

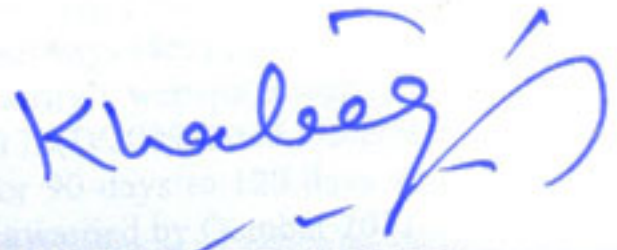
**NATIONAL ASSEMBLY SECRETARIAT**

NO.F.1(1)2012/Mont-Comm of PAC/TIP/Railways Islamabad, 24<sup>th</sup> February, 2012

SUBJECT: **ALLEGATION OF VIOLATION OF PUBLIC PROCUREMENT RULES 2004, BY PAKISTAN RAILWAYS IN THE AWARD OF BUSINESS TRAIN BETWEEN LAHORE AND KARACHI - TI LETTER DATED 21<sup>ST</sup> DECEMBER, PPRA LETTER DATED 26<sup>TH</sup> DECEMBER, 2011 AND PAKISTAN RAILWAYS LETTER DATED 13<sup>TH</sup> JANUARY, 2012.**

Kindly find enclosed herewith a letter addressed to Chairman, Pakistan Railways Lahore, received from Syed Adil Gilani, Advisor Transparency International Pakistan (TIP) on the subject cited above.

2. You are requested to kindly submit a comprehensive report on the issue, for the consideration of the Public Accounts Committee.
3. An early action will be highly appreciated.

  
**(MALIK KHALEEQ AHMED)**  
Deputy Secretary  
(PAC-Imp)  
Tele No.9205484  
Fax No.9208142

**Chairman,**  
Ministry of Railways,  
Government of Pakistan,  
Islamabad.

**Copy for information to:-**

1. Auditor General of Pakistan, Audit House, Constitution Avenue, Islamabad.
2. Managing Director. PPRA, FBC Building Near State Bank, Sector G-5/2, Islamabad.
3. Chairman, National Accountability Bureau, Headquarter Building, Sector G-5, Government of Pakistan, Islamabad.
- ✓ 4. Syed Adil Giani, Adviser, Transparency International Pakistan, 5-C, 2<sup>nd</sup> floor- Khayaban-e- Ittehad, Phase VII Defence Housing Authority, Karachi.

\*\*\*\*\*





**TRANSPARENCY  
INTERNATIONAL-PAKISTAN**

5-C, 2nd Floor, Khayaban-e-Ittehad, Phase VII,  
Defence Housing Authority, Karachi.  
Tel: (92-21)-35390408, 35390409, Fax: 35390410  
E-mail: ti.pakistan@gmail.com  
Website: www.transparency.org.pk  
**Advisory Committee**

20<sup>th</sup> January 2012

Chairman,  
Pakistan Railways,  
Lahore.

**Sub: Allegation of violation of Public Procurement Rules 2004 by Pakistan Railways in the award of business train between Lahore and Karachi-TI Letter dated 21<sup>st</sup> December, PPRA Letter dated 26<sup>th</sup> December 2011 and Pakistan Railways letter dated 13<sup>th</sup> January 2012.**

Dear Sir,

This is in response to Mr. M. Aftab Akbar, Director Operations, Pakistan Railways letter No. C-II/5-12/BT/11 dated 13<sup>th</sup> January 2012 sent in reply to TI-Pakistan's letter dated 21<sup>st</sup> December 2011 on the above subject.


Director Operations has stated that the bids were invited in January 2011 through press. It is important to note that the bids were to be opened on 08<sup>th</sup> February 2011 at Pakistan Railways Headquarters office, however no document is available on Public Procurement Regulatory Authority's website to verify the date of contract award which is in violation of Cabinet Division's S.R.O 1170(I)/2009 dated December 31, 2009. As per the normal practice in Pakistan, bids are usually valid for 90 days to 120 days with only one time extension, according to which the contract should have been awarded by October 2011.

It is important to note that Pakistan Railways has not posted the procurement contract, evaluation results and procurement report related to the subject tender on PPRA's website which is a violation of Rule 47 of the Public Procurement Rules 2004. Pakistan Railways can also refer to Cabinet Division's S.R.O 1170(I)/2009 dated December 31, 2009 (enclosed) which makes it mandatory on the procuring agencies to post Contract Awards over fifty million rupees on PPRA's website along with proformas I and II as annexures.

Transparency International Pakistan would also like to point out that under Article 33B of the NAB Ordinance 1999, all ministries, division and attached departments of the Federal, Provincial and local governments shall furnish to NAB a copy of all contracts of over Rs. 50 million awarded by these departments.

TI-Pakistan requests Pakistan Railways under Rule 47 to kindly provide copies of the Contract, Bid Evaluation Report and the Procurement Report for review.

With Regards,

  
Syed Adil Gilani  
Adviser

Copies forwarded for the information of:

1. Chairman, Public Accounts Committee, Islamabad.
2. Chairman, NAB, Islamabad.
3. Registrar, Supreme Court.
4. Auditor General, Islamabad.
5. Managing Director, PPRA, Islamabad.

U  
27/1

As (amp)