

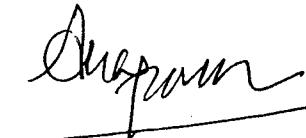
MINUTES OF THE 121<sup>ST</sup> MEETING

**FEDERAL GOVERNMENT EMPLOYEES HOUSING FOUNDATION**  
**10-MAUVE AREA, G-10/4, ISLAMABAD**  
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Subject: MINUTES OF THE 121<sup>ST</sup> MEETING OF THE EXECUTIVE COMMITTEE / BOARD OF DIRECTORS OF FEDERAL GOVERNMENT EMPLOYEES HOUSING FOUNDATION HELD ON 12.07.2012

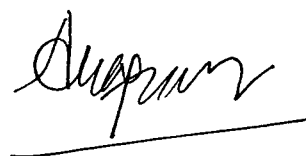
The 121<sup>st</sup> meeting of the Executive Committee / Board of Directors of FGE Housing Foundation was held on 12.07.2012 at 1130 hours in the Committee Room of Federal Government Employees Housing Foundation, Islamabad. The meeting was chaired by Mr. Kamran Lashari, Secretary / Chief Executive, FGE Housing Foundation, Islamabad. The list of the participants is annexed.

2. The proceedings of the meeting commenced with the recitation from the Holy Quran. The Chairman and the Director General, FGEHF welcomed the participants and new members of the Executive Committee i.e. Engr.Farkhand Iqbal, Chairman, Capital Development Authority, and Mr. Sardar Azmat Shafi, Joint Secretary, Housing and Works.
3. The meeting was convened with a view to brief the members about Barakahu project and deliberate upon the four options presented by M/s Green Tree in the Supreme Court of Pakistan and suggest a mutually acceptable solution to resolve the matter.
4. The Chairman/Secretary, H&W pointed out that the meeting of Executive Committee could not be held earlier as the CEO of M/s Green Tree (Pvt) Limited was out of country.

  
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5. The Director General, FGE Housing Foundation made a presentation before the Committee highlighting salient features of the agreement and dilated upon the four options presented by M/s Green Tree. The following observations were made by the members of the Committee;

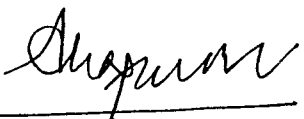
- Chairman/Secretary, H&W pointed out that some of the key elements/issues had not been properly addressed in the presentation i.e. why the project was withheld? what were the irritants? What was the position taken by the Ministry of H& W and HF in the Supreme Court, What was the composition of the inquiry committee and What were its recommendation/findings? He desired that a detailed presentation elaborating all these issues be made in the next meeting.
- Chairman/Secretary, H&W also desired that issues be framed in right perspective and the issues especially the controversy of the high valuation of the land price to be brought forth.
- Sardar Azmat Shafi, Joint Secretary, H&W, emphasized that instead of just relying on four options, other options may also be explored.
- Mr. Shah Din Shaikh, Joint Engineer Advisor, M/o Housing & Works pointed out that the foremost controversial issue is the price of land which may be determined first.
- Mr. Jamil Khan, Deputy Director, Housing Foundation argued that if both the parties agree on a mutually acceptable solution, Supreme Court would endorse it and other irritants would subside subsequently. He also pointed out that since the land is free from any complication, therefore, once the issue is resolved in the Supreme Court, the project can take off quickly.
- With regard to determination of price of the land, the house suggested that average price method (OST) be adopted to assess price of the land but Director General HF said that this would also give rise to complications and would not help in determining exact market price of the land.

  
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- Chairman, CDA suggested that reserve price may be calculated based on price of the surrounding land and previous year's value. He further proposed that price of today and of 2009 be determined and a comparison of both be drawn. This would present complete picture and help in addressing this problem.

#### **M/s Green Tree Point of View**

- After internal deliberations, CEO of M/s Green Tree and their legal Consultant were invited in the meeting to present their point of view.
- The legal consultant of M/s Green Tree argued that the agreement between HF and M/s Green Tree was one sided and tilted in favour of the Housing Foundation. The Secretary (H&W) inquired as what compelled the Green Tree to enter into such one sided agreement?
- With regard to price of the land, CEO of M/s Green Tree referred to the survey conducted by the Housing Foundation in 2011 to assess market price of the land. He opined that the average price quoted in the survey report is 8 lac per kanal and defended the price negotiated in the agreement. In order to substantiate their position, they promised to present copies of various sale agreements of the land purchased in that area and also their sale agreement with Bahria Town of the land in same locality.
- M/s Green Tree argued that average price method (OST) is not applicable in this case as they had offered a compact piece of land free from all encumbrances to HF.
- Secretary (H&W) observed that determining the price of the land by an independent body was a prerequisite to move further with the Project.
- He also directed that a summary of the issues/objections raised by the inquiry report and position of the HF and M/s Green Tree be enlisted in the following format :-

  
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A	B	C
Objections/ raised in Report	Issues Inquiry M/s Green Tree (Pvt) Ltd. position/point of view	Housing Foundation position/recommendations

- Next meeting of Executive Committee was scheduled on Thursday 19<sup>th</sup> of July, 2012.

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

Shapman