



2<sup>nd</sup> December 2013

The Chairman,  
Karachi Port Trust (KPT)  
EdujjeDinshaw Road,  
Karachi - 74000

Sub: Complaint of violation of PPRA Rules in Tendering of Road Project, Mai Kolachi

Dear Sir,

Transparency International refers to its letter dated 11 November 2013, on the complaint of illegal efforts for allotment of billions of rupee worth 75 Acres Land to Sindh Government by KPT, during the Caretaker government in April 2013, land grabbing by KPT Officers Society of over 50-80 acres, worth Rs 20 billion, and subsequent complaints specially on the Road Project of Rs 4 Billion. No reply from KPT is received on the complaint, and TI Pakistan has received further complaints of the serious violations allegedly being committed in the Road Project.

The violations in addition to the those allegations reported on 11 November 2013 are stated below.

1. That the bid was submitted by JV. M/s Zahir Khan & Brother and Maqbool Associated Ltd, who were never prequalified by KPT for this project.
2. That out of three firms, M/s Zahir Khan & Brother was one of the prequalified firm for this project, as this company was evaluated by KPT to be capable to perform and complete the work as per requirement and in time.
3. That on 23 September 2013, M/s Zahir Khan & Brother did not submit any bid.
4. That according to a request submitted by M/s Zahir Khan & Brother on 23 September 2013, KPT was informed that as the company was unable to perform and complete the work in time, and therefore it has formed a Joint Venture with Maqbool Associates Ltd, and that the JV has submitted the bid.
5. That why the Consultants and KPT prequalified a firm M/s Zahir Khan & Brother, which has itself admitted that in order to perform and complete this Contract in time, he need support, and therefore has formed a JV with another firm.
6. That why Consultants and KPT did not object on this Bid of J.V M/s Zahir Khan & Brother and Maqbool Associated Ltd, when they were in knowledge that this JV never submitted the prequalification, and has never been approved by KPT.
7. That why Consultants and KPT did not report that M/s Maqbool Associated Ltd, did apply for this project at pre qualification stage, and were not prequalified by KPT.
8. That it appears that Consultants, KPT, M/s Zahir Khan & Brother and M/s Maqbool Associated Ltd are in collusion with each other.
9. That this Bid is even ineligible according to Pakistan Engineering Council Standard Procedure for Evaluation of Bids for Procurement of Works March 2009, Section



3.4, (b), eligibility, *If prequalification has taken place, only bids from prequalified bidders can be considered and the juridic entities of the prequalified bidders may not be modified in the submission of bids.*

TI Pakistan request you to kindly also examine this complaint, and if the allegations are found s correct, kindly cancel the procurement as this is not allowed in the Public Procurement Rules 2004, Rules 33 (1), no evaluation criteria shall be used for evaluation of bids that had not been specified in the bidding documents and Rule 50, any unauthorized breach of these rules shall amount to mis-procurement.

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 action under rules, and information of:

1. Secretary to the Prime Minister, Islamabad
2. Federal Minster for Ports & Shipping, Islamabad,
3. Chairman, NAB, Islamabad.
4. Registrar SC, Islamabad.
5. Chairman, PAC, Islamabad
6. MD, PPRA, Islamabad with reference to PPRA letter no. F20-2/Complaints/2013-14, dated 2-11-2013.