



12th January, 2022

Chief Executive Officer,
South City Hospital (Pvt) Ltd,
St-1, Block 3,
KDA Scheme No. 5,
Shahrah-e-Firdausi
Karachi,

Sub: Complaint on the Allegations of illegal use of an amenity plot, ST 1, 3,250 syds in Block 3, Scheme 5, allotted as a PB (Public Building) for welfare purpose in 1976, in KDA Scheme 5, being used as a commercial hospital.

Dear Sir,

I am directed to inform you that Transparency International Pakistan has received a complaint on the Allegations of illegal use of an amenity plot, ST 1, 3,250 syds in Block 3, Scheme 5, allotted as a PB (Public Building) for welfare purpose in 1976, in KDA Scheme 5, being used as a commercial hospital.

The complainant has made following allegations,

That,

1. South City Hospital (Pvt) Ltd is running a commercial hospital on ST 1, 3,250 syds in Block 3, Scheme 5, allotted as a PB (Public Building) for welfare purpose in 1976, in KDA Scheme 5.
2. Supreme Court on 16 June 2021 issued show-cause notices to two leading private hospitals of the city located in Clifton for running their health facilities on land meant for amenity purposes The bench issued show-cause notices to the South City Hospital and Ziauddin Hospital and asked them why the hospitals may not be removed from such plots since they were operating on land meant for amenity use
3. The three-judge SC bench headed by Chief Justice of Pakistan Gulzar Ahmed also directed the director general of the Karachi Development Authority (KDA) to come up with a comprehensive report on the next hearing regarding all the ST plots (amenity plots) located in Clifton and Kehkashan schemes as well as the rest of the city in the light of the master plan A separate report shall be prepared by NGO Shehri to filed .
4. DG KDA filed the report on 22.10.2021, and Shehri filed its report on 21.9.2021.
[https://shehri.org/publications_html/Paper%20Book%20\(Sch-5%20Clifton\).pdf](https://shehri.org/publications_html/Paper%20Book%20(Sch-5%20Clifton).pdf)
5. According to DG KDA Report, the record file of Amenity Plot No.ST-1, Block 3, Scheme-5. Is not available in record room., as per file the plot in question was allotted to M/s. Heal Welfare Organization on 23.9.1976, and stands transferred in name of South City Hospital (Pvt) Ltd.



And according to Shehri report, this is a 0.7 acres plot (3,388 syds), in 1985 Public Building, and presently encroached by South City Hospital. **Annex A & B.**

6. DG KDA has not submitted all information about this Amenity Plot to the Honorable Supreme Court, which are detailed as under..

i. Amenity Plot No. ST-1. (planned for Public Building) was allotted to M/s Heal Welfare Organization, registered under Voluntary Social Welfare Agencies Controlled Ordinance 1962, in 1976.

ii. According to Voluntary Social Welfare Agencies Controlled Ordinance 1962, Aims and objects of the agency, the agency is allowed to work only for welfare purpose, predefined, (i) Child welfare, (ii) Youth welfare, (iii) Women's welfare, (iv) Welfare of the physically and mentally handicapped, (v) Family planning, (vi) Recreational programmes intended to keep people away from anti-social activities, (vii) Social education, that is, education of adults aimed at developing sense of civic responsibility, (viii) Welfare and rehabilitation of released prisoners, (ix) Welfare of juvenile delinquents, (x) Welfare of the socially handicapped, (xi) Welfare of the beggars and destitute, (xii) Welfare and rehabilitation of patients, (xiii) Welfare of the aged and infirm, (xiv) Training in social work and (xv) Co-ordination of social welfare agencies. The registration is liable to be cancelled for violation of any Section of 1962 Ordinance. e.g. Section 9. Maintenance of accounts and registers subsection (c) an income and expenditure account which shall be compiled at the close of each financial year and shall be audited by a Chartered Accountant or auditor or auditors approved by the Registration Authority and shall be submitted to the said Authority within six months of the close of the financial year, and Section 10 Dissolution of registered agency etc. **Annex-C**

iii. M/s Heal Welfare Organization did not pay the 2nd, 3rd and 4th installment of the plot to KDA till 1983. According to the terms of allotment letter dated 23.9.1976, item No. 4, the allotment stood cancelled for no payment in time.

iv. After 7 years, all of sudden on 10th July 1983, KDA Land & Estate Department , Shahrah-e-Kamal Atta Turk issued Possession Order Plot No-ST-1 to M/s Heal Welfare Organization, which also stated that the price of plot 2nd , 3rd and 4th installments has been paid fully.

vii. The South City Hospital Pvt Ltd has also encroached upon the 40 feet Green Belt in front of Plot No ST-1, and illegally converted it as Hospital Car Parking.

viii. The South City Hospital Pvt Ltd has also encroached on the plot behind the ST-1 (across the road) , reserved for parking/Residential Plot C-1, and using it as commercial hospital, against the land use bylaws of KDA.

7. In 1988 South City Hospital Pvt Ltd was registered with SECP as a company (Company Registration No.K-01357) and it is not a charitable hospital, or welfare hospital, but it a Commercial Hospital, established on an amenity plot for the purpose of Public Building, allotted to M/s Heal Welfare Organization, registered under Voluntary Social Welfare Agencies Controlled Ordinance 1962.

8. According to Memorandum of Association, the objective of South City Hospital Pvt Ltd is established to establish, instruct, maintain, operate and run Hospitals, Nursing Homes, and Clinics, and "Dividend" means the distribution of the profit of the Company to its members and including bonus shares.

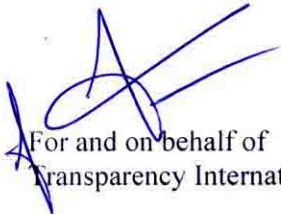


9. South City Hospital Pvt Ltd has over 25 shareholders, and has issued shares of value for Rs 1,000,000,000.

TI Pakistan has examined the complaint, and documents, and has before taking any action on this complaint, is initially approaching South City Hospital Pvt Ltd to invite its views on the allegations that the South City Hospital Pvt Ltd is illegally established on Amenity Plots reserved only for Public Building/Residential use, and operating as a commercial hospital.

Kindly send your views to TI Pakistan within 10 days, after which the complaint will be dealt accordingly

With Regards



For and on behalf of
Transparency International Pakistan