



TRANSPARENCY INTERNATIONAL - PAKISTAN

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28 March 2022

TIP22/0328/1A

Mr. Abdul Haleem Shaikh,
Managing Director,
SPPRA
Secretariat 4A, Court Rd,
Saddar Karachi.

Subject: Complaint of M/S R.M Associates & Developers on Violation of SPPRA Rules 2010 in Tender NIT ID T00786-21-0003 dated 25-01-2022, and recovery of Rs. 107 million under Integrity Pact

Dear Sir,

Transparency International Pakistan has received a copy of the complaint from M/s R.M Associates sent to Chairman CRC/Superintendent Engineer Provincial Highways Circle Larkana and to MD SPPRA with allegation of violation of SPPRA rules in Tender NIT ID T00786-21-0003 dated 25-01-2022. **(Annex-A)**

The complainant has made the following allegations/objections:

That,

1. M/s R.M Associates & Developers which applied for work Serial No:01 namely Reconditioning of Road from Warah to Khandu Mile 0/0-6/4, cost PKR 115 million, was declared technically qualified and eligible for open financial proposal as M/s R.M Associates & Developers quoted the lowest rate bidder with -7.50% below from the estimated cost of the total amount 106,365,686/-. But the Executive Engineer Provincial Highway Division Larkana uploaded a fake bid evaluation report BE 00786-21-0003-3 dated 22-03-2022, where his favourite contractor awarded the contract who quoted 1.84% above the estimated cost 11,120,567/- consequently loss the public funds approximately 10,754,881/-. M/s R.M Associates & Developers was not shown the attendance sheet whereas the Call Deposit, Tender fees, Attendance Sheet, and the submitted Bid are attached as evidence.
2. The Executive Engineer Provincial Highway Division Larkana violated SPP Rule 45(i) & (iii) which bound him to provide a brief statement about the reason of the rejection of their bid.
3. The procuring agency also violated SPP Rule 51 & 52 which bar negotiations with the bidder submitted the lowest evaluated bid.

TI Pakistan has examined the complaint, and following are its comments and recommendations.

TI Pakistan Comments:

- a) Based on the submitted documents, prima facie the complaint appears to be a gross violation of SPPRA rules by the procuring agency.
- b) The bid evaluation report indicates that only three bids were received in which the bid of the complainant was not included. The complainant has attached the photocopies of the bid security of the required amount, PKR Five Million Seven Hundred Fifty Thousand, issued by



- Soneri Bank submitted with the bid. The tender documents were issued by the procuring agency on 9th February 2022.
- c) The bid evaluation report was uploaded on 22nd March 2022, a day before the public holiday, 23rd March, and there is no record available which indicates that the copy of the bid evaluation report was provided to the complainant, within 03 days prior to the award of contract as required under SPP Rule 45.
- d) The loss to Exchequer of amount PKR 10,754,881/- is reported by the complainant, which if found to be correct, may result a recovery of 10 times of the amount from the contractor who was awarded the contract of Rs 107,548,810/-

TI Pakistan Recommendations:

TI Pakistan requests MD SPPRA to look into the complaint which is made by the complainant within two days of posting of the evaluation report by the procuring agency, and take action to monitor the CRC and further processing of the procurement.

If the complaint is found to be genuine, action should be taken by CRC /Review Committee in accordance with SPPRA Rules 2010, recovery of Rs 107 million under Integrity Pact, and NAB Ordinance 1999 Section 9 & 10.

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

Regards

Ms. Yasmeen Lari
Sitara-e-Imtiaz, Hilal-e- Imtiaz
Chairperson
Transparency International Pakistan

Justice (Rtd) Nasira Iqbal
Vice Chair, Sitara-e-Imtiaz
Transparency International Pakistan

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

1. Chief Minister Sindh, Karachi
2. Director General NAB, Karachi
3. Registrar, Sindh High Court, Karachi
4. Chairman CRC, Superintendent Engineer Provincial Highways Circle Larkano
5. Executive Engineer Provincial Division, Larkana
6. The Complainant



M/S R.M ASSOCIATES &

DEVELOPERS

Ref: Rm/C3/768

Date: 24-03-2022

✓ MS. Yasmin Lari

Sitara-e-Imtiaz ,Hilal-e- Imtiaz (Chair person)

The Transparency International Pakistan.

The Chairman CRC / Superintending Engineer *provincial*
Highways Circle Larkano.

SUBJECT: REQUEST FOR CALL UP CRC MEETING IN LIGHT OF SPP RULE 31 FOR THE NIT NO.TC/G-55/130 OF 2021 DATED 21.01.2022 REGARDING EXECUTIVE ENGINEER PROVINCIAL HIGHWAYS LARKANO GIVE A UNDUE FAVOUR TO HIS FAVOURITE CONTRACTOR FOR AWARD THE WORK & UPLOAD FAKE BID EVALUATION REPORT ON PPMS SPPRA WEBSITE WHO ABOVE FROM TENDER COST AND UNDERSIGNED DESPITE BEING A MOST ADVANTAGEOUS BID OFFERED BY M/S R.M ASSOCIATES & DEVELOPERS FOR THE SERIAL NO: 01 HAVING COST: 115.00 MILLION

Reference: NIT ID T00786-21-0003 DATED: 25-01-2022 Copy Enclosed as Flag – A BER ID BE00786-21-0003-3 UPLOADED ON DATED 22-03-2022 as Flag- B.

This is to notified you that undersigned firm applied /participated for work serial no: 01 Namely Reconditioning of Road from Warah to Khandu Mile 0/0-6/4 cost 115 (M) on the time of bid opened undersigned firm declared qualified Technical Proposal and eligible for open financial proposal as undersigned firm quoted lowest rate bidders with -7.50% below from estimated cost as total amount **106,365,686/-** But unfortunately Executive Engineer Provincial Highway Division Larkano upload the fake bid evaluate report BE 00786-21-0003-3 dated 22-03-2022, where his favorite contractor quoted **1.84%** above from estimated cost Rate **117,120,567/-** it mean XEN provincial Highways Division larkano loss the public funds approximately **10754881/-** and our company did not shown even attendance Sheet/(Participant List). Hence Call Deposit, tender fees and attendance sheet, Bid of our firm also attached.

It is to clarified to you that Executive Engineer Provincial Highways Division Larkano involved in violation of SPP Rule 45 (i) & (iii) in this regard Executive Engineer Provincial Highways Division Larkano bound to give brief statement of why the bid was rejected and reason for rejected.

It further clarify to you procuring agency also Violation of SPP Rule 51 & 52 in this regard bar on negotiations with the bidder having submitted the lowest evaluated bid.

Office Address:

Office# 03 @ Imperial Banquet Hall
Opposite Al-kausar hospital old
National Highway Khairpur Mir's.

Contact No: +92301-2111166
Email: rmassociatesdevelopers@gmail.com



M/S R.M ASSOCIATES & DEVELOPERS

Ref: _____

Date: 24-03-2022

Therefore you are requested to you please call up CRC meeting for resolve our grievance as per SPPRA Rule 31 & direct to XEN Provincial Highway division Larkano did not issue fake work order till resolve our grievances and conduct the enquiry against above culprit officers as avoid the emblazing and misappropriations of funds till decision of review committee of SPPRA.

Regards

M/S R.M ASSOCIATES

& DEVELOPERS ~~M/S RM ASSOCIATES & DEVELOPERS~~

D/A; Copy of DR, CDR, BID, NIT, BER

Copy forwarded to;

- **THE MANAGING DIRECTOR SPPRA KARACHI**
- The Executive Engineer Provincial Division Larkano.

Office Address:

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