

## No. Dir(Enf-II)/SPPRA/E&T-10(N)/14-15/ SINDH PUBLIC PROCUREMENT REGULATORY AUTHORITY

Karachi, dated the 17th June, 2015

## ORDER

This will dispose of Review Appeal decided in a meeting of the Review Committee held under Rule-32 of SPP Rules, 2010 on 15<sup>th</sup> June, 2015 against the decision of Complaint Redressal Committee filed by M/s Progressive Engineering Associates regarding procurement of number plates by the Excise, Taxation & Narcotics Department (the procuring agency) in NIT No. INF-KRY # 37/2015 dated 08<sup>th</sup> January, 2015.

The committee heard the complainant, Capt. (Retd.) S. G. Mohiuddin of M/s Progressive Engineering Associates at length, who explained his grievances and presented his arguments. The complainant also claimed that the cancellation of tendering process again and again after opening of bids, depicted malafide intention of the procuring agency to favour some bidders. Subsequently clarification was also sought from the Procuring Agency i.e. Excise, Taxation & Narcotics Department represented by M/s Muhammad Sadiq Rajar, Additional Secretary and Sohail Ahmed Kalhoro, Deputy Secretary. The department could not give tangible reason for cancellation of tenders. The professional expert from Pakistan Standard & Quality Control Authority (PSQCA) gave opinion of his department in detail, in pursuance of relevant procurement.

The Committee after due diligence and keeping in view the Act, Rules and norms of Transparency in the procurement procedure has unanimously decided that Excise, Taxation & Narcotics Department has violated SPP Rules, 2010 and has also failed to respond to irregularities pointed out by the complainants and queries made by this Authority from time to time. The committee also observed that the Honorable Sindh High Court vide CP No.D-1502 of 2015 has also directed the respondents that procurement process should be in a transparent manner and strictly in accordance with the Public Procurement Rules.

The expert from PSQCA categorically expressed that quality of samples of number plates of M/S Progressive Engineering Associates were up to the mark with conformity assessment. The representative of PSQCA informed that the quality report submitted by other bidders may have been issued on request by individuals/ parties and those were not referred to PSQCA by the

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Excise, Taxation & Narcotics Department. He further informed that PSQCA has not received samples of other bidders for verification from the Excise & Taxation Department in the last tender (INF-KRY NO.1346/2015 dated 13<sup>th</sup> April, 2015). Whereas, the procuring agency was required to verify the samples from PSQCA as per condition of tender and subsequently award the contract. This has not been done by the procuring agency in this instant procurement.

NOW THEREFORE, the Review Committee in terms of Rule-32 (7) (d) of SPP Rules, 2010 (amended 2013) has decided that:

"As per Rule-49, 'the bidder with the lowest evaluated cost, but not necessarily the lowest submitted price shall be awarded the procurement contract'. The procuring agency shall accept the samples of the bidders qualified by the PSQCA and award the contract to the bidder whose samples are found up to the mark as per standards set by the procuring agency in the bidding documents. The committee is of the view that the quality cannot be compromised as financial variation is only assessed when the firms are technically qualified.

MANAGING DIRECTOR

- 1. Secretary to Govt. of Sindh, Excise, Taxation and Narcotics Department, Karachi.
- 2. Director General Audit Sindh, Karachi (Member).
- 3. Mr. Abdul Jabbar Memon, Representative of Civil Society on SPPRA Board, (Member).
- 4. Syed Adil Gilani, Advisor, Transparency International Pakistan (Member).
- Engr. Muhammad Iqbal, Assistant Director / Incharge (VCA) Pakistan Standard & Quality Control Authority, GOP, Professional for Number Plates (Member).
- P.S to Chairman, SPPRA Board.
- 7. Staff Officer to Managing Director, SPPRA.
- 8. M/S Progressive Engineering Associates, Karachi.