



9th April 2014

Mr. Habibullah Khan Khattak
Federal Secretary,
Ministry of Ports and Shipping,
Islamabad.

Sub: Illegal allotments of Land in PQA and KPT, even after June 2013

Dear Sir,

Transparency International Pakistan has received a complaint that Karachi Port Trust and Port Qasim Authority, have been consistently disobeying the Supreme Court of Pakistan Order which has since 28th November 2011 imposed ban on the Government from allotment /mutation of all land, as well as conversion of lease for 30 years or of any term upto 99 years till the entire revenue record in Sindh is reconstructed.

The main issues reported in the complaint are;;

1. According to the honorable Supreme Court orders dated 28-11-2011 in SMC 16 of 2011, it has been ordered that the state land is being sold out at the throwaway price without participation of public at large, which the law does not allow, but despite of the ban, KPT and PQA have continued to allot plots without public participation, on temporary basis, for 25 year, or for longer periods.
2. In Port Qasim, hundreds defaulters of plots were allotted without transparency, to favored parties under the pretext of "foreign investors". Although most such allottees have also defaulted on the PQA dues, under the rules all such allotments shall have been cancelled, but PQA did not act in time.
3. PQA now is manipulating with such cases, by first by issuing of the cancellation notices to all allottees who have outstanding PQA dues, have been in process of restoring such defaulted owners plots on underhand dealing with such defaulters unlawfully.
4. PQA has allotted plots after 28-11-2011 despite the ban, and have also offered verbally to allot many of plots directly to connected persons.
5. According to rules of KPT, no plot can be allotted to private party on private treaty basis, and all plots to private parties shall be disposed off through Auction of Tenders. But since 28-11-2011, couple of dozens of plots worth billions of rupees, have been allotted by KPT to private parties without auction or tenders.
6. KPT has also illegally allotted plots on temporary basis of 3 months, and then illegally converted them on 25 years lease.
7. KPT Board has illegally allowed change of purpose of industrial plots, to Flat sites, and the construction of multistory Buildings without approval, and by charging a nominal fee, legalized hundreds of such illegal constructions.

The complaint has been examined keeping in view the following orders of the Supreme Court of Pakistan orders dated 28-11-2011 in the SMC No. 16/2011.

"For convenience, the relevant paragraph of the above said order is reproduced hereunder:-

"..... we hereby until further orders restrain the



Government/Revenue Department from mutation, allotment, transfer and or conversion of any state land and or keeping any transaction or entry in the record of rights in this regard in revenue record of Sindh or till the entire revenue record in Sindh is reconstructed. The conversion of lease for 30 years or of any term upto 99 years shall also be stopped immediately as by this mode the state land is being sold out at the throwaway price without participation of public at large, which the law does not permit.

TI Pakistan appreciates the efforts of the Ministry of Ports & Shipping for taking cognises of various violations committed by PQA, PNSC and KPT, by taking action for undoing the wrong done in many cases.

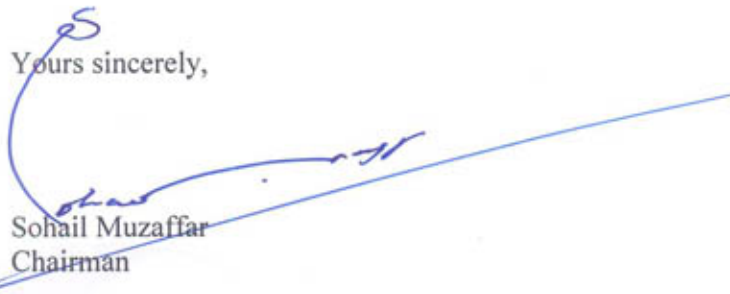
In this particular complaint, the disregarding of the Supreme Court of Pakistan orders dated 28-11-2011 in the SMC No. 16/2011 amounts to Contempt of Court, and the allegations of the complainant prima facie appears to be very serious violation of government rules as well as contempt of court.

The Secretary is requested to examine the allegations, and if found correct, take action against all those responsible, and to formulate a policy on allotments of Plots in PQA and KPT, which shall be Transparent, and shall allows open competition and participation of public at large. Till the policy is approved by the government, and lifting on ban by the Supreme Court of Pakistan, all allotments shall be stopped.

TI Pakistan is striving to have **Rule of Law** in Pakistan, which is the only way to eliminate corruption and have good governance in the country.

With Regards,

Yours sincerely,


Sohail Muzaffar
Chairman

Copy forwarded for information with request to take action under their mandate,

1. Secretary to Prime Minister, Islamabad.
2. Chairman, NAB, Islamabad.
3. Chairman, PAC, Islamabad.
4. Registrar, Supreme Court of Pakistan, Islamabad.