



2nd August, 2021

TL21/0802/1A

Syed Mumtaz Ali Shah,
Chief Secretary,
Government of Sindh,
Sindh Secretariat,
Karachi

Sub: Allegation of Violation of SPPRA Rules 2010, in Karachi Safe City Project (10,000 Camera etc.) on unsolicited award process to M/s NRTC, and inflated cost by Five Times, at Rs 38 Billion causing Loss to exchequer of Rs 23 Billion.

Dear Sir,

Transparency International Pakistan has received another complaint on Allegation of Violation of SPPRA Rules 2010, in Karachi Safe City Project (10,000 Camera etc.) in processing the award of unsolicited contract to M/s NRTC, and inflated cost by **Six Times**, the market cost of Rs 6 Billion to Rs 38 Billion.

Complainant has made following allegations.

That,

1. Government of Sindh approved Rs 30 Billion Karachi Safe City Project, for the installation of 10,000 CCTV cameras in three phases under the Karachi Safe City project and each phase would be completed within 12 months starting from the financial year, 2021-22.
2. On 29th July 2021, it was announced in the electronic media that NRTC on 27th June 2021 has submitted Technical Financial Proposal and Draft Contract Agreement of Rs 38 Billion, for 10,000 CCTV surveillance system in the City. Further, that the Chief Minister Sindh has constituted a committee to review it, which comprises of representatives from Police, Pak Army, and other experts, which will submit its report on technicalities, and price within 6 weeks.
3. According to SPPRA Rule No. 4: Principles of Procurements - While procuring goods, works or services, procuring agencies shall ensure that procurements are conducted in a fair and transparent manner and the object of procurement brings value for money to the agency and the procurement process is efficient and economical. Under Rule No. 17, Methods of Notification and Advertisement - "All Procurement opportunities over two million rupees shall be advertised on the Authority's website as well as in the newspapers as prescribed."
4. Government of Sindh therefore cannot award the contract to NRTC at Rs 38 Billion, which will amount to wastage of exchequer money of about Rs 32 Billion.

TI Pakistan has examined the complaint, and following are our observations.

- A. On 26.4.2021, a similar complaint was received, and sent to Minister IT, GoS, on 26.4.2021, and copies were marked for action to Chief Minister and Chief Secretary



- Sindh also. On 4 May 2021, CM's Secretariat forwarded the TIP letter to the Secretary IT, with CM remarks, "For necessary action" dated 29.4.2021, and the Secretary IT sent CM's letter to Additional Chief Secretary Home Department.
- B. On 26.5.2021, with comments "It is to inform that neither Secretary nor DG ISTD is part of the Authority or the main-committee of the "The Sindh Safe Cities Authority" and that in view of above, it is therefore, requested to kindly take appropriate action at your end accordingly. **Annex-A.** The issue remained unresolved, since 26.5 2021.
- C. Why CM office sent the complaint to Minister IT, and did not know that the IT Department is not the dealing ministry?
- D. This unsolicited Contract worth Rs 38 Billion cannot be awarded without Open Bidding according to SPPRA Rules 2010.
- E. In 33rd meeting of Board of Directors of Sindh Public Procurement Regulatory Authority held on Tuesday, 7th May 2019, on the exemption from SPPRA Rules, directed by the Federal Government, to Telecom Services (Voice / Data) from National Telecommunication Corporation (NTC), Board did not approve due to negative legal opinion by Law Ministry.

TI Pakistan Recommendations.

- I. This is a vital project for Karachi and needs to be implemented without further delay.
- II. But as has been alleged by the complainant, this project must be executed in accordance with SPPRA Rule 2010, and specially procuring agencies shall ensure that procurements are conducted in a fair and transparent manner and the object of procurement brings value for money to the agency and the procurement process is efficient and economical,
- III. The legal possibility to implement this Project is to Invite Open International Tenders, as per SPPRA Rule No18.
- IV. In case, NTRC has submitted its proposal to Sindh Government according to SPPRA, Sindh Government may also consider use of SPPRA Rule 15 A. quoted below.

[15(A). Unsolicited Proposal

(1) In case of Unsolicited proposal received for any engineering, procurement and construction project involving cost of one thousand millions rupees and above, [except for Public private Partnership projects which may be of any cost,] the procuring agency shall process the proposal through its Technical Committee to ascertain its viability and after such process if the proposal is found viable, the procuring agency.

- a) Shall advertise the proposal for open competition without disclosing the name of the initiator of Unsolicited proposal*
- b) Shall conduct prequalification process;*



- c) *Shall exempt the initiator of the unsolicited proposal from the prequalification;*
- d) *May, if no other bidder in response to the advertisement submits bid, award the contract to the initiator of the proposal.*
- e) *Shall, in case of bidding competition, give the first right of refusal to initiator of the proposal, if the initiator does not emerge as the "lowest Bidder" [or in case of Public Private partnership projects "Best Evaluated Bidder"], and*
- f) *Shall award five percent additional weightage to the initiator of the proposal from the combined score of technical and financial evaluation.]*
- (2) *This rule shall apply to all projects including Public Private Partnership Projects.*
- (3) *In case of Public Private Partnership Projects, all other rule as prescribed in Part – IV of SPP Rules, 2012 shall be applicable.}*

The Chief Secretary is requested to examine the complaint, and TI Pakistan comments and recommendations.

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

With Regards,

Jus (R) Nasira Iqbal,
Sitara-e-Imtiaz

Vice Chair
Transparency International Pakistan

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

1. Secretary to Prime Minister, Islamabad.
2. Chairman NAB Islamabad,
3. Chief Minister, Sindh, Karachi,
4. Managing Director, SPPRA, Karachi.
5. Registrar, Supreme Court of Pakistan, Islamabad

Annex-A



INFORMATION, SCIENCE & TECHNOLOGY DEPARTMENT Government of Sindh

No.SO(T)/IS&TD/3-180/2020

Karachi, dated 26th May, 2021

To

Additional Chief Secretary,
Home Department,
Government of Sindh,
Karachi.

Subject:

ALLEGATION OF VIOLATION OF SPPRA RULES 2010, IN "KARACHI SAFE CITY PROJECT" (10,000 CAMERAS ETC) UNSOLICITED AWARD PROCESS TO M/S NRTC, AND INFLATED COST BY FIVE TIMES, AT RS. 30 BILLION WHICH MAY CAUSE LOSS TO EXCHEQUER OF RS. 23 BILLION.

I am directed to refer to the letter No.TL21/04/1A dated 24th April issued by Transparency International Pakistan and Letter No.SO(VII)/CMS/CMD/445/2021 dated 4th May, 2021 issued by Section Officer (VII), Chief Minister's Secretariat Sindh in compliance of directives of Chief Minister Sindh on subject cited above.

2. As per letter issued by Vice Chairperson, Transparency International Justice Retd. Nasira Iqbal has lodged a complaint before various authorities i.e. Registrar Supreme Court of Pakistan, Secretary to Prime Minister Pakistan, Chairman NAB, Chief Minister Sindh, Chief Secretary Sindh, Managing Director SPPRA, as well as Citizen Portal Pakistan on the subject matter alleging therein violations of SPPRA Rules 2010 in awarding the Karachi Safe City Project to M/s NRTC at a Cost of Rs.30.00 Billion which is 5-times higher than market cost i.e. Rs.7.0 Billion.

3. It is to inform that neither Secretary nor DG ISTD is part of the Authority or the main committee of the "The Sindh Safe Cities Authority".

4. In view of above, it is therefore, requested to kindly take appropriate action at your end accordingly.

5. This issues with approval of Honourable Minister ISTD.

Enclosures: attached

ADDITIONAL SECRETARY

C.C to:-

- I. The Secretary to Prime Minister Pakistan, Islamabad
- II. The Chairman, NAB, Islamabad
- III. The Chief Minister, Sindh, Karachi
- IV. The Minister Information, Science & Technology Department, Karachi.
- V. The Chief Secretary, Sindh, Karachi
- VI. The Managing Director, SPPRA, Karachi
- VII. The Registrar Supreme Court of Pakistan, Islamabad.
- ✓ VIII. The Vice Chair, Transparency International, Pakistan


26/05/21
ADDITIONAL SECRETARY



NO.SO(VII)/CMS/CMD/445/2021

CHIEF MINISTER'S SECRETARIAT, SINDH

KARACHI
Karachi, Dated 04th May, 2021

CM DIRECTIVES

The Secretary,
Information & Technology,
Government of Sindh,
Karachi.

SUBJECT: ALLEGATION OF VIOLATION OF SPPRA RULES 2010 IN KARACHI SAFE CITY PROJECT (10,000 CAMERA ETC) UNSOLICITED AWARD PROCESS TO M.S NRTC, AND INFLATED COST BY FIVE TIMES, AT RS.30 BILLION WHICH MAY CUASE LOSS TO EXCHEQUER OF RS.23 BILLION.

I am directed to forward herewith an original application dated 24.04.2021 alongwith its enclosures received from Jus® Nasira Iqbal, Vice Chair, Transparency International Pakistan on the subject noted above. The Hon'ble Chief Minister Sindh has been pleased to pass the following remarks thereon:-

“For necessary action.”
Sd/- Chief Minister Sindh
Dated 29.04.2021

2. It is, therefore, requested to take necessary action in the matter in accordance with relevant law, rules and policy under intimation to this secretariat.

(PIR BAKHSH JUNEJO)
SECTION OFFICER (VII)
For Principal Secretary to
Chief Minister Sindh

CC to:-

1. Jus® Nasira Iqbal, Vice Chair, Transparency International Pakistan, 5-02, 2nd Floor, Khayaban-e-Ittehad, Phase-VII, Defence Housing Authority, Karachi.
2. PS to Principal Secretary to Chief Minister, Sindh.

Handwritten notes:
 1. Jus® Nasira Iqbal
 2. PS to Principal Secretary to Chief Minister, Sindh
 3. Mr. Khalid Khosa
 4. Mr. Khalid Khosa
 5. Mr. Khalid Khosa
 6. Mr. Khalid Khosa
 7. Mr. Khalid Khosa
 8. Mr. Khalid Khosa
 9. Mr. Khalid Khosa
 10. Mr. Khalid Khosa
 11. Mr. Khalid Khosa
 12. Mr. Khalid Khosa
 13. Mr. Khalid Khosa
 14. Mr. Khalid Khosa
 15. Mr. Khalid Khosa
 16. Mr. Khalid Khosa
 17. Mr. Khalid Khosa
 18. Mr. Khalid Khosa
 19. Mr. Khalid Khosa
 20. Mr. Khalid Khosa
 21. Mr. Khalid Khosa
 22. Mr. Khalid Khosa
 23. Mr. Khalid Khosa
 24. Mr. Khalid Khosa
 25. Mr. Khalid Khosa
 26. Mr. Khalid Khosa
 27. Mr. Khalid Khosa
 28. Mr. Khalid Khosa
 29. Mr. Khalid Khosa
 30. Mr. Khalid Khosa
 31. Mr. Khalid Khosa
 32. Mr. Khalid Khosa
 33. Mr. Khalid Khosa
 34. Mr. Khalid Khosa
 35. Mr. Khalid Khosa
 36. Mr. Khalid Khosa
 37. Mr. Khalid Khosa
 38. Mr. Khalid Khosa
 39. Mr. Khalid Khosa
 40. Mr. Khalid Khosa
 41. Mr. Khalid Khosa
 42. Mr. Khalid Khosa
 43. Mr. Khalid Khosa
 44. Mr. Khalid Khosa
 45. Mr. Khalid Khosa
 46. Mr. Khalid Khosa
 47. Mr. Khalid Khosa
 48. Mr. Khalid Khosa
 49. Mr. Khalid Khosa
 50. Mr. Khalid Khosa
 51. Mr. Khalid Khosa
 52. Mr. Khalid Khosa
 53. Mr. Khalid Khosa
 54. Mr. Khalid Khosa
 55. Mr. Khalid Khosa
 56. Mr. Khalid Khosa
 57. Mr. Khalid Khosa
 58. Mr. Khalid Khosa
 59. Mr. Khalid Khosa
 60. Mr. Khalid Khosa
 61. Mr. Khalid Khosa
 62. Mr. Khalid Khosa
 63. Mr. Khalid Khosa
 64. Mr. Khalid Khosa
 65. Mr. Khalid Khosa
 66. Mr. Khalid Khosa
 67. Mr. Khalid Khosa
 68. Mr. Khalid Khosa
 69. Mr. Khalid Khosa
 70. Mr. Khalid Khosa
 71. Mr. Khalid Khosa
 72. Mr. Khalid Khosa
 73. Mr. Khalid Khosa
 74. Mr. Khalid Khosa
 75. Mr. Khalid Khosa
 76. Mr. Khalid Khosa
 77. Mr. Khalid Khosa
 78. Mr. Khalid Khosa
 79. Mr. Khalid Khosa
 80. Mr. Khalid Khosa
 81. Mr. Khalid Khosa
 82. Mr. Khalid Khosa
 83. Mr. Khalid Khosa
 84. Mr. Khalid Khosa
 85. Mr. Khalid Khosa
 86. Mr. Khalid Khosa
 87. Mr. Khalid Khosa
 88. Mr. Khalid Khosa
 89. Mr. Khalid Khosa
 90. Mr. Khalid Khosa
 91. Mr. Khalid Khosa
 92. Mr. Khalid Khosa
 93. Mr. Khalid Khosa
 94. Mr. Khalid Khosa
 95. Mr. Khalid Khosa
 96. Mr. Khalid Khosa
 97. Mr. Khalid Khosa
 98. Mr. Khalid Khosa
 99. Mr. Khalid Khosa
 100. Mr. Khalid Khosa

Handwritten notes:
 1. Jus® Nasira Iqbal
 2. PS to Principal Secretary to Chief Minister, Sindh
 3. Mr. Khalid Khosa
 4. Mr. Khalid Khosa
 5. Mr. Khalid Khosa
 6. Mr. Khalid Khosa
 7. Mr. Khalid Khosa
 8. Mr. Khalid Khosa
 9. Mr. Khalid Khosa
 10. Mr. Khalid Khosa
 11. Mr. Khalid Khosa
 12. Mr. Khalid Khosa
 13. Mr. Khalid Khosa
 14. Mr. Khalid Khosa
 15. Mr. Khalid Khosa
 16. Mr. Khalid Khosa
 17. Mr. Khalid Khosa
 18. Mr. Khalid Khosa
 19. Mr. Khalid Khosa
 20. Mr. Khalid Khosa
 21. Mr. Khalid Khosa
 22. Mr. Khalid Khosa
 23. Mr. Khalid Khosa
 24. Mr. Khalid Khosa
 25. Mr. Khalid Khosa
 26. Mr. Khalid Khosa
 27. Mr. Khalid Khosa
 28. Mr. Khalid Khosa
 29. Mr. Khalid Khosa
 30. Mr. Khalid Khosa
 31. Mr. Khalid Khosa
 32. Mr. Khalid Khosa
 33. Mr. Khalid Khosa
 34. Mr. Khalid Khosa
 35. Mr. Khalid Khosa
 36. Mr. Khalid Khosa
 37. Mr. Khalid Khosa
 38. Mr. Khalid Khosa
 39. Mr. Khalid Khosa
 40. Mr. Khalid Khosa
 41. Mr. Khalid Khosa
 42. Mr. Khalid Khosa
 43. Mr. Khalid Khosa
 44. Mr. Khalid Khosa
 45. Mr. Khalid Khosa
 46. Mr. Khalid Khosa
 47. Mr. Khalid Khosa
 48. Mr. Khalid Khosa
 49. Mr. Khalid Khosa
 50. Mr. Khalid Khosa
 51. Mr. Khalid Khosa
 52. Mr. Khalid Khosa
 53. Mr. Khalid Khosa
 54. Mr. Khalid Khosa
 55. Mr. Khalid Khosa
 56. Mr. Khalid Khosa
 57. Mr. Khalid Khosa
 58. Mr. Khalid Khosa
 59. Mr. Khalid Khosa
 60. Mr. Khalid Khosa
 61. Mr. Khalid Khosa
 62. Mr. Khalid Khosa
 63. Mr. Khalid Khosa
 64. Mr. Khalid Khosa
 65. Mr. Khalid Khosa
 66. Mr. Khalid Khosa
 67. Mr. Khalid Khosa
 68. Mr. Khalid Khosa
 69. Mr. Khalid Khosa
 70. Mr. Khalid Khosa
 71. Mr. Khalid Khosa
 72. Mr. Khalid Khosa
 73. Mr. Khalid Khosa
 74. Mr. Khalid Khosa
 75. Mr. Khalid Khosa
 76. Mr. Khalid Khosa
 77. Mr. Khalid Khosa
 78. Mr. Khalid Khosa
 79. Mr. Khalid Khosa
 80. Mr. Khalid Khosa
 81. Mr. Khalid Khosa
 82. Mr. Khalid Khosa
 83. Mr. Khalid Khosa
 84. Mr. Khalid Khosa
 85. Mr. Khalid Khosa
 86. Mr. Khalid Khosa
 87. Mr. Khalid Khosa
 88. Mr. Khalid Khosa
 89. Mr. Khalid Khosa
 90. Mr. Khalid Khosa
 91. Mr. Khalid Khosa
 92. Mr. Khalid Khosa
 93. Mr. Khalid Khosa
 94. Mr. Khalid Khosa
 95. Mr. Khalid Khosa
 96. Mr. Khalid Khosa
 97. Mr. Khalid Khosa
 98. Mr. Khalid Khosa
 99. Mr. Khalid Khosa
 100. Mr. Khalid Khosa



2280-2021