

**CAPITAL DEVELOPMENT AUTHORITY
(Environment Directorate)**

No.CDA/DE(E)/DDU-I/2015/623

Islamabad/ 28 / 08 /2015.

From:

Deputy Director Urban-I,
Capital Development Authority,
F-9 Park **Islamabad.**

To:

-> Mr. Sohail Muzaffar,
Chairman Transparency International,
5-C, 2nd Floor, Khayaban-e-Ittehad, Phase VII,
Defence Housing Authority, **Karachi.**

**SUBJECT; VIOLATION OF PUBLIC PROCUREMENT RULES 2004,
DEPUTY DIRECTOR URBAN-I, ENVIRONMENT
DIRECTORATE, CDA ISLAMABAD'S TENDER NOTICE FOR
IMPROVEMENT OF SIDE AREA DUE TO CONSTRUCTION OF
METRO BUS ROUTE.**

Ref; letter 6th July, 2015 TL15/067/1A

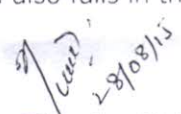
Dear Sir,

With reference to above letter the question was raised that "as per advertisement it is mentioned that, the total bid amount is less than 10% NIT amount which is violation of PPRA Rules 2004, Rule 25".

In this connection it is stated that this office envisaged the bid security / earnest money amounting to Rs.234079/- is calculated on Rs.5000000/-@ 3% and on Rs.4203950/- @ 2% which comes to (Rs.1,50,000/- + Rs.84,079/- = Total Rs.234079/-) which is less than 5% bid security as per schedule.

As regards the issue pointed out by Transparency International Pakistan regarding less than 10% NIT and it is clarified that CDA authority amended the CDA W-7 form to save the CDA interest and further to authenticate the standard of the work to be executed / awarded on lower side. Accordingly CDA authority imposed the restriction of performance of security equal to difference between NIT amount and less quoting bid rate 10% of NIT amount at the time of submission of bid. It is also further clarified that 10% cost is of difference between NIT amount and less than 10% of NIT amount is a performance security not bid security (copy of the letter of the Chairman CDA is enclosed).

In view of facts / position stated above, it is clear that CDA apply the correct bid security cost equal to 3 & 2 % of NIT amount and also falls in the purview of PPRA Rule 2004 clause 25 of bid security.


**Deputy Director Urban-I
Env't; Dte, CDA**

Copy to:-

1. Secretary to Prime Minister, Islamabad
2. Director General, NAB, Rawalpindi.
3. Chairman, Prime Minister's Inspection Commission, Islamabad
4. Registrar, Supreme Court of Pakistan, Islamabad
5. Managing Director, PPRA, Islamabad

**Deputy Director Urban-I
Env't; Dte, CDA**

CAPITAL DEVELOPMENT AUTHORITY
(Directorate General Works)

No. CDA/DD(Coord)/DGW-2(9)/2015/189

Islamabad February 03, 2015.

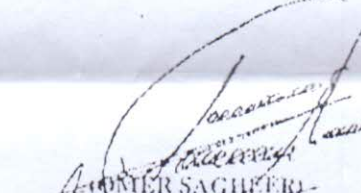
Subject: -

PERFORMANCE SECURITY FOR EXECUTION OF WORK
WHEN BIDDERS QUOTE UNREASONABLY LOW RATES.

I am directed to notify that for all future tenders based upon CDA W7 form, the following condition shall be made part of NIT and the tender notice -

"In case the total bid amount is less than 10% below the NIT amount, the bidder shall submit call deposit as performance security equal to the difference between NIT amount and total quoted amount less 10% of NIT amount. That is, required performance security = NIT amount - total bid amount - 10% of NIT amount. This call deposit shall be in addition to the earnest money for the work and shall be deposited at the time of submission of bids. Bids not carrying the performance security shall be rejected. The performance security of the successful bidder shall be released after completion of the project".

This issues with the approval of the Chairman, CDA


MUNIR SAGHEER
Dy. Director (Coord),
DGW (Main), CDA
03/02/15

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