



Confidential/Secret

Report of Fact-Finding Inquiry

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Introduction

Vide Notification No. SO (I&C-I) 5-9/2021, (Annex-1) the Competent Authority was pleased to constitute a Fact-Finding Inquiry Committee to look into the role of interested parties including govt functionaries as well as private individuals, with particular reference to the role of previous Commissioner of Rawalpindi as well as the then DG Rawalpindi Development Authority (RDA), Consultants and Land Acquisition Collector (LAC) in respect of the following issues relating to the Request for Proposal (RFP) for the Engineering, Procurement, Construction, Finance, Operations & Maintenance of Rawalpindi Ring Road (R3) advertised on March 1, 2021. The Committee was directed to submit its report within 10 days. Following is the Fact-Finding Report on the given issues & TORs.



Fact-Finding Inquiry Report

Section I: Issue i & v Alignment & the RFP

Reference: Issues i. & v of the Annex-1

Issue i: In 2017, NESPAK had drafted a reasonably suitable alignment for R3. How did the advertised alignment emerge with its Attock Loop and Paswal Zigzagi?

Issue v: The RFP has been floated in the press without any approval of NHA for CPEC route, and CDA for the portions of Paswal Zigzag falling under CDA jurisdiction. It should be ascertained whether the absence of these critical agreements made RFP void ab initio?

Reasonably Suitable Alignment – Exhibit-A

2. In 2016 Government of the Punjab decided to undertake Rawalpindi Ring Road (R3) Project on Public Private Partnership Mode through RDA. M/s NESPAK, KPMG and MTC Joint Venture were hired for Feasibility Study, Preliminary Design & Transaction Advisory Services, as Transaction Advisor (TA) for taking up construction of Rawalpindi Ring Road (R3) in Public Private Partnership mode. Following Facts support the contention that why Exhibit-A could be deemed as a reasonably suitable alignment:

- i. NESPAK Alignment (Exhibit A) was initially submitted by M/s NESPAK to their client RDA in 2017 (Annex 2) and in December 2017 final document of alignment was submitted and was presented in discussions during AIIB visit in February 2018.
- ii. M/s NESPAK alignment submitted to RDA in 2017 formed the basis on which C&W Department submitted Summary to Chief Minister on 7/03/2018 (Para 3 of Summary at Annex 3)
- iii. Initial feasibility studies were carried out by RDA through NESPAK which were accepted by Asian Infrastructure Investment Bank (AIIB) Mission. (Para 5(iii) of Summary at Annex 3)
- iv. Submission made on the basis of Exhibit A was positively commented upon by ACS C&W, Chairman P&D, Secretary (HUD& PHED) in the Summary.
- v. The Summary was approved by Chief Minister on 27/03/2018.



- vi. Exhibit A was the proposed alignment on which M/s Zeeruk were hired by RDA to prepare Feasibility Study and Detailed Design for Construction of Rawalpindi Ring Road. This is evident from the TORs/Scope for M/s Zeeruk (Annex 4)
- vii. Land Acquisition for Exhibit A: RDA wrote letters to DCs & ACs (Annex 5)

CM Approved Alignment:

3. Since Summary discussed supra, submitted on the basis of NESPAK proposed alignment (Exhibit A), and the approval was accorded by the CM on the basis of duly made comments by departments and Chairman P&D Board the Exhibit A is therefore a CM approved alignment. Ever since no other alignment has the same status. This approval may very well be construed as an approval by *the Government* unless it is proved that in the then government *stricto sensu* compliance of PLD 2016 SC 808 (Mustafa Impex Case) widely prevailed in matters of similar nature. Any changes in the essentials of this alignment, except detailed designs etc., therefore would require approval of the Chief Minister before proceeding any further.

Emergence of Advertised Alignment (Exhibit-B)

4. Services of M/s Zeeruk were hired by RDA in September 2019 with Scope of work at Annex 4 having Exhibit A as given alignment. On 4th January, 2020 M/s Zeeruk presented an alignment, containing Attock Loop & Paswal Zigzag, in 4th Weekly Progress Review meeting chaired by ex-Commissioner Rawalpindi (Annex 6). When confronted as to why M/s Zeeruk drafted radical changes in Exhibit A while having no mandate for such changes they submitted following two documents in their defense:

- i. Minutes of 1st Steering Committee Meeting held on 19 November 2019 containing decision regarding finalization of alignment up to Moorat at M2 (Annex 7).
- ii. Letter by Chief Engineer RDA conveying decision of the Weekly Progress Review meeting adding M2 to Sangjani – (Annex 8). Weekly Progress Review was not the competent forum to add into CM approved alignment.



- iii. Variation Order for change in scope issued by Mr. Abdullah DPD PMU – (Annex 9). This Variation Order was ultra-vires the PPRA Rules Framework.

Emergence of Illegal Changes in Alignment:

5. Directions given by Project Director in a Weekly Progress Review cannot be assumed as sufficient grounds from digressing from the given scope of Zeeruk while Zeeruk must have limited itself to Alignment given to it by RDA (Exhibit A) which was clearly mentioned in its scope of work. Provisions in the contract for changes in the scope were too specific to account for radical alignment route changes. Even Minutes of the 1st steering committee (Annex 7) do not direct addition of Attock Loop & Paswal Zigzag beyond M2. This addition was made by Zeeruk or Project Director (PD) and ^{opv}was attempt was made to give it a cover through Variation Order which was issued ultra vires the PPRA framework.

6. Onus of the emergence of this unauthorized alignment equally rests on the shoulders of M/s Zeeruk & Project Director. Zeeruk digressed from its contractual obligation and PD issued un-authorized changes in a Progress Review Meeting and then went further ahead to unauthorizably enhance scope of M/s Zeeruk and thus created alibi and further consolidated this digression through an illegally issued variation order.

7. In March 2020 Zeeruk submitted its Draft Feasibility study on the basis of this un-authorizedly emerged alignment. On 4th April, 2020 FWO submitted an unsolicited proposal under PPP Authority Act; the alignment on which the proposal was submitted by FWO was similar to the un-authorizedly emerged alignment discussed supra..

8. In April 2020 M/s Zeeruk submitted their final feasibility study on the basis of this un-authorizedly emerged alignment. Since this emergence was happening against the contractual constraint applicable to Zeeruk and also under cover of a Variation Order issued ultra-vires the PPRA framework the process behind this emergence may very well be called as unlawful.

Avoiding Directions for presenting a case about the Emerged Alignment to CM

9. Following decision was made by 3rd Project Steering Committee Rawalpindi Ring Road Project under the chairmanship of Chairman P&D Board held on 24-june-2020: (Annex 17)

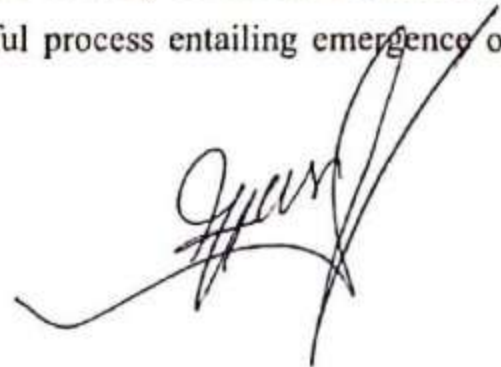
- i. "Commissioner Rawalpindi/PD-RRR should finalize discussions with stake holders including NHA, CDA, SPD, etc. regarding alignment and initiate a case for briefing the Chief Minister about project as well as the alignment options supported by appropriate data."
- ii. 3rd meeting of Public Private Partnership, P&M Board held on 03-July-2020 under the Chairmanship of Chief Minister (Annex 34)

"Route Alignment for RRR project shall be finalized in separate meeting to be chaired by CM; for which time and date has already been solicited.

10. Compliance of decisions at (i) & (ii) may have started the process of full disclosures about the illegal emergence of alignment, containing Attock Loop & Paswal Zigzag, provided that a case in Summary form was moved for the Chief Minister with necessary disclosures about its illegal emergence. Such case was never moved also because discussions with NHA & CDA could never be finalized as was required by this decision.

11. Conclusive progress was not happening on agreements with NHA & CDA; these agreements were critical for making the Right of Way encumbrance free. While discussions, albeit inconclusive, remained alive with the officers of NHA, with CDA no further progress was made once DG RDA withdrew their case in the CDA Board meeting with an indication to return with a new proposal (CDA Board Decision on 6/11/2020 Annex 35, PM Directive 35-A, Statement of Secretary CDA Board at Annex 35-B).

12. Given the statutory and rules framework of the Government of the Punjab any further progress on the Un-approved and illegally emerged alignment should have been stopped. Instead of using deceit & deception at relevant fora it was the duty of the ex-Commissioner to submit case containing full disclosures about the unlawful process entailing emergence of the alignment.



Unlawful Advertisement of RFP on March 01, 2021

Attempt at unlawfully creating assumption of approval of RFP

13. Section 18 of the PPP Act 2019 clearly stipulates the manner and authority for the approval of a project proposal. RFP approval before its advertisement from the PPP P&M Board was an express requirement of the governing law. An attempt was made for creating assumption of approval through minutes of 13th PRC meeting (Annex 12) and RFP was advertised on March 01, 2021. PRC was a committee of the board; the Act limits the domain of such committees to assist the Board not take decisions on behalf of the Board; PRC could not take decisions which only Board can take as per law (S. 6 (q) of the Act *ibid*) (Annex 12-A). Board cannot delegate its statutory obligations unless expressly provided in the governing law.

Questionable Conduct of Member PPP Dr. Farrukh Naveed

14. In this regard questionable conduct of Member PPP Dr. Farrukh Naveed also needs to be probed. He was reportedly holding multiple positions like Member PPP, Head PPP Cell at P&D, Secretary of the PPP P&M Board and also CEO of PPP Authority. Minuting of Board decisions is his responsibility. Delegation or Authorization of powers/authority, clearly vested in a forum/office by the governing law, can not be made unless expressly provided by that law. The Secretary of the Board must have pointed to the Board that authorization of approval of RFP and its advertisement could not be given to PRC. Word "approval" is missing in the authorization of minutes of 4th Board meeting. But rest of the minutes are for creating assumption of delegation/authorization to PRC for "approval" using statutory powers of approval by the Board under Section 18 of the PPP Act 2019. Mala-fides in minuting the Board Decisions by Dr. Farrukh Naveed can also not be ruled out; case in point is minuting a decision which was not discussed and debated in 7th Board meeting pointed out *vide* letter at Annex 13.

RFP Advertised without Lawful Approval

15. Reference is made to Section 18, & 19 of PPP Act 2019 (Annex 37), 4th Board meeting (Annex 37-A) 13th PRC meeting (Annex 37-B), Committees of the Board & their Power (Annex 37-C). In the light of these express provision of the governing law and the discussion *supra* it is concluded that RFP was advertised without its lawful approval as per Section 18 of the Act.

16. Mr. Muhammad Mahood, Ex Commissioner Rawalpindi Division is a senior civil servant in BS 21. Officers of such seniority and experience are normally expected to be well aware that necessary, prescribed as well as statutory approvals must be sought before moving from one stage of a development project to another. Such approvals can be granted only by the necessary, prescribed and/or legislated fora/competent authority. Such approvals cannot be assumed from discussions and decisions from the fora not duly empowered to accord such approvals. Civil Servants of such seniority and experience are expected to know that they may not be able to claim the defense of having acted in good-faith, when held accountable, unless such approvals have been expressly solicited and granted in a prescribed or widely accepted manner.

Conclusion: Advertised Alignment is illegal, Advertisement of RFP is unlawful

17. Conclusion

- i. Advertised alignment is not just un-approved by CM but also illegal as having emerged out of illegal process. The nature of illegality in the emergence of advertised alignment is incurable through any ex-post facto regularization.
- ii. Since mandatory approval under Section 18 of PPP Act 2019 was not obtained before advertisement under Section 19 of the Act ibid therefore advertisement of RFP was void ab initio.

Section 2: Issue ii. Attock Loop & Rent Seeking

Reference: Issue ii of Annex-1: *The addition of Attock loop, which was never part of the proposal by NESPAK in 2017, is prima facie indicative of possible rent seeking by both government functionaries at the helms of affairs in Rawalpindi as well as real estate players operating in the area.*

18. Attock loop emerges as a divergence from Chakri road onward towards Moorat, from the general curvature of NESPAK 18 alignment. It's illegal emergence has already been discussed supra. Despite there being repeated requirement by the highest relevant fora for getting the alignment approved the approval was not sought since it entailed disclosures of illegalities committed in the emergence of the alignment & also because necessary stakeholder agreements could not be obtained. In this back drop why Ex-Commissioner~~y~~ was recklessly moving ahead *Off*

with the land acquisition process? Why payments were started and overwhelmingly made in District Attock? Rent seeking, conflict of interest and corruption emerge as the explanations of this recklessness of a senior and experienced civil servant. Following is a narration of reckless & deceitful conduct and its rent-seeking underpinnings:

Approval of PC-I for Land Acquisition on un-approved (illegal) Alignment

Deceitful conduct of Ex-Commissioner in the PDWP meeting 24/07/2020

19. At para 2 of the approved minutes of PDWP meeting held on 24/07/2020 Chief (UD) maintains, "The project has been finalized by the consultant, however, same needs to be get approved from the competent forum." At para 3 Member (PPP) maintains, "proposed alignment of the road must be approved from the relevant competent forum". Discussion herein is in the context of emerged Alignment proposed by Zeeruk in 2020 containing Attock Loop and Paswal Zigzag. At para 06 Ex Commissioner Mr. Muhammad Mahmood discussed the approval of the Chief Minister to the Summary approved in which case was built around NESPAK 2018 alignment and transposed the context of approval for NESPAK 2018 to the context of illegally Emerged Alignment and maintained, "In this context, question of alignment stand settled after the aforementioned approval of Chief Minister" He gets his PC-I approved on the basis of this deceitful conduct. At para 7 he further asserts, "said alignment is scientifically best proven, economically/financially most feasible and technically optimal option". (Annex 11)

Clarification by P&D : PC-I approved but not alignment

20. In response to a note submitted by ex-DG RDA (Annex 20) where at para 3/N the DG tried to create an assumption of approval of Emerged Alignment by writing, "also the alignment as described in Para 2/n is deemed to be approved" ; P&D Department responded with a letter at (Annex 20-A) asserting that, "**PC-I for land acquisition already stands approved, approval of the PC-I however does not constitute approval of alignment**".

Unlawful Land Acquisition for the alignment



21. Land Acquisition for the alignment could only begin once alignment was approved. As is clear at Annex 20-A discussed supra-P&D Department had clarified that though PC-I was approved but alignment approval could not be assumed from PC-I approval. The entire process of Land Acquisition along the alignment was done without having an approved alignment.

22. Record of payments made in District Attock between March 17 to April 19 2021 is at Annex 31-E. Approximately Rs. 2.05 Billion were paid on the basis of *kind of land*. Awarded rates in District Attock were comparatively very high compared to the rates in District Rawalpindi. At Annex 20-B (Attock) is comparison of Award rates of 2017 vs 2020 for Mauza Kak Chaudhary in District Attock along the R3 alignment. The jump in just three years is exorbitantly high resulting in quick disbursal of the awarded amount; the purpose appears to be to create irreversibility of the process as well as to sustain the market hype in prices of lands as well as files, plots and registrations of the private housing societies.

23. Record of payments made in Rawalpindi District between February 4 to April 15, 2021 at Annex 31-E shows that Rs 372 Million were paid on the basis of *Fixed Rate for each Revenue Estate*. Awarded rates in District Rawalpindi are too low in comparison with Attock as well as in comparison with prevailing market rates. These very low rates, at certain locations, starkly lower than prevailing rates, (Annex 20-B (Rawalpindi)) resulted in reported protests by the land owners and also had a very high litigation risk. One explanation is that Ex-Commissioner wanted to avoid the question of sizeable jump in requisite funds for land acquisition if prevailing rates were taken into account; resultant questions about financial feasibility of the project may have delayed the progress on illegal alignment; Ex-Commissioner appears to avoid any situation which may break the momentum, on illegal alignment. DC Rawalpindi needs to do soul searching why he became part of the denial of true value of land to the citizens/ land owners for their land under acquisition for R3.

Ex-Commissioner Neutralizes PM Directive by mentioning the Meeting of Federal Minister.

24. To save the illegal bidding process Ex Commissioner neutralized the effect of a PM Directive by alluding to the meeting of Minister Planning, Development & Special Initiatives. Reference is made to PDWP meeting March 26 March, 20201 (Annex 20-C). At Para 7 of these minutes Ex Commissioner updates the meeting regarding PM Directive for a role of CDA for

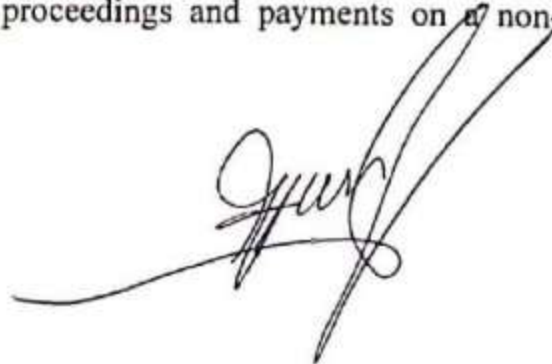
construction of a part of alignment then appears to pre-empt further discussion by alluding to a meeting chaired by Minister for Planning Development and Special Initiatives and informs PDWP that Minister gave a go ahead for Government of Punjab to complete RRR up to Sangjani.

25. Questions need to be asked as to why the PDWP accepted this explanation in which PM Directive to a Federal Agency is neutralized by a mere allusion to a Federal Minister's meeting; PDWP does not appear to ask questions as to whether a Federal Minister's meeting can neutralize a PM Directive to a Federal Agency? This PM Directive to CDA was a fact which on its own necessitated stoppage of the bidding process already advertised when the PDWP took place ~~since~~. Minutes of this PDWP meeting reveal that not-approved status of the alignment, already pointed out by the P&D itself, was not brought to the notice of this meeting and also illegal emergence of the advertised alignment was also not disclosed.

Ex-Commissioner's mala fide or lack of understanding of governance framework?

26. Mr. Muhammad Mahmood's approval for issuance of Night Rendering Map in September 2020, decisions/directions given in the Weekly Progress Review and input given in 13th PRC meeting shows that he was taking liberty of venturing into domains of Federal Government, Provincial Government Departments and Rawalpindi Development Authority, without having an express mandate in acceptable written form, from the competent fora in the concerned authorities, departments, and governments. (Night Rendering Map Annex 14, Weekly Progress Review Annex 15, 13th PRC meeting Discussion part Annex 16).

27. This may prima facie appear as brain-storming or ideas appraisal to shape them up only if there are no sufficient reasons to suspect mala-fides: real purpose was to build hype in the property and real-estate along R3; and for firing up the hype further by launching Night Rendering Map. It also seems that all the ideas and briefings on made-progress were an attempt for creating dust storm to hide from audience the real question of absence of Lawful Approval of Alignment and also on the question of land acquisition proceedings and payments on a non-approved alignment.



Contriving Illusion of Approval by Weekly Progress Review

28. As discussed supra Exhibit B was an illegally emerged alignment and Ex-Commissioner was avoiding necessary disclosures about its illegality and could not get necessary agreements from NHA and CDA. Instead of taking the risky route of making necessary disclosures and present a case to the CM he adopted two deceitful courses: attempting creation of assumption of approval at provincial level and creating illusion of approval at the local level. His attempts at creation of assumptions of approval at provincial level have been exposed in Section 1. For creating illusion of approval in Rawalpindi he pushed the land acquisition process along the illegal alignment. Additionally, he contrived illusion of approval through decisions made in the Weekly Progress Review. At Annex 18 is the list of decisions on illegal alignment; at Annex 19 are the minutes of Weekly Progress Review. These minutes reveal discussions and directions pertaining to such domains as Railway, transport, economic zones, theme parks etc. Through these Weekly Reviews he created the illusion of approval for the advertised alignment. Project Director is empowered under the Punjab Delegation of Financial Powers Rules 2016. A Project Director cannot assume the roles and venture into domains of other governments, departments and authorities; Mr. Muhammad Mahmood, assumed all these roles without a lawful mandate for consolidating illusion of approval for the benefit of Rent-Seeking Syndicate.

Market Hype Created by the Illusion of Alignment Approval

29. This illusion of approval may have significantly created R3-alignment centric hype in the property and real estate market. This R3 centric hype was further fired up by marketing videos and posts used by Housing Societies by using Night-Rendering Map on social media launched on September 17, 2020 with the approval of Project Director PMU containing RDA name; it needs to be inquired whether this map was approved by RDA? Or it was part of the design of the Rent Seeking Syndicate?





Report on Hype Built in Social Media (Annex 25)

Following is an overview of the price increases

- i. Year wise Land Price increase in around 12 Mauzas of District Attock Annex 26
- ii. Estimated wealth attracted in lands in 12 Mauzas around Attock Loop (Annex 26-A)

Estimated wealth attracted so far by the real-estate i.e. files etc is reportedly many multiples of the Estimated wealth attracted in lands in 12 Mauzas. Attempts at estimating the wealth attracted by properties and societies ~~by~~ astride Attock Loop shall be made while responding to TOR III; in this estimate insider information effect and effect of R3 centric speculative hype shall also be attempted.

Illusion of Approval consolidated by Unlawful Land Acquisition Payments

30. For the purpose of understanding the issues clearly it must be understood that two parallel development approval processes were taking in place:

- i. ADP Mode: Land Acquisition for Ring Road Alignment though PC-I Mode
- ii. PPP Mode: RFP on the basis of this alignment was to be advertised on PPP Mode.

31. Land Acquisition for the alignment could only begin once alignment was approved. As is clear at Annex 20-A discussed supra-P&D had clarified that though PC-I was approved approval of PC-I did not constitute approval of the alignment. It was therefore clear that no public funds could be spent on the Exhibit-B alignment despite their release to Project Director. Section 4 and award proceedings could not be undertaken along the illegally emerged alignment. Ex-Commissioner should not have moved further on land acquisition front.

32. But Ex-Commissioner went ahead and got started the payments along the unapproved alignment for consolidating the illusion of approval. Land acquisition payments were started by the LAC for Rawalpindi from 4/2/2021 and for Attock from 17/03/2021 and overwhelming ratio of payments was made on land acquisition for the Attock Loop. Exercise of LAC Powers by M. Waseem Ali Tabish has been held unlawful at response to Issue viii of this report. It is also now proved beyond doubt that Expenditure from the ADP No. 3980 (2020-2021), Land Acquisition, Property Compensation, Afforestation & Shifting of Utilities for Rawalpindi Ring Road Project-R3 could not be made since it was clearly held by P&D that though PC-I was approved the alignment was not approved.

33. These unlawful payments made against clear position of P&D on the question of alignment were not an innocent act on the part of the LAC or the Commissioner. It was intended to further consolidate the hype around R3 alignment for multiplying rent-seeking gains for the properties of the Rent Seeking Syndicate of which both Mr. Muhammad Mahmood and Waseem Ali Tabish were members as explained in the following Sections in this report. Element of speed was important for ensuring rent seeking gains for the rent seeking syndicate; this was being achieved by one illegal step after another.

Very Low Rates of Land Acquisition in Rawalpindi District for keeping the Acquisition Cost Low

34. While acquiring lands for public purpose true value of the acquired property cannot be denied to the citizen/owner of that property. A rough comparison of DC Rates and Market Rates of some of the Mauzas along R3 alignment is given at Annex 20-B. Why these award rates were kept abysmally low? Annex 20-B also gives a rough estimate of lowered cost of acquisition for the alignment due to these low rates. While conversely in District Attock award rates in Mauza Jungle & Kakh Chaudhary were abnormally high as is also discussed at para 22 and 23 supra.

Attock Loop & Paswal Zigzag Rent Seeking Syndicate

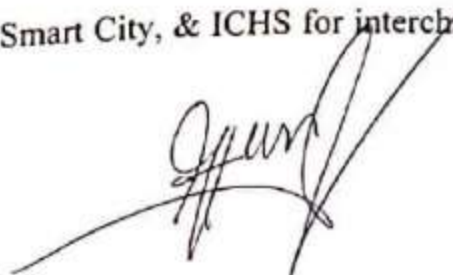
35. Following persons and businesses can be grouped together and described as Attock Loop Rent Seeking Syndicate for their acting in sync with each other and in support of each other for the illegal gains from the hype created through an illegal alignment and illegal land acquisition payments: they were identified on the basis of one or more of the following criteria:

- i. Evidence/statement of role in influencing alignment for private benefit.
- ii. Evidence of conflict of interest.
- iii. Rent seeking benefit actually accrued; illegal alignment changes, design changes and illegal expenditure of government funds on land acquisition boosted market hype and formed significant basis of accrued monetary benefit.
- iv. Timing or location of purchase of property indicating insider connection.
- v. Illegal unlawful conduct to achieve progress on the illegal alignment.

36. Shenanigans of this syndicate, as partners in crime need to be uncovered through an investigation by National Accountability Bureau. Necessary, and in some cases sufficient, facts have already been collected and pointed supra in this report. Following is a summary of facts for each case:

37. Persons & Business Entities of Attock Loop & Paswal Zigzag Rent Seeking Syndicate

- i. Mr Muhammad Mahmood, Ex Commissioner: Willfully ensured land acquisition payments of over Rs. 2.3 Billion despite clearly knowing the un-approved & illegal status of the advertised alignment; multiple instances of conflict of interest. Col Rtd. Masood Ahmad brother of Ex-Commissioner, as Benamidar of Mr. Muhammad Mahmood, Col. Rtd. Asim Ibrahim Paracha acted as benamidar of Mr. Muhammad Mahmood.
- ii. Mr. Waseem Ali Tabish, Ex-LAC: Willfully paid over Rs. 2.05 Billion in District Attock despite being fully aware that he was not legally empowered to do so in District Attock.
- iii. Mr. Abdullah DPD PMU: Acted on behalf of Mr. Muhammad Mahmood, and issued unlawful orders like variation order in Zeeruk scope, ensuring that changes for benefitting private parties are made by NESPAK in their design; his role in finalization of unlawful negotiations with Capital Smart City, & ICHS for interchanges, his role



needs to be investigated with particular reference to shifting and change of design at Moorat, local accesses at Moorat, before R3-CPEC Motorway merger, local access after crossing M1 towards Paswal Zigzag and design changes in the Zigzag itself; under directions of Mr. Muhammad Mahmood providing insider information about changes and locations of critical changes to private parties.

- iv. Dr. Syed Tauqir Shah, PAS BS 21: Influenced Paswal zigzag of the illegal alignment and its design features favorable for his personal or family interest in the illegal alignment for boosting value of the property owned by his family.
- v. Babu Muhammad Nawaz, Rtd Revenue Officer & his Brother Mr. Aftab for acting as benamidars for Mr. Muhamad Mahmood directly or through Waseem Ali Tabish; used insider information for purchasing lands at critical locations along R3.
- vi. Capital Smart City (CSC): influenced shift of R3 alignment towards Moorat, influenced design changes and local access in Moorat interchanges. Gained mega boost from the hype built around the alignment changes, land acquisition for the illegal alignment, Moorat interchange and local access; possibly made sales in excess of their approved area; ^{possibly} sold files in excess of their approved area for meeting the demand generated by the R3 centric hype. Their linked concern Habib Rafiq Limited purchased RFP for the attributable purpose of enhancing power of CSC over its competitors.
- vii. Life Style Dev. SMC owned by one ^{Muhammad} Junaid ^{Aftab} was registered in January 2020 (Annex 35-) ^{reported by} purchased over 2300 Kanals at strategic locations along the R3; timing and location of purchases point to insider information possibly provided by Mr. Muhammad Mahmood, Mr. Abdullah DPD PMU, Mr. Waseem Ali Tabish ex-LAC concerned officers of Zeeruk & NESPAK.
- viii. NOVA City: Timed its Preliminary Planning Permission (PPP) with the hype generated by R3; Gained mega monetary benefit through accrued sales of its registrations; may have influenced illegal emergence of Attock loop through their benamidars; influenced design changes for local access near R3-CPEC Motorway connection: Gained mega boost from the hype built around the alignment changes, land acquisition for the illegal alignment; made sales just after PPP and before final approval; made sales in excess of their approved area; made sales in excess of their approved area for meeting the demand generated by the R3 centric hype. Their reported

business associate MAAKSONS purchased RFP which, if project won in bidding, may have led to their joint power over NOVA's real estate competitors.

- ix. Top City: Benami property & benami conflict of interest of Mr. Muhammad Mahmood, benami property & benami conflict of interest of Waseem Ali Tabish; gained sales boost from the hype built around the alignment changes and illegal land acquisition for the illegal alignment; beneficiary of local access at R3-CPEC Motorway connection;
- x. Blue World – May have influenced shift of R3 alignment towards Moorat, boosting sales as well as value of their sales; purchased property for meeting the demand generated by R3 hype ; Gained mega boost in their property value from the hype built around the alignment changes, and illegal land acquisition for the illegal alignment, Accrued benefit: May have made sales of property and Blue World files benefitting from R3 hype; may have made sales in excess of Blue World approved area for meeting the demand generated by the R3 centric hype.
- xi. Al Asif Developers/New Airport City- Raja Sajjad Hussain: influenced shift and support of R3 alignment in Attock through its powerful benamidar. Accrued benefit: may have made sales because of the hype built around R3, and illegal land acquisition for the illegal alignment; May have sold files in excess of their approved area for meeting the demand generated by the R3 centric hype.
- xii. ICHS (Islamabad Cooperative Housing Society) : Entered into illegal negotiations with DPD Mr. Abdullah under the blessings of Mr. Muhammad Mahmood for getting an interchange for itself. Accrued benefit: may have made sales because of the hype built around these illegal negotiations, and hype built around R3 illegal alignment and illegal land acquisition for the illegal alignment; May have sold files in excess of their approved area for meeting the demand generated by the R3 centric hype.
- xiii. Major General (Rtd.) Saleem Ishaque : For influencing the shift of illegal alignment towards Moorat; for influencing the design of Moorat interchange; for influencing the local access from Moorat interchange for enhancing value of his personal and family property.
- xiv. Ex-Senator Chaudhary Tanvir's declared & over 7000 kanal benami property in Mauza Rajar tremendously benefit from R3 illegal alignment; reportedly Col. Rtd Asim Ibrahim Paracha and Mr. Muhammad Mahood undertook facilitation of removal of benami attachment in exchange of a substantial share in the benami property.



37. Willful Facilitators

- i. Concerned Officers of M/s NESPAK for design changes to benefit the above group of beneficiaries - Attock Loop Rent Seeking Syndicate.
- ii. Concerned Officers of M/s Zeeruk for alignment changes for benefitting the above group of beneficiaries and the Attock Loop Rent Seeking Syndicate.

38. Benami Influence

Possibility of Benami interests in the following Housing Societies is also very likely which may have ensured support to illegal alignment and may have been behind overconfidence of Ex-Commissioner leading to his unlawful reckless; backing from the Benami clout may have led to a belief in him for a successful ex-post facto cover up and regularization of all the stark illegalities:

- i. NOVA City
- ii. New Airport Housing Society (Al-Asif Society) & properties of Raja Sajjad Hussain.
- iii. Ittehad Housing Society
- iv. Capital Smart City
- v. Blue World.

39. Connected because of their unethical silence, unethical compliance or unethical conduct.

- i. Member PPP Dr. Farrukh Naveed.
- ii. DC Attock, Mr. Ali Annan Qamar
- iii. DC Rawalpindi Mr. Anwar ul Haq
- iv. Ex-DG RDA Ammara Khan
- v. ADC R Rawalpindi Shoaib Ali
- vi. AC Saddar Rawalpindi, Ghulam Abbass Mahar.
- vii. AC Fatehjang : Azeem Shaukat. viii. Chief Officer Tahsil Council Fatehjang.

40. General Beneficiaries of the entire alignment.

These beneficiaries (List at Annex-33) though may have timed and placed their investments for seeking rent from the hype built around R3 alignment but their direct connection with the core of Rent-Seeking Syndicate could not be ascertained.

Beneficiaries of Advertised alignment Other than the Rent Seeking Syndicate

- i. Rawalpindi Loop Major Beneficiaries. (Annex 21)
- ii. Attock Loop - Major Beneficiaries (Annex 22)
- iii. Paswal Zigzag (Annex 23)

Section 3 Issue iii & iv: Paswal Zigzag -Rent Seeking & Conflict of Interest

Issue No. v: M1 to N5 (GT road) alignment was revised multiple times finally leading to Paswal Zigzag which again is on the surface indicative of rent seeking by some powerful rent seeking syndicate. &

Issue No. iv: Developing the corridor beyond M1 on a rural road (Paswal Road) instead of alignment on grid pattern suggests possible mala-fide.

Paswal Zigzag & Role Of Dr. Syed Tauqir Shah PAS BS 21

41. R3 alignment along Paswal Zigzag was contrived for creating mega Rent Seeking benefit for Properties of Dr. Syed Tauqir Shah and his family members (Annex 36.). Following is the list of ruses provided and their analysis:

- i. Use of existing ROW for saving on land acquisition cost?: Cost of acquisition of alternative options not compared. Moreover, ceteris paribus, enhancement of cost of construction at Moorat Interchange directly impacts project IRR for concessionaire while cost enhancement on land acquisition for rent-seeking free ROW does not. Government, or any agency thereof, is not on record saying they would not bear the extra cost to free Paswal segment from the clear Rent-Seeking angle.
- ii. Paswal Zigzag is placed on an existing rural road with a reduced speed limit from 120 km/hr to 90 Km/hr in the Zeeruk proposal; it also reduced ROW width from 100m to 60m. Choice of existing road for a freeway, without making provision of service roads for existing easement rights, narrowing down of ROW, zigzagging a freeway along the existing road alignment and reducing speed limit, it all clearly shows the intent of creating necessary as well as sufficient reasons for any court of law to undo the controlled access feature of the freeway and open up fronts and properties of Dr.

Tauqir Shah and his Family Village. For controlled access freeways existing alignments are not used since existing rights, crossings, easements etc. are litigated upon by land owners. The foregoing as well as giving local accesses from R3 after M1 crossing speaks of the existence of conflict of interest as well as use of past association, residual clout on Mr. Muhammad Mahmood Ex Commissioner or through creation of his benami interest, and also by alleged influence used on NESPAK (Statement of ex-DPD of PMU at Annex- 36-A) Dr Tauqir Shah's Rent-Seeking intent and conflict of interest is too obvious to ignore. An influential close relative currently holding public office is also reportedly associated in augmenting the influence of Dr. Tauqir Shah on Ex-Commissioner, as well as on NESPAK.

- iii. Earlier when questions of Rent-Seeking and Conflict of interest discussed Supra were raised NESPAK did partially review Paswal Zigzag for enhancing speed limit to 120 km/hr, width of ROW was also enhanced by 5.3 meters. Neither the alignment was shifted out of the constructed area nor service road was added to mitigate litigation risk.
- iv. Paswal Zigzag was kept intact despite grid-iron alignment requirement of CDA for any approval.

Section 4: Issue No. vi: Non- disclosure of true intent on Axle Overload

True picture regarding insurmountable legal impediments for allowing axle overload on a motorway was withheld from bidders in the RFP and allegedly during pre-bid conference, despite their questions and concerns. Thus, necessary disclosures were avoided and necessary information pertaining to PPP bid was withheld from the interested private parties. This concealment makes RFP a defective and deceptive document.

Deceitful Conduct towards NHA and also on the question of Axle overload

42. Use of Axle overloaded Trucks of N5 (GT Road) was verbally pitched as center-piece of Ring Road revenues for the concessionaire while explaining why R3 was not ending at any suitable location at M2. NHA was not ready at any stage to give permission of Axle-overloaded trucks to enter the CPEC Motorway since this was against the law strictly enforced on the Motorways throughout Pakistan. The then member NHA was further surprised to know that advertised alignment (Exhibit B) was having local accesses at entry point at Moorat -M1, from

Attock (Mahlu-M14), and crossing of M1. He maintained that they were discussing with PMU and Consultant of NESPAK on the assumption of R3 being a closed loop freeway. (Statement of Ex Member NHA Annex 10)

The advertised RFP was deceptive since the standards of axle load given in the RFP confirm to the NHA standard axle load regime while in informal interactions and internal meetings uncontrolled axle load was stated as the central pillar of concessionaire's revenue stream and was also stated as the core reason for adding over 25 Km loop beyond M-2.

Section 5: Issue No. vii: Provisions of Local Accesses for Rent Seeking

Issue vii: There are serious concerns as to the mechanism adopted to allow local access for the Ring Road through design amendments particularly in the Attock Loop and Paswal Zigzag.

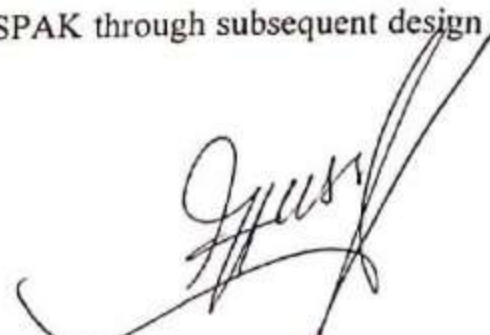
Deceitful creation of Exclusive Local Access for Rent-Seeking

43. An exclusive local access is provided immediately after R3 crossed M1 at Hakla through deceit. For a purported Land Value Capture two large plots/areas are earmarked (Annex 38-B) and consultant is asked to design Local Access. Subsequently those earmarked plots are removed and consultant leaves the access intact in the RFP.

Report on Changes Made by NESPAK in original Zeeruk Alignment to make it Annex B

Crafting Local Accesses for M1, M2 & M14 (CPEC Motorway) for Rent-Seekers (Annex 38-A)

44. By providing local accesses at Moorat (R3-M2 Exchange, R3-M14 (CPEC Motorway) Interchange, & R3-M1 Crossing rent-seeking private interests were benefitted. As per statement of Ex-Member Planning NHA local accesses were never disclosed to NHA meetings (Annex 38-A). For NHA R3 was a freeway-to-freeway closed loop exchanging vehicles with Motorways from interchange to interchange. It was informed that original Zeeruk alignment did not have these local accesses; they were added by NESPAK through subsequent design changes by abusing the idea of Land Value Capture



Moorat: Cost enhanced from 1 billion to 2.5 billion to craft local access and create mega benefit for Capital Smart City Housing & Major General (Rtd.) Saleem Ishaque & Family & Top City Block G&H.

Local Access at R3-M14 (CPEC Motorway Interchange) creates mega benefit for NOVA City and also other private societies in the area.

Abuse of the idea of Land Value Capture for creating local access

45. As reported at Annex 38-B, Advisor to CM, EA and P&D, Government of the Punjab discussed the idea of Land Value Capture (LVC) in 4th PPP P&M Board and subsequently in 13th Project Review Committee of PPP P&M board. LVC includes planning/acquiring/notifying to take into account land value capture; ideas discussed cannot be converted into action unless they become notified instruments of public policy. However, NESPAK identified & presented land value capture scheme in 56th progress review meeting, dated 13th February 2020.

However, following decision were made in 57th Weekly Progress Review (Flag-38-C).

- I. Land **shall not be** acquired for Land Value Capture
- II. ***The chair directed NESPAK to keep access.***

Charter of Commitment Model of Rights Creation by Ex-Commissioner

46. Following line of decision-making exposes outright disregard of the legal framework currently in place for creating rights of persons/entities by governments /public offices. A 52nd Progress Review Meeting was held on 11-01-2021 and following decision was made regarding Charter of Commitment/ MoU with the private housing societies for financing of interchanges (Annex 38-D):

Decision of Agenda No. 7 : (CSC: Capital Smart City)

- "The DPD informed the Chair that meeting regarding MOU with CSC was held on Jan 9th, 2021 in RDA office while CSC is interested to finance Rs. 1 billion for Murat Interchange and agreed to bear the cost of provision in Murat Interchange for CSC."
- "The Chair agreed and directed to present the MoU in next coming Board meeting of RDA."



Decision of Agenda No. 14

- “The DPD updated the Chair that meeting was held with ICHS in the last week and they agreed to finance Rs. 950 million.”
- “Another meeting is also planned in current week.”

A 53rd Progress Review Meeting was held on 20-01-2021 and following decision was made regarding Charter of Commitment/ MoU with the private housing societies for financing of interchanges:

Decision of Agenda No. 12

- “The DPD updated the Chair that MOU has been reviewed and comments shared with DG RDA. Moreover, the DG RDA updated the Chair that meeting with ICHS would be conducted on Jan 21st while CSC have some reservations on design.”
- “Further, the DPD also updated that meeting on Murat interchange design has been held between NESPAK and CSC in the last week and presented revised design of Murat Interchange for CSC provision.”
- “The Chair directed NESPAK to reconsider the design as this design is not in the favor of Government.”

Section 6: Issue No. viii: Unlawful Exercise of LAC powers in Attock

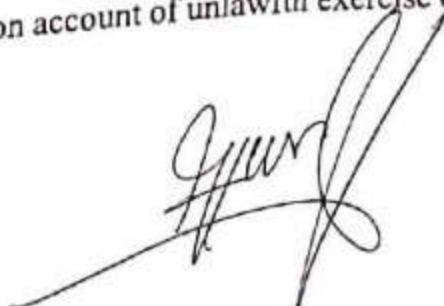
Issue No. viii: Questions have also been raised over allowing LAC of RDA to exercise the powers of LAC in Attock district. It has been pointed out that for Attock Loop land acquisition, an officer of an autonomous body i.e. RDA was authorized to exercise powers in Attock District by the Commissioner while such powers could only be conferred by the Board of Revenue. Does this fact render LAC Coram Non-Judice? Are proceedings conducted by him outside the limits of RDA void ab-initio? Are payments made by illegally appointed LAC recoverable from the appointing officers as well as those exercising those powers?

47. Following discussion reveals that before giving LAC powers to Waseem Ali Tabish for Attock District it was necessary to get NOC/permission from S&GAD as well as Board of Revenue :



- i. Waseem Ali Tabish (PMS/BS17) was placed at the disposal of DG, RDA on deputation basis to be further posted as Land Acquisition Collector (LAC). (Annex-39). He was an officer on deputation specifically deputed to serve on the post of LAC in an autonomous body i.e. RDA. Terms of service of an officer on deputations can only be changed by a competent authority after seeking consent of lending and borrowing agencies and of the officer. No such approval of the competent authority in S&GAD nor any consent is available from which it may be presumed that S&GAD had agreed to entrustment of LAC powers on Mr. Tabish outside the limits of RDA in Attock District.
- ii. Board of Revenue, Punjab wide its Notification No-461-2011/452 –s IV dated May 31st, 2011 appointed all Assistant Commissioners (ACs) to work as Land Acquisition Collectors for the areas falling within the revenue limits of concerned Tehsil. (Annex-39-A). Given this notification only AC Fatehjang could exercise power of LAC for the areas falling in his Tehsil lying well outside the RDA controlled area. No consent or approval of Board of Revenue was found on record from which it may be presumed that Mr. Tabish could exercise powers of LAC in the area notified by the Board of Revenue for exercise of such powers by the AC Fatehjang.
- iii. In all the other mega projects Assistant Commissioner of the concerned Sub Division are exercising powers of LACs given by Board of Revenue. Examples are as follows:
 - a. CPEC Motorway passes through Fatehjang, Pindigheb and Jand tehsils of District Attock and all the concerned Assistant Commissioners are exercising powers of LACs. (Annex-39-B).
 - b. Area of Azad Pattan Hydropower Project falls in Tehsils Murree, Kotli Sattian and Gujarkhan and concerned ACs are entrusted with powers of LAC. (Annex-39-C)
 - c. Land acquisition for Mangla Dam upraising, another mega project, is being undertaken in areas falling in one Tehsil each of two districts; here again ACs of concerned Tehsils i.e. Gujar Khan & Sohawa are the LACs. (Annex-39-D)
 - d. In National Highway Authority (NHA) Project (M-2) fly over No.19-A BOR assigned the additional charge of LAC to Assistant Commissioner (Sadar) Rawalpindi in addition to his duties. (Annex-39 E)

- iv. From the forgoing it is clear that Commissioner could not entrust LAC powers to Mr. Waseem Ali Tabish outside RDA controlled area without express approval from competent authority in S&GAD as well as from Board of Revenue. Accordingly exercise of Powers by Mr. Waseem Ali Tabish outside RDA are unlawful as having been exercised in violation of Section 16 (3) of the Land Revenue Act 1967 (Annex 39-F). Similarly, Section 24 of THE PUNJAB DEVELOPMENT OF CITIES ACT 1976 expressly restricts powers of land acquisition of RDA with in its controlled area (Annex 39-G). Tehsil Fatehjang in District Attock lies outside the RDA Controlled Area.
- v. In view of the foregoing, it is clearly established that empowerment of Mr. Waseem Ali Tabish for acting as LAC in District Attock (Noting at Annex-39-H) was done by Ex- Commissioner Rawalpindi Mr. Muhammad Mahmood without necessary approvals. Similarly, while exercising the powers of LAC in District Attock Mr. Tabish was acting against the express provisions of Section 24 of THE PUNJAB DEVELOPMENT OF CITIES ACT 1976 and Section 16 (3) of the Land Revenue Act 1967. It is therefore clearly established that Mr. Waseem Ali Tabish as LAC in Attock was a Coram Non-Judice and all the land acquisition proceedings conducted by him in District Attock are void-ab-initio.
- vi. Moreover facts of Non-Approval of alignment for the PC-I and unlawful approval of RFP clearly establish that this unlawful entrustment of powers was one of the angles of the same mala fide intent which was seeking property prices hype for creating Rent Seeking revenues in the shortest possible time before the nature and extent of the scam got exposed. Along with Ex-Commissioner , Mr. Tabish was instrumental in implementing rent-seeking design of the Rent Seeking Syndicate described supra in this report. Similarly necessary evidence has been collected to point to the presence of conflict of interest of both Mr. Muhammad Mahmood & Waseem Ali Tabish along the R3 alignment. Additionally, it has already been established that Attock Loop needed necessary approvals from the Chief Minister before any Land Acquisition proceedings could be undertaken. And it has also been established above that alignment was not approved though PC-I for land acquisition was approved.
- vii. Accordingly all the payments made in lieu of acquisitions along unapproved alignment are unlawful and were done with mala fide intent and are recoverable from Waseem Ali Tabish, Mr. Muhammad Mahmood. Additionally, recovery be also made from the recipients along the un-approved alignment. Additionally, proceedings under applicable E&D Rules be also initiated against the officers mentioned supra on account of unlawful exercise of authority and



actions taken against the law. Mr. Sibtain Kazmi the ACR putting up Note for approval of the Commissioner be also questioned as to whether he was under pressure from Commissioner for not mentioning the necessary NOCs/ approvals from S&GAD and BOR before empowering the LAC to exercise powers in District Attock?

Section 7: Issue No. ix: Conflict of Interest in NOVA City

Questions of conflict of interest were raised about the reported issuance of NOC by CAA to a housing society, Nova City, allegedly extending itself to the funnel area/structure-free zone. Allegedly the society has made sales beyond its current land holding because of the marketing hype built around the Attock Loop of R3 and local access from the R3.

48. Following facts show that answers to all the questions about NOVA City asked above are in affirmative:

- I. Letters of Airport Manager (Annex-40 D)
- II. Nova City Advertised Map on Social Media Annex 40 ; showing its area well with *Off* in the SFZ and *possibly in* ~~possibility~~ Funnel area; How NOVA may have kept operating despite this clear breach of SFZ related notification may have to do *with* some powerful *Off* Benami ownership which needs further investigation.
- III. Nova City Land Purchase efforts (Annex 40-A)
- IV. Nova City Registrations/Files Sold (Annex 40-B)
Reportedly NOVA and its marketing companies may have sold over 20000 thousand registrations to bulk purchasing investors as well as individual buyers; on 10% down payment NOVA has reportedly sold a sizeable number of files too. With an approved area of 970 Kanals NOVA may have made sales, as appears from the report at Annex 40-B from registrations/files way more than it could sell given its approved area.
- V. Nova City NOC from Civil Aviation (Annex 40-C)
- VI. Nova has reportedly made substantial rent seeking gain from sales which it could not make merely having only Preliminary Planning Permission.
- VII. Marketing Hype Built Around the Attock Loop of R3 and its local accesses (Annex 40-F)



VIII. Changes by NESPAK in Zeeruk Design giving local access to the location shown in NOVA advertised map (Annex 41)

49. It was however pointed out that various other societies along R3 may suffer from the issue of sale beyond approval, sale without approval, presence of benami interest of Public Office Holders etc. Accordingly, an overview was taken of societies suffering from similar issues and conclusions have been drawn in following paragraphs. Other Similar Societies: Annex 40-G. Activities of one such unapproved society and its marketing and sale on-line and through social media was highlighted by the DG RDA (Annex 40-H).

Section 8: Conflict of Interest

50. Ex-Commissioner Mr. Muhammad Mahmood's Conflict of Interest

- i. He visited multiple times a location next to R3 alignment in Fatehjang Tehsil. Purpose of his visit was to purchase for himself a sizeable piece of land from local land owners. (Statement of Tehsildar Fatehjang is at Annex 30)
- ii. He conducted meeting of Grievance Redressal Committee for the purpose of creating Easement/Access for an unapproved society Al-Makkah in which he reportedly has a benami interest through his brother Col Rtd. Masood. Makkah Society has reportedly made huge sales despite not being an approved society. (Annex 30-A).
- iii. Qartaba City Complaint regarding nexus of Brother Col Rtd. Masood, Col Rtd. Asim (Annex 30-B). Makkah City may not be direct beneficiary of R3 but these facts establish linkage between interests of Col Rtd. Masood and Mr. Muhammad Mahmood.
- iv. His brother Col Masood facilitated approval of three 12 storey high rises in Top City – Mr. Muhamad Mahmood along with Mr. Tabish Ex LAC RDA may have a benami interest in these approved towers. (Annex 30-C)
- v. Further investigation is needed to establish nexus between Col Rtd Asim as benami interest bearers of Mr. Muhammad Mahmood and helping & coordinating the release of whole or part of over 7000 Kanal of property decaled as Benami of Ex-Senator Chaudhry Tanvir. Col rtd Asim was reportedly a go-between Chaudhary Tanvir and Ex Commissioner on the basis of an alleged deal for help from local revenue functionaries as well as alleged facilitation at the FBR level. (Annex 30-C)

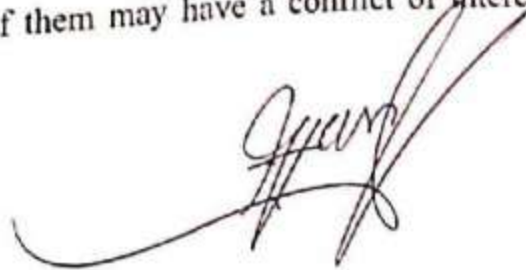
- vi. Further investigation is also needed on an alleged provision of Masavis to Col Asim who allegedly portrayed the purpose as needed for a sensitive organization central to national security but actually to assist in provision of exact coordinates for adjustment of theme park and ring road alignment for the benefit of a big housing society at Moorat. (Annex 30-E) .

51. Ex LAC Waseem Ali Tabish's Conflict of Interest

- I. Mr. Waseem Ali Tabish has an alleged close association as well as possible matrimonial linkages with owners of Top City Housing. Top City Housing's Block G & H sales may have benefitted from R3 centric market hype. (Annex 31).
- II. Family relations of Mr. Waseem Ali Tabish and Commissioner Rawalpindi reportedly date back to 1980s. Brother of Ex-Commissioner pursued approval of three high rise towers in Top City (Annex 31-A). Mr. Muhammad Mahmood, Col rtd Masood and Mr. Waseem Ali Tabish appear to have a benami connection which needs to be established through further investigation.
- III. His association with Mr. Nawaz & Aftab, two brothers as well as colleagues of Mr. Tabish as ex-revenue officials reportedly also has benami business connection which needs to be further investigated. (list of properties Annex 31-C).
- IV. For further exploration: A single member company named Life Style Developers (SMC) was registered in January 31, 2020 by Junaid ^{Muhammad} Aftab; This Company ^{offr} purchased ^{over} 2300 Kanals of land at key areas of Rawalpindi Ring Road (Annex 31-^{offr} C). Pattern of its purchases indicated the company had insider information of interchange locations. Conflict of interest of Ex-LAC, NESPAK, DPD Abdullah and Mr. Muhammad Mahmood may be at work behind provision of the insider information.
- V. Further investigation is needed based on Annex 31-D, a fact sheet of his linkages with Top City, and also with Col Rtd Masood brother of Ex-Commissioner.

52. Conflicted interest of RFP Purchasers

A look at the list of RFP purchases (M/S Habib Rafiq, M/s Techno & M/s MAAKSONs -Annex 32) reveals that some of them may have a conflict of interest along R3



alignment for being already invested in assets or family/business linkages. It may very well be presumed that such RFP purchasers may also be taking into account rent seeking gains as well as alleged gains-making clout over their competitors. Given their conflicted interest in the properties astride the illegal alignment sizeable rent-seeking gains could be expected. Revenues from the given traffic count may not be the only revenues sought by such RFP purchasing firms for taking part in the bidding process.

53. Capital Smart City-Habib Rafiq Limited & SAS Developers-M/s Techno, ZKB

Capital Smart City is one of the biggest beneficiaries of illegal alignment shift towards Moorat and interchange thereon. The changed design from clover leaf (Annex 32-A) to pied piper (Annex 32-B) allegedly is to create benefit for Capital Smart City as well as SAS owners land holdings (Annex 32-C) in addition to the holdings of Major General rtd Saleem and his family. Since mauzas in the vicinity of Moorat interchange astride M2 never expected a Ring Road or a Motorway access these mauzas experienced largest land price gain. An example from District Attock is at Annex -26. Mr. Arsalan Ali, Majid Ali, Shareholders of M/s Techno Engineering had purchased over 800 Kanals in Tehsil Fateh Jang. While Zahir Khan share holder of ZKB, yet another RFP purchaser purchased 430 Kanals in Mauza Qutbul Fateh Jang (Annex 32-D).

54. Section 9: Way Forward

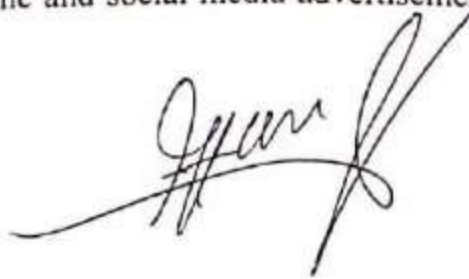
- i. NAB Proceedings: National Accountability Bureau (NAB) may be requested to proceed against Mr. Muhammad Mahmood Ex-Commissioner & LAC Mr. Waseem Ali Tabish for willfully disbursing over Rs. 2.3 Billion for illegal Land Acquisition on illegal alignment despite clear position taken by P&D Department in lieu of approval status of the alignment. This expenditure was made to benefit the core members of Attock Loop Rent Seeking Syndicate which can be connected through further investigation by NAB. Waseem Ali Tabish spent over Rs. 2.05 Billion willfully in Attock District where he was not empowered to exercise his LAC powers. All the persons and entities grouped as Rent Seeking Syndicate may be investigated for the criminal liability accruing from the reasons mentioned in the report supra. The investigation may further uncover the benami interest holders and patrons of this Rent Seeking Syndicate.

- ii. All the land acquisition proceedings including Section 4 proceedings and Awards, by relevant authorities on the Advertised R3 alignment and for design changes there in, be deemed as void ab-initio.
- iii. Establishment Division Government of Pakistan may undertake Disciplinary proceedings under E&D Rules for willful disregard of laws, rules and norms of public administration as discussed supra, by Mr. Muhammad Mahmood while moving from one stage to another for the R3 Project.
- iv. Mr. Muhammad Mahmood can also be proceeded against under Directory Retirement Rules 2020 for his conduct un-becoming: facts like pushing for an easement for Makkah Society through holdings of Qartaba city, and/or instances of his conflict of interest along R3 alignment through his brother's interest in Makkah City for seeking approval of three towers in TOP City. His conduct in convening Grievance Redressal Committee meeting to pressurize solution for the benefit of his own brother, or through him his own Benami interest, shows his callous dis-regard for the norms of public administration.
- v. Establishment Division may under take proceedings against Mr. Tauqir Shah under Directory Retirement Rules for his conduct un-becoming for using his clout and for influencing public servants for his private interest; further inferences can be drawn towards his use of clout, for his personal and family benefit, on civil servants in government and on Consultants all by himself or through his powerful family member.
- vi. Power Division may initiate action under applicable rules against officers of NESPAK for sharing insider information and for making design changes, providing local access for benefitting the Rent Seeking Syndicate.
- vii. Zeeruk may be black listed by P&D Department Punjab for unlawfully digressing from their contractual constraints discussed supra.
- viii. Dr. Farrukh Naveed member P&D may be removed from his post and E&D Proceedings may be initiated against him for attempting to create assumptions of approval of RFP through unlawful manner and by breaching the trust of the PPP P&M Board and unethical conduct in minuting its decisions as its Secretary.
- ix. Timing of land purchase, size of land purchased and locations of land purchase by Lifestyle SMC indicates the presence of conflict of interest as well as insider



information and support of NESPAK under the auspices of Mr. Muhammad Mahmood and Ex LAC Mr. Waseem Ali Tabish:

- a. Relevant Officers of NESPAK who went outside the scope of their contract and unquestioningly and unethically adopted an alignment which was drastically different from their own submitted alignment; accepted Paswal Zigzag despite obvious and glaring issues pertaining to adopting the rural road; and those who created tailormade solutions for the benefit of private persons and societies i.e. designing an escalated cost interchange at Moorat to create access for M2 and R3 for the benefit of Rent Seeking Syndicate mentioned in the report supra.
 - b. M/s Zeeruk be black listed by the P&D for going against its contractual constraints on the pretext of a variation order. Black listing action against the legal firm partnering with Zeeruk may also be initiated for failing to object to the vires of scope change in violation of PPRA framework.
- x. Relevant Authorities in the Armed Forces may be requested to inquire the use of the name of a sensitive national security organization by Col Rtd Asim Ibrahim Paracha while getting revenue record including Massavis from Mauza Rajar. Annex 42.
- xi. Relevant Authorities in the Armed Forces may be informed of the role of Major General Rtd. Saleem Ishaque in the Rent Seeking Syndicate for which they may proceed further, if so preferred, under the Armed Forces internal accountability norms.
- xii. Action by FIA Cyber Crime Wing
- a. On line Advertisement, and online or otherwise sales by Un-approved Societies, At Annex 27 is a letter by DG RDA. It has been noticed in the context of hype built around R3 illegal alignment that unapproved societies made sales of files or registrations on-line supported by their online and social media advertisement campaign. Inquiry may be held in this regard against Ruden Housing Society and similar societies at Annex 27
 - b. Forensic Audit by FIA: On-line Advertisement, and online or otherwise sale by Societies before final approval: In this case from the submitted information, it appeared that NOVA City may have made sales in excess of its approved area (Annex 40-B); such sales were made at a stage i.e. after PPP and before LOP, it was not lawfully authorized to make sales. They along with their marketing companies made online sales, online and social media advertisement in the back



- drop of hype built around R3 illegal alignment discussed supra. NOVA city did not provide their actual sales record for the inquiry purposes; making of sales on line beyond their approved area and at an authorized stage needs to be forensically enquire/investigated further. Similar forensic audit & inquiry may be initiated by FIA against societies at Annex -28
- xiii. FBR and FIA to enquire following Housing Societies and properties for being Benami fronts of past or present public office holders, public servants and/or tax evaders Annex-29:
- a) NOVA City
 - b) New Airport City/Al-Asif Housing
 - c) Blue World
 - d) Ittehad City in Mauza Ganda
 - e) About 300 Kanals in Village Mian Rasheeda near New Islamabad Airport
 - f) Over 200 Kanals in Mauza Thallian (Annex- 29-A)
 - g) Multi Professional lands in Mouza Jandu and Chokar
 - h) Life Residencia in Mauza Rama
 - i) Ruden Enclave on Adyala Road
 - j) SAS Developers
 - k) Capital Smart City
 - l) Top City
- xiv. Ex-DG RDA Ammara Khan, DC Attock Ali Annan Qamar, and DC Rawalpindi Anwar ul Haq and ADC R Rawalpindi may be asked to explain their unethical silence over shenanigans of the Rent Seeking Syndicate in their respective jurisdictions.
- xv. DCs Attock, Rawalpindi, ADC R Rawalpindi, ACs Rawalpindi Saddar & Fatehjang and Chief Officer Fatehjang Tehsil Council may be immediately replaced for their unethical silence and unethical compliance as discussed supra.
- xvi. Board of Revenue Punjab: To constitute special team for verification of DC Rates notified for the Revenue Estates/ Mauzas along the advertised alignment of R3 in Rawalpindi District viz-a-viz prevailing market rates. And submit a Mauza-by-Mauza report regarding award price vs prevailing market price of Khasra Jaat which were being acquired for the R3 in Rawalpindi District.

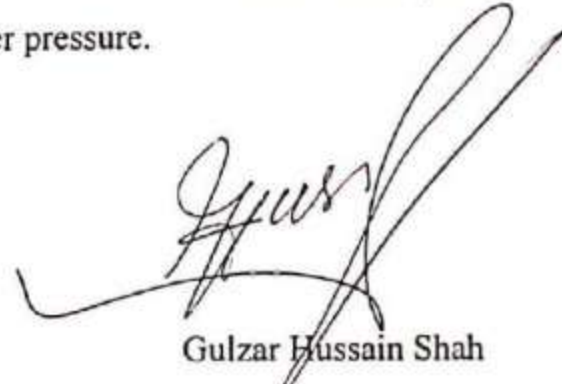
55. TORs No. II & TORs Nos III

- i. Report on TOR No. I is being submitted as per the timelines given in the TOR-I, Work on Report on TOR-II Shall commence after Eid Holidays; followed by Report on TOR III as per the given sequence of TORs.
- ii. Since a large body of evidence has been collected over a very short period of time and under the constrained working hours of Ramzan Sharif; and since there was a strike by Patwaris it is submitted that any errors on the face of record, if found in the report or its Annexures, shall be pointed out and submitted with the report on the TOR-II. *OK*

56. Recommendation for Civil Award

Following officers are recommended for Civil Award for their critical contributions to the identification, collection and compiling of necessary facts and information to meet 10 days time line:

- i. Muhammad Zeshan Amin, Financial Specialist, PMU for his fearless disclosures and provision of critical documents.
- ii. Muhammad Arif Qureshi, ACR, Rawalpindi Division For his hard work, presence of mind and staying steady under immense peer pressure.



Gulzar Hussain Shah
Commissioner Rawalpinid Division

Each Page of the inquiry report is signed.