

From	Administration
To	Procurement Committee

Subject: CANCELLATION OF TENDER FOR SUPPLY & INSTALLATION OF IT EQUIPMENT

The tender regarding Supply & Installation of IT Equipment was floated on 10-07-2024. In response, we have received six bids at the bid opening date on 26-07-2024. Bids were opened and the lowest cost bid of M/s Kontinental Establishment was found as a "Conditional Bid. M/s Texitech filed a complaint in Complaint Redressal Committee and the Committee after taking Guidelines from SPPRA, rejected the bid of M/s Kontinental Establishment who lodged an appeal in Review Committee of SPPRA. The Review Committee in its meeting held on 9th October, 2024 decided as under

"In accordance with SPPRA Rules-4 fairness and transparency, the Review Committee unanimously decided to re-invite the tender"

In view of the above, it is recommended by the Procurement Committee that the tender for supply & installation of IT Equipment be cancelled and the process of re-tender be initiated with publication of the NIT in newspapers as well.


Asim Qamar
Manager Administration

Members - Procurement Committee

CFO & Company Secretary-Sindh Insurance Ltd.

Head Admin & HR-Sindh Insurance Ltd.

CFO & Company Secretary-Sindh Modaraba.


Approved By

Signature


Mcha Behran




Government of Sindh
Sindh Public Procurement Regulatory Authority



No. LC/SPPRA/2023-2024/0626

Karachi dated 16th October, 2024

To,

The CFO & Company Secretary (EVP)
Sindh Insurance Limited
KARACHI



Madam
Maha
17/10

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 Review Committee meeting held on 09.10.2024 against Review Appeal submitted by M/s Kontinental Establishment on NIT No T00013--23-0001 for necessary action.

(FARUKH AZIZ)
Assistant Director (Legal - II)

A copy is forwarded for information and necessary action to :-

1. The Chairperson / Members of Review Committee (All).
2. I.T., Section of SPPRA (with an advice to upload the decision on the Authority's website in terms of Rule-32(11) of the SPP Rules, 2010).
3. M/s Kontinental Establishment. (The Appellant)



Government of Sindh
Sindh Public Procurement Regulatory Authority



Decision of the Review Committee under Rule-32 of
the SPP Rules, 2010 held on 09.10.2024

M/s Kontinental Establishment The Appellant

V/S

The Sindh Insurance Limited The Procuring Agency

I. INTRODUCTION:

1.1 The Chief Finance Officer & Company Secretary, Sindh Insurance Ltd "The Procuring Agency" invited bids for procurement of goods vide NIT No. SIL/HO/Admin/IT Equipment/2024 through publication in the Newspapers and also posted on PPMS SPPRA website vide Serial No. T00013-24-0001 dated 10.07.2024. The opening date was mentioned in the NIT 26.07.2024 and the method of procurement was Single Stage Two Envelope.

1.2 The appellant submitted bids for work viz "*Supply & Installation of IT Equipment*" and the Procuring Agency has recommended for the award of work as the Appellant quoted Rate Rs. 5211704/- which was below 288,296/- from the estimated cost and qualified in both eligibility criteria and technical specification and his bid was accepted being lowest in cost amongst qualified bidder.

1.3 M/s Taxitech another firm was also participated in the instant procurement and he quoted Rs. 5452590/- which was Rs. 47410/- below the estimated cost and his bid was rejected because of the higher rate.

1.4 On August 13, 2024, M/s Taxitech's firm approached to the Complaint Redressal Committee (CRC) and to inform the CRC that it had learnt from the publication of the Bid Evaluation Report that M/s Kontinental Establishment's bid had been accepted by Sindh Insurance Limited. The bidder had also imposed a condition that the customer price would be affected by the exchange rate.

1.4 The Complaint Redressal Committee convened its meeting concerning the grievances raised by the aggrieved bidders on 21.08.2024, wherein the bid of the Appellant was rejected due to Conditional Bid" in this regard it was decided to seek the guidance of SPPRA vide letter No. dated 29th August, 2024

[Handwritten signatures and initials]

1.5 In light of the CRC's decision, the appellant filed separate Review Appeals, expressing their displeasure with the CRC's decision in letters dated 2.09.2024. Therefore, the appellant requested the Review Committee to decide the appeal on the factual ground.

2. **Proceedings of the Meeting:**

2.1 The Chair requested the representatives of the procuring agency and appellant to explain their version one by one over the instant matter.

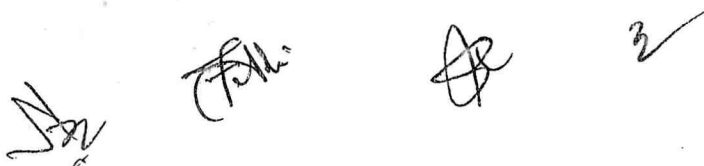
3. **Appellant's Version:**

3.1 The sales manager for the appellant's company, Mr Abdul Ghafoor Samoo, clarified that the disqualified bidder's objection to our line stating that the "exchange rate" was conditional in our quotation was a typographical error that was truly an oversight on our part, On the other hand, the financial proposal format of your bidding document signed and stamped that shows as evidence of our adherence to the terms and conditions of the tender without any conditional offer. It indicates that we accept all terms and conditions without making any reservations.

3.2 Furthermore, the appellant informed the RC that he can prove that the disqualified bidder (M/s: Texitech) had committed the same typographical error by submitting a quotation that contained inconsistent information about the applicable GST rate of 05% mentioning on two locations and then 10% and 18% on the bottom note, which we assumed they had forgotten to update like us. This inconsistency raises questions about the M/s: Texitech complainant's own compliance with the procurement guidelines and their quotation qualification.

4. **Procuring Agency's Version:**

4.1. Mr. Faisal Siddiqui, Chief Executive Officer of Sindh Insurance Limited informed the RC that M/s Kontinental Establishment was the lowest and qualified bidder in the instant procurement in accordance with Rule-45 of the SPP Rules, 2010. The bid evaluation report was uploaded and posted on the PPMS-SPPRA website.

The bottom of the page contains four handwritten signatures or initials. From left to right: a signature that appears to be 'JAN', a signature that appears to be 'Faisal', a signature that appears to be 'AR', and a checkmark.

4.2 He informed the RC That on August 13, 2024, we received a complaint from M/s TexiTech concerning the bids that M/s Kontinental Establishment submitted the bids that was conditional because of the exchange rate.

4.3 The Complaint Redressal Committee called on its CRC Meeting dated 21.08.2024, wherein the M/s TexiTech informed CRC that the qualified bidder submitted conditional bids, therefore as per SPPRA Rules, conditional bids are not allowed and in this regard, we sought opinion from SPPRA.

5. **Observation of the Review Committee:**

5.1 The Review Committee observed that the Procuring agency had not approached the qualified bidder for clarification as a typo-error for conditional bid in writing before CRC meeting.

5.2 Enquiring about conditional bids specified in the procurement documents or terms and conditions, the Review Committee asked the procuring agency. The PA replied that, this clause was not included in bidding documents.

5.3 The Review Committee further clarified that the conditional bids are not applicable in instant procurement as per SPPRA guideline dated 30th August, 2024



6. **DECISION:**

In accordance with SPPRA Rules-4 fairness and transparency, the Review Committee unanimously decided to re-invite the tender.


The meeting ended with the vote of thanks to and from the Chair.



(Farman Ali Chandio)
Chief of the Section, P&D Department,
Government of Sind
(Member)



(Engr. Haji Parpio Sahito)
Independent Professional
(Member)



(Nazim F. Haji)
Member SPPRA Board
(Member)

(Abdul Sami Kehar)
Member SPPRA Board
(Member)



(Hafeezullah Abbasi)
Managing Director, SPPRA
(Chairman)