

I.T. 2 copies.



**SENATE SECRETARIAT**

**Report No. 02**

**REPORT OF THE  
SENATE STANDING COMMITTEE ON HOUSING AND WORKS**

**“THE FEDERAL GOVERNMENT EMPLOYEES  
HOUSING AUTHORITY BILL, 2019”**

**PRESENTED BY**

**SENATOR MIR KABEER AHMED MUHAMMAD SHAHI  
CHAIRMAN  
STANDING COMMITTEE ON HOUSING AND WORKS**

## SENATE SECRETARIAT

### REPORT OF THE STANDING COMMITTEE ON HOUSING AND WORKS ON "THE FEDERAL GOVERNMENT EMPLOYEES HOUSING AUTHORITY BILL, 2019"

I, Chairman of the Standing Committee on Housing and Works, have the honour to present report on a Bill introduced by Senator Muhammad Azam Khan Swati on behalf of Chaudhry Tariq Bashir Cheema, Minister for Housing and Works in the Senate sitting held on 3<sup>rd</sup> September, 2019 regarding "The Federal Government Employees Housing Authority Bill, 2019". The Bill was referred by the Chairman Senate to the Standing Committee on Housing and Works for consideration and Report.

2. The composition of the Standing Committee on Law and Justice is as under:-

1.	<b>Senator Mir Kabeer Ahmed Muhammad Shahi</b>	<b>Chairman</b>
2.	Senator Sajjad Hussain Turi	Member
3.	Senator Dr. Shahzad Waseem	Member
4.	Senator Naseebullah Bazai	Member
5.	Senator Chaudhary Tanvir Khan	Member
6.	Senator Lt. General (R) Salahuddin Tirmizi	Member
7.	Senator Sardar Muhammad Yaqoob Khan Nasar	Member
8.	Senator Anwar Lal Dean	Member
9.	Senator Bahramand Khan Tangi	Member
10.	Senator Khanzada Khan	Member
11.	Senator Molana Abdul Ghafoor Haideri	Member
12.	Senator Dr. Asad Ashraf	Member
13.	Minister for Housing and Works	Ex-Officio Member

3. The Committee considered the matter in its meetings held on 4<sup>th</sup>, 16 and 22<sup>nd</sup> October, 2019, under the Chairmanship of Senator Mir Kabeer Ahmed Muhammad Shahi.

4. As per statement of objects and reasons this Bill has been introduced to convert the Federal Government Employees Foundation (FGEHF) into an Authority for the following reasons:-

- The jurisdiction of FGEHF extends to whole of Pakistan with current projects at Islamabad/Rawalpindi and Karachi.



- FGEHF is not a regulatory body as per existing Memorandum and Article of Association of FGEHF, thus not vested with the status of authority to accord requisite approvals for its projects.
- FGEHF is in the process of launching new projects in Islamabad and other parts of Pakistan in order to clear the huge backlog, thus extending the jurisdiction to other major cities.
- The launching of new projects may not be feasible on fast track basis without the fact that Housing Foundation has status of Authority.
- The process of land acquisition and securing approvals of layout plans to launch any project is extremely complex and time consuming as dependent on other regulatory bodies (Development Authorities & District Administration). (Two major schemes i.e. F-14/15 & Park enclave pending adjudication in Supreme Court on Land Acquisition issues)
- It is extremely difficult to implement any scheme within the anticipated time frame, because of no controls/authority. The time overruns thus lead to cost overruns.
- Maintenance of existing schemes not possible without the status of authority, thus the residents are suffering badly because of poor facilities and lack of basic utility services. (The sectors G-13&14, CDA neither performing not allowing FGEHF to provide basic services by collecting requisite revenues & disposal of assets).

**Synopsis of deliberations of the meeting dated 16<sup>th</sup> October, 2019.**

5. The Committee noted that this Bill was previously passed by the Committee and certain amendments were incorporated, however, the same could not be passed by the House and subsequently an Ordinance was promulgated. In terms of Article 89 (3) of the Ordinance was laid before the Senate first and it was considered as a Bill introduced in the Senate.

6. Mr. Waseem Hayat Bajwa, CEO, Federal Government Employees Housing Authority (FGEHA) informed that certain amendments are being proposed in the Bill which have been placed before the Committee. Accordingly, a comparative chart of existing provisions and proposed amendments was placed before the Committee.

7. Senator Mir Kabeer Ahmed Muhammad Shahi, Chairman Committee enquired that why the Governing Body is being removed which was inserted on the recommendations of the Committee. Mr. Waseem Hayat Bajwa, CEO, FGEHA, informed that this omission has been proposed by the Executive Board in view of the operational difficulties, however, if the Committee so decides the Governing body can be retained. The Chairman Committee also

enquired about the rationale of giving wide powers to the Director General. The CEO, FGEHA, informed that the Executive Board in its last meeting has decided to delegate powers to the Director General as the Board was of the opinion that certain administrative and operational level powers should remain with the D.G. Minister for Housing and Works also supported the proposed amendments and stated that the oversight and policy decisions will remain with the Executive Board but operational level decisions will be delegated to the D.G. as it is difficult for the Board to meet on daily basis, however, the D.G.'s office remains operational. Upon inquiry as to the tax exemption being proposed, the CEO informed that this is in line with exemptions being provided to other governmental organizations. The FBR will grant exemption in terms of rule 100 (C) of their rules. The Chairman Committee was also of the view since the proposed office of Director General is very important and entails lot of responsibility therefore, that in addition to the Government officers there should be an option for appointing the D.G. from the open market. Chaudhry Tariq Bashir Cheema, Minister for Housing and Works, opposed appointment of non-government official as Director General, however, endorsed the view point of Chairman Committee that this is an important office for which a senior Officer would be required. He informed that for this reason an Officer of BS-20/21 is being proposed for the post. The Chairman Committee had some concerns with regard to delegation of powers of approval of the layout plans and building plans and for collection of revenues to the Director General. Chaudhry Tariq Bashir Cheema, Minister for Housing and Works informed that all ventures will be on land sharing formula, furthermore, collection of revenue is an administrative/ operational level matter, therefore, the Executive Board has decided that such administrative matters should remain with the office of the Director General.

8. Senator Bahramand Khan Tangi enquired as to the provisions under which the tax exemption is claimed. To which the CEO responded by informing that the tax exemption will be granted by the FBR under section 100C wherein non-profit organizations, trusts and welfare institutions are allowed tax credit. The Hon'ble Senator also enquired about provisions with regard to Budget and Audit Committee, which is a mandatory requirement in terms of the corporate governance rules. The CEO, FGEHA, drew attention towards Clause 11 of the Bill which authorizes the Executive Board to constitute a Budget and Account Committee. The Hon'ble Senator was of the view that the composition of the Committee should be provided in the law. Senator Sajad Hussain Turi also expressed reservations on the proposed provision for tax exemption.

9. All Members of the Committee were concerned regarding the rate of compensation for acquisition of land as in terms of the Land Acquisition Act the D.C. rate is

always too low and results in depriving the land owners of their legitimate rights causing financial losses. The Committee was informed that in terms of the proposed mechanism of acquisition the land would be acquired on the market rate and other factors such as damage sustained, disinclination of the person interested etc. will also be taken into account.

**Final consideration of the Bill in the meeting dated 22<sup>nd</sup> October, 2019**

10. Final consideration of the Bill was held in the meeting dated 22<sup>nd</sup> October, 2019, which was attended by the following members:-

- i. Senator Naseebullah Bazai
- ii. Senator Lt. General (R) Salahuddin Tirmizi
- iii. Senator Sardar Muhammad Yaqoob Khan Nasar
- iv. Senator Anwar Lal Dean
- v. Senator Bahramand Khan Tangi
- vi. Senator Khanzada Khan
- vii. Senator Molana Abdul Ghafoor Haideri
- viii. Senator Dr. Asad Ashraf

11. Senator Sardar Muhammad Yaqoob Khan Nasar enquired as to the rationale of creating this Authority. Secretary Housing and Works explained the operational and legal issues involved with regard to development of schemes for the Federal Government Employees including but not limiting to acquisition of land, development, layout plans and other related matters. He also informed that through this Bill the Federal Government Employees Housing Foundation is being converted into an Authority in order to widen its mandate to address the operational and administrative issues. The Hon'ble Senator further enquired about the compensation process for the land owner to which the Secretary Housing replied that all terms and conditions with regard to the compensation will be agreed upon through a mutual agreement. As per the policy, 50% payment will be made at the time of mutation and further installments will be paid at various stages of payments made by the allottees.

12. Senator Bahramand Khan Tangi was of the view that instead of creating a new Authority the existing Foundation should be made more effective. Secretary Housing and Works explained that given the existing legal framework, the Foundation cannot work beyond its legal mandate and the existing situation is that the Foundation is dependent upon Development Authorities across Pakistan for execution of its projects. Procedural issues and noncooperation from the said Authorities cause inordinate delays in completion of its projects. He also shared that many NOCs are laying pending with CDA since 2009, hence creating difficulties for the Federal Government Servants.





13. Senator Mir Kabeer Ahmed Muhammad Shahi, Chairman Committee showed reservations on the proposed tax exemption for the Authority. Mr. Waseem Hayat Bajwa, Chief Executive Officer, FGEHA, briefed that such tax exemption are available to other government organizations working in the public interest. While justifying his stance for tax exemption for the Authority, he referred to section 2B of Section 100C of the Income Tax Ordinance that provides conditions for claiming tax credit for certain organizations. The Committee noted that tax exemption is being claimed for a period of five years in order to enable initially support the Authority to become a sustainable organization.

14. The Chairman Committee further pointed out that in proposed amendment by the Government in section 6 of the Bill the D.G, FGEHA, is a Member of the Executive Board as well as the same is also proposed to act as Secretary to the Board which is an anomaly which needs to be addressed. He proposed that the Director General should act as Secretary to the Board only and not as Member because this is not only against the scheme of corporate governance but the same may result into conflict of interest given the fact that the Board will be delegating its powers to the Director General. Members of the Committee endorsed this proposal.

15. Senator Bahramand Khan Tangi enquired about the procedure for obtaining tax exemption certificate. Mr. Waseem Hayat Bajwa, Chief Executive Officer, FGEHA, while responding to this query informed that Authority will request FBR to inclusion of its name in the schedule of exempted organization, thereafter the tax exemption certificate will be issued.

16. Senator Lt. General (R) Salahuddin Tirmizi inquired that whether the acquisition of land will be compulsory or the same will be carried out through personal negotiation between the Authority and the land owners. Secretary Housing and works informed that most of the projects will be carried out as joint ventures through public private partnership initiatives.

17. Accordingly, the Committee, in terms of majority of its membership, approved/proposed following amendments in the Bill:-

I. In clause 2,-

- a. paragraph (c) shall be omitted and after paragraph (b), the following paragraphs shall be inserted, and remaining paragraphs shall be renumbered accordingly,-



"(c) "Deputy Commissioner" means the Deputy Commissioner of the district concerned and includes any other officer appointed by the Authority to exercise all or any of the powers and discharge all or any of the functions of the Deputy Commissioner under this Act;

(d) "Director General" means the Director General of the Authority appointed under section 6;"

b. for renumbered paragraph (g), following paragraph shall be substituted, namely,-

"(g) "Land" includes buildings and benefits arising out of land and things attached to the earth or permanently fastened to anything attached to the earth;"

c. after renumbered paragraph (i), following new paragraph shall be inserted and remaining paragraphs shall be renumbered accordingly,-

"(j) "registered member" means Federal Government Employees including serving, retired and other specified groups registered with the Authority for the purposes of allotment under this Act;"

- II. In clause 3, in sub-clause (1), for the words "Federal Government" the words "Ministry concerned with the subject through Chairman of the Authority", shall be substituted.
- III. Clauses 4 and 5 shall be omitted, and remaining clauses shall be renumbered, accordingly.
- IV. For renumbered clauses 4 ,5, 6 and 7, following shall be substituted, namely,-

**"4. Executive Board.-** (1) The general administration, supervision and control of the affairs of the Authority shall vest in the Executive Board, which shall consist of,-

- (a) Secretary of the Division concerned Chairman with the affairs of the Authority;
- (b) Draftsman Law and Justice Division, Member;
- (c) Additional Secretary of the Division concerned Member with the affairs of the Authority;
- (d) Managing Director Pakistan Housing Authority Foundation, Member;
- (e) Director General Public Works Department, Member;
- (f) Chief Commissioner, Islamabad Capital Territory, Member;
- (g) Chairman Capital Development Authority, Member;
- (h) Joint Secretary Expenditure Ministry of Housing and works, Member;
- (i) Chief (Physical Planning & Housing), Planning Commission, Islamabad, Member; and
- (j) Chief Engineer of the Authority, Member.

(2) The Director General, Federal Government Employees Housing Authority shall act as the Secretary of the Executive Board.

5. Powers, Functions and Meetings of the Executive Board.— (1) Subject to the provisions of this Act, the Executive Board may take such decisions and exercise such powers, as may be necessary for preparation, planning, approval and development of schemes in the specified area for carrying out purposes of this Act.

(2) Without prejudice to the generality of forgoing powers and subject to the provisions of this Act, the Executive Board may,-

- (a) review progress and activities of the Authority;
- (b) consider and approve budget and audit report of the Authority;
- (c) grant approval to purchase or procure through acquisition under the Land Acquisition Act, 1894 (I of 1894) or any other prevailing law for the said purpose, or as per approved policy of Federal Government for the time being in vogue or regulations made by Executive Board, as applicable at the site of the scheme, or otherwise, any land or property in Islamabad or any part of Pakistan, and hold, manage, reclaim and take possession of such land or property, in accordance with law;
- (d) grant approval to enter into contracts, arrangements, joint venture agreements with any person or firm for preparation, planning, development, execution, implementation and maintenance of schemes in the specified area, for carrying out purposes of this Act;
- (e) impose and vary development charges, transfer fee, service charges, toll, tax or other charges in respect of any land or buildings within any scheme in the specified area;
- (f) grant approval to lease, purchase, procure, sell, exchange, mortgage, rent out or otherwise dispose of any property vested in the Authority;
- (g) grant approval to modify, re-plan or cancel any scheme or a part thereof in the specified area;
- (h) grant approval to plan and execute mergers and amalgamation with other housing schemes or cooperative housing societies;
- (i) grant approval to obtain loan for the purpose of generating capital for its schemes or seek contributions from members of the schemes or drives, announced and floated by the Authority;
- (j) give approval to receive grants from the Federal Government for the purpose of generating capital for its schemes or seek contributions from members of schemes or drives, announced and floated by the Authority; and
- (k) accord approval of launching of schemes for Federal Government employees and other specified groups to be determined by the Executive Board.

(3) The decision of the Executive Board shall be through simple majority of the Members present. Simple majority of its total membership shall constitute the quorum of the Executive Board and the Chairman shall have the casting vote.





(4) The Chairman shall preside over the meetings and in his absence any senior Member chosen by the Members present, shall preside the meeting.

(5) The Executive Board shall meet as and when required or considered necessary by the Chairman or on the request of Director General of the Authority.

6. Director General.- (1) There shall be a Director General of the Authority who shall be appointed by the Federal Government.

(2) The Director General shall,-

- (a) be a Federal Government employee of BS-20 or 21 of regularly constituted Occupational Group or Services as defined in para (viii) of sub rules (2) of Occupational Groups and services rules 1990 and preferably a civil servant having a degree in Engineering or Town Planning or Architecture or Project Management;
- (b) be from government sector appointed by the Federal Government as Director General of the Authority on deputation basis to perform functions under the provisions of this Act; and
- (c) be a whole time officer of the Authority.

(3) The tenure of Director General shall be for a fixed period of three years or attaining the age of sixty years whichever is earlier, however, with the approval of Federal Government the tenure may be extended for further two years on satisfactory performance:

Provided that further extension of two years to the Director General shall only be granted if he has not attained the age of superannuation.

(4) The Executive Board may, from time to time add, alter or amend any term and condition for Director General.

(5) The Director General may be removed and replaced by the Federal Government on the recommendations of the Executive Board of the Authority.

(6) Notwithstanding anything contained in this section, the Director General may, at any time before the expiry of his term and upon three months' notice, resign from his office, or upon similar notice, be removed by Federal Government without assigning any reason.

7. Powers and functions of the Director General.- (1) Subject to provisions of this Act and the regulations made thereof, the Director General shall exercise all executive powers of the Authority, delegated to him or otherwise, in accordance with the directions, decisions and policies made by the Executive Board.

(2) The functions of the Director General shall be the following or such others as may be assigned to him from time to time by the Executive Board:-

- (a) Prepare plans and carry out development, execution, implementation, maintenance, management and regulation of any scheme in the specified area approved by Executive Board;
- (b) Accord approval for the layout plans, building plans of the schemes in conformity with the local municipal regulations;

- (c) Accord approval for collection of revenues for maintenance of the schemes and enforcement of regulations made under this Act;
- (d) Incur any expenditure and procurement of land, buildings, plants, machinery, equipment, instruments and necessary materials for the approved schemes;
- (e) Carry out, maintenance arrangement, management and provision of all facilities, services and utilities including water, electricity, gas and sewerage for schemes in the specified area;
- (f) Do all such acts and deeds that may be necessary for the purpose of proper preparation, planning, development, execution, implementation, management and maintenance of residential and commercial property in the schemes in the specified area;
- (g) Recover development charges, transfer fees, service charges, toll or other charges in respect of any land or buildings within any scheme in the specified area as imposed by the Executive Board;
- (h) Sanction all administrative expenditures after completion of codal formalities as per financial powers admissible to the head of department, as prescribed by the Federal Government; and
- (i) Assist, supervise and pass any instruction relevant to achieve the above functions.

(3) The Director General may either by himself or through an officer appointed by the Executive board, in this behalf carry on the correspondence and shall sign, verify, pursue and file all pleadings and such other documents on behalf of the Authority in any suit, appeal, petition and proceedings which may be instituted, prepared and filed by or against the Authority in or before any court, tribunal or authority.

(4) The Director General may, with the approval of the Executive Board, delegate any of his powers specified in sub-section 2, to an officer of the Authority."

V. In renumbered clause 9 for the words "Chief Executive Officer" the words "Director General" shall be substituted.

VI. After renumbered clause 10 following new clauses shall be inserted, and remaining clauses shall be renumbered, accordingly,-

**"11. Fund of Authority.-** (1) There shall be a Fund known as the Federal Government Employees Housing Authority Fund, which shall vest in the Authority.

(2) The sources of the Fund shall be,-

- (a) all money received from the registered members of the Authority;
- (b) all grants from the Federal or Provincial Governments, Multinational and International Organizations and Government approved International and National Not for Profit Organizations;
- (c) fees, services charges, taxes and penalties; and

- (d) any donation or other sum of money received by the Authority credited in the Fund.
- (3) The Fund shall be kept in the scheduled banks and shall be utilized, spent and regulated in such manner as may be prescribed by Executive Board through regulations.
- (4) The budget of the Authority shall be approved by the Executive Board and its accounts shall be maintained and audited in such manner as may be prescribed by the regulations.
- (5) The annual audit of the Authority shall be conducted by the Auditor General of Pakistan.

12. Acquisition of land.- (1) Acquisition of any land or any interest in land for the purposes of the Authority shall be deemed to be an acquisition for public purposes within the meaning of the applicable Land Acquisition Act, 1894 (I of 1894) or any other prevailing law for the said purpose, as per policy of the Federal Government.

(2) There shall be a Deputy Commissioner of the Federal Government Employees Housing Authority who shall act as the Land Acquisition Collector for the purposes of this Act.

(3) All land within the Specified Areas shall be liable to acquisition at any time in accordance with the provisions of this Act.

(4) The Authority or any of its Members, the Deputy Commissioner and any such person as may either generally or specially be authorized by the Authority in this behalf, for the purposes of entry upon land and preliminary survey, shall be authorized to,-

- (a) enter upon , survey and take levels of any land;
- (b) dig or bore into the sub-soil;
- (c) do all other acts necessary to ascertain whether land is adapted for the purposes of this Act;
- (d) set out the boundaries of the land proposed to be acquired and the intended line of the work, if any, proposed to be made thereon;
- (e) mark such levels, boundaries and line by placing marks and cuttings; and
- (f) take levels or mark lines, to cut down and clear away any park of any standing crop, fence or jungle, where it is necessary for the purposes of the survey.

(5) No person shall enter into any building or any enclosed court or garden attached to a dwelling house unless with the consent of the occupier, without previously giving such occupier at least twenty-four hours' notice in writing of his intention to do so.

(6) Subject to the provisions of this Act, the rules made thereunder and the directions of the Authority, the Deputy Commissioner may, by order in writing acquire any land for the purposes of this Act.

(7) No acquisition under this section shall be made except on the receipt by the Deputy Commissioner of specific directions from the Authority.

13. Land to be marked out, measured and planned.- Where any land is proposed to be acquired under section 12, the Deputy Commissioner shall cause the land to be marked out and measured, unless it has been already marked out, and if no plan has been made thereof, a plan to be made for the same.

14. Public Notice of acquisition.- (1) The Deputy commissioner shall cause public notice of convenient places on or near the land to be taken, stating that the Federal Government Employees Housing Authority intends to take possession of the land, and that claims to compensation for all interests in such land may be made to him.

(2) The notice issued under sub-section (1), not being earlier than ten days after the date of publication of the notice, shall state the particulars of the land so needed and require all persons interested in the land to appear personally or through agent before the Deputy Commissioner at a time and place mentioned therein, the nature of their respective interests in the land, and the amount and particulars of their claims for compensation for such interest, and their objections, if any, to the measurements made under section 13.

(3) The Deputy Commissioner may require the statement under sub-section (2), to be made in writing and signed by the party or his agent.

(4) The Deputy Commissioner shall also serve notice, issued under sub-section (1) to the occupier, and to such person known or believed to be interested in the land or entitled to act for persons so interested.



15. Enquiry and award by Deputy Commissioner.- (1) On the day so fixed, or on any other day to which the enquiry has been adjourned, the Deputy Commissioner shall proceed to enquire into,-

- (a) the objections, if any, which any person interested has stated, pursuant to the notice given under section 14;
- (b) the market value of the land; and
- (c) the respective interest of the persons claiming the compensation.

(2) The Deputy Commissioner upon enquiring the matter under sub-section (1) shall make an award of,-

- (a) the true area of the land;
- (b) the compensation which in his opinion should be allowed for the land; and
- (c) the apportionment of such compensation among all the persons known or believed to be interested in the land of whom, or of whose claims he has information, whether or not they have appeared before him.

16. Compensation.- (1) Where any land is acquired under this Act, the compensation shall be paid and its value shall be determined by the Deputy Commissioner as provided in this section.

(2) In determination of the amount of compensation to be awarded for land acquired under this Act, the Deputy Commissioner shall take into consideration,-

- (a) the market value of the land on the date of order of its acquisition made under sub-section 1 of section 15;
- (b) the damage sustained by the person interested, by reasons of dispossession of any standing crop or tree which may be on the land;
- (c) the damage, if any sustained by the person interested at the time of taking possession of the land by reasons of severing such land from his other land;
- (d) the damage, if any sustained by the persons interested at the time of taking possession of the land by reason of the acquisition,





adversely affecting his other property, movable or immovable, in any other manner, or his earnings; and

- (e) if, in consequence of the acquisitions of the land under section (12), the person interested is compelled to change his residence or place of business, the reasonable expenses, if any incidental to such change.

(3) In addition to the value of the land determined as aforesaid, the Deputy Commissioner shall in every case, award a sum of fifteen percent on such value in consideration of the compulsory nature of the acquisition.

(4) In determining compensation as aforesaid, the Deputy Commissioner shall not take into consideration,-

- (a) the degree of urgency which has led to the acquisition;
- (b) any disinclination of the person interested to part with the land acquired;
- (c) any damage sustained by him which, if caused by a private person would not render such person liable to a suit;
- (d) any increase likely to accrue to the value of the land acquired from the use to which such land will be put on acquisition; and
- (e) any increase likely to accrue to the value of the other land of the person interested from the use to which the land acquired will be put.

17. Vesting of land in the Authority.- Immediately on the making of the award under section 15, the land shall vest in the Authority, free from all encumbrances and thereupon the Deputy Commissioner may, after giving reasonable notice to the occupier, enter upon and take possession of such land for the purposes and periods specified in the notice under section 14.

18. Powers of Deputy Commissioner.- (1) With a view to acquire any land and determination of any compensation thereof for carrying out purposes of this Act, the Deputy Commissioner may,-

- (a) require any person, by order in writing, to furnish such information in his possession related to any land, as may be specified in the order; and

(b) enter or authorize any person to enquire upon any land and take such act as may be necessary.

(2) The Authority may give directions to the Deputy Commissioner, with regard to exercise of his powers and discharge of his functions under this section and the Deputy Commissioner shall be guided by and act in accordance with such directions.

19. Appeal and review.- (1) Any person aggrieved by an award or final order of the Deputy Commissioner may, within fifteen days of such award or order, file an appeal to the Executive Board.


(2) Any person aggrieved by the order of Executive Board in appeal, against the award issued under section 15, may submit any objection to such order.

(3) The Deputy Commissioner or the Executive Board, either on his own motion or on an application made in this behalf, at any time within five years from the date of an award or order made before the commencement of this Act, may after giving the parties concerned, a notice and an opportunity of being heard, review the award or order and pass such order thereon as he may deem appropriate:

Provided that the order issued under sub-section (3) shall not, except in so far as it corrects an arithmetical, clerical or patent error or mistake in the award or order under review, enhance the amount of compensation.

(4) Any amount paid to any person who is found, for any reason, involved in fraud or misrepresentation, not to be due or in excess of the amount, is entitled to, under the award or order, as reviewed, shall be recoverable by the Authority and the Deputy Commissioner shall call upon such person to refund it.

(5) Subject to the provisions of sub-section (3), the order of the Executive Board passed in any appeal and decision made thereof, shall be final and not to be called in question in any Court.



20. Deputy Commissioner and Executive Board to have powers of civil Court.-(1) The Deputy Commissioner, while making any enquiry or conducting any proceeding for an award or order under this Act, or the Executive Board hearing an appeal or holding a review under sections 19, shall have the same powers of the Civil Court under the Code of Civil Procedure, 1908, and may,-

- (a) summon and enforce attendance of any person and examine him on oath or affirmation;
- (b) require the discovery and production of any document;
- (c) require any record from any court or office;
- (d) issue commissions for examination of witnesses inspection of property or make any local investigations;
- (e) add or substitute representative of deceased parties to proceedings;
- (f) add or drop parties from pending proceeding;
- (g) restore the cases dismissed for default;
- (h) consolidate and split up cases; and
- (i) any other matter ancillary to the case and holding an inquiry or hearing of an appeal thereof.

(2) The Deputy Commissioner or the Executive Board exercising powers under this Act shall be deemed to be a court for the purposes of section 480 and 482 of the Code of Criminal Procedure, 1898 (V of 1898) and a proceeding before them shall be deemed to be a judicial proceeding within the meanings of section 193 and 228 of the Pakistan Penal Code (XLV of 1860).

(3) The Authority may prescribe fees on application under this section, made before it."

VII. In renumbered clause 21, in sub-clauses (1) and (2), for the words "Chief Executive Officer" the words "Director General" shall be substituted.

VIII. In renumbered clause 24,-

- a. in paragraph (h), for the words "Chief Executive Officer" the words "Director General" shall be substituted.

b. After paragraph (j), following new paragraph shall be inserted, namely,-

“(k) notwithstanding the provisions of this Act, everything done, action taken, appointments made either through initial recruitment, induction, absorption, promotion, regularization or on contract basis, deputations made, obligation, liability or penalty incurred, powers conferred or exercised, prior to the commencement of this Act, shall continue and be deemed to have been respectively done, taken, incurred, conferred and exercised under this Act.”

IX. In renumbered clause 25,-

(a) in the marginal note for the word “Appeal” the words “**Appeal against the order of Director General**” shall be substituted.

(b) for the words “Chief Executive Officer” the words “**Director General**” shall be substituted.

X. For renumbered clause 26, following shall be substituted, namely,-

“26. Relation of this Act with other laws.- (1) The provisions of this Act shall have effect not in derogation of the Pakistan Penal Code 1860, Code of Criminal Procedure 1898 , Code of Civil Procedure 1908 , Qanoon-e-Shahdat Order 1984 & Land Acquisition Act 1894.

(2) Subject to sub-section (1), the provision of this Act shall have effect notwithstanding anything contained in any other law for the time being in force.”

XI. For renumbered clauses 27 and 28, following shall be substituted and remaining clauses shall be renumbered, accordingly,-

“27. Power to make rules and regulations.- The Executive Board may make rules and regulations, for carrying out purposes of this Act.”

XII. After renumbered clause 28, following shall be inserted, and remaining clauses shall be renumbered, accordingly,-

“29. Authority to be exempted from taxation.- (1) Notwithstanding anything contained in any other law, for a period of five years starting from the commencement of this Act as per sub-section 1 of section 3 of this Act, the Authority shall be exempted from Income Tax.



(2) The Federal Government through a notification in the official gazette may extend the exemption mentioned in sub-section (1) to such extent and on such terms and conditions as it may deem appropriate."

XII. After renumbered clause 30, following new clause shall be inserted, and remaining clause shall be renumbered, accordingly,-

**"31. Immunity.-** (1) No suit, prosecution or any other legal proceedings shall lie against the Chairman, Director General, Member, Director, an employee, expert or consultant of the Authority, in respect of anything done or intended to be done in good faith under this Act."

18. The Bill as amended by the Committee was put to vote of Members by the Chairman Committee, wherein all Members present except Senators Behramand Khan Tangi and Anwar Lal Dean, supported the Bill. Senators Behramand Khan Tangi and Anwar Lal Dean, opposed the Bill

19. Accordingly, the Committee recommends that "The Federal Government, Employees Housing Authority Bill, 2019" as reported by the Committee may be passed by the House. (Copy of Bill as reported by the Committee is annexed as "A" and Bill as introduced in the Senate is annexed as "B").



(RABEEA ANWAR)  
J.S / Secretary Committee



(SENATOR MIR KABEER AHMED MUHAMMAD SHAHI)  
Chairman  
Standing Committee on Housing & Works



A

Bill

*to provide for establishment of Federal Government Employees Housing Authority*

**WHEREAS** it is expedient to establish the Federal Government Employees Housing Authority for the purposes of planning and development of housing schemes for serving and retired Federal Government employees and other specified groups and matters connected therewith and ancillary thereto;

It is hereby enacted as under:-

**1. Short title, extent and commencement.**— (1) This Act may be called the Federal Government Employees Housing Authority Act, 2019.

(2) It extends to the whole of Pakistan.

(3) It shall come into force at once.

**2. Definitions.**— In this Act, unless the context otherwise require,-

(a) "Authority" means the Authority established under section 3;

(b) "Chairman" means Chairman of the Executive Board of the Authority;

(c) "Deputy Commissioner" means the Deputy Commissioner of the district concerned and includes any other officer appointed by the Authority to exercise all or any of the powers and discharge all or any of the functions of the Deputy Commissioner under this Act;

(d) "Director General" means the Director General of the Authority appointed under section 6;

(e) "Executive Board" means the Executive Board constituted under section 4;

(f) "Foundation" means the Federal Government Employees Housing Foundation duly registered with the Securities and Exchange Commission of Pakistan;

(g) "Land" includes buildings and benefits arising out of land and things attached to the earth or permanently fastened to anything attached to the earth;

(h) "member" means a member of the Executive Board;

- (i) "prescribed" means prescribed by rules or regulations, as the case may be;
- (j) "registered member" means Federal Government Employees including serving, retired and other specified groups registered with the Authority for the purposes of allotment under this Act;
- (k) "regulations" means regulations made under this Act;
- (l) "rules" means rules made under this Act;
- (m) "scheme" means any scheme, plan, facility or project for development of land for residential or commercial purposes undertaken, planned or approved by the Authority including the schemes earlier launched and started by the Foundation before commencement of this Act;
- (n) "specified area" means all lands owned, purchased, acquired or procured by or vested in or leased to the Foundation under any law before the commencement of this Act and such other land as may be purchased or procured or acquired or vested in or leased to the Authority in Islamabad Capital Territory or other parts of Pakistan; and
- (o) "specified groups" means any group as decided by the Executive Board from time to time.

**3. Authority.**— (1) The Ministry concerned with the subject through Chairman of the Authority shall, by notification in the official Gazette, establish the Federal Government Employees Housing Authority, within thirty days of the commencement of this Act.

(2) The Authority shall be a body corporate having perpetual succession and common seal with power to purchase, procure through acquisition or otherwise, land as well movable and immovable properties and assets with the object to hold, possess, sell, lease, transfer, exchange any property including landed property and to regulate the schemes undertaken by it in the specified area.

(3) The head office of the Authority shall be at Islamabad. The Authority may establish regional offices in other parts of Pakistan with the approval of Executive Board.

(4) The Authority shall also be the Local Authority in the specified area and shall be responsible for all public services and facilities.

(5) While making or arranging, planning, designing and executing a scheme in specified area, adherence to local municipal regulations and master plan of the concerned district shall be ensured.

**4. Executive Board.**— (1) The general administration, supervision and control of the affairs of the Authority shall vest in the Executive Board, which shall consist of, -

- |  |                 |
|--|-----------------|
| (a) Secretary of the Division concerned with the affairs of the Authority            | <i>Chairman</i> |
| (b) Draftsman Law and Justice Division   | <i>Member</i>   |
| (c) Additional Secretary of the Division concerned with the affairs of the Authority | <i>Member</i>   |
| (d) Managing Director, Pakistan Housing Authority Foundation                         | <i>Member</i>   |
| (e) Director General, Pakistan Public Works Department                               | <i>Member</i>   |
| (f) Chief Commissioner, Islamabad Capital Territory                                  | <i>Member</i>   |
| (g) Chairman, Capital Development Authority Islamabad                                | <i>Member</i>   |
| (h) <i>Joint Secretary Expenditure Ministry of Housing and works</i>                 | <i>Member</i>   |
| (i) <i>Chief (Physical Planning &amp; Housing), Planning Commission, Islamabad</i>   | <i>Member</i>   |
| (j) <i>Chief Engineer of the Authority,</i>  | <i>Member</i>   |

(2) The Director General, Federal Government Employees Housing Authority shall act as the Secretary of the Executive Board.

**5. Powers, Functions and Meetings of the Executive Board.**— (1) Subject to the provisions of this Act, the Executive Board may take such decisions and exercise such powers, as may be necessary for preparation, planning, approval and development of schemes in the specified area for carrying out purposes of this Act.

(2) Without prejudice to the generality of forgoing powers and subject to the provisions of this Act, the Executive Board may, -

- (a) review progress and activities of the Authority;
- (b) consider and approve budget and audit report of the Authority;
- (c) grant approval to purchase or procure through acquisition under the Land Acquisition Act, 1894 (I of 1894) or any other prevailing law for the said purpose, or as per approved policy of Federal Government for the time being in vogue or regulations made by Executive Board, as applicable at the site of the scheme, or otherwise, any land or property in Islamabad or any part of Pakistan, and hold, manage, reclaim and take possession of such land or property, in accordance with law;
- (d) grant approval to enter into contracts, arrangements, joint venture agreements with any person or firm for preparation, planning, development, execution, implementation and maintenance of schemes in the specified area, for carrying out purposes of this Act;
- (e) impose and vary development charges, transfer fee, service charges, toll, tax or other charges in respect of any land or buildings within any scheme in the specified area;
- (f) grant approval to lease, purchase, procure, sell, exchange, mortgage, rent out or otherwise dispose of any property vested in the Authority;
- (g) grant approval to modify, re-plan or cancel any scheme or a part thereof in the specified area;
- (h) grant approval to plan and execute mergers and amalgamation with other housing schemes or cooperative housing societies;
- (i) grant approval to obtain loan for the purpose of generating capital for its schemes or seek contributions from members of the schemes or drives, announced and floated by the Authority;
- (j) give approval to receive grants from the Federal Government for the purpose of generating capital for its schemes or seek contributions from members of schemes or drives, announced and floated by the Authority; and
- (k) accord approval of launching of schemes for Federal Government employees and other specified groups to be determined by the Executive Board.

(3) The decision of the Executive Board shall be through simple majority of the Members present. Simple majority of its total membership shall constitute quorum of the Executive Board and the Chairman shall have the casting vote.

(4) The Chairman shall preside over the meetings and in his absence any senior Member chosen by the Members present, shall preside the meeting.

(5) The Executive Board shall meet as and when required or considered necessary by the Chairman or on the request of Director General of the Authority.

**6. Director General.**— (1) There shall be a Director General of the Authority who shall be appointed by the Federal Government.

(2) The Director General shall,-

- (a) be a Federal Government employee of BS-20 or 21 of regularly constituted Occupational Group or Services as defined in para (viii) of sub rules (2) of Occupational Groups and services rules 1990 and preferably a civil servant having a degree in Engineering or Town Planning or Architecture or Project Management;
- (b) be from government sector appointed by the Federal Government as Director General of the Authority on deputation basis to perform functions under the provisions of this Act; and
- (c) be a whole time officer of the Authority.

(3) The tenure of Director General shall be for a fixed period of three years or attaining the age of sixty years whichever is earlier, however, with the approval of Federal Government the tenure may be extended for further two years on satisfactory performance:

Provided that further extension of two years to the Director General shall only be granted if he has not attained the age of superannuation.

(4) The Executive Board may, from time to time add, alter or amend any term and condition for Director General.

(5) The Director General may be removed and replaced by the Federal Government on the recommendations of the Executive Board of the Authority.

(6) Notwithstanding anything contained in this section, the Director General may, at any time before the expiry of his term and upon three months' notice, resign from his office, or upon similar notice, be removed by Federal Government without assigning any reason.

**7. Powers and functions of the Director General.**— (1) Subject to provisions of this Act and the regulations made thereof, the Director General shall exercise all executive powers of the Authority, delegated to him or otherwise, in accordance with the directions, decisions and policies made by the Executive Board.



(2) The functions of the Director General shall be the following or such others as may be assigned to him from time to time by the Executive Board:-

- (a) Prepare plans and carry out development, execution, implementation, maintenance, management and regulation of any scheme in the specified area approved by Executive Board;
- (b) Accord approval for the layout plans, building plans of the schemes in conformity with the local municipal regulations;
- (c) Accord approval for collection of revenues for maintenance of the schemes and enforcement of regulations made under this Act;
- (d) Incur any expenditure and procurement of land, buildings, plants, machinery, equipment, instruments and necessary materials for the approved schemes;
- (e) Carry out, maintenance arrangement, management and provision of all facilities, services and utilities including water, electricity, gas and sewerage for schemes in the specified area;
- (f) Do all such acts and deeds that may be necessary for the purpose of proper preparation, planning, development, execution, implementation, management and maintenance of residential and commercial property in the schemes in the specified area;
- (g) Recover development charges, transfer fees, service charges, toll or other charges in respect of any land or buildings within any scheme in the specified area as imposed by the Executive Board;
- (h) Sanction all administrative expenditures after completion of codal formalities as per financial powers admissible to the head of department, as prescribed by the Federal Government; and
- (i) Assist, supervise and pass any instruction relevant to achieve the above functions.

(3) The Director General may either by himself or through an officer appointed by the Executive board, in this behalf carry on the correspondence and shall sign, verify, pursue and file all pleadings and such other documents on behalf of the Authority in any suit, appeal, petition and proceedings which may be instituted, prepared and filed by or against the Authority in or before any court, tribunal or authority.

(4) The Director General may, with the approval of the Executive Board, delegate any of his powers specified in sub-section 2, to an officer of the Authority.

**8. Appointment of officers and officials.**— (1) The Executive Board may, in such manner and on such terms and conditions as may be prescribed by regulations, appoint such officers, employees, staff, experts, consultants and advisors as may be necessary for purposes of this Act.

(2) All officers and employees of the Foundation shall become the employees of the Authority upon its winding up, on the terms and conditions as may be prescribed which shall not be less favorable than the terms and conditions being availed by them in the Foundation on commencement of this Act.

**9. Delegation of powers.**— Subject to this Act, the Executive Board and the Director General may, by order in writing, delegate to any officer of the Authority any of its or his powers to perform such functions and duties as may be specified in the order.

**10. Committees.**— The Executive Board may, by order, constitute committees including Finance Committee, Budget and Accounts Committee and such other committees as may be deemed necessary for carrying the functions of the Authority and assign to them such specific functions for efficient performance of the Authority. The committees shall perform the functions in the manner specified in the order.

**11. Fund of Authority.**— (1) There shall be a Fund known as the Federal Government Employees Housing Authority Fund, which shall vest in the Authority.

(2) The sources of the Fund shall be,-

- (a) all money received from the registered members of the Authority;
- (b) all grants from the Federal or Provincial Governments, Multinational and International Organizations and Government approved International and National Not for Profit Organizations;
- (c) fees, services charges, taxes and penalties; and
- (d) any donation or other sum of money received by the Authority credited in the Fund.

(3) The Fund shall be kept in the scheduled banks and shall be utilized, spent and regulated in such manner as may be prescribed by Executive Board through regulations.

(4) The budget of the Authority shall be approved by the Executive Board and its accounts shall be maintained and audited in such manner as may be prescribed by the regulations.

(5) The annual audit of the Authority shall be conducted by the Auditor General of Pakistan.

**12. Acquisition of land.**— (1) Acquisition of any land or any interest in land for the purposes of the Authority shall be deemed to be an acquisition for public purposes within the meaning of the applicable Land Acquisition Act, 1894 (I of 1894) or any other prevailing law for the said purpose, as per policy of the Federal Government.

(2) There shall be a Deputy Commissioner of the Federal Government Employees Housing Authority who shall act as the Land Acquisition Collector for the purposes of this Act.

(3) All land within the Specified Areas shall be liable to acquisition at any time in accordance with the provisions of this Act.

(4) The Authority or any of its Members, the Deputy Commissioner and any such person as may either generally or specially be authorized by the Authority in this behalf, for the purposes of entry upon land and preliminary survey, shall be authorized to,-

- (a) enter upon , survey and take levels of any land;
- (b) dig or bore into the sub-soil;
- (c) do all other acts necessary to ascertain whether land is adapted for the purposes of this Act;
- (d) set out the boundaries of the land proposed to be acquired and the intended line of the work, if any, proposed to be made thereon;
- (e) mark such levels, boundaries and line by placing marks and cuttings; and
- (f) take levels or mark lines, to cut down and clear away any park of any standing crop, fence or jungle, where it is necessary for the purposes of the survey.

(5) No person shall enter into any building or any enclosed court or garden attached to a dwelling house unless with the consent of the occupier,

without previously giving such occupier at least twenty-four hours' notice in writing of his intention to do so.

(6) Subject to the provisions of this Act, the rules made thereunder and the directions of the Authority, the Deputy Commissioner may, by order in writing acquire any land for the purposes of this Act.

(7) No acquisition under this section shall be made except on the receipt by the Deputy Commissioner of specific directions from the Authority.

**13. Land to be marked out, measured and planned.**— Where any land is proposed to be acquired under section 12, the Deputy Commissioner shall cause the land to be marked out and measured, unless it has been already marked out, and if no plan has been made thereof, a plan to be made for the same.

**14. Public Notice of acquisition.**— (1) The Deputy commissioner shall cause public notice of convenient places on or near the land to be taken, stating that the Federal Government Employees Housing Authority intends to take possession of the land, and that claims to compensation for all interests in such land may be made to him.

(2) The notice issued under sub-section (1), not being earlier than ten days after the date of publication of the notice, shall state the particulars of the land so needed and require all persons interested in the land to appear personally or through agent before the Deputy Commissioner at a time and place mentioned therein, the nature of their respective interests in the land, the amount and particulars of their claims for compensation for such interest and their objections, if any, to the measurements made under section 13.

(3) The Deputy Commissioner may require the statement under sub-section (2), to be made in writing and signed by the party or his agent.

(4) The Deputy Commissioner shall also serve notice, issued under sub-section (1) to the occupier, and to such person known or believed to be interested in the land or entitled to act for persons so interested.

**15. Enquiry and award by Deputy Commissioner.**— (1) On the day so fixed, or on any other day to which the enquiry has been adjourned, the Deputy Commissioner shall proceed to enquire into,-

- (a) the objections, if any, which any person interested has stated, pursuant to the notice given under section 14;
- (b) the market value of the land; and
- (c) the respective interest of the persons claiming the compensation.

(2) The Deputy Commissioner upon enquiring the matter under sub-section (1) shall make an award of,-

- (a) the true area of the land;
- (b) the compensation which in his opinion should be allowed for the land; and
- (c) the apportionment of such compensation among all the persons known or believed to be interested in the land of whom, or of whose claims he has information, whether or not they have appeared before him.

**16. Compensation.-** (1) Where any land is acquired under this Act, the compensation shall be paid and its value shall be determined by the Deputy Commissioner as provided in this section.

(2) In determination of the amount of compensation to be awarded for the land acquired under this Act, the Deputy Commissioner shall take into consideration,-

- (a) the market value of the land on the date of order of its acquisition made under sub-section (1) of section 15;
- (b) the damage sustained by the person interested, by reasons of dispossession of any standing crop or tree which may be on the land;
- (c) the damage, if any sustained by the person interested at the time of taking possession of the land by reasons of severing such land from his other land;
- (d) the damage, if any sustained by the persons interested at the time of taking possession of the land by reason of the acquisition, adversely affecting his other property, movable or immovable, in any other manner, or his earnings; and
- (e) if, in consequence of the acquisitions of the land under section 12, the person interested is compelled to change his



residence or place of business, the reasonable expenses, if any incidental to such change.

(3) In addition to the value of the land determined as aforesaid, the Deputy Commissioner shall in every case, award a sum of fifteen percent on such value in consideration of the compulsory nature of the acquisition.

(4) In determining compensation as aforesaid, the Deputy Commissioner shall not take into consideration,-

- (a) the degree of urgency which has led to the acquisition;
- (b) any disinclination of the person interested to part with the land acquired;
- (c) any damage sustained by him which, if caused by a private person would not render such person liable to a suit;
- (d) any increase likely to accrue to the value of the land acquired from the use to which such land will be put on acquisition; and
- (e) any increase likely to accrue to the value of the other land of the person interested from the use to which the land acquired will be put.

**17. Vesting of land in the Authority.**— Immediately on making of the award under section 15, the land shall vest in the Authority, free from all encumbrances and thereupon the Deputy Commissioner may, after giving reasonable notice to the occupier, enter upon and take possession of such land for the purposes and periods specified in the notice under section 14.

**18. Powers of Deputy Commissioner.**— (1) With a view to acquire any land and determination of any compensation thereof for carrying out purposes of this Act, the Deputy Commissioner may,-

- (a) require any person, by order in writing, to furnish such information in his possession related to any land, as may be specified in the order; and
- (b) enter or authorize any person to enquire upon any land and take such act as may be necessary.

(2) The Authority may give directions to the Deputy Commissioner, with regard to exercise of his powers and discharge of his functions under this section and the Deputy Commissioner shall be guided by and act in accordance with such directions.

**19. Appeal and review.**— (1) Any person aggrieved by an award or final order of the Deputy Commissioner may, within fifteen days of such award or order, file an appeal to the Executive Board.

(2) Any person aggrieved by the order of Executive Board in appeal, against the award issued under section 15, may submit any objection to such order.

(3) The Deputy Commissioner or the Executive Board, either on his own motion or on an application made in this behalf, at any time within five years from the date of an award or order made before the commencement of this Act, may after giving the parties concerned, a notice and an opportunity of being heard, review the award or order and pass such order thereon as he may deem appropriate:

Provided that the order issued under sub-section (3) shall not, except in so far as it corrects an arithmetical, clerical or patent error or mistake in the award or order under review, enhance the amount of compensation.

(4) Any amount paid to any person who is found, for any reason, involved in fraud or misrepresentation, not to be due or in excess of the amount, is entitled to, under the award or order, as reviewed, shall be recoverable by the Authority and the Deputy Commissioner shall call upon such person to refund it.

(5) Subject to the provisions of sub-section (3), the order of the Executive Board passed in any appeal and decision made thereof, shall be final and not to be called in question in any Court.

**20. Deputy Commissioner and Executive Board to have powers of civil Court.**— (1) The Deputy Commissioner, while making any enquiry or conducting any proceeding for an award or order under this Act, or the Executive Board hearing an appeal or holding a review under section 19, shall have the same powers of the Civil Court under the Code of Civil Procedure, 1908 (V of 1908), and may,-

- (a) summon and enforce attendance of any person and examine him on oath or affirmation;
- (b) require the discovery and production of any document;
- (c) require any record from any court or office;

- (d) issue commissions for examination of witnesses inspection of property or make any local investigations;
- (e) add or substitute representative of deceased parties to proceedings;
- (f) add or drop parties from pending proceeding;
- (g) restore the cases dismissed for default;
- (h) consolidate and split up cases; and
- (i) any other matter ancillary to the case and holding an inquiry or hearing of an appeal thereof.

(2) The Deputy Commissioner or the Executive Board exercising powers under this Act shall be deemed to be a court for the purposes of section 480 and 482 of the Code of Criminal Procedure, 1898 (V of 1898) and a proceeding before them shall be deemed to be a judicial proceeding within the meanings of section 193 and 228 of the Pakistan Penal Code (XLV of 1860).

(3) The Authority may prescribe fees on application under this section, made before it.

**21. Power to cancel allotment.**— (1) The Director General may cancel or revoke or rescind any allotment, transfer, licence, lease or agreement on the recommendation of a committee constituted by the Executive Board.

(2) An appeal from an order under sub-section (1) shall lie before the Executive Board. When the Executive Board is deciding the appeal, the Director General shall not participate in the proceedings.

**22. Encroachments.**— (1) If a person encroaches upon property of the Authority or any open space or illegally possesses property of an allottee, transferee, licensee or lessee in the specified area, he shall be liable to punishment of imprisonment which may extend to two years or fine which may extend to five hundred thousand Rupees or both.

(2) The Magistrate of the first class shall conduct summary trial of an offence under sub-section (1) and pass any sentence provided in that sub-section in accordance with the provisions of Chapter XII of the Code of Criminal Procedure, 1898 (Act V of 1898) on the complaint filed by an officer of the Authority authorized under the regulations.

(3) If a person encroaches upon the property of the Authority or any open space or illegally possesses property of an allottee, transferee, licensee or

lessee in the specified area, the Magistrate may, during or on conclusion of trial under sub-section (2) but subject to the final decision of the Civil Court, order the police to forthwith remove encroachment or dispossess the illegal possessor.

**23. Violation of building regulations.**— If a person violates the building regulations in the specified area, the Authority may, in the prescribed manner, direct such person to remove the structure or part of the structure or pay fine to the Authority which may be fixed in the regulations for each category of violation.

**24. Transfer and savings.**— On the commencement of this Act, -

- (a) all assets, rights, powers, authorities and privileges and all property, movable and immovable, bank balance, bank account, reserve funds, investment and all other interests and rights in or arising out of such property and all liabilities and obligations of whatever kind of the Foundation, established before commencement of this Act, shall stand transferred to and vested in the Authority;
- (b) all contracts and agreements entered into, all rights acquired and all matters and things agreed to be done by the Foundation and obligations incurred shall be deemed to have been entered into, acquired or agreed to be done by the Authority;
- (c) all contracts, projects, schemes, work, whether in progress or not and all guarantees undertaken, obligation, liabilities executed or subsisting in the name of the Foundation shall be deemed to be contracts, projects, schemes, work, guarantees, undertakings, rights, obligations, liabilities of the Authority;
- (d) all land owned, purchased, acquired or procured and developed by the Foundation shall be deemed to be the property of the Authority;
- (e) all leases executed in the name of the Foundation before commencement of this Act shall be deemed to be leases executed in the name of the Authority;
- (f) all suits, appeals, petitions or legal proceedings by or against the Foundation shall be deemed to be suits, appeals, petitions or legal proceedings by or against the Authority;
- (g) all allotments and transfer of plots, whether residential or commercial, made by the Foundation shall be deemed to be allotments and transfers made by the Authority;



- (h) all pending disputes or matters, if any, before the Foundation shall stand transferred to Authority and shall be decided by the Director General and any aggrieved party shall have the right to appeal before the Executive Board within ninety day;
- (i) all bylaws, policies and regulations in force immediately before commencement of this Act shall continue to remain in force until altered amended or repealed;
- (j) notwithstanding anything mentioned herein before, all and every rights and obligations of the Foundation shall stand transferred to the Authority and the Foundation shall be wound up in accordance with law; and
- (k) notwithstanding the provisions of this Act, everything done, action taken, appointments made either through initial recruitment, induction, absorption, promotion, regularization or on contract basis, deputations made, obligation, liability or penalty incurred, powers conferred or exercised, prior to the commencement of this Act, shall continue and be deemed to have been respectively done, taken, incurred, conferred and exercised under this Act.

**25. Appeal against the order of Director General.**— Any person aggrieved by an order passed by Director General in respect to his rights in relation to any plot, built up or otherwise, may file an appeal before the Executive Board within ninety days of such order. Such appeal shall be decided by the Executive Board excluding the Director General, who passed such order.

**26. Relation of this Act with other laws.**— (1) The provisions of this Act shall have effect not in derogation of the Pakistan Penal Code 1860, Code of Criminal Procedure 1898 , Code of Civil Procedure 1908 , Qanoon-e-Shahdat Order 1984 & Land Acquisition Act 1894.

(2) Subject to sub-section (1), the provision of this Act shall have effect notwithstanding anything contained in any other law for the time being in force

**27. Power to make rules and regulations.**— The Executive Board may make rules and regulations, for carrying out purposes of this Act.

**28. Recovery as arrears of land revenue.**— If a person fails to pay any amount due to the Authority, the Collector shall, on the request in writing of the Authority, recover the amount as arrears of land revenue.

**29. Authority to be exempted from taxation.**— (1) Notwithstanding anything contained in any other law, for a period of five years starting from the



commencement of this Act as per sub-section (1) of section 3 of this Act, the Authority shall be exempted from Income Tax.

(2) The Federal Government through a notification in the official gazette may extend the exemption mentioned in sub-section (1) to such extent and on such terms and conditions as it may deem appropriate.

**30. Validation.**— All acts done or taken by the Foundation, before the commencement of this Act, shall be deemed to have been validly done or have been taken under this Act to the extent they are consistent with the provisions of this Act.

**31. Immunity.**— No suit, prosecution or any other legal proceedings shall lie against the Chairman, Director General, Member, Director, an employee, expert or consultant of the Authority, in respect of anything done or intended to be done in good faith under this Act.

**32. Removal of difficulty.**— If any difficulty arises in giving effect to any of the provisions of this Act, the Federal Government may give such directions, consistent with the provisions of this Act, as it may consider necessary for removal of such difficulty.

**33. Relation of this Act with other laws.**— (1) The provisions of this Act shall have effect not in derogation of the Pakistan Penal Code 1860, Code of Criminal Procedure 1898, Code of Civil Procedure 1908 and Land Acquisition Act 1894.

(2) Subject to subsection 1, the provision of this Act shall have effect notwithstanding anything contained in any other law for the time being in force.

-----

**STATE OF OBJECTS AND REASONS**

**1. Introduction:**

The Federal Government Employee Foundation (FGEHF) is a public limited company registered with SECP under Section 42 of Companies Ordinance 1984 operating under auspices of Ministry of Housing & Works. The mandate of FGEHF is to provide affordable residential accommodation to Federal Government employees and other specified groups, on no profit no loss basis, without involving any funds from public exchequer. So far FGEHF has launched five housing schemes and provided approximately 23000 housing units to the Federal Government employees and other specified groups. FGEHF has approximately 150,000 members, which increase around 1 million with launching of new projects.

**2. Justification to establish F.G.E Housing Authority:-**

- The jurisdiction of FGEHF extends to whole of Pakistan with current projects at Islamabad/ Rawalpindi and Karachi.
- FGEHF is not a regulatory body as per existing Memorandum and Article of Association of FGEHF, thus not vested with the status of authority to accord requisite approvals for its projects.
- FGEHF is in the process of launching new projects in Islamabad and other parts of Pakistan in order to clear the huge backlog, thus extending the jurisdiction to other major cities.
- The launching of new projects may not be feasible on fast track basis without the fact that Housing Foundation has status of Authority.
- The process of land acquisition and securing approvals of layout plans to launch any project is extremely complex and time consuming as dependent on other regulatory bodies (Development Authorities & District Administration). (Two major scheme i.e. F-14/ F-15 and Park enclave pending adjudication in Supreme Court on Land Acquisition issues).
- It is extremely difficult to implement any scheme within the anticipated time frame, because of no controls/ authority. The time overruns thus lead to cost overruns.
- Maintenance of existing schemes not possible without the status of authority, thus the residents are suffering badly because of poor facilities and lack of basic utility services, ( The sectors G13 & 14, CDA neither performing nor allowing FGEHF to provide basic services by collecting requisite revenues & disposal of assets).

3. To expedite the projects on fast track basis by establishing a one window facility through legislation there is a urgent need of body, to address the above narrated issues.

*Jum Chaudhary*  
6/8/2014

(Chaudhary Tariq Bashir Cheema)  
Federal Minister for Housing & Works