



TRANSPARENCY INTERNATIONAL - PAKISTAN

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August 27, 2025

TIP2025/0827/1A

Mr. Syed Muhammad Taha
MD & CEO
Pakistan State Oil, Karachi

Subject: Complaint Against Allegations of Violation of Public Procurement Regulatory Authority (PPRA) Rules 2004 by the Pakistan State Oil (PSO) in the Tender for Turnkey Solution for Track and Trace System, Tender No. LC-18589-FI (Stage-2)

Dear Sir,

Transparency International Pakistan has received a Complaint Against Allegations of Violation of Public Procurement Regulatory Authority (PPRA) Rules 2004 by the Pakistan State Oil in the Tender for Turnkey Solution for Track and Trace System Tender No. LC-18589-FI (Stage-2) **(Annex A)**.

The complainant has made the following allegations:

That,

1. The PSO invited bids for the subject tender for the bids LC-18589-FI (Stage-2), deadline 2:15pm on July 17, 2025 **(Annex-B)**
2. M/s Authentik submitted the bid electronically 2.14pm and received a notification via email at 2.15pm that their submission is pending and was informed that the status would change automatically after 2.15pm deadline.
3. During the tender opening, the firm was shown as a non-participant despite electronic submission within deadline.
4. On July 24, 2025, the complainant was informed about the Grievance Redressal Committee (GRC) decision, quoted below **(Annex-C)**

"In this regard, the Grievance Redressal Committee (GRC) is of the opinion that since, it was properly communicated through General Instructions and Terms and Conditions Pur-3(p) of Tender Documents that bid should be submitted electronically on SAP Ariba, No email or physical bid will be accepted, but in this case, bid was not received from M.s Authentik Solution in our SAP Fiori system within the defined timeline, therefore, the committee finds no merit in this grievance."

Transparency International Pakistan's Comments & Recommendations

Transparency International Pakistan has reviewed the allegations of the complaint, based on the submitted documents, prima facie, the allegations seem correct. TI Pakistan requests the MD PSO to look into the allegations and issue directives to check the complainant's allegation that the bid status was not updated in online system due to a technical issue as the email notification at 2.15pm suggests that the bid was submitted by the deadline. If found correct, MD PSO is requested to issue directives for remedial action in compliance with PPRA Rules 2004.

TI Pakistan is striving for the across-the-board application of the rule of law, which is the only way to stop corruption and achieve zero tolerance against corruption.



Regards,

Advocate Daniyal Muzaffar,
Trustee/Legal Advisor
Transparency International Pakistan

Copies forwarded for action under the mandate to:

1. Principal Secretary to the Prime Minister of Pakistan, Prime Minister's Secretariat, Islamabad.
2. Secretary, Ministry of Energy (Petroleum Division), Government of Pakistan, Islamabad.
3. Prime Minister's Inspection Commission, Islamabad.
4. Managing Director, Public Procurement Regulatory Authority (PPRA), Islamabad.
5. Registrar, Supreme Court of Pakistan, Islamabad

Note:

This is to clarify that Transparency International Pakistan is not a complainant, it acts as a whistleblower and operates under Article 19-A of the Constitution of Pakistan which gives the right to the public to know how the government is being run by public officers. Article 19-A makes the right to access information pertaining to a public authority a fundamental right, and a three-member bench in the case of Mukhtar Ahmad Ali vs the Registrar, Supreme Court of Pakistan, Islamabad, headed by Chief Justice Qazi Faez Isa in the landmark judgment on 16 October 2023, in CP No. 3532/2023, has declared that;

"What previously may have been on a need-to-know basis Article 19A of the Constitution has transformed it to a right-to-know, and the Access to information is no longer a discretion granted through occasional benevolence, but is now a fundamental right available with every Pakistani which right may be invoked under Article 19A of the Constitution"

August 18, 2025

Mr Kashif Ali Shaikh,
Executive Director,
Transparency International Pakistan.
Plot 72F/2, Floor 1,
9th Street, Jami Commercial,
DHA Phase 7,
Karachi.

VIA TCS

Subject: Lack of Transparency in PSO Tender # 18589

Dear Sir,

We are writing to bring to your attention a deeply concerning issue regarding Pakistan State Oil's (PSO) Tender #18589. Despite fully complying with all submission guidelines - both physical and electronic - our company, Authentik, has been wrongfully excluded from the tender process. This exclusion has occurred without explanation or merit and casts serious doubts on the transparency and fairness of the process.

Key Issues of Concern:

1. Clear Compliance with Submission Requirements:

We submitted both the physical proposal and the online bid before the 2:15 PM deadline on 17th July 2025. This submission was verified through PSO's own entry log records and supported by screenshots of our online submission, confirming that we met every requirement. Despite this, we were inexplicably marked as "non-participant" during the tender opening at 3:00 PM. This is a glaring contradiction to the documented facts.

2. Failure of PSO's Process Transparency:

At the time of submission, PSO officials acknowledged our bid and confirmed the process. However, the system failed to update the status as promised, and despite following all protocols, we were excluded without any justification. This glaring oversight raises suspicions of favoritism and bias.

3. Dismissive Response to Grievance:

Our formal grievance lodged with PSO has been met with an unsatisfactory response. The Grievance Redressal Committee (GRC) has not provided any transparency or accountability, leaving us with the unsettling conclusion that there may be a deliberate effort to favor other participants.



Chronological Chain of Events.

DATE	EVENT	DETAILS
2022	Tender Scoping Initiation	Authentik starts working with PSO on their request on developing the scoping for Tender
16th February 2025	PSO Issues Tender #18589	PSO officially publishes Tender #18589, and Authentik begins preparation to respond.
14th March 2025	First Stage Submission Completed	Authentik submits the first stage bid in response to PSO's requirements.
02:15 PM, 17th July 2025	Tender Submission Deadline	Authentik submits both physical and online proposals via SAP Ariba before the 2:15 PM deadline. Email also received from SAP Ariba indicating submission of Tender.
2:16 PM, 17th July 2025	Acknowledgment of Submission	PSO official, Mr. Faheem, confirms that the status of Authentik's bid would update automatically. However, this did not happen.
3:00 PM, 17th July 2025	Tender Opening	Authentik's name is not called during the tender opening, despite having submitted a timely bid.
3:17 PM, 17th July 2025	Notification of Exclusion	Authentik sends an email to PSO's GM Procurement informing them of the exclusion from the tender opening.
18th July 2025	Formal Grievance Filed with PSO	Authentik submits a formal grievance to PSO, outlining the discrepancies and requesting clarification regarding their exclusion.
24th July 2025	Response from PSO's Grievance Redressal Committee (GRC)	Authentik receives a response from the GRC that fails to adequately address or resolve the concerns raised.
29th July 2025	Matter taken up with PPRA	Grievance sent to PPRA, indicating
August 2025	Grievance Escalated to Transparency International	Due to lack of resolution, Authentik formally escalates the grievance to Transparency International for intervention.

It seems that this may have been done to favour someone else as Authentik is the leading Track and Trace company in the Lube industry. This is against the spirit of transparency and we request Transparency International to investigate the circumstances surrounding the handling of this tender. The integrity of the entire procurement process is at stake since lack of transparency leads to irregularities.

This situation requires your immediate attention to ensure the adherence to the principles of fairness and transparency in public procurement, especially with respect to this tender. We believe that without a thorough review, the entire process risks undermining public trust in the procurement system.



Please find attached all necessary documentation, including screenshots, entry logs, and relevant correspondence. We await your prompt action on this matter.

It appears that this situation may have been manipulated to favor a particular party, despite Authentik being the leading Track and Trace company in the Lube industry. This raises serious concerns about the transparency of the process, which contradicts the very principles of fairness and integrity in procurement. We urgently request Transparency International to conduct a thorough investigation into the handling of this tender.

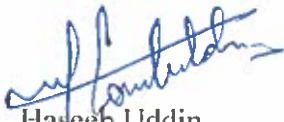
The integrity of the entire procurement process is at risk. Without transparency, irregularities are bound to emerge, which could ultimately compromise the credibility of public procurement.

This issue demands your immediate intervention to uphold the core principles of fairness, transparency, and accountability. A swift and comprehensive review is essential to prevent any erosion of public trust in the procurement system.

For your review, we have attached all pertinent documentation, including screenshots, entry logs, and relevant correspondence.

We look forward to your prompt action on this critical matter and remain,

Sincerely yours,



Haseeb Uddin

Cell: 0301-8221756

Email: haseeb@authentiksolution.com



	INVITATION TO BID	P&S-F-03-01	
		Date:01/08/2017	Rev No. 0
		Page 1 of 2	

Sealed e-proposals are invited through SAP Ariba for the below mentioned tender :

SR. #	TENDERS DESCRIPTION	TENDER NO.	BIDDING PROCEDURE	SAP Ariba Link
1	Turnkey Solution for Track and Trace system with Anti-Counterfeiting Services for Small Pack Lubricants at PSO LMT (Korangi) and LMPA (Kemari) including supply of hardware and development of Software.	LC-18589-FI	Two stage bidding procedure	https://discovery.ariba.com/rfx/22465668
TENDER FEE: - Pak Rupees 2,000/- (Non-Refundable) in favour of Pakistan State Oil Company Limited. (For Each Tender).				
		DATE	TIME	
DOCUMENTS COLLECTION (THROUGH SAP ARIBA)		From 21.02.2025 to 07.03.2025	08:30 AM to 04:30 PM (Ramzan timings) 08:30 AM to 02:30 PM	
DOCUMENT SUBMISSION (THROUGH SAP ARIBA)		10.03.2025	Till 10:15 AM	
OPENING (THROUGH SAP ARIBA)		10.03.2025	11:00 AM Onwards	

SPECIAL INSTRUCTIONS:

Any party interested to participate in the above tender(s) may send its request for tender documents through SAP Ariba Portal in the following manner:

- Scanned copy of the duly signed and stamped request on official letterhead of the bidder shall be uploaded on SAP Ariba Portal. In the subject request letter, please mention "Tender Documents Collection Request - Tender No. _____".
- Request shall be accompanied by scanned copies of the following:
 - Valid NTN, GST/PST certificates, CNIC of owner/ authorized representative. Vendor should be an active tax payer.
 - Evidence of deposit of Rs. 2,000/- (mentioning the tender #) as Tender Fee in the following bank account:
Title of Account - PAKISTAN STATE OIL COMPANY LIMITED
IBAN: PK30 HABB 0007 8640 3245 3217
Account No. 0786-40-3245-3217 Branch code 0786 HBL Plaza Branch
I.I. Chundrigar Road,
Karachi.

This advertisement is also available on PSO website www.psopk.com/procurement and PPRA website www.ppra.org.pk

Please note that interested vendors not having Ariba Network ID are requested to register themselves on SAP Ariba Portal by clicking on the link below to access and participate in upcoming PSO tenders.

<https://tenderpsopk.com.pk:8022/>

The bidders are urged to visit PSO & PPRA websites regularly for any further changes that may be updated by the Company, from time to time.

Haseeb Uddin

From: Saleem A. Khan <Saleem.A.Khan@psopk.com>
Sent: Thursday, July 24, 2025 3:23 PM
To: haseeb@authentiksolution.com
Cc: Brig Rizwan; Nehal Askari
Subject: FW: Grievance regarding Tender # 18589 Stage 2 Dt July 17, 2025 (M/s Authentik Solution)
Attachments: Grievance - Authentik.pdf; Authentik Envelop.pdf

Dear Mr. Haseeb,

Reference to your attached grievance letter received to PSO dated July 18, 2025 wherein you have mentioned that you submitted proposal in physical as well as through online on SAP Ariba, but your company name was not called at the time of tender opening and marked as "non-participant".

In this regard, the Grievance Redressal Committee (GRC) is of the opinion that since, it was properly communicated through "General Instruction & Terms and Conditions Pur-3(p) of Tender Documents" that ***"Bid Should be submitted electronically on SAP Ariba, No email or physical bid will be accepted"***, but in this case, bid was not received from M/s Authentik Solution in our SAP Fiori system within the defined timeline, therefore, the committee finds no merit in this grievance.

On behalf of GRC Secretary,

Regards,

Saleem Ahmed Khan
Dy. Manager (Compliance & Controls)
Quality Assurance
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