

**CAPITAL DEVELOPMENT AUTHORITY**  
**(Directorate of Coordination)**

No. CDA (SCB)/Coord/ (Gen )/2012/ 47

Islamabad January 9, 2012

**From:** Dr. Raja Mustafa Hyder  
Secretary CDA Board  
Capital Development Authority, Islamabad

✓ **To:** Syed Adil Gilani,  
Adviser,  
Transparency International Pakistan,  
5-C, 2<sup>nd</sup> Floor, Khayabam-e-Ittehad,  
Phase-VII, Defence Housing Authority  
Karachi.

**Subject: - LED LIGHTS PROJECT**

Dear Sir,

We refer to your letter of 31st December, 2011, which interestingly reached selected newspapers before it was even received by us. Apparently the effort is more to make a media story rather than making a bona fide inquiry from CDA as to the relevant facts of this Project.

2. It appears that your entire basis for making the allegations contained in your letter under reply are some news stories, which are clearly based on erroneous facts. It may have been prudent on your part to first undertake a proper inquiry into facts, which is not difficult to do so as it relates to public record, and then decide whether to write such a letter and proceed to distribute it to the press for publication.

3. The fact is that no project for the LED Lights has been awarded by CDA as yet. The project was envisioned for the purposes of; a) conserving energy, b) reducing CDA's cost of lighting streets and c) improving environmental impact.

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4. The Project was properly advertised and process undertaken as per PPRA Rules and other formalities imposed upon CDA as a public authority. Six different parties submitted their expression of interest of which three were short listed as per the terms of the invitation for submission of bids. The three parties submitted bids as per PPRA Rules. The process however, has not been concluded and is ongoing hence there is no question of grant of the Project or any contract to any party as yet.

5. The local firm M/S Zulu Bravo did not participate in the bid which was advertised in the newspaper therefore, their claim for non consideration of their proposal is incorrect. The cost of the imported lights apprehended by the firm is not based on fact.

6. The Project cost expected is not Rs.8 Billion but is expected to be Rs.6.5 Billion which includes maintenance of the lights and not just their supply and installation. The Project includes supply of LED Lights, the engineering component to install the same after necessary modifications to the existing structures and maintenance initially for a 5 year period.

7. The Project is being funded principally under special funding provided by the Asian Development Bank, which includes soft terms for repayment including a carefully structured repayment plan allowing CDA to repay the funding through the savings resulting from the lower consumption of energy.

8. Of course, in the absence of any contract having been granted as yet, there can be no basis for a loss having occurred to the exchequer of the Authority.

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9. The authority is fully aware of its legal obligations and the same are being fulfilled and followed. However, we would like to remind you of the law as laid down by the Honourable Superior Courts of Pakistan is that while every public authority is required to act in a transparent and fair manner when dealing with public property there exists no right of any party until such time as the contract or project itself is awarded. As that time, if any party or entity has a grievance in respect of the authority's decision the same can be agitated in accordance with the law before the Honourable Courts of Law. However, we do not believe that such legal obligations imposed upon the Authority allow entities or persons to make a media circus of every act of the Authority using baseless and false allegations.

10. An organization such as Transparency International is not only respected but welcomed as a watch dog in respect of conduct of public functionaries and the Authority at all times is open to sharing information with TI or any other entity to ensure transparency subject to the restricting of confidentiality imposed by law inters of a bidding process. However with the responsibility TI has undertaking comes an onus to act in a prudent and proper manner and upon due inquiry. If TI believed there was any concern the same could be addressed to the Authority rather than in haste making false allegations and accusations and the releasing the same to the media even before such communication reached the Authority. Are all communications and letters of TI provided to the media as a matter of practice? It is further interesting that you have only based your allegations on a media report whereas ignoring numerous other media reports which represented a positive support to the planned project. Which one is to be believed? Why not check facts rather than proceeding on presumptions of third parties?

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11. The project was discussed in the meeting held on 15-07-2011 in Committee room No.1 at Parliament House with Chairman Senate Standing Committee, Mr. Shahid Bugti by Chairman CDA and explained salient features of the project and also apprised rules position regarding appointment of present Member (Engineering), CDA.

12. While the Authority denies each and every allegation contained in your letter as being false and unfounded and reasons for the same have been provided, the allegations contained in your letter which have been provided to the media by you and consequently published in the newspapers represent a patent defamation and libel on your part. In the event you intend to maintain the contents of your letter the Authority will require you to prove each and every allegation contained therein in accordance with law. The Authority hence seeks a public apology on your part and withdrawal of your letter dated 31<sup>st</sup> December, 2011 having been issued without prior inquiry and not based on facts.

13. A copy of this is being forwarded to all the concerned quarters as well as Transparency International Secretariat in Berlin please.

Sincerely,

**Dr. Raja Mustafa Hyder**  
Secretary CDA Board

**Copy to:-**

1. Chairman CDA.
2. Chairman Public Accounts Committee, National Assembly, Islamabad.
3. The Registrar, Supreme Court of Pakistan, Islamabad.
4. Chairman, NAB, Islamabad.
5. Managing Director PPRA Islamabad.
6. Auditor General Pakistan, Islamabad.
7. P. S. to Member (Engg), CDA.

Secretary CDA Board