



8<sup>th</sup> May, 2013

Mr. Yaseen Anwar,  
Acting Governor,  
State Bank of Pakistan,  
I.I. Chundrigar Road, Karachi.

Sub: Complaint against SBP on purchase of Rs 40 Million imported bullet proof Lexus, SUV

Dear Sir,

Transparency International Pakistan has received a complaint against State Bank of Pakistan on the purchase of Rs 40 Million **imported Bullet Proof Lexus, SUV**.

The complainant has alleged that the bullet proof Lexus has been ordered for the use of the Acting Governor, and the procurement is against the GoP rules, and also in violation of the mandatory requirements of Public Procurement Rules 2004, as unsolicited procurements are not allowed. Following are the allegations;

1. That Mr. Yaseen Anwar, Governor State Bank of Pakistan has ordered for himself a imported bullet proof vehicle.
2. That the Vehicle, ordered is Lexus, SUV, which will cost exchequer Rs 4 Carors, i.e. Rs 40 Million.
3. That Governor State Bank of Pakistan has not been allowed to make this extra ordinary and most expensive procurement for one person use only.
4. The Ministry of Finance Government of Pakistan has not approved this procurement.
5. That Public Procurement Rules 2004 have not been followed, and direct purchase has been ordered.
6. That Public Procurement Rules 2004 does not allow brand names to be used, as all Car Manufacturers make bullet proof model, but SBP has ordered for Lexus SUV.
7. That SBP has not included this Procurement in its annual plan, as the SBP annual plan is not posted on PPRA website, which is a mandatory requirement.
8. That due to this illegal procurement, SBP is casing loss of over Rs 40 Million to the exchequer.

SBP is informed that unsolicited procurements are not acceptable under Public Procurement Rules 2004, and quote following three Supreme Court and Islamabad High Court Judgments.



1. Safe City , where the unsolicited Contract of US \$ 127.179 million was awarded by Ministry of Interior to a Chinese Firm in December 2010 and US\$ 68 million were disbursed, and the Cabinet in its meeting held on 14<sup>th</sup> March 2012, endorsed the decision to grant waiver of PPRA Rules by the Prime Minister to the Ministry of Interior. The Supreme Court of Pakistan on 23 August 2012 has declared the Contract as illegal, in the Constitutional Petition No.91 Of 2011 & CMA No.2624 of 2011 and Constitutional Petition No.57 of 2012. The honorable court has also declared that the Contract dated 29.12.2009 is illegal and invalid having been executed in violation of the mandatory provisions of the Public Procurement Rules, 2004, without Open Bidding.
2. Islamabad High Court (IHC) Ton March 28, 2013 declared null & void contracts awarded for development schemes worth Rs5 billion in former prime minister, Raja Pervez Ashraf's constituency, Geo News reported.. Directing National Logistic Cell (NLC) to return the amount paid immediately, the IHC ordered the concerned authorities to invite bids and re-award the contract within 30 days strictly in accordance with the PPRA rules.
3. RPP Case Supreme Court Judgments of 30 March 2012. The contracts of all the RPPs – solicited and unsolicited, signed off or operational, right from BHIKKI & SHARAQPUR upto PIRANGHAIB, NAUDERO-I & NAUDERO-II were entered into in contravention of law/PPRA Rules, which, besides suffering from other irregularities, violated the principle of transparency and fair and open competition, therefore, the same are declared to be non-transparent, illegal and void ab initio. Consequently, the contracts of RPPs are ordered to be rescinded forthwith and all the persons responsible for the same are liable to be dealt with for civil and criminal action in accordance with law;

Transparency International Pakistan request the Governor to kindly examine the complaint , and if the allegations are found to be correct, take immediate remedial measure to address the issues raised by the complainant, and cancel the procurement, as this procurement is deemed to be declared as mis-procurement.

Transparency International Pakistan is striving for across the board application of Rule of Law, which is the only way to stop corruption.

With Regards,

  
Syed Adil Gilani  
Advisor

Copies forwarded for the information of:

1. PSPM, Prime Minister House, Islamabad
2. Minister, Finance, Islamabad
3. Chairman, NAB, Islamabad.
4. Registrar, Supreme Court of Pakistan, Islamabad.