



# TRANSPARENCY INTERNATIONAL-PAKISTAN

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29<sup>th</sup> March, 2017

Chairman NADRA,  
National Database & Registration Authority,  
NADRA State Bank of Pakistan Building,  
Shahrah-i-Jamhuriat, G-5/2,  
Islamabad.

Sub: Complaint against NADRA regarding Procurement of e-Audit Management Software (A.M.S) that has caused loss of Rs 6 Million to Exchequer.

Dear Sir,

Transparency International Pakistan refers to its letter No TL17/2302/6A dated 23.2.2017 and Nadra's clarification dated 15.3.2017. Annex-A

There was a typographical error, and Rs 6 million was typed as Rs. 6 Crores, for which we regret the mistake.

But it is correct that NADRA is awarding this contract at about 50% higher cost, which is not allowed under PPRA Rules.

The grievance committee was required to call the complainant and listened to the complaint, which NADRA grievance committee failed to do.

PPRA also requires the grievance committee report to be signed off by the Secretary Interior, the principal accounting officer, which was also not followed by NARDA.

TI Pakistan again recommends to discharge the tender and re-invite this procurement as per PPRA Rules.

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

With Regards,

  
Sohail Muzaffar,  
Chairman

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

1. Secretary to Prime Minister, Islamabad.
2. Mr. Khurshid Shah, Leader of Opposition & Chairman, PAC, National Assembly, Islamabad.
3. Chairman, NAB, Islamabad
4. Secretary, Ministry of Interior, Islamabad
5. Registrar, Supreme Court of Pakistan, Islamabad.
6. Managing Director, PPRA, Islamabad.



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23<sup>rd</sup> February, 2017

TL17/2302/6A

Chairman,  
National Database and Registration Authority (NADRA),  
Islamabad.

**Sub: Complaint against National Database and Registration Authority (NADRA)  
Regarding Procurement of eAudit Management Software (A.M.S) that has Caused Loss  
of Rs 6 Caror to the Ex-Chequer.**

Dear Sir,

Transparency International Pakistan has received a complaint against NADRA from M/s Mazars Consulting regarding procurement of Audit Management Software (A.M.S) (Copy Enclosed).

TI- Pakistan has studied the complaint and as per complainant the following issues have been noted;

1. The evaluation prima facie seems to be biased.
2. The total quoted financial price by the 1<sup>st</sup> bidder (E&Y) was Rs. 19,748,000.
3. The total quoted financial price by the complainant was the lowest, i.e. Rs. 13,440, 0000.

NADRA is planning to award the contract @50% higher price.

The grievance committee should have been formed to address complainant's objections. According to PPRA Rule No. 48, all the complaints received within 15 days of the publication of evaluation report should be addressed by the Redressal Committee and then decision should be completed within next 15 days.

The Grievance committee report should be sent to Secretary, Ministry of Interior, for his review according to PPRA notification No. 3(5) DD-II/PPRA/ 2009 dated 10.2.2010 (Copy Enclosed).

If the grievance committee was formed kindly send the minutes to TI-Pakistan and if it was not formed it is a violation of PPRA Rule 2004, Rule 48 (3). Stated as under;


***48. Redressal of grievances by the procuring agency.-(3) The committee shall investigate and decide upon the complaint within fifteen days of the receipt of the complaint.***

Chairman, NADRA is requested to kindly examine the complaint and if found genuine cancel and re-tender and award the contract as per PPRA Rules.



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

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4. Registrar, Supreme Court of Pakistan, Islamabad.
5. Managing Director, PPRA, Islamabad.
6. Secretary, Ministry of Interior, Islamabad.



GOVERNMENT OF PAKISTAN  
MINISTRY OF INTERIOR  
HEADQUARTERS NATIONAL DATABASE  
& REGISTRATION AUTHORITY (NADRA)  
PROCUREMENT DEPARTMENT  
RHO ISLAMABAD BUILDING,  
MAUVE AREA, G-10/4 ISLAMABAD  
PH # 90392855, FAX # 9206435  
NO: NADRA/PROC/160

15 March 2017

To: Transparency International-Pakistan  
4-C, Mezzanine Floor, Khayaban-e-Ittehad, Phase VII,  
Defence Housing Authority Karachi  
Ph 021-35390408, 35311897-8, Fax 35390410

Subject: Complaint against National Database and Registration Authority (NADRA)  
Regarding Procurement of eAudit Management Software (A.M.S) that has  
Caused Loss of Rs 6 Caror to the Ex-Chequer


Reference: Your Office Letter # TL17/2302/6A dated 23 February 2017.

1. With reference to above mentioned subject it is intimated that Tender# 160/2016 was published on PPRA website & two daily newspapers for purchase of Audit Management Software (A.M.S) using two stage bidding procedure. The evaluation criteria were prepared in line with PPRA Rule 4 & 10 and all scoring was conducted as per PPRA Rule 29 & 30 so that the maximum firms can participate to ensure procurement is conducted in a fair and transparent manner. Please find below the para wise replies against your letter:

- a. **Evaluation of Prima facie seems to be biased:**  
At the time of Tender#160/2016 no bidder objected about the technical evaluation criteria mentioned there to. As on 5<sup>th</sup> December, 2016 the technical score was informed to Mazars by the Director Procurement vide letter number NADRA/Proc/160 dated 05<sup>th</sup> December, 2016 (copy attached). M/s Mazars did not object about their technical score before opening of financial bid i.e 8<sup>th</sup> December, 2016.
- b. **The total quoted financial price for the first bidder (E&Y) was Rs.19,748,000 and the total quoted financial price by the complainant was the lowest, i.e Rs.13,440,000.**
  - i) The total amount of this software if procured from (E&Y) is estimated to be around Rs. 02 crore, how come the loss of Rs. 06crore is mentioned by the Transparency International.
  - ii) As per the Tender terms and conditions all the scoring was carried out as per the criteria defined thereto (copy of technical evaluation criteria is attached). Ample time was provided to bidders before submission of technical and financial bid. As per technical evaluation (E&Y) scored 98 points where as Mazars score 87 and 89 points (user/Bulk) respectively out of the 100 points. In the financial score (E&Y) score 13.20 points where as Mazars scored 20.00 and 17.97 (user/Bulk) respectively. Since the ratio defined for technical/ financial scoring was 80/20 using quality & cost base method as per bidding document therefore consolidated score of (E&Y) was 91.60 and for Mazars was 89.60 and 89.17 (user/Bulk) respectively.
  - iii) M/s Mazars sought clarification regarding technical evaluation result of (E&Y) on December 20, 2016. The detailed response from CRC was communicated to M/s Mazars as on 09<sup>th</sup> January, 2017 (Copy attached). M/s Mazars sought re-clarification regarding the technical evaluation result on January 12, 2017. In this regard a meeting was held at the office of president CRC in the presence of M/s Mazars representative (copy attached). Finding of CRC meeting was communicated to M/s Mazars (copy attached).

2. Moreover it is intimated that because of the budget constraint, the above mentioned tender has been cancelled and new tender with revised RFP will be advertised / published in due course of time.

3. Forwarded for your information, please.

  
Lt Col (Retd)  
Taimur Saeed Rathore  
Director Procurement

- Cc:
- a) Secretary to Prime Minister, Islamabad
  - b) Chairman NAB, Islamabad
  - c) Chairman Prime Minister's Inspection Commission, Islamabad
  - d) Registrar, Supreme Court of Pakistan, Islamabad
  - e) Managing Director, PPRA, Islamabad
  - f) Secretary, Ministry of Interior, Islamabad
  - g) Chairman Secretariat NADRA HQ, Islamabad
  - h) DG Admin Directorate, NADRA HQ, Islamabad