



No. PPRA/AP-26/2025
Government of Pakistan
Public Procurement Regulatory Authority
(Appeal & Review Petition Secretariat)
1st Floor, FBC Building, G-5/2, Islamabad
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ORDER

M/s Eight Construction

...the "Appellant"

Vs.

Local Government & Rural Development Department ICT, etc.

...the "Respondent(s)"

<u>Date of Hearing</u>	Mr. Muhammad Waqas
02.07.2025	(On behalf of Appellant)
	Mr. Zafeer-Ur-Rehman (XEN)
	(On behalf of Respondent)

APPEAL AGAINST THE GRIEVANCE REDRESSAL COMMITTEE UNDER RULE 48(7) OF THE PUBLIC PROCUREMENT RULES, 2004

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

2. At the outset, the learned representative of the appellant i.e., M/s Eight Construction submitted that he is a registered contractor with Pakistan Engineering Council (PEC) under Category C3 (Financial Limit of Rs.500 Million) vide license No. 9168 dated 15.08.2024. The Appellant is a Tax Payer and completed numerous contractual obligations up to

the satisfaction of various departments and has never been blacklisted.

3. The representative of the appellant also submitted that the respondent No. 2 i.e., Local Government & Rural Development Department, ICT *through its Executive Engineer* published an advertisement containing 28 tenders of various types and amounts on EPADS which were opened on 10.06.2025, at 11:00 AM. The Appellant also submitted a bid for the work titled "Construction of Tehsil Office at G-11/4 Islamabad" published at serial No. 28 under tender No.200 after fulfilling all requisite conditions including CDR Amounting to Rs.15,600,000/- within timelines mentioned in the advertisement. The bid of the Appellant was 17.86% below than the estimated cost.

4. The representative of the appellant further submitted that the Respondent No.2 had not published the bid Evaluation Report as provided under Rule 35 of the Public Procurement Rules, 2004 ("PP Rules, 2004"), after lapse of more than four (04) days. The Appellant has raised / submitted his grievance on EPADS on 13.06.2025 under Rule 48 of PP Rules, 2004. Subsequently, the Appellant also approached the Honorable Islamabad High Court, Islamabad through Writ Petition No. 2375/2025. The Honorable Court decided the matter on 19.06.2025, with the direction to the Authority to decide the pending representation of the petitioner within two weeks.

5. The representative of the appellant also submitted that the Respondent No. 2 published Final Evaluation Report as per Rule 35 of PP Rules 2004 on 18.06.2025. Whereby M/s Asghar and Co. was declared as most advantageous bidder at his evaluated cost which is higher than the bid quoted by the Appellant. The bid of Appellant was rejected on the grounds that "Required qualification / ineligibility mentioned in the Clause-1 of the bid invitation notice is not fulfilled".

6. The representative of the appellant further added that as per Rule 48(6) of the PP Rules, 2004, the GRC has to investigate and decide upon the complaint within 10 days of its receipt, which has not been decided by the GRC till date. Accordingly, the Appellant was left with no other remedy except to file an Appeal under Rule 48(7) of the Public Procurement Rules, 2004 ("PP Rules") as provided in SRO 91(1)/2022 Rule 3 "Scope" which is as under:-

".....Provided that in case GRC is not constituted by the procuring agency or GRC fail to decide the grievance within prescribed period of time the aggrieved party may file appeal under Rule 48(7)", hence this appeal.

7. On the other side, learned representative of the respondent i.e., Local Government & Rural Development Department, ICT submitted that the qualification of the appellant under which his registration is in category C-3 and he can undertake projects having financial limit upto Rs. 500 Million. As far as the tender No.200 is concerned, the appellant did not fulfill the required criteria as mentioned in

the tender invitation notice (E-PADS) as well as in the bidding documents i.e. registration in C-2 category having specialized code of BC03. It is pertinent to mention that the cost of said project was Rs.520 Million and the appellant firm was registered in C-3 category which is entitled for projects up to financial limit Rs. 500 Million. The appellant is also not entitled for specialized code BC03 meant for experience in multi-story buildings etc.

8. The representative of the respondent also submitted that, after completion of due process, the respondent uploaded bid evaluation report on EPADS against the said tender on 17.06.2025, whereas the same was sent to PPRA for publication on its website on 17.06.2025. Moreover, the appellant firm was not registered in C-2 category as required for project Rs.520 Million. Secondly, he was also not registered in the required code BC-03 specified by PEC for multi-story buildings. M/s Asghar & Co. was declared as most advantageous bidder as he fulfilled the required criteria.

9. The representative of the respondent further submitted that the appellant was not eligible for criteria as required/ mentioned in the bidding documents. Hence his bid was rejected under Rule 30 of PP Rules. Further, the required criteria was duly mentioned in the bid invitation notice as well as in the bidding documents in accordance with rules, but the appellant did not hold the required qualification. The estimated cost reflected in the PPRA advertisement as Rs.50

Million was a typo error for which proper corrigendum was issued. It is worth mentioning that the amount of CDR (3%) was against Rs.520 Million in the same advertisement. The amount of 520 Million was duly published on EPADS advertisement, Bidding documents and Bid form.

10. At the last, the representative of the respondent also submitted that the GRC has decided the grievance of the appellant well in time and had been uploaded on EPADS on 26.06.2025. The same has been submitted to PPRA vide respondent's office letter No. RD-11(110)/2024-25 dated 27.06.2025, hence request for dismissal of the instant appeal.

11. After perusal of all relevant record and arguments made by both the parties, the Appellate Committee observed that, it is an admitted fact that the appellant is registered with Pakistan Engineering Council under Category C-3 with a financial limit of Rs.500 Million and that the estimated cost of the tender in question was Rs.520 Million. Accordingly, the appellant does not meet the requirement of relevant Category C-2 of Pakistan Engineering Council.

12. The Appellate Committee also observed that the bidding documents and tender invitation clearly required the specialized PEC Code BC-03, which pertains to construction of multi-story buildings. The appellant does not possess this specialized code, which is a mandatory eligibility criteria. Therefore, the Committee finds that the rejection of the

appellant's bid by the procuring agency was in accordance with Rule 30 of the PP Rules, which allows for the rejection of bids that do not meet the eligibility and qualification requirements as set out in the bidding documents.

13. Furthermore, the Appellate Committee observed that the respondent department adopted single stage single envelop procedure instead of single stage two envelop for such huge type of procurement. The Appellate Committee is of the view that the adoption of such a method is inappropriate and does not align with the spirit of the procurement legal framework.

14. Moreover, the Committee observed that, according to the respondent's own statement during the hearing, the Letter of Intent (LOI) has been issued. However, the Final Evaluation Report was published on 17.06.2025. As per Rule 35 of the PP Rules, 2004, the procuring agency must wait at least 15 days after the announcement of the final evaluation report before awarding the contract. Therefore, issuance of the LOI contrary to the stipulated time as defined in the said rule, is a procedural lapse and violative of Rule 35 of the PP Rules.

15. The Appellate Committee further observed that, as per the stance of the representative of the respondent the estimated cost reflected in the advertisement as Rs.50 Million instead of Rs.520 Million, was a typo error for which proper corrigendum was issued, however, contrary to this, the

respondent has failed to provide evidence regarding the publication of corrigendum on EPADS, hence violative the spirit of Rule 12 of the PP Rules, which mandates transparent and timely publication of procurement advertisements and corrigendum.

16. In view of above, the Appellate Committee is of the considered view that the Appellant did not fulfill the required criteria as mentioned in the tender invitation notice (EPADS) as well as in the bidding documents i.e. registration in C-2 category having specialized code of BC03. Therefore, the appeal in hand is hereby **dismissed** being devoid of merit and disposed of in the light of above mentioned observations.



(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 seven (07) pages.

