

22<sup>nd</sup> December, 2021

2021/1222/1A

Managing Director,  
National Transmission & Despatch Company (NTDC),  
2<sup>nd</sup> Floor, Hall No. 2, Shaheer Complex,  
Egerton Road, Lahore

**Sub: Complaint on fraudulent & collusive practices by M/S. MKEC Lahore and NEPC II in NTDC  
ADB-401A Project**

Dear Sir,

Transparency International Pakistan refers to NTDC Letter No. GMPA/NTDC/T-167/3081-93 dated 9.12.2021 from GM (Performance Assessment) NTDC and received by TI Pakistan via email on 14.12.2021 against TI Pakistan letter No. TIP2021/0108/1A dated 8<sup>th</sup> January 2021.

NTDC requested TI Pakistan to nominate representative to attend Inquiry committee meeting constituted to probe into complaint of fraudulent & collusive practices by M/S. MKEC Lahore NEPC II in NTDC ADB-401A project. It is to be noted that TI Pakistan is a Whistleblower and it forwards complaints received from aggrieved citizens to the relevant authorities to seek redress and do not take part in any investigation by any department.

In its letter No. TIP2021/0108/1A dated 8<sup>th</sup> January 2021, TI Pakistan complaint pointed out that on 22.09.2020 a three-member inquiry committee was already constituted by the MD NTDC, comprising of Engr. Anjum Aziz GM (PD/GSC) North, Convener, and as members Mr. Amir Waheed Ahmed, CFO NTDC and Mr. Hamza Khalid Randhawa CLO NTDC. The inquiry committee submitted its report to NTDC Board, with following Para 47,48 and 49, copied below:

*47. The aforementioned clauses clearly mention that requesting information or documentation on nonconformities shall not be related to any aspect of the Price Bid except to confirm the correction of arithmetic errors discovered by the Employer in the evaluation of the BIDS. The contents of the post price bid clarification reflect that clarification that were sought from the Bidder did not pertain to correction of any authentic error; rather the same were sought to confirm/withdraw rates of price Schedules.*

*48. In light of the above observations it appears that post bid clarification was sought with respect to the aspect of Price Bid and that the Bidder was asked to withdraw and/or confirm the notes contained therein, contrary to clauses 29.1 and 33.2 of section 1 (Instruction to Bidders) of the Bidding Document. Accordingly, the possibility of obtaining the unfair advantage by the Bidder cannot be ruled out in the circumstances.*

As the inquiry committee was constituted more than a year ago and has established the allegations of corruption and favoritism in the bidding process of the Tender NTDC ADB-401A Project. NTDC was recommended the following by TI Pakistan:

1. The allegations need to be examined, and also if the Inquiry Committee is genuine, further investigations are to be conducted.
2. If the investigations find the allegation/allegations as correct, action shall be taken under the PPRA Rules, "Integrity Pact under Rule 7, and NTDC SOP for Blacklisting.



As the inquiry report of 2020 has established the allegation of violation of PPRA Rules 2004, of allowing the bidder to amend its financial bid, TI Pakistan recommended to investigate the loss incurred in the contract, so that according PPRA Rule 7, Integrity Pact, NTDC shall recover 10 times to loss incurred and also to take action against the officers responsible under NAO 1999.

As the inquiry committee was already constituted and presented its findings, the new committee cannot be constituted to investigate same allegations which have been proven already a year ago.

It was also recommended by TI Pakistan that Asian Development Bank shall also take action in accordance with Anti-Corruption Policy.

TI Pakistan is striving for across the board application of **Rule of Law**, which is the only way to stop corruption and achieve zero tolerance against Corruption,

Best Regards,

  
Ms. Yasmeen Lari

Sitara-e-Imtiaz, Hilal-e-Imtiaz, Fukuoka & Jane Drew  
Prize Laureate,  
Chairperson  
Transparency International Pakistan

  
Justice (R) Nasira Iqbal

Vice Chair, Sitara-e-Imtiaz  
Transparency International Pakistan

Copies forwarded for the information with request to take action under their mandate,

1. PSPM, Prime Minister's House, Islamabad,
2. Chairman NAB, Islamabad
3. Federal Secretary, Ministry of Energy (Power Division), Islamabad
4. MD PPRA, Islamabad
5. Registrar, Supreme Court of Pakistan, Islamabad
6. Country Head Asian Development Bank, G-5/1, G-5, Islamabad
7. President Asian Development Bank, 6 ADB Avenue, Mandaluyong City 1550, Metro Manila, Philippines