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NATION

‘Poor management, excessive borrowing’ doomed Qartaba Homes as customers despair

By [ALEXI DEMETRIADI](#)



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Liquidators have painted a damning picture of a “complex” development scheme that spruiked itself as “halal-friendly” but likely traded while insolvent and collapsed under mountains of debt, leaving hundreds of families tens-of-thousands of dollars out of pocket.

Founded and run by Wajahat Rana, Khurram Jawaid and Kashif Aziz, The Australian first revealed in mid-2024 how Sydney-based Qartaba Homes declared itself the “interest-free answer” to the housing crisis that adhered to sharia-compliant payments, before it collapsed in October.

[Customers stressed that the scheme was not the issue](#), nor the adherence with Islam’s anti-interest principles, rather the mismanagement of the company’s finances that had plunged Qartaba into liquidation.

Liquidator Worrells was appointed to [comb through Qartaba’s assets](#) and last week completed its first set of creditor reports on the company and 11 related entities, revealing it owes about \$250m in outstanding loans to at least five creditors, not including what is owed to its hundreds of customers.

Worrells blamed “poor financial management, excessive reliance on over-borrowing, a lack of accurate financial information, and too many projects” for the scheme’s unravelling.

While noting Covid-induced impacts and NSW's slow development approval process, the liquidator said Qartaba based costs on "overly optimistic timelines", took on too many loans and too much debt that was not matched with enough completed projects to avoid insolvency.

The liquidator said the myriad entities had a "complex structure", with significant dealings between related companies.

The final financial situation – and what was salvageable for customers – would not be clear for "some time" due to a "lack of company books and records".

It also said Qartaba's directors likely breached at least five sections of the Corporations Act – including allegedly trading while insolvent – but any insolvent trading claim would fail given the directors would unlikely "have the capacity to cover" it.

Customer Nazim Chaudhry has paid instalments totalling \$145,000 since 2015 for his land and development at Qartaba's Mount Cottrell project. The lot is now worth about \$400,000, but the land has never been developed, and he said the liquidator's reports suggest that he "wouldn't get back a single cent".

"It's impossible to believe our money has disappeared into thin air," Mr Chaudhry said.

"Qartaba's directors are enjoying their lavish lifestyle while we hopelessly see our properties being possessed and sold by the mortgagees."

Mr Chaudhry said it was "astonishing" that the outstanding loan amount against almost every property was more than its value, leaving customers "in the lurch", given they're unsecured creditors.

"Muted reaction by the regulators is making us lose any remaining hope we had for recovering our funds or bringing Qartaba's directors to justice," he said.

"ASIC's investigation is in progress, but it may take a long time, giving Qartaba's directors the opportunity to dispose of their assets and move their funds to some safe havens."

NSW Police suspended its investigation into the firm after discussions with the corporate regulator, and will resume its own probe if or until ASIC or Worrells reported any fraud offences.

Qartaba started to spruik its development scheme widely in 2015 and predominantly targeted members of the South Asian diaspora in northwest Sydney, but also in Victoria and Queensland.

It would buy land before selling it to customers off the plan per lot. Customers would pay a deposit for the land, before then paying monthly development costs or land payments of about \$4000, which would be interest-free.

Many customers – of which there are about 200 – completed their payments years ago, but their lots were never developed nor transferred to their name.

Mortgaging the land it sold to customers, Qartaba took out loans with interest rates of up to 26 per cent. Much of the land has since been repossessed.

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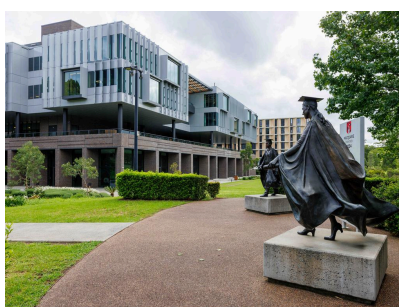
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