

OFFICE OF THE CHIEF ENGINEER (DEV) ENGINEERING DEPARTMENT KARACHI DEVELOPMENT AUTHORITY

4th floor, Civic Center, Gulshan-e-Iqbal, Tel: 021-99230653, 021-99231145

No CE/ED/KDA/2020/ / 2-8

Dated: 12-3-2020

The Managing Director, Sindh Public Procurement Regulatory Authority, Government of Sindh, Karachi.



SUBJECT: SUBMISSION OF MINUTES OF THE COMPLAINT REDRESSAL COMMITTEE MEETING.

Enclosed please find herewith, the minutes of the complaint redressal committee meeting held in the Office of the Chief Engineer (Dev), KDA / Chairman Complaint Redressal Committee on 12th March, 2020 regarding the following NITs called by Karachi Development Authority.

| NIT# | Date | PPMS NIT ID |
|---------------------|---------------------------------|----------------|
| EE/ED/KDA/2019/21,0 | 25 th November, 2019 | T00586-19-0011 |
| EE/ED/KDA/2019/224 | 3 rd December, 2019 | T01612-19-0002 |
| EE/ED/KDA/2019/227 | 3 rd December, 2019 | T01612-19-0004 |
| EE/ED/KDA/2019/228 | 3 rd December, 2019 | T01612-19-0005 |
| EE/ED/KDA/2019/253 | 13th December, 2019 | T01612-19-0007 |
| EE/ED/KDA/2019/254 | 13th December, 2019 | T01612-19-0006 |

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Chairman (C.R.C)
Chief Engineer (Dev)
Karachi Development Authority

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- 1. Executive Engineer / Chairman Procurement Committee, KDA.
- 2. Office copy.

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4th Floor, Civic Center, Gulshan-e-Igbal, Karachi.Tel: 021-99230653, 021-99231145

NO.CE/DEV/ENG/2020/127

DATE: 12-03-2020

MINUTES OF MEETING OF COMPLAINT REDRESSAL **COMMITTEE HELD ON 12-03-2020**

Meeting of Complaint Redressal Committee (CRC) was held on 12-03-2020 to consider the objections submitted by aggrieved bidders / contractors relating to NITs called by this department.

Following attended the meeting:

1. Mr. Naved Izhar

Chief Engineer (Dev) KDA/Chairman CRC

2. Mr. Syed Mohsin Afzal

Divisional Account Officer/Member CRC

Office of the A.G Sindh.

3. Mr. Chaudhry Muhammad Ali

Ex Chief Engineer W&S/Member CRC

Aggrieved Contractors / Bidders:

- 1. M/s. M. Azeem Shah Khetran.
- M/s. Shehzad Yousuf Zai.
- 3. M/s. Atlas Builders & Co.
- 4. M/s. S. Zaman & Brothers.
- 5. M/s. J.M Khan & Bros.
- 6. M/s. S.K Construction.
- 7. M/s. Deen Muhammad.
- 8. M/s. Glamour Construction.

Opening the discussion, Chairman informed that seven (07) complaints in respect of the following NITs have been received. The Chair sought clarification from Procurement Committee thereafter discussed the points of aggrieved contractors and steps carried out.

| NIT # | Date | PPMS NIT ID |
|--------------------|---------------------------------|----------------|
| EE/ED/KDA/2019/210 | 25th November, 2019 | T00586-19-0011 |
| EE/ED/KDA/2019/224 | 3 rd December, 2019 | T01612-19-0002 |
| EE/ED/KDA/2019/227 | 3 rd December, 2019 | T01612-19-0004 |
| EE/ED/KDA/2019/228 | 3 rd December, 2019 | T01612-19-0005 |
| EE/ED/KDA/2019/253 | 13 th December, 2019 | T01612-19-0007 |
| EE/ED/KDA/2019/254 | 13 th December, 2019 | T01612-19-0006 |

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Complaint # 1 by M/s. M. Azeem Shah Khetran:

Letter No. Nil dated: 09-03-2020.

NIT ID:T01612-19-0004

Name of Work" Rehabilitation of Road of Shahnawaz Goth & Yousuf Goth Near To Surjani 4k Chowrangi Ps-122, District West Karachi".

The Procurement Committee revealed that the rates quoted by Contractor M's, M. Azeem Shah Khetran have been evaluated and arithmetically verified thoroughly and it has been concluded that the Contractor's quoted amount is Rs. 34,419,049,00 i.e. 24,050% below which is higher in comparison with the 1stlowest bidder quoted amount Rs. 31,876,790,00 i.e. 29,659% below in comparison with the tender amount.Hence, M's, M. Azeem Shah Khetran is not considered lowest evaluated bidder. Therefore, the C.R.C agreed with the decision of the Procurement Committee that the bid is rejected.

NIT ID: T01612-19-0005

Name of Work "Construction Of Road # 15 From Dalmia Road To K-Electric Grid Station Via Jamia Masjid Zia-Ul- Islam Including RCC Sewerage Line System And Providing And Fixing Street Lights Block-19 Gulshan-E- Iqbal District East Karachi."

The matter was placed before CRC by the Procurement Committee and comments passed by the procurement committee and after hearing the complainant / aggrieved bidder and getting clarification from Procurement Committee the CRC reviewed the situation with reference to the provision of High Court order in Suit # 1951/2018 "While invoking (if at all needed) clause 11.3.4 of purported Regulations for Procurement of Works inserted vide Notification dated 5.7.2017, only such bids shall be considered which are nearest to the rupee, and any bid quoted in paisa's shall not be considered." and have concluded that amount quoted by the complainant viz M/s. M. Azeem Shah Khetran is Rs. 36.897.121-which is exactly what M/S Niaz Muhammad Contractor quoted, because of which, as per the Orders of the Honorable High Court stated above the bid is tied. Hence, CRC agrees with the decision of Procurement Committee thus, complaint of the complainant stands rejected.

NIT ID: T01612-19-0007

Name of Work "Improvement / Rehabilitation of Drainage System And Road Carpeting At Miran Muhhammad Shah Road & Surrounding Area in KDA Scheme # 1,Karachi"

The matter was placed before CRC by the Procurement Committee and after hearing the complainant/ aggrieved bidder and getting clarification from Procurement Committee the CRC reviewed the situation with reference to the provision of High Court order in Suit # 1951/2018 "While invoking (if at all needed) clause 11.3.4 of purported Regulations for Procurement of Works inserted vide Notification dated 5.7.2017, only such bids shall be

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considered which are nearest to the rupee, and any bid quoted in paisa's shall not be considered." and have concluded that rates quoted by the complainant viz M/s. M. Azeem Shah Khetran is 33,546,537/-which is exactly what M/S SK Constructionquoted, because of which, as per the Orders of the Honorable High Court stated above the bid is tied. Hence, CRC agrees with the decision of Procurement Committee thus, complaint of the complainant stands rejected.

Complaint # 2 by M/s. ShehzadYousufZai: Ref No. Nil 06/03/2020.

NIT #EE/ED/KDA/2019/210 Dated: 25th November, 2019

The Contractor did not participated in the bidding process in any work of the aforementioned NIT and the tender process has been carried out as per rules & regulations. The C.R.C after discussion decided that the application is not based on factual position.

NIT #EE/ED/KDA/2019/224 Dated: 3rd December, 2019

Name of Work "Reconstruction of Internal Roads of Bingo Gabol Goth, Bakhtawar Goth & Dhani Bux Goth, Ahsanabad PS-99, District East Karachi"

After looking at the evaluation report, the criteria mentioned in the NIT and the documents / profile provided with tender documents by the Contractor M/s. ShehzadYousufZai, the C.R.C found that bidder does not fulfill the requirement of criteria "c - Average Annual turnover of at least 50 million duly supported by the Bank Statement & Audit report (last 3 years each), which also shows the salaries of the employees" as well as requirement of criteria "d - The firm should maintain an account balance of at least 25% of the tender/bid cost." As mentioned in the published N.I.T. Hence, the C.R.C agrees with the decision of the Procurement Committee that the Bid is rejected in the Mandatory Eligibility Criteria.

NIT #EE/ED/KDA/2019/227 Dated: 3rd December, 2019

Name of Work "Rehabilitation of Road of Shahnawaz Goth & Yousuf Goth Near To Surjani 4k Chowrangi Ps-122, District West Karachi"

The matter was placed before CRC by the Procurement Committee of M/s. Shehzad Yousuf Zai and looked into the documents / profile provided by the contractor with tender documents and the criteria mentioned in the NIT, the C.R.C found that bidder does not fulfill the requirement of criteria "d - Average Annual turnover of at least 50 million duly supported by the Bank Statement & Audit report (last 3 years each), which also shows the salaries of the employees" as well as requirement of criteria "e - The firm should maintain an account balance of at least 25% of the tender/bid cost." As mentioned in the published N.I.T. Hence, the C.R.C agrees with the decision of the Procurement Committee that the Bid is rejected in the Mandatory Eligibility Criteria.

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NIT #EE/ED/KDA/2019/228 Dated: 3rd December, 2019

Name of Work "Construction Of Road # 15 From Dalmia Road To K-Electric Grid Station Via Jamia Masjid Zia-Ul- Islam Including RCC Sewerage Line System And Providing And Fixing Street Lights Block-19 Gulshan-E- Iqbal District East Karachi".

The matter was placed before CRC by the Procurement CommitteeM/s. Shehzad Yousuf Zai and looked into the documents / profile provided by the contractorwith tender documents and the criteria mentioned in the NIT, the C.R.C found that bidder does not fulfill the requirement of criteria "d - Average Annual turnover of at least 45 million duly supported by the Bank Statement & Audit report (last 3 years each), which also shows the salaries of the employees" as well as requirement of criteria "e - The firm should maintain an account balance of at least 25% of the tender/bid cost." As mentioned in the published N.I.T. Hence, the C.R.C agrees with the decision of the Procurement Committee that the Bid is rejected in the Mandatory Eligibility Criteria.

NIT #EE/ED/KDA/2019/253 Dated: 13th December, 2019

The Contractor did not participated in the bidding process in any work of the aforementioned NIT and the tender process has been carried out as per rules & regulations. The C.R.C after discussion decided that the application is not based on factual position.

NIT #EE/ED/KDA/2019/254 Dated: 13th December, 2019

Name of Work "Improvement / Rehabilitation of Drainage System and Road Network Work in Karsaz Service Road, Karachi."

After looking at the evaluation report, the criteria mentioned in the NIT and the documents / profile provided with tender documents by the bidderM/s. ShehzadYousufZai, the C.R.C found that bidder does not fulfill the requirement of criteria "c - Average Annual turnover of at least 70 million duly supported by the Bank Statement & Audit report (last 3 years each). which also shows the salaries of the employees" as well as requirement of criteria "d - The firm should maintain an account balance of at least 25% of the tender/bid cost." As mentioned in the published N.I.T. Hence, the C.R.C agrees with the decision of the Procurement Committee that the Bid is rejected in the Mandatory Eligibility Criteria.

Complaint # 3 by M/s. Atlas Builders & Co.: Ref No. Nil 06/03/2020.

NIT #EE/ED/KDA/2019/210 Dated: 25th November, 2019

The Contractor did not participated in the bidding process in any work of the aforementioned NIT and the tender process has been carried out as per rules & regulations. The C.R.C after discussion decided that the application is not based on factual position.

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NIT #EE/ED/KDA/2019/224 Dated: 3rd December, 2019

Name of Work "Reconstruction of Reconstruction of Abdullah Shah Ghazi Goth Scheme-33, Internal Street Roads PS-100 District West Karachi"

In the instant complaint the Procurement Committee defined that the aggrieved bidder M/s. Atlas Builders & Co.does not fulfillthe requirement of Mandatory Eligibility Criteria clause "c - Average Annual turnover of at least 50 million duly supported by the Bank Statement & Audit report (last 3 years each), which also shows the salaries of the employees" as well as requirement of criteria "d - The firm should maintain an account balance of at least 25% of the tender/bid cost." & requirement of criteria "e - Proof of relevant experience and details of at least three works executed/being executed since last 3 years indicating the name of project/scheme/works with cost, date of commencement & completion" mentioned in the said NIT. After looking at the documents / Profile provided with tender documents by the bidder M/s. Atlas Builders & Co, the C.R.C concluded that the Bidder M/s. Atlas Builders & Co.does not fulfill the mandatory eligibility criteria.

NIT #EE/ED/KDA/2019/227 Dated: 3rd December, 2019

The Contractor M/s. Atlas Builders & Codid not participated in the bidding process in any work of the aforementioned NIT and the tender process has been carried out as per rules & regulations. The C.R.C after discussion decided that the application is not based on factual position.

NIT #EE/ED/KDA/2019/228 Dated: 3rd December, 2019

Name of Work "Construction Of Road # 15 From Dalmia Road To K-Electric Grid Station Via Jamia Masjid Zia-Ul- Islam Including RCC Sewerage Line System And Providing And Fixing Street Lights Block-19 Gulshan-E- Iqbal District East Karachi"

After looking at the evaluation report, the criteria mentioned in the NIT and the documents / profile provided with tender documents by the bidderM/s. Atlas Builders & Co, the C.R.C found that bidder does not fulfillthe requirement of criteria "d - Average Annual turnover of at least 50 millionduly supported by the Bank Statement & Audit report (last 3 years each), which also shows the salaries of the employees" as well as requirement of criteria "e - The firm should maintain an account balance of at least 25% of the tender/bid cost." & requirement of criteria "f - Proof of relevant experience and details of at least three works executed/being executed since last 3 years indicating the name of project/scheme/works with cost, date of commencement & completion" as mentioned in the published N.I.T. Hence, the C.R.C agrees with the decision of the Procurement Committee that the Bid is rejected in the Mandatory Eligibility Criteria.

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NIT #EE/ED/KDA/2019/253 Dated: 13th December, 2019

The Contractor M/s. Atlas Builders & Codid not participated in the bidding process in any work of the aforementioned NIT and the tender process has been carried out as per rules & regulations. The C.R.C after discussion decided that the application is not based on factual position.

NIT #EE/ED/KDA/2019/254 Dated: 13th December, 2019

The Contractor M/s. Atlas Builders & Codid not participated in the bidding process in any work of the aforementioned NIT and the tender process has been carried out as per rules & regulations. The C.R.C after discussion decided that the application is not based on factual position.

Complaint # 4 by M/s. S. Zaman& Brothers: Ref No. SZB/129/20 dated: 09/03/2020.

NIT #EE/ED/KDA/2019/227 Dated: 3rd December, 2019

SPPRA PPMS ID# T01612-19-0004 Dated: 12-December-2020

Name of Work "Rehabilitation of Road of Shahnawaz Goth & Yousuf Goth Near To Surjani 4k Chowrangi Ps-122, District West Karachi"

The matter was placed before CRC by the Procurement Committee of M/s. S. Zaman & Brothers and looked into the documents / profile provided by the contractor with tender documents and the criteria mentioned in the NIT, the C.R.C found that bidder does not fulfill the criteria "e - The firm should maintain an account balance of at least 25% of the tender/bid cost." as mentioned in the published N.I.T. Hence, the C.R.C agrees with the decision of the Procurement Committee that the Bid is rejected in the Mandatory Eligibility Criteria.

Complaint # 5 by M/s. J.M Khan & Bros.:

Ref No. JM/002 dated: 10-03-2020.

NIT #EE/ED/KDA/2019/210 Dated: 25th November, 2019

Name of Work "Widening/Improvement of Road from Shahrah-E-Faisal VIP Gate to VVIP Lounge in P.A.F Base Karachi"

The matter was placed before CRC by the Procurement Committee. According to the Contractor's application their grievances were heard. The C.R.C reviewed the situation with reference to the provision of Regulation Clause No. 11.3.4 "a bid, which is more than 30% below the Engineer's Estimate or Composite Schedule Rates (CSR), the procuring agency can reject that particular bid(s) or float tender afresh, if deemed appropriate." as amended

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by notification No.DD(A&F)/SPPRA/17-18/22 dated: 5th July, 2017 and have concluded that after looking into the documents it was revealed that amount quoted by the contractorM/s. J.M Khan & Bros. are 30.00000827% below amounting to Rs. 25,375,697.00 because of which, as per clause stated above the bid cannot be considered. Hence the C.R.C agrees with the decision of the Procurement Committee thus, complaint of the complainant stands rejected.

Complaint # 6 by M/s. S.K Construction: Ref No.05/2020 dated: 09-03-2020.

NIT #EE/ED/KDA/2019/227 Dated: 3rd December, 2019

SPPRA PPMS ID# T01612-19-0004 Dated: 12-December-2020

Name of Work "Rehabilitation of Road of Shahnawaz Goth & Yousuf Goth Near To Surjani 4k Chowrangi PS-122, District West Karachi"

The matter was placed before CRC by the Procurement Committee and after thoroughly going through their documents it was found that the amount quoted by the Contractor M/s. S.K Construction i.e. Rs. 31,722,626.00 is tied with 2 (two) other Contractors having quoted the exact same amount. Hence, the C.R.C agrees with the decision of the Procurement Committee that to avoid any inconvenience between the three contractors and the department all three bids could not be considered. Therefore the work is awarded to the next lowest bidder which is closest to 30% below.

NIT #EE/ED/KDA/2019/253 Dated: 13th December, 2019

SPPRA PPMS ID# T01612-19-0007 dated: 18-12-2019

Name of Work "Improvement / Rehabilitation of Drainage System And Road
Carpeting At Miran Muhhammad Shah Road & Surrounding Area in KDA Scheme # 1, Karachi"

The matter was placed before CRC by the Procurement Committee and after thoroughly going through their documents it was found that the amount quoted by the M/s. S.K Construction i.e. 33,546,537.00 is tied with another Contractor having quoted the exact same amount. Hence the C.R.C agrees with the decision of the Procurement Committee that to avoid any inconvenience between the two contractors and the department both bids could not be considered. Therefore the work is awarded to the next lowest bidder which is closest to 30% below the Engineer's Estimate.

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NIT # EE/ED/KDA/2019/210 Dated: 25th November, 2019.

SPPRA PPMS ID# T00586-19-0011 dated: 27-11-2019

Name of Work "Widening/Improvement of Road from Shahrah-E-Faisal VIP Gate to VVIP Lounge in P.A.F Base Karachi".

The matter was placed before CRC by the Procurement Committee and after thoroughly going through their documents it was found that the rates quoted by the Contractor i.e. 25,375,700.00 is tied with another Contractor having quoted the exact same rate. Hence the C.R.C agrees with the decision of the Procurement Committee that to avoid any inconvenience between the two contractors and the department both bids could not be considered. Therefore the work is awarded to the next lowest bidder which is closest to 30% below the Engineer's Estimate.

Complaint # 7 by M/s. Deen Muhammad: Letter No. Nil dated: 11-03-2020.

NIT #EE/ED/KDA/2019/227 Dated: 3rd December, 2019

SPPRA PPMS ID# T01612-19-0004 Dated: 12-December-2020

Name of Work "Rehabilitation of Road of Shahnawaz Goth & Yousuf Goth Near To Surjani 4k Chowrangi Ps-122, District West Karachi"

The matter was placed before CRC by the Procurement Committee of ContractorM/s. Deen Muhammad and looked into the documents / profile provided by the contractor with tender documents and the criteria mentioned in the NIT, the C.R.C found that bidder does not fulfill the criteria "e - The firm should maintain an account balance of at least 25% of the tender/bid cost." as mentioned in the published N.I.T. Hence, the C.R.C agrees with the decision of the Procurement Committee that the Bid is rejected in the Mandatory Eligibility Criteria.

NIT # EE/ED/KDA/2019/254 Dated: 13th December, 2019

Name of Work "Improvement / Rehabilitation of Drainage System and Road Network Work in Karsaz Service Road, Karachi."

SPPRA PPMS ID# T01612-19-0006 dated: 17-12-2019.

The matter was placed before CRC by the Procurement Committee of ContractorM/s. Deen Muhammad and looked into the documents / profile provided by the contractor with tender documents and the criteria mentioned in the NIT, the C.R.C found that bidder does not fulfill the criteria "d - The firm should maintain an account balance of at least 25% of the tender/bid cost."

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as*mentioned in the published N.I.T. Hence, the C.R.C agrees with the decision of the Procurement Committee that the Bid is rejected in the Mandatory Eligibility Criteria.

NIT # EE/ED/KDA/2019/224 Dated: 3rd December, 2019

SPPRA PPMS ID# T01612-19-0002 dated: 05-12-2019

Name of Work "Reconstruction of Abdullah Shah Ghazi Goth Scheme-33, Internal Street Roads Ps-100 District West Karachi."

The matter was placed before CRC by the Procurement Committee of ContractorM/s. Deen Muhammad and looked into the documents / profile provided by the contractor with tender documents and the criteria mentioned in the NIT, the C.R.C found that bidder does not fulfill the criteria "d - The firm should maintain an account balance of at least 25% of the tender/bid cost." as mentioned in the published N.I.T. Hence, the C.R.C agrees with the decision of the Procurement Committee that the Bid is rejected in the Mandatory Eligibility Criteria.

In conclusion, during detail discussion with the complainants two Contractors / Complainants while leaving, lead the unsocial behavior &called on other contractors forcefully into the office of the Chairman C.R.C (Chief Engineer Dev. KDA)and started threatening, misbehaved in an uncultured way, forcefully snatched the attendance sheet of the Complainants of CRC meeting and wrote different remarks which is interference in the Government work and documentation which is highly objectionable / illegal.

M/s. Glamour Construction not having participation in any tender / NIT. However, the Contractor forcefully signed the attendance sheet and caused / supported the abusive behavior created by the contractors.

Keeping in view of above, after detailed scrutiny and comparison of complaints it was concluded that action of Procurement Committee is according to set procedure & law and complaints do not sustain. Hence, Procurement Committee is allowed to proceed further into the matter and complete the process accordingly.

Chaudhry Muhammad Ali

Ex-Chief Engineer
Work & Services Department
Member CRC

Syed Mohsin Afzal
Divisional Account Officer
Office of the A.G Sindh
Member CRC

Chief Engineer (Dev)
Karachi Development Authority
Chairman CRC

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