



**TRANSPARENCY
INTERNATIONAL-PAKISTAN**

5-C, 2nd Floor, Khayaban-e-Ittehad, Phase VII,
Defence Housing Authority, Karachi.
Tel: (92-21)-35390408, 35390409, Fax: 35390410
E-mail: ti.pakistan@gmail.com
Website: www.transparency.org.pk

18th July, 2014

Chairman,
Pakistan Security Printing Corporation (Pvt) Limited,
Jinnah Avenue, Malir Halt,
Karachi.

Sub: Complaint regarding award of tender for passport paper by PSPC on single tender basis.

Dear Sir,

Transparency International Pakistan refers to your clarification dated 1st July, 2014 received in office on 4th July, 2014, on complaint regarding awarding of tender for passport paper by PSPC on single tender basis.

The clarification is not satisfactory as procurement of passport paper is a regular feature also stated by you, and should be based on competitive rates.

According to Public Procurement Rules 2004, a single bid is not to be considered if it is not based on the competitive comparison of prices procured during the current financial year.

In case the rates of passport paper are competitive to this rates on the procurement made by Pakistan Security Printing Corporation in the current financial i.e year 2013- 2014, the contract can be awarded, otherwise if no such procurement was made in last fiscal year by procuring agency, according to PPRA, single bid is not to be accepted.

Copy of clarification by PPRA is attached and is also available on the Public Procurement Regulatory Authority (PPRA) website (Annexure A).

This procurement amounts to mis-procurement under Rule No 50 of PPRA Rules 2004.

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

With Regards,

Sohail Muzzafar
Chairman

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

1. Secretary to Prime Minister, Islamabad.
2. Mr. Khurshid Shah, Leader of Opposition & Chairman, PAC, National Assembly, Islamabad.
3. Chairman, NAB, Islamabad.
4. Registrar, Supreme Court of Pakistan, Islamabad.
5. Managing Director, PPRA, Islamabad.

Rule 21 OPEN COMPETITIVE BIDDING

Question:

- i. If only one tender/bid is received in response to a tender notice advertised in both or one of the media (Authority's website/ print media), should the single tender be accepted or re-advertised the tender.
- ii. How to compare the only one bid received by a procuring agency?
- iii. If no tender/ bid is received against a requirement, what method of procurement is recommended to be adopted (Re-advertisement or Direct Contracting)

Answer:

- i. Public Procurement Rules, 2004 don't put any limit on number of tenders/ bids received in response to tender notices provided that the procurement opportunity has been advertised in the prescribed manner. The single bid may be considered if it meets the evaluation criteria expressed in tender notice and is not in conflict with any other rules, regulations or policy of the Federal Government. However the procuring agency should make a decision with due diligence and in the light of Rule 4 "Principles of Procurement".
- ii. Whenever a procuring agency is confronted with such a situation whereby the rate quoted by the single bidder cannot be compared so as to declare it as the lowest rate or otherwise it may make a prudent decision. While making a decision, the following factors may be kept in view: -
 - a. The comparison of price of the goods, works or services if procured during the current financial year.
 - b. Market price of the goods works and services to be procured.
 - c. In case abnormal Increase in prices is observed, the procuring agency may like to re-advertise the procurement opportunity, if time permits.
- iii. Re-advertisement would be a preferred option. Direct contracting could also be used provided it meets the prescribed condition for direct contracting.

Rule 24

Reservations and

Question:

Under the Rule supplier/contract mentioned. How preference should

Answer:

Preference to be in accordance with preference, prescribed in the rule. It has been specified in December, 2001 from PPRA's website

Rule 42

Alternative me

Question:

a) It has been c
(a) & (b) are no

Answer:

The sub rule further that pr limit prescribed operations may be same with full includes provisions of quotations in Federal Government justifications. consideration

b) Moreover contracting procurement procurement

Answer:

Procurement which reads the following