



F. No. PPRA/AP-56/2026
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 Shaheen Medical Services

...the “Appellant”

Vs.

Oil & Gas Development Company Limited & Another

...the “Respondent(s)”

<u>Date of Hearing</u> 31.08.2026	Mr. Jameel Hussain Qureshi (ASC), Mr. Wasif Mehmood Satti (CFO), Mr. Amjad Saleh (COO) (On behalf of Appellant) Mr. M. Saqib Bhatti (Advocate), Syed Ijaz Ali Shah (Sr. Law Officer), Mr. Waheed-ul-Islam (On behalf of Respondent i.e., OGDCL) Mr. Muhammad Atique Samar (On behalf of Respondent # 3 i.e., Medicine House)
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APPEAL UNDER RULE 48(7) OF THE PUBLIC PROCUREMENT RULES, 2004

The Authority received the titled Appeal on 13.08.2026, filed under Rule 48(7) of the Public Procurement Rules, 2004. The Authority on receipt of the Appeal issued notices to the parties wherein it was directed to appear in person or through their nominated representatives or Counsel before the Authority on

31.08.2026 before the Appellate Committee in the Committee Room of this Authority.

2. On the said date of hearing (31.08.2026), the above-mentioned learned counsels and representatives of the parties appeared before the Committee and presented their arguments at length. The Respondent provided written arguments to the Committee.
3. The counsel for the Appellant submitted that the subject matter of the appeal falls within the jurisdiction of the authority. The appeal is within the limitation period as prescribed in Rule 48(7) of the Public Procurement Rules, 2004. Having been aggrieved by and dissatisfied with the impugned actions of Respondent No.1, wherein it has declared the Respondent No. 3 as successful bidder (North Region), despite its ineligibility, non-compliance with the mandatory requirement of bidding documents, commission of material irregularities, and violation of procurement laws and other applicable laws, rules and regulations; and further aggrieved by the impugned orders dated 24-07-2026 and 02-06-2026, wherein the respondent No. 2. has endorsed the actions of the Respondent No.1, and failed to adequately address the grievance of the Appellant. Therefore, the appellant prefers this appeal against the impugned actions of Respondent No. 1 and impugned orders passed by respondent No. 2 being non-speaking, arbitrary, illegal and unlawful, and therefore untenable in law and liable to be set aside.
4. The counsel for the Appellant further submitted that the description and addresses of the parties given in the titled appeal are correct and sufficient for the purpose of notices to the parties and the matters ancillary thereof. That respondent No. 1 published "Invitation for Bid", for HIRING IN HOUSE PHARMACY SERVICES, vide Tender Enquiry No. OGDCL-SCM-SERVICES-CB-MEDICAL-314960771-2026 for a Bid

Security/Bond of Rupees 0.5 million, for Group-A (North Region), and Rs.0.3 million for Group B (South Region), based on Single Stage- Two Envelope bidding procedure.

5. Further submitted that the Bid submission deadline was 30-03-2026. The appellant accordingly submitted its sealed bids, containing technical as well as financial proposals, within prescribed period, the technical bids were opened on the same date. It is relevant to mention here that the Appellant has already been providing in House Pharmacy Services to Respondent No. 1, to its full satisfaction. That two bidders participated in the aforesaid bid, both the bidders were declared technically responsive in the Technical Evaluation Report (uploaded on website on 07-05-2026) Subsequently on 06-06-2026, Respondent No 1 published the Final Evaluation Report, wherein it declared Respondent No. 3 as most advantageous bidder for the North Region, which could not be practically possible given its limited financial capacity to sustain contractual obligations. Further, the Respondent No. 3 was declared successful bidder / most advantageous bidder (North Region) for which the Respondent No.3 was not even entitled, owing to its non-compliance with the mandatory bidding requirements, material irregularities, violation of procurement and drugs law and regulations, and misrepresentation before the Respondent No. 1.

6. Further submitted that as per the appellant's knowledge, Respondent No 3's total net worth is Rs. 173 million, which is significantly lower than the total outstanding payable amount that OGDCL/Respondent No. 1 maintains against medicine bills at any given time, ranging between Rs. 450 million and Rs. 500 million. This disparity indicates Respondent No. 3's limited financial capacity to sustain contractual obligations of this scale. This is further evidenced by the fact that the Appellant is currently providing services to the Respondent

No. 1, and a huge amount of Rs. 383.924 million is still outstanding towards Respondent No.1. Further submitted that it is has come into knowledge of appellant that the Respondent No. 3's non-current assets amount to only Rs. 23 million. This amount appears insufficient to demonstrate ownership of equipment, infrastructure, and operational resources necessary to meet the operational requirements for pharmacy services at the 03 different locations by the participant. Moreover, the financial documents submitted by Respondent No. 3 omit the Revenue Statement, which is an essential financial statement, and this omission prevents a proper assessment of Respondent No. 3's business turnover and overall financial performance.

7. Further submitted that the evaluation was to be conducted based on several requirements, one of such requirements was the number of non-franchised outlets owned by bidder. It is significant to mention here that the term "Non-franchised" means "Operating under same name." Accordingly, only a bidder having 3 non-franchised outlets was to be declared qualified, among other factors. However, the bidder namely "MEDICAL HOUSE PHARMACY", operates only single pharmacy under the name and style of "MEDICINE HOUSE PHARMACY" and does not operate any other outlet with the same name and style, and therefore does not qualify as operating 3 non-franchised outlets. Nevertheless, Respondent No. 3 was declared successful bidder, which is in stark contravention of the bidding requirements and factual matrix, rendering the decision to declare it the successful bidder arbitrary, therefore the Respondent No. 3 is liable to be disqualified. It is further relevant to state that, during the evaluation process, pharmacies operating under different business names were presented to the Evaluation Committee as part of "MEDICINE HOUSE PHARMACY", despite the fact

that those pharmacies were operating under the name "CARE+ HEALTH PHARMACY" which neither forms part of nor operate as franchise of "MEDICINE HOUSE PHARMACY". Therefore, treating them franchise of Respondent No. 3 appears to be a deliberate attempt to accommodate Respondent No. 3 by the Respondent No. 1.

8. Further submitted that it is the mandatory requirement under the drugs laws that a person desiring to sell, store, exhibit for sale, or distribute drugs at more than one place shall apply for a separate license in respect of each place /outlet, whereas, as per the knowledge of the appellant, the said bidder does not possess a separate license for the pharmacy located in G-15. Therefore, its operation is illegal and unlawful, and it was liable to be disqualified on this score alone. That the outlet operating at G-15 lacks the qualified Staff & Strength (1 pharmacist and 5 salesmen at each outlet), a fact which can be verified from the documents submitted by Respondent No. 3 to Respondent No.1, for which, to the knowledge of Appellant no marks were awarded to the Respondent No. 3. The absence of such qualified staff renders the operation of the pharmacy illegal, unlawful and against the public interest, thereby posing a higher risk to the health and life of public at large. Moreover, it was also mandatorily required that the bidder must own Warehouse Support, however no such document establishing the existence of warehouse facility is attached. Therefore, the bidder is liable to be disqualified on this score alone. That subsequently, more facts were also revealed to the appellant, which would render the Respondent No. 3 liable to be disqualified. That the documents provided by the Respondent No. 3, i.e., M/s Medicine House Pharmacy contain certain discrepancies and missing financial and tax disclosures, including a lack of audited statements, incomplete financial information, and inconsistencies between its claimed business

operations and its tax records. These irregularities raise serious concerns about the financial capacity, authenticity of information provided, and operational experience, all of which are prime factors to be evaluated in the Public Procurement.

9. Further submitted that another grave irregularity apparent on the record is that the financial statements submitted by the Respondent No. 3 were not audited by the independent, qualified external audit firm. The documents were provided on letterhead of Medicine House Pharmacy and are not supported by any auditor's report, opinion, signature, or certification, as are mandatorily required and according to the established practice. Therefore, such financial statements shall not be considered as duly audited financial statements, hence, the act of Respondent No. 3 is deliberate and constitutes misprocurement. That another discrepancy is the inconsistencies in the Tax Profile and Business History. It has been observed that, at the time of participation in tender, Respondent No. 3's tax profile reflected only two business entities. It is to be noted that third pharmacy (G-15) was added to tax profile only after the opening of Technical Bid. Furthermore, while Respondent No. 3 claimed to have been operating pharmacy in G-15 for approximately 3.5 years, whereas the available tax records indicate otherwise which act also constitutes misrepresentation. That the appellant highlighted these irregularities before the Grievance Redressal Committee by filing grievances, however the GRC /Respondent No. 2 has completely overlooked this aspect and passed its order dated 02-06-2026, and order dated 24-07-2026, wherein it arbitrarily and mechanically held that the grievance filed by the appellant is not tenable under law.

10. Further submitted that the impugned orders passed by Respondent No.2 are therefore, non-speaking, patently and ex-facie illegal, perverse, contrary to law and without lawful

authority and proper application of mind, therefore, the same is liable to be set aside, inter alia, on the following:-

- I. That the impugned orders dated 24-07-2026 and 02-06-2026 are non-speaking orders, passed in violation of the principles of natural justice, as Respondent No. 2 failed to record any reasoning while dismissing the specific and material objections raised by the Appellant regarding the eligibility and disqualification of Respondent No. 3. A grievance redressal committee constituted under Rule 48 of the Public Procurement Rules, 2004, is required to apply independent judicial mind to the objections raised and to render a reasoned decision; mechanical rejection of a grievance, without addressing the substance of the complaint, renders the order arbitrary, unlawful, and liable to be set aside.
- II. That the Respondent No. 1 failed to undertake any meaningful scrutiny of the documents submitted by the Respondent No.3, who submitted false information deliberately. It was the implied duty of the Respondent No. 1 to conduct such scrutiny and thereafter disqualify any bidder found non-compliant with the requirements of bidding documents; however, Respondent No. 1 failed to discharge this duty, thereby vitiating the entire process.
- III. That the discount of 16% quoted by Respondent No. 3, as against 15.3% quoted by the Appellant, was disproportionate to its declared financial capacity and raised a reasonable apprehension of an unsustainable or unrealistic bid. As per the appellant's knowledge, Respondent No. 3's total net worth is Rs 173 million, which is significantly lower than the total outstanding payable amount that OGDCL / Respondent No. 1 maintains against medicine bills at any given time, ranging between Rs. 450 million and Rs. 500 million. This disparity indicates Respondent No. 3's limited financial capacity to sustain contractual obligations of this scale, and raises serious doubts as to how a bidder of such limited means could realistically absorb the cash-flow burden of servicing OGDCL's medicine bill payables while sustaining a higher discount margin. This is further evidenced by the fact that the Appellant is currently providing services to the Respondent No. 1, and a huge

amount of Rs.383.924 million is still outstanding towards Respondent No. 1. The Respondent No. 1 was under an obligation to conduct due diligence and satisfy itself as to the financial capacity of the bidder to sustain such contractual obligations before declaring it successful, and its failure to do so, is indicative of an evaluation process conducted without due care and in disregard of the principles of economy and value for money.

- IV. That Respondent No. 3 was ineligible for the bid, having failed to meet the mandatory eligibility criterion for possessing three non-franchised outlets, which was an integral part of the bidding documents. Under Rule 4 of the Public Procurement Rules, 2004, procuring agencies are bound to ensure transparency, fair competition, and non-discrimination among bidders, the acceptance of a bidder that does not meet a threshold eligibility requirement, while such requirement was strictly applicable to all bidders, is a violation of this principle and vitiates the entire evaluation process.
- V. That the presentation of "Care + Health Pharmacy" as a franchise/outlet of Respondent No. 3, despite its operating under an entirely distinct name and having no franchise relationship with "Medicine House Pharmacy," amounts to a material misrepresentation of facts before the Evaluation Committee. Such misrepresentation, made to secure an undue advantage in the bidding process, squarely falls within the definition of misprocurement under Rule 50 of the Public Procurement Rules, 2004, being an unauthorized breach of the Rules, and independently warrants disqualification of Respondent No. 3 under Public Procurement Rules.
- VI. That the pharmacy outlet of Respondent No. 3 located at G-15 is being operated without a separate drug sale license, in violation of the mandatory requirement under the applicable drugs law that a separate license be obtained for each place of business. An outlet operating without lawful authority cannot be counted towards fulfilment of the eligibility criteria, and reliance on such an illegally operating outlet to establish eligibility renders the qualification of Respondent No. 3 fundamentally arbitrary, and the respondent No. 1 has miserably failed

to exercise due diligence, for which Respondent No. 1 is impliedly under duty to exercise.

VII. That the outlet at G-15 further lacks the mandatorily required qualified staff strength (one pharmacist and live salesmen), a deficiency borne out by Respondent No. 3's own submitted documents. To declare a bidder as successful bidder who cannot ensure minimum statutory staffing standards poses a direct risk to public health and safety, and Respondent No. 1, being under an obligation to protect public interest in procurement of pharmacy services, erred in overlooking this glaring deficiency while declaring Respondent No. 3 successful.

VIII. That Respondent No. 3 failed to furnish any document establishing ownership or availability of warehouse support, which was a mandatory requirement of the bidding documents. A bid that does not conform to the mandatory conditions of the bidding documents is substantially non-responsive and is liable to be rejected; its acceptance despite this deficiency constitutes a material irregularity and a violation of the evaluation criteria prescribed in the bidding documents. It is further relevant to mention here that the Respondent No. 3 does not possess a drug storage and warehouse license, as mandatorily required under the applicable drug laws, for which the Respondent No. 3 was not entitled to be awarded even a single mark.

IX. That the financial statements submitted by Respondent No. 3 were not certified, signed, or authenticated by any independent qualified external auditor, and were merely produced on the letterhead of Medicine House Pharmacy. Submission of unaudited, self-generated financial statements, where audited statements were mandatorily required, constitutes non-compliance with the bidding documents and calls into question the very financial capacity on the basis of which Respondent No. 3 was evaluated and declared successful.

X. That the tax profile of Respondent No. 3 reflected only two business entities at the time of bid participation, and the third outlet at G-15 was added to its tax profile only after the opening of the Technical Bid. It is a settled principle of public procurement that a bidder cannot improve,

alter, or supplement its qualifications after the bids have been opened, permitting such post-opening enhancement of eligibility documents, and yet relying on it to qualify Respondent No. 3, is impermissible and renders the evaluation illegal.

- XI. That the Respondent No. 3's claim of having operated the G-15 outlet for approximately 3.5 years is contradicted by its own tax records, which reflect a materially shorter period of operation. This inconsistency between the bid submissions and the bidder's own official record constitutes misrepresentation of facts material to the eligibility determination, and ought to have resulted in disqualification rather than acceptance.
- XII. That taken cumulatively, the irregularities set out above, ineligibility on account of non-franchised outlets, unlicensed operation, understaffing, absence of warehouse support, unaudited financial statements, post-opening alteration of tax profile, and misrepresentation of operational history, establish that the declaration of Respondent No. 3 as successful bidder was not the result of a fair, transparent, and lawful evaluation, but of a process vitiated by material irregularity and mis-procurement within the meaning of Rule 50 of the Public Procurement Rules, 2004.
- XIII. That Respondent No. 2, despite these irregularities being specifically brought to its notice through the Appellant's grievances, failed to conduct any meaningful inquiry, failed to consider the documentary material placed before it, and passed the impugned orders in a mechanical and perfunctory manner, thereby defeating the very purpose of the grievance redressal mechanism envisaged under Rule 48 of the Public Procurement Rules, 2004.
- XIV. That the impugned orders, being non-speaking, arbitrary, and passed without due application of mind to the material irregularities pointed out by the Appellant, are patently illegal, without lawful authority, and liable to be set aside, and the declaration of Respondent No. 3 as the successful bidder is liable to be annulled.
- XV. That the Honorable Authority may graciously be pleased to appreciate that the impugned actions of Respondent

No. 1 and impugned orders dated 02-06-2026 and 24-07-2026 passed by Respondent No. 3 are devoid of merits and also in violation of Section 24-A of the General Clauses Act.

XVI. That the appellant craves leave to rely on further / additional grounds at the time of hearing/arguments.

11. The counsel for the Respondent No. 1. (OGDCL) submitted that the Appeal in question is not maintainable in its current form and should therefore be dismissed. The Appellant has presented baseless and frivolous grounds, making the Appeal subject to dismissal with exemplary costs. Further submitted that OGDCL, through a press tender for hiring the services of a vendor for establishment of an in-house pharmacy through advertisement dated 11.03.2026 in a national process. Two bids were received against the subject tender, which were opened on 30.03.2026 at 11:00. Both bids were technically evaluated as per TORs and were declared responsive. The technical evaluation report was uploaded on 07.05.2026, and the Appellant submitted its grievance on 12.05.2026, which was decided on 01.06.2026.

12. Further submitted that the financial bids were opened on 02.06.2026 at 11:00, and the Respondent No. 3 has provided the maximum discount; hence, it was recommended for the award of the contract for the North region. The Appellant submitted a second grievance on 10.06.2026, and the same was decided on 24.07.2026.

13. Further submitted that at the outset that the Appellant has impugned the Orders dated 02.06.2026 and 24.07.2026, whereas the captioned Appeal was preferred in August 2026. Rule 48(7) of the Public Procurement Rules, 2004 ("PPR, 2004") prescribes a period of thirty (30) days for preferring an appeal. Consequently, to the extent that the Appeal challenges the Impugned Order dated 02.06.2026, the same is ex facie barred

by limitation and is liable to be dismissed on this ground alone. It is further submitted that the Grievance dated 10.06.2026, from which the Impugned Order dated 24.07.2026 emanates, was itself not maintainable in view of Rule 48(5) of the PPR, 2004.

14. Further submitted that the objections raised in the Grievance dated 10.06.2026 cannot, by any stretch of interpretation, be treated as objections relating to the financial bid. The Terms of Reference ("TORs") categorically provided under Clause 5 that the Financial Proposal was to be duly filled in the prescribed format of rates. At the time of submission of the financial bid, no bidder was required to furnish its financial strength, financial statements, net worth or any similar financial qualification and any financial documents were required to be filed at the technical evaluation. Even assuming, without conceding, that the Grievance dated 10.06.2026 was maintainable, the same was nevertheless barred by limitation. Rule 48(3) of the PPR, 2004 provides that: Any bidder feeling aggrieved by any of the procuring agency after the submission of his bid may lodge a written complaint concerning his grievances within seven days of announcement of the technical evaluation report and five days after issuance of final evaluation report. Since the objections raised by the Appellant were admittedly directed towards the technical evaluation of Respondent No. 3, the period of limitation commenced from the date of announcement of the Technical Evaluation Report, i.e. 07.05.2026. The Grievance dated 10.06.2026 was therefore filed beyond the prescribed period of seven (7) days and was independently barred by limitation.

15. Further submitted that Respondent No. 3 was responsible for determining and maintaining its own business model, operational arrangements and commercial viability. Neither OGDCL nor any other party could substitute its own

commercial assessment for that of a bidder. Respondent No. 3 participated in the bidding process and submitted its financial bid after taking into account its operational efficiencies, economies of scale, administrative arrangements, procurement systems, asset base and commercial objectives. Merely because the Appellant entertains doubts or speculative apprehensions regarding the commercial viability of Respondent No. 3 does not render Respondent No. 3 non-responsive or incapable of performing the Contract.

16. Further submitted that the Appellant had failed to demonstrate any departure from the bidding documents, any procedural irregularity, mala fide, discrimination, favoritism or breach of the PPR, 2004 during the evaluation process. That the jurisdiction of this Honorable Authority is to examine whether the procurement process had been conducted as per TOR's. It is not the function of the committee to substitute its own commercial assessment or adopt the costing methodology proposed by one unsuccessful bidder in place of evaluation criteria already notified through bidding documents.

17. Further submitted that the Grievance filed by the Appellant was thoroughly addressed by the OGDCL/Answering Respondent and duly considered by the BGRC/Respondent No. 2, rendering the current Appeal unsustainable and subject to dismissal. The Appellant has attempted to introduce its own self-defined interpretation of the expression "Non-Franchised". The expression "Non-Franchised" was incorporated by OGDCL for the specific purpose of ensuring that the outlets were operated and managed by the same bidder. GRC duly verified the relevant registration particulars and found that the pharmacies, although operating under different names, carried identical registration particulars, including NTN, CNIC and proprietor information. The allegation of any violation on this account is therefore misconceived.

18. Further submitted that the Orders dated 02.06.2026 and 24.07.2026 were passed after due consideration of the available record and in accordance with the principles of transparency, fair competition and natural justice. Based on the aforementioned assertions, the Appeal should be dismissed.
19. Further submitted that at the outset that the Appellant has impugned the Orders dated 02.06.2026 and 24.07.2026, whereas the captioned Appeal was preferred in August 2026. Rule 48(7) of the Public Procurement Rules, 2004 ("PPR, 2004") prescribes a period of thirty (30) days for preferring an appeal. Consequently, to the extent that the Appeal challenges the Impugned Order dated 02.06.2026, the same is ex facie barred by limitation and is liable to be dismissed on this ground alone. It is further submitted that the Grievance dated 10.06.2026, from which the Impugned Order dated 24.07.2026 emanates, was itself not maintainable in view of Rule 48(5) of the PPR, 2004. The objections raised in the Grievance dated 10.06.2026 cannot by any stretch of interpretation, be treated as objections relating to the financial bid. The Terms of Reference ("TORs") categorically provided under Clause 5 that the Financial Proposal was to be duly filled in the prescribed format of rates. At the time of submission of the financial bid, no bidder was required to furnish its financial strength, financial statements, net worth or any similar financial qualification, and any financial documents were required to be filed at the technical evaluation. Even assuming, without conceding that the Grievance dated 10.06.2026 was maintainable, the same was nevertheless barred by limitation. Rule 48(3) of the PPR, 2004 provides that: Any bidder feeling aggrieved by any of the procuring agency after the submission of his bid may lodge a written complaint concerning his grievances within seven days of announcement of the technical evaluation report and five

days after issuance of final evaluation report. Since the objections raised by the Appellant were admittedly directed towards the technical evaluation of Respondent No. 3, the period of limitation commenced from the date of announcement of the Technical Evaluation Report, i.e. 07.05.2026. The Grievance dated 10.06.2026 was therefore filed beyond the prescribed period of seven (7) days and was independently barred by limitation. It is further submitted that the Appellant has merely levelled vague, general and unsubstantiated allegations against Respondent No. 3 without identifying any specific violation of the Bidding Documents, applicable law or mandatory qualification criterion. The allegations that the Impugned Orders were arbitrary, non-speaking or passed without consideration of the relevant material are equally false, misconceived and devoid of merit. The Appeal, therefore, is liable to be dismissed on the grounds of limitation as well as maintainability.

20. Further submitted that the Respondent No. 1/OGDCL received two bids, one submitted by the Appellant and the other by Respondent No. 3. The bids were opened on 30.03.2026, whereas the Technical Evaluation Report was uploaded on 07.05.2026. Against the said Technical Evaluation Report, the Appellant submitted its first Grievance on 12.05.2026, which was dismissed vide Order dated 02.06.2026. Thereafter, the Final Evaluation Report was issued on 06.06.2026, whereupon the Appellant submitted a second Grievance dated 10.06.2026, again raising objections substantially relating to the Technical Evaluation Report dated 07.05.2026. The said Grievance was dismissed vide Order dated 24.07.2026. The Appeal, to the extent it challenges the Order dated 02.06.2026, is hopelessly barred by the statutory period of thirty (30) days prescribed under Rule 48(7) of the PPR. 2004. Likewise, the second Grievance itself was not maintainable as it sought to raise

objections to the technical evaluation after issuance of the Final Evaluation Report, contrary to Rule 48(5), and was in any event barred by the limitation prescribed under Rule 48(3)

21. Further submitted that the Appellant levelled allegations of non-compliance, material irregularities, violations of procurement and drug laws, and misrepresentation, but failed to identify any specific provision, qualification criterion or mandatory requirement allegedly violated by Respondent No. 3. The first Grievance was challenged beyond the prescribed limitation period insofar as the present Appeal is concerned, whereas the second Grievance was itself not maintainable as it sought to challenge the technical evaluation after issuance of the Final Evaluation Report and was, in any event, filed beyond the prescribed limitation period. Bidding Documents did not prescribe any specific financial capacity, net worth or financial strength as a qualifying criterion for bidders. Accordingly, Respondent No. 3 could not lawfully be declared non-responsive on a criterion which was never prescribed in the Bidding Documents.

22. Further submitted that as a matter of prudence and caution, the BGRC had independently verified the medicine procurement chain of Respondent No. 3, although no such verification was required as a specific qualification under the Bidding Documents. Upon such verification, the second Grievance was dismissed. Furthermore, OGDCL's contractual rights and interests remain fully protected by the obligations imposed upon the successful bidder under the Contract to be executed. Such contractual safeguards were incorporated precisely to protect the interests of OGDCL. Lastly, and most importantly, the Bidding Documents/TORs/Technical Evaluation Criteria did not prescribe any minimum financial worth or financial capacity of a bidder for maintaining or servicing outstanding amounts allegedly payable by OGDCL. In

the absence of such a prescribed requirement, Respondent No. 3 could not be declared non-responsive on that basis.

23. Further submitted that there was no requirement under the Bidding Documents/TORs/Technical Evaluation Criteria for a bidder to possess any specified level of non-current assets. Respondent No. 3, therefore, could not be declared non-responsive on a criterion which did not form part of the prescribed evaluation criteria. On the contrary, the Answering Respondent No. 2 independently verified the audited financial statements furnished by Respondent No. 3 from the concerned auditor and duly scrutinized the same.

24. Further submitted that the Appellant has attempted to introduce its own self-defined interpretation of the expression "Non-Franchised". The expression "Non-Franchised" was incorporated by OGDCL for the specific purpose of ensuring that the outlets were operated and managed by the same bidder. Answering Respondent No. 2 duly verified the relevant registration particulars and found that the pharmacies, although operating under different names, carried identical registration particulars, including NTN, CNIC and proprietor information. The allegation of any violation on this account is therefore misconceived.

25. Further submitted that the Appellant never raised the objection regarding the alleged non-holding of a valid licence in either of its Grievance Applications. The Appellant is, therefore, precluded from introducing a wholly new objection at the appellate stage and is barred by the principle of estoppel from raising the same. Without prejudice to the foregoing, the Appellant has failed to identify a single statutory provision allegedly violated by Respondent No. 3 and has relied merely upon bald and unsubstantiated allegations. Respondent No. 3, being the sole proprietor, holds a valid drug licence for

operating its business. The allegation is, therefore, devoid of merit.

26. Further submitted that the Appellant did not object to the alleged lack of qualified staff and staff strength in either of its Grievance Applications. The Appellant cannot be permitted to introduce a new ground at the appellate stage, particularly when the same was never placed before the procuring agency, and is therefore barred by the principle of estoppel. Respondent No. 3 obtained the requisite marks under the Technical Evaluation Report and was accordingly declared responsive. Merely because Respondent No. 3 may not have obtained full marks under each component of the TORs does not render it non-responsive. The Technical Evaluation Criteria required bidders to satisfy the prescribed qualifying criteria and not to obtain full marks in every individual category. Indeed, the Appellant itself did not obtain full marks in every category. If the Appellant's suggested criterion were applied consistently, the Appellant would likewise have to be declared non-responsive. The objection regarding warehouse support was also never raised in either Grievance Application and is therefore not legally maintainable and is barred by estoppel.

27. Further submitted that the answering Respondent & GRC independently scrutinized the audit reports and financial statements submitted by Respondent No. 3 and further verified the same from the concerned audit firm, which duly confirmed the relevant information. The objection subsequently raised through the second Grievance Application is therefore devoid of merit. In any event, the second Grievance was neither maintainable nor within limitation, as it sought to challenge the Technical Evaluation Report after issuance of the Final Evaluation Report and was also filed beyond the prescribed period of seven (7) days from announcement of the Technical Evaluation Report.

28. Further submitted that although the second Grievance Application itself was not maintainable and was barred by limitation, the Answering Respondent & GRC nevertheless independently verified the relevant information from the External Auditor, M/s. Tariq Qazi, which confirmed and certified the relevant audit reports and financial statements. The Appellant has deliberately failed to disclose this material fact and has attempted to create an incorrect impression before this Authority that the financial record of Respondent No. 3 was accepted without verification. Such assertion is factually incorrect and liable to be rejected.

29. Further submitted that Respondent No. 2 passed the Orders dated 02.06.2026 and 24.07.2026 after duly considering the relevant record, objections and material available before it. Both Orders were passed upon due consideration of the matter and cannot be characterized as arbitrary or non-speaking merely because the Appellant is dissatisfied with the conclusions reached therein.

30. Further submitted that the Order dated 02.06.2026 was passed after consideration of the first Grievance and, to the extent the same is challenged through the present Appeal, such challenge is barred by limitation. Likewise, the second Grievance was itself not maintainable as it sought to raise objections regarding the Technical Evaluation after issuance of the Final Evaluation Report, contrary to Rule 48(5) of the PPR, 2004. In any event, any objection to the Technical Evaluation Report was required to be raised within seven (7) days in terms of Rule 48(3), and the second Grievance was filed beyond the prescribed period.

31. Further submitted that the Appellant itself is already providing services to OGDCL at a discount of 16%. Likewise, in respect of the South Region, where the Appellant was declared

successful, its quoted bid was also comparatively low, particularly as no other bidder had participated in the said bidding process. Therefore, if the principle sought to be advanced by the Appellant is applied consistently, the Appellant itself would be exposed to the same objection. Different bidders may legitimately arrive at different prices depending upon their operational efficiencies, economies of scale, existing infrastructure, deployment strategy, administrative arrangements, procurement systems, asset base and commercial objectives. Merely because one bidder quotes a lower price than another does not by itself establish that the bid is non-responsive or incapable of performance. Furthermore, previous provision of services to OGDCL was neither prescribed as a qualification nor constituted an additional criterion under the Technical Evaluation Criteria.

32. Further submitted that the Care + Health Pharmacy is not being operated as a franchise outlet. The assertion that the same is being operated as a franchise outlet is factually incorrect and was never represented by Respondent No. 3 as such. The Answering Respondent & GRC duly verified the relevant particulars and found that the pharmacies, although operating under different names, carried identical registration particulars, including NTN, CNIC and proprietor information. Accordingly, the allegation of mis-procurement or misrepresentation is wholly misconceived and has no factual or legal basis. The objection regarding non-possession of a valid licence was never raised by the Appellant in either of its Grievance Applications. The Appellant is consequently barred by the principle of estoppel from raising such a new objection at the appellate stage. The Appellant has further failed to identify any specific statutory provision allegedly violated by Respondent No. 3 and has relied merely upon bald and vague

allegations. Respondent No. 3, being the sole proprietor, possesses a valid drug licence for operating the business.

33. Further submitted that the Appellant never objected to the alleged lack of qualified staff and staff strength in either of its Grievance Applications. The same is therefore not legally tenable and is barred by the principle of estoppel. Respondent No. 3 attained the requisite marks under the Technical Evaluation Report and was accordingly declared responsive. Merely on the basis of the Appellant's verbal assertions, Respondent No. 3 cannot be declared non-responsive, particularly where the prescribed qualifying criteria had been duly satisfied.

34. Further submitted that the objection concerning warehouse support was never raised through either of the Grievance Applications submitted by the Appellant. The same is therefore neither maintainable nor legally tenable and is barred by the principle of estoppel. Respondent No. 3 attained the requisite marks under the Technical Evaluation Report and was consequently declared responsive. Mere verbal assertions of the Appellant cannot displace the findings of the duly conducted technical evaluation. Even otherwise the GRC had independently verified the complete supply chain of the Respondent No. 3. The Orders dated 02.06.2026 and 24.07.2026 were passed after due consideration of the available record and in accordance with the principles of transparency, fair competition and natural justice.

35. The representative of the Respondent No. 3 (MEDICINE HOUSE PHARMACY) submitted that Rule 48(5) of the Public Procurement Rules, 2004 explicitly states:

"In case the complaint is filed after the issuance of final evaluation report, the complainant cannot raise any objection on technical evaluation of the report: provided that the complainant may raise the objection on any part

of the final evaluation report in case where single stage single envelop bidding procedure is adopted."

36. Further submitted that the instant in-house pharmacy tender published by OGDCL was explicitly advertised and conducted under the Single-Stage, Two-Envelope bidding procedure, as clearly specified in the original tender documents. That under this statutory framework, the technical evaluation was completed first, and after undertaking due process of technical grievances the Technical Evaluation Report was formally published by the procuring agency. That following the conclusion of the technical stage, the financial bids were opened, and the Final/Financial Bid Evaluation Report was officially issued, declaring Respondent No. 3 as the successful lowest evaluated bidder. That all grounds and points raised by the Appellant in the instant appeal are purely technical in nature. Because these technical grievances were raised after the issuance of the final financial report under a two-envelope process, they are strictly barred by the express embargo under Rule 48(5). The appeal is completely untenable and should not be entertained.

37. 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.

38. 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 shall 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.

39. In terms of Rule 48 (3) of the Public Procurement Rules, 2004, which states:

"Any bidder feeling aggrieved by any act of the procuring agency after the submission of his bid may lodge a written complaint concerning his grievances within seven days of announcement of the technical evaluation report and five days after issuance of final evaluation report".

40. In terms of Rule 48 (5) of the Public Procurement Rules, 2004, which states:

"In case, the complaint is filed after the issuance of the final evaluation report, the complainant cannot raise any objection on technical evaluation of the report".

41. In accordance with Rule 2 (g) of the Islamabad Capital Territory Drug Rules, 2013, which states:

"Licensing authority means the District Health Officer, Islamabad Capital Territory or an officer of the Health Department duly authorised by the Chief Commissioner, Islamabad Capital Territory in this behalf".

42. In terms of Rule 16 of the Islamabad Capital Territory Drug Rules, 2013, which states:

"If a person desires to sell, store, exhibit for sale or sell by way of wholesale/Distribution at more than one place, he shall apply for a separate license in respect of each place".

43. The instant appeal has been preferred by the Appellant under Rule 48(7) of the Public Procurement Rules, 2004, assailing the procurement process undertaken by Respondent No. 1, Oil & Gas Development Company Limited ("OGDCL"), in respect of Tender Enquiry No. OGDCL-SCM-SERVICES-CB-MEDICAL-314960771-2026, titled "Hiring In-House Pharmacy Services", particularly in respect of the North Region.
44. The Appellant has principally challenged the declaration of Respondent No. 3 (M/s Medicine House Pharmacy), as the successful/most advantageous bidder and has sought, inter alia, annulment of the Technical and Final Evaluation Reports, setting aside of the decisions of the Grievance Redressal Committee ("GRC"), declaration of the Appellant as successful bidder and restraint against further proceedings in the procurement.
45. The Appellate Committee has heard the learned counsels and representatives of the Appellant, Respondent No. 1 (OGDCL) and Respondent No. 3 (M/s Medicine House Pharmacy), and has examined the memorandum of appeal, written replies, documents placed on record, impugned GRC decisions, Technical Evaluation Report, Final Evaluation Report, relevant portions of the bidding documents and the applicable provisions of the Public Procurement Rules, 2004.
46. The material available on the record establishes that Oil and Gas Development Company Limited (OGDCL) invited bids for the provision of in-house pharmacy services through a Single-Stage, Two-Envelope bidding procedure. The bids were duly submitted and opened on 30.03.2026. Thereafter, the Technical Evaluation Report was announced/uploaded on 07.05.2026, whereupon the Appellant preferred a grievance dated 12.05.2026 against the Technical Evaluation Report. The said grievance was duly considered and adjudicated upon by

the Grievance Redressal Committee (GRC) vide order dated 02.06.2026.

47. The Appellate Committee observed that the decision of the GRC dated 02.06.2026 was neither assailed before any competent forum nor was any appeal preferred by the Appellant before this Authority under Rule 48(7) of the Public Procurement Rules, 2004. Consequently, the said decision attained finality and became binding upon the parties.

48. The Appellate Committee noted that the Final Evaluation Report was issued on 06.06.2026, whereby Respondent No. 3 was declared the most advantageous/successful bidder for the North Region. Thereafter, the Appellant again submitted a grievance dated 10.06.2026 against the Final Evaluation Report published on 06.06.2026, which grievance was adjudicated upon vide order dated 24.07.2026.

49. A perusal of the subsequent grievance dated 10.06.2026, however, reveals that the objections raised therein were, in substance and effect, directed against the technical eligibility and qualification of Respondent No. 3, including alleged deficiencies concerning outlets, licensing requirements, staffing, financial documentation, warehouse support, and other matters falling squarely within the scope of the technical evaluation. Such objections, if any, were required to be raised by the Appellant at the earliest available stage, namely, in its grievance dated 12.05.2026 against the Technical Evaluation Report. Having failed to pursue the remedy available to it against the GRC's decision dated 02.06.2026, and the said decision having attained finality, the Appellant cannot be permitted to reopen, reagitate, or indirectly challenge matters which stood conclusively determined at the technical evaluation stage.

50. The Appellate Committee is, therefore, of the considered view that the grievance preferred against the Final Evaluation Report dated 06.06.2026, insofar as it seeks to assail the technical eligibility, qualification, or evaluation of Respondent No. 3, is not maintainable. Such a course is expressly proscribed by Rule 48(5) of the Public Procurement Rules, 2004, which stipulates that where a complaint is filed after issuance of the final evaluation report, the complainant shall not be entitled to raise objections relating to the technical evaluation.

51. Accordingly, the Appellant cannot, by way of a subsequent grievance against the Final Evaluation Report, circumvent the statutory scheme governing the procurement process or seek to revive objections which were either raised, or ought to have been raised, at the stage of technical evaluation. The GRC's order dated 02.06.2026 having remained unchallenged within the prescribed statutory framework and having consequently attained finality, any subsequent attempt to reopen or assail the findings contained therein is barred by limitation as well as by the principles of finality of proceedings.

52. In view of the foregoing, the Appellate Committee holds that the challenge to the GRC order dated 02.06.2026 is not maintainable and is liable to be rejected on the grounds of limitation, finality, and the express statutory bar contained in Rule 48(5) of the Public Procurement Rules, 2004.

53. The Appellate Committee is, therefore, constrained to hold that the appeal, insofar as it seeks substantive appellate relief against the impugned GRC decisions and the technical evaluation already concluded, is hit by the statutory bar of limitation and maintainability.

54. Notwithstanding the foregoing conclusion, the Appellate Committee considers it appropriate to place certain observations on record.
55. The dismissal of the appeal on limitation and maintainability shall not be construed as an affirmative finding that every aspect of the eligibility of Respondent No. 3 is beyond question or that the matters specifically brought to the Appellate Committee's notice are devoid of substance.
56. Upon examination of the material placed before the Appellate Committee, certain matters concerning Respondent No. 3 require clarification and verification by the procuring agency, particularly in light of the mandatory requirements contained in the bidding documents and the applicable regulatory framework.
57. The Appellate Committee observes that, under the Islamabad Capital Territory Drug Rules, 2013, a separate drug license is required for each place from which drugs are sold, stored, exhibited for sale, or distributed. It is an admitted position on record that Respondent No. 3 did not possess a valid drug license. Accordingly, the absence of a valid license constitutes a material deficiency requiring due consideration by the Procuring Agency, particularly where such license was a mandatory requirement for establishing eligibility under the bidding documents and applicable law.
58. The Appellate Committee further observes that the Technical Evaluation Criteria prescribed the availability of three non-franchised outlets as an eligibility requirement. The record reflects a controversy regarding the inclusion of outlets operating under different names, including Care + Health Pharmacy, as outlets of Respondent No. 3 (Medicine House Pharmacy). Accordingly, the Procuring Agency is required to strictly assess compliance with the prescribed criterion on the

basis of the bidding documents and the documentary evidence existing as of the bid submission date. Any outlet not meeting the prescribed definition and documentary requirements could not validly be counted towards fulfilment of the eligibility criterion.

59. The Appellate Committee further observes from the available record that the G-15 outlet did not have the requisite qualified pharmacist and prescribed staff strength as stipulated in the bidding documents. Since the prescribed staffing requirement constituted a mandatory eligibility/evaluation criterion, the Procuring Agency was required to verify compliance on the basis of valid and contemporaneous documentary evidence. The Appellate Committee considers the deficiency material, as compliance with the prescribed staffing requirements is not only relevant to the procurement evaluation but also has implications for the lawful and safe operation of pharmacy services.

60. The Appellate Committee observes that Respondent No. 3 failed to furnish adequate documentary evidence establishing the requisite warehouse/storage support prescribed under the Technical Evaluation Criteria. Where such requirement constitutes a mandatory eligibility criterion, compliance must be determined strictly on the basis of the bidding documents and the documents submitted with the bid. Any subsequent attempt to cure or supplement a material deficiency after opening of the bids cannot be permitted except in accordance with the bidding documents and the Public Procurement Rules, 2004.

61. The Appellate Committee noted that the financial statements furnished by Respondent No. 3 do not, on their face, appear to be accompanied by the requisite audit report, certification, or other evidence establishing their status as duly audited financial statements for the preceding three years.

Nevertheless, where duly audited financial statements constitute a prescribed requirement under the bidding documents, the Procuring Agency is obligated to ensure that the documents relied upon for evaluation fully satisfy the stipulated requirement and were valid and available as of the bid submission date.

62. The observations recorded herein are intended to ensure that dismissal of the appeal on technical/procedural grounds is not misconstrued as an approval or certification of any particular eligibility document or statutory licence.

63. Where the procuring agency, upon verification, finds any non-compliance with a mandatory requirement of the bidding documents or applicable law, it shall take such action as may be permissible under the Public Procurement Rules, 2004, the bidding documents and other applicable law.

64. The Appellate Committee further clarifies that these observations shall not, by themselves, be construed as an order disqualifying Respondent No. 3 or declaring the Appellant as the successful bidder.

65. In view of the foregoing, the instant Appeal is hereby dismissed as time-barred and not maintainable, in terms of Rule 48(3) and Rule 48(5) of the Public Procurement Rules, 2004, to the extent and for the reasons recorded herein.

 66. However, Respondent No. 1 (OGDCL) is directed to take note of the observations contained in this order and, where considered necessary and permissible under law, independently verify the validity and sufficiency of the documents, licences, qualifications of Respondent No. 3, particularly in respect of:

- valid drug licence(s) for each outlet relied upon for eligibility;
- the prescribed three non-franchised outlets;

- requisite qualified pharmacist and staff strength;
- warehouse/storage support and relevant licensing;
- audited financial statements for the prescribed period; and
- Any action arising from such verification shall be taken strictly in accordance with the Public Procurement Rules, 2004, the bidding documents and all other applicable laws and regulations, after observing due process and without being influenced by any observation herein beyond its stated scope.

67. It is further clarified that nothing contained in this order shall be construed as an approval of any specific procurement action, nor shall it absolve the procuring agency of its independent responsibility to ensure compliance with the applicable procurement rules, bidding documents, licensing requirements and approval regime.

68. The appeal stands *disposed of* accordingly.



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



(Abdul Majeed)
Sr. Specialist (M&E)
(Member)



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

Dated: 4th September, 2026

Each page of the order has been signed by all members of the Committee. The order comprises thirty (30) pages.

