

Defence Housing Authority Islamabad  
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Islamabad – 44000  
Tel : (051) 111-555-400  
DHAI/211/ 16 /Legal  
19 October 2010

To: Mr. Syed Adil Gilani  
Chairman,  
Transparency International Pakistan  
5-C, 2<sup>nd</sup> Floor, Khayaban-e-Ittehad, Phase-VII  
DHA Karachi

Subject: Complaint on delay in Plot allotment in DHAI Phase 2/Ext and  
Implementation of Public Procurement Rules, 2004 in DHA, Islamabad

With reference to your letter number nil dated 5th July 2010 and A787 (1) dated 5<sup>th</sup> September 2010.

1. On examining the contents of the complaint against DHA Islamabad it may be stated that complaint is merely based on assertions without containing any solid ground. DHA Islamabad is performing its functions in an honest, fair and transparent manner to enhance and secure the trust of the public and to keep its well reputed name in the country. DHA Islamabad has been established under DHA Islamabad Ordinance 2005 promulgated from time to time. DHA Islamabad is functioning in a transparent manner under the direction of the governing body comprising of very senior officials as mentioned in Article 4 of the DHA Islamabad Ordinance 2005. All employees of DHA Islamabad are performing their duties according to law and are answerable for their acts to the higher officials. There is no discrimination as to price in allotment of plots to the members.

2. Joint Venture Agreement for development of plots of Phase-II (Extn), was concluded in June 2009. Principal approval on master plan has been given in May 2010 and development shall be completed within four years after approval of master plan.

3. DHA Islamabad announced the start of development of Phase-II (Extn), through newspapers and Allotment Certificate holders were requested to pay the development charges as conversion of raw land into developed plots involve detailed infrastructure work. As per bylaws of the DHA Islamabad it is permitted to collect the development charges prior to physical allocation of the plots. New development charges refer as "time

dependent price escalation in the development charges" are imposed due to escalation in the price of construction material which increases the cost of development. Moreover, in conditions printed on the back side of allotment certificate it is stated that "development cost as decided by the management will be paid as per schedule designed for the members". There is no discrimination regarding development charges and DHA Islamabad is earning nothing extra on account of development costs. Development charges of DHA Islamabad are still low as compared to Capital Development Authority (CDA).

4. DHA Islamabad raises funds from its members. DHA has invested 100% funds received from members for purchase of land and no profit has been received in last five years. It is pertinent to mention that no grants, financial support or budgetary allocation whatsoever is provided by Federal or Provincial Governments. Therefore, late payment of installments by members cause delay in the development of projects. DHA Islamabad issue reminders to the members for timely payment of installments so that the development work could be completed within the scheduled time. Due to delay in payments by the members DHA Islamabad is finding it difficult to meet the timelines and to complete the project within the scheduled time. In this regard, no discrimination has been made as to development of plots of any category including the plots of general public.

5. Assuring you of all our support.

  
Lt Col  
Secy  
(Moazzam Iqbal)