



**TRANSPARENCY
INTERNATIONAL-PAKISTAN**

5-C, 2nd Floor, Khayaban-e-Ittehad, Phase VII,
Defence Housing Authority, Karachi.
Tel: (92-21)-35390408, 35390409, Fax: 35390410
E-mail: ti.pakistan@gmail.com
Website: www.transparency.org.pk

August 28, 2012

Mr. Muhammad Ali,
Chairman,
Securities & Exchange Commission of Pakistan,
NIC Building, 63 Jinnah Avenue,
Islamabad.

**Subject: Violation of Public Procurement Rules 2004, Management Executive (Admin),
Securities and Exchange Commission of Pakistan's Tender Notice for Renewal of
IBM Software Support & Licenses**

Dear Sir,

This is in reference to the reply of Joint Director SECP's letter dated 15th August 2012 in response to TI-Pakistan's letter dated 11th August 2012 on the above subject matter and therefore consider the responsibility of informing you that the reply is incorrect based on the below discussed facts.

Examination of the Public Procurement Rules, 2004 shall reveal that the concept of short notices and gallop notices has been eliminated. Unable to grasp sufficient response allows for re-bidding under Rule 34(2) that again should not be less than 15 days as stipulated in the Rule 13 of Public Procurement Rules, 2004.

34(2) The procuring agency before invitation for re-bidding shall assess the reasons for rejection and may revise specifications, evaluation criteria or any other condition for bidders as it may deem necessary.

As a matter of fact, the specified time for the 'short tender' thereof falls short of the response time stipulated in Public Procurement Rules, 2004.

Moreover, as per your letter, the required minimum of three parties did not respond to the Tender. In the interest of clarity, the Public Procurement Rules, 2004 does not put any limit on number of tenders/bids received in response to tender notices provided that the procurement opportunity has been advertised in the prescribed manner. The single bid may be considered if it meets the evaluation criteria expressed in the tender notice.

Consequently, the tender amounts to be in contravention of Public Procurement Rules 2004 and appears to be a case of fraudulent and corrupt practice under Rule 2(f).

The above information is forwarded for the purpose of avoiding the mis-procurement charge under Rule No 50, and with request to re-invite the tender under the prescribed procedures.

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

With Regards,


Syed Adil Gilani
Adviser

Copies Forwarded for the information of:

1. Chairman, Public Accounts Committee, Islamabad
2. Chairman, NAB, Islamabad
3. Registrar, Supreme Court of Pakistan, Islamabad
4. Auditor General, Islamabad
5. Managing Director, Islamabad