



TRANSPARENCY INTERNATIONAL-PAKISTAN

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16th February, 2015

Managing Director,
Sindh Public Procurement Regulatory Authority,
Karachi.

Sub: Violation of Sindh Public Procurement Rules 2010.

Dear Sir,


Transparency International Pakistan received a complaint from M/s Khalil Engineering Works against Deputy Commissioner Project Director Badin and Superintending Engineer, W&S department, Badin of contract worth 160.00 Million. The complaint is of a serious nature and is forwarded for your immediate action please (Copy Enclosed).

The complainant has also made allegation that SPPRA has a biased attitude and does not take concern on right of the complainant.

This complaint may not be shelved on the basis of being time barred or for any other reason and inquiry should be held so that the guilty persons in Government as well as in Private Sector are made accountable.

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

With Regards,



Sohail Muzaffar
Chairman

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

1. Chief Minister, Government of Sindh, Karachi.
2. Chief Justice, Sindh High Court, Karachi
3. Chairman, NAB, Islamabad.
4. Chief Secretary, Government of Sindh, Karachi.



KHALIL ENGINEERING WORKS

GOVERNMENT CONTRACTOR HYDERABAD

Ref: _____

By TCS

1

Date _____

Ref: # kew/dc-bdn/90215

Dated. 09-02-2015

✓ Mr. Sohail Muzaffar

Chairman Transparency International.
Pakistan Karachi.

SUBJECT: Complaint against Fraud and collusion between the Deputy Commissioner Project Director Badin & Superintending Engineer, Works & Services Department Badin and bidders causing huge loss worth millions to the Government in respect Of work widening/Recondition of Luwari Nindo Road Mile.4/0-8/0 NIT No.DC/DEV/PD/BDN/7844 /of /2010 Dated.03-10-2014.Total Worth of tenders is approx: 160.00 Million.

NON-ISSUANCE OF TENDERS DOCUMENTS

R/sir,

Respectfully it is submitted that I had sent series of complaint vide letter no.kew/dc- bdn/1611/114 Dated.16-11-2014 and another complaint dated.16-1-2015 address to the Director General NAB, Sindh Karachi, Chief Minster Govt Sindh, M.D SPPRA Karachi, & others.

I am to state that despite my series of complaints, these communications are being sent to concerned quarter for necessary action and no stern action appears to have been taken in the matter resultantly my complaints have been kept in dormant and the illegal and un-lawful tenders have been issued and work has been started and payments are also being made to the favorites contractors. The vide our above letter dated.16-11-2014 requested to the Secretary to Government of Sindh, Department Karachi, The

BUNGALOW NO. 8-B, SALMA GARDEN, HUSSAINABAD HYDERABAD.

Mob: 0300-3448449

Cont: 02



KHALIL ENGINEERING WORKS

GOVERNMENT CONTRACTOR HYDERABAD

Ref: _____

2

Date _____

Commissioner of Hyderabad, The Managing Director, SPPRA Karachi and Deputy Commissioner/project director Badin Request for placing the my grievance before the complaint redressal committee(if Any) constituted under section 31 of the sindh public procurement Rules 2010 and preferred an appeal before the chairman of complaint redressal committee u/s 31 of the SPP Rules 2010, and the Procuring agency shall on receipt of such complaint constitute a Committee for complaint redressal with appropriate powers and authorizations, to address the complaints of bidder that may occur during the procurement proceedings. **It is brought your kind notice that the Complaint Redressal Committee (CRC) was not constituted in accordance with SPP Rules** I objected the same and addressed my complaint to the Managing Director, SPPRA Karachi on dated. 15-12-2014 and sent to for further necessary action demanding for the redressal for proper adjudication of the grievance under the law. But with no result

Procuring agency did not bother to rectify the infirmities despite repeated advices by the authority. It would be observed that the procuring Agency has violated the existing provision of spppra Rules/clear deviation and infringement of the SPPRA Rules 2010 has been made in its perspective and the work has been awarded to their favorites without observing all codal formalities **The other illegal aspects of the procurement process fraudulently carried out as noted by me are highlighted as under, & which needs to be examined and investigated by the TIP.**

The Commissioner Project Director Badin as per his office NIT No.Dc/Dev/PD/BDN/7844/2014 Dated.3-10-2014 regarding W/R of Luwari Nindo Road Mile.4/0-8/0 which was published in daily Jang newspaper Karachi



KHALIL ENGINEERING WORKS

GOVERNMENT CONTRACTOR HYDERABAD

Ref: _____

3

Date _____

dated.15-10-2014(copy enclosed as Annexure A)

In this tender the date of opening of the Tender was tentatively shows as 03-11-2014 When I have revisited the SPPRA website and observed that the NIT bearing the Deputy Commissioner Project Director Badin office Nit No. No.DC/DEV/PD/BDN/7844 /OF 2014 dated.03-10-2014, It transpired that the Procuring Agency has submitted "BID EVALUATION REPORT" on authority website and uploaded on 20-11-2014 with ID Report No.1550/2014 and (SPPRA SR.NO.21532)by the showing the date of financial bid opening date.05-11-2014. (Copy of Bid Evaluation Report enclosed as Annexure B) Whereas this date was never communicated either by notice board and nor hoisted on SPPRA website and nor published any leading newspaper. Even in the original NIT this date (05-11-2014) was not shown, then how can P.A open the financial bid on date 05-11-2014. The above date of financial bid opening date.05-11-2014 was not got published in print media and also not got hoisted on the website of SPPRA 2010, with the malicious object of avoiding wide publicity and to restrict the information about the works put to tenders to only favorites contractors and pre selected persons of personal choice with malicious object of plundering the public exchequer thereby committee flagrant violation of SPPRA Rules 2010.The aforementioned above opening date (05-11-2014) was required to be advertised by timely notification on the SPPR Authority's Website vide Rule 17 (4) of SPPRA Rules, 2010. If any containing amendments/corrigendum regarding extensions of the dates of issues/opening of tenders are required to be advertised by timely notification on SPPRA website as well as in print media in at least three



KHALIL ENGINEERING WORKS

GOVERNMENT CONTRACTOR HYDERABAD

Ref: _____

4

Date _____

widely circulated leading newspapers of English, Urdu and Sindhi languages vide Rule No.17 of the SPP Rules 2010

This clearly shows the mishap done by the Executing Agency on their own sweet will and accord by depriving me of my legal rights to contest in the bid. The above tenders were opened secretly without wide publicity and the contract has been awarded to their favorites by the Superintending Engineer, Works & Services Department Badin and D.C/P.D Badin

Procuring Agency has been violation of the following 13 Rules of SPPRA Rules No. 7,11,12,17,18(3), 20(1), 21(A), 21 Sub-rule (4), 22(2), 24 Sub rules(2), Rule-31, 46(1), 50 and or SPPRA Regulations 2013 4.8 4.10 (i), (ii), this procurement is to be declared as mis-procurement under Rule 32A(a),(b), which very clearly states "Any unauthorized breach of these rules shall amount to mis-procurement."

The procuring Agency has not as yet constitution of Procurement Committees in light of Rule-7 of SPP Rules, 2010 and Procuring agency (Deputy commissioner/project Director Badin) has not as yet posted the contract award on SPPRA website as per SPP Regulations, 7.9&7.12&7.12.4 Evan lapse of (95 Days). The evaluation report prior to award of the contract under rule No.45 and Rule No.50 shall have been posted/hoisted on SPPRA website. (Within seven days of award the contract)

The detailed and unambiguous evaluation criteria was not annexed with the bidding documents i-e Tenders secretly issued to the favorite contractors so as to obviate pointation of any demerit of the bidder / Tendered by other candidate contractors at any stage. Thus the requirement of rule 21(h) of Rules ibid was also not fulfilled. According to Sindh public Procurement Rules procuring such



KHALIL ENGINEERING WORKS

GOVERNMENT CONTRACTOR HYDERABAD

Ref: _____

5

Date _____

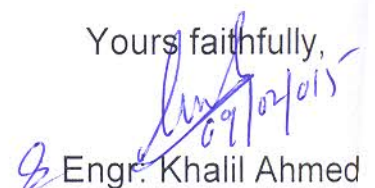
an act of violation, it is liable to be dealt with under Rule No. RuleNo.2 (q), (ii) "corrupt and fraudulent Practices.....Collusive Practices among bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competition level and to deprive the procuring agencies of the benefits of free and open competition"

The contracts of over 50 million are to be intimated to the NAB, even inviting the Tenders Notice/with Evaluation form to be filled in by all procuring Agency for public contracts of works, services & goods worth Rs 50 million or above but no intimating was given to the NAB

I would greatly appreciate if you would kindly look into the matter personally examine this issue/complaint carefully & urgently take up this case, and kindly to immediately intervene in this matter of gross violation of SPPRA Rules 2010 and consequential grave injustice to us and to take expedient measures on top priority basis & further requested to take appropriate action against the those responsible for this violation and also take action against all the officers who are giving shelter to each other for the sake of brevity and warrants immediate inquiry to thrash out the truth where the government has been put to severe and heavy loss at the wills and whims of those officers and save the Government from huge financial loss, and to take appropriate action against Superintending Engineer, Works & Services Department Badin

I therefore, fervently hope that you will kindly oblige us with a positive and favorable action on top priority basis.

Yours faithfully,


Engr. Khalil Ahmed

Annexure A

دفتر ڈیٹا کمیشن

ممبر: 03-10-2014

DC/DEV/PB/BDN/7844/2014

نوٹس طلبی ٹینڈرز

مندرجہ ذیل کاموں کی انجام دہی / حصول کیلئے SPPRA رولز 2010 کے مطابق دلچسپی کے حامل افراد / سپلائرز / کنٹریکٹرز / کمپنیوں سے ذریعہ بذریعہ ممبر ٹینڈرز مطلوب ہیں۔

نمبر شمار	کام کا نام	تخمینی لاگت	بڈیگورنی	مدت تکمیل
1	کشادگی / ری کنڈیشننگ بائبلٹواری مندر دروڈ میل 4/0-8/0 بشمول میسنری اسٹرکچر	80.00 ملین	1.60 ملین	24 ماہ

1۔ خواہش مند شرکا / کنٹریکٹرز NIT بذراکے اخبارات / ویب سائٹ پر آنے کے بعد ٹینڈرز / بڈنگ دستاویزات کا جدا گانہ سیٹ - 3000 روپے (تاقابل واپسی) ٹینڈر فیس ادا کیلئے پر کسی بھی یوم کار کو 03-11-2014 بوقت سہ پہر 02-00 بجے تک دفتر پرنٹنگ انجینئر ورس اینڈ سوز بدین سے حاصل کر سکتے ہیں اور یہ 03-11-2014 بوقت سہ پہر 03:00 بجے تک واپس وصول کر کے ٹینڈر اوپننگ / ایلیویشن کمٹی اور پیشکش دہندگان یا ان کے محاز نمائندوں جو حاضر رہنا چاہیں، کی موجودگی میں کھولے جائیں گے۔

2۔ خواہش مند شرکا کی اہلیت شرائط درج ذیل ہیں۔

(i) کام کی اسپیشلائزیشن کے متعلق شعبے میں اور پیشکش کردہ رقم کی حد تک پاکستان انجینئرنگ کونسل کے پاس رجسٹریشن۔

(ii) فرم کے ساتھ کام کرنے والے انجینئرز و ٹیکنیکل اسٹاف کے کوائف۔

(iii) تکمیل شدہ / زیر تکمیل کام کا دستاویزی ثبوت اور کام کی تکمیل کا آجراں سے جاری کردہ اطمینان پتہ تکمیل کا سرٹیفکیٹ۔

(iv) زیر تکمیل کاموں کی فہرست جس میں ہر کام کی لاگت درج ہو اور کام کی تفویض کے لیے کی کاپی۔

(v) دستیاب مشینری و ایکویپمنٹ کی فہرست مع اس کی ملکیت کا دستاویزی ثبوت، بینک کے سرٹیفکیٹ جس میں کریڈٹ کی قدر درج ہونے تک اسٹینٹ۔

(vi) مشروط اور بذریعہ تار ٹینڈرز پر غور نہیں لائے جائیں گے۔

(vii) بڈیگورنی کے بغیر کسی ٹینڈر پر غور نہیں کیا جائے گا۔

(viii) متذکرہ بالا تاریخ پر ٹینڈرز کے عدم جواب رہنے کی صورت میں یہ مندرجہ ذیل تاریخ کو ان ہی

شرائط و ضوابط کے تحت دوبارہ جاری کئے اور کمپنی کی موجودگی میں کھولے جائیں گے۔

نمبر شمار	سادہ ٹینڈرز کی فروخت	ٹینڈرز کھولے جانے کا وقت
01	سادہ ٹینڈرز 20-11-2014 بوقت سہ پہر 2-00 بجے تک فروخت کئے جائیں گے	ٹینڈرز اسی تاریخ کو یعنی 20-11-2014 کو سہ پہر 3-00 بجے کھولے جائیں گے

(ix) پرو کیورنگ ایجنسی SPPRA رولز کے متعلق درجہ جات سے مشروط کسی یا جملہ پیشکشوں کو مسترد کر سکتی ہے۔

3۔ انجمن ٹیکس ڈی پارٹنٹ کے پاس رجسٹریشن (NTN) اور NIC کی کاپی۔

4۔ حلف نامے پر اقرار کہ فرم کسی قانونی تنازع میں ملوث نہیں ہے یا اس نے کسی محکمے میں کوئی کام ترک نہیں کیا۔

5۔ پیشکش دہندگان کو ہر کام کے سامنے درج بڈیگورنی بشکل کال ڈپازٹ آؤڈ جاری کردہ از شیڈول بینک بچن زبردستی جمع کرانا ہوگا۔

6۔ حلف نامہ پر اس امر کا اقرار کہ فرم / کنٹریکٹر کو ماضی میں کسی ایگزیکٹو ٹنگ ایجنسی نے بلیک لسٹ نہیں کیا۔

7۔ حلف نامے پر اقرار کہ جمع کرائی گئی دستاویزات / تفصیلات / معلومات سچی اور درست ہیں۔

8۔ فرم کی صورت میں پارٹنر / پارٹنر شپ ڈیڈ کی فہرست جس میں ڈائریکٹرز / پروپرائٹرز یا دیگر متعلقین کی مکمل تفصیلات درج ہوں مع پاور آف اٹارنی۔ سول پروپرائٹرز ہونے کی صورت میں حلف نامہ منسلک کرنا ہوگا۔

ورنٹ... ڈیٹا کمیشن

پروجیکٹ ڈائریکٹر بدین

Daily Jang
15/10/2014

(INF/KRY-No.3130/14)

لاکھوں لوگ تباہ کن ڈیٹا کمیشن کے آپ بھی کر سکتے ہیں خود کو مجبور نہ سمجھیں

Annexure (B)

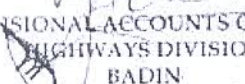
BID EVALUATION REPORT

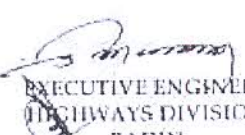
1. Name of Procuring Agency: Executive Engineer Highways Division Badin
2. Tender Reference No: N.I.T. NO:- DC/DEV/PD/BDN/7844/2014
DATED: 03-10-2014.
3. Tender Description/Name of work/item: S.No.01:- ADP# 1566. WIDENING / RECONDITIONING OF LUNWARI NINDO ROAD UC MASONRY STRUCTURE MILE 4/0 - 8/0.
4. Method of Procurement: Single Stage - One envelop procedure
5. Tender Published: SPPRA Website S. No;
Daily Sindh Express Karachi (Sindhi) Dated 15.10.2014.
Daily Jang Karachi (Urdu) Dated: 15.10.2014.
Daily The Express Tribune Karachi (English) Dated 15.10.2014.
6. Total Bid documents Sold: 03 Nos;
7. Total Bids Received: 03 Nos;
8. Technical Bid Opening date: (if applicable) Not Applicable.
9. No. of Bid technically qualified (if applicable): Not Applicable.
10. Bid (s) Rejected: NIL
11. Financial Bid Opening date: 05-11-2014.

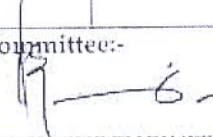
12. Bid Evaluation Report:


S No	Name of Firm or Bidder	Cost offered by the Bidder	Ranking in terms of cost	Comparison with Estimated cost	Reasons for acceptance/rejection	Remarks
0	1	2	3	4	5	6
1.	M/S PIRZADA & SONS	\$7,059,723	1 st Lowest	6.20% Below 20.00% Above 09.60% Above 21.10% Above 09.60% Above	Qualified as per evolution criteria	Recommended for award of work
2	M/S SHAFI MOHAMMAD	\$7,305,116	2 nd Lowest	6.00% Below 21.15% Above 09.85% Above 22.00% Above 09.85% Above	Qualified as per evolution criteria	Responsive
3.	M/S HARISH & CO	\$7,487,446	3 rd Lowest	5.90% Below 22.50% Above 10.00% Above 23.20% Above 10.00% Above	Qualified as per evolution criteria	Responsive

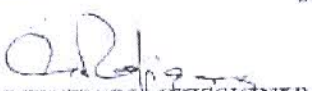
-: Signature of the Chairman/Members of the Committee:-


DIVISIONAL ACCOUNTS OFFICER
HIGHWAYS DIVISION
BADIN


EXECUTIVE ENGINEER
HIGHWAYS DIVISION
BADIN


EXECUTIVE ENGINEER
PUBLIC HEALTH ENGG. DIVISION
BADIN


SUPERINTENDING ENGINEER
WORKS & SERVICES
BADIN


DEPUTY COMMISSIONER
PROJECT DIRECTOR
BADIN


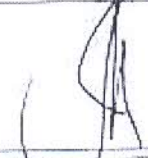


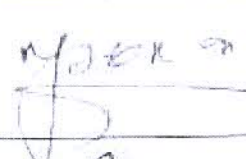
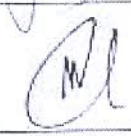
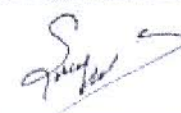
Name of Work :- ADP NO: 1566 (2014-15) WIDENING/RCONDITIONING OF LUWARI
NINDO ROAD MILE 4/0-8/0 (6.40 KMS).

NIT No:- DC/DEV/PD/BDN/7844/2014, Dated, 03-10-2014.

Last date for issuance of tender documents:- 05-11-2014 (upto 02.00 PM)

Dated of tender opening:- 05-11-2014 (at 03.00 PM)

The opening held under the chair & in the office of the Deputy Commissioner Badin. Tender issuance, receiving back and opening process carried out as per schedule shown in the NIT, found free and fair.

S.No:	Name	Designation	Signature
01	Mr. Muhammad Rafique Qureshi,	Deputy Commissioner Badin/ Project Director / Chairman	
02	Mr. Tufail Ahmed Palejo	Superintending Engineer Works & Services Badin / Member	
03	Mr. Shafiq-ur-Rehman Memon	Executive Engineer Highways Division Badin/ Member	
04	Mr. Bhawani Shankar	Executive Engineer Public Health Engg: Division Badin / Member	
05	Mr. Muhammad Iqbal Khan	Divisional Accounts Officer Highways Division Badin / Member	
06	M/s Pirzada & Sons;	Representative	
07	M/s Shafi Mohammad	Representative	
08	M/s Harish & Co	Representative	