

GMR Joint Venture

Guni Bukash Builders, Mian Brother Precast Pvt. Ltd., Rajput Concrete Pvt. Ltd.

Ref. GMR/GEPCO/CKM/06

Date: 15-07-2024

Chief Executive Officer
Gujranwala Electric Power Company

Dear Sir,

I am writing to bring to your immediate attention a matter that continues to undermine the principles of fairness and competition within the procurement process managed by the Procuring Agency (Executive Engineer Civil GEPCO). Despite the issuance of a revised corrigendum, the conditions remain unfavorable for fostering healthy competition.

The Grievance Redressal Committee has previously indicated that the condition for a single contract worth Rs. 500 million is discriminatory and contrary to Rule 32. However, the revised corrigendum has not adequately addressed this issue. The current conditions still exclude 90% of potential participants from the competition. Moreover, the conditions for Joint Ventures remain unclear and unaddressed.

The Procuring Agency (Executive Engineer Civil Works Division GEPCO) has treated Joint Ventures and individual contractors similarly, which contradicts the PEC-Eng_Works_BYELAWS -1987-AMENDED-VERSION-2023. The corrigendum states: "The advertisement point-4(e) and (who can participate clause-1.1 and 1.2 (J.V) "at least one contract of ≥ 500 million during last five (05) years" may be read as "two (02) contracts of similar nature of at least >200 million each or one contract of > 400 million during last 05 years."

This adjustment fails to align with the PEC-Eng_Works_BYELAWS-1987-AMENDED-VERSION-2023 for Joint Ventures. The conditions for leasing out PCC spun hollow poles at Chichoki Mallian remain alarmingly restrictive, obstructing a competitive environment and raising concerns about transparency and equity.

I request you to reconsider the tender and corrigendum conditions, aligning them with the rules of P.E.C,PPRA and the previous GEPCO IFB for leasing out the PCC Pole Plant at Chichoki Mallian to ensure a fair and competitive process. Further, align the conditions of corrigendum keeping in view of Joint venture.

Thank you for your attention to this critical issue.

Sincerely,

Amir Nadeem

Rana Amir Nadeem
JV GMR

CC Executive Engineer (civil) civil workers Division GEPCO Gujranwala

✓ CC Transparency international Pakistan

CC Public Procurement Regulatory Authority (PPRA)

Documents enclosed within

Head Office: 39-A, Aabpara Housing Society, 7 KM Raiwind Rd, Lahore
Cell: 0300-8421345, 0322-2262222, 0321-4411777

Dated: 13th May 2024

To Chief Executive Officer GEPCO

All BOD Members GEPCO

GM Technical GEPCO

Subject: Unjust and unfair conditions and clauses in GEPCO Tender for leasing out of GEPCO owned P.C Pole Plant Chichoki Mallan for 3 years for Manufacturing and Supply of P.C.C Spun Hollow Poles Tender No. 5681-82 to be opened on 03-06-2024.

Dear Sir,

We the undersigned are all manufacturers of Spun Hollow Poles running our own P.C Pole Plants for decades in various locations throughout Punjab. Almost amongst 20 Spun Hollow Poles manufacturers 90% do not qualify for the above cited tender. Which is highly unusual and the conditions put forward in the tender are not only discriminatory in nature but seems to also favor just one or two companies. This is in violation of an open and fair bidding process and also tantamount to mis procurement while violating the principles laid down for tendering under PPRA regulations and laws. We raise below several issues -

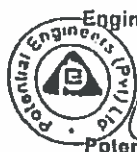
- I In point no 4 (a) of Technical Proposal in the tender advertisement it is mentioned that for any prospective bidder to qualify he must have completed a single contract of Rs 500 million or more. In the last 45/50 years history of DISCOs procurement of spun hollow poles there is not a single contract worth Rs 500 million. There is no precedent that a manufacturer should have completed a contract worth Rs 500 million in order to qualify for participating in a tender for a leased-out P.C Pole Plant. Only in the last 5 years have there been contracts worth Rs 500 million or more and that too in leased out P.C Pole Plants only. This condition essentially bars most manufacturers who haven't run a leased-out P.C Pole Plant in the last 5 years in participating in the above cited tender. Point no. 4 (a) mentions that a prospective bidder should have their own P.C Pole Plant. What use is this condition if only those manufacturers qualify who have run leased out P.C Pole Plants and that too in the last 5 years only. This is a highly discriminatory condition and against all fair bidding process guidelines of PPRA. This condition needs to be abolished in order for fair and competitive bidding to take place
- II In point no 5 (2) in the tender advertisement it is further required that in case of a Joint Venture (JV) all firms should be registered with Pakistan Engineering Council (PEC) and goes onto mention that lead firm have share of at least 50%. And even in that the lead firm should have completed a single contract worth Rs 500 million. Again, this is a discriminatory condition that 90% of firms will fail to qualify. PEC does not put any such condition on a JV. In fact PEC allows Joint Ventures so that collectively a number of firms can full-fill qualification criteria not that only a lead firm should. This condition needs rectification in order for fair and equitable participation of all firms.
- III In Point no. 2 quantities of 2nd and 3rd year are mentioned as fix quantities. How can GEPCO determine quantities of 2nd and 3rd years so well in advance as these quantities would be determined by then prevailing economic/political conditions, inflation and budgetary constraints. PPRA also requires department to assess quantities of a single year only.

IV. We demand that the Pre Bid meeting which is scheduled on 27-05-24 should be moved to the next coming 3 / 4 days so that the above irregularities and concerns can be addressed.

We are all available for further discussions and clarifications. We look forward to a just solution which is fair to everyone for healthy competition.

Regards

P.C Spun Hollow Pola Manufacturers



Engineers Associated Precast Pvt Ltd Unit 1 and Unit 2

Potential Engineers Pvt Ltd



Unze Trading Pvt Ltd



Gunj Bukhsh Builders



Polecrete Spun Ltd



Rajput Concrete Pvt Ltd



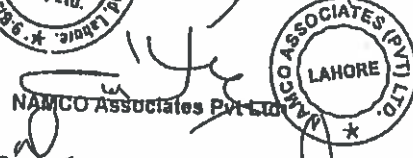
Mian Brothers Precast Pvt Ltd



M.R Electric Pvt Ltd



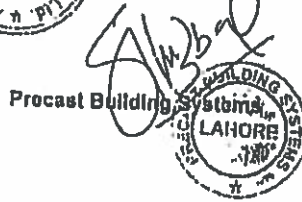
Amin Brothers Engineering & Pak Pvt Ltd



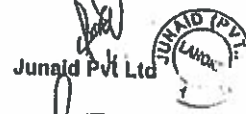
NAMCO Associates Pvt Ltd



ANN Global Pvt Ltd



Precast Building Systems



Junaid Pvt Ltd



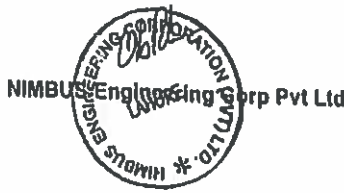
ZHN Contracting Corporation Ltd



Bilal Construction Pvt Ltd



Vision Engineering Pvt Ltd



NIMBUS Engineering Corp Pvt Ltd

C.C: Manager Civil GEPCO

C.C: Managing Director PPRA