



Pakistan Petroleum Limited

P.I.D.C. House, Dr. Ziauddin Ahmed Road,
P. O. Box 3942, Karachi-75530, Pakistan
Tel: 92-21-35681391-95, 35683853-57, 35657730-39
UAN: 92-21-111-568-568
Fax: 92-21-35680005 & 35682125
Website: www.ppl.com.pk

Our reference: 14/SV/0265/16

Your reference:

Date: 25 April, 2016

M/s. Transparency International - Pakistan

5-C, 2nd Floor, Khayaban-e-Ittehad,
Phase VII, Defence Housing Authority
Karachi
Tel: 021-35390408, 35390409

**Complaint against Tender No. PD/GS/GPF-III/001/2015
For GAMBAT South Gas Processing Facility**

Dear Sir,

This has reference to your letter dated 4 March 2016, wherein, you have shared the complaint received to Transparency International-Pakistan ("TI-Pakistan") against our tender No. PD/GS/GPF-III/001/2015 for Gambat South Gas Processing Facility ("Tender Document").

Please note that the content of your above referred letter are the same as was sent to us by Gresham Eastern (Pvt) Ltd vide its letter dated 10 December 2015 ("Gresham or Complainant"), to which PPL has already responded on 14 December 2015. (Copy of PPL's response letter is attached as Annexure-1 for your reference).

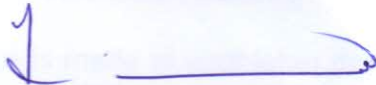
As clarified in the attached PPL's response letter, we hereby deny all baseless allegations mentioned in your letter raised by the Complainant. You would note in the attached letter that PPL has adequately briefed the vendor about its stance against each point in line with the applicable laws and regulations including the Public Procurement Rules, 2004 ("PPRA Rules") and industry practices. PPL as a prudent organization, has also clarified to Complainant in a meeting held on 30 December 2015 at PPL's offices.

We respect TI-Pakistan's dedication against its challenging objectives and we always support its diligent efforts to create a transparent business environment in Pakistan. PPL being a prudent public limited company always makes conscientious endeavours for compliance with all regulatory and statutory regulations of Pakistan including PPRA Rules in their letter and spirit. Moreover, please note that PPL always strives for equality, transparency and fair play for all of its projects. We truly believe that TI-Pakistan would consider our stance against baseless allegations raised by Gresham on merits, in accordance with the applicable laws and regulations.

Notwithstanding the above, as suggested, we have once again carefully reviewed the Tender Document in view of the allegations raised by Gresham contained in your letter under reply and we hereby confirm that the provisions of Tender Document are in compliance with the applicable laws and regulations including PPRA Rules and industry practices.

We trust that the above clarifies the matter adequately, however, please let us know in case you require any further clarifications.

Yours faithfully,
PAKISTAN PETROLEUM LIMITED.



(ABID A. MALICK)
for MANAGING DIRECTOR

TENDER NO PD/GS/GPF-III/001/2015

SETTING UP OF GAMBAT SOUTH GAS PROCESSING FACILITY (GPF-III) PROJECT
ON EPCC BASIS

Dear Mr. Mian Suhail Hussain,

Reference is made to your letter dated December 10, 2015 received via email wherein you have pointed out few observations that require clarifications pertaining to subject tender. We clarify as follows:

- A. You may appreciate that pursuant to clause 3.19 "Law & Regulations", Section-III Terms and Conditions on the contract of the ITB document, the potential bidder shall also be responsible to ensure strict compliance to all applicable laws, rules and regulations (National & International both). Further, it is also mandatory to comply with the instructions issued by Government of Pakistan from time to time. Accordingly, your understanding regarding PPRA rules 2004 for the tender document relating to GPF-III is not correct. SRO 827/1/2001 and SRO 568/1/87 or its latest revisions are available on PPRA's website. These SROs are public documents and may easily be downloaded by bidder for review and compliance (kindly refer clause 3.28.14(a) of Section-III of the ITB). Regarding mentioned Rule 38 in your letter dated December 10, 2015, kindly refer note 4 on summary sheet of Technical Evaluation Criteria for bid evaluation attached as Appendix-11 in ITB document.
- B. PPL is premier E&P Company of Pakistan and always ensure compliance of all regulatory and statutory procedures laid down by Government of Pakistan in all of its sphere. You may appreciate that multiple vendors for equipment/materials required for GPF-III project are given in the Appendix-13 "Recommended vendors / Manufacturers list". Moreover, the recommended vendors / manufactures list does not restrict vendors on the basis of their country of origin. We understand that ITB neither restrict the competition nor it favor any single contractor or supplier. We, therefore, request bidder to withdraw the request to allow all supplier across the world to participate.
- C. Bidder is requested to consult any profound process designer having understanding of the amine plant with LPG recovery units to understand process constraints in hot oil system design on optimum basis.
As per tender basis, please refer to simulation models for hot oil flow scheme that is constraint by amine reboiler maximum inlet temperature of 350 F to avoid amine degradation.
In order to supply high temperature to LPG unit & condensate stabilization unit reboiler hot oil circulation methodology is used as per proven design basis implemented.
Please read BOD hot oil section for further details.

We understand that your concerns have been adequately addressed, however, should you require any further clarification, please contact undersigned.

Kind Regards,

Abid A Malick
Senior Manager Procurement