



12<sup>th</sup> April, 2013

Dr. Saima Shah,  
Chief Executive Officer,  
Lahore Cantonment Board,  
42, Sarwar Road,  
Near CMH Hospital,  
Lahore.

Sub: Violation of Public Procurement Rules 2004, Executive Officer, Cantonment Board  
Lahore's Tender Notice for Reconstruction of Tufail Road (one side) from Alif Laam  
Meen Chowk to Girja Chowk (left side).

Dear Sir,

The Executive Executive Officer, Cantonment Board Lahore's Tender Notice for Reconstruction of Tufail Road (one side) from Alif Laam Meen Chowk to Girja Chowk (left side), published in the "News" on 7<sup>th</sup> April 2013, is against the Public Procurement Rules 2004.

A minimum period of 15 days is mandatory to submit applications from the date of publication of advertisement notice in press, whereas LCB has given only 05 days. (tender issuance date is 19.04.2013 and submission date is 24.04.2013), moreover LCB is providing the bidding documents to bidders 12 days (tender notice published date 7.04.2012) after the publication of notice inviting tender in press, whereas according to Rule 23(1), a procuring agency has to provide the complete set of bidding documents immediately after the publication of tender notice. The Rule is quoted below for your information;

*23. Bidding documents:- (1) Procuring agencies shall formulate precise and unambiguous bidding documents that shall be made available to the bidders immediately after the publication of the invitation to bid.*

Transparency International Pakistan would also like to bring into your kind knowledge that according to PPRA Regulation 2008, Bid Bond/Earnest Money and Performance Security Guarantee is allowed at the option of bidders, even from AA Rated Insurance Companies, whereas LCB has restricted the bidder to provide 2% of earnest money in shape of call deposit only, which is in violation of PPRA Regulation 2008, also PEC SBDs are mandatory for use in tendering, which contains following rules for guarantees.

**IB. 15 Bid Security:**

15.2 The Bid Security shall be, at the option of the bidder, in the form of Deposit at Call or a Bank Guarantee issued by a Scheduled Bank in Pakistan or from a foreign bank duly counter guarantee by a Schedule Bank in Pakistan or an insurance company having at least AA rating from PACRA/JCR in favour of the Employer valid for a period 28 days beyond the bid Validity date.



Transparency International Pakistan would also like to point out that the Ministry of Defence has also taken serious notice of Public Procurement Rules 2004 violations. In this regard, TI-Pakistan refers to Ministry of Defence's letter No 2/2/D-18/2009 dated January 31<sup>st</sup> 2011 (enclosed), which states that "the PPRA Rules must be observed in their perspective in letter & spirit while making procurements. Violation of those rules will be viewed seriously and Head of Department/Organisation will be held responsible for the same."

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.

TI Pakistan is striving to have Rule of Law in Pakistan, which is the only way to eliminate corruption and have good governance in country.

With Regards,

Syed Adil Gilani  
Adviser

Copies forwarded for the information of:

1. Chairman, Public Accounts Committee, Islamabad.
2. Chairman, NAB, Islamabad.
3. Secretary, Ministry of Defence, Islamabad
4. Auditor General, Islamabad.
5. Managing Director, PPRA, Islamabad - with a request to take action under section 5(2) (a) "monitor application of the laws, rules, regulations, policies and procedures in respect of, or relating to, procurement" and under section 5(2) (i) of the PPRA Ordinance 2002.



## TENDER NOTICE

Sealed tenders based on MES Schedule of Rates, 2009 (amended from time to time) are invited for the Original Works from registered / approved contractors of Cantt Board Lahore who have deposited the renewal fee for the year 2012-2013 and also filed an up to date valid copy of Registration/ Renewal of P.E.C (Pakistan Engineering Council). Applications for the issuance of tender forms must reach the undersigned latest by 17-04-2013 on working day during office hours. The cost of Tender form will be deposited on 18-04-2013. The Tender forms will be issued on 19-04-2013 which will be received / opened on 24-04-2013 in the presence of the tenderers or their authorized agents at 1300 Hours:-

|  |  |
|--|--|
| Description of works:                          | Re construction of Tufail road (one side) from Alif Laam Meem Chowk to Girja Chowk (Left side) |
| Estimated (cost in Million):                   | 30.00  |
| Earnest money in Million:                      | 0.60   |
| Cost of tender form in Million non refundable: | 0.010  |
| Time limit:                                    | 45 days  |

### TERMS AND CONDITIONS:

- Earnest money at the rate of 2% of the estimated cost in shape of call deposit in favour of Cantt Executive Officer Lahore Cantt; must accompany with the tender form otherwise the tender will not be entertained. Cheque / cash will not be accepted.
- Conditional tender will not be accepted.
- The Cantonment Board reserves the right to demand the analysis of quoted rates to check their reasonability and workability.
- The firm / contractor whose rate is accepted will be required to execute an agreement on non-judicial stamp paper of appropriate value at his own expense.
- Estimated amount can be decreased/increased to the extent of completion / finalization of project. The Contractor shall be bound for the execution of additional work of project on the same rate.
- The Cantt Board shall not issue any kind of store.
- Other terms and conditions can be seen in the office of Cantt Engineer on any working day during office hours or visit official website of LCB: [www.lcb.gov.pk](http://www.lcb.gov.pk). UAN: 111-042-522, Fax: 042-99220409.
- If tenders are not opened on 24-04-2013, the same will be received on 26-04-2013 at 1200 hours and shall be opened on the same day at 1300 hours, for which no separate advertisement will be made.
- Work will be awarded subject to all codal formalities, the sanction of competent authority/site clearance.

**CANTONMENT EXECUTIVE OFFICER,  
LAHORE CANTT**

PID(L)2560