



3rd February, 2012

Managing Director,
Sindh Public Procurement Regulatory Authority,
8 Secretariat 4A Court Road,
Karachi.

Sub: Violations of Sindh Public Procurement Rules, 2010
KW&SB Procurement and Installation of 6 Nos: x 1 MGD Reverse Osmosis Desalination
plants at different locations of Keamri Town. Project reported in press as Rs 4 Billion

Dear Sir,

Transparency International Pakistan has examined the evaluation report dated 21st June 2011 of tender of Reverse Osmosis Water Procurement and Installation of 6 Nos x 1 MGD Reverse Osmosis Desalination plants at different locations of Keamri Town hoisted on SPPRA website.

The essence of SPPRA Rules 2010 is that the procurement shall be made in transparent manner and procuring agency shall observe that prudent procurement practices are applied, and wide participation of bidders are made possible, in order to achieve the best quality at the lowest evaluated responsive cost.

Transparency International Pakistan has observed that in this procurement out of 17 bidders who purchased the tender documents, only two bids were received, and one was declared non responsive, and thus only one bidder remained who was awarded the Contract.

The bid security of 20% advertised in the Tender Notice was one of the violation noted, which also could have been one of the reasons of non participation of 12 bidders. Maximum allowed bid security under Rule 37 is 5%, and this is a major caused of violation, which may declare this procurement as mis-procurement.

In TIP views, this procurement is in violation of Rule No 44.

44. Discriminatory and difficult conditions - Save as otherwise provided, no procuring discriminatory nature of any condition reference shall be made to the ordinary practices of that trade, manufacturing, construction business or service to which that particular procurement is related.

It has been reported in press (Daily Dawn) on 18th January 2012 that over Rs4 billion mega project to install several reverse osmosis plants in defunct Lyari and Keamari towns will be made operational gradually in between February and June, and no such tender information is available on SPPRA website.



In view of the above observations, it is recommended that SPPRA shall made detailed inquiry into this procurement.

The name of the successful bidder can not be read from the evaluation report. But is appears that the same company is involved in the two KWSB procurements as well as in the two procurements of Sindh Coal Authority, which are also under complaint redressal stage with SPPRA.

MD PPRA is requested to immediately put up this case also for the consideration of Chairman SPPRA after conducting inquiry for orders.

With Regards,

Syed Adil Gilani
Adviser

Encl: Copies of EV Report.

KARACHI WATER & SEWERAGE BOARD
OFFICE OF THE CHIEF ENGINEER, ZONE-II-A

W&S ZONE II A RWSB/2011/ 84


Dated - 21/6/2011


BID EVALUATION REPORT
SPPRA ID # 4514/2011


1. Name of Procuring Agency: KARACHI WATER & SEWERAGE BOARDS.
2. Tender Reference No.: ADVT/KW&SB/753/11, KW&SB/DPR-ADVT/2011/70, CDGK/AFVT/KW&SB-757/11, KW&SB/DPR-2011/70, CDGK/AFVT/KW&SB-766/11, KW&SB/ADVT/DPR/2011/82
3. Tender Description / Name of Work / Item: PROCUREMENT AND INSTALLATION OF 6 NOS. x 1 MGD REVERSE OSMOSIS WATER DECELINEATION PLANTS AT KEAMARI TOWN.
4. Method of Procurement: Through Press (Single Stage Two Envelopes System).
5. Tender Published: Daily Aamir Awaraz, Daily Express, Daily Dawn, Daily Intakhah, Daily Regional Times Dated 28-05-2011, respectively & The Daily Jang, Dated 30-05-2011. Corrigendum Published in Regional Times & Hilal-e-Pakistan Dated 29-05-2011, Nawa-e-Waqat & Dawn Dated 29-05-2011, Regional Times, Nawa-e-Waqat & Hilal-e-Pakistan Dated 03-06-2011, Dawn Dated 06-06-2011, Jang Dated 04-06-2011, Nawa-e-Waqat, Hilal-e-Pakistan & Regional Times Dated 14-06-2011.
6. Total Bid Documents Sold: 17 Nos.
7. Total Bid Returned: 02 Nos.
8. Technical Bid Opening Date: 17-06-2011.
9. No. of Bid Technically Qualified (if applicable): 01 No.
10. Bid number: 01 No.
11. Financial Bid Opening Date: 22-06-2011.

1.1 Bid Evaluation Report

Name of Bidder	Total Offered by the Bidder	Ranking in Terms of Cost	Comparison with Estimated Cost	Request for Award/Contract Agreement/Retention Bid	Remarks
<u>Mr. M. Iqbal Khan</u>	<u>Rs. 22,20,00,000/-</u>	<u>1</u>	<u>Rs. 2,20,24,87,800/-</u>	<u>Not Awarded</u>	<u>Not Awarded</u>


 Mr. M. Iqbal Khan
 Chief Engineer, Zone II-A
 Karachi Water & Sewerage Board


 Mr. M. Iqbal Khan
 Chief Engineer, Zone II-A
 Karachi Water & Sewerage Board


 Mr. M. Iqbal Khan
 Deputy Secretary (P&T) Local
 Government Engineering
 Karachi



Karachi Water & Sewerage Board

CORRIGENDUM

Sub:- EXTENSION OF SUBMISSION DATE

- NAME OF WORK:-**
- 1) **PROCUREMENT AND INSTALLATION OF 6 NOS. x 1 MGD REVERSE OSMOSIS WATER DESALINATION PLANTS AT KEAMARI TOWN.**
 - 2) **PROCUREMENT AND INSTALLATION OF 5 NOS. x 1 MGD REVERSE OSMOSIS WATER DESALINATION PLANTS AT LYARI TOWN.**

With reference to Tenders published in leading Dailies vide # CDGK / ADVT / KW&SB-754/11 of Keamari and Lyari Town, the submission date has been extended upto 17-6-2011 instead of 15-06-2011 and will be opened at same venue and time already published.

Rest of terms and conditions shall remain same. *DAWID*

Visit our website www.kwsb.gos.pk for bill payment, information and complaints.

CDGK/ADVT/KW&SB-766/11

KWSB/ADVT/D.P.R. 2011/82