



**TRANSPARENCY
INTERNATIONAL-PAKISTAN**

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4th May, 2018

TL18/0405/1A

Chief Minister,
Government of Sindh,
Karachi.

**Sub: Complaint Received Against Discrimination and Non- Transparent Procedure
by P.P.P Unit, Finance Department, G.O.S Regarding Inviting Bids for Bus Rapid
Transit System (BRTS) Blue Line Project (Infrastructure Development).**

Dear Sir,

Transparency International Pakistan has received a complaint, from M/s Kainatt Enterprises, regarding discrimination and non-transparent procedure by P.P.P Unit, finance department, G.O.S regarding inviting bids for Bus Rapid Transit System (BRTS) Blue Line Project. (Infrastructure Development) against Sindh Transport & Mass Transit Authority which is self-explanatory (Annexure A).

The complainant has pointed out different discrepancies. This is mis-procurement.

Also M/s EA Consulting (Pvt.) Ltd is a consultant and not a contractor and their financials of three years cannot be added with contractors three years financial experience.

Chief Minister, G.O.S is requested to kindly examine this complaint and order for the cancellation of this tender which is not in compliance with SPPRA Rules and this project does not come under unsolicited category.

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

With Regards,

Justice Zia Perwez
Former Judge of Supreme Court of Pakistan and High Court of Sindh
Trustee- TI-Pakistan

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

1. Chief Justice, Sindh High Court, Karachi
2. Director General, NAB, Karachi.
3. Chief Secretary, Government of Sindh, Karachi.
4. Managing Director, SPPRA, Karachi.
5. Secretary, Sindh Transport & Mass Transit Authority, Government of Sindh, Karachi.

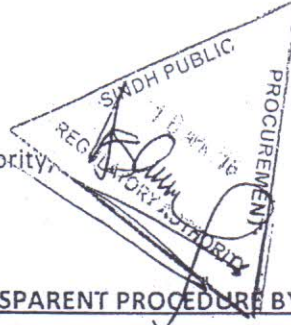
KE

Kainatt Enterprises Constructors & Developers

Ref: KE/SMTA/2018/008

Date: 16-04-2018

The Managing Director,
Sindh Public Procurement Regulatory Authority
Barrack # 8, Secretariat # 4A, Court Road,
Karachi



Subject: DISCRIMINATION & NON-TRANSPARENT PROCEDURE BY P.P.P UNIT, FINANCE DEPARTMENT, G.O.S REGARDING INVITING BIDS FOR BUS RAPID TRANSIT SYSTEM (BRTS) BLUE LINE PROJECT. (INFRASTRUCTURE DEVELOPMENT)

With due respect it is humbly submitted that Sindh Mass Transport Authority, Transport & Mass Transit Department, Government of Sindh has issued R.F.P for the project, mentioned above in February 2018. The date for submission of bids was 13th March 2018 which was subsequently extended to 04th April 2018 & finally 09th April 2018. The bids were submitted on 09th April 2018.

In this regards we will like to draw your kind attention towards the discrimination & non-transparent attitude of P.P.P Unit & Transport & Mass Transit Department Government of Sindh described as under.

- i. That in first pre-bid meeting held on 22nd February 2018, the issue regarding un-solicited proposal for the project was raised by Mr. Dawood of F.W.O & others with the view that since the project is already conceived by Government of Sindh & many studies have been carried out by the Mass Transit Unit of K.D.A & JAICA, the un-solicited proposal may not be considered. It was decided to submit queries in writing with the department concerned. Accordingly we submitted our queries vide letter no. A&K/S.M.T.A/2018/001 dated 23-02-2018 with Sindh Mass Transit Authority & copy to P.P.P Unit, G.o.S. (Annex-A) – Reproduced below

As mentioned in R.F.P & informed in the pre-bid meeting that the authority has received an un-solicited bid for the project. It is also informed that JAICA has carried out study & the project was conceived in the year 2013.

Now the question arises as how the un-solicited bid was accepted when the project was already in pipe line & under consideration of Government of Sindh.

In this regards, I will like to draw your kind attention towards the un-solicited bid submitted by us on 31-05-2017 to The Project Director, M-9 to N-5 Link Road Project of

Works & Services Department G.o.S for consideration. We were told verbally by the P.P.P Unit, Finance Department, G.o.S that since the project has already been conceived by G.o.S. Your proposal cannot be considered. Since then we have written many letters to Works & Services Department, Government of Sindh & P.P.P Unit, Finance Department to please inform what is the status of our un-solicited proposal for Link Road Connecting M-9 & N-5 but no reply is received so far from any department of G.o.S. **(Annex-B)**

- ii. In response to our query the department issued responses to bidders for their queries raised in the pre-bid meeting held on 22-02-2018 along with other queries at serial no. 102 & in particular at serial no. 100 in general regarding un-solicited proposal of BRTS project. **(Annex-C)** – The department has defended the un-solicited proposal & informed that it has been approved in policy board meeting.
- iii. Another pre-bid meeting was held on 26th March, 2018 where in we again raised the issue & informed the meeting that the reply of department is not satisfactory. We submitted our query again in response to meeting of 26th March, 2018 & requested the concerned department to withdraw the un-solicited proposal & provide fair opportunity to bidders to participate in the bidding process. As the sponsor of un-solicited bidder will offer his willingness to execute the work on the rate of lowest bidder & therefore all this exercise by the interested bidders will be futile.
- iv. The department provided responses to all the queries including our query which is not satisfactory. The reply is at serial no. 28 where in it is described to see serial no. 101 of pre-bid queries. **(Annex-D)**
- v. From the situation narrated above it is clear that the P.P.P Unit & the Mass Transit Department want to award the work to M/s SMC & EA (JV) who are the sponsors of un-solicited proposal submitted for BRTS Blue Line Project.
- vi. It is interesting to note that M/s SMC & EA Consulting (Pvt.) Ltd have again submitted their bid on 09th April, 2018 which were opened by the Chairman of tender opening committee i.e. chairman P & D board, Government of Sindh.
- vii. The two members of un-solicited proposal i.e. M/s SMC who is a contractor & M/s EA Consulting (Pvt.) Ltd is a consulting company and is not a construction company have formed a joint venture. We are of the view that M/s S.M.C do not fulfill the

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requirement of R.F.P & have insufficient ^{turnover} annual construction turn over which should be Rs. 2000 million for the last 3 years. M/s EA Consulting (Pvt.) Ltd is a designer & its design experience cannot be added to the construction turn over. We have also doubt that M/s S.M.C has no sufficient specific work experience of Rs. 7500 million for one work or three works of similar nature each for Rs. 2500 million.

In the light of above it is requested to please cancel the un-solicited bid for BRTS Blue Line Project submitted to higher authorities by P.P.P Unit by concealing the facts & check the capability of M/s S.M.C & EA (JV) to participate in bidding process in respect of Average Annual Construction turnover of Rs. 2000 million & specific construction experience of Rs. 7500 million for three projects.


Abdul Shakoor Palijo
General Manager
M/s Kainatt Enterprises

Copy to:

1. The Chairman, P & D Board, G.o.S.
2. The Secretary, Transport & Mass Transit Deptt; G.o.S
3. The Managing Director, Sindh Mass Transit Authority
4. The Director General, P.P.P Unit, Finance Deptt; G.o.S

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