



Government of Pakistan  
Ministry of Finance, Revenue, Economic  
Affairs, Statistics and Privatisation  
(Privatisation Commission)

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Director General

F. No. PC/SIH-Priv(3)/06

Islamabad, the March 04, 2016

Subject: COMPLAINT ON THE ALLEGATION OF ILLEGAL TRANSACTION OF THE SALE OF THE LAND OF THE SERVICES INTERNATIONAL HOTEL (SIH) LAHORE WORTH OVER 3 BILLION AT 10%-15% VALUE TO THE COMPANY OF A HIGHLY CONNECTED PERSON, CAUSING LOSS TO EXCHEQUER OF OVER RS. 2.6 BILLION.

Dear Sir,

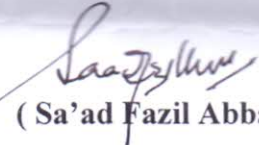
This is with reference to Transparency International – Pakistan's ("TIP") letter dated February 05, 2016, on the captioned subject.

2. It is to inform that Services International Hotel ("SIH") was included in the list of State Owned Entities ("SOE's) approved by the Council of Common Interest in 2006.
3. Pursuant to the aforementioned decision, there had been two (2) unsuccessful privatisation attempts by Privatisation Commission ("PC") in December 2006 and July 2007. In the first attempt of privatisation, the highest offer did not meet the minimum acceptable price. The PC Board did not accept the same and recommendations were made to Cabinet Committee on Privatisation ("CCOP") to re-advertise in foreign press to attract competition. In the second Attempt, seven (7) parties expressed interest. PC fixed the bidding date of 26<sup>th</sup> July 2007. However, only Hashwani Hotels Limited, Islamabad deposited the Earnest Money. The bidding therefore could not be held.
4. It is further pointed out that SIH is included in the list of entities approved by the CCOP for privatisation in general, but is not included in the Privatisation Program for Early Implementation and that no decision to privatise SIH has yet been taken.
5. Keeping in view the foregoing, PC in the strongest terms refutes the baseless allegations leveled against it as it strongly believes and practices, in letter and spirit, compliance with privatisation and procurement laws and transparency of the privatisation process and fair and open competition across the board.

6. This issues with the approval of Competent Authority.

With warm regards

Yours truly,

  
( Sa'ad Fazil Abbasi )

**Mr. Sohail Muzaffar**

Chairman,  
Transparency International - Pakistan,  
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Copy for information to:

1. Minister of Interior, Islamabad.
2. Secretary, Ministry of Finance, Islamabad.
3. Secretary to the Prime Minister, Islamabad.
4. Chairman NAB, Islamabad.
5. Additional Secretary / Special Assistant to Finance Minister, Islamabad.
6. Registrar, Supreme Court of Pakistan, Islamabad.
7. Chairman, NICL, Karachi.
8. DG, NAB, Karachi.