



PIDE URBAN MONOGRAPH SERIES NO. 5, 2021

# A Traverse of Illegalities in the Private Housing Societies in Islamabad

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# **PIDE Urban Monograph Series**

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## Executive Summary

The private housing societies and their legality has gained much traction in popular media and policy circles lately. CDA estimates that of 204 housing societies in Islamabad, 140 are illegal. Our study of the status of other 64 “Authorized” societies suggests that only 22 housing societies have the required documents. This puts legal societies at 10 percent of the total. A special audit report of the Accountant General of Pakistan (2017) presents an even more dismal picture. It suggests that over 90 percent of the land (1.26 million kanals) in Zone 2, 4, and 5, is not under the purview of CDA as societies with NOC make less than 7% of the area. Most government departments, both civilian and military, are in the business of building housing societies.

The private sector was encouraged to enter the housing market because CDA could not acquire land and build sectors fast enough to cater to the housing demand in Islamabad (GOP 2019)<sup>1</sup>. The CDA has not launched any new residential sector in the past twenty years. The last sector was launched in 1989 which has not seen any development since then (ibid)<sup>2</sup>. Islamabad Capital Territory (Zoning) Regulation, 1992 was promulgated, and Modalities and Procedures were framed for the development of private housing schemes in Zone-2, 4, and 5 of the ICT.

The Modalities and Procedures for Private Housing Societies were revised in 2020, which lays down an extensive development and regulatory regime for the private housing societies. For the registration of the society, a sponsor has to follow 19 major steps/permissions/NOC and a multitude of intermediate steps (29), adding to the excessive regulatory burden for the development of private housing societies.

The Revised Modalities and Procedures (2020) give CDA broad powers to regulate the development of housing societies. The scrutiny of the Layout Plan (LOP), land use planning, Engineering Designs, services and utilities, clearance of land documents, issuance of NOC, and inspection of the quality of work, payment of total development cost within 45 days of approval of LOP, and the requirement of mortgaging 20% of saleable plots with CDA in case of non-payment give CDA an overarching framework to monitor housing societies in the Capital. If a sponsor is unable to complete development work, CDA can take over the housing scheme and sell the mortgaged plots to cover development costs and transfer plots to the owners. Section 5.14 of the Revised Modalities and Procedures (2020) authorizes CDA to inspect the scheme anytime during the development work.

The lengthy and cumbersome procedures of CDA push sponsors away from seeking permission. In a report of the Standing Committee on Law and Justice (2016), it was observed that “illegal housing societies mushroomed due to cumbersome and year-long CDA procedures for issuance of LOP/NOC and then cancellation of the same on minor violations while missing bigger ones” (Standing Committee on Law and Justice, 2016: 7).

A special audit of the Housing Societies Directorate of CDA was conducted for the period 2011-16 by the Auditor General of Pakistan (AGP) at the request of the public accounts committee. The audit uncovered serious irregularities and non-compliance in issuing of NOCs,

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<sup>1</sup> At present, the total population of Islamabad is 2 million. The housing backlog is about 100,000 units.

<sup>2</sup> Except zone 1, where only CDA can acquire land.

LOPs, performance failures, and weakness of internal control mechanisms, costing the exchequer huge losses (AGP, 2017).

The audit identified:

1. Systemic issues that were responsible for anomalies in the private housing societies. NOCs were issued without proof of ownership of land, based on fake and fictitious documents, for areas outside of ICT to name a few.
2. Lack of human resources that could monitor activities such as non-cancellation of NOC even after NAB notice, lack of action against non-completion of the project within the stipulated period, non-selling of the mortgaged area to complete development of societies when sponsors fail to do so.
3. Weak internal audit system, which could not identify financial irregularities within the department, and lack of checks and balances to fix responsibility for losses to the public against approved but incomplete housing schemes, losses due to fictitious housing schemes, and undue benefits to the sponsors due to non-development of work within the stipulated period.

CDA had issued only 22 NOCs and 24 LOPs in the past 30 years in zones 2, 4, and 5. The housing schemes with NOC cover only 6.8% of the total land of these zones. The 1.26 million kanals of land are under the illegal possession of land grabbers and being sold under the garb of housing societies. 99% of these illegal societies have not been completed. People were robbed of their hard-earned money to the tune of PKR. 5200 billion. Not a single completion certificate was issued for a housing scheme in the last 25 years. Changes in LOP and lack of progress on site were the main reasons behind it. CDA not only failed to punish the sponsors for changes in approved LOPs, but it could not take charge of schemes even when sponsors did not complete them.

The Housing Directorate of CDA is neither adequately equipped to inspect the area for illegal construction nor has the powers for demolishing the illegal activities. The presence of illegal housing societies “clearly indicates that the Authority intentionally closed its eyes and supported developers for deceiving the general public” (AGP 2017: 25).

Honorable Chief Justice Islamabad High Court in a scathing remark noted that “[T]he writ of the statutory regulatory authorities and public functionaries has eroded, or they have become willingly complacent in bending and ignoring the laws so as to facilitate the enrichment of the privileged and powerful at the cost of transgression of fundamental rights of the weaker citizens” (W.P. No. 3877 of 2019)<sup>3</sup>. In all this mayhem, it is the ordinary buyer of a plot and the future homeowner that bears the brunt of all that is played in the name of a housing society.

- The average time taken by CDA for NOC approval is two and half years – from a minimum of 74 days to a maximum of 3460 days (9 and half years).
- The average time for development work after the approval of NOC is 12 years, extending to more than two decades in many cases.

## 2. RESEARCH CONTEXT

In March 2021, the National Accountability Bureau (NAB) sent a list of illegal housing societies of Islamabad and Rawalpindi Division to the Federal Investigation Agency (FIA) for action against

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<sup>3</sup> These remarks were given while hearing a writ petition filed by a local resident of Bani Gala against transgression of his rights to property and indifference of the concerned authorities.

them. Earlier, in 2020, Chairman NAB Justice (Retd) Javed Iqbal took notice of alleged China-cutting, illegal housing, and cooperative societies in the federal capital, and assigned the task to DG NAB Rawalpindi to investigate it thoroughly. It had come to the notice of NAB that some elements were making billions out of fraudulent activities through sales of plots in different housing and cooperative societies without taking layout plan and NOC from CDA.

All this is happening under the watchful eyes of The Capital Development Authority (CDA), which has the mandate for planning and development of Islamabad, conferred to it through The Capital Development Authority Ordinance, 1960<sup>4</sup>. Chapter III of the ordinance, "POWERS AND DUTIES OF THE AUTHORITY", empowers the Authority (CDA) with the preparation of "a master plan and a phased master program for the development of the Capital Site" and a similar plan for the rest of the specified areas and submit all such plans to the Federal Government. According to section 12, sub-section 5, "No planning or development scheme shall be prepared by any person or by any local body or agency except with the concurrence of the Authority". CDA has wide-ranging powers to plan (a) Land use, zoning, and land reservation; (b) Public buildings; (c) Industry; (d) Transportation and communications; (e) Tele-communications; (f) Utilization of water, power, and other natural resources; (g) Community planning, housing, slum clearance; (h) Community facilities including water supply, sewerage drainage, sewage disposal, electricity supply, gas supply, and other public utilities; and (i) Preservation of objects or places of historical or scientific interest or natural beauty.

Given the vast powers that the ordinance lends to CDA, it warrants an investigation as to why fraudulent activities (sale of illegal/fake plots, China cutting<sup>5</sup> and land encroachment) are taking place in the most planned city of Pakistan. We examine the development and regulatory regimes of CDA for the private housing societies development in Islamabad to answer these questions. Other government reports and secondary material are also used to comprehend the ground realities.

### 3. ISLAMABAD ZONES AND DEVELOPMENT REGIMES

Islamabad does not have a single development regime. It was divided into five zones under the Islamabad Capital Territory (Zoning) Regulation 1992. In Zone 1, only CDA could acquire land and develop it in a phased manner, according to the land use pattern specified in the Masterplan. Private housing schemes were prohibited in this zone except for in E-11. Even natives were not allowed to build houses<sup>6</sup>. In Zone 2 and 5, the private sector could purchase land and develop housing societies subject to regulations detailed below<sup>7</sup>. Zone 3 is the Margalla Hills National Park. This zone has the strictest development regime as no change in land use is allowed, neither a housing scheme is permitted. Zone 4 encompasses Islamabad National Park and rural peripheral areas. In this zone, orchard and vegetable farms by private developers are allowed. The minimum size of the orchard must be 20 kanals and a house with a covered area of 2250 sq. ft is

<sup>4</sup> The ordinance henceforth.

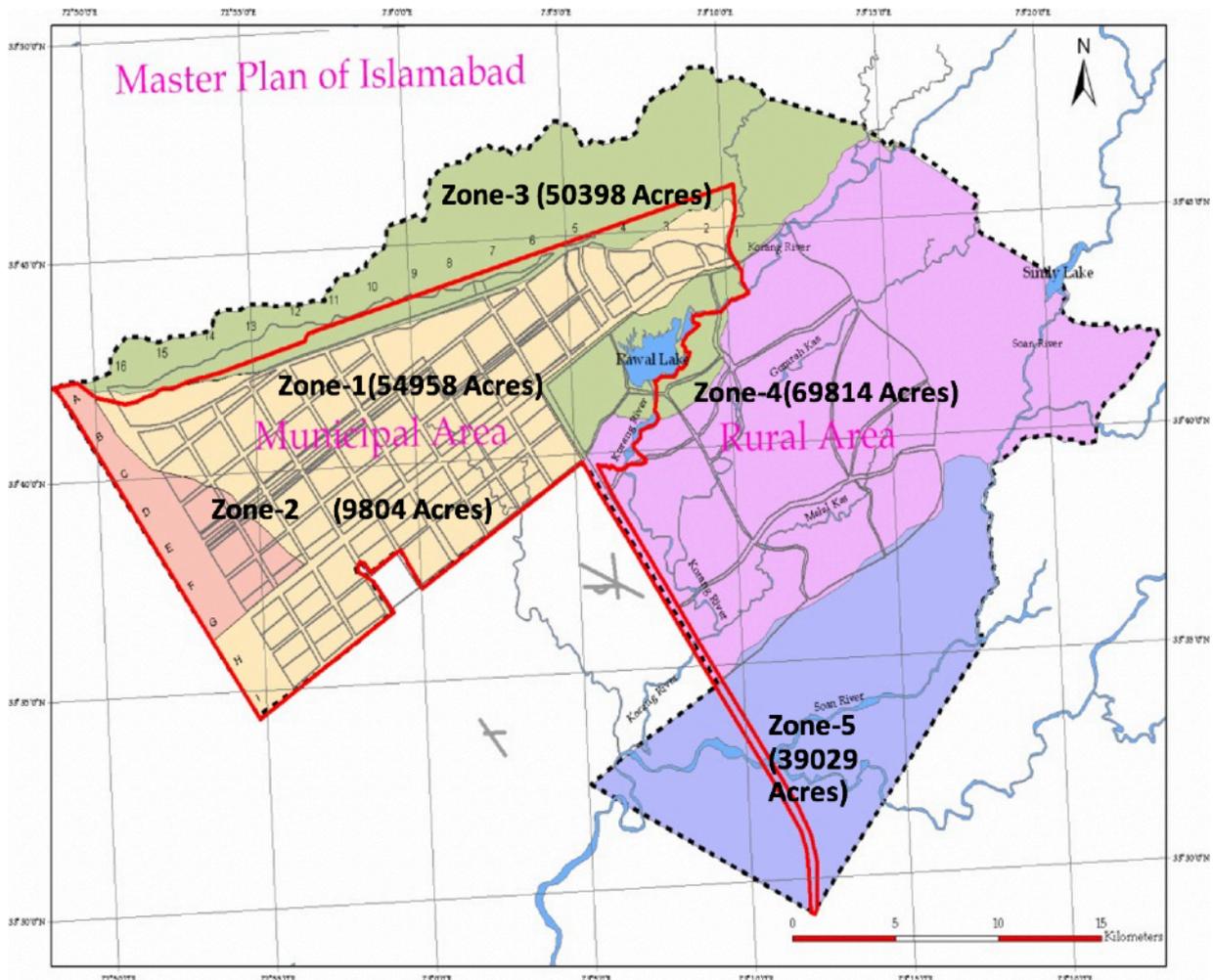
<sup>5</sup> China cutting refers to the slicing of plots from land reserved for public amenities.

<sup>6</sup> Repair of old homes and expansion was allowed, given that the covered area does not exceed 1000 square feet.

<sup>7</sup> The ICT (Zoning) regulations (1992) were updated in 2020.

permissible. Initially, no private housing schemes were allowed in this zone<sup>8</sup>, however, after an Amendment in ICT (Zoning) Regulation of Zone-4, private housing societies are allowed in sub-zone B and C of zone 4.

Figure 1: Map of Islamabad



Source: AGP (2017)

#### 4. DEVELOPMENT REGIME FOR PRIVATE HOUSING SCHEMES IN ISLAMABA

The CDA regulates the development of Private Housing or Farm Housing Schemes under the “Revised Modalities & Procedures (2020) framed Under ICT (Zoning) Regulation, 1992 (As Amended) for Development of Private Housing/ Farm Housing Schemes in Islamabad Capital territory Zoning Plan”, henceforth called Revised Modalities & Procedures (2020). This power is conferred to the CDA under section 51 of the Capital Development Authority Ordinance 1960 (No. XXIII of 1960).

The company sponsoring a housing/farm housing scheme, henceforth called the sponsor, shall meet the following criteria:

<sup>8</sup> repair of existing old houses and their expansion is permitted, given the covered area does not exceed 1000 sq. ft. PIDE Urban Monograph Series;

- The company must be registered with the SECP. In the case of a cooperative society, it must be registered with Circle Registrar Cooperatives Islamabad<sup>9</sup>.
- The proposed area for the housing scheme shall not be less than 50 acres (400 Kanals) in Zone-2 and Zone-5, not less than 25 acres in E-11, and according to sub-zone limits in Zone-4.
- The sponsors will also give details of the commercial and parking area.
- The project shall be publicized according to the prescribed modalities and procedures.

Similarly, a housing project can be launched with the above-mentioned conditionalities, barring the land requirement, which is less than that for a housing scheme. The minimum requirement of land ownership is not mentioned. A housing project has an additional requirement that it should be “situated within 500 meters of an existing settlement or regularization of the existing scheme.”

A registered company or a cooperative society can also sponsor a vertical housing project for an area between 20 kanals (minimum) to a maximum of 200 kanals. Public sector projects are exempted from the maximum limit of 200 kanals, however.

## **5. REGULATORY REGIME FOR PRIVATE HOUSING SCHEMES IN ISLAMABAD**

The regulatory framework is extensive and gives vast powers to CDA to regulate development. We describe the steps that a sponsor has to take for developing a housing society below<sup>10</sup>.

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### **5.1 Submission of Documents**

The sponsor of a private housing scheme is required to submit the following documents:

- “Three copies of the site plan showing the location of the scheme at a scale of 1:10,000 with reference to its surrounding areas (within a radius of 1/2 km all around) and the land use plan of the zone in which it falls.
- Three copies of the survey plan of the site drawn to a scale of not more than 1:1000 showing Khasra numbers, the spot level, and physical features such as high-tension lines, water channels, etc. The contours with 0.5 meters or 2 feet intervals shall be indicated on the plan.
- Three copies of the layout plan drawn to a scale of not more than 1:1200 showing the subdivision of land into plots, and allocation of land for various uses as per the planning standards laid down by the Government of Pakistan in the “National Reference Manual on Planning and Infrastructure Standards”.
- The layout plan should be prepared and signed by a consulting firm registered with PCATP in the town planning category or a PCATP registered Town Planner with a minimum of 5 years of housing scheme design experience.
- Fresh copies of Register Haqdarane-Zameen (Fard) attested by Tehsildar ICT and certified copies of sanctioned mutations (along with khasra gardwari in case of shamlati land) in the name of sponsors.

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<sup>9</sup> In legal terms, “a company is a legal entity which has a separate legal identity from its members and is ordinarily incorporated to undertake commercial business” <https://www.cs.mcgill.ca>

<sup>10</sup> Step 4 in “Modalities and Procedures (20202)”. The difference in numbering results from our focus on housing schemes alone.

- Aks shajra/khasra plan, showing clear boundaries of the project, certified by Tehsildar; certifying the true possession of land owned by the sponsors.
- Non - Encumbrance Certificate (NEC) from Tehsildar.
- Master Plan Concept Report (Detailed Urban Design, including pedestrian plans, tree canopy cover of minimum 30% of all parks with the type of indigenous trees planted, Neighborhood Plans, Rainwater harvesting plan for scheme, Traffic circulation plan, Disaster Risk Reduction & Disaster Risk Management Plans).
- Mutation in favor of owners.” (Paragraph 4 of the Revised Modalities & Procedures (2020))<sup>11</sup>.

## 5.2 Planning Standards for Housing Schemes

The sponsor must follow the planning standards given in the “Modalities and Procedures (2020)”. These standards are somewhat flexible, as they can be changed to accommodate different residential densities in different housing schemes in Zone-2 & 5. The land use pattern (percentages), however, must follow a more rigid regime given below:

Table 1: Land Use Pattern for a Housing Scheme

	Land Use	Area (% of total)
1	Residential (Row Housing and apartments) Apartments (vertical development/ apartments not more than 15% of scheme area)	Not more than 55%
2	Open/Green Spaces/Parks	Not less than 10%
3	Roads/Streets	Not less than 23%
4	Graveyards	Not less than 2%
5	Commercial	Not more than 5%
6	A Public building like school, Masjid, dispensary, hospital, community center, post office, etc.	not less than 5%

Source: [Revised Modalities and Procedures \(2020\)](#)

Some minor adjustments in percentages are allowed, given the site’s conditions, special requirements, and the land use plan of the zone in which the scheme falls. More importantly, it is mandatory to keep a minimum of 10% area under the residential plots for economy housing. The minimum size of a residential plot is required to be 90 sq. yds to 130 sq. yds. with minimum 30 feet wide streets (para 5 a).

## 5.3 Scrutiny Fee for the Detailed Scheme

A scrutiny fee is to be paid to the Authority, along with the submission of a detailed scheme<sup>12</sup> (para 6).

<sup>11</sup> Henceforth, only paragraph numbers from “Revised Modalities and Procedures” are mentioned

<sup>12</sup> The scheme is subject to revisions.

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## **5.4 Clearance of Land Documents**

- The land documents of the housing scheme/project are then scrutinized by the revenue officer of the Housing Section of the Authority. The details of land (map of Certified Aqs Shajra and khasra numbers) are published in the leading newspapers for inviting public objections. The cost is borne by the sponsors of the project. A revenue officer then scrutinizes the public objections and forwards his report after clearing all objections in the ownership and possession as certified by concerned revenue offices (para 7).
- No timeframe is given as to how many days the Authority will take to complete this step.

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## **5.5 Clearance of Detailed Layout Plan of the Scheme.**

- Next, provisional approval for the detailed layout plan is issued to the sponsors for the preparation of detailed engineering design, transfer deed, mortgage deed, and subsequent NOC. It bears a clear stamp that the plan is provisionally approved and cannot be used for marketing purposes.
- Any objection to the layout plan is communicated to the sponsors at this stage. The sponsors are given a period not exceeding 30 days of issuance of communication for rectification, failing which the scheme is not to be processed further till objections are removed/settled.
- After approval of the layout plan, the sponsor shall:
  - a. Execute an undertaking regarding the acceptance of the conditions relating to planning, designing, and implementation of the scheme.
  - b. Deposit the entire development cost of the scheme, within 45 days of the clearance of the detailed layout plan, with the Authority. The Authority shall assess the development cost based on the prevailing cost of development.
  - c. If the sponsors do not wish to deposit the entire development cost of the scheme initially, they have the option to mortgage 20% of the saleable area in the detailed layout plan with the Authority as a Guarantee for completing development works/services within the specified period. The sponsor shall execute the mortgage deed and get it registered with the Registrar Islamabad, within 45 days after clearance of the detailed layout plan of the scheme.
  - d. The sponsor shall also transfer, free of cost, to the Authority the land reserved for open spaces/parks, graveyard, only 1 % of the scheme area reserved for public buildings, and land under right-of-way of roads, etc. in the scheme, within 45 days of the clearance of the detailed layout plan of the scheme. Plots under mosques, solid waste collection points, and STP will not be part of the 1% public building area for the transfer (8 (iii) d).

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## **5.6 Public Notice of Plots Mortgaged with CDA in the Scheme.**

- After execution of the mortgage deed, a public notice is published in the press regarding the mortgage of plots under the saleable area with the Authority by the sponsors (at the cost of the sponsors) within 5 days (para 9).

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## 5.7 Issuance of NOC

- If no objection is received in response to the public notice above, An NOC is issued to the sponsors, conveying the approval of the detailed layout plan, engineering designs, and detailed specifications of the scheme. The sponsors are now allowed to advertise the scheme.
- The sponsors are required to complete at least 25 percent of development works within three years from the date of issuance of the NOC. Failing which, NOC is deemed to be withdrawn (para 10 (iii)).

Revision in the already approved layout plan after issuance of NOC is permissible during the submission of the revised/extension layout plan of any scheme given the consent of all stakeholders/allottees is documented with the authority. Public notice is to be published in two daily national newspapers.

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## 5.8 Completion Period of the Schemes

The timeframe for the completion of the scheme by sponsors is as under:

Table 2: Completion Time for Schemes

	Total Scheme Area	Completion Time
1	Scheme covering an area up to 100 acres	Three years.
2	Scheme covering an area between 101 acres to 200 acres.	Four years
3	Scheme covering an area between 201 acres to 400 acres.	Five Years
4	Scheme covering an area of more than 400 acres	Six Years

Source: [Revised Modalities and Procedures \(2020\)](#)

If the scheme is not completed in the period specified above, the sponsor is liable to pay the extension charges. No further extension is allowed beyond six years.

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## 5.9 Approval of Engg. Design and Detailed Specification of the Services/Utilities.

- Once the layout plan of the scheme is approved, the sponsors are required to prepare the engineering design, specification of the services and utilities, and make a presentation to either (1) a panel of engineering experts nominated by the CDA for their approval or (2) get a third-party validation by the approved consultants within three months.
- If the sponsors do not submit the engineering design within three months, they may be given additional time at a monthly fine at 25% of the original scrutiny fee for this purpose. The sponsors are given two weeks to rectify and resubmit the corrected engineering design in case of deficiencies in the designs initially submitted. A fine of Rs. 10,000 per week (or as revised from time to time would be applicable) is imposed if the sponsors fail to submit the revised design in time.
- The designs are required to be prepared by consulting engineers registered with Pakistan Engineering Council.

- Two copies of the approved engineering designs and detailed specifications shall be submitted to the DG (Planning) CDA, for final approval of the CDA.
- The approval of the engineering designs and detailed specifications does not absolve the sponsor's and their consultants from the responsibility of proper design based on sound engineering practices" (The Revised Modalities & Procedures (2020)).

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### **5.10 Engineering Design Guidelines**

- Engineering Design Guidelines about roads, water supply, sanitary sewer system, stormwater drainage, electricity, gas, telephone, and solid waste management are provided in detail in the Revised Modalities & Procedures (2020). Specifically, it requires each scheme to have its independent sewerage treatment system and a septic tank is compulsory for all domestic, commercial, or institutional buildings. Sewer or waste would not be disposed of in Nullah or water streams and treated sewer water would be reused for irrigation.
- Civil works in the scheme would be verified by C.E. Lab or Private building research centers suggested by C.E. Lab of CDA. A monthly progress report about the development of the scheme area, duly signed by consulting Town planning firm registered with PCATP, would be provided as well.

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### **5.11 Processing Fee for Engineering Designed/Detailed Specifications**

- The sponsor would then deposit a fee for the processing and approval of engineering designs at the rate of Rs 1000 per Kanal (or as revised from time to time by the CDA).

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### **5.12 Commencement of Development Works**

- After approval of engineering designs and detailed specifications is issued by the CDA, the sponsors must begin with the implementation of the scheme within six months.

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### **5.13 Implementation of Scheme by the CDA on Behalf of the Sponsors**

- If the sponsors desire, they can request the CDA to take up planning, design, and implementation of the scheme, on payment of departmental charges @ 15% of the total cost of the scheme. This rate can be revised by the CDA.

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### **5.14 Inspection by the Authorized Officer of CDA During Execution of Scheme**

- The CDA can inspect the scheme anytime during the entire period of its execution.

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### **5.15 Intimation of work Schedule to the CDA by the Sponsors**

- The sponsors must submit the detailed work schedule in respect of the implementation of the scheme to the Director (Planning). A monthly progress report is required to be submitted to the Director (Planning) till the completion of the scheme.

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### **5.16 Payment of Inspection/Monitoring Fee to the CDA**

- The sponsors shall pay to the CDA Rs.500 per Kanal, or as revised from time to time on account of inspection/monitoring expenses during the execution stage of the scheme.

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### **5.17 Recording of Inspection Notes by the CDA Officers on Development Works**

- The authorized officer/s of CDA shall record their observations on the works in progress regarding the quality and progress of work being undertaken in a scheme and will ensure that their instructions are complied with by the sponsors. A copy of each note shall be handed over to the sponsors for record and another copy, duly signed by the sponsors or their Engineer in charge at the site, shall be kept in the CDA's record.
- In case the sponsors fail to abide by the instructions contained in the Inspection Note, CDA shall take appropriate measures to rectify the situation. This may include getting the work done at the risk and cost of the sponsors by disposing of plots mortgaged with the CDA. In case the development cost exceeds the amount deposited by the sponsors with the CDA or the sale proceeds of the mortgaged plots, the same shall be recoverable by CDA from the sponsors or the allottees of plots in the scheme as arrears of land revenue under CDA Ordinance, 1960.
- The sponsor would obtain test reports regarding the quality of civil works from the CE lab. CDA or other relevant forums/panel of labs recommended by the CE lab as and when required (during the execution of civil works).

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### **5.18 Release of Mortgage Plots**

- The plots mortgaged with CDA by the sponsors will be released after the Committee appointed by CDA has certified that the development works have been completed as per the approved schedule, specifications, and design.
- Mortgage land/plots may be redeemed proportionate to development carried out in the scheme area. On every 10% of the development of the scheme area, 10% of the mortgaged land/plots shall be redeemed.

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### **5.19 Default in Completion of Scheme**

- The CDA shall assume the control of the scheme in case it is satisfied that the sponsors are incapable of completing the scheme after the expiry of the extended period of completion.
- In the event of CDA assuming control of the scheme, it shall sell the plots mortgaged with it in the scheme privately, through public auction or private contract to accumulate funds for the completion of the remaining development works in the scheme to the extent of the amount received from such sale.

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### **5.20 Connection of Services of a Private Scheme with CDA's Services**

- The CDA in its discretion may permit the sponsor of a scheme to connect the services within the scheme with the overall network of the services if available in the area. Such connection shall be allowed by CDA subject to payment of charges as may be prescribed from time to time.

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## **5.21 Amendments in Layout Plan**

- The layout plan may be reviewed at any time before the Authority shall approve the issuance of NOC. In case the revision is proposed after the NOC, it will only be considered within the following framework:
  - a. The sponsor shall notify the same for the allottees/members through a public notice as per specimen of CDA.
  - b. The sponsor shall satisfy their reasonable objections that are to be submitted on the prescribed Performa.
  - c. If the allottee/member is not satisfied with the decision of the sponsor he may file an appeal against the decision to the Member Planning and Design. The decision of Member P&D in this regard will be final.
  - d. The revision shall conform to the standard planning parameters viz-a-viz public amenities and green areas etc.

## 6. THE REGULATORY BURDEN AND PERMISSION REGIME

The regulatory regime is extensive for the sponsor of the Private Housing society in Islamabad. From registration to completion of the scheme, a sponsor has to follow 19 major steps/permissions/NOC and a multitude of intermediate steps (29), adding to the excessive regulatory burden from the start to the completion of a housing scheme (Figure 2 below).

Figure 2: Revised Modalities and Procedures for Private Housing Societies in Islamabad



Source: Revised Modalities and Procedures (2020)

- The average time taken by CDA for NOC approval is two and half years – from a minimum of 74 days to a maximum of 3460 days (9 and half years).
- The average time for development work after the approval of NOC is 12 years<sup>13</sup>, extending beyond two decades in some cases.

Table 3: Time Analysis of Approved Housing Societies

Name	Time to NOC (In days)	Time since NOC (In years)
<a href="#">Al-Hamra Avenue</a>	587	13
<a href="#">Anza Zephyr Dale Agro Farms</a>	NA	18
<a href="#">Bahria Enclave-II, Agro Farming Scheme</a>	955	7
<a href="#">Bahria Enclave-II, Phase-II, Housing Scheme</a>	1,095	7
<a href="#">Bahria Town (Phase-VII-E)</a>	1,009	6
<a href="#">Cabinet Division Employees Co-operative Housing Society</a>	105	17
<a href="#">Engineers Housing Scheme</a>	980	11
<a href="#">Gulberg Greens Farm Housing Scheme</a>	244	9
<a href="#">Gulberg Town</a>	399	10
<a href="#">Islamabad Gardens</a>	74	16
<a href="#">Khayaban-e-Kashmir, Phase-I</a>	748	17
<a href="#">Cabinet Division Employees Co-operative Housing Society</a>	105	17
<a href="#">Multi Gardens, Phase-I</a>	460	13
<a href="#">Naval Anchorage</a>	4,795	16
<a href="#">OPF Housing Scheme</a>	3,460	10
<a href="#">Rahman Enclave Housing Scheme</a>	522	1.5
<a href="#">Zaraj Housing</a>	127	16
<a href="#">CBR Town</a>	826	11
<a href="#">Gulshan-e-Sehat</a>	2,545	11
<a href="#">Multi Gardens, Phase-II</a>	922	11
<a href="#">Pakistan Navy Farms, Simly Dam Road, Islamabad</a>	NA	28
<a href="#">Average days/years</a>	915	12

Source: [Revised Modalities and Procedures \(2020\)](#)

At the pre-registration stage, the sponsor of society is required to fulfill three steps – namely:

- Register a firm with the SECP, or with Circle Registrar Cooperatives Islamabad in case of a cooperative society.
- Purchase at least 50 acres of land.
- Give details of the commercial and Parking areas.

Of the above three, the process of finding land is the most complex. Most Private housing societies are being developed in rural Islamabad; an area that is not acquired by CDA. The sponsor at times faces a situation where, within the minimum of 50 acres of land required for the society, the owner of a small tract of land refuses to sell his land or invokes his right in “shamilaat” (common land) and goes into litigation, rendering land acquisition for scheme development a lengthy process (Property Naama, 2020).

<sup>13</sup> This figure refers to the time since the approval of NOC.

- The submission of documents consists of 9 sub-steps (Figure 2). An important part is to prove ownership of land that it is free of any impediment. The layout plan, to be prepared by a firm registered with PCATP with 5 years of experience, must follow the standard sectoral layout plan of Islamabad in Zone 2.

Figure 3: Steps for Submission of Document



Source: [Revised Modalities and Procedures \(2020\)](#)

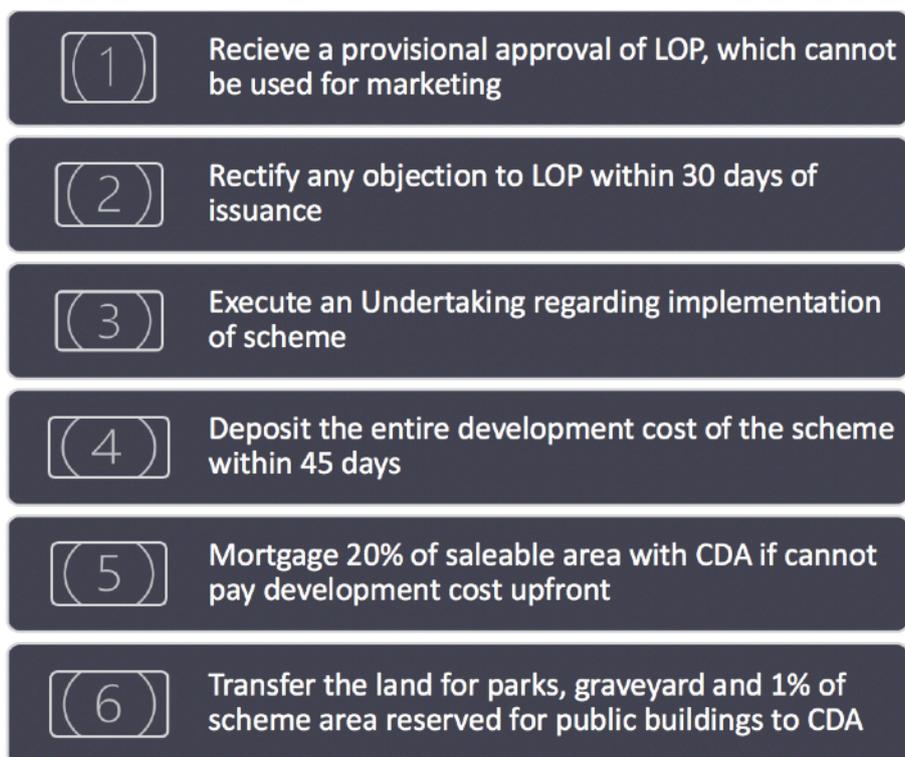
- In zone 2 & 5, he sponsor must comply with rigid planning standards. 55% of the land is to be kept for residential buildings. Vertical buildings cannot exceed 15% of the scheme area. This is problematic since apartment buildings provide cost-effective housing (PV 12).
- The private sector was encouraged to enter the housing market (except zone 1, where only CDA can acquire land) because CDA could not acquire land and build sectors fast enough to cater to housing demand in Islamabad (GOP 2019, PV 16)<sup>14</sup>. The CDA has not launched any new residential sector in the past twenty years. The last sector was launched in 1989 which has not

<sup>14</sup> At present, the total population of Islamabad is 2 million. The housing backlog is about 100,000 units.

seen any development since then (GoP, 2019). Limiting vertical buildings to 15% of the scheme area is counterproductive to providing affordable housing and may encourage sprawl.

- Another requirement is to keep 10% of the residential area for economy housing.

Figure 4: Clearance of Detailed Layout Plan



Source: [Revised Modalities and Procedures \(2020\)](#)

- The Revised Modalities and Procedures (2020) give CDA broad powers to regulate the development of housing societies. The scrutiny of the Layout Plan (LOP), land use planning, Engineering Designs, services and utilities, clearance of land documents, issuance of NOC, and inspection of the quality of work give CDA an overarching framework to monitor housing societies in the Capital.
- The payment of total development cost, as assessed by the CDA, to the Authority within 45 days of approval of LOP, and the requirement of mortgaging 20% of saleable plots with CDA in case of non-payment gives CDA considerable power to monitor development work. If a sponsor is unable to complete development work, CDA can take over the housing scheme and sell the mortgaged plots to cover development costs and transfer plots to the owners (ibid).
- Section 4.14 of the Revised Modalities and Procedures (2020) authorizes CDA to inspect the scheme anytime during the development work. The sponsor must submit a monthly progress report and the detailed work schedule in respect of the implementation of the scheme to the Director (Planning) till the completion of the scheme.

These conditions specified in the Modalities and Procedures (2020) provide a sufficient channel of communication between the sponsor and CDA. The new technologies also enable CDA to monitor any development activity on the ground. It is fair to believe that CDA would be cognizant of development activities taking place in the societies or at any place within its jurisdiction.

## **6. PRIVATE HOUSING SOCIETIES IN ISLAMABAD- SELLING DREAMS OR FAKE PLOTS!**

An FIA report submitted to the Supreme Court in 2018 revealed that there are 3432 registered and 5492 un-registered/illegal/ghost housing societies in Pakistan. This figure puts a total of 61% of societies as illegal (Business Recorder, 2018). More recent estimates suggest that this percentage has gone up to 69%. In 2020, of a total of 8767 societies, about 6000 housing societies are not registered with relevant Development Authorities/Institutions, having incomplete or no papers at all. About 4000 cases of corruption are registered against 500 societies, amounting to PKR 300 billion in corruption (Dawn, 2020)<sup>15</sup>.



Source: Reuters

Islamabad is considered one of the most planned capitals in the world. However, recent studies have documented that the city is experiencing urban sprawl and haphazard development (Adeel, 2012; Butt et al., 2011; Liu, Din & Jiang, 2020). No longer a planned city, Islamabad, too, is facing the dilemma of illegal private housing societies.

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### **6.1 The Extent of Illegality**

In May 2015, the National Assembly Standing Committee on Cabinet Secretariat was informed by CDA that more than 100 illegal housing societies were operating in the Capital. The Committee

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<sup>15</sup> The report puts the size of the real estate market at PKR. 15-20 trillion (Dawn, 2020). No basis for this estimate is given, however.

had asked CDA to justify how CDA remained oblivious to the proliferation of such housing societies. The Committee was informed that no development work could take place without the approval of CDA. However, these societies never approached the Authority for approval of the layout plan and NOC (Dawn, 2015).

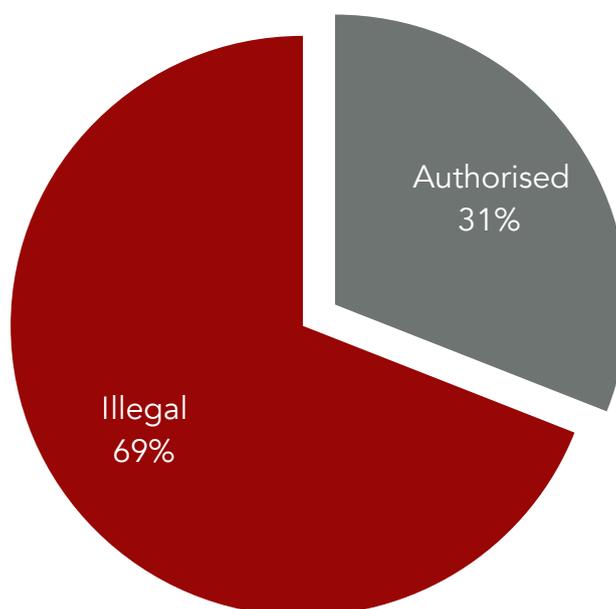
The Interior Ministry, the parent department of CDA, also quizzed CDA about the unplanned expansion of Islamabad beyond city boundaries. Of the 109 illegal societies, 64 were in zone IV.

Housing Societies were prohibited in Zone IV before 2010, but the amendment was made to accommodate an influential property developer (Tribune, 2015). The number has climbed to 140 societies now (CDA).

In the meanwhile, the National Accountability Bureau (NAB), investigating the land grabs in Sindh, decided to conduct a thorough scrutiny of Private Housing Societies in Rawalpindi and Islamabad with the help of CDA and Rawalpindi Development Authority (RDA).

To come out clean, CDA uploaded a list of 140 illegal societies on its website (Annexure 1), affirming that it had come to the notice of CDA that certain housing societies were selling plots without first seeking NOC from CDA and that the public should refrain from investing in fake societies. A list of 64 'authorized' societies was also made available for the public.

Figure 5: Legal Status of Housing Schemes in Islamabad



Source: Data is taken from the CDA website.

Figure 5 above presents the dismal state of lawlessness in the capital city. A bulk of Private Housing Societies (69%), a number close to the national average of 69%, are not within the legal realm.

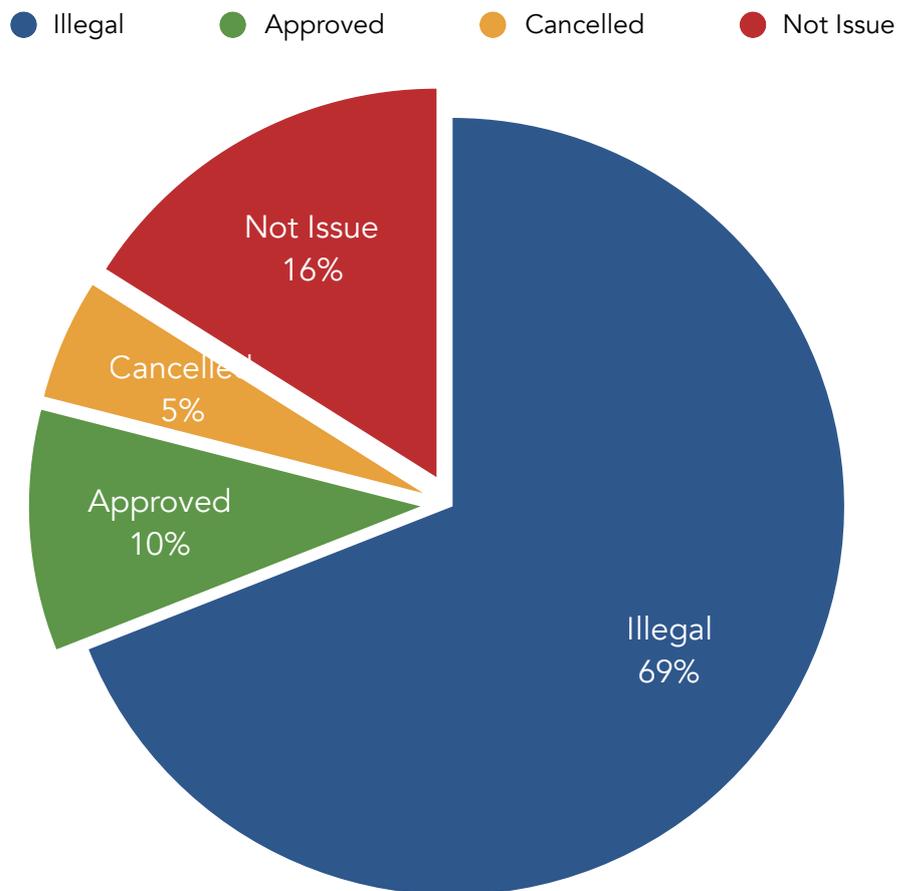
A pertinent question here is what constitutes a 'legal' housing society. The chief commissioner Islamabad Capital Territory described it as one which is either registered with the Security and

Exchange Commission of Pakistan (SECP) or the ICT administration and has the layout plan and NOC approved by CDA.

### 6.1.1 Does “Authorized” translate to Legal?

CDA has displayed a list of 64 “Authorized” Societies on its website. In section 4, we have discussed the process of getting the approval for a private housing society as laid out in the Revised Modalities and Procedures (2020). In the entire chain of the regulatory regime, approval of the layout Plan and issuance of NOC are two defining stages. A NOC is issued when the sponsor has fulfilled all conditions of the Revised Modalities and Procedures (2020).

Figure 6: Percentage distribution of All Housing Schemes in Islamabad (BY NOC)



Source: Data is taken from the CDA website.

Figure 6 above presents a grim picture. Of all the housing societies operating in Islamabad, only 10 percent have approved NOCs. Of the 64 authorized housing societies that CDA has published on its website, only 22 have approved NOCs, while 24 societies had approved LOP. NOCs of 8 and LOPs of 10 societies were canceled. The 140 illegal societies have not contacted the Authority for approval of LOP and NOC.

The timeframe for obtaining NOC is not streamlined either. It varies from less than 6 months to more than 10 years (Table 4). Table 6 below shows that most government departments, both civil and military, are in the business of building housing societies.

## 6.2 How Housing Sponsors Misuse the System!

Why is it that a city that was once considered the poster child of a planned city has fallen to such disrepute? Why have illegal societies mushroomed in such large numbers within the 906 sq. km. of Islamabad territory? Concerns have been raised time and again that housing societies are looting naïve people of their hard-earned money.

Housing societies are generally characterized into two broad categories - authorized and illegal. A more nuanced look at their status, however, presents a different picture. Categorizing societies by their legal status presents the following picture. Societies that have:

Table 4: Housing Societies by Legal Status

	<b>Status of Housing Society</b>	<b>Number</b>
1	Valid NOC	22
	Approved LOP. NOC is yet to be obtained	24
2	Canceled NOC due to non-conformity with CDA rules. LOP is intact.	6
4	Canceled LOP	10
5	Both LOP and NOC canceled	2
6	Not approached CDA for LOP/NOC (Illegal).	140
		<b>204</b>

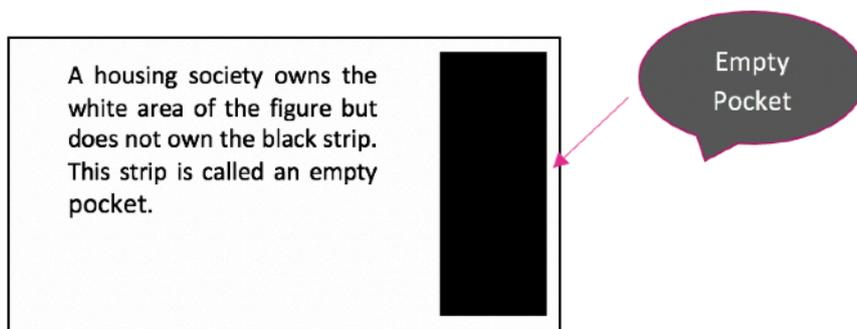
Source: [CDA](#)

A bulk of housing societies are either not legal, or do not possess the required permissions from the Authority (LOP, NOC). Why do sponsors fail to comply with the prerequisites of registering their societies? We outline the main factors below:

- The burden of regulation. The lengthy and cumbersome procedures of CDA push sponsors away from seeking permission. In a report of the Standing Committee on Law and Justice (2016), it was observed that “illegal housing societies mushroomed due to cumbersome and year-long CDA procedures for issuance of LOP/NOC and then cancelation of the same on minor violations while missing bigger ones” (Standing Committee on Law and Justice, 2016: 7).
- Deviations from the approved layout plan, land use pattern (Table 1), and detailed Engineering designs as specified by CDA also result in the cancelation of LOP. Modalities and Procedures (2020) layout an incredibly detailed process to be followed after approval of LOP. Any violation of LOP results in its cancelation. A common practice is that sponsors use areas reserved for public spaces for commercial activities or to carve out more plots.
- The LOP requires each society to build a sewerage system and waste treatment plant. Housing societies dispose of sewage waste in the Nullahs, hence pollute the environment. This is also one leading reason for the cancelation of LOP/NOC.
- Societies indulge in over-selling of plots. For example, a society that has 3500 plots, sells twice or thrice the number. When the sponsor approaches CDA for NOC, CDA can access the records of these societies, or gather information from the market, to ascertain how many plots were sold. CDA does not give NOC in such a case.

- Sponsors do not have full possession of the land for which LOP is submitted. At times, sponsors submit a LOP for a much larger piece of land (say, 3000 kanals) than what they have in hand (e.g., 1000 kanals). The sponsor will fail to have their project approved once the Revenue Department investigates the land record and find that the sponsor does not own 3000 kanals of land.

Figure 7: Empty Pockets in Housing Societies



- Land-related litigation. One of the most important reasons for the failure of a housing project to get clearance is that the project may have “empty pockets”. Empty pockets can best be explained with the help of the diagram below.
- The owner of the empty pocket can get a stay order against the society, knowing that his piece of land is more valuable now. A lengthy court case generally ensues, thus delaying the development work. The norm is to negotiate and reach an out-of-court settlement with the sponsor. These negotiations can take considerable time and delay the process of obtaining the NOC.
- Land encroachment. Land grabbing and encroachment are some of the main reasons for not getting NOC. The OPF Housing Society could not be handed over the plots to the owners for almost two decades since it was involved in litigation due to illegal possession of its land (The Nation, 2019).
- Some sponsors use approved LOP as validation of their housing schemes and force people to sell their land, culminating in yearlong litigation.
- Sponsor is not registered with SECP (Property Naama, 2020).

## 6.2 Where is CDA in this Saga of Illegality?

During the briefing of the National Assembly Standing Committee on Cabinet Secretariat by the CDA, MNA Mehreen Razzaq had quizzed CDA about its lack of knowledge of the massive development of illegal housing societies in Islamabad. Rana Mohammad Hayat Khan, Chairman of the Committee, opined that illicit activities of such magnitude were not possible without the cognizance of CDA. An (anonymous) official of the CDA informed the Dawn correspondent that

these illegal societies mushroomed in the past twenty years, and Federal Minister used to attend their inauguration ceremonies. He further stated that the involvement of CDA could not be overruled. CDA played the role of a facilitator instead of preventing the establishment of illegal societies. (Dawn, 2015).

Table 5: Zone wise Distribution of illegal societies

Zone	Number of Illegal Societies
Zone 1	20
Zone 2	7
Zone 3	7
Zone 4	77
Zone 5	29

The proceedings before this court and the admitted facts have made it obvious that either the writ of the statutory regulatory authorities and public functionaries has eroded, or they have become willingly complacent in bending and ignoring the laws so as to facilitate the enrichment of the privileged and powerful at the cost of transgression of fundamental rights of the weaker citizens’.

Honorable Athar Minallah, Chief Justice Islamabad High Court.

CDA is known for its extensive permission regime and extreme delays in the approvals, which extend to several years in some cases.

The CDA has also been lax to use its administrative power to curb the spread of illegal housing societies. CDA has many tools in its bag to enforce its Modalities and Procedures 2020. It has an enforcement wing that is responsible for ensuring the implementation of the LOP.

- CDA can inspect the scheme anytime during the entire period of its execution (17) <sup>16</sup>.
- The sponsor is obliged to submit a monthly progress report about the implementation of the scheme to the Director (Planning) till the completion of the scheme (18.2).
- CDA’s officers are required to record their observations on the quality and progress of work and ensure that their instructions are complied with by the sponsor<sup>17</sup>(20.1).
- CDA may get the work done at the cost of the sponsors by disposing of plots mortgaged with the CDA in case the sponsors fail to abide by the instructions (20.2).

<sup>16</sup> The number in the bracket refer to the paragraph number in the official document, i.e., Revised Modalities and Procedures (2020)

<sup>17</sup> A copy of each note is kept by the sponsors (duly signed by the sponsors or their Engineer) and by CDA recordkeeping (5.17)

- The sponsors are required to complete at least 25 percent of development works within three years from the date of issuance of the NOC. Failing which, NOC is deemed to be withdrawn (10.3).
- The maximum completion time for a scheme is 6 years (11.1).
- The CDA may assume control of the scheme in case it is satisfied that the sponsors are incapable of completing the scheme after the expiry of the extended period of completion (16).

Yet we see widespread mismanagement of housing societies by the sponsors. Bahria Town Phase VII, Engineer's cooperative, and Khayaban-e-Kashmir, all got their LOP approved in 2005, but have not received NOCs yet due to non-completion of pre-requisites.

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### **6.3.1 Special Audit of Housing Directorate of CDA by PAC**

A special audit of Housing Societies Directorate of CDA, for the period 2011-16, was conducted by the Auditor General of Pakistan (AGP)<sup>18</sup> on the request of the public accounts committee and tasked to assess whether:

- Private housing schemes were given permissions per the ICT (Zoning) Regulation, 1992, and the Modalities and Procedures for development of private housing schemes (Modalities and Procedures, 1992 henceforth) in Zone 2, 4, and 5.
- Monitoring and reporting mechanisms were in place to detect violations by the sponsors of housing schemes.

In particular, whether:

1. Layout Plans (LOPs) submitted by the sponsors were as per the Modalities & Procedures, 1992.
2. Procedures for site inspection and reporting followed the aforesaid regulations, and
3. Delegation of Financial Powers, System of Internal and Financial Controls, Agreements, General Financial Rules, Building Control Regulations, CDA Ordinance 1960, CDA Byelaws 2005 were followed.

The audit uncovered serious irregularities and non-compliance in issuing of NOCs, LOPs, performance failures, and weakness of internal control mechanisms, costing the exchequer huge losses (AGP, 2017).

#### **The audit identified:**

4. Systemic issues that were responsible for anomalies in the private housing societies.
5. Lack of human resources that could monitor such activities – performance issues.
6. Weak internal audit system, which could not identify financial irregularities within the department, and lack of checks and balances to fix responsibility.

#### **On the first point, the following lapses were noted:**

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<sup>18</sup> This section draws from the [Auditor General Report \(2017\)](#)

- i. Issuance of NOC before approval of required Engineering Designs/NOC from Ministry of Defence.
- ii. Issuance of layout plan for territories that were not part of Islamabad Master Plan
- iii. Issuance of layout plan without evidence of total ownership of land and non-cancellation of NOC afterward.
- iv. Unauthorized use of land beyond housing scheme boundaries as laid out in LOP.
- v. Approval of layout plan of Housing Scheme without scrutinizing the land documents first.
- vi. Construction of sewerage treatment plant without obtaining Bank guarantee.

#### **On the performance front:**

- vii. Environmental loss due to no action against housing societies.
- viii. Monetary loss due to non-selling of 30% of the mortgaged area of NOC granted societies.
- ix. Issuance of NOC based on fake and fictitious documents and non-cancellation of NOC even after NAB notice.
- x. Lack of action against non-completion of the project within the stipulated period, non-obtaining of Bank guarantees, and extending undue benefit to the sponsor.
- xi. No action against societies claiming their location to be within ICT Zone.

#### **Internal Control Weaknesses**

- xii. Loss to the public due to 109 illegal housing schemes.
- xiii. Loss to the public in billions of rupees due to non-selling of the mortgaged area and non-charging extension period fee and penalties for changes in the layout plans of approved housing schemes.
- xiv. Loss to the public against approved but incomplete housing schemes.
- xv. Non-recovery of Right of Way (ROW) charges from Housing Societies and non-imposition of ROW charges on illegal societies.
- xvi. Non-recovery of land conversion fee, the penalty for change in the layout plan, and the start of construction without the approval of building plan
- xvii. Non-recovery of monitoring expenses from the sponsor and undue benefits given to the sponsor due to non-development of work within the stipulated period.
- xviii. Non-recovery of additional surcharge and non-recovery of departmental charges.

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### **7.3.2 Irregularity and Non-Compliance on Part of Directorate Housing Authority**

- M/s Multi Professional Cooperative Housing Society (MPCHS) was issued a NOC for the development of the housing society on January 30, 2008, even though Engineering Designs, a pre-requisite for NOC, had not been approved. The audit reports that no record of approval was found, though designs were scrutinized (letter No. 4014, dated October 1<sup>st</sup>, 2007). This is a grave violation of the Modalities and Procedures (1992)<sup>19</sup>. The said designs were approved ex-post in

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<sup>19</sup> The Modalities and Procedures were later updated in 2020.

January 2009. The society did not obtain a NOC from the Ministry of Defence either. The society was incomplete till 2016 and the prescribed extension fee was not paid as well. CDA gave undue favor to the sponsor by providing NOC without the approval of Engineering Designs and NOC from the Ministry of Defence.

- In September 1996, CDA issued a LOP to Director Real Estate, Army Welfare Trust for development in Sector D-18<sup>20</sup>. The area falls outside the Capital territory as CDA's limit ends on the 17th series of sectors. This LOP was issued without due authority and must have helped the sale of plots over 4710 kanals of land. The audit report held that "unauthorized issuance of LOP occurred due to negligence of CDA bylaws."
- CDA approved LOP for Jammu and Kashmir Cooperative Housing Society for development of Khayaban-e-Kashmir phase II Housing Society in March 2011<sup>21</sup>, given that Non-Encumbrance Certificate (NEC), attested by Tehsildar ICT, for land ownership would be furnished within 30 days. However, NEC for 332 kanals out of 992 kanals was not provided by the society. CDA neither canceled the LOP nor demolished the illegal construction. Audit declared it a case of violation of bylaws by CDA and undue favor to the sponsors who did not have full ownership of the land.

NOC for Khayaban-e-Kashmir. Phase-I was issued to the Housing Society in May 2004. Society was to be completed by May 2011. A completion certificate was not issued till 2016 due to violation in LOP- five years after the completion time. CDA had written to FIA for registration of FIR in November 2013 but did not cancel the NOC.

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### 7.3.3 Performance Issues

- The Intelligence Bureau Employees Cooperative Housing Society used 63% of the total society's land for residential purposes by converting land meant for roads, open spaces, and public buildings, as against a maximum limit of 55 %. The audit asserted that this irregularity occurred due to the absence of oversight and enforcement mechanisms by CDA.
- Federation of Employees Cooperative Housing Society was issued a NOC in January 2007 for the development of over 376 kanals of land. Society did not deposit the development cost, and the LOP was not canceled until 2010. Society must have sold plots during the three years. Until 2017, no progress was made for obtaining NOC, neither any development work was seen.
- LOPs and NOCs were issued to three housing societies (Services Cooperative Society, Park View City Housing Society, Intelligence Bureau Cooperative Housing Society) without having them mortgage 30% of plots with CDA. Revised LOPs were also approved without meeting this condition. Park View City Housing Society even secured its NOC without mortgaging the land. Audit termed it as a case of negligence on part of CDA.

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<sup>20</sup> vide letter No.CDA/PLA-PLW-RP-(90)/AWT/94 dated 10th September 1996

<sup>21</sup> vide letter No.CDA/PLWHS(90)/JKCHS/Phase-II/2010/252.

- NOC was given to two societies and LOPs to three societies in sector E-11 sector even though they did not comply with building sewerage treatment plants (STP)<sup>22</sup>. The CDA ought to have canceled the NOCs and sold the mortgaged plots to build the STPs, but nothing was done on both counts. Three societies that were given LOPs did not mortgage 30% of the land with CDA. Once all the plots were sold, CDA canceled the LOPs. Audit attributed the loss accrued to the public to lack of oversight mechanism and negligence of CDA management.
- In November 2004, CDA Regional Planning Directorate gave preliminary scrutiny clearance to a private housing scheme namely “Tele Town” in Zone-V, Islamabad” without proof of land ownership. The certificate was used by the land mafia to force villagers into selling their property. The society sold hundreds of plots without seeking LOP and NOC from CDA. The ministry of Parliamentary affairs and Cabinet Secretariat ordered numerous inquiries into the matter. NAB also contacted CDA in 2009 regarding the status of the clearance certificate, but any account of the inquiry report was not found in CDA records. By 2016, at least 3000 fake plots had been sold by the society without any intervention from CDA. The audit report concluded that people were rendered without a home due to negligence and mismanagement by CDA.
- CDA gave approval to Roshan Pakistan Private Housing Scheme in July 2004 for land measuring 1,619 kanals. NOC was issued to the corporation in March 2006 to complete the development work in five years, that is by March 2011<sup>23</sup>. The sponsor was responsible for the compact/consolidated/contiguous ownership and possession of 1619 kanals of land as per LOP. Any deviation from LOP was bound to result in the cancelation of NOC. The sponsors did not initiate the development work and the case was referred to NAB in March 2007. NAB’s investigation revealed that the sponsors owned just 764 kanals of land. 480 kanals were fictitious and CDA made no effort to verify the land record from the Revenue Officer nor the NOC was canceled by it. An analysis of revenue record, 8 years into the investigation, revealed that the sponsors owned 861 kanals of scattered land, which does not add up to compact/consolidated/contiguous ownership and possession of the land. Sponsors could not acquire enough land to accommodate all members of the society. Despite concerns of the above-mentioned ministries and NAB investigations, and instead of taking control of the society as per Modalities and Procedures 1992(clause 21), NOC to the society was renewed till March 2013. CDA could not sell the land mortgaged with it since it was bogus land. The NOC was finally canceled in May 2017 by CDA. The audit concurred that “CDA was fully involved in the manipulative issuance of layout plan/NOC based on fake and fictitious documented land” (AGP 2017: 17).

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### **7.3.4 Internal Control Weakness**

- 109 illegal housing societies were identified by CDA, and public notices were published in newspapers, yet no action was taken against these societies.
- Only 19 NOCs and 24 LOPs were given by CDA in the past 25 years in zones 2, 4, and 5. The total area of these three Zones was 1,352,360 kanals. NOCs were obtained by the housing schemes from CDA for only 91,611 kanals (6.8% of the total area) and the remaining 1.26 million kanals (93.2%) were illegal (AGP 2017: 21).

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<sup>22</sup> These societies are Multi-Professional Housing Society, National Police Foundation, Medical Housing Society, Services Cooperative Housing Society, and Federal Government Employers Cooperative Housing Society

<sup>23</sup> Vide office letter No.CDA/PLW-UP (90) RP Corp/2006/720 dated 11th March 2006.

- This 1.26 million kanals of illegal land were being sold by land grabbers under the name of different illegal societies.
- 99% of these illegal societies were not completed.
- People were looted of their hard-earned money to the tune of PKR. 5200 billion.

'If the Authority is not capable to regulate private housing schemes and to generate revenue but of becoming a safe haven for land encroachers and land mafia then either Authority's staff and offices in use be brought to the minimum level or the Authority may change its Master Plan and accept the actual bitter ground realities as CDA has no hold and powers to implement its rules in areas of Zone-2, 3, 4 and 5. CDA may also define the new territory of Islamabad where it can act as an Authority through proper implementation of its rules and regulations' (AGP 2017: 23).

- At the time of audit in 2017, CDA had a strength of 26000 employees. Yet, the two directorates responsible for Private Housing Societies were woefully understaffed. It had two Deputy Directors against 6 sanctioned posts and one town planner against 12 sanctioned posts. "There was no inspector to see the area and illegal construction therein and to report the management promptly on a daily, weekly, or monthly basis. Further, the Directorate is not adequately manned/equipped and has no powers at all for demolishing/stopping the illegal activities" (AGP 2017: 22).
- Member Planning Wing, CDA (Zone-2, 4, and 5) issued only 19 NOCs for the development of private housing schemes between 1993 to 2013. This comes down to one NOC per year for the mentioned period.
- Not a single completion certificate was issued for a housing scheme in the last 25 years. Changes in LOP and lack of progress on site were the main reasons behind it. CDA not only failed to punish the sponsors for changes in approved LOPs, but it could also not take charge of schemes even when sponsors were inept for completing the scheme, despite being given extensions, through the sale of mortgaged land with CDA.
- CDA charges a fee for inspection of development work. However, no record of inspection notes was recovered from CDA. This "clearly indicates that the Authority intentionally closed its eyes and supported developers for deceiving the general public" (AGP 2017: 25).
- CDA had approved 24 LOP for housing societies and revised LOPs were also issued but societies neither mortgaged 30% of plots with CDA nor approached it for issuance of NOC. As per Modalities and Procedure 1992, LOP stands canceled if 30% of plots are not mortgaged with CDA within 45 days. The land-use plan (Table 1) was not followed either. Sponsors increased the residential and commercial areas beyond the prescribed limits of 55% and 5% respectively to 65% and 15% and reduced areas meant for amenities.

## 7.4 UNENDING DELAYS AND CITIZEN'S PLIGHT

In all this mayhem, it is the ordinary buyer of a plot and the future homeowner that bears the brunt of all that is played in the name of a housing society. Below we examine some cases of legal societies. It is interesting to note that most government departments, both civilian and military, are in the business of building housing societies. See Table 6 below for a complete list of authorized housing societies.

- The Al-Hamra Avenue: The society received its NOC on March 15, 2008, approximately 1 year, 8 months after the approval of LOP on July 5, 2006. The scheme is sponsored by Shaheen Foundation. The masterplan for the scheme was developed by Habib Rafiq Company. The scheme is being advertised as a developed one. However, as per CDA record, the society applied for a change of name to "Eden Life". The request is pending with the CDA for non-clearance of dues for 13 years.
- Gulberg Greens: Initial NOC for 3863 kanals was issued on May 28, 2012. A revised LOP for land measuring five times the initial land (18661 Kanals) was approved on 13-07-2018. Consequently, a new NOC was issued on June 26, 2020 - 8 years after the issuance of NOC. Being one of the largest housing societies, its sheer expanse distorts the real estate market by creating uncertainty regarding the time of completion of society. The project is sponsored by the Intelligence Bureau Employees Cooperative Housing Society.
- Cabinet Employees Cooperative Society: Though NOC was approved in 2004, members have not yet been allotted their plots. Development work is slow As of Dec. 29. 2017, 80% development was complete. Habib Rafiq, a well-reputed firm, is developing the society. The society has been 17 years in the making. A revised layout plan was submitted to CDA. The new NOC has not been issued yet.
- Ministry of Interior Employees Cooperative Housing Society (MIECHS): MIECHS was registered in 1984 with the Circle Registrar Cooperative ICT Islamabad. The LOP was approved in 2005 and NOC was issued in 2010. A court order dated 11-11-2017 declared that the NOC is still valid<sup>24</sup>. Sector G-16/3 and G-16/4 are being developed but according to market sources, the society does not have possession of land in G-16/1 and G-16/2. MIECHS is another case where NOC approval took 5 years, and the society has not developed fully in 11 years. Verily, it does not even have possession of land in its two main sectors.
- Naval Anchorage: It is a project of the Pakistan Navy Officers Housing Scheme initiated in 1989. The LOP was obtained in 2005. A revised LOP was submitted and a NOC was obtained in 2020. It was not able to get a NOC due to non-fulfillment of pre-requisites. The society took about 15 years to take off.
- OPF Housing Scheme: The LOP was approved in 2002. The NOC was granted in 2011, after 9 and half years. The society was mired in litigation due to illegal possession of its land in phase 5, and for almost two decades, plots could not be handed over to the owners (The Nation, 2019). Ministry of Overseas Pakistanis and HRD and the ICT administration conducted a joint operation to retrieve 102 kanals from illegal occupants, who had occupied the land since 1999<sup>25</sup>.

## 8. SUMMING UP

CDA was founded for the orderly development of Islamabad. It was bequeathed with overriding powers to manage and develop the city as per the masterplan. However, it has become a monolithic administrator that has failed to solve housing problems for the two million residents of the city. It partnered with the private sector to provide decent housing through the development

<sup>24</sup> CDA website: <https://www.cda.gov.pk/housing/society.asp?varId=8>. The nature of the case is not mentioned.

<sup>25</sup> See Annexure 2 for a tweet from Mr. Zulfi Bukhari about the long time (26 years) it took to deliver plots to the rightful owners.

of private housing societies. But regulatory burden, bureaucratic delays, and malpractices have shunned the initiative. It is notorious for the delay in granting the NOCs. In about 30 years, only 22 NOCs were issued by the authority (Table 3). The average time taken to approve NOC is two and half years, with the maximum being 9 and half years. 90% of 204 housing societies do not have a NOC. 140 of these societies are illegal, who have not approached CDA for approvals. CDA does not have control over construction on 90 percent of the land (1.26 million kanals) in Zone 2, 4, and 5. NOCs were obtained by the housing schemes from CDA for 91,611 kanals (6.8% of the total area) in these zones. 99% of unapproved societies have not completed the development work. Most government departments, both civilian and military, are in the business of real estate.

CDA suffers from systemic issues such as approval of LOPs and NOCs without fulfilling the prerequisites, approval of LOP for societies not falling within the ICT, or without scrutinization of land documents, and for a land far more than what was owned by the sponsors.

CDA has serious performance issues. Issuance of NOC based on fake and fictitious documents and non-cancelation of NOC even after NAB notice, lack of action against non-completion of the project within the stipulated period, not selling the 30% of the mortgaged area when societies do not complete development work, non-obtaining of Bank guarantees and extending undue benefit to the sponsor, not taking action against societies claiming their location to be within ICT Zone, environmental loss due to no action against housing societies.

Internal control weaknesses have caused losses to the public due to incomplete or fictitious housing schemes, not charging extension period fees and penalties for changes in the layout plans of approved housing schemes, non-recovery of land conversion fee, the penalty for change in the layout plan, and the start of construction without the approval of building plan, non-recovery of monitoring expenses from the sponsor and undue benefits to sponsor due to non-development of work within the stipulated period, and non-recovery of additional surcharge and departmental charges (AGP 2017).

CDA is woefully understaffed in the two directorates responsible for Private Housing Societies. It had two Deputy Directors against 6 sanctioned posts and one town planner against 12 sanctioned posts. There was no inspector to inspect the area for illegal construction and to report to the management on a daily, weekly, or monthly basis. The Directorate is neither adequately equipped nor has powers for demolishing the illegal activities (AGP 2017).

Not a single completion certificate was issued for a housing scheme in the last 25 years. Changes in LOP and lack of progress on site were the main reasons behind it. CDA not only failed to punish the sponsors for changes in approved LOPs, but it could also not take charge of schemes even when sponsors were inept for completing the scheme, despite being given extensions, through the sale of mortgaged land with CDA.

CDA charges a fee for inspection of development work. However, no record of inspection notes was recovered from CDA. This "clearly indicates that the Authority intentionally closed its eyes and supported developers for deceiving the general public" (AGP 2017: 25). CDA had approved 24 LOP for housing societies, and revised LOPs were also issued, but societies neither mortgaged 30% of plots with CDA nor approached it for issuance of NOC. As per Modalities and Procedure 1992, LOP stands canceled if 30% of plots are not mortgaged with CDA within 45 days. The land-use plan (Table 1) was not followed either and sponsors increased residential and commercial area

beyond prescribed 55% and 5% respectively to 65% and 15% and reduced area meant for amenities.

The AGP (2017) aptly summed up that “If the Authority is not capable to regulate private housing schemes and to generate revenue but to becoming a safe haven for land encroachers and land mafia then either Authority’s staff and offices in use be brought to the minimum level or the Authority may change its Master Plan and accept the actual bitter ground realities as CDA has no hold and powers to implement its rules in areas of Zone-2, 3, 4 and 5. CDA may also define the new territory of Islamabad where it can act as an Authority through proper implementation of its rules and regulations” (AGP 2017: 23).

## **8.1 POLICY RECOMMENDATION**

1. Reduce regulatory burden for private housing societies. The Housing Directorate has issued 22 NOCs in 30 years, with an average time of two and half years. 90% of housing societies have not contacted CDA for approvals. Reducing the time and cost of obtaining NOC will encourage sponsors to seek permission.
2. Land issues are at the heart of non-conforming with the pre-requisites for LOP and NOC. Digitization of land records will smooth out land-related complications.
3. Conduct performance audits of the Directorate Housing CDA. The Directorate takes years to furnish a NOC to the housing societies. The year-long process pushes the sponsors not to seek permission.
4. Strengthen the human resource capacity of the Directorate of Housing, CDA. The Directorate has a shortage of qualified persons. Human resource development will reduce delays in processing approvals.
5. Enhance monitoring capacity of CDA. Illegal construction takes place partly since CDA does not have the monitoring staff to spot irregularities.
6. Establish a system to fix responsibility where deviations take place. As noted by the Senate Standing Committee on Law and Justice and by the Honorable Chief Justice of Islamabad High Court that the regulatory authorities have either become complacent or facilitators of the powerful. The Authority conveniently looks away when influential land developers encroach on the land.
7. Like any other walk of life, Information technology has changed the approach to monitor spatial development in any city may it be decisions to give new lands for houses, building new roads, depletion of natural forests, or disturbance of productive land etc. Geographic Information Systems (GIS) has considerably simplified planning with the help of remote sensing land cover and thus land use. The possibility continuous acquisition of satellite coverage has made possible to have a clear view of patterns of land use that are otherwise impossible to see. GIS allows cities to analyze trends and visualizing the impact of historic changes thus assisting in future plans. CDA should utilize this tool as it is cost effective and brings results very quickly.
8. Sensitize the public about investigating the status of the scheme and investing only in legal societies.
9. CDA has made some effort to demolish encroachments and regain public land. However, given the enormity of the task – 1.26 million kanals of land in Zone 2, 4, and 5 under illegal

occupation – these efforts appear as mere eyewash. Courts have hinted toward regularization of the illegal societies as one possible solution. This regularization was in the TORs of the Committee for the Review of Masterplan of Islamabad (2020-2040).

10. Some of the societies whose LOPs, and NOCs were canceled are openly advertising their societies (see Annexure 3). Concerted efforts involving CDA, ICT, and advertising agencies are needed to stop the public campaigns of such societies.

Table 6: Authorized Housing Societies in Islamabad

Name	NOC details	Lay Out Plan
Societies with Approved NOC		
<a href="#">Al-Hamra Avenue</a>	Issued on <b>15-03-2008</b>	Layout Plan approved on <b>05-07-2006</b> . The sponsors have requested to change the name of scheme from <b>Al-Hamra Avenue</b> to <b>Eden Life</b> . Request is pending due to non-settlement of claims.
<a href="#">Anza Zephyr Dale Agro Farms</a>	<b>01-10-2004</b> (Completion Period 4 years)	
<a href="#">Bahria Enclave-II, Agro Farming Scheme</a>	Issued on <b>16-07-2014</b> . NOC for Extended Plan approved on <b>06-10-2019</b>	Approved on <b>03-11-2011</b>
<a href="#">Bahria Enclave-II, Phase-II, Housing Scheme</a>	Issued on <b>01-10-2014</b> (Completion Period 5 years)	Approved on <b>01-10-2011</b>
<a href="#">Bahria Town (Phase-VII-E)</a>	Issued on 20-03-2015	Approved on 14-05-2012
<a href="#">Cabinet Division Employees Co-operative Housing Society</a>	Issued on <b>13-10-2004</b> .	Layout Plan approved on <b>28-06-2004</b> . Revised Layout Plan submitted.
<a href="#">Engineers Housing Scheme</a>	Issued on 08-11-2010.	Approved on <b>01-03-2008</b>
<a href="#">Gulberg Greens Farm Housing Scheme</a>	Issued on <b>28-05-2012</b> . Revised NOC issued on 26-06-2020	3862.85 Kanals approved on <b>26-08-2011</b> . Extended land measuring 18660.84 approved on <b>13-07-2018</b>
<a href="#">Gulberg Town</a>	Issued on <b>22-07-2011</b>	Revised layout plan approved on <b>18-06-2010</b>

<a href="#">Islamabad Gardens</a>	Issued on <b>23-08-2005</b>	Layout Plan approved on <b>10-06-2005</b> . Completion Plan withdrawn.
<a href="#">Khayaban-e-Kashmir, Phase-I</a>	Issued on <b>13-05-2004</b> .	Layout Plan approved on <b>25-04-2002</b> . Action is being taken in the scheme area for <b>removal of unauthorized buildings</b> . Approved on <b>23-05-2005</b> .
<a href="#">Ministry of Interior Employees Co-operative Housing Society</a>	<b>No Objection Certificate (NOC) issued on 07-10-2010</b> is intact as per Court Order dated 11-11-2017 extended on 16-02-2018. (As intimated by Planning Wing CDA vide their letter No. CDA/PLW-HS(90) <b>Revised LOP/2018/653 dated October 30, 2019</b> )	Approved on <b>23-05-2005</b> .
<a href="#">Multi Gardens, Phase-I</a>	Issued on <b>30-01-2008</b>	Approved on <b>27-09-2006</b>
<a href="#">Naval Anchorage</a>	Issued on <b>28-05-2020</b>	Initially approved on <b>21-07-2005</b> , Revised LOP approved on <b>27-02-2020</b> .
<a href="#">OPF Housing Scheme</a>	8/10/2011	Approved on 17-04-2002
<a href="#">Rahman Enclave Housing Scheme</a>	Issued on <b>31-12-2019</b> .	Approved on <b>23-07-2018</b>
<a href="#">Zaraj Housing</a>	NOC issued on <b>10-11-2005</b>	Initially approved on <b>05-07-2005</b> . Revised/Extended/Amended/As-Built Layout Plan of Zaraj housing scheme sponsored by M/s Zaraj Group (Pvt) Ltd. Is approved by competent Authority on <b>13-07-2020</b>
<a href="#">CBR Town</a>	Issued on <b>28-05-2009</b>	Layout Plan approved on 24-02-2007. Revised plan submitted by CBREHS. The land ownership and possession between CBREHS and AGOCHS needs to be resolved for further processing.
<a href="#">Gulshan-e-Sehat</a>	<b>NOC for Planning issued on 09-12-2010</b> . Sponsors of the scheme shall obtain formal NOC from concerned Local Development Agency.	Approved on <b>16-04-2004</b>

<a href="#">Multi Gardens, Phase-II</a>	NOC for Planning issued on <b>16-09-2010</b> . Sponsors of the scheme shall obtain <b>Formal NOC from concerned Local Development Agency.</b>	Approved on 07-03-2008
<a href="#">Pakistan Navy Farms, Simly Dam Road, Islamabad</a>	13-03-1993	
Societies with Approved LOP		
<a href="#">AGOCHS, Phase-II</a>	NOC is yet to be obtained by the sponsors of the scheme	Revised/as built Layout Plan of AGOCHS-II housing scheme sponsored by Accounts Group Officers Cooperative Housing Society is <b>approved</b> by competent Authority on <b>07-12-2020</b> .
<a href="#">Al-Makkah City</a>	NOC is yet to be obtained by the sponsors of the scheme	Proposed Layout Plan of Al-Makkah City housing scheme sponsored by M/s Brothers Construction YK (Pvt) Ltd. Is provisionally approved on <b>15-12-2020</b> for the preparation of detailed engineering designs, transfer deed, mortgage deed, and subsequent NOC. This plan is strictly not to be used for marketing purposes.
<a href="#">Army Welfare Trust</a>	Not issued.	Approved on <b>10-09-1996</b>
<a href="#">Bahria Enclave Phase-I Housing Scheme</a>	Not Issued.	Approved on 16-07-2011, Layout plan has been cancelled on 02-07-2013 due to carrying out of development works without obtaining NOC from CDA. Revised Layout Plan approved on 29-12-2020
<a href="#">Bahria Town (Phase-III-E &amp; IV)</a>	The Sponsors have failed to obtain NOC, due to non-completion of pre-requisites	Approved on <b>08-12-2010</b>
<a href="#">Bahria Town, Phase VII</a>	The Sponsors have failed to obtain NOC, due to non-completion of pre-requisites	Approved on 22-09-2005
<a href="#">Engineers Co-opertative</a>	Not issued.	Approved on <b>28-05-2005</b>

<a href="#">Federal Government Employees Housing Foundation (FGEHF)</a>	Not Issued	Approved on 05-05-2013 Revised LOP is under submission
<a href="#">FIA Park Enclave Housing Scheme</a>	Not Issued	Approved on <b>25-11-2016</b>
<a href="#">Grace Valley</a>	Not Issued	Initially approved on <b>11-07-2012</b> . Revised/ Extended Layout Plan (approved on <b>July 22nd, 2020</b> )
<a href="#">Islamabad Model Town</a>	Not Issued	Approved on <b>30-10-2019</b>
<a href="#">Jinnah Garden, Phase-II</a>	The Sponsors have failed to obtain NOC, due to non-completion of pre-requisites	Approved on <b>12-01-2008</b> , <b>Cancelled on 27-02-2014 due to failure to comply with the conditions</b> associated with the approval of Layout Plan
<a href="#">Jinnah Town</a>	The Sponsors have failed to obtain NOC, due to non-completion of pre-requisites	Approved on 26-05-2010
<a href="#">Khayaban-e-Kashmir, Phase (Extension)</a>	Not issued.	Approved on <b>24-11-2005</b> .
<a href="#">Margalla View Housing Scheme</a>	Initially issued on 14-06-2002. Revised NOC is yet to be obtained by the sponsors of the scheme.	Revised Layout Plan of the Scheme has been approved by the competent Authority on 31-12-2020, subject to fulfilment of terms & conditions mentioned in the Layout Plan approval letter No. CDA/PLW-HS(90)/2010-A/Vol-IV/04, dated January 01, 2021
<a href="#">Paradise City</a>	Not issued.	Approved on <b>22-12-2006</b> , <b>Cancelled on 07-02-2008</b> . Revised LOP over area of 1900 Kanals approved on 06-01-2021.
<a href="#">River Garden</a>	Not Issued	Initially approved on <b>04-05-2001</b> , Revised/ Extended/As Built LOP of River Gardens sponsored by Renaissance Developers (Pvt) Ltd is approved on <b>02-04-2020</b> over an area measuring 1079.17 Kanals
<a href="#">Services Co-operative Housing Society</a>	Not issued. The Society has not completed the requisite formalities for obtaining NOC.	Approved on <b>10-04-2010</b> .

<a href="#">Supreme Court Employees Housing Scheme</a>		Revised LOP approved on 21-06-2021
<a href="#">WWF Labor Colony</a>	The Sponsors have failed to obtain NOC, due to non-completion of pre-requisites	Approved ON <b>11-04-2012</b>
<a href="#">Bahria Garden City</a>	The Sponsors have failed to obtain NOC, due to non-completion of pre-requisites	Layout Plan approved on <b>17-10-2011. Litigation regarding Golf Course. Approval of Revised Plan is pending.</b>
<a href="#">Senate Avenue</a>	NOC is pending due to litigation/court case.	Approved on <b>21-02-2009.</b>
<a href="#">Capital Enclave</a>	NOC is yet to be obtained by the sponsor of the scheme	Detailed Layout Plan of Capital Enclave housing scheme has been approved provisionally for the preparation of detailed engineering designs, transfer deed, mortgage deed, and subsequent NOC by competent Authority on <b>30-09-2020</b>
<a href="#">Kashmir Gardens Farming Scheme</a>	Not Issued	Provisional LOP issued on <b>26-02-2013</b>
Societies with Cancelled NOC		
<a href="#">Al-Hamra Hills Agro Farming Scheme</a>	NOC issued on 30-7-2010, has been <b>cancelled on 03-05-2019</b>	Approved on <b>10-04-2006</b>
<a href="#">Bahria Town, Phase-II,III,V &amp; VI</a>	Issued on 05-07-2001. In litigation due to non-development of public buildings and Park Area	Layout Plan approved on 08-08-2000. Litigation due to non-development of Public Buildings and Park Area.
<a href="#">National Police Foundation</a>	Issued on <b>10-06-2005, Cancelled on 29-11-2008</b> due to failure to comply with the conditions associated with the approval of Layout Plan.	Approved on <b>31-08-2004</b>
<a href="#">Roshan Pakistan (RP) Corporation Housing Scheme</a>	<a href="#">NOC issued on 11-03-2006 has been cancelled by CDA on 01-05-2017 vide letter # CDA/PLW/HS(90)/RP Corp/93/Vol-II/338</a>	Approved on <b>06-07-2004</b> , Revised plan submitted for <b>1405 kanals</b> ,

<a href="#">Soan Gardens</a>	<a href="#">NOC issued on 09-08-2004 by CDA has been Cancelled on 11-05-2017 vide letter # CDA/PLW/HS(RP)2(481)89/Vol-V/354</a>	Approved on <b>15-06-1994</b> , CDA has sealed certain commercial buildings and issued notices for demolition due to violations of approved layout plan
<a href="#">Tele Gardens Housing Scheme</a>	Issued on <b>30-01-2008</b>	Approved on <b>18-02-2005</b>
<a href="#">New Islamabad Garden</a>	Issued on <b>21-09-2005</b> , <b>Cancelled on 13-06-2007</b> due to failure to comply with the conditions associated with the approval of Layout Plan.	Approved on <b>25-05-2005</b>
Societies with Cancelled Layout Plan		
<a href="#">AGOCHS, Phase-I</a>	Sponsors have failed to obtain NOC, due to non-completion of pre-requisites	Layout Plan approved on <b>22-02-2007</b> , <b>Cancelled on 09-11-2017</b> under the provisions of Clause 5(ii) Chapter IV of ICT Zoning Regulation 1992. <b>Revised Plan of 1248 kanals</b> has been submitted by sponsors. Flood study report and design of STP (Sewerage Treatment Plant) is yet to be submitted by the sponsors. <b>Legal action is being taken against the violations in the scheme area. The land ownership and possession between CBRECHS and AGOCHS needs to be resolved for further processing.</b>
<a href="#">Federation of Employees</a>	Not Issued.	Approved on <b>05-03-2008</b> , <b>Cancelled on 27-12-2010</b> due to failure to comply with the conditions associated with the approval of Layout Plan.
<a href="#">Gulshan-e-Rabia</a>	Not Issued.	Approved on 09-03-2009. <b>Cancelled on 31-03-2011</b>
<a href="#">Jinnah Garden, Phase-I</a>	The sponsors have failed to obtain NOC, due to non-completion of pre-requisites	Approved on <b>09-04-2011</b> . Cancelled/ Withdrawn on <b>14-09-2018</b>

<a href="#">Khayaban-e-Kashmir, Phase-II</a>	The Sponsors have failed to obtain NOC, due to non-completion of pre-requisites	Layout Plan approved on 12-01-2008, <b>withdrawal on 09-08-2018</b> . Layout Plan Zone-V scheme is intact.
<a href="#">Morgah City</a>		Approved on <b>25-02-2005</b> . Cancelled/ Withdrawn on <b>07-02-2012</b>
<a href="#">National Assembly Empolyees Cooperative Housing Society (NAECHS)</a>	The Sponsors have failed to obtain NOC, due to non-completion of pre-requisites	Approved on <b>11-02-2012</b> , <b>Cancelled on 16-01-2014</b> under the provisions of Clause 5(ii) Chapter IV of ICT Zoning Regulation 1992.
<a href="#">Pakistan Medical Cooperative Housing Scheme</a>	Not Issued.	Rectified Layout plan approved on <b>18-05-2012</b> has been Cancelled/ Withdrawn with immediate effect on <b>11-04-2016</b> .
<a href="#">Parliamentarians Enclave</a>	The Sponsors have failed to obtain NOC, due to non-completion of pre-requisites	Approved on <b>09-04-2005</b> . <b>Cancelled on 02-10-2013</b>
Societies Declared Illegal or facing NAB inquiry		
<a href="#">Park View City Housing Scheme</a>	Initial NOC issued on 02-05-2014. Now stands cancelled.	In pursuance of Honorable Islamabad High Court judgment dated <b>07/12/2020</b> , LOP approved on <b>14-02-2013</b> vide CDA letter No. CDA/PLW/Zone-4(94)/12/790, NOC for development issued vide CDA letter No. CDA/PLW/Zone-4(94)/12/vol-I/168 dated <b>02-05-2014</b> and Letter No. CDA/PLW//R.P-1(51-A)/89/641 dated <b>01/06/2018</b> respectively stand <b>WITHDRAWN having been declared illegal, void and issued without lawful Authority and jurisdiction.</b> <a href="https://www.cda.gov.pk/documents/publicnotices/552.pdf">https://www.cda.gov.pk/documents/publicnotices/552.pdf</a>

<a href="#">Jeddah Town</a>	Issued on <b>16-06-1994</b> .	Layout Plan approved on 22-02-1994. <b>NAB court has appointed DC Islamabad as a receiver to take over the possession of land of Jeddah Town Housing Scheme. CDA is also attending hearing in NAB Court Islamabad, previous date of hearing was 11-03-2019.</b>
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## ANNEXURES

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### Annexure 1

The list of Illegal/un-authorized housing societies downloaded from [Capital Development Authority \(cda.gov.pk\)](#)

#### ILLEGAL/ UN-AUTHORISED HOUSING SCHEMES IN ISLAMABAD

In the Interest of General Public and other stakeholders, it is informed that CDA Ordinance, 1960, ICT (Zoning) Regulations, 1992 and the Revised Modalities and Procedures framed thereunder for development of private housing schemes empowers CDA to regulate Planning and Development of Housing/Farm Housing Schemes. Two tier approvals of such schemes are

**Source:** Information is fetched from [CDA](#) website.

granted by CDA. In the first step Layout Plans (LOP) are approved then on completion of subsequent formalities, the No Objection

Certificates (NOC) for development of schemes is issued. the sponsors can start development work and sale of plots after obtaining NOC from CDA.

It has come into the notice of the authority that plots are being sold/marketed, in the name of following illegal housing schemes/agro Farming Schemes (as the sponsors of these Illegal schemes/land subdivisions have not obtained any approval/NOC from CDA) in Islamabad:

#### ZONE-I

1. Abdullah Town, H-17
2. Ammar Town, H-17
3. Chinnar Town, H-17
4. Gulshan-e-Taleem, H-15
5. Jhangio Sayedain Homes, H-15
6. Peral Orchard, H-17
7. Qamar Garden, H-15
8. Sher Zaman Garden, H-17
9. Shifa International Housing Society, H-17
10. Talha Farms, H-17
11. Tayyab Garden H-15
12. Zammar Valley, H-17
13. Ahmad Town, D-14
14. Awan Town, D-14
15. Capital Hills Residencia, D-14
16. Green Valley Phase-II, E-15
17. Green Valley, D-14
18. Margalla View Valley, D-14
19. Paradise Valley, D-14
20. Shehzad Town, E-15

#### **ZONE-2**

1. Green City ,Sector D-17, E-17
2. Gulshan-Rehman Sector C-17,D-17
3. Islamabad Co-operative Farming Scheme, Sector D-17
4. Jamal Akber Colony, Tarnol phatak
5. Pakistan Overseas Housing Scheme, Sector F-16
6. Pakistan Town Phase-II G-16, F-16
7. Taj Seventeen West, Luxury Apartments & Shops

#### **ZONE-3**

1. Al Rayan Society
2. Ali Town
3. Arcadia City
4. Aryan Enclave, Korang road, Banni Galla
5. Green Hills
6. Green Meadows (North Ridge) Housing Scheme
7. Major Makhdom Society

#### **ZONE-4**

1. Abdullah Gardens, Kurri Road
2. Abu Bakar Town, Islamabad Expressway
3. Adil Farms, Simly Dam Road
4. Adil Valley, Simly Dam Road
5. Al-Huda Town, Lehtrar Road
6. Al-Nahal Housing Scheme, Simly Dam Road
7. Al-Qamar Town near Margalla Town
8. Al-Rahman Villas, Kurri road, near Attock Petroleum
9. Al-Rehman City View, Lehtrar Road, near PINSTECH, Nailore
10. Al-Syed Avenue, Park Road
11. Ali Model Town

12. Ameer Khan Enclave, Mallah road, near Bahria Enclave-I
13. Arslan Town, Lehtrar Road, adjacent to Alhamra Hills
14. Babar Enclave, Mura Noor
15. Badar Farms, Simly Dam Road
16. Baylee Town, Kurri road, near Attock Petroleum
17. Burma Town, Lehtrar Road
18. Canterbury Enclave near Park Road
19. Capital Gardens, Lehtrar Road
20. City Town, Lehtrar Road
21. City Views near Nilore Islamabad
22. Commoners Sky Gardens (Flyover Valley)
23. Danyal Town, Hurno Thanda Pani, Lehtrar Road
24. Doctor's Enclave, Simly Dam Road
25. Dream Land City, Lehtrar Road Thanda Pani
26. Faisal Town, Islamabad Expressway
27. Gakkhar Town, Lehtrar Road
28. Ghouri Gardens, Lehtrar Road
29. Ghouri Town (All Phases in Zone-4), Islamabad Expressway
30. Government Officers Co-operative Farming Scheme
31. Green Avenue, Park Road
32. Green Avenue-II, Kuri Road
33. Green Fields, Simly Dam Road
34. Green Valley (Phase-I & II), Simly Dam Road
35. Green View Villas, Lehtrar Road
36. Gulberg Town (Phase-I & II), Lehtrar Road
37. Gulf Residencia, Lehtrar Road
38. Hameed Town (Mouza Mohrian), Kuri Road
39. Hill View Houses, Simly Dam Road
40. Ideal Residencia, near Park Enclave, Kurri
41. Iqbal Town, Islamabad Expressway
42. Islamabad Farms, Simly Dam Road
43. Ittefaq Town, Old Kirpa Road, Lehtrar Road
44. J&K Farms, Islamabad Highway
45. Japan Valley, Kirpa Road, Lehtrar Road
46. Kiyani Town, Kirpa Road, Lehtrar Road
47. Kohsaar Enclave, Jandala road, near Naval Farms Simly Dam road
48. M/s Tricon Agro Farms, Simly Dam Road
49. Makkah Town, Hurno Thanda Pani, Lehtrar Road
50. Margalla Garden, Lehtrar Road
51. Marwa Town, Islamabad Highway
52. Media City-I, Kirpa Road, off Lehtrar Road
53. Mufti Mehmood Enclave, Lehtrar Road
54. Muslim Town, Simly Dam Road
55. Muzaffar Abad Town (Pind Bhegewal), Simly Dam Road
56. New University Town (near COMSATS) Park Road
57. OGDCL Town, near Chattar, Murree Road
58. Olive Wood Farms, Simly Dam Road
59. Paradise Point Housing Scheme, Lehtrar Road Islamabad

60. Park Lane Valley, Park Road
61. PTV Colony, Simly Dam Road
62. Qurtabal Town, Islamabad Highway
63. Rawal Enclave, Kurri Road
64. Royal Avenue, Park Road
65. Royal City/Royal Villas (near PINSTECH, Nilore), Lehtrar Road
66. Royal Homes Residencia, Lehtrar Road
67. Saif Garden, Kirpa Road, Lehtrar Road
68. Samaa Town, Kirpa Road, Lehtrar Road
69. Satti Town, Lehtrar Road
70. Shaheen Farms, Simly Dam Road
71. Simly Valley (Phase-I & II), Simly Dam Road
72. Small Scale Housing Project developed by Mr. Shahzad, sanjania road opposite Beaconhouse newlands, Bani Galla
73. Spring Valley, Simly Dam Road
74. The Enclave, Bani Gala road
75. Usama Town, Hurno Thanda Pani, Nilore Islamabad
76. Yaar Muhammad, Bani Gala
77. Zahoor Town, Lehtrar Road

#### **ZONE-5**

1. Aiza Garden, kahuta road
2. Aiza Garden, Mouza Lohi Bher Dakhli Jawa
3. Aliya Town, Mouza Lohi Bher Dokhli Jawa
4. Askaria Town, Japan Road
5. Ayesha Town, Navy road, Rawat
6. Azim Town, Kahuta Road
7. Bankers City, Dharwala Road
8. Canyon Views, Islamabad Highway
9. Danyal Town, Hoan Dhamyal, Sihala
10. Dhanyal Town, Kahuta Road
11. DownTown Residencia, Islamabad Expressway
12. Fatima Villa, GT Road
13. Fiza Town, Hoan Dhamyal, Sihala
14. Ghouri Town, Phases in Zone-5 Japan Road, Islamabad Highway
15. Gulshan-e-Danish, GT Road
16. Gulshan-e-Rabia, Japan Road
17. Gulshan-e-Rehman , Japan Road
18. Judicial Employees Housing Scheme, Kirpa Chirah Road
19. National Police Foundation, PWD Road, Islamabad Highway
20. New Model Town Humak / Roshan Enclave, Mouza Niazian
21. Pak PWD, Islamabad Highway
22. Parliamentarians Enclave, Japan Road
23. Rasheed Town, Japan Road
24. Rawat Enclave, main Rawat chowk
25. Rawat Housing Scheme, G.T road, Rawat
26. River View, Kahuta Road
27. Sadozai Town, Kangota Sayedan
28. Tele Town, Japan Road

## 29. Television Media Town

- o Agro Farming and Residential Housing Schemes are permissible in **Zone-4** under the provisions of ICT (Zoning) Regulation, 1992 [amended in 2010] and permissions are granted by CDA after completing the codal formalities.
- o Housing schemes namely Muhafiz Gardens, Rawat Enclave, Faisal Town, Grace Land Housing and Air Line Avenue are being marketed as located in Islamabad, whereas neither the subject schemes fall in Islamabad, nor any approval/NOC has been obtained from CDA for launching and marketing of the schemes.
- o Through this notice, General Public is therefore cautioned/warned in their own interest to refrain from making any booking/purchase of plots in these or any any other unauthorized and illegal housing scheme and must consult authority (Tel. **051-9252494 for Zone-2, 5 & E-11 and office of Director Regional Planning, CDA for Zone-3 & 4 at 051-9252605**) before making transactions about the legal status of the schemes. CDA Website [www.cda.gov.pk](http://www.cda.gov.pk) may also be visited for having updated status of the schemes.
- o The marketing/advertisement of Housing Projects without NOC from CDA is illegal and unauthorized. The advertisers/marketing agencies are restrained from misleading advertising/marketing of illegal housing schemes. The sponsors are further directed to refrain from marketing and development of Housing Schemes without NOC from CDA.

Director Housing Societies  
Phone: 051-9252494

Available at: [https://www.cda.gov.pk/housing/unauthorised\\_schemes.asp](https://www.cda.gov.pk/housing/unauthorised_schemes.asp)  
Accessed on: June 19, 2021.

## Annexure 2





**Annexure**

**3**

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