



**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

24th November 2010

Mr. Imtiaz Lodhi,  
Acting CEO,  
Pakistan Steel Mills Corporation Limited,  
Bin Qasim,  
Karachi

**Subject: Violation of Public Procurement Rules, 2004 Tender Opening of yards of  
Waste Material**

Dear Sir,

Transparency International Pakistan according to the Agreement dated 23rd August 2010 will act as observer in all Tenders of Pakistan Steel. TI-P personnel attended the tender opening of yards of waste material held on 8<sup>th</sup> and 16<sup>th</sup> September 2010 respectively.

In TI-P's letter dated 20<sup>th</sup> September 2010 recommendations were submitted for your consideration. Further to those recommendations, Transparency International Pakistan would like to point out that under Rule No.7 of Public Procurement Rules 2004 it is mandatory to sign the 'Integrity Pact' between the procuring agency and the contractors, consultants, suppliers for procurement over Rs.10 million.

The rule is quoted below for your information:

*7. Integrity pact.- Procurements exceeding the prescribed limit shall be subject to an integrity pact, as specified by regulation with approval of the Federal Government, between the procuring agency and the suppliers or contractors.*

Kindly make sure that this is followed diligently in the future.

With Regards,

  
Syed Atif Gilani  
Chairman