



SUMMARY FOR CHIEF MINISTER, SINDH

SUBJECT:- PROCUREMENT OF FIRE TENDERS FOR LOCAL COUNCILS IN SINDH

This department initiated summary for the Hon'ble Chief Minister, Sindh for procurement of 186 Fire Tenders for Local Councils in Sindh with estimated per unit cost at Rs.18.000 million making a total amount of Rs.3.348 billion. The Hon'ble Chief Minister, Sindh kindly approved the said proposal. **(Annexure-I)**

2. Accordingly; Tenders on "Single Stage-Two Envelope" process were called through NIT dated 12.05.2014 **(Annexure-II)**, which was published in various newspapers on 13.05.2014. Eleven firms purchased the tender documents, however, only two firms viz: M/s Pakistan Vehicle Engineering (Pvt.) Ltd and M/s Gandhara Industries Ltd participated in the tender process.

3. After Technical Evaluation, both the firms were technically qualified and subsequently their financial bids were opened on 09.06.2014. M/s Pakistan Vehicle Engineering quoted unit price of Rs.24,086,000/- for one Fire Tender with a total amount of Rs.4,479,996,000/= for all 186 Fire Tenders. M/s Gandhara Industries quoted unit price of Rs.21,272,374/- (without GST) for one Fire Tender. By adding 17% GST, the unit price becomes Rs.24,888,678/- with total amount for all 186 Fire Tenders as Rs.4,629,294,108/-.

4. It is worthwhile to mention that the unit price of Rs.24,086,000/- quoted by lowest bidder i.e M/s Pakistan Vehicle Engineering (Pvt.) Ltd. is 33.81% over & above the estimated /approved unit price of Rs.18,000,000/- for each Fire Tender.

5. Due to higher quoted prices, the lowest bidder M/s Pakistan Vehicle Engineering (Pvt) Ltd were asked wide this department letter dated 09-06-2014 to furnish Rate Analysis in justification to their quoted prices. Additionally they were asked to provide the details if the firm has earlier provided the fire vehicles of similar specifications to any other organization of Government, Semi-Government or Armed forces at the matching or higher costs **(Annexure-III)**.

6. M/s Pakistan Vehicle Engineering (Pvt) Ltd has responded vide their letter dated 10-06-2014 which is attached as **Annexure-IV** for kind perusal.

7. The Finance Department, Government of Sindh is requested to kindly assess compatibility of the rates offered by the lowest bidder i.e M/s Pakistan Vehicle Engineering (Pvt.) Ltd quoted as Rs.24,086,000/- per fire tender with the market rates.

8. It is necessary to mention that at the revised unit price (quoted price) of the Fire Tender as Rs.24,086,000/- and within total sanctioned amount of Rs.3,348,000,000/-, only 139 fire tenders instead of 186 can be purchased.

9. Submitted to the Hon'ble Chief Minister, Sindh for appropriate orders.

Jawed Hanif Khan
(JAWED HANIF KHAN) 10/6
SECRETARY TO GOVT. OF SINDH

10. MINISTER FOR LOCAL GOVERNMENT DEPARTMENT

11. SECRETARY FINANCE DEPARTMENT

Under the SPPRA Act and SPPRA Rules, it is the responsibility of the procuring agency to ensure that procurement is being done in accordance with law and Rules. Finance department has no role in the matter. Local Govt. Deptt. shall ensure that all laid down laws and rules are being followed.

CHIEF SECRETARY SINDH

12. Adviser to CM on Finance

13. Chief Secretary

[Signature]
16/6/14

14. CHIEF MINISTER SINDH

15 C/P The summary was not routed through Chief Secretary so I did not have the opportunity of scrutinizing it. Since the CM has approved it, this is for his kind confirmation that this was in his

PS TO SECRETARY LGD
DIARY No. 187
DATED 13-6-2014

9653
20/6/2014

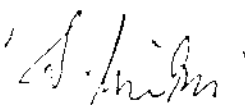
Inw: dt: 16/6/6
Out: dt: 16/6/6

Finance Dept. that procuring Agency has all the financial/Admin. powers to handle the matter but within the codal/legal framework/regime. I fully endorse para 11/ante and submit this for re-confirmation of the Chief Minister.



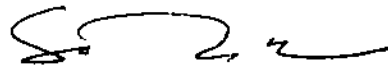
23. 6. 2014

16 Chief Minister

As in para 11 

17 C. #

25/6/14



25. 6. 14

18 Secy L.G.

27/6

19 ~~SSLG~~

28/6/14

20 ~~DG(MB)~~

30/6/2014

21 AD(MIS)

CS DNO 2653
23/06/14
Dated.

SUMMARY SECTION
C.M. SIGNATURE NO. 1170
DATE: 25-06-2014

RECEIVED IN C.S HOUSE
DATED: 25/6/14

ETARY LGD
24/6
6-14

Re-submitted

22/- It is worth mentioning that LGD has infact made two requests as at Para-7 & Para-8 of the summary. In Para-7, the request was made to Finance Department for assessing the compatibility of rates offered by M/s Pakistan Vehicle Engineering (Pvt.) Limited as Rs.24,086,000/- per fire tender. This request has been responded by Secretary Finance Department as at Para-11 of the summary whereby it is stated that "Under SPPRA Act and SPPRA Rules, it is the responsibility of the procuring agency to ensure that procurement is being done in accordance with Law and Rules. Finance Department has no role in the matter. Local Government Department shall ensure that all laid down laws and rules are being followed."

23/- However, no decision is made towards the request of LGD made at Para-8 of the Summary, where in it was submitted that at the revised Unit Price (Quoted price) of the fire tender as Rs.24,086,000/- only 139 fire tenders can be purchased from the available funds.

24/- In view of above submission it is requested that Hon'ble Chief Minister, Sindh may kindly approve:

- i) To procure 139 fire tenders instead of 186 from the earlier approved amount of Rs.3.348 billion at the quoted rates of Rs. 24,086,000/- per fire tender by M/s Pakistan Vehicle Engineering (Pvt.) Limited.
- ii) The funds of Rs.3.348 billion were allocated / released from out side budget in financial year 2013-14 which could not be utilized as the procurement could not be materialized before end of last financial year, therefore the said fund which have been lapsed may kindly be re-allocated from outside the budget and released in the current financial year 2014-15 at earliest.

25/- Hon'ble Chief Minister, Sindh may like to approve para-24 above and allow the subject procurement and procurement procedure in relaxation of rules under section-21(1) of SPP Act, 2009 as the said procurement cannot be made in line with the provisions of SPP Rules, 2010, guidelines and policy instructions issued from time to time.

[Signature]
MRS SHAZIA RIZVI
SECRETARY LG

26 MINISTER FOR LOCAL GOVERNMENT DEPARTMENT

27 SECRETARY FINANCE DEPARTMENT.

ADVISOR TO CHIEF MINISTER FOR FINANCE

CHIEF SECRETARY SINDH

25-7-2014

In continuation of para 11, it is mentioned that funds released in last FY 2013-14 have lapsed, hence

PS TO SECRETARY LGD
DIARY No. 274
DATED 25-07-14

PS MINILGD SUMMARY 201
426 & Date 15-7-2014
ward 468 Date 25-7-2014

with law Dept; and AG.

28/7/14

28. Admn to CM on Finance

[Signature]

28/7/14

29. Chief Secretary, Sindh

The Administrative Department has sought exemption/Relaxation from Chief Minister regarding certain provisions of SPP Act 2009 under Section 21 (1).

30

It is absolutely imperative to solicit advise of Law Secretary and through him also of Advocate General Sindh with respect to scope of statutory authority vested in Chief Minister regarding relaxations and if the above case falls within the scope of such provisions.

Needless to say dispensation by CM. needs to be judicious and would need to be informed by the advise of Chief law officers of the province.

[Signature]

4.8.14

31

Secretary Law / Advocate General Sindh

4261
PS TO CS DMO
CSH-W 04/8/14
Dated.....

5
- 2 -

A.D. Local Comm. mand this survey for procurement
to 186 Fine Tenders for local Comds is valid, may be
be processed as per rules and regulations. The
Sindh Public Procurement Act 2009, which
provides that

S. 21 (1) Notwithstanding anything contained
in this Act or any law or rules or
the regulations made thereunder, &
therein being in force, Comd shall
have the power to grant exemption
to ~~procure~~ procurement of a definite or
class of objects in material extent
from the operation of this Act or any
other law or rules or regulations made
thereunder regulating public procurement

In view of exemption provided by the above
section of the Act, the Comd is competent
to exempt his rules, regulations for procurement
to the subject procurement.

M. Iqbal
4/5/14
LAW SECRETARY.

A.G. Sindh

The Law Secretary has
cheerfully given his well reasoned
opinion to the Law Secretary.

of course S. 21 (1) of S.P.P Act-2009
has not been considered in mind for

NO. 75.64
dated 4.8.2014

Outward
PS/LS/62/2014
Dated 4.8.2014

Advocate General Sindh
Kaschi
6479
5-8-14
Signature

power under emergency to grant exemption.

J. J. J.
A.R.
5/8.

Advocate General Singh
K. 0. 3. 7. 1. 1.
Dated 7/8/14
Signature

Original Document is
Photocopy of Board for Records

C.H. Keeping in view the
opinion of Law Secy & Advocates general
Sat para 33 & 34. the exemption may
be granted as in Annex 24.25. 1. 1. 1.

6/8/14

S. 2. 2.
6.8.14

F.S. / Secy LG
6/8

N.
7/8/14
AD (MIS)
7/8/2014

Secretary Finance G.O.S. Summary / Notice

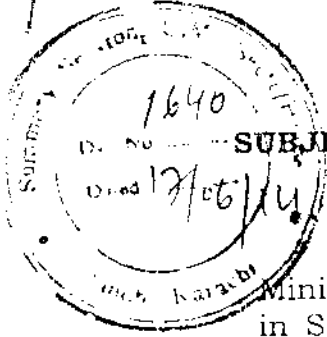
PS, TO CS DNO 4261
GSH-17
Dated 06/8/14

File No
Dy. No. 4810
06/08/14

SUMMARY SECTION
M. SOUTWARD No. 1376
TE. 06.08.2014.



SUMMARY FOR CHIEF MINISTER, SINDH



SUBJECT:- PROCUREMENT OF FIRE TENDERS FOR LOCAL COUNCILS IN SINDH

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9. Submitted to the Hon'ble Chief Minister, Sindh for appropriate orders.

Jawed Hanif Khan
(JAWED HANIF KHAN)
SECRETARY TO GOVT. OF SINDH

10. MINISTER FOR LOCAL GOVERNMENT DEPARTMENT

11. SECRETARY FINANCE DEPARTMENT

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CHIEF SECRETARY SINDH

12. Advisor to CM on Finance

13. Chief Secretary

[Signature]
16/6/14

14. CHIEF MINISTER SINDH

15. *The summary was not routed through Chief Secretary so I did not have the opportunity of scrutinizing it. Since the CM has approved it, this is for his kind confirmation that this was in his notice and that as in Para. 11 ante the Admin (8) Deptt. is again advised by*

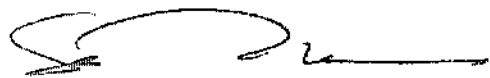
SECRETARY TO GOVT. OF SINDH
1/63
187
13-6-2014

20-06-2014

Secretary Finance G.O.S. Summary / Notice
In. No. 8/0
In. dt. 16/6
Out. dt. 16/6

9653
20/6/2014

Finance Dept. that procuring Agency has all the financial/Admin. powers to handle the matter but within the codal/legal framework/regime. I fully endorse para 11/ante and submit this for re-confirmation of the Chief Minister.

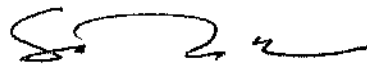


23. 6. 20 14

16 Chief Minister

25/6/14

17



25. 6. 14

18 Secy L.G.

27/6

28/6/14

19

~~SSLG~~

20

~~AG(MB)~~

30/6/2014

21

AD(MIS)

CS DINO 2653
23/06/14
Dateo.

SUMMARY SECTION
COMBUSTION No. 1170
DATE: 25-06-2014

RECEIVED IN C.S HOUSE
DATED: 25/6/14

SECRETARY
12.4/18
26-6-14

Re-submitted

22/- It is worth mentioning that LGD has infact made two requests as at Para-7 & Para-8 of the summary. In Para-7, the request was made to Finance Department for assessing the compatibility of rates offered by M/s Pakistan Vehicle Engineering (Pvt.) Limited as Rs.24,086,000/- per fire tender. This request has been responded by Secretary Finance Department as at Para-11 of the summary whereby it is stated that "Under SPPRA Act and SPPRA Rules, it is the responsibility of the procuring agency to ensure that procurement is being done in accordance with Law and Rules. Finance Department has no role in the matter. Local Government Department shall ensure that all laid down laws and rules are being followed."

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- ii) The funds of Rs.3.348 billion were allocated / released from out side budget in financial year 2013-14 which could not be utilized as the procurement could not be materialized before end of last financial year, therefore the said fund which have been lapsed may kindly be re-allocated from outside the budget and released in the current financial year 2014-15 at earliest.

25/- Hon'ble Chief Minister, Sindh may like to approve para-24 above and allow the subject procurement and procurement procedure in relaxation of rules under section-21(1) of SPP Act, 2009 as the said procurement cannot be made in line with the provisions of SPP Rules, 2010, guidelines and policy instructions issued from time to time.

[Signature]
25/7/2014
(MRS SHAZIA RIZVI)
SECRETARY LG

26 MINISTER FOR LOCAL GOVERNMENT DEPARTMENT

27 SECRETARY FINANCE DEPARTMENT.

ADVISOR TO CHIEF MINISTER FOR FINANCE

CHIEF SECRETARY SINDH

CHIEF MINISTER, SINDH

In continuation of para 11, it is mentioned that funds released in last FY 2013-14 have lapsed, hence the required funds at para 24(ii) will have to be released outside budget. The decision on...

PS TO SECRETARY LGD
2/14
25-07-14
496 B Date 25-7-2014
468 Date 25-7-2014

25-7-2014

With Law Dept; and AG.

28/7/14

28. Adviser to CM on Finance

[Signature]

28/7/14

29. Chief Secretary, Sindh

The Administrative Department has sought exemption/Relaxation from Chief Minister regarding certain provisions of SPP Act 2009 under Section 21 (1).

30

It is absolutely imperative to solicit advise of Law Secretary and through him also of Advocate General Sindh with respect to Scope of statutory authority vested in Chief Minister regarding relaxations and if the above case falls within the scope of such provisions.

Needless to say dispensation by CM. needs to be judicious and would need to be informed by the advise of Chief Law Officers of the province.

[Signature]

4. 8. 14

31

Secretary Law / Advocate General Sindh

4261
PS:TO CS DWG
CSH-14
Dated: 04/8/14

A.D. Local Court. matter this being for procurement
 of 186 Fine Tenders for local courts is said, may be
 be processed as per rules and regulations. The
 Sindh Public Procurement S. 21 of the Act 2009, which
 provides that S. 21 (1) No standing order contained
 in this Act or any law or rules or
 the regulations made thereunder, in
 the time being in force, shall
 have the power to grant exemption
 to ~~procure~~ procurement of an object or
 class of objects in material extent
 from the operation of this Act or any
 other law or rules or regulations made
 thereunder regulating public procurement
 in view of exemption provided by the above
 section of the Act, the Government is competent
 to exempt the rules, regulations for procurement
 of the subject procurement.

7564
 dated 4-8-2014

35

Outward
 PS/LS/625/2014
 Dated 4.8.2014

34

4/5/14
 LAW SECRETARY

A.G. Sindh

The Hon Chief Secretary has
 already given his well reasoned
 opinion to the Law Secretary.
 of course S. 21 (1) of S. P. P Act-2009
 provides the power of Hon Chief Minister
 to grant exemption to the procurement.
 # Let's begin

Advocate General Sindh
 Karachi
 6479
 5-8-14
 Signature

passes under emergency to grant - assumption.

J. J. J.
A.C.
5/8.

Advocate General Singh
K. 27/14
5/8/15
out
5/8/15

C. H. ...
Assumption of ...
Sub ...
be ...

S. S.
8.8.14

F/S. / Secy LG
6/8

W.
SS (LEG)
DATE
AD (MS)
7/8/14
7/8/14

Secretary of the U.S. Secretary / Justice

PS TO CS D/O. 4261
CSH-12
Dated 06/8/14

SUMMARY SECTION
CM.SOUTHWARD No. 1376
DATE 06.08.2014

[Handwritten notes and signatures in a vertical column]