



TRANSPARENCY INTERNATIONAL-PAKISTAN

20th July 2010

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Brigadier (R) Rashid Siddiqi,
Chairman,
Pakistan National Shipping Corporation,
PNSC Building,
M.T.Khan Road, Karachi

Sub: PNSC Clarification of Complaint on award of Water Proofing on Old Rally Building

Dear Sir,

Transparency International Pakistan on 6th July 2010 forwarded a complaint on the corrupt on alleged award of Water Proofing on Old Rally Building to second lowest bidder, M/s Navaish Enterprises at more cost of Rs 450,000, which is 34.43% more than the lowest evaluated bid.

The clarification of PNSC vide dated 16th July 2010 that in the bid of complainant an arithmetical error was deducted in a BOQ item. When this mistake was corrected under the PEC SBD for Works (quoted below) approved by PPRA in 2008, the complainant bid price increased by Rs. 486,000, and thus the bid cost was corrected to Rs 1,757,000, whereas the Bid of M/s Navaish with cost of Rs 1,757,000 was evaluated as the lowest responsive bid.

IB.27 Correction of Errors

27.1 Bids determined to be substantially responsive will be checked by the Employer for any arithmetic errors. Errors will be corrected by the Employer as follows:

- (a) where there is a discrepancy between the amounts in figures and in words, the amount in words will govern; and*
- (b) where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern, unless in the opinion of the Employer there is an obviously gross misplacement of the decimal point in the unit rate, in which case the line item total as quoted will govern and the unit rate will be corrected.*

27.2 The amount stated in the Form of Bid will be adjusted by the Employer in accordance with the above procedure for the correction of errors and with the concurrence of the bidder, shall be considered as binding upon the bidder. If the bidder does not accept the corrected Bid Price, his Bid will be rejected, and the Bid Security shall be forfeited in accordance with Sub- Clause 15.6(b) hereof.

Transparency International Pakistan is satisfied that PNSC has followed the PPRA Procedures in processing this procurement.

With Regards,


Syed Adil Gilani
Chairman

Copy forwarded for the information and appropriate action to,

1. Chairman Public Accounts Committee, Islamabad
2. Minister, Ports & Shipping, Islamabad
3. Auditor General Pakistan, Islamabad
4. Managing Director PPRA, Islamabad