



**No.PPRA/RP-08/2025**  
Government of Pakistan  
**Public Procurement Regulatory Authority**  
**(Appeal & Review Petition Secretariat)**  
1<sup>st</sup> Floor, FBC Building, G-5/2, Islamabad  
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**ORDER**

M/s Technoart Engineering (SMC-Pvt.) Limited

**...the "Petitioner"**

Vs.

Pakistan Single Window (PSW)

**...the "Respondent"**

<b>Date of Hearing</b>	<i>Mr. Misbah ul Mustafa (ASC), Mr. Sartaj Khan (CEO)</i>
<b>23.09.2025</b>	<b>(On behalf of Petitioner)</b>
	<i>Barrister Abdullah Tehseen, Mr. Abdul Wahid (VP Proc.)</i>
	<b>(On behalf of Respondent)</b>

**REVIEW PETITION UNDER RULE 19(3) OF THE PUBLIC PROCUREMENT RULES, 2004**

The above mentioned learned counsel(s) and representative(s) of the parties tendered appearance before the Review Petition Committee and furnished their arguments at length.

2. At the very outset, learned counsel for the petitioner i.e., M/s Technoart Engineering (SMC-Pvt.) Limited submitted that their company is a single member private company limited by shares and registered under the

Companies Act, 2017 ("Companies Act") which is carrying out business in the fields including construction and engineering works. The Petitioner participated as a bidder in a bidding process initiated by the Respondent for the project of "Interior Fit-Out and renovation works - BC-1 6<sup>th</sup> Floor Office"; Tender No. PSW/PROC/24-25/ADMN-228. The bidding procedure adopted was Single Stage One Envelope. After submission of bids, a pre-bid meeting was held and later on certain queries of bidders were also answered by the Respondent.

3. The counsel for the petitioner also submitted that as per the Final Evaluation Report, out of seven bidders, five (05) bidders were disqualified including the Petitioner. Out of the remaining two bidder, M/s Horizon Builders and Developers was declared as the Most Advantageous Bidder while M/s IK Associates as the Second Lowest Bidder. The Petitioner was disqualified by citing the only reason in the Evaluation Report that it "did not comply with the mandatory requirements". It may be noted that the rates of the Petitioner were otherwise the lowest amongst all the bidders. There was no valid reason for rejecting the Petitioner's bid. The Petitioner, therefore, filed its Grievance dated 10.06.2025 which was placed before the Grievance Redressal Committee.

4. The counsel for the petitioner further submitted that as per clause 14 of the Evaluation Criteria, the basic

financial requirement was that the bidder must have average turn-over of minimum PKR 10 million in last three years. The Petitioner admitted the discrepancies in the Financial Statements submitted in the bid which were audited by an auditor namely, Hamza Arif and Co. The Petitioner explained that these were mistakenly placed on record for the reason that the Petitioner had no intention of seeking any undue benefit from the said Financial Statements. The Petitioner requested the Grievance Committee to assess its required financial competence by examining its Bank Statement and past performance. This request was based on the same clause 14 of the Evaluation Criteria which states that "Bidder must have sufficient financial resources/credit lines to undertake the project". Despite any deficiency or discrepancy in the Financial Statements, the Petitioner was meeting the turn-over requirement which was much above the required amount.

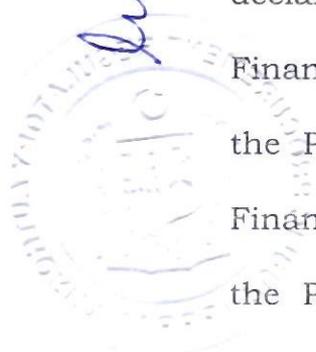
5. The counsel for the petitioner also added that the Grievance Committee decided the matter through its decision dated 23.06.2025 in an abrupt manner and instead of just dismissing the Grievance of the Petitioner it advised the Procurement Department of the Respondent to take further action against the Petitioner. Such a recommendation by the Grievance Committee was beyond its scope and jurisdiction.

6. The counsel for the petitioner also submitted that their disqualification was sufficient enough and the matter

should have been closed at that point. Due to mala fide of the officers of the Respondent, the proceedings of blacklisting were initiated against the Petitioner which was nothing but victimization. In this regard, a show cause notice dated 27.06.2025 ("Show Cause Notice") was issued via email to the Petitioner on the ground of committing "*corrupt and fraudulent practice*" contained in Rule 19(1)(a) of the Public Procurement Rules, 2004. Moreover, the Petitioner was asked to submit reply within seven days.

7. The counsel for the petitioner further added that they sought time for meeting and discussion on the Show Cause Notice. During the meeting, the Petitioner accepted the discrepancies and explained that these inadvertent mistakes have already caused the Petitioner huge loss of losing the subject tender despite the fact that the Petitioner was the lowest bidder. The Petitioner clarified that there was no intention of committing any corrupt or fraudulent practice on its part for the reason that there was no need of taking any benefit from the submitted bogus Financial Statements which were prepared by some cost and management accountant and not by an auditor. With complete truthful declaration, the Petitioner accepted the flaws in said Financial Statements which were submitted by an officer of the Petitioner mistakenly. In fact, the true and accurate Financial Statements duly audited by the official auditor of the Petitioner should have been submitted. The required

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turn-over of PKR 10 million is otherwise provable through the tax returns of last three years and the bank statement of the Petitioner.

8. The counsel for the petitioner also submitted that thereafter, a written response to the Show Cause Notice along with the tax returns of 2022, 2023 and 2024 and the bank statement from 2022 to 2025 were submitted by the Petitioner. Despite such clear and open stance of the Petitioner, the Respondent passed the blacklisting order dated 22.07.2025 ("Blacklisting Order") whereby it was recommended that the Petitioner may be blacklisted for one year from participating in any procurements of the Respondent. Hence, being aggrieved, the petitioner filed the instant Review Petition.

9. On the other side, learned counsel for the respondent i.e., Pakistan Single Window (PSW) submitted that the Blacklisting Order was issued strictly in accordance with law, following due process, and based on cogent reasons. The duly notified Blacklisting / Debarment Committee considered the Petitioner's explanations, afforded a hearing, and passed a reasoned decision, while the Grievance Redressal Committee (GRC) had already determined the relevant factual issues in its decision dated 23.06.2025. The Review Petition is termed misconceived, false, and vexatious, as it attempts to reopen factual controversies already settled.

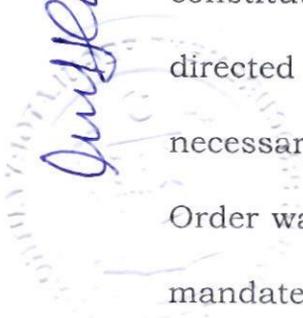
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10. The counsel for the respondent also submitted that the Petitioner engaged in “fraudulent practices” under Rule 2(1)(f)(iv), by submitting inconsistent and inauthentic financial statements in contravention of the Companies Act, 2017. Fraudulent practices under the Rules covered not only deliberate misrepresentation but also reckless omissions that mislead a procuring agency. The Petitioner has admitted these inconsistencies, attributing them to its consultant’s error. Such admissions confirm liability and justify blacklisting, irrespective of whether intent to defraud or financial loss to PSW is proven. The Respondent rejects the Petitioner’s reliance on doctrines like “double jeopardy” and proportionality, clarifying that disqualification under Rule 18 and blacklisting under Rule 19 are distinct and cumulative measures aimed at safeguarding procurement integrity.

11. The counsel for the respondent further submitted that the Petitioner wrongly assumed that blacklisting requires proof of actual financial loss. The Rules do not impose such a condition that mere submission of misrepresented or non-compliant documents is sufficient to constitute fraudulent practice. The GRC’s decision merely directed the Procurement Department to take “further necessary action” under the Rules, and the Blacklisting Order was independently issued by the Committee within its mandate. The plea that the Petitioner’s bid disqualification

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alone, was a sufficient remedy, is untenable, as both Rule 18 (disqualification) and Rule 19 (blacklisting) may be simultaneously invoked depending on the nature of misconduct.

12. The counsel for the respondent further added and denied the Petitioner's allegations of haste, unfair treatment, or ultra vires action. It reiterates that all due process requirements including issuance of a Show Cause Notice, granting of hearing, and issuance of a reasoned order were complied with. The Petitioner's own admissions of submitting flawed, non-compliant financial statements undermine its case, as bidders bear full responsibility to ensure their bid documents meet statutory and tender requirements. The Blacklisting Order was proportionate, as Rule 19 permits up to ten years of debarment, while only one year was imposed. Accordingly, the Review Petition is self-contradictory, legally misconceived, and liable to dismissal.

13. After perusal of all relevant records and arguments made by both the parties, the Committee observed that the Petitioner, M/s Technoart Engineering (SMC-Pvt.) Limited, had been disqualified at the evaluation stage on account of non-compliance with the prescribed financial capacity requirements. The Petitioner has acknowledged the submission of inconsistent and defective financial statements, attributing the lapse to an inadvertent error / mistake committed by its officer and consultant. The

Petitioner, however, contended that its financial position was otherwise sound and sufficient to meet the eligibility criteria, as substantiated by its tax returns and bank statements, and that no element of corrupt or fraudulent intent could be attributed to its conduct.

14. At this point, the Committee noted that, disqualification of the Petitioner at the evaluation stage already resulted in loss of the contract opportunity, which by itself served as a sufficient consequence of the lapse. The subsequent initiation of blacklisting proceedings, culminating in a one-year debarment, appears disproportionate in the circumstances, particularly when the Petitioner's bona fide financial capacity was not in dispute. The Respondent has not established that any wrongful gain accrued to the Petitioner or wrongful loss was caused to the Respondent by the submission of the defective statements.

15. The Committee also observed that the Petitioner has unequivocally acknowledged the lapse in submission of its financial statements, while contending that no mala fide intent was involved. Under the scheme of Rule 2(1)(f)(iv) of the Public Procurement Rules, 2004, a "fraudulent practice" necessarily requires an element of intent to deceive, with the objective of securing an undue advantage or causing wrongful loss to another party. In the present case, however, the record prima facie reflects that the Petitioner's default was the result of an inadvertent bona fide mistake

attributable to its employee, rather than a deliberate attempt to mislead. It is also noted that the Petitioner possesses the requisite financial capacity to meet the eligibility criteria prescribed in the bidding process, a fact that was within the knowledge of the Respondent Department at the relevant time.

16. For what the reason and observations mentioned above, the Committee concluded that the Petitioner's lapse was a bona fide mistake rather than a fraudulent practice envisaged under the Rules. Therefore, the Blacklisting Order dated 22.07.2025 passed by the respondent cannot be sustained in the eyes of law, resultantly the same is hereby **set-aside** and the petition in hand is disposed of accordingly.

  
(Dr. Muhammad Aslam Waseem)  
Director General (Legal)  
(Member)

  
(Sheikh Afzaal Raza)  
Director (M&E)  
(Member)

  
(Hasnat Ahmed Qureshi)  
Managing Director (PPRA)  
(Chairman of the Committee)

**Note:** A copy of this order is being forwarded to Director-IT, PPRA, Islamabad) for implementation of this order and to **de-list the petitioner's company i.e., M/s Technoart Engineering (SMC-Pvt.) Limited** from the list of active blacklisted / debarred firms on PPRA's website.

*Each page of the order has been signed by all members of the Review Petition Committee. The order comprises of nine (09) pages.*