

File Temp: No. 2024-15060

Case Auto Number: 5-12991-2024

**IN THE PESHAWAR HIGH COURT, MINGORA BENCH/  
DAR-UL-QAZA, SWAT**

Civil Miscellaneous (C.M) No. 2385 -M OF 2024

IN W.P.No.1015-M of 2022

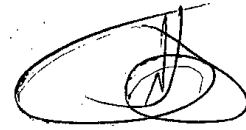
Hassan Zada & others V/S Director General Headquarters pakistan Civil Aviation Authority  
& others

This petition has been presented by Mr. **Arshad Jamal Qureshi** Advocate  
on behalf of the Applicant.

The petition is in proper form, and is accompanied by copies of all necessary  
documents.

Petition be entered in the relevant register and placed before Hon'ble Court  
( .B) for further orders on \_\_\_\_\_.

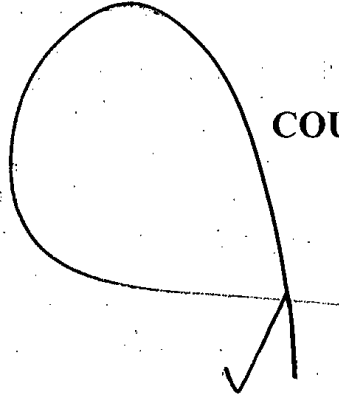
Inform Applicant and his Counsel.



**READER**

Dated: 05/12/2024

**COUNTERSIGNED**



**Additional Registrar,  
Peshawar High Court, Mingora  
Bench / Dar-ul-Qaza, Swat**

Dated: 05/12/2024

*\*Mahannad Idrees\**


**IN THE PESHAWAR HIGH COURT, MINGORA BENCH/ DAR-UL-QAZA, SWAT  
OBJECTION SLIP**

Hassan Zada & others **VERSUS** Director General Headquarters Pakistan Civil Aviation Authority & others

Receipt No. 2024-14931

1 ✓ Copy of application not delivered to A.G. *D.A.G.*

2 No officer below the rank of a section officer or an officer in BPS-17 shall be nominated as departmental representative.

  
**Reader**

Returned with the objections mentioned above. Case be re-submitted on or before 13-12-2024

  
**Additional Registrar  
PHC, Mingora Bench**

Dated: 03-12-2024

BEFORE PESHAWAR HIGH COURT  
(MINGORA BENCH / DAR UL QAZA SWAT)

C.M No 2385-07 2024

In

W.P. 1015-M / 2022

Hassan Zada and others

Versus

DG, CAA and others

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<u>S.No</u>	<u>Description</u>	<u>Annex</u>	<u>Page No</u>
1.	Application for additional Documents along with affidavit	-	01-02
2.	181 <sup>nd</sup> meeting of CAA Board	"A"	03-24

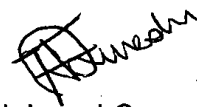
**Re-Filed Today**

**05 DEC 2024**

**Additional Registrar**

Through

(Applicant/Respondents)



(Arshad Jamal Qureshi)

Advocate,


Supreme Court of Pakistan

**Filed Today**

**03 DEC 2024**

**Additional Registrar**

**Noted for DAG**

Dated 3.12.2024  
Sign 

①

BEFORE PESHAWAR HIGH COURT  
(MINGORA BENCH / DAR UL QAZA SWAT)

C.M No 2385-m 2024

In

W.P. 1015-M / 2022

Hassan Zada and others

Versus

DG, CAA and others

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Application for place on record the  
Minutes of 181<sup>st</sup> meeting of CAA  
Board as additional documents in the  
captioned Writ Petition in hand.

Respectfully Sheweach: -

1. That Applicants / Respondents have submitted their para-wise comments in the captioned writ petition in hand.
2. That the captioned writ petition was posted for its hearing on 02.07.2024 in which this honourable Court has directed Applicants / Respondents to submit complete 181<sup>st</sup> Meeting of CAA Board and 192<sup>nd</sup> Meeting of CAA Board. The 192<sup>nd</sup> meeting of CAA Board has already been submitted before this honourable Court (Copies of 181<sup>st</sup> Meeting of CAA Board is Annex "A")
3. That there is no legal bar to bring to place on file the above stated documents which may also be consider as part and parcel of the para-wise comments rather it would help this honourable Court to decide the captioned writ petition in hand on its merits.

It is, therefore, respectfully prayed that on acceptance of this application, additional documents may very graciously place on file.

Filed today

13 DEC 2024

Additional Registrar

Through

(Applicants/Respondents)

  
(Arshad Jamal Qureshi)

Advocate

Supreme Court of Pakistan

**BEFORE THE PESHAWAR HIGH COURT MINGORA BENCH**  
**(DAR-UL-QAZA) SWAT**

C.M No. 2385-M/2024

In

W.P No. 1015-M/2022

Hassan Zada & others ..... *Petitioners*

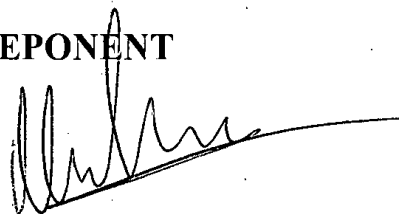
V/S

DG, CAA & others..... *Respondents*

**AFFIDAVIT** ✓

I, **Mohammad Moghees Shahid, OIC Saidu Sharif Airport**, do hereby solemnly affirm and declare on oath that the contents of this **application** are true and correct to the best of my knowledge and belief, and nothing has been kept concealed from this Honourable court.

**DEPONENT**



**MOHAMMAD MOGHEES SHAHID**

**OIC Saidu Sharif Airport**

**Re-Filed Today**

**05 DEC 2024**

**Additional Registrar**

S.No. 4687  
Certified that the above was verified on Solemn  
affirmation before me on this 05 day of Dec 2024.  
by M. Moghees Shahid  
S/o Saidu Sharif Airport  
who was identified by S. Khan  
Who is personally known to me.

**Oath Commissioner**  
**Peshawar High Court**  
**Mingora Bench/Dar-ul-Qaza, Swat.**



OFFICE OF THE CHIEF OPERATING OFFICER / APM  
PAKISTAN AIRPORTS AUTHORITY  
BACH KHAN INT'L AIRPORT  
PESHAWAR – 25000, PAKISTAN  
Tel # (92-91) 9211509  
Fax # (92-91) 9211507

Annex "A"

3

BKIAP/1422-03/43/PSL/4332

Dated: 12/11 November, 2024

**W.P.# 1015-M/2022 TITLED "HASSAN ZADA AND OTHERS  
VS DGCAA ETC".**

1. Reference is made to HQCAA letter No. HQCAA/Legal/1953/887./Legal/HR dated 30<sup>th</sup> October, 2024 regarding the subject noted above.
2. Enclosed herewith please find complete copy of decision of 181<sup>st</sup> CAA Board Meeting along with covering letter on the subject matter received from HQCAA concerned branch for further necessary action at your end. Your good office is requested to submit the said complete copy of the decision of 181<sup>st</sup> CAA Board Meeting before Peshawar High Court Mingora Bench Swat on or before hearing date.
2. Submitted please.

Encl: As Stated:


  
(FAYYAZ H. BANGASH)  
O./C Legal BKIAP

To,

**Advocate Arshad Jamal Qureshi**  
02<sup>nd</sup> floor Al-Marsoor Hotel, Opposite Gulbahar  
Police Station, G.T. road, Peshawar.

Copy to:

- O/C Legal HR (Services Matter) HQCAA Karachi.
- C.O.O /APM BKIAP, Peshawar.
- O/IC CAA Saidu Sharif Airport.

Arshad  


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From : HQ PAKISTAN AIRPORTS AUTHORITY,  
HR Legal Branch,  
Terminal-1, Jinnah International Airport,  
Karachi-75200

✓ To : OI/C Legal (Peshawar),  
PAA BKIAP, Peshawar

Date : 30<sup>th</sup> October, 2024


Ref : HQCAA/1953/887/Legal (HR)

**W.P. NO. 1015-M/2022**  
**TITLED HASSAN ZADA & OTHERS VS DGCAA & OTHERS**

Reference is made to AHMS No. BKIAP/1422-03/043/PSLS dated 26<sup>th</sup> August, 2024 on the subject.

2. Enclosed please find herewith copy of complete record of the decision taken in 181<sup>st</sup> Meeting of CAA Board alongwith annexures.

Encl: As stated

  
**(MARIA JABEEN)**  
Officer Incharge Legal  
HR Service Matters

*Amended*  




MINUTES OF 181<sup>ST</sup> MEETING OF CAA BOARD

DAY / DATE : Wednesday, 27<sup>th</sup> November 2019  
TIME : 1500 hours  
VENUE : Conference Room-1, Islamabad Club, Islamabad  
FILE NO. : HQCAA/2091/181/XXCB/I

**Present**

Mr. Shahrukh Nusrat Secretary Aviation Division	Chairman
Air Marshal Aasim Zaheer Vice Chief of Air Staff	Member
Mr. Omar Hamid Khan Special Secretary, Finance Division	Member
Mr. Shahrukh Nusrat Director General CAA	Member
Mr. Zubair Hussain Paracha Secretary CAA Board	Secretary

**Leave of Absence**

Mr. Zafar Hasan Secretary Planning & Development Division	Member
Dr. Jawwad Uwais Agha Member (Customs), FBR	Member

**In Attendance**

Air Vice Marshal Tanweer Ashraf Bhatti	Additional Director General CAA
--	---------------------------------

*Attested*  
*[Signature]*



1. The meeting commenced with recitation from the Holy Quran. The Chairman welcomed the participants to the 181<sup>st</sup> meeting of CAA Board.

**ITEM – 1 : CONFIRMATION OF THE MINUTES OF 180<sup>TH</sup> MEETING OF CAA BOARD**

2. Mr. Zubair Hussain Paracha, Secretary CAA Board apprised that the Minutes of 180<sup>th</sup> meeting of CAA Board held on 3<sup>rd</sup> September 2019 were circulated to all Board Members. Since, no observation was received from any member, he requested CAA Board to confirm these minutes.

**DECISION:**

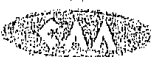
3. *The Minutes of 180<sup>th</sup> meeting of CAA Board held on 3<sup>rd</sup> September 2019 were confirmed.*

[Action by: Secretary CAA Board]

**ITEM – 2 : PROGRESS ON DECISIONS TAKEN IN 178<sup>TH</sup> AND 179<sup>TH</sup> MEETINGS OF CAA BOARD**

4. Mr. Zubair Hussain Paracha, Secretary CAA Board presented the progress on decisions taken in 178<sup>th</sup> & 179<sup>th</sup> meeting of CAA Board held on 21<sup>st</sup> March 2019 and 1<sup>st</sup> August, 2019 respectively. Referring the observation by VCAS regarding Skardu Airport's work, Secretary CAA Board informed that CAA Board in its 179<sup>th</sup> meeting held on 1<sup>st</sup> August 2019 approved the construction of Runway at Saidu Sharif Airport instead of sharing the cost of construction at Skardu Airport. While referring the decision regarding loan amount paid by CAA to ASF, he stated that Sr. Joint Secretary Aviation Division being head of the Committee constituted by CAA Board had recommended for payment of Rs. 500 (M) to CAA paid on behalf of the ASF for purchase of dragoon vehicles for which Aviation Division would submit the summary to Finance Division for supplementary grant of Rs. 500 (M) to CAA. Special Secretary

*Ali Akbar*

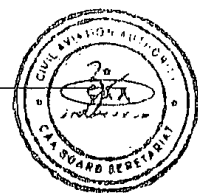


Finance informed that supplementary grant would not be made to CAA as the Cabinet Division had stopped payment of supplementary grants. The Chairman suggested that Sr. Joint Secretary (Aviation) would meet the Special Secretary Finance so as to resolve the matter.

5. While presenting the progress regarding strengthening of Internal Audit Branch of CAA, Secretary CAA Board informed that human resource had been enhanced as well as KPMG TH, a Chartered Accountants Firm, was working with Internal Audit Branch to enhance the capacity. Referring preparation of Asset Inventory in respect of each project, he apprised that instructions had been conveyed to all Project Directors to prepare asset inventory of all the projects and handover as built drawings to respective APMs with proper handing / taking over. To a question from Special Secretary Finance, Additional Director Internal Audit informed that the Asset Inventory was maintained at HQ CAA, Karachi as well as revaluation of the same was being carried regularly. While referring the decision regarding study of Planning and Procurement Wings of NHA so as to adopt best practices in CAA, Secretary CAA Board informed that NHA had been approached for assistance in the matter. Special Secretary Finance suggested that a timeline should be fixed for this study. On the recommendation of Director P&D CAA, CAA Board resolved that timeline for completion of this study should be fixed as 31<sup>st</sup> December 2019. Referring the decision regarding training of Finance Officers of CAA on IFRs, Secretary CAA Board updated that IFRS Training for 24 Finance Officers had been conducted in January 2019 at HQ CAA through ICAP. He informed that another course was being scheduled in 2<sup>nd</sup> half of December 2019. Subsequently a need assessment would be carried out to schedule further training session(s) or a refresher training in consultation with Finance Directorate.

*Sn*

*Attested*



6. While presenting the progress on decision regarding disbanding and de-registration of M/s PASL, Secretary CAA Board apprised that case for de-registration (for winding up) of M/s PASL had been taken up with SECP to avoid imposing of fine / penalties which was under process. He further apprised that compliance of the same to CAA Board would be submitted as soon as process was completed as the matter was pending with SECP and under process for completion of formalities at their end. Additional DG CAA then apprised the progress on decisions regarding Security Charges and Additional Land Requirements for ASF. He apprised the house about the background and details of the proceedings held in the matter. He stated that two meetings were held at Air Headquarters under the chairmanship of Vice Chief of Air Staff and Additional Secretary Finance (EXP) as Member. Consequently, a draft service agreement was also finalized after incorporating the suggestions made by Additional Secretary Finance (Exp). However, after finalizing the agreement during the 2<sup>nd</sup> meeting at AHQ, the ASF Members had declined to conclude the agreement. Instead, ASF officials submitted letter dated 21<sup>st</sup> August 2019 (**Annex 'A'**) proposing following two options, which were contrary to the decisions taken by CAA Board during its 178<sup>th</sup> meeting held on 21<sup>st</sup> March 2019:

Option-I

Security Charges being collected by CAA from passengers may be deposited in Government Exchequer and subsequently required amount be allocated to ASF in its annual budget for the purchase of security equipment and installation of security infrastructure as was done till 2013.

Option-II

Amount of Security Charges begin collected from passengers be transferred to ASF and expenditure be managed by ASF / Aviation Division for the purchase of security equipment and installation of security infrastructure.



*Attested*

*[Handwritten signature]*

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7. On a query by Special Secretary Finance, Additional DG CAA explained the details regarding collection of security charges as well as procurement of security equipment for the information of the house. On a further query by Special Secretary Finance, Director Finance informed that security equipment was being purchased by CAA. He apprised the procedure for purchase of security equipment and explained that PC-Is for procurement of security equipment were being submitted by ASF, which were vetted jointly by CAA & ASF and after completing all the codal formalities, CAA handed over the equipment to ASF for use. Special Secretary Finance inquired that what was wrong in this system. Additional DG CAA informed that there were delays in procurement, therefore, CAA Board constituted a Procurement Committee under the chairmanship of Additional Secretary Finance. He apprised in detail the proceedings of the procurement committee and decision of CAA Board. He stated that after all this exercise, ASF had turned to its earlier stance that the amount collected under security charges belonged to ASF; hence, the same should be given to them so that they could spend it at their will. He requested CAA Board for further direction in the matter. Director Finance added that the security charges were not only meant for ASF rather CAA would use this money for up gradation of security as well as provide security equipment to ASF. Additional DG CAA informed that ASF had its own budget and got funds from Federal Government. He further informed that the Chairman of the Committee (VCAS) asked them to share the detail of funds being provided by the Government, which they had declined. On a question from Special Secretary Finance, Additional DG CAA replied that the security fund could not be bifurcated.

su.

**DECISIONS:**

8. ***CAA Board was overall satisfied with the progress on decisions taken in its 178<sup>th</sup> and 179<sup>th</sup> meetings held on 21<sup>st</sup> March 2019 and 1<sup>st</sup> August 2019 respectively. However, CAA Board made following further decisions:***

*Attested*



(a) *Sr. Joint Secretary (Aviation) to meet the Special Secretary Finance so as to resolve the matter regarding re-payment of Rs. 500 (M) to CAA paid on behalf of the ASF for purchase of dragoon vehicles as well as Rs. 500 (M) paid to NESCOM for integrated security system.*

(b) *Study of Planning and Procurement Wings of NHA so as to adopt best practices in CAA be completed upto 31<sup>st</sup> December 2019 and the outcome be presented to CAA Board.*

[Action by: Director P&D]

(c) *De-registration of M/s PASL be reported to CAA Board on completion.*

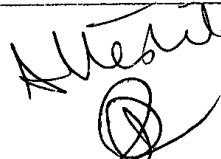
[Action by: Director HR]

(d) *CAA Board observed that the arguments forwarded in support of options by ASF were not feasible and directed that ASF be asked to come back with something more tangible. However, status quo be maintained as per decisions made by CAA Board in its 178<sup>th</sup> meeting held on 21<sup>st</sup> March 2019.*

[Action by: Addl. DG CAA /Director Finance / Director Security]

**ITEM - 3 : SPECIAL HOUSE BUILDING GRANT (EQUIVALENT TO 35% COMMUTATION)**

9. CAA Board re-deliberated background of the case, keeping in view that on retirement CAA employees do not get any official plot or house as prevalent in other Federal organisations. The Board further reviewed the emolument what CAA employees, especially those in the lower grades, get on retirement. Special House Building Grant (equivalent to 35% Commutation) was earlier approved by CAA Board, however, the Board directed Director HR CAA to prepare a criteria for implementation of the same. Director HR then apprised the Board that CAA Board in its 179<sup>th</sup> meeting held on 1<sup>st</sup> August, 2019 gave in principle approval of Special House Building Grant for CAA Employees equivalent to commutation i.e. 35% to be disbursed at the time of retirement especially to benefit the lower grade employees. He informed that in order

*Attest*  




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to implement the decision taken by CAA Board, CAA Executive Committee in its 307<sup>th</sup> meeting directed to formulate a performance based criteria in this regard so that the employees should be motivated and earn this benefit by virtue of their sheer performance. While presenting the basic criteria for all employees, Director HR stated that House Building Grant would be paid to all CAA officers and staff at the time of retirement from service subject to the following performance criteria so that it is reflected that they have earned it through their performance only:

Sr. No.	Performance Criteria (For entire service)	% of Entitlement
01	Aggregate Performance Score of 60% and above	100%
02	Aggregate Performance Score between 50% to 59%	75%
03	Aggregate Performance Score less than 50%	0%

*Sm*

10. Director HR also apprised that the following conditions would render an employee (officers & staff) ineligible for the House Building Grant:

- (a) Compulsory retirement on disciplinary grounds.
- (b) Involvement in corruption and embezzlement which has been proven and penalized under Efficiency and Discipline Regulations.
- (c) Dismissal from service.
- (d) Removal from service.
- (e) An employee who has not been considered suitable for promotion by the DPC(s) in his entire service and retired in the same Pay Group in which he was initially appointed.
- (f) An employee who has been awarded major penalty once or minor penalty thrice in his / her entire service.

*Shrestha*  
*(Signature)*



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11. Director HR then presented reduction in House Building Grant for all officers & staff subject to following conditions:

- (a) No House Building Grant is admissible if Aggregate Performance Score is less than 50%.
- (b) A reduction of 25% in the House Building Grant shall be made for 01 minor penalty imposed on the said employee. However, the same can be off-set if aggregate performance score of officer is 70% and above.
- (c) In case of 02 minor penalties a reduction of 50% in House Building Grant will be made. However, it will be off-set only if aggregate performance score of officer is 75% and above.

12. While presenting reduction in House Building Grant for SG-01 to SG-04, Director HR apprised that for the staff working against SG-01 to SG-04 positions where no PAR was prescribed following criteria was suggested:

- (a) Payment of House Building Grant will be made subject to APM/Head of Unit's performance satisfactory report/certificate as per given criteria:

Sr. No.	Performance Report	%age of Entitlement
1.	Highly Satisfactory	100%
2.	Satisfactory	50%

*One*

- (b) A reduction of 15% in the House Building Grant shall be made for 01 minor penalty imposed on the said employee. However, the same can be off-set for an employee who has at least 01 commendation certificate or an appreciation letter issued by a Director of HQCAA on his performance in entire service.
- (c) In case of 02 minor penalties a reduction of 30% in House Building Grant will be made. However, it can be off-set only if an employee who has at least 02 commendation certificates or 02 appreciation letters issued by a Director of HQCAA on his performance in entire service.

*Attested*



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13. On the suggestion from Vice Chief of Air Staff, it was resolved that employees, who were being retired after completion of 20 years of service and above would be entitled for House Building Grant. After deliberations, CAA Board also resolved that keeping in view the processing of the case as well as in principle approval by CAA Board in its 179<sup>th</sup> meeting, the House Building Grant would be applicable w.e.f. current financial year i.e. 2019-2020. It was further resolved that this facility could be reviewed subsequently (after one or two years) to remove the teething problems, if any. On a question from Special Secretary Finance, Director Finance informed that 261, 295 and 233 employees were retiring during financial years 2019-20, 2020-21 and 2021-22 respectively. He also informed that budgetary provisions had already been provided in projected Cash Flow. Consequent to query of the Board following summary of employees as per eligibility criteria has been submitted by Director HR, HQ CAA.

	(A) Effective Date 1 <sup>st</sup> July 2019			(B) Effective Date 1 <sup>st</sup> August 2019		
	Officers	Staff	Total	Officers	Staff	Total
No. of employees	22	40	62	17	23	40
Cleared employees	20	37	57	16	22	38
Awarded minor penalty but eligible	02	01	03	01	-	01
Awarded major penalty and not entitled for Grant	-	02	02	-	01	01

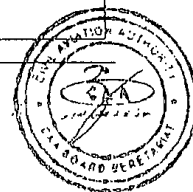
*Sn.*

**DECISIONS:**

14. *After due deliberations, CAA Board unanimously decided as under:*

- (a) *Keeping in view the processing of case as well as in principle approval given by CAA Board in its 179<sup>th</sup> meeting, CAA Board approved Special House Building Grant (Equivalent to 35% Commutation) at the time of retirement as per criteria enumerated under paras 9, 10, 11 & 12 (above) w.e.f. current financial year i.e. 2019-20.*

*Alsharif*



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- (b) *The Board decided that employees having 20 years of service and above would qualify for House Building Grant.*
- (c) *However, this grant will only be admissible on attaining the age of superannuation to be read with para 14 (a & b) above alongwith Civil Aviation Authority Employees (Appointment, Promotion, Transfer and other Service Terms & Conditions) Regulations 2014 (Revised Version-2019) Clause 71 ,Schedule VII.*
- (d) *In case of any teething problem, CAA Board advised that this facility may be reviewed (after one or two years).*
- (e) *In case of any reduction in the subject grant as per defined criteria in paras 9, 10, 11 and 12 above, The competent forum to decide the same on merit will be relevant Executive Committee.*
- (f) *Performance Appraisal System for SG-01 to SG-04 shall also be prescribed and implemented as early as possible and thereon, the same criteria will be governed by PAR score system for SG-01 to SG-04, whenever implemented.*

[Action by: Director HR / Director Finance]

ITEM - 4 : HALF YEARLY ACCOUNTS AS AT 31<sup>ST</sup> DECEMBER, 2018 AND ANNUAL ACCOUNTS OF CAA FOR THE YEAR ENDED ON 30<sup>TH</sup> JUNE, 2019

15. Mr. Aamer Habib Sikander, Director Finance apprised that as per direction of CAA Board, Half Yearly Accounts as on 31<sup>st</sup> December 2018 and Annual Accounts of CAA for the year ended on 30<sup>th</sup> June 2019 are being presented. He then introduced Mr. Khalid, Partner M/s Grant Thornton and stated that he would be presenting Letter to the Board. At this point, Special Secretary Finance enquired that whether there was any Finance Committee of CAA Board or the financial items were directly being presented to CAA Board. It was informed that an Audit Committee of CAA Board was functional till the last year; however, due to resignation of private Board Members and

*Attested*  
*[Signature]*



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pending nomination of new Board Members, the same could not be re-constituted. Special Secretary Finance stated that as per the requirements of SECP / Corporate Governance, two Committees i.e. Finance Committee and HR Committee should be constituted. The Chairman stated that nomination of four (04) CAA Board members was pending. As soon as the remaining Board Members were nominated by the Federal Government, these Committees would be constituted. Special Secretary stressed that at least Finance Committee should be constituted. It was resolved that Finance/Audit Committee of CAA should be constituted under the chairmanship of Special Secretary Finance and Member (Customs) FBR, Director Finance CAA and Sr. Additional Director Internal Audit CAA would be co-opted members of the Committee. It was also resolved that HR Committee be also constituted under the chairmanship of Vice Chief of Air Staff and members to be nominated later

16. Mr. Khalid, Partner M/s Grant Thornton then presented Summary of Significant matters as under:

Sr. #	Audit Observations	Action
2.1	Tax Contingencies	CAA has filed appeals on various Appellate forums regarding imposition of tax on highlighted issues
2.2	Disputes with contractor related to CWIP	The proceedings of Arbitration 1 have been completed and the final award of the Arbitrators is expected on 28th November, 2019. Whereas proceedings under Arbitration 2 are in progress.
3.1.1	Revenue recognized against PIAC	Strenuous efforts are being made through Aviation Division for recovery of outstanding dues for the current year and payment/ instalment plan for PIACL dues frozen as on December, 2018.
3.2.1	Area of land not mutated in the name of Authority	Efforts are being made to bring the land in PCAA name.
3.2.2	New Islamabad International Airport	It is assured that second revised PC-1 provision amounting to Rs.105.911 billion will not exceed

*Signature*

*Attested*



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		as the project has been completed and is in commercial operation.
3.3	<b>Non-payment of sales tax on services withheld</b>	Legal Branch has forwarded the case for external legal opinion. The same is awaited.
3.4	<b>Construction of Thar Airport</b>	As stated by the Auditors, the treatment has been corrected. Hence complied.
3.5	<b>Issuance of Sukuk Bonds by the Govt. Of Pakistan</b>	Since the Sukuk has been matured hence the underlying assets have also been transferred from Assets under Sukuk to Property, Plant & Equipment.
3.6	<b>Winding-up of ADA</b>	M/s ABS consultants have been asked to retrieve the official documents of the said properties.
3.7	<b>Payment of M/s HIT and NESCOM</b>	The Aviation Division has been requested for refund of Rs. 500 million paid to M/s HIT through Supplementary Grant by Federal Government. The payment of Rs. 500 million made to M/s NESCOM for integrated security system at AllAP is under final reconciliation.
4.1	<b>Control Environment and Activities</b>	Draft reports on Code of Corporate Governance and Anti-Fraud program are under scrutiny.
4.2	<b>Internal Audit Department</b>	Internal Audit Report pertaining to Audit of Accounts Branch has been issued. Furthermore, Final Internal Audit Report will be issued as per the guidelines available in Internal Audit Manual.
4.3	<b>Composition of Board as per Federal Govt directives</b>	Case has been forwarded to Cabinet Division for the composition of the Board As per directive.
4.4	<b>Deficiencies noted in IT environment at CAA</b>	6 – Closed, 1– Partially closed, 1- Pending

*[Handwritten signature]*

17. CAA Board deliberated upon each and every observation as mentioned above. On a question from Special Secretary Finance regarding disputes with contractors at AllAP, Director Finance CAA apprised the details for his information. On a further question from Special Secretary Finance, Director Finance CAA informed that CAA Board was fully aware of the issue and presentation had also been made by the lawyer before CAA Board. Referring the outstanding dues of PIAC payable to CAA

*[Handwritten signature]*



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amounting to Rs. 95.795 billion as of 31<sup>st</sup> December 2018, Special Secretary Finance enquired whether CAA had made any effort to recover this amount from PIAC. Director Finance CAA apprised the details of efforts made by CAA to recover this amount from PIAC. The Chairman also informed the measures taken at his level to resolve the matter. He stated that ECC had made two decisions that the outstanding amount upto 31<sup>st</sup> December 2018 i.e. Rs. 95.795 billion be ceased and PIAC to provide schedule for payment of same to CAA. He further stated that the second decision of ECC was that PIAC should start payments of its current amount w.e.f. 1<sup>st</sup> January 2019 but they had not started the payment up-till now. On a query by Special Secretary Finance, Director Finance CAA informed that current dues were accumulated at Rs.13 billion. It was resolved that the matter should be taken up again with ECC. Regarding mutation of land in the name of CAA, CAA Board resolved that progress on this aspect should be apprised to CAA Board on quarterly basis and the matter should be resolved within one year from now onward. On a question from Special Secretary Finance, it was informed that 4,237 acres of land, spread all over the country, was required to be mutated in the name of CAA. Special Secretary Finance suggested Director Finance CAA to share the complete details of such land including its value. Special Secretary Finance observed that Financial Statements should first be submitted to Finance/Audit Committee before presenting to CAA Board. The Chairman directed Director Finance to submit the same to Finance/Audit Committee at a date convenient to Special Secretary Finance.

*Sm*

18. Summing up the presentation, Director Finance requested CAA Board to accord approval for Financial Statements for the year ended 30<sup>th</sup> June 2019 and Half year ended 31<sup>st</sup> December 2018 along with Specific Approval as under:

Specific Approval - June 2019

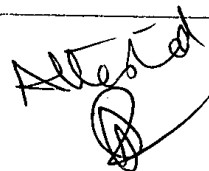
*Mester*



Description	Rs. in '000'
Capital Expenditure Incurred – at cost (Addition due to Purchases)	309,179
Transfer from capital work-in-progress – at cost	3,374,121
Additions to Capital work-in-progress – at cost	13,128,395
Additions to Capital items-in-transit – at cost	151,583
Disposal / write-off of operating fixed assets – at cost / revalued amount	30,740
Allowance for Expected Credit Losses	15,429,100
Provision for Pension and Gratuity	3,975,168
Provision for Medical Benefits	1,529,277
Provision for Compensated absences	38,746
Investment made during the year	197,042,400
Encashment of Investments	190,500,000
Remuneration of Director General and Executives as disclosed in note 35	
Transaction with Related Parties disclosed in note 32	

**Specific Approvals – December 2018**

Description	Rs. in '000'
Capital Expenditure Incurred – at cost (Addition due to Purchases)	183,613
Transfer from capital work-in-progress – at cost	261,828
Additions to Capital work-in-progress – at cost	6,572,921
Additions to Capital items-in-transit – at cost	152,181
Disposal / write-off of operating fixed assets – at cost / revalued amount	13,542
Allowance for Expected Credit Losses	6,637,636
Provision for Pension and Gratuity	2,295,657
Provision for Medical Benefits	714,490
Provision for Compensated absences	38,702
Investment made during the year	48,000,000
Encashment of Investments	41,500,000
Transaction with Related Parties disclosed in note 14 in the condensed interim financial statements	

Attested  


19. Answering to a question from Special Secretary Finance, Director Finance CAA informed that increase in assets was due to capitalization of Islamabad, Faisalabad, and Peshawar airports. On a further question from Special Secretary Finance regarding payments in respect of Islamabad International Airport, Director Finance CAA informed that payments of approximately Rs. 89 billion had already been made, whereas about Rs. 15 billion were remaining to be paid and stated CAA would remain within the approved PC-I limits.

## DECISIONS:

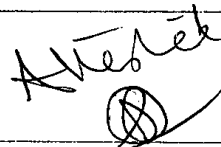
20. *After due deliberations, CAA Board accorded approval for Financial Statements of CAA for the year ended 30<sup>th</sup> June 2019 as well as Half year ended 31<sup>st</sup> December 2018 alongwith Specific Approval as enumerated under para-18 above and directed as under:*

- (a) *The matter regarding payment of outstanding dues by PIAC as well as current payments w.e.f. January 2019 be taken up again with ECC.*
- (b) *The details of investment of CAA's funds be shared with Special Secretary Finance.*
- (c) *CAA Board directed that in future Financial Statements be first submitted to Finance/Audit Committee and then presented to CAA Board along with its recommendations.*

[Action by: Director Finance]

- (d) *Progress on mutation of land in the name of CAA be apprised to CAA Board on quarterly basis and the matter should be resolved within one year from now onward.*
- (e) *The complete detail of non-mutated land including its value be shared with Special Secretary Finance.*

[Action by: Director Finance / Director Commercial & Estates]

Attested  




20

(f) CAA Board constituted Finance/Audit Committee of CAA Board under the chairmanship of Special Secretary Finance comprising Member (Customs) FBR, Director Finance CAA and Sr. Additional Director Internal Audit CAA as its co-opted members.

[Action by: Secretary CAA Board]

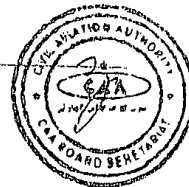
(g) CAA Board also constituted HR Committee of CAA Board under the chairmanship of Vice Chief of Air Staff. Members to be nominated later.

[Action by: Secretary CAA Board]

**ITEM – 8 : CONSTRUCTION OF PEDESTRIAN RAMP 2 (FROM LEVEL I TO II) AND RAMP 3 (LEVEL II TO III) DOMESTIC & INTERNATIONAL SIDES AT IIAP, ISLAMABAD**

21. Ms. Rabia Salma, Actg. Director Engineering Services CAA apprised the Board that the passengers and meters / greeters visiting Islamabad International Airport faced inconvenience while approaching from car park to domestic and international departures / arrivals. Moreover, due to absence of any mechanism, trolley retrieval was also a big issue. She stated that a need of direct access was strongly felt and accordingly Ramp-2 on Int'l side connecting Level-II Car Park to Level-III Departure was constructed. She explained a further need of direct access for three areas still existed i.e. (i) Ramp-2 (Domestic side) – Level-II Car Park to Level-III Departure, (ii) Ramp-3 (Int'l side) – Level-II Car Park to Level-I Arrival and (iii) Ramp-4 (Domestic side) – Level-II Car Park to Level-I Arrival. She presented Layout Plan for construction of proposed three pedestrian ramps (**Annex 'B'**). She apprised that a new scheme would require to be created in the current ADP having estimated cost of Rs. 150 million with required funds arrangement through re-appropriation with current allocation of Rs. 50 million and requested CAA Board to accord approval for execution of the subject work. On a question from Special Secretary Finance, Director Engg. Services CAA informed that the total length of three ramps was about 925 ft. The Chairman apprised the house about the details and requirements of these ramps.

*Secretary*



## DECISIONS:

22. Keeping in view the convenience of the passengers, CAA Board approved the following:

- (i) Approval for execution i.e. construction of Pedestrian Ramps 2,3&4 at Islamabad International Airport.
- (ii) Creation of new scheme and current ADP 2019-20 with provision of 150 Million including 2% work charge staff & 3% contingencies with allocation of 50 Million in current Financial year 2019-20 with duration of 12 months.
- (iii) Re-appropriation of funds in current ADP amounting to Rs.50 Million for allocation of the same in current financial year.

[Action by: Director Engineering Services]

ITEM -10 : PC-1 FOR RECONSTRUCTION AND UP-GRADATION OF MAIN RUNWAY AT AIIAP, LAHORE

23. Mr. Nadir Shafi Dar, Director Plans & Development apprised that CAA Board in its 176<sup>th</sup> meeting held on 11<sup>th</sup> October 2018 approved consultancy service for reconstruction of runways at Lahore, Quetta, Faisalabad and Karachi Airport. He informed that PC-Is for Faisalabad and Quetta had already been approved by CAA DWP and CAA Board; however, PC-I for Lahore Airport was cleared by CAA DWP in its 35<sup>th</sup> meeting held on 17<sup>th</sup> September 2019, which is now placed before CAA Board for approval. While presenting the scope of work, Director P&D apprised that complete reconstruction of main Runway was required as per Project Layout Plan (Annex 'C') to meet the ICAO Cat-4F with following infrastructure:

- (a) Two new rapid exit taxiways.
- (b) New link taxiway connecting 18R end of secondary runway with 18L end of main runway.



- (c) Utilization of existing Airfield Lighting System CAT-III B.
- (d) New lighting system shall be installed only for rapid exit & link taxiways.

24. Director P&D presented the details of specifications covering existing and reconstructed runway (**Annex D**). He informed that estimated cost of the project as envisaged in PC-I amounting to Rs. 6,950 million, which would be met through CAA's own cash flow. He stated that Rs. 600 million would be required to be allocated for this project in the current year i.e. 2019-20. He then presented the cost summary as under and requested CAA Board to approve the PC-I for "Reconstruction of Main Runway (18L / 36R at AllAP Lahore" amounting to Rs. 5950 million.

Sr. No.	Description	Amount (Rs)
1	Reconstruction of Main Runway	3,630,756,434
2	Reconstruction of Taxiways	954,312,163
3	Ancillary Work	22,880,000
4	Drainage work	590,577,267
5	Relocation of Utilities	34,847,356
6	Air Field Lighting and associated works	543,029,325
7	Contingencies 3%	173,292,076
<b>Grand Total Amount (Rs.)</b>		<b>5,949,694,621</b> <b>(5.949 B)</b>

25. Vice Chief of Air Staff stated that Pakistan Air Force also constructed runways and had started construction of runways with rigid surface instead of flexible because of its longer life. He observed that the cost estimate of approx. Rs. 6.00 billion seemed to be on higher side than the PAF. Director P&D clarified that PCN of runway of civil airports was very high for commercial aircraft. He stated that for Lahore Airport CAA was going for PCN-110, whereas for fighter aircraft the PCN requirement was 40 only. He also stated that the second difference was airfield lighting and the third was length of runway. On a question from VCAS, Director P&D informed that provision of airfield



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CONFIDENTIAL

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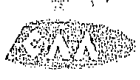
lighting system was embedded in this project. On a further question from VCAS, Director P&D explained the details of tender processing in respect of Faisalabad and Quetta Airport for the information of the house. He informed that some parties requested for PAF rates but CAA informed them that it could not be done as CAA applied NHA CSR-2014 rates, which had already been approved by the Government and CAA did not add any penny to it for sake of security. VCAS observed that the prices were on a higher side, which should be looked into. Special Secretary Finance supported the viewpoint of VCAS and suggested that comparative statement of CAA rates and PAF rates should be prepared and presented to CAA Board. Director P&D suggested that CAA could request M/s NESPAK to prepare comparative statement and present to CAA Board as there was no other aviation consultant available in the country. Special Secretary Finance agreed that comparative statement of rates should be prepared by M/s NESPAK and presented to CAA Board. On the suggestion of Special Secretary Finance, Director P&D stated that a comparative stated of Lahore Airport with Bholari Airbase could be prepared and presented to CAA Board. On a query by Special Secretary Finance, Director P&D informed that the load for commercial runways was defined by ICAO and CAA had to follow the same. On a further query by Special Secretary Finance, Additional DG CAA informed that the standards set by ICAO were not applicable to military runways. The Chairman suggested that CAA Board could approve the PC-I, in principle; however comparative statement of rates should be prepared by M/s NESPAK and presented to CAA Board.

**DECISION:**

26. After due deliberations, CAA Board approved, in principle, PC-I for Reconstruction of Main Runway (18L / 36R) at AllAP Lahore amounting to Rs. 5,950 million. However, the Board directed that comparative statement of rates to be prepared by M/s NESPAK to be presented to CAA Board.

[Action by: Director P&D]





27. Due to paucity of time, the remaining agenda items could not be considered and the meeting ended with a vote of thanks to/from the Chair.

*Shah Rukh*  
(SHAHRUKH NUSRAT)  
Secretary Aviation Division/  
Chairman CAA Board

Encl: As stated

Dated: 30<sup>th</sup> December 2019

*Alia*

