken on those objections. This omission further reflects mismanagement and lack of timely oversight within the process.

24. The Board Members expressed serious reservations on the mode of processing causing unnecessary delay in the entire procurement proceedings. Procurement process should have been terminated if staff of FGEHA had objections which were subsequently raised, which gave the impression of intentional meddling in the process. The evaluation was concluded in December 2024, and annulment was approved in May 2025 but communicated in July 2025, with a delay of more than seven months which remained unjustified.

25. Director General PWD opined that though there were lacunae, reversal of annulment under PPRA Rule 33 was unprecedented and he did not support it. Several of the Board members including Chairman, Additional Secretary MoH&W, Additional Secretary / Member Legal Law & Justice, Representative of Finance Division, ICT and CDA inquired if there was any fault on part of the successful bidder during the whole process. In response, DG FGEHA,

Chief Engineer and other officers of FGEHA agreed that the bidder should not have suffered unnecessarily.

26. Member Legal, M/o Law & Justice, suggested that as directed by the Hon'ble Court, the Board should give bidder the opportunity for a hearing. The Chair asked the members to conclude the proceedings on agenda item before hearing was granted to the petitioner. The Board members deliberated in detail and decided to agree with the recommendations of the Committee.

DECISION:

27. The Board decided that:

- DG FGEHA shall review / revisit the decision to annul the bidding in view of findings and recommendations of the Committee headed by MD/CEO PHA-F, under the PPRA Rules.
- DG FGEHA shall examine and fix responsibility for delay of seven-month between evaluation (December 2024) and bid annulment (July 2025) and why the annulment order was issued after expiry of the bid validity period without proper documentation under PPRA Rule 26. DG FGEHA should also recommend action to be initiated against delinquent officers. The findings should be presented to the Board in one month time.
- DG FGEHA shall also examine NESPAK's performance and role in this project and other procurement processes and specifically examine reasons for not taking up the issue of not participating when asked to by FGEHA in the evaluation process.
- Initiate procedural and institutional reforms to streamline routine processes including procurement and documentation and to include technical experts in all evaluation and validation committees.

AGENDA ITEM NO.03

Subject: WRIT PETITION No. (3090/2025) UNDER ARTICLE 199 OF THE CONSTITUTION OF ISLAMIC REPUBLIC OF PAKISTAN COURT DIRECTIONS ON G-14/1

28. The Chair invited the petitioner, Mr. Muhammad Iqbal, representing M/s Awais Iqbal N Daow Rajput Associates, to inform the Board about his petition and grievances. Mr Iqbal submitted that his pray and grievances were already detailed in the petition filed in the court. He informed the Board that he had submitted his bid, and deposited a CDR valued over Rs. 50 million as bid security, almost 9 months ago. He had written several times to the DG FGEHA to inquire about the status of his bid and about as bid security as he was incurring financial charges. He further informed that he visited FGEHA office several times but was not able to meet DG FGEHA despite formal requests. He said that he approached the court when he learnt about annulment of bids after a delay of over 7 months. In response to Board's query, the petitioner submitted that he was aggrieved due to undue delay in decision of bid. The Board reminded him of PPRA Rule 33, which permits bid rejection without liability. Mr. Iqbal was afforded another opportunity, if he desired, to submit in writing any additional fact in writing by 12th Sept, 2025.

29. The Board discussed the statement and version of the petitioner and decided as under:

DECISION

30. The Board granted the petitioner, Mr. Muhammad Iqbal, representing M/s Awais Iqbal N Daow Rajput Associates, a hearing in light of the Hon'ble Court's orders and directed Director General FGEHA to examine / review the case on merit and dispose off the petition through a speaking order in light of findings and recommendations of the Board constituted Committee under by MD/CEO.PHA-F and relevant law / rules and ensure that a speaking order is passed within 15 days, under intimation to the FGEHA Board.
