

INSTITUTE OF BUSINESS ADMINISTRATION KARACHI

DEMOLITION WORK OF EXISTING LIBRARY AT MAIN CAMPUS

BID EVALUATION REPORT

1.0 BACKGROUND

The Institute of Business Administration Karachi hereinafter called as IBA, intends to upgrade the existing library. In this respect, demolition work of existing library at main campus Karachi is required. For this purpose, the IBA invited sealed bids from eighteen pre-qualified firms however following four firms purchased the documents:

- M/s AJM Construction
- M/s Link International
- M/s Shafiq & Co.
- M/s B.G Civil, Electrical & Mechanical Co.

2.0 RECEIPTS OF BIDS

From the above four firms, only three bidders participated in the bids.

3.0 BID OPENING

The Financial Bids were opened in the office of IBA main campus in the presence of committee members and bidders representative on 5th April, 2011 at 2:15 pm.

The prices announced/quoted by the bidders, at the time of financial bid opening are given as under:

<u>S. No.</u>	<u>Name of Bidders</u>	<u>Quoted Price (Rs.)</u>
1	M/s Link International	614,854/=
2	M/s Shafiq & Co.	624,744=
3	M/s B.G Civil, Electrical & Mechanical Co.	663,854/=

Bid opening statement is attached as **Annexure- A** to this report.

4.0 **ENGINEER'S ESTIMATE**

The Employer vide our letter No.29004/50Q/AM/01/1751 dated April 08, 2011 was asked to provide the Engineer's estimate but the same was not submitted to us (Copy attached as annexure B & C). As a result, the comparison of bids with respect to Engineer's Cost estimate has not been made.

5.0 **FINANCIAL SCRUTINY & EVALUATION OF BIDS**

5.1 **Bid Security**

The copies of bid securities have not been provided. The IBA should scrutinize the bid security at their end. However from the bid opening statement, it is clear that two bidders i-e M/s Link International and M/s Shafiq & Co. have submitted bid security. M/s B.G Civil, Electrical & Mechanical Co has not submitted the bid security so their bid is non-responsive and shall not be considered. From the bid opening statement, it is apparent that the bid security submitted by two bidders is 2% of bid amount. The Pakistan Engineering Council allows the bid security ranging from 1% to 3% depending upon the project. The amount of bid security has not been mentioned in the bidding document prepared by the IBA's consultant M/s ICON.

5.2 **Scrutiny of Bill of Quantities**

The multiplication of unit rates with quantities and the total amount quoted in the Bill of Quantities were checked and no error was found in any bids.

6. **RECOMMENDATION**

As mention earlier, the Engineer estimate was not provided by the employer so in the absence of Engineer's estimate; the bidder's bid with respect to the Engineer's estimate cannot be evaluated however the lowest bidder i-e M/s Link International may be awarded the work at the amount Rs 614,854/ (rupees six lacks fourteen thousand eight hundred fifty four only).