



07th February 2012

Mr. Faisal Saleh Hayat,
Minister of Housing & Works,
Block B, Pak Secretariat,
Islamabad.

3rd LETTER

Subject: Complaint of Violation of Public Procurement Rules 2004, in Inviting Expression of Interest for Award of Commercial Units and Apartments on 3.2 Acres Prime Land in Karachi- Allegation of Corruption in Value of Land – TIP Letters dated 06th September 2011 & 15th October 2011 and PPRA Letter dated 20th October 2011 and 10th November 2011.

Dear Sir,

Please find attached copy of our letter dated 06th September 2011, which has not been responded even after a lapse of 05 months.

Through its letter, TI-Pakistan had pointed out the violation of Rule No. 16 of the Public Procurement Rules 2004 in the Expression of Interest for award of commercial units and apartments on 3.2 acres prime land in Karachi.

TI-Pakistan had also listed the mandatory requirements for the evaluation criteria contained in the pre-qualification documents under Rule 15(2).

Allegations published in Daily "Express" were also mentioned and a clarification was requested from you. The allegations included:

1. PHA does not have the mandate to build commercial units, as it was formed only for the purpose to provide economic housing to government officers.
2. The value of 3.12 acres Land is Rs. 5 Billion, and it has been evaluated by PWD and PHA as Rs. 35 million only.
3. The land does not belong to PHA and is not held in its name, then why the expression of interest has categorically stated that the land belong to PHA.
4. Why actual value of land Rs. 5 Billion as PHA equity, is not declared to the bidders.



If the above allegations are true, TI-Pakistan requests the Minister to order an inquiry on the violation of Rules, and actions under the rules against the officer responsible for these violations, and recover the loss to exchequer from the violators/ suppliers, and report the case for action under the NAB Ordinance 1999.

Regards,

Syed Adil Gilani
Adviser

Copies forwarded for the information of:

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