

GOVERNMENT OF SINDH SINDH PUBLIC PROCUREMENT REGULATORY AUTHORITY



NO.AD (L-II)/SPPRA/CMS-2960/2021-22/ 0997 Karachi, dated the 06^{th} April, 2022

To,

 The Deputy Director Works & Services working as Deputy Director / Additional Director P&D/ Additional Director Works & Services LUMHS, JAMSHORO.

Subject:

DECISION OF THE REVIEW COMMITTEE OF SINDH PUBLIC PROCUREMENT **REGULATORY AUTHORITY.**

The undersigned is directed to refer to the subject cited above and to enclose herewith a copy of the Authority's Review Committee decision (M/s Q.B Enterprises v/s Director (Works & Services) Engineering Department Wing LUMHS University Jamshoro held on 30.03.2022, for information & necessary action.

ASSISTANT DIRECTOR (Legal-II)

A copy is forwarded for information and necessary action to:

- 1. The PS to Vice Chancellor, LUMHS, Jamshror.
- 2. The Registrar, LUMHS Jamshro.
- 3. Assistant director (I.T), SPPRA (with advice to post the decision on the Authority's website in terms of Rule-32(11) of SPP Rules, 2010)
- 4. The P.S to the Chairman / Members Review Committee.
- 5. The Appellant.



GOVERNMENT OF SINDH SINDH PUBLIC PROCUREMENT REGULATORY AUTHORITY



No.AD (L-II) SPPRA/CMS-2960/2020-21

Karachi, dated the 30th March, 2022

BEFORE REVIEW COMMITTEE OF SINDH PUBLIC PROCUREMENT REGULATORY AUTHORITY UNDER RULE-32 OF SPP RULES 2010 Decision of the Review Committee Meeting Held on 30.03.2022

Name of Appellant	M/S QB Enterprises
Procuring Agency	Director (Works and services) Engineering Wing LUMHS502-Universities and Board
PPMS ID #	T01483-21-0005
Reference No.	NIT NO LUMHS/DWS/1693 DATE 1-11-2021
Appeal Received in Authority Dated	18.3.2022
Complaint of the Appellant Addressed to the Chairman CRC	28.2.2022
Dated of Posting Notice Inviting Tender	06-11-2021 1 = 06-11-2021
Date of Opening (First Opening) Date of Opening (Second Opening)	24.11.2021 09.12.2021
Date of Posting Bid Evaluation Report	21.12.2022
Date of Posting Contract Documents	
SPPRA Observations communicated on	10.11.2021
Estimated Cost of NIT Total	5.5 Million
Total works in NIT	5 works
Appellant Related work	2 works (Work No 4 and 5)
Issue involved	Non-acceptance of bid
Complaint of the Appellant Addressed to the Chairman Complaint Redressal Committee	28.2.2022
CRC Decision	Not received as yet.

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The Appellant's Version:-

- 1. The appellant submitted that he participated in the procurement process and submitted tender fees and Bid Security.
- 2. The appellant submitted that bids were opened publicly in the presence of all the bidders, or their representatives, who may choose to be present in person, at the time and place announced in the invitation to bids.
- 3. The appellant also informed that the names of the bidder and total amount of each bid, was read aloud and recorded when bid were opened and at that time the bid of the appellant was the lowest.
- 4. It was also brought to the knowledge of the Review Committee that the appellant was assured by the officials of the procuring agency that work orders would be issued to him and for that he also wrote a letter to the Authorities requesting them to issue work orders in his favor. However, later on, he came to know that Bid Evaluation Report had not been issued in his favor.
- 5. The appellant argued that the procuring agency announced the results of bid evaluation and did not give reasons for rejection of his bids nor intimated to the appellant prior to the award of contract.

The Procuring Agency's Version:-

- 1. The procuring agency submitted that the tender was called vide Doc# LUMHS/DW&S/1693 dated: 01-11-2021 & the same was hosted to SPPRA & LUMHS websites as per SPPRA Rules.
- 2. The Procuring agency submitted that Different Contractors participated in the bidding processing and M/s. QB Enterprises participated in the works at the Serial Nos. 04 & 05 of the above N.I.T.
- 3. The procuring agency also informed that at the time of opening of Tenders on dated: 24-11-2021 at 12:00 (pm), in the presence of procurement Committee & Contractors participated in the N.I.T, the procurement committee read aloud the tender costs & rates quoted by the contractors and M/S QB Enterprises was announced successful on the basis of lowest bidding cost / price of the work at Serial No. 04 & 05 of the said N.I.T.
- 4. The procuring agency also informed that after scrutiny of documents mentioned in the N.I.T & required as per SPPRA Rules, it was found that the <u>SRB certificate was not available in the documents submitted by the M/s. QB Enterprises.</u>
- 5. The procuring agency also informed that on verification it was known that the appellant was not registered with Sindh Revenue Board.
- 6. The procuring agency also informed that on 08-12-2021, the procuring agency issued letter to M/s. QB Enterprises & informed that the <u>firm was declared unsuccessful due to not providing / availability of SRB certificate.</u>
- 7. The procuring agency also contended that on dated 09-12-2021, the procurement committee issued the minutes of bjd opening meeting wherein procurement committee

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- declared M/s. QB Enterprises Technically disqualified for the works the company had participated for.
- 8. The procuring agency also contended that M/s. QB Enterprises was registered with SRB on dated: 13-12-2021 after issuing the minutes of bid opening meeting.

Observations of Review Committee:-

- 1. The Review Committee observed that the procuring agency had evaluated the bids in accordance with the evaluation Criteria mentioned in the bidding documents in terms of the Rule 41 (1) and 46(2) of the SPP Rules.
- 2. As the matter revolves around the disqualification of the appellant due to non-fulfillment of mandatory requirement, it would be appropriate to paste the eligibility criteria formulated by the procuring agency, mentioned in NIT, which is as under:
 - 2. Eligibility: Valid Registration with Federal Board of Revenue (FBR) for Income tax, Registration with Sindh Revenue Board (SRB), & Pakistan Engineering Council in relevant category and discipline (if applicable).
 - (i) Minimum 03 years' experience along with Documentary evidence of works executed /works in progress.
 - (ii) Details of turnover (including in terms of rupees) at least last three years that average turnover should not be less than 1.0 million per year as per annual returns.
 - (iii) Undertaking of Affidavit that the firm is not involved in any litigation of abandoned any work in the Department.
 - (iv) Affidavit to the effect that the firm/supplier have not been black listed previously by any executing agency.
 - (v) Latest Income Tax Certificate (NTN).
 - 3. The firm/Contractor should be registered with Sindh Revenue Board.
- 3. The Eligibility Criteria as mentioned above makes clear that the bidder was required to be registered with Sindh Revenue Board.
- 4. The Review Committee observed that the appellant could not submit the required registration with Sindh Revenue Board. Hence, he was disqualified by the procurement committee.

5. In order to resolve the controversy, the Review Committee verified the Registration of the appellant which is as follows:

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Date: 30-03-2022

Time: 10:06:04

INDIVIDUAL SNTN 8763195-3 Category ZAHID HUSSAIN Name Business Name 41**403*46*** CNIC/Rea No. City

KOTR1

CONSTRUCTION SERVICES, 9824.0000 Service Category

Date of Registration with SRB 13/12/2021 Operational Status at SRB Active

- 6. Online Taxpayer Verification of the appellant shows that the appellant was registered with Sindh Revenue Board on 13.12.2021 after the financial opening of the bid on 09.12.2021. As the appellant could not prove the submission of such required documents in the bidding documents, his bid was rejected as per the terms and conditions of the tender notice.
- 7. The Review Committee also observed that the procuring agency had intimated the disqualification to the bidder and the bidder was informed about his disqualification before the opening of financial bids.
- 8. The appellant contended that the procuring agency must have accepted his bid as his bid was the lowest. The Review Committee maintained that tender conditions were to be fulfilled by the appellant otherwise the bid was to be rejected irrespective of the cost submitted by the appellant. The Review Committee also observed that the procuring agency had clearly mentioned in the bidding documents that P.A would determine whether the bidder fulfilled all codal requirements of eligibility criteria and if the bidder did not fulfill any of these conditions, it would not be evaluated further. Instruction 9 of the Instructions to Bidders mentioned in the bidding documents is reproduced as under:

9.Prior to the detailed evaluation of bids, the Procuring Agency will determine whether the bidder fulfills all codal requirements of eligibility criteria given in the tender notice such as registration with tax authorities, registration with PEC (where applicable), turnover statement, experience statement, and any other condition mentioned in the NIT and bidding document. If the bidder does not fulfill any of these conditions, it shall not be evaluated further.

9. The Review Committee also observed that the appellant could not establish any violation of rules in the procurement process.

Decision of the Review Committee:-

Given the proceedings, findings, observations and after due deliberation as above, and in exercise of power conferred by the Rule 32(7)(a) of the SPP Rules, the Review Committee rejects the appeal as the appellant could not prove any violation of rule during the procurement process.

Member

(Manzoor Ahmed Memon) Member SPPRA Board Member

(Munir Ahmed Shaikh) Independent Professional

Member

(G. Muhiuddin Asim)

Representative of P & D Board ,P& Development

Department Karachi

Chairman

(Abdul Haleem Shaikh)

Managing Director

(Sindh Public Procurement Regulatory Authority)