



14th May, 2010

Captain Ajaz Haroon,
Chairman,
Pakistan International Airlines,
Head Office,
Quaid-e-Azam International Airport,
Karachi 75200

Dear Sir,

Transparency International Pakistan has received complaint from a bidder for procurement of Liquid Soap Bottle tender No FSD-Liquid Soap-10 opened on 24 March 2010.

The allegation made by the complainant which amounts to violation of Public Procurement Rules 2004 are detailed below:

1. Ms/ Aero Track Corp were issued tender for 21,000 bottles, whereas, other were issued same tender for 135,000 bottles.
2. Three parties M/s Fresho Rise, M/s Melton and M/s Tradex have been exempted by PIA from submission of earnest money.

These are serious allegations and needs to be addressed by PIA according to Rule 48. The inquiry report has to be sent to Secretary Ministry of Defence for his decision. Rule 2(f) corruption and fraudulent practice may also apply if the violations are found to be correct.

TIP refer to following clauses of MOU signed between PIA and TIP on 3 Feb 2010;

- In case any anomalies are identified during the procurement surveillance, TIP shall inform Managing Director PIA on the same.
- PIA will ensure that TIP's observations are addressed promptly.

Best Regards,



Syed Adil Gilani
Chairman.