

HPCD-II, HAD, 1ST FLOOR, HDA BUILDING, PHASE-I,
QASIMABAD. Ph No 0229240288.

EE/HPCD-II/HDA/1309/2013.
Hyderabad, Dated 1/11/2013.

To

✓
The Manager
Capacity Building,
SPPRA Karachi.

Subject:- NIT NO. EE/HPCD-II/HDA/1184/2013, DATED 05-08-2013.

Reference:- No.DIR/CB/SPPRA/3-6/12-13/, Dated,24/10/2013.

The NIT on above noted subject was floated as per rule 17 of SPPRA rule 2010, as the NIT was got published in print media as well as notified on SPPRA web site, vide serial No.17064/13. After opening of the bids by the procurement committee the bid evaluation report under rule 45 was sent to authority for hoisting on SPPRA web site, vide this office letter No. EE/HPCD-II/HDA/1274/13 dated, 10-10-2013.

The process of subjected procurement was conducted honestly as per relevant SPPRA rules, however the clarification of observation are given as under.

1 The estimate of the work at S.No.2 of NIT was sanctioned by the Director Genral HDA amounting to Rs.31.50 million on 20th March 2013, where as the NIT was floated on 05-08-2013 about 5 months later from the date of sanction of the estimate, hence the question of re-worked out the estimate does not arise but owing to human error/ typing mistake the cost of the said estimate was wrongly notified Rs.16.75 million instead of Rs.31.50 million. Later on the cost of the said estimate was rectified by issuing the corrigendum dated, 19-08-2013 for publication in print media as well as SPPRA web site.

2 Similarly the estimates at S.No.1 & 3 of the NIT were also not re-worked out (upward and Downward) as the same estimates were also sanctioned by the competent Authority on 28-03-2013 and 18-03-2013 respectably at the cost as shown in your letter No. under reference.

The work wise variation as pointed out in between NIT, sanction of DG and BoQ is clarified as under.

S.No. 1 of NIT.

Examined
Group
11/11
n(CB)

SPPRA KARACHI
NO. 5966
DATE 11.11

NIT Cost	Rs.20.0 Million
Sanction of DG	Rs.20.085 Million
BoQ Cost	Rs.22.8645 Million

The provision of 3% work contingencies included in estimate sanctioned by the DG, HDA, but amount of the work contingencies is not payable to the successful bidder, therefore the amount of the contingencies was not notified in the NIT. Secondly the bids are obtained from bidders on BoQ containing the cost of items of work payable to contractor. Thirdly the allowable ceiling is 13% below over engineer's estimate, when 13% cost is subtracted from the cost of BoQ / estimate, the payable cost of the work stood at Rs.19892115/- Such cost of work was rounded up to Rs.20 Million and notified in the NIT accordingly.

The work at S.No.2 of NIT was also evaluated on same pattern.

S.No.3 of NIT.

NIT Cost	Rs.16.0 Million
Sanction of DG	Rs.16.8420 Million
BoQ Cost	Rs.14.0057 Million

The allowable ceiling of the work is 20% over engineer's estimate, when 20% cost added in BoQ / Estimate, the cost of work stood Rs.16.80 Million, the slight difference in between cost of work and NIT is human error based on miscalculation but not on ill-design. As estimate cost of items of work has been correctly incorporated in BoQ issued to the interested bidders and the bids were obtained on BoQ, hence there appear no space of ambiguity or ill-will.

However the procurement agency will take further action as per guidance of the Authority, if the Authority is not satisfied with above justification / clarification, the procurement agency may cancel the process of procurement at this stage and will re-invite the bids a fresh. The observation of the Authority has been noted for future compliance.

Necessary guidance in this regard may kindly be communicated whether the works may be awarded to successful lowest bidders or the process of procurement may be canceled at this stage at earliest, so that further action may be taken accordingly.


**EXECUTIVE ENGINEER
HOUSING (P) CONSTT: DIVISION -II
HDA, HYDERABAD**