

**THE SINDH HEALTH FOUNDATION (GRANTS, LOANS AND LAND) RULES, 1994.**

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**PART-I**  
**GOVERNMENT OF SINDH**  
**HEALTH DEPARTMENT**  
**Karachi, dated the 1<sup>st</sup> November, 1994.**

**NOTIFICATION**

**THE MANAGING DIRECTOR SINDH HEALTH  
FOUNDATION**

NO.HD(P&E)/1-2(296)/93-94.- In exercise of the powers conferred by section 16 of the Sindh Health Foundation Act, 1992, the Government of Sindh are pleased to make the following Rules, namely:-

1. (1) These Rules may be called the Sindh Health Foundation (Grants, Loans and Land) Rules, 1994. **Short title and commencement**
- (2) They shall come into force at once. .
2. In these rules, unless there is anything repugnant in the subject or context:- **Definitions.**
  - (1) "Act" means the Sindh Health Foundation Act, 1992;
  - (2) "Committee" means a District Health Promotion Committee constituted under these rules;
  - (3) "grant-in-aid" means non-refundable grant made to a recipient;
  - (4) "loan" means a non-refundable sum of money advanced to a recipient under these rules;
  - (5) "Non-Government Organization (NGO)" means a welfare and philanthropist non-government organization set up for objectives related to social welfare including health services and registered under the Voluntary Social Welfare Agencies (Registration & Control) Ordinance, 1961, or the Societies Registration Act, 1860 or any other law relating to Trust or Incorporation of companies for the time being kept in force; and
  - (6) "recipient" means a non Government health institution or any other similar private organization or association of persons or an individual who receives any assistance from the Foundation.
3. The Foundation may provide assistance in the shape of grant in aid, loan or lease of land to a recipient.

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4. The assistance under rule 3 shall be provided for the purpose of attaining the objects of the Foundation under section 4 of the Act.
5. The assistance under these rules shall be granted on the terms and conditions and in the manner specified below:-
  - (1) the recipient shall provide a bank guarantee or shall mortgage adequate property to the satisfaction and in favour of the Foundation before any loan is disbursed;
  - (2) the recipient shall maintain accounts of its incomes from all sources and all expenditures;
  - (3) while applying for assistance, the recipient shall submit its account of income and expenditure duly audited by an agency approved by the Foundation;
  - (4) the accounts of all income and expenditure of the recipient including and assistance from the Foundation shall be audited every year by an agency approved by the Foundation;
  - (5) the staff engaged in the institution by the recipient is adequate and properly qualified in accordance with the qualifications prescribed in accordance with the qualification prescribed by the Health Department and the fees and charges, if any, charged by the recipient are reasonable:

Explanation:- The decision of the Board whether or not such fees and charges are reasonable shall be final.
  - (6) the recipient after sanctioning of the loan, shall not amend or alter the scope of the original proposal without the approval of the Foundation; and
  - (7) the recipient shall not, transfer or sell any movable or immovable property or assets purchased or developed with assistance from the Foundation.
6. (1) Government shall constitute Committee in each District to Scrutinize the applications/requests for grant of assistance under these rules and submit such applications/requests to the Foundation with its recommendations.

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- (2) No assistance shall be granted except on the recommendations of the Committee.

7. The grant-in-aid and loan shall be granted on a sharing basis as follows:-

<b>Purpose For NGOs</b>	<b>Maximum Share of Foundation</b>		<b>Minimum Share of Recipient.</b>
	<b>Grant Interest</b>	<b>Free Loan.</b>	
(a) Construction / expansion of building.	<b>1/3rd</b>	<b>1/3rd</b>	<b>1/3rd</b>
(b) Purchase of equipment furniture etc.	<b>1/3rd</b>	<b>1/3rd</b>	<b>1/3rd</b>
(c) Recurring Expenditure.	<b>1/3rd</b>		<b>2/3rd</b>

<b>Purpose For NGOs</b>	<b>Maximum Share of Foundation</b>		<b>Minimum Share of Recipient.</b>
	<b>Grant Interest</b>	<b>Free Loan.</b>	
<b>FOR OTHER ORGANISATIONS/ INDIVIDUALS.</b>			
(a) Construction / expansion of building.		<b>2/3rd</b>	<b>1/3rd</b>
(b) Purchase of equipment/ furniture etc.		<b>2/3rd</b>	<b>1/3rd</b>

8. (1) The assistance provided by the Foundation shall be utilized only for the purpose for which it has been granted and the assets raised through such assistance shall not be used for any other purpose.
- (2) Where a recipient is found using the assistance for any purpose or purposes other than the purpose or purposes for which it is sanctioned or is found violating any provision of the Act of these rules the Foundation shall immediately stop further disbursement of assistance and shall recover the amount of assistance already disbursed alongwith a penalty equivalent to hundred percent of the said amount.
- (3) No action under sub-rule (2) shall be taken unless the recipient has been afforded the opportunity of being heard.

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9. The grant in aid/loan for the construction of a new building shall be released in three equal installments as under:-
- |                             |  |
|-----------------------------|--|
| 1 <sup>st</sup> Installment | On completion of plinth level.             |
| 2 <sup>nd</sup> Installment | On completion of building upto roof level. |
| 3 <sup>rd</sup> Installment | On completion of the roof.                 |
10. (1) An application for assistance shall be made to the Managing Director through the Committee concerned. Application for assistance.
- (2) No application for assistance shall be entertained unless it is accompanied by the following documents:-
- (a) certificate of registration as NGO from the Social Welfare Department (for NGOs only);
  - (b) certificate from a scheduled bank or any other financial institution recognized by the government showing financial position of the applicant;
  - (c) a plan and rough cost estimate of the proposed building price list of the equipment detailed estimate of other expenditure/items.
- Explanation:- The plan/estimate for the building should be authenticated by a technical expert approved by the Foundation.
- (d) Proof of ownership or lease of land (if available in the name of the applicant) on which building situated or is to be constructed for the health institution;
  - (e) Information high-lighting the existing facilities, activities, performance and financial position of the institution for which assistance is being requested ( for an existing institution only); and
  - (f) Any other information/document which the Managing Director may require for his satisfaction.
11. (1) On receipt of the application, the Committee shall cause the location of the proposed institution to be inspected and satisfy itself as to the viability of the proposal, genuineness credibility and implementation capability of the applicant.

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- (2) The Committee shall forward the report and its recommendations to the Managing Director.
  - (3) The Managing Director after examining the recommendations of the Committee shall place the proposal with his recommendations before the Board.
  - (4) The Board shall then consider the recommendations of both the Committee and Managing Director and take such decision with regard to the application as it may deem proper.
12. While sanctioning assistance the Board may lay down such addition conditions as it may deem necessary to protect and secure its interest and to achieve its objectives.
  13. In case any recipient does not repay the loan according to the agreed repayment schedule or does not comply with other terms and conditions of the contract, the Foundation may in addition to any other action forfeit the securities furnished to secure the loan.
  14. The Committee or the Board shall itself or through its authorized representative have the power to inspect, supervise and monitor the project to ascertain and ensure proper utilization of the assistance provide by the Foundations.
  15.
    - (1) Welfare and philanthropists NGOs shall be advanced loan free of interest.
    - (2) Loans to other organisations and individuals shall be given in such terms and conditions as the Board may determine from time to time.
    - (3) The recipient shall repay the amount advance in seven year commencing on the date of disbursement of the first installment of the loan.
    - (4) The repayment shall be made in half yearly equal installments or as agreed to between the recipient and the Foundation.
  16. The construction of building for which assistance has been received from the Foundation shall be complete within a period of eighteen months from the receipt of the loan.

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17. The building shall be constructed in accordance with the plan approved by the Foundation or any authority nominated by it.

**PROF M.A. ALMANI.**  
**Secretary to the Government of Sindh.**

Jalil/26-8-2015