

**Bahria Town offer found to be about Rs 100 billion more than amount calculated in judgement**

The Supreme Court has noted that the offer made by Bahria Town Limited is about Rs 100 billion more than the amount calculated in the judgement dated 04-05-2018, which compensates for deferred payments in instalments. The Supreme Court on Thursday last accepted Bahria Town (Pvt) Limited offer of Rs 460 billion for its Karachi Super Highway Project land, and restrained National Accountability Bureau (NAB) from filing references against it.

The judgement released on Tuesday says; "We are enjoined by the judgement dated 04.05.2018 to protect the third party rights of 16,896 acres of land." In that judgement one of members of the implementation bench, Justice Faisal Arab, had undertaken an exercise tentatively determined the approximate financial worth of the land.

According to that exercise, the tentative financial advantage that Malir Development Authority would have acquired, had it undertaken a scheme itself was Rs 150,000,000,000 for 7,068 acres. However, the land in question is 16,896 acres and applying the same formula, the approximate monetary benefit of the land would be about Rs 360,000,000,000.

The court said that in view of the judgement dated 04.5.2018, they had directed the National Accountability Bureau to commence the investigation against BTLK with regard to the land in question. The NAB as per the court direction had completed the investigation and also prepared the reference to be filed in the Accountability Court.

In this view of the matter, the said reference shall not be filed for the time being. However, if there is any default in making payments in terms of the aforesaid order or otherwise any other violation in any of the terms and conditions, the NAB shall immediately file the said reference, which shall be proceeded with in accordance with law.

The judgement said that in the event of default in repayments, Bahria Town Limited shall be liable to pay mark-up on any defaulted sum at the rate of 10% per annum. This shall be in addition to other penal consequences.

Each monthly instalment shall be paid/settled in full by the 7th day of each month in advance. Thirty per cent of outstanding amount of Bahria Town Limited towards its allottees as well as future sale proceeds, collected or deposited by Bahria Town shall be transferred to the designated account already opened by the Supreme Court. Such an amount shall be utilised towards the down payment and instalments.

Bahria Town undertakes to provide within 15 days the list of all its bank accounts in which such payments are to be received. The bank accounts shall not be varied without the permission of this court.

All payments shall be deposited in the designated account already opened as per directions of this court. Failure to deposit the down payment or two consecutive instalments or three instalments in total, shall constitute a default resulting, inter alia, the whole balance amount shall become due and payable.

The security for payments will be properties, undisputed land owned by Bahria Town which it gave in nullified exchange, non-saleable land or built up property in BT Karachi.

The said properties cannot be encumbered, burdened, mortgaged, varied, transferred or sold by Bahria Town without the permission of the court. The past/present directors/shareholders/promoters of Bahria Town Limited Karachi, i.e., (1) Malik Riaz Hussain s/o Malik Aashiq Hussain, (2) Ahmed Ali Riaz s/o Malik Riaz Hussain, (3) Bina Riaz w/o Malik Riaz Hussain and (4) Zain Malik s/o Arshad Malik) shall furnish personal guarantees to the satisfaction of the registrar of this court whereby they shall be jointly and severally liable for any default which may be committed by Bahria Town in terms of this order.

Bahria Town is permitted to allot and deal with 16,896 acres, the property in question, as a builder/developer only. Upon receipt of entire payment, leasehold rights of 16,896 acres may be transferred on lease by the Sindh government and/or the Malir Development Authority to BTLK for a period of 99.

Bahria Town shall complete the project and all constructions shall be compliant with all the applicable laws, rules and regulations including Sindh Building Control Authority laws.

The court said that the order relates to only 16,896 acres of land in (deh) falling within the controlled area of MDA. The Sindh government and the MDA shall ensure that any land beyond this stands retrieved and no excess land shall be allowed to be occupied by BTLK.

Any violation of this direction shall entail criminal action both against the functionaries of Government of Sindh, Malir Development Authority and the management of Bahria Town or whosoever is found responsible.

## RECORDER REPORT