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**KARACHI PORT TRUST**

From:

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Secretary**

No.S-18/2480  
Dated:

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SUB- NEWS REPORT OF KPT ALLEGED IRREGULARITIES IN TENDERS OF PORT SHOPPING DISTRICT, TWO GIANT TUGS OF 75 TONS BOLLARD PULL, KPT'S STORE AND PAK SUZUKI MOTOR PLOT ALLOTMENT WITHOUT TENDER, AWARD OF CONTRACT TO SINGLE BIDDER OF FOOD COURT ON OYSTER ROCK BREAKWATER OF PDWCP, DECLARING, LALAZAR AS A COMMERCIAL AREA.

I am directed to state that KPT has examined the letters of Transparency International Pakistan dated 10<sup>th</sup> September 2012 and 20<sup>th</sup> September 2012 pointing out issues reported in Dawn of 8<sup>th</sup> and 9<sup>th</sup> September 2012.

KPT's Position on the said issues is given herein under:-

1. Port Shopping District:

In response to international press advertisement 11 firms purchased the pre-qualification documents. By closing date only 04 firms submitted their pre-qualification applications. Two firms were pre-qualified.

However, the pre-qualified firms did not comply with RFP requirements hence were declared as "Non-responsive".

The project has been re-advertised on 25-09-2012. Last date for submission of Expression of Interest (EOI) is 06-11-2012.

2. Two Shipping Tugs of 75 tons Bollard Pull:

Clause 26 of Public Procurement Rules (PPRA-2004) in respect of Bid Security reads as follows:-

*"The procuring agency may require the bidders to furnish a bid security not exceeding the 5% of bid price".*

Clause-9 of PEC bidding documents (Document Comprising the Bid) of ITB reads as under:-

“The bid prepared by the bidder shall be considered by the Employer for processing provided the same essentially comprises the following:-

***“Bid Security furnished in strict accordance with tender condition”***

Keeping in view the above instructions by PPRA and PEC that “*Bid Security furnished in strict accordance with tender condition*”: following terms and conditions regarding submission and return of bid security was elaborated.

15.4 Submission and Return of Bid Security:

- (a) The bid security is required to be furnished necessarily at a date and time to be intimated by KPT and that would be necessarily before the date fixed for carrying out the tests of the offered Tugs at the site of tugs location. Only the bidder whose Technical bids are evaluated responsive shall be required to furnish the bid security. The financial proposals of any / all bidder shall not be opened if it is without acceptable bid security.

As per terms of tender clause (15.5) the bidders were asked to furnish the Bid Security before the tests and trials of offered tugs which they furnished. This is strictly in accordance with the tender conditions set forth in the tender documents. Therefore there is no any violation observed in the issue of bid security.

KPT also keep in mind if the process of procurement of Tugs scraped at this stage without solid reasons, the cost of the tugs in the next bid may be more due to escalations and currency fluctuations. Moreover KPT operation may also suffer due to non-availability of tugs for long period.

3. KPT's Store and Pak Suzuki Motor Plot Allotment without Tender:

KPT's Store and Pak Suzuki Motor Plot allotment has not yet been actualised on 25 years lease and the matter is under consideration. These plots were allotted on 3 months rental from time to time, as per rules for port related use only. The plots will be disposed as per procedure as and when KPT Board finally decides.

4. Award of Contract to Single Bidder of Food Court on Oyster Rock Breakwater of PDWCP:

The project was advertised twice in the press. In response to the press advertisement two firms submitted pre-qualification documents. One firm stood qualified. Due to lack of competition process was annulled. Fresh advertisement published in the press on 29-09-2012 with last date of submission of expression of interest as 01-11-2012.