

ANNEXURE-A

S.No	OBSERVATION OF SPPRA DATED.15-06-2015	REPLY OF HDA DATED 18-06-2015	OBSERVATION OF SPPRA DATED.23-07-2015	REPLY OF HDA ON QUARRIES OF SPPRA DATED.23-07-2015
1.	<p>The Procuring Agency (PA) has not used notified RFP document of SPPRA which is not in consonance with Rule 21(3) of SPP Rules. Hence PA is advised to adopt the notified RFP document and issue the same all to interested bidders/firms and also send a copy to this authority and issue corrigendum to this effect with revised scheduled of issuance and submission / opening accordingly.</p>	<p>The prepared bidding documents according to the Standard Bidding format. It is prepared taking into consideration of the need of the services required for the scheme .Further inconstancy is not mentioned by the Manager (Reform) SPPRA. The prepared RFP document has been hoisted on the website of the authority therefore at this stage this objection is not understood.</p>	<p>PA has to use RFP document notified by SPPRA for consultancy services as per Rule-21(3) of SPP Rules, 2010 (Amended-2013).</p>	<p>The prepared RFP document is according to the need and requirement of the Scheme. Further RFP documents got issued by seven firms and within specified time Five firms have submitted their proposal and none of them raised any objection in this regard. However the advise of SPPRA for future.</p>
02.	<p>PA shall clearly mention about PEC and other required certification(S) required for qualification in terms of Rule 21(A) of SPP Rules.</p>	<p>It was clearly mentioned in Section-9 (EVALUATION CRITERIA FOR THE TECHNICAL PROPOSAL) part (v), that engineering staff should be civil</p>	<p>PEC category with relevant code required for the firm is not mentioned.</p>	<p>That the work required by the Management Firms or consortia is not to construct or develop the scheme. This consultancy service is not required the Engineering staff having specific code of PEC, these would be simply registered with PEC.</p>

03.	<p><i>The technical proposal to be submitted by the bidders is not clear, as well as basis of financial evaluation is not clear as what shall constitute the least cost of whole assignment or ROI on investment. PA shall clarify.</i></p>	<p>Engineer dully registered with PEC. It is clearly mentioned in RFP</p>	<p>RFP document is not clear about comparison of various proposals.</p>	<p>The information is to be submitted by the bidder is clearly mentioned in the documents but it is not prepared in accordance with the format of SPPRA because it is a diversified scheme and the SPPRA document is also not comprehensive/clear to meet the requirements of the scheme. Therefore the said format was adopted for the purpose. The financial evaluation is to be made on the percentage basis of the services provided by the Management Firm. Therefore least cost selection method is chosen.</p>
04.	<p><i>PA is required to furnish published copies of Notice for RFP in three leading widely circulated newspapers in terms of Rules - 17 (1A)&(2) of SPP Rules, 2010.</i></p>	<p>In terms of Rule 17(1-A) & (2) of SPP Rules 2010, it is to inform that the Notice for RFP was published in daily "Jang" dated:28-05-2015,daily"Regional Times" dated 27-05-2015,daily"Express Tribune" dated 27-05-2015, daily "Pak" Sindhi, dated27-05-2015,daily "Jijal" sindhi dated26-05-2015.Annexure- A).</p>	<p>Accepted.</p>	<p>OK</p>

05.	<p><i>The PA shall prepare and intimate cost estimates or budget of the assignment as required under Rule-66 (2) of SPP Rules.</i></p>	<p>As this is the project for launching housing scheme and can be assessed after booking, thereafter its cost will be determined and will be in corporate in the budget. At this stage a tentative cost is ascertain and provided in procurement plan already furnished.</p>	<p>The PA shall have calculated rough cost estimates before intimating the project. Besides, the estimates of Rs.25,000 million given in APP indicate that the PA has worked out such estimates.</p>	<p>As already explained this is a diversified scheme having various recovery components. At present this RFP is proposed for marketing of real estate which comprises of 8% to 12% of the total sale value of the scheme and this will also finally be ascertained after finalization of booking of plots. That 25000 million is the total assessed value of the Housing scheme, wherein the estimated cost of the present job is about 2000 .00million and about 50% of this component is of booking head. Thus 1% of this amount was asked as Bid security.</p> <p>Therefore the rough cost estimates at this stage cannot be provided.</p>
06.	<p><u>PA shall also confirm that the assignment falls under limits of NCB as defined at Rule-15(2) b (ii).</u></p>	<p>Yes, this project is NCB (National Competitive Bidding) and therefore RFP was published in national newspapers under Rule 15(2)(b)(ii).</p>	<p>Reply is contradictory, as according to procurement plan submitted by the HDA tentative estimated cost is Rs, 25,000 million; hence it falls under ICB as per Rule-15(a) (iii) of SPP Rules, 2010.</p>	<p>In this respect, submitted that the reply is not contradictory as Rule-15(2)(a)(iii) for ICB speaks that, "PA may opt for ICB for procurement below the estimated cost equivalent to US \$ 10 million if it is convinced that technological sophistication, technical expertise or professional capability of the satisfactory level is not available within the country and the best value of the money cannot be obtained, if competition is restricted to the domestic companies, firms or parties; Provided that provision of Rule-15(2)(a)(iii) may be invoked only with prior approval of the Head of the department."</p>

07.	<p><i>PA has asked companies to submit a pay order / demand draft worth Rs. 10.00 Million (as per Terms of Reference conditions No. 7) which may be clarified that whether it is a bid security? If yes then it may be demanded as 1 to 5 percent as per Rule-37 of SSP Rules, 2010, otherwise the same be clarified / justified.</i></p>	<p>It is clarified that it is not a conventional work; the contesting firm shall submit P.O/D.D of Rs.10.00 million as security deposit. The actual cost of the scheme will be assessed after surveying, contouring and preparation of drawings which has been already included in the scope of work for participating firms.</p>	<p>Security deposit/retention money is the deposit which successful contractor shall pay to the PA in Lieu of security of the work / advance payment. In this regard clause 7.12..3 of SPPRA's guidelines stipulate as under:</p> <p>7.12.3 Security deposit/retention money: Procuring Agency will retain/deduct from each interim/ running payments due to the contractor, the security deposit in proportion stated in the contract data/data sheet until completion of the whole of the works. The cumulative total of such amount will be 5% of bid total mentioned in the letter of acceptance. In this way total amount with procuring</p>	<p>As a matter of fact the scheme for sale of plots does not requires any technological sophistication, technical expertise, therefore Rule 15(2)(b)(ii) was selected. A certificate of the Head of Department is attached.</p>	<p>The query has already been explained at para-5 supra.</p>
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08.	<p>PA has indicated that the selected firm will carry out development of land by inviting NITs under SSP Rules, which is not in consonance with SPP Rules. Under SPP Rules only a PA can invite NITs etc and not a private / consultancy firm. However the consultancy firm can be assigned task(S) of preparation of bidding documents and help in evaluations etc. In this regard, PA shall also clearly</p>	<p>Definitely all such procurements /works are carried out by the agency and on behalf of the authority the selected firm will manage the bidding process on behalf of the PA strictly following the rules of SPPRA. It was mentioned in RFP clause (9) of TERMS OF REFERENCE that all development at site shall be under supervision of the Directorate of</p>	<p>agency will be ten percent of bid cost in shape of performance security and retention money/security deposit. Recoveries so named from the contractor are returned to him by the procuring agency as per terms and conditions of contract. Besides, according to Annual Procurement Plan, tentative estimate cost is Rs.25, 000 million and PA is required to obtain bid security within quantum of 1% to 5% as per requirement of Rule-37. 1% of Rs. 25,000 million is Rs.250 million.</p>	<p>Certainly PA will carry out the development of land through NITs as per SPPRA rules and carrying out the evaluation, selection recommendation and awarding the contract by the PA. The Management Firm will only help out to complete the process.</p>
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	mention / specify that the selected firm and/or its subsidiary will only conduct bidding process and will not participate and/or supervise the works.	Planning & Development Control through the project Director HDA.		
09.	PA is advised to amended condition No. 19 of ToRs & section 3.4.3 and rephrase as "The PA reserves the right to accept or reject any or all the proposals subject to relevant provisions of SPP Rules, 2010 (Amended-2013)" and omit sentence without assigning any reason.	The RFP have been prepared in the light of SPP Rules, 2010 (Amended-2013)", and obviously any rejection, if any will be made under the relevant provision SPP Rules.	The PA shall make it part of EOI documents / notice and issue corrigendum to this effect.	At this stage corrigendum cannot be issued. However rules of SPPRA are being strictly followed.
10.	PA is required to insert / mention following condition for the eligibility criteria of the bidder in the NIT or in the RFP documents as "Consultant / Firm / JV Organization should be registered with Sindh Revenue Board in terms of Rule-46 (1) (iii) of SPP Rules, 2010 (Amended 2013)".	A corrigendum in this respect has been issued published in daily "Jang" dated: 08-06-2012, daily "Express Tribune" dated 07-06-2015, daily "Pak" Sindh dated: 07-06-2015. (Copies attached at Annexure-B).	Accepted.	OK
11.	Notification of Consultant Selection Committee (CSC)	Consultant Selection Committee was notified	Consultant Selection Committee (CSC) notification	The HDA is autonomous body and not governed by the Finance Deptt And

	is required in terms of Rule-67 of SSP Rules, 2010.	vide order No. HDA/Estt/1733 dated: 25-05-2015(copy attached as Annexure -C).	not as per Rule-67 of SPP Rules. No members of Finance Department and P&D Department, hence may be reconstituted in line with Rule-67 of SPP Rules, 2010.	P&D Deptt Govt of Sindh. It is therefore a member of Finance Department HDA and a member of P&DC deptt HDA have been nominated as member of the committee,
12.	Annual Procurement Plan containing entire procurements for the Financial Year 2014-15 is also required on prescribed format in terms of Rule-11 of SSP Rules, 2010.	It is again clarified that it is not a conventional work .Procurement Plan was already submitted specifying that during 2014-15, the work of "manage Planning Design and Marketing" be carried out.	Annual Procurement Plan has already been provided by HDA but its object / work-wise bifurcation is required from the PA.	The detailed APP having breakup of the job has prepared and submitted.

OBSERVATIONS ON CONDITIONS OF RFP DOCUMENT.

S.NO	OBSERVATIONS ON CONDITIONS OF RFP DOCUMENTS	REPLY		
i)	PA has mentioned in ToR at condition No.8 that 10% deduction will be made on every bill submitted by the firm as security deposit in addition to taxes leviable. This security deposit will be released on satisfactory completion of each job. PA should justify / clarify.	That the 10% security deposit in addition to the taxes will be deducted after cost estimation of scheme as performance security under SPPRA Rules, 2010, Rule- 39 "Performance Security"	The security deposit shall be paid by the successful bidder against the satisfactory work done by him an such security is to remain with PA for the stipulated time as per terms and conditions of the contract (Para 7 above refers). The performance security shall be paid by the successful bidder for the	Agreed this will be asked to pay before the execution of contract agreement, as per SPPRA Rules.

	<p>completion of work as per terms and conditions which will be paid after letter of acceptance. The contract agreement is executed as and when bidder submits performance security. In this regard clause 7.12.2 of SPPRA guidelines further provides guiding principles which may be refined to PA.</p>		
<p>It is to submit that all this is not termed as development and actually it is a preliminary job of the assignment of RFP. As far as development of the scheme work will be carried after inviting by the PA as per SPPRA rules.</p>	<p>Not plausible and looks ambiguous.</p>	<p>It has been clarified in the following conditions 16 & 17 thereto that all pre-booking expenditure, like surveying, preparation of drawings, establishment of office, staff and any other expenditure towards initial development required to boost the announcement, booking of the project will be borne by the successful participating firm, and shall be paid in accordance with the schedule of payment within the quoted price in financial proposal. Such schedule of payment will be part of contract agreement, and such pre-booking expenditure cannot be claimed separately but will be deducted from the amount of quoted price in financial proposal of the firm.</p>	<p><i>PA has also specified in ToR at condition No.15 that all the pre-booking expenditures shall be borne by the Firms / Consortia / JV Organizations as well as funding will be arranged for initial development at its own (to be adjusted) PA shall clarify / justify.</i></p>
			<p>ii)</p>

iii)	<p>The PA has mentioned about negotiating with the selected firm before entering into contract (LOI condition at No. 1), which needs to be clarified as according to Rule 52 of SPP Rules there is bar on negotiations.</p>	<p>LOI condition No:1 elaborates that “ future negotiations and ultimately lead to a Contract Agreement” is as per SPPRA Rules 2010, Rule-79 of consultancy services “Extent of Contract Negotiations” and regarding any methodology, work plan, staff and any special conditions thereto only with successful firm: hence the application of Rule-52 is not applied herein.</p>	<p>PA shall include such clarification in the RFP.</p>	<p>Exactly no negotiation will be made with the Bidder. The SPPRA Rules will be followed accordingly.</p>
iv)	<p>Section-6 mentions about separate Technical Evaluation and Financial Evaluation committees. In this regard, the PA shall remove ambiguity and correct that in case of Consultancies a Consultant Selection Committee is required to constitute by the PA as per Rule-67 of SPP Rules.</p>	<p>The section-6 of RFP does not mention in any condition about two different committees. Throughout the section only word “Committee” not committees has been used. The condition 6.1.2 Clearly shows that it is one committee and reproduce as under:- “6.1.2 Meeting of the Committee will be held as and when required. The committee may call the Firm to give presentation on the submitted Technical Proposal for the purpose of</p>	<p>PA has submitted notification of the committee which is not in consonance with Rule-67 of SSP Rules. Hence, the same shall be reconstitute as per requirement of Rules.</p>	<p>The CSC was constituted under section -67 of SPPRA Rules, as already submitted at para-11 supra.</p>

		<p><i>Evaluation if required. The committee will prepare the "Evaluation Report" of the eligible Firm and then consider Financial Proposal of Technically qualified Firm. The un-opened Financial Proposals of non-eligible Firm will be returned accordingly un-opened to the respective Firm.</i></p> <p>The same Consultant Selection Committee was already notified vide order No. HDA/Estt/1733 dated: 25-05-2015(copy attached as Annexure-C).</p>		
v)	<p><i>Condition-4 of the TORs mentions about "amendment/alterations in the technical proposal", which is not allowed in Least Cost selection method. Hence PA may rectify and correct accordingly.</i></p>	<p>The condition-4 only refers to Section 13 of the RFP about "COMMENTS AND SUGGESTIONS OF THE FIRM ON THE TERMS OF REFERENCE, SERVICES AND FACILITIES TO BE PROVIDED" wherein it does not say that any modification or alteration will be made in the technical proposal submitted by the participating firms.</p>	<p>Not plausible and permissible under the method adopted by the PA.</p>	<p>Agreed and will be followed in letter and spirit.</p>

vi)	<p>Condition-5 mentions that the firm shall submit draft agreement- which needs to be clarified. The PA has to provide draft contract agreement as per provided in the RFP. Hence, the PA shall clarify accordingly.</p>	<p>It is clarified that the draft agreement is part of RFP at section-10, wherein draft agreement is provided to be filled by the Firm.</p>	<p>PA shall use standard RFP / agreement and rectify the condition-5 accordingly.</p>	<p>Agreed, the standard agreement clauses will be adopted.</p>
vii)	<p>Conditions regarding return of bid security at different sections of the document are not uniform and therefore shall be made uniform and corrected in terms of Rules-37(2) of SSP Rules.</p>	<p>That the return of bid security is clearly mentioned in TOR at condition-7 in RFP and according to SPP Rule 2010, Rule-37(2).</p>	<p>Condition-7 of RFP is for security deposit. The terms of bid security and performance security; have different meaning and all these instruments are required during procurement for different purposes.</p>	<p>Agreed the bid security is recovered of an amount of Rs.10.00 million from all bidders, whereas performance security as per SPPRA guidelines will be recovered from the successful bidder before the execution of contract agreement.</p>
viii)	<p>Condition-12 of the TORs regarding additional assignment /work is not clear, which shall be rectified in terms of Rule-16 (1) (e) of SPP Rules.</p>	<p>That the additional assignment/work are explained at section 4.14 and 4.15 which are strictly in accordance with the Rule-16 (1)(e) of SPP Rules.</p>	<p>Accepted.</p>	<p>OK</p>
ix)	<p>Condition-13 of the TORs also needs clarification.</p>	<p>Conditions-13 relates with the procedure to be adopted by the participating firms for the disposal of various categories of plots as per standing rules.</p>	<p>Since, the owner of property is Government of Sindh, hence the sale agreement shall include Terms and conditions of government instead of mentioning the firm and applicant "mutually agreed on terms and conditions" of allotting plots.</p>	<p>The property is owned by HDA and plots will be disposed through sale to general public in accordance with rules framed and approved by the Governing Body HDA time to time.</p>

<p>x)</p> <p><i>Condition-14 of the TORs regarding appointment of arbitrator for dispute resolution shall mention that the same will be governed under Arbitration Act, GOS.</i></p>	<p>The condition-14 is in continuation to clarification of arbitration under section 4.18 of RFP wherein it was clearly mentioned that the arbitrator will be appointed as per Arbitration Act.</p>	<p>Accepted.</p>	<p>OK</p>
<p>xi)</p> <p><i>Condition-15, 16 & 17 of the TORs mention that the firm shall carry out assignment out of its own funds which will be reimbursed from sale proceeds. The mode of payment is covered only under PPP mode. Hence, the PA may clarify and justify.</i></p>	<p>That the section-15, 16 and 17 of the TOR only mention that all "pre-booking Expenditure" or expenditure occurs for execution of project, these expenditure includes surveying, preparation of drawings, office establishment, brochure, forms, stationary etc, will be borne by the successful firm and will not be claimed separately, but will be part of quoted price in the financial proposal and schedule of payment being part of contract agreement. These conditions are laid to facilitate the participating firms to consider all the expenditure prior quoting the financial proposals. The successful firm will not be partners to the PA nor any ownership rights will be transferred to the firm, the PA from start to completion will remains the owner of the</p>	<p>Accepted.</p>	<p>OK</p>

<p>xii)</p>	<p><i>Para 1.2.3 mentions that the tasks shall be implemented in accordance with logical sequence of the work plan. The PA shall notify the logical sequence of implementation of the assignment.</i></p>	<p>That the logical sequence of implementation of assignment will be in accordance with the work schedule to be submitted by the firm under section 13.6</p>	<p>Clause 9.1 of SPPRA guidelines stipulates that the contractor shall within 28 days after receipt of letter of acceptance submit to the Engineer in charge for his approval three copies of a program (Activates of schedule) for the execution of works. Complex projects (like this one) require a series of activates, some of which must be performed sequentially and others can be performed in parallel with other activities. This collection of series and parallel tasks can be model as network.</p>	<p>That the logical sequence of implementation of assignment will be in accordance with the work schedule to be submitted by the firm within 28 days after receipt of letter of acceptance as per SPPRA guideline.</p>
			<p>The Procuring Agency shall specify the work programme through one of the following methods:</p> <ul style="list-style-type: none"> a) CPM b) PERT c) Simple bar Chart <p>For further clarification PA may refer to the guidelines of works.</p>	

xiii)	<p>The PA has mentioned at Section 2.2.1 (vi - b) that the firm will provide a number of vehicles to the PA, which is not covered under scope of work and consultancy services. Hence, the PA shall clarify and rectify accordingly.</p>	<p>It is incorrect that providing vehicles to the PA is not covered under scope of work and consultancy services, as the scope of work includes marketing of real state including all kind of planning and design. For verification and oversee such planning and designing works, the need of vehicles requires by the PA.</p>	<p>Reply is not plausible, if PA has any precedent under SPP Rules, then it may provide.</p>	<p>Agreed no vehicles will be demanded from the selected Management Firm.</p>
xiv)	<p>Section-3.4.4 regarding waiver of minor irregularities needs clarification.</p>	<p>That the waiver of irregularities are in accordance with SPPRA rules 2010, Rule-31, whereas the PA can sought clarification and/or waive any irregularities like clerical errors, overwriting's etc to the extent that it does not change the substance of the proposal.</p>	<p>Accepted.</p>	<p>OK</p>
xv)	<p>Section-4.4 mentions about "appointment of Consultant" by the consultancy firm, which is ambiguous and PA shall clarify or rectify.</p>	<p>It is to clarify that this project is not conventional project. This scheme consist multiple activities and discipline of real state including engineering, architectural design, survey, supervision, technical assistance, hence the need of expertise is required by the participating firms, therefore the responsibility lies on the participating firm to engage</p>	<p>PA is required to mention the experts should available to the consultancy firm in evaluation criteria.</p>	<p>It is submitted that the details of experts will be asked from the selected Management Firm.</p>

		experts/firm forming joint venture or consortia, however the PA will select these expertise.		
xvi)	<p>Section-2 (condition 2.1.4 c): word "completion" means completion of all works, whereas the instant contract is for the consultancy services, accordingly PA shall clarify / modify.</p>	<p>That in section-2 (condition 2.1.4 c) indicates all the works provided by the firm for consultancy services, as provided in the section 2.2 under scope of work from sub section 2.2.1 to 2.2.5</p>	Accepted	OK

PROCUREMENT PLAN
FOR HOUSING SCHEME OVER AN AREA 2800 ACRES, DEH GANJO TAKKAR TALUKA LATIFABAD, HYDERABAD
(HYDERABAD DEVELOPMENT AUTHORITY)

DESCRIPTION OF PROCUREMENT	QUANTITY (WHERE APPLICABLE)	ESTIMATED UNIT COST (WHERE APPLICABLE)	ESTIMATED TOTAL COST in Million	FUNDS ALLOCATED	SOURCE OF FUND (ADP/NON ADP)	PROPOSED PROCUREMENT METHOD	TIMING OF PROCUREMENT					REMARKS
							1 st year	2 nd year	3 rd year	4 th year	5 th year	
Launching, marketing, recovery of sale proceeds record keeping and related affairs and other allied works of Public Housing Scheme.	Housing Scheme over 2800 acres in Deh Ganjo Takkar Taluka Latifabad Hyderabad	To be proposed by the Bidders	As already explained this is a diversified scheme having various recovery components. At present this RFP is proposed for marketing of real estate which comprises of 8% to 12% of the total sale value of the scheme and this will also finally be ascertained after finalization of booking of plots. That 25000 million is the total assessed value of the Housing scheme, wherein the estimated cost of the present job is about 2000.00million and about 50% of this component will be considered as booking (Rs.1000 Million)	Fund would be generated on sale of plots all pre booking expenditure would be born by the successful bidder.	Non ADP Self Finance	Least Cost Selection Method	Managing Planning Design and Marketing	Booking and management of plots of various categories	Design & Manage External/intermal development Works including real estate.	Manage/organize Electrification/Gas/disposal of sewerage and bulk water supply system, as per SPPRA Rules 2010 by calling separate N.I.Ts.	Completion and handing over possession to respective allottees by HDA.	

Approved