



No.MD/SPPRA/1-1(GEN)/ 2021-22 / 0927

GOVERNMENT OF SINDH
SINDH PUBLIC PROCUREMENT REGULATORY AUTHORITY
Karachi, dated 17th March, 2022

To,

1. The Chairman, Planning & Development Board, Sindh, Karachi.
2. The Senior Member, Board of Revenue, Sindh, Hyderabad.
3. The Principal Secretary to Governor Sindh, Karachi.
4. The Principal Secretary to Chief Minister Sindh, Karachi.
5. The Registrar, High Court of Sindh, Karachi.
6. The Chairman, Enquiries & Anti-Corruption Establishment, Sindh, Karachi.
7. The Chairman, Chief Minister's Inspection, Enquiries & Impl: Team, Karachi.
8. The Chairman, Sindh Revenue Board, Karachi.
9. The Administrative Secretaries (all), Government of Sindh.
10. The Inspector General of Police, Sindh, Karachi.
11. The Inspector General of Prisons Sindh, Karachi.
12. The Secretary, Provincial Ombudsman Secretariat, Sindh, Karachi.
13. The Secretary, Provincial Assembly Secretariat, Sindh, Karachi.
14. The Commissioners (all) in Sindh.
15. The Deputy Commissioners (all) in Sindh.
16. The Director General, Sindh Civil Services Academy, Karachi.
17. The Chief Engineers (All in Sindh)
18. The Heads of Corporations, Projects, Programs, Autonomous & Semi-Autonomous bodies (All in Sindh)

SUBJECT: NON OBSERVING THE PROPER METHODS OF NOTIFICATION AND ADVERTISEMENT DURING THE PROCUREMENT PROCESS AS PER FINANCIAL LIMITS PROVIDED UNDER RULES.

Sindh Public Procurement Regulatory Authority was established under the Sindh Public Procurement Act, 2009 Sindh Act No. IV Of 2009 for regulating public procurement of goods, services and works in the public sector. Government had been pleased to make the rules for carrying out the purposes of this Act. These rules are called the Sindh Public Procurement Rules, 2010 which are applicable throughout the province of Sindh.

2. You are aware that the Sindh Public Procurement (SPP) Rules, 2010 provide basic principles of procurement such as transparency, value for money, efficiency and accountability; therefore, dissemination of information and knowledge of the relevant rules is critical for ensuring that the bidding process is objective, fair and transparent. Subject to the provisions of rules, each procuring agency is required to cause the procurement related information to be exhibited as required under this Act or the rules made there under on the Public Portal and to publish in the newspapers.

3. However, it has been observed during the Assessment of NITs and during the proceedings of the Review Committee that the procuring agencies are not observing the proper

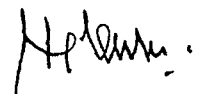
methods of Notification and Advertisement during the procurement process as per Financial Limits provided under Rules

4. It has also been observed that the procuring agencies are calculating the **threshold of Financial Limits** on individual/ single works or on individual/ single items in case of procurement of Goods. In this regard it is clarified that **aggregated amount of NIT** shall be considered as a touchstone for determining the threshold of Financial limit for methods of Notification and advertisement during the procurement process in terms of Rules-17 & proviso of Rule-18 of the SPP Rules

5. For conveyance and easiness, the Rule 17 & Proviso of Rule 18 of the SPP Rules are reproduced as under:

17. Methods of Notification and Advertisement

- (1) Procurements over [three hundred thousand rupees and up to two million] rupees shall be advertised by timely notifications on the Authority's website and may in print media in the manner and format prescribed in these rules.
- (1A) All procurement opportunities over [two] million rupees shall be advertised on the Authority's website as well as in the newspapers as prescribed.]
- (2) The advertisement in the newspapers shall appear in at least three widely circulated leading dailies of English, Urdu and Sindhi languages.
- (3) The notice inviting tender shall contain the following information:
 - (a) name, postal address, telephone number(s), fax number, e-mail address (if available) of the procuring agency;
 - (b) purpose and scope of the project;
 - (c) schedule of availability of bidding documents, submission and opening of bids, mentioning place from where bidding documents would be issued, submitted and would be opened;
 - (d) amount and manner of payment of tender fee and bid security;
 - (e) any other information that the procuring agency may deem appropriate to disseminate at this stage;
- (4) In cases, the procuring agency has its own website; it shall also post all advertisements concerning procurement on that website as well;
- (5) A procuring agency utilizing electronic media shall ensure that the information posted on the website contains all the information mentioned in sub-rule (3) above;
- (6) In the case of international competitive bidding, the notice shall be advertised in two widely circulated local English language newspapers in accordance with sub-rules (1) (3) (4) and (5) above, and shall also be posted in English language on an internationally known website dedicated for the particular goods, works or services, or any widely circulated English language international newspaper.



Proviso of Rule 18 is as under:

Provided that the Notice Inviting Tender (NIT) shall be hoisted on Authority's website in case of procurements up to rupees [two] million and published in newspapers in case of over rupees [two]⁵ million on or before the date of issuance of bidding documents.

6. The rules mentioned above describe the methods of Notification and Advertisement of procurement and mention the financial threshold for adopting the different methods of Notification and advertisement during the procurement process. The same are summarized as under:

Procurements over three hundred thousand rupees and up to two million	Timely notifications on the Authority's website and may in print media
Procurement opportunities over two million rupees	shall be advertised on the Authority's website as well as in the newspapers as prescribed
Procurements with an estimated cost equivalent to US \$ 10 million or above	<ol style="list-style-type: none">1. Notice shall be advertised in two widely circulated local English language newspapers2. Notice shall also be posted in English language on an internationally known website <p style="text-align: center;">OR</p> <p style="text-align: center;">or any widely circulated English language international newspaper.</p>

7. The Proviso of Rule 18 expressly stipulates that Notice Inviting Tender (NIT) shall be published in newspapers in case of procurement over rupees [two]⁵ million on or before the date of issuance of bidding documents.

8. Form above discussion, it is evident that the cost of NIT shall be considered as a touch stone for determining the threshold of financial limit for method of Notification and advertisement during the procurement process. Therefore, non-observance of proper methods of notification and advertisement during the procurement process as per financial limits provided under rules, tantamounts to mis-procurement in terms of Section 2 of the Sindh Public Procurement Act, 2009 Sindh Act No. IV of 2009.

9. Keeping in view of the above, it is requested that all the procuring agencies under your administrative control may please be directed to ensure dissemination of information regarding public procurement as rules and above instruction must be followed in letter and spirit in order to prevent the violation of Rules during the procurement process.


(ABDUL HALEEM SHAIKH)¹⁷⁻³⁻²⁰²²
MANAGING DIRECTOR

Copy for information to:

1. The Deputy Secretary (Staff) to Chief Secretary, Sindh, Karachi.
2. The PS to Minister, Food, Excise & Narcotics Control & Parliamentary Affairs / Chairman SPPRA Board.
3. All members of the SPPRA Board.