



**No. PPRA/AP-39/2025**  
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 Khawaja & Co.

**...the “Appellant”**

Vs.

Capital Development Authority & Another

**...the “Respondent(s)”**

<b>Dates of Hearings</b>	Khawaja M. Naeem, Proprietor  <p style="text-align: right;"><b>(On behalf of Appellant)</b></p>
<b>06.01.2026</b> <b>12.11.2025</b>	Mr. Shahzeb Nawaz Khan (AHC), Mr. Qamar-u-Din Junejo, Deputy Director (E&M), Mr. Fayaz Ahmed, Deputy Director (Civil), Mr. Shehryar Gondal  <p style="text-align: right;"><b>(On behalf of Respondent No.01 to 03 i.e., CDA)</b></p> Mr. Qamar Shahzad, CEO  <p style="text-align: right;"><b>(On behalf of Respondent No.04 i.e., M/s AQSA Impex)</b></p>

**APPEAL UNDER RULE 48 (7) OF THE PUBLIC PROCUREMENT RULES, 2004**  
**[NAME OF WORK: YEAR ROUND OPERATION / MAINTENANCE OF SUBSTATION, SOLAR INSTALLATIONS, FIRE ALARM SYSTEM, AIR CONDITIONING UNITS AND LIFTS AT AIWAN-E-SADAR, ISLAMABAD]**

The Authority received an Appeal filed by M/s Khawaja & Co., through its proprietor Mr. Khawaja M. Naeem “the Appellant” on 20.10.2025 under Rule 48(7) of the Public Procurement Rules, 2004. In compliance with the Honourable Islamabad High Court, Islamabad, Order dated 05-09-2025, in

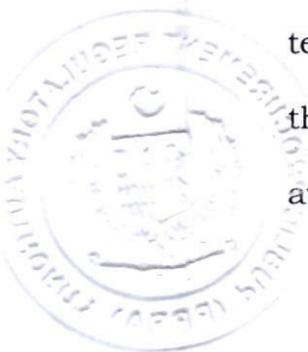
Writ Petition No. 3226/2025, titled M/s Khawaja & Co. versus Capital Development Authority, Islamabad, etc.,.

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

3. At the very outset, the representative of the Appellant submitted that in four tenders opened on 26-03-2025, our firm stood first lowest and declared successful / most advantageous bidder, but the works were not awarded and accordingly our firm was given extension for three months of our rates but till today no response has been received by the Respondents.

4. The representative of the Appellant further submitted that upon submission of applications on CDA's E-PAD portal, the system generated acknowledgement receipts. Thereafter, bids and documents submitted are downloaded from the website by the authorities and as per PPRA Rules, 2004, the bids must be publicly opened and the lowest bidder should be awarded the contract.

5. Further submitted that the Appellant bid was neither downloaded by CDA nor considered, hence the Respondents violated the PPRA Rules, 2004 intentionally just to award the tenders to the blue-eyed persons. Reliable sources confirmed the Petitioner's lowest bids were ignored, and contracts were awarded to favoured parties.



6. Further added that on 30-06-2025, the Respondents illegally restrained the Petitioner from participating in Bids openings without disclosing any reason because petitioner's bids were lowest from all other participating applicants, therefore, the Respondents illegally deprived the Petitioner. That if calls for the original online bid records from the Respondents, it will conclusively prove that the Petitioner was the lowest bidder in all 12 tenders and that the Respondents deliberately suppressed the Petitioner's bids to favour others.

7. The representative of the Appellant further averred that the Respondents have violated the fundamental business right of the Petitioner which is provided under Article 18 (Freedom of Trade) of the Constitution of Pakistan, 1973. That the Respondents have also violated Article 9 (Right to Fair Trial) by not considering the applications/complaints of the Petitioner. That the Respondents have also violated the PPRA Rules especially Rule 33 which mandates public bid openings and award to the lowest bidder and Rule 4 which requires transparency in procurement.

8. In reply to the CDA response, the representative of the Appellant further submitted that no documentary evidence regarding non-clearance of Security is provided, so, baseless logic categorically denies. The PPRA Rules are not subjected to Security Instructions and there is no documentary evidence placed on record. Further submitted that CDA is reluctant to

issue LOA to the Appellants firm. Further added that with regard to the Security non-clearance, the Authority of Aiwan-e-Sadar, vide para 89/N and para 95/N of noting portion, the Director (Maintenance), CDA, Aiwan-e-Sadar is giving false evidence statement regarding non-clearance of Security or our firm beyond his capacity. Further highlighted that no non-clearance documentary evidence provided, so totally denied being baseless and the Appellant stance of lowest is admitted by the department.

9. The representative of the Appellant further submitted that Aiwan-e-Sadar never indicated anywhere, regarding non-clearance of Security, as all due course is adopted. Further submitted that under Rule 33 of the Public Procurement Rules, 2004, the tender is accepted, so this Rule is not applicable in accepted bid, our security is cleared as already clarified. Further added that the firm M/s Aqsa Impex technically do not have ME-03, which is main code for execution of lifts work by Pakistan Engineering Council, so the firm is technically disqualified by DG (Services). Further added that the firm applied for Tender on 18-05-2025, whereas, the date of tender opening was 25-04-2025. The Appellant firm applied for tender on 18-04-2025 and assigned Diary No. 381. The assigned Diary no. of M/s Aqsa is 372 dated 22-04-2025. The application submitted by M/s Tricon on 24-04-2025, whereas in advertisement, the applications are required to be submitted two days before the opening date, which shows favouritism.

10. The representative of the Appellant further contended that the documents provided by the Respondent in support of M/s Aqsa seems tempered as the PEC license serial no. is given on his application is 586245, whereas, the copy placed in firm verification license serial no. is changed with 608448.

11. The representative of the Respondent submitted that the Appeal filed by M/s Khawaja & Co. is misconceived, factually incorrect, legally untenable and liable to be dismissed. Further submitted that the instant Appeal is liable to be dismissed at the threshold, as it has not been filed by a competent or duly authorised person. The Appellant company, being a separate legal entity, is required to nominate and authorise a representative through a resolution of its Board of Directors in the prescribed manner. No such authorisation or board resolution has been annexed with the Appeal.

12. The representative of the Respondent further submitted that the assessment made by the President House regarding security clearance to appellant for participation in the bid lies within the exclusive domain of the executive and security policy, an area where courts have consistently exercised judicial restraint. Further submitted that security clearance from Aiwan-e-Sadar Authorities is a mandatory pre-condition for award of any contract. The Letter of Acceptance was not issued to the Appellant due to the Appellant's failure to obtain the requisite security clearance. No bidder,

irrespective of being the lowest, can be awarded works unless declared security wise clear by the competent authority. It was additionally submitted that no written confirmation regarding security clearance was received from the Chief Security Officer.

13. Further submitted that the Appellant has failed to follow the procedure prescribed under the Rule 48 of the Public Procurement Rules, 2004, as no grievance complaint was filed before the Grievance Redressal Committee (GRC), nor the instant appeal has been filed in the manner required by law.

14. The representative of the Respondent (CDA) further highlighted that the instant appeal is barred by limitation under Rule 48 of the Public Procurement Rules, 2004, in as much as it has been instituted beyond the statutory period prescribed thereunder, without any lawful justification, application for condonation of delay, or disclosure of sufficient cause warranting entertainment of a belated appeal.

15. The representative of the Respondent (CDA) further averred that the Appellant cannot, in law, club or consolidate grievances arising out of multiple tenders and / or distinct stages of separate bidding processes into a single appeal. Each procurement process constitutes an independent cause of action, and any challenge thereto must be instituted through a separate appeal, in accordance with the applicable legal framework.



16. The representative of the Respondent further averred that under Rule 33 of the Public Procurement Rules, 2004, the Procuring Agency is vested with the lawful discretion to reject all bids at any time prior to the acceptance of a bid and to proceed in accordance with the Rules thereafter. Further submitted that although the bids of M/s Khawaja & Co. appeared financially lowest in certain tenders, however, financial lowest does not confer an absolute or vested right of award, and involves other relevant factors including but not limited to security clearance by the concerned wing of office of President of Pakistan.

17. The representative of the Respondent further contended that during processing of the case, Aiwan-e-Sadar Authorities communicated security restrictions, whereby M/s Khawaja & Co. was declared not security wise clear, vide letter dated 601 (2) – CDA/2025 Aiwan-e-Sadar dated 24-04-2025 and No. 601 (2)-CDA/2025 Aiwan-e-Sadar dated 03-06-2025.

18. The representative of the Respondent further highlighted that no letter of acceptance has ever been issued in favour of Appellant and PPRA Rules do not mandate award to the lowest bidder in isolation. Compliance with prequalification conditions, including security clearance, is compulsory. Further added that Article 18 of the Constitution of Pakistan is subject to reasonable restrictions, particularly where security concerns at such important buildings are involved.

19. The representative of the Respondent further clarified that the case was initially processed for acceptance of lowest bidders; however, before issuance of any work order, Aiwan-e-Sadar Authorities updated the Respondents regarding the security status of the Appellant and directed recall of tenders.

20. The representative of M/s Aqsa Impex submitted that the firm holds a valid PEC licence and, being a bidder, duly participated in the tender process. It was further submitted that the PEC licence of M/s Aqsa Impex fulfills the eligibility requirements prescribed by the procuring agency under the relevant category codes specified in the tender notice, namely ISO 9001:2015, ME-03, EE-04, ME-01, ME-02, EE-11(i), along with a valid electrical licence issued by the Electrical Inspector.

21. The representative of M/s Aqsa Impex further contended that the PEC licence of M/s Khawaja & Co. does not meet the mandatory requirements of the procuring agency, as it lacks approval for the requisite special category codes, particularly EE-11(i) and ISO 9001:2015. Accordingly, it was argued that M/s Khawaja & Co. does not qualify for further evaluation, and its bid is liable to be declared non-responsive.

22. The Appellate Committee heard arguments of the Parties at length and perused all available record furnished by the Parties to the subject Appeal.



23. In terms of Rules 29 & 30 of the Public Procurement Rules, 2004, which is reproduced as under:

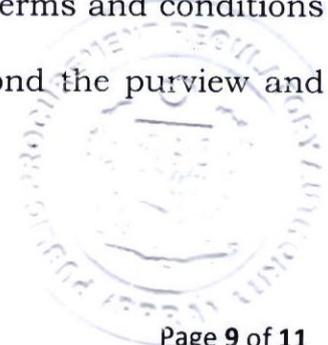
**29. Evaluation criteria.-**

Procuring agencies shall formulate an appropriate evaluation criterion listing all the relevant information against which a bid is to be evaluated. Such evaluation criteria shall form an integral part of the bidding documents. Failure to provide for an unambiguous evaluation criteria in the bidding documents shall amount to mis-procurement.

**30. Evaluation of bids.-**

(1) All bids shall be evaluated in accordance with the evaluation criteria and other terms and conditions set forth in the prescribed bidding documents. Save as provided for in sub-clause (iv) of clause (c) of rule 36 no evaluation criteria shall be used for evaluation of bids that had not been specified in the bidding documents.

24. It is pertinent to mention that no deviation from the specifications, terms and conditions specified in the bidding documents & evaluation criteria is permissible. The procuring agency may proceed strictly in accordance with terms and conditions set forth in the bidding documents. All participants in the bidding process are bound by the terms and conditions of tender documents and cannot go beyond the purview and ambit of the tender documents.



25. The Tender Notice stipulates that sealed tenders are invited on a percentage basis against the NIT cost for the specified works from contractors duly enlisted with the Pakistan Engineering Council (PEC) in the relevant code and category, holding valid ISO 9001:2015 certification, PEC license, and registrations in ME-03, EE-04, ME-01, EE-11, and ME-02. Furthermore, Clause 8 of the Tender Notice expressly provides that tender documents shall be issued exclusively to those firms that have obtained security clearance from the Aiwan-e-Sadar Authority.

26. In accordance with the aforesaid clause, any contractor intending to carry out work at Aiwan-e-Sadar is required to obtain security clearance prior to commencement of work. It was mandatory for the bidder to obtain valid security clearance at the time the bidding documents were issued.

27. In accordance with Rule 2(b) of the Public Procurement Rules, 2004, a "bidder" is defined as a person who submits a bid. In the present matter, M/s Aqsa Impex has not submitted any complaint regarding its alleged grievance before the Grievance Redressal Committee of the procuring agency as a bidder. Therefore, the petition filed by M/s Aqsa Impex is not maintainable and is therefore rejected.

28. In view of hereinabove facts and circumstances of the Appeal, the members of Appellate Committee are of the considered opinion that the Appellant does not meet the

eligibility criteria for participation, as it lacks the requisite relevant codes and the mandatory security clearance from the Aiwan-e-Sadar Authority. The Appellant has been rightly disqualified being non-responsive to the aforesaid required conditions, i.e., relevant codes and clause 8 of the Tender Notice. Hence, the Appellate Committee does not find any merit in the appeal which is hereby **dismissed** being devoid of merit.

  
**(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)

*Each page of the order has been signed by all members of the Appellate Committee. The order comprises of eleven (11) pages.*

