



F. No. PPRA/AP-27/2026
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 Seismic Management Services (UK) Ltd.

...the "Appellant"

Vs.

Pakistan Petroleum Limited, etc.

...the "Respondent"

<u>Date of Hearing</u>	Mr. Jameel Hussain Qureshi (ASC)
08.09.2026	(On behalf of Appellant) Hafiz Arfat Ahmed Ch. (ASC) (On behalf of Respondent i.e., PPL) Mr. Saad Jamil Abbasi (Advocate), Mr. Muhammad Jamil (On behalf of Respondent i.e., M/s G&GA)

APPEAL UNDER RULE 48(7) OF THE PUBLIC PROCUREMENT RULES, 2004

The Authority received the titled Appeal on 13.05.2026, 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 08.09.2026 before the Appellate Committee in the Committee Room of this Authority.

2. On the said date of hearing (08.09.2026), 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 learned counsel for the Appellant submitted that the appeal is within the limitation period as prescribed in Rule 48 (7) of the Public Procurement Rules, 2004. That having been aggrieved and dissatisfied by the impugned order dated 16-04-2026, passed by Respondent No. 2, whereby the grievance of the Appellant was rejected and the financial evaluation conducted by Respondent No. 1 was upheld despite clear, document-verifiable violations of the tender-specific financial evaluation criteria contained in the Invitation to Bid (ITB) document and the applicable provisions of the Public Procurement Rules, 2004. The appellant prefers this appeal against the impugned order passed by Respondent No. 2 being non-speaking, arbitrary, illegal and unlawful.
4. The counsel for the Appellant further submitted that the Appellant, M/s Seismic Management Services Ltd. (SMS), is a specialized consultancy firm engaged in the provision of seismic quality control services to the energy exploration industry. Respondent No. 1 and 2 are public functionaries bestowed upon functions and duties of substantial importance under the law. The Respondent No. 1 Published "Invitation for Bid" vide Tender No. PD/E&C/PT/31204/25 for the procurement of Seismic Quality Control Services on Callout Basis (COA), RFQ rfq_31204, through its e-Procurement Portal (Tejari), for a Bid Security of Rupees 2 million. Single Stage Two Envelope procedure was adopted and the deadline for submission of bids was 13-09-2025, and the bid was scheduled to be opened on the same date. That 2 firms participated in the subject tender and both were declared technically qualified upon technical evaluation; (i) Seismic Management Services Ltd. (the Appellant/SMS); and (ii) M/s Geophysical & Geotec Associates Limited (G&GA). Subsequently, Respondent No. 1 conducted the public financial bid opening on 23-12-2025, at which the following rates were publicly recorded:

Bidder	Publicly Opened Rate (PKR/day)	WHT Basis
SMS (Appellant)	PKR 181.608	Inclusive of WHT
M/s Geophysical & Geotec Associates (G&GA)	PKR 200,000	Net/Exclusive of WHT

On the basis of the publicly opened bid record, the Appellant (SMS) was and remains the financially lowest bidder.

5. The counsel for the Appellant further submitted that the ITB Part III of the Financial Evaluation Criteria, expressly stipulated that: (i) the Letter of Award (LOA) was to be issued to the technically responsive and financially lowest bidder; and (ii) quoted rates were to be inclusive of all applicable taxes except Provincial taxes, which were to be topped up and incorporated in the Framework order (FWO). Further added that Withholding Tax (WHT) was mandatorily required to be included in the quoted rate, while Provincial Sales Tax (PST) was to be handled separately through the FWO. This requirement was equally applicable to both bidders without exception. That after passage of several weeks of the financial bid opening, the Respondent No. 1 sent a message dated 06-02-2026 via online portal to the Appellant/all bidders stating, inter alia, that "the quoted rates are inclusive of withholding tax (WHT) and provincial taxes over and above your quoted rate will be topped up in FWO". This communication was issued at a belated stage, when the financial bid was already opened, and when the disparity in WHT treatment between the two bidders was evident from the record. This whole exercise has been carried out to accommodate G&GA by treating its financial bid as inclusive of WHT for evaluation purposes, despite its non-conforming NET / exclusive-of-WHT position, thereby preventing the normalization that the ITB required.

6. Further added that the Appellant, having received the said portal message on 06-02-2026, responded on 09-02-2026, confirming that its quoted rate of PKR 181,608 was inclusive of WHT, and proceeded to record its concern that the competing bidder's/G&GA rate was PKR 200,000/- Net/exclusive of WHT, and that no bidder should be permitted to alter or change its tax treatment position after opening of financial bid. On the same date, Respondent No. 1 responded that the bids were still under evaluation and that the final evaluation report would be shared with all bidders accordingly, which is not only violative of the Bidding documents but also of the Public Procurement Rules. The Respondent No. 1, through portal message dated 13-03-2026, informed the Appellant that M/s Geophysical & Geotec Associates Limited (G&GA) had been found the Most Advantageous Bidder and was being considered for award of the Callout Agreement. The Appellant was deeply aggrieved by this result, as the financial bid published on 23-12-2025, had clearly demonstrated that the Appellant's quoted financial bid was the lowest.

7. Further contended that the Respondent No. 1 attempted to justify its subsequent evaluation vide portal message dated 16-03-2026, asserting therein that the earlier communication dated 06-02-2026 did not request bidders to confirm the inclusion or exclusion of WHT, and that all bidder's quoted rates were mandatorily treated as inclusive of WHT. It is worth noting here that this subsequent explanation is inconsistent with the communication dated 06-02-2026 and failed to address the core grievance i.e. the differential treatment of the two bidders' rates in the commercial evaluation. That upon the request of the Appellant, the Commercial Evaluation Report was shared on 30-03-2026. The report disclosed that: (i) the Appellant's publicly opened quoted rate of PKR 181,608/- was uplifted by Respondent No. 1 by adding 15% Provincial Sales

Tax (PST), resulting in an evaluated rate of PKR 208,849/-; and (ii) G&GA's rate was maintained at PKR 200,000, without any normalization for WHT, on the ground that PST was recoverable in G&GA's case. This differential treatment materially altered the financial result and changed the comparative outcome in favour of G&GA.

8. The counsel of the Appellant further argued that the Appellant's critical numerical submission on the financial evaluation is as follows:

Bidder	Publicly Opened Rate	PPL Evaluated Rate	Correctly Normalized Rate (WHT6%)
SMS (Appellant)	PKR 181,608 (Incl. WHT)	PKR 208,849	PKR 208,849 (PPL's figure accepted for argument)
G&GA (Respondent's preferred bidder)	PKR 200,000 (Net, Excl. WHT)	PKR 200,000 (Left unchanged)	PKR 212,000/- (PKR 200,000+6% WHT) PKR

9. The Appellant maintains its status as the financially lowest bidder when competitive rates are correctly normalized. However, while adjusting the Appellant's rate to PKR 208,849, the Respondent No. 1 failed to apply the same scrutiny to G&GA's 'NET' bid. Once the 6% WHT is properly added to G&GA's quote (totalling PKR 212,000/-), the Appellant's quoted rates would clearly be the lowest. The failure to normalize both bids equally is a violation of the tender's evaluation criteria and severely prejudices the Appellant's rights. The Appellant formally lodged a written complaint with Respondent No. 2 (GRC) via the (Tejari) e-Procurement Portal on 09-04-2026 once the respondents asked the appellant to lodge its grievance before the GRC. This grievance raised two primary, document-verifiable objections regarding the evaluation process: (i) the unauthorized upward adjustment of

the Appellant's quoted rate from PKR 181,608 to PKR 208.849 notwithstanding the ITB's explicit provision that Provincial taxes were to be added to the Framework order (FWO), and (ii) the failure to normalize G&GA's 'NET' rate of PKR 200,000, which was erroneously treated as 'WHT-inclusive' despite being quoted exclusive of Withholding Tax by the bidder itself. Consequently, the Appellant requested a comprehensive re-evaluation of the financial bids to ensure a consistent, fair, and transparent adjudication in line with the tender's mandatory criteria.

10. The counsel for the Appellant further submitted that the GRC/Respondent No. 2 issued its impugned decision on 16-04-2026, rejecting the Appellant's grievance and upholding the commercial evaluation report. The GRC arbitrarily relied on Article 4.3 of PPL's Standard Terms & Conditions for Procurement of Services as the basis for the 'net cost to PPL' evaluation methodology, however, the Invitation to Bid document Part III, was completely ignored. The GRC also maintained that all bidders' rates were treated as inclusive of WHT without exception and that no post-opening bid modifications were sought or permitted, which is contrary to the factual position. The Appellant has reason to believe, based on the publicly opened financial record and subsequent portal correspondence, that M/s Geophysical & Geotec Associates Limited submitted its quoted rate on a NET/exclusive-of-WHT basis, whereas the Appellant submitted its quoted rate inclusive of WHT. The Appellant respectfully requests this Honourable Authority to direct Respondent No. 1 to access PPL's e-Procurement Portal / Tejari system during the hearing and produce/download before this Honourable Authority the complete original electronic bid record of M/s Geophysical & Geotec Associates Limited, including its technical proposal, unpriced financial proposal, priced financial proposal, tax

declarations, and related portal submissions, so that the exact tax basis of its bid may be verified from the original electronic record. If the original electronic record confirms that G&GA quoted NET/exclusive of WHT, then treating the same rate as WHT-inclusive for evaluation purposes would amount to post-opening regularization, unequal treatment, and material alteration of the financial comparison.

11. Further averred that the Appellant is severely aggrieved by the impugned order dated 16-04-2026, passed by the Respondent No.2, which is marked by a failure to adjudicate the specific grounds of the grievance. Specifically, the Respondent No. 2 failed to ascertain / consider the discriminatory and inconsistent treatment of the Withholding Tax (WHT) positions between the two bidders, a clear violation of the ITB Financial Evaluation Criteria. The GRC notably avoided making any factual finding regarding the document-verifiable status of G&GA's publicly opened rate, which was quoted as 'NET' and exclusive of WHT. Furthermore, the GRC's attempt to use a general clause from the Standard Terms & Conditions to override the tender-specific criteria in Part III of the ITB is a legal error; such an application violates the fundamental principles of transparency and predictability enshrined in the Public Procurement Rules, 2004. The Impugned GRC decision dated 16-04-2026 are patently and ex-facie illegal and therefore, the same is liable to be set aside, *inter alia*, on the following:

- I. That the GRC/Respondent No. 2 has not given any consideration to the issues raised by the Appellant. The GRC/Respondent No. 2 was obliged to decide the complaint in accordance with the clauses enumerated in the "Invitation to bid". However, while issuing the impugned order it has relied on some general Terms and Condition of Procurement, which are not attracted to the instant, as being contrary to the bid document itself. Such act of the GRC/Respondent No. 2 is in express violation of the

paramount duty bestowed upon the GRC/Respondent No. 2 under the PPRA Rules.

II. That it is a settled principle of public procurement law that a procuring agency is strictly bound by the terms, conditions, and evaluation criteria expressly disclosed in the bidding documents, and no bidder can be evaluated on the basis of any undisclosed criterion, formula, or methodology introduced subsequently. It is worth nothing here that transparency, fairness, and equal treatment of bidders are the foundational principles governing all procurement proceedings under the Public Procurement Rules, 2004.

III. That the Public Procurement Rules, 2004, specifically rule 29 and 30 expressly require that all evaluation criteria shall form an integral part of the bidding documents and that no criterion which is not specified therein can lawfully be used during bid evaluation. The impugned action of Respondent No. 1 in applying the "net cost to PPL" methodology admittedly absent / not mentioned in the ITB Financial Evaluation Criteria amounts to misprocurement, lack of transparency, and unequal treatment amongst bidders, thereby rendering the entire financial evaluation process void.

IV. That in the present case, the Petitioner submitted its bid strictly in accordance with the Financial Evaluation Criteria contained in ITB Part III, which unequivocally provided that the contract would be awarded to the technically responsive lowest bidder and that quoted rates would be inclusive of all taxes except Provincial taxes. The subsequent addition of non-recoverable PST to the Petitioner's quoted rates for comparison purposes materially altered the basis of competition after bid submission and unlawfully prejudiced the Petitioner's bid.

V. That Further, Rule 32 of the Public Procurement Rules, 2004 expressly prohibits a procuring agency from introducing or applying any condition, methodology, or practice that discriminates between bidders or results in unequal treatment during the procurement process. The Rule embodies the fundamental principles of fairness, transparency, and equality of opportunity amongst all

competing bidders, which principle has been severely ignored in the instant case.

VI. That the bidding requirements contained in the ITB were uniformly applicable to all participants, namely that the quoted rates were to be inclusive of all applicable taxes except Provincial taxes. In compliance with the said requirement, the Appellant (SMS) submitted its quoted rate of PKR 181,608 inclusive of withholding tax ("WHT"). Conversely, M/s G&GA submitted a quoted rate of PKR 200,000/- on a net basis, exclusive of WHT, which was contrary to and inconsistent with the express requirements of the ITB, therefore the bid of the M/s G&GA was liable to be rejected on this score alone.

VII. That despite the above, Respondent No. 1, while undertaking the financial evaluation, arbitrarily and discriminatorily uplifted the Appellant's quoted rate from PKR 181,608/- to PKR 208,849/- by adding alleged non-recoverable Provincial Sales Tax ("PST") under the undisclosed "net cost to PPL" methodology, whereas the quoted rate of M/s G&GA was accepted and retained at PKR 200,000/- without any corresponding normalization, adjustment, or loading for its admitted non-compliance with the ITB requirement regarding inclusion of WHT. Such unequal treatment whereby the Appellant's bid alone was subjected to upward adjustment while the competing bidder's non-conforming rate was left untouched constitutes manifest discrimination between bidders and is in clear violation of Rule 32 of the Public Procurement Rules, 2004.

VIII. That the financial evaluation conducted by Respondent No. 1 was neither uniform nor consistent and materially distorted the competitive position of the bidders. Had the bids been evaluated strictly in accordance with the ITB and on an equal basis, either:

(a) both bids ought to have been considered exactly as quoted without any adjustment whatsoever, in which event the Appellant's bid of PKR 181,608/- remained the lowest responsive bid; or alternatively,

(b) if Respondent No. 1 intended to normalize the bids through adjustments, then M/s G&GA's non-conforming net rate of PKR 200,000/- ought

necessarily to have been uplifted by adding applicable WHT at 6%, thereby increasing its comparable evaluated rate to PKR 212,000, in which case the Appellant's evaluated rate of PKR 208,849/- would still remain financially lower.

IX. That Rule 31(1) of the Public Procurement Rules, 2004 expressly prohibits any alteration, amendment, or modification in a bid after public opening of bids, except for permissible clarifications that do not change the substance or financial effect of the bid; however, in the present case, although the financial bids were publicly opened on 23-12-2025 and M/s G&GA's bid, on the face of the documentary record as mentioned by the GRC itself in decision, reflected a NET rate of PKR 200,000/- exclusive of withholding tax WHT contrary to the ITB requirement that quoted rates be inclusive of all applicable taxes except Provincial taxes. The Respondent No. 1 subsequently issued a portal communication dated 06-02-2026, several weeks after bid opening, stating that quoted rates would be treated as inclusive of WHT, the practical and legal effect whereof was to retrospectively re-characterize and regularize M/s G&GA's non-conforming NET/exclusive-of-WHT bid as a conforming inclusive-of- WHT bid without any corresponding normalization or upward adjustment, thereby materially altering the substance and financial character of the said bid after opening and conferring an unlawful competitive advantage upon M/s G&GA, which action is expressly prohibited by Rule 31(1) of the Public Procurement Rules, 2004 and renders the impugned financial evaluation process unlawful, arbitrary, discriminatory, and liable to be set aside.

X. That the impugned financial evaluation conducted by Respondent No. 1 is therefore arbitrary, discriminatory, mala fide in law, contrary to the mandatory provisions of the Public Procurement Rules, 2004, and liable to be declared illegal, void ab initio, and of no legal effect.

XI. That the impugned procurement process suffers from material, procedural and legal defects inasmuch as Respondent No. 1 failed to disclose, within the tender-specific Financial Evaluation Criteria, the alleged "net cost to PPL" methodology or any mechanism relating to PST recoverability, despite the mandatory requirement under

Rule 29 of the Public Procurement Rules, 2004. Furthermore, the impugned GRC decision dated 16-04-2026 failed to adjudicate upon the Appellant's specific and document-based objection that M/s G&GA had submitted a NET/exclusive-of-WHT bid contrary to the ITB requirements, and instead avoided rendering any definitive finding on the said issue while merely endorsing Respondent No. 1 generalized position, thereby demonstrating non-application of mind and denial of fair consideration.

XII. That the GRC further erred in law by treating Article 4.3 of the general Standard Terms & Conditions as overriding the tender-specific ITB provisions, whereas it is a settled principle of procurement jurisprudence that general contractual clauses cannot supersede or supplement expressly prescribed evaluation criteria contained in the bidding documents for a particular tender. Additionally, Respondent No. 1 is under a statutory obligation pursuant to Rule 35 of the PPRA Rules to issue a proper and reasoned final evaluation report containing lawful justification for acceptance and rejection of bids prior to award of contract, and any failure to comply with the said mandatory requirement constitutes an independent illegality vitiating the entire procurement proceedings.

XIII. That the bid of the appellant was most responsive, lowest, compliant and very feasible to the public exchequer, which is paramount consideration in the award of public contracts. But Respondent No. 1 has shown negligence in considering this fact.

XIV. That the Honourable Authority may graciously be pleased to appreciate that the Impugned GRC decision dated 16-04-2026 are devoid of merits and also in violation of Section 24-A of the General Clauses Act.

XV. That the impugned order is in violation of the well-established legal principles on mis-procurement as developed by the superior courts from time to time.

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

12. The counsel for the Appellant further submitted through rejoinder that the appellant filed the appeal No. 27/2026, and the contents of the same may kindly be read as integral part of this rejoinder. That, the Respondent No.1 submitted its comment dated 07-07-2026 and the copy of the same was supplied to appellant during hearing. That it deemed necessary to submit the additional submissions for the assistance of Honourable Appellate Committee, hence this rejoinder on behalf of the Appellant which are as follows:

ISSUE NO. 1: The Maintainability Objection Raised by Respondent No. 1.

i. That the preliminary objection raised by Respondent No. 1 regarding alleged absence of proper authorization, Board Resolution and consular-attested Power of Attorney is misconceived and legally untenable. The Appellant's Board Resolution was passed unanimously on 07.05.2026, prior to filing of the Appeal on 13.05.2026, and specifically authorized the representative to institute and conduct proceedings before PPRA. Any subsequent notarization, apostille or attestation merely authenticates the pre-existing authority. That without prejudice, the Appellant place the same on record, as any such defect, is merely procedural and curable in nature.

Reliance is placed on the judgment of the Hon'ble Supreme Court of Pakistan in Rahat and Company through Syed Naveed Hussain Shah v. Trading Corporation of Pakistan [2020 CLD 872], wherein the Hon'ble Supreme Court held:

"Since the matter of ratification of an incompetently filed suit did not arise in the present case, therefore, only a tentative view could be expressed on the matter, which was that any such defect could be cured by subsequent ratification."

As the proper notarized, Board Resolution has been placed, therefore the objection on the maintainability raised by the respondent No. 1 is untenable, hence this issue does not affect the maintainability of the Appeal.

ii. That the allegation regarding non-payment of the prescribed appeal fee is factually incorrect. The Appellant

deposited PKR 200,000/-through pay order in favour of PPRA, duly bearing PPRA's receiving/acknowledgment. Thus, the issue, if any, is only regarding an alleged balance fee and not non-payment of the appeal fee altogether. It is pertinent to mention here that the tender is a call-out arrangement with Framework Orders issued on an "as and when required" basis, no guaranteed number of projects or billable days, there was no fixed aggregate contract value from which a higher appeal fee could be calculated with certainty. However, the Appellant is still willing to comply with any lawful direction of this Hon'ble Authority regarding any balance amount, if rightly identified.

It is, therefore, respectfully prayed that the preliminary objections raised by the respondent No. 1 may kindly be dismissed and the instant Appeal may kindly be adjudicated on merits.

ISSUE NO. 2: G&GA's Bid Was Commercially Non-Responsive and Could Not Lawfully Proceed to Financial Evaluation

i. That, after submission of the documents produced/filed before this Honorable Authority clearly shows that G&GA's has submitted the financial bid with exclusive of tax which is clear violation of the ITBs wherein it was required to submit the financial quote with inclusive of tax, therefore declaring the G&GA as financial responsive is unlawful.

ii. It is further submitted that the financial comparison itself could not lawfully proceed on the basis of G&GA's bid, as the latter's own unpriced financial proposal expressly stated "Exclusive Taxes", whereas the tender (Part III of ITB) required the quoted rates to be inclusive of all taxes except Provincial taxes. The defect, therefore, existed in G&GA's bid from the outset and prior to any subsequent "net cost to PPL" exercise.

iii. That the Respondents have relied on a specific clause of General Instructions to Bidders to justify their arbitrary action. It is pertinent to mention here that the Respondents cannot rely on a single clause in isolation; the other clauses of said document apply equally and must be read together. Clause 1.11 of Respondent No. 1's Standard Terms required any exceptions, deviations or additional financial

terms to be declared in the technical envelope, while Clause 1.12 required the Unpriced Commercial Bid to form part of the technical submission and Clause 1.15 further required the quoted rates to be inclusive of all taxes except Provincial taxes and Clause 3.2 says commercial/financial bids are opened only after technical evaluation and only for technically compliant bidders and Clause 4.2 requires technical responsiveness and financial compliance before award.

iv. That Respondent No. 1's own procurement record identifies the "Unpriced Financial Proposal of G&GA/Respondent No. 3, and the document produced thereunder i.e. headed "Unit Price (Exclusive Taxes)". G&GA thereafter submitted a blanket compliance declaration, while its priced proposal again stated that the amount of PKR 200,000/- was "Exclusive all taxes" and that additional applicable taxes were to be paid extra. Thus, G&GA's own documents demonstrate a clear departure from the mandatory tax-inclusive pricing requirement. Therefore, declaring the Respondent No. 3 as technical responsive as well as financial responsive is liable to be declared illegal and unlawful on this score alone.

v. That the said contradiction could not be cured merely by treating G&GA's general compliance declaration as overriding its specific commercial qualification. A mandatory tender requirement cannot automatically rewrite a bidder's contrary signed commercial term; rather, the specific qualification was required to be considered at the stage of determining the responsiveness of the bid.

vi. That the definition of "most advantageous bid" under the Public Procurement Rules, 2004 itself requires that the bid, after meeting the eligibility or qualification criteria, be found "substantially responsive to the terms and conditions as set out in the bidding document" before it can be ranked on the basis of cost or otherwise. Therefore, responsiveness is a threshold requirement preceding the comparative financial ranking.

vii. That the clause 4.2 of Respondent No. 1's own Standard Terms & Conditions requires the bid to be technically responsive and financially compliant, whereas Clause 4.3 deals with determination of the most advantageous bid on

a net-cost basis. Thus, Clause 4.2 necessarily precedes Clause 4.3. Respondent No. 1 could not bypass the question of G&GA's responsiveness and proceed directly to the net-cost comparison.

viii. That, therefore, the alleged "net cost to PPL" methodology could not convert G&GA's non-responsive quotation into a responsive bid. A net-cost calculation may rank bids which are otherwise responsive; it cannot cure a substantive non-conformity existing on the face of the bid itself.

ix. That accordingly, Respondent No. 1 was required to first determine whether G&GA's tax-exclusive commercial offer complied with the mandatory pricing requirements of the tender and only thereafter proceed to any comparative financial or "net cost" evaluation. A bid which was non-responsive on its own stated commercial terms could not lawfully become the "most advantageous bid" merely by subsequently applying a tax interpretation to it.

x. That Respondent No. 1's subsequent reliance upon the alleged "net cost to PPL" methodology therefore cannot cure the underlying commercial non-responsiveness of G&GA's bid.

It is, therefore, most respectfully prayed that this Hon'ble Authority may be pleased to hold that G&GA's bid, having been submitted on an "Exclusive Taxes" / "Exclusive all taxes" basis contrary to the mandatory tax-inclusive requirement of the bidding documents, was commercially non-responsive and could not lawfully have been considered in the comparative financial evaluation or declared the most advantageous bid.

It is, further prayed that this Hon'ble Authority may hold and declare that, even if the net-cost methodology under Clause 4.3 is assumed to be applicable, the same could only be applied after determining the responsiveness of the bids and could not be relied upon to cure or regularize G&GA's commercially non-responsive bid.

ISSUE NO. 3: Respondent No. 1's Written Reply is Contradicted by G&GA's Own Signed Proposal and its

NET/Exclusive-of-WHT Bid Could Not be Re-Characterized After Public Opening.

i. That it is respectfully submitted that Respondent No. 1's position regarding the treatment of WHT is directly contradicted by G&GA's own signed commercial proposal, wherein its quoted amount of PKR 200,000/- was expressly stated to be "Exclusive all taxes." Thus, the Respondent No. 1's subsequent assertion that G&GA's quoted rate was treated as inclusive of WHT is contrary to the plain and express terms of the bidder's own proposal.

ii. That the financial bids were publicly opened on 23.12.2025, at which stage G&GA's rate of PKR 200,000/- was recorded as NET/Exclusive of WHT, whereas the Appellant's rate of PKR 181,608/- was recorded as inclusive of WHT. The respective tax treatment of the two bids was therefore already apparent from the financial record at the time of public opening.

iii. That Respondent No. 1 thereafter, several weeks after the financial bids had been opened, issued its portal communication dated 06.02.2026, stating that the quoted rates were inclusive of WHT. The Appellant responded on 09.02.2026, expressly confirming that its quoted rate was inclusive of WHT and drawing Respondent No. 1's attention to the fact that G&GA's rate was PKR 200,000/- NET/exclusive of WHT. G&GA received the equivalent message on 27-01-26, but it does not show a written acknowledgment from G&GA. The Respondent nevertheless subsequently maintained that all bidders' quoted rates were mandatorily to be treated as WHT-inclusive.

iv. That Respondent No. 1's subsequent communication dated 16.03.2026, asserting that the earlier communication did not seek confirmation regarding inclusion or exclusion of WHT and that all quoted rates were mandatorily treated as WHT-inclusive, does not answer the fundamental issue arising from G&GA's own signed proposal. The later explanation is therefore inconsistent with the documentary record and cannot override the express commercial basis on which G&GA submitted its bid.

v. That the subsequent treatment of G&GA's quotation was not a mere clarification of an ambiguity. Rather, it had the effect of re-characterizing a NET/exclusive-of-WHT quotation as WHT-inclusive after the financial bids had already been publicly opened. Respondent No. 1 thereby treated G&GA's quotation differently from the manner in which it had actually been submitted and recorded at opening.

vi. That Rule 31(1) of the Public Procurement Rules, 2004 prohibits alteration or modification of a bid after the bids have been opened, except for permissible clarification which does not change the substance of the bid. The tax basis of a financial quotation is a material component of its commercial substance; consequently, a post-opening clarification cannot be used to transform an expressly NET/exclusive-of-WHT quotation into an inclusive-of-WHT quotation.

vii. That Respondent No. 1 cannot, therefore, rely upon the label of "clarification" to justify a substantive change in the tax treatment of G&GA's bid. The bid was required to be evaluated on the basis on which it was submitted and publicly opened, and any subsequent communication could not lawfully alter its substantive commercial character or improve its comparative position.

viii. That this post-opening treatment is particularly material because, on the date of financial opening, the Appellant's publicly quoted rate was PKR 181,608/-, while G&GA's publicly quoted rate was PKR 200,000/- NET/exclusive of WHT. The subsequent re-characterization of G&GA's quotation therefore directly affected the comparative financial evaluation and ultimately enabled G&GA to be treated as the Most Advantageous Bidder.

It is, therefore, most respectfully prayed that this Hon'ble Authority may be pleased to hold and declare that Respondent No. 1's subsequent treatment of G&GA's NET/exclusive-of-WHT quotation as WHT-inclusive, despite the express wording of G&GA's own signed proposal and the position recorded at public opening constituted an impermissible post-opening re-

characterization/alteration of the bid in violation of Rule 31(1) of the Public Procurement Rules, 2004.

ISSUE NO. 4: Net Cost to PPL" Evaluation Methodology Was Not Part of Tender-Specific Financial Evaluation Criteria

i. That without prejudice to the above, the ITB Part III of the Financial Evaluation Criteria, published by Respondent 1 expressly stipulated that: (i) the Letter of Award (LOA) was to be issued to the technically responsive and financially lowest bidder; and (ii) quoted rates were to be inclusive of all applicable taxes except Provincial taxes, which were to be topped up and incorporated in the Framework order (FWO). The Appellant submitted its bid strictly in accordance with the said tender-specific provisions. However, neither Part III of the ITB nor the Mandatory Notes disclose that the bids would be evaluated on a net cost basis, i.e., exclusive of any costs recoverable by company.

ii. That, notwithstanding the above, Respondent No. 1, at Paragraph 3 of its reply asserted that this exercise was carried out "as per the pre-disclosed criteria in the bid documents." It is respectfully submitted that no "net cost to PPL" criterion of any kind is mentioned in ITB Part III.

iii. That the said methodology surfaces only after the public opening of the financial bids through Respondent No. I's subsequent correspondence and the Commercial Evaluation Report dated 30.03.2026.

iv. That after passage of several weeks of the financial bid opening on 23-12-2025, the Respondent No. I sent a message dated 06-02-2026 via online portal to the Appellant/all bidders stating, inter alia, that "the quoted rates are inclusive of withholding tax (WHT) and provincial taxes over and above your quoted rate will be topped up in FWO." However, such post bid clarification could neither supplement the disclosed Financial Evaluation Criteria nor retrospectively alter the character of a bid which the competing bidder had itself expressly submitted on a "NET / exclusive of WHT" basis. Accordingly, the competing bidder's bid being contrary to the mandatory bidding

requirements was liable to be treated as non-responsive and could not subsequently be deemed WHT inclusive.

v. That the Respondent's subsequent reliance upon Clause 4.3 of the Instructions and Standard Terms & Conditions that the contract will be awarded to the most advantageous bid declared based on quoted rates on net cost basis i.e exclusive of any cost recoverable to the company appears to have been devised solely to justify the impugned financial evaluation and the treatment accorded to G&GA's admittedly NET/exclusive of WHT bid.

vi. That an evaluation methodology cannot be imported, after the financial bids have already been opened, from general contractual provisions or post-bid interpretations. Rule 29 of the Public Procurement Rules, 2004 (Evaluation criteria) and Rule 30(1) (Evaluation of bids) provide as follows:

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... No evaluation criteria shall be used for evaluation of bids that had not been specified in the bidding documents."

vii. That if the said methodology had been applied consistently and equally to all bidders, G&GA's NET/exclusive of WHT quotation could not have remained at PKR 200,000/- and would necessarily have been normalized by the applicable 6% WHT, resulting in an evaluated amount of PKR 212,000/-. Consequently, the Appellant would have remained the technically responsive, financially lowest and most advantageous bidder.

Reliance is placed on the judgment of the Hon'ble Lahore High Court in Faisalabad Electric Supply Company Limited versus Public Procurement Regulatory Authority & others (W.P. No. 68332 of 2023, decided on 07.05.2026), wherein the Hon'ble Court, while interpreting Rules 29 and 30 of the Public Procurement Rules, 2004, held that:

"The procuring agency is bound by the criteria framed by itself and communicated to all intending bidders. It cannot, at the stage of evaluation, introduce a new benchmark, condition, disqualification or consideration which was not made part of the bidding documents. Such an approach, if permitted, would strike at the very foundation of transparency, fairness, equal treatment and predictability in public procurement." [para 8]

"Once the procuring agency has framed and notified the evaluation criteria, it must apply the same uniformly to all bidders. It cannot enlarge, modify or supplement the criteria during evaluation in a manner which adversely affects a bidder. Any deviation from the pre-announced criteria undermines the sanctity of the bidding process and creates room for subjective exclusion." [para 12]

viii. That, similarly in the instant matter, the Respondent No. I has introduced and applied the alleged "Net Cost to PPL" methodology despite the admitted absence of any such methodology in ITB Part III, being the tender-specific Financial Evaluation Criteria. Instead, the Respondent No. 1 sought to derive the same from the general Instructions and Standard Terms & Conditions after submission and opening of the financial bids. Such an approach is directly contrary to the principles laid down by the Hon'ble Lahore High Court and violates the mandatory requirements of Rules 29 and 30 of the Public Procurement Rules, 2004.

It is, therefore, most respectfully prayed that the "net cost to PPL" methodology relied upon by Respondent No. I may kindly be declared as being violative of Rule 29 read with Rule 30(1) of the Public Procurement Rules, 2004 and, further G&GA's bid, having been submitted in NET/exclusive of WHT form contrary to the mandatory

requirement of ITB Part III, may kindly be declared non-responsive.

ISSUE NO. 5: PST Adjustment is Applicable Only at the Framework Order (FWO) Stage

i. That without prejudice to above and assuming, that PST recoverability constitutes a legitimate evaluation consideration, Respondent No. I has nevertheless applied such consideration at the wrong stage of the procurement process.

ii. That Mandatory Note 2 of ITB Part III itself expressly and specifically fixes the timing at which Provincial Sales Tax is to be dealt with, in the following terms: "Above rates in PKR or equivalent should be inclusive of all taxes except Provincial taxes which will be top-up & incorporated in FWO on as & where applicable basis." The words "top-up," "incorporated in FWO" and "on as & where applicable basis" unequivocally demonstrate that PST is to be dealt with only at the stage of issuance of the Framework Order (FWO), i.e. post-award, as and when the relevant services are actually rendered and invoiced. They do not authorize or contemplate the consideration of PST at the earlier stage of comparative financial bid evaluation. The Respondent No.1 's own communications consistently confirm that PST was to be dealt with only at the post-award/FWO stage.

iii. That in its portal message dated 06.02.2026, Respondent No. 1 expressly stated that provincial taxes over and above your quoted rate will be topped up in FWO. This position was reiterated in its letter dated 16.03.2026, wherein it again acknowledged that provincial taxes, where applicable, are topped up by PPL. Having itself identified the FWO as the stage at which PST was to be reckoned, Respondent No. 1 could not lawfully include PST into the earlier stage of comparative financial bid evaluation.

iv. That Respondent No. 1 describes its exercise in the following terms: "PPL did not change the Appellant's bid. It only determined what the Appellant's bid would actually cost PPL after applying the relevant tax consequences. This is evaluation, not modification." However, it is respectfully submitted that the exercise admittedly involved the application of 15% PST consequences at the stage of

comparative financial bid evaluation, before the issuance of any Letter of Award or Framework Order (FWO), Respondent No. 1 cannot rely upon the ITB to defer PST to the FWO stage and, at the same time, apply that very mechanism during the comparative financial evaluation.

vi. That it is pertinent to mention here that Respondent No.1's own document says the contractor must register with the requisite Pakistani authorities prior to commencing operations in Pakistan. Respondent No. 1 prematurely assumed that the Appellant would remain unregistered for Provincial Sales Tax purposes throughout the contract and, on that basis alone, increased the Appellant's quoted rate from PKR 181,608/- to PKR 208,849/- by adding 15% PST during the comparative financial evaluation. Such assumption was premature, as no Framework/Call-Out Work Order (FWO) had yet been issued and the Appellant had not been afforded any opportunity to clarify or regularize its tax status at the stage contemplated by Mandatory Note 2.

vi. That Respondent No. 1's reliance upon the Appellant's letter dated 25.11.2025 to suggest that the Appellant independently chose a payment structure which resulted in adverse PST consequences presents an incomplete and selective account of the relevant correspondence. The complete sequence demonstrates that the PKR payment arrangement was initially proposed and pursued by Respondent No. 1 itself. Such conclusion cannot properly be drawn by isolating the final communication of 25.11.2025 from the preceding correspondence of 10.10.2025, 15.10.2025, 14.11.2025 and 21.11.2025. Therefore, Respondent No. 1's selective reliance upon the letter dated 25.11.2025 does not establish that the Appellant independently chose or assumed the alleged adverse PST consequence, particularly where the PKR payment structure had itself been proposed and pursued by Respondent No. 1. In any event, even if PST were applied to the Appellant, its bid would still remain lower than that of Respondent No. 3.

It is therefore prayed that this Hon'ble Authority may be pleased to hold that, in terms of Mandatory Note 2 of ITB Part III, PST could only be applied at the Framework Work Order (FWO) stage on an "as and where applicable" basis,

and that its application by Respondent No. 1 during the comparative financial bid evaluation was contrary to the ITB and of no legal effect.

ISSUE NO. 6: The Tender-Specific ITB (Part III) Prevails Over the General Instructions to Bid

i. That Respondent No. 1, at Paragraph 4 of its Reply, tried to justify the "net cost" methodology on the footing that the bidding documents comprised the ITB read together with PPL's Instructions, Standard Terms & Conditions for Procurement of Services, both forming an integral part of the procurement framework, and that while the ITB prescribed the format for financial quotation, the said Instructions (including Clause 4.3) governed determination of the 'most advantageous bid' on the basis of actual net cost to PPL.

ii. That Clause 4.3 of Respondent No. 1's "Instructions, Terms & Conditions for Services" a general, standard-form document of standing application across Respondent No. 1's procurements generally, as distinct from the tender-specific ITB Part III issued for this particular Tender provides as follows:

a. "The Contract will be awarded to the most advantageous bid declared based on quoted rates on net cost basis i.e. exclusive of any cost recoverable to the Company." (Clause 4.3. Selection Criteria, Instructions, Terms & Conditions for Services)

iii. That it is a well-settled principle of procurement jurisprudence, and of statutory construction generally, that where a tender-specific document here ITB Part III expressly captioned FINANCIAL EVALUATION CRITERIA prescribes the evaluation basis for that particular procurement, the same must prevail over a generalized, standard-form clause contained General Instructions to Bidders.

iv. That, Respondent No. 1 cannot be permitted to invoke ITB Part III's express requirement that rates be "inclusive of all taxes except Provincial taxes" to bind the Appellant, while simultaneously invoking a general clause of an altogether different, standing document to defeat the very

same Appellant's rights, particularly where the interaction between the two documents, and the primacy of one over the other, was never disclosed to bidders at the bidding stage.

v. That in the instant matter, ITB Part III constitutes the tender-specific Financial Evaluation Criteria and specifically governs the financial evaluation of bids, including the applicable tax treatment under Mandatory Note 2. In contrast, Clause 4.3 forms part of the general Instructions and Standard Terms & Conditions for Procurement of Services. Applying the settled principle of interpretation, the specific provisions contained in ITB Part III must prevail over the general provisions contained in the Instructions and Standard Terms & Conditions. Consequently, Respondent No. I could not lawfully invoke Clause 4.3 to override, supplement or justify an evaluation methodology which finds no mention whatsoever in the tender-specific Financial Evaluation Criteria contained in ITB Part III.

It is, therefore, most respectfully prayed that this Hon'ble Authority may hold and declare that ITB Part III, Financial Evaluation Criteria, being the tender-specific document disclosed for Tender No. PD/E&C/PT/31204/25, prevails over Clause 4.3 of Respondent No. 1's general "Instructions, Terms & Conditions for Services," and that Clause 4.3 cannot lawfully be invoked to override evaluation of this Tender as "net cost to PPL" methodology that finds no mention whatsoever in ITB Part III.

ISSUE NO. 7: The "Net Cost" Basis, if Applied at All, Must Be Applied Equally to Both Bidders

i. That, without prejudice to above issues, and assuming, for the sake of an argument, that a "Net Cost to PPL" methodology was a permissible basis of evaluation and applicable at the stage of comparative financial bid evaluation, Respondent No. I was nevertheless under a duty to apply the said methodology uniformly, consistently and equally to all bidders.

ii. That Respondent No. 1 uplifted the Appellant's rate from PKR 181,608/- to PKR 208,849/- by adding non-recoverable PST at 15%, on the ground that the Appellant

was an unregistered service provider. However, in respect of G&GA, whose rate of PKR 200,000/- was, on the face of its own commercial proposal, that quoted on a NET/exclusive of WHT basis despite the express requirement contained in Mandatory Note 2 that all quoted rates be inclusive of WHT.

iii. That the Appellant's tax treatment was expressly disclosed in its commercial bid and formed part of the bid as publicly opened and recorded on 23.12.2025. Since WHT inclusivity/exclusivity was recorded at the financial opening, any subsequent confirmation should not be permitted any change to tax treatment as opened.

iv. That, notwithstanding the competing bidder's bid having been expressly submitted on a NET exclusive of WHT basis, Respondent No. 1 subsequently treated the said bid as WHT inclusive while continuing to apply a different tax treatment to the Appellant. Such unequal treatment defeated the very methodology which Respondent No. 1 now seeks to justify.

v. That Rule 32 of the Public Procurement Rules, 2004, captioned "Discriminatory and difficult conditions," further provides as follows:

"(1) No procuring agency shall introduce any condition, which discriminates between bidders or that is considered to be met with difficulty. (ii) In ascertaining the discriminatory or difficult nature of any condition reference shall be made to the ordinary practices of that trade, manufacturing, construction business or service to which that particular procurement is related."

vi. That the correct and equal application of Respondent No. 1's own stated methodology required one of two lawful alternatives, as tabulated below:

Bidder	No Normalization (As Publicly Quoted)	Same Methodology Applied to Both	Result
SMS (Appellant)	PKR 181,608	PKR 208,849 (181,608+ 15% non-	Lower in both scenarios

		recoverable PST-27,241)	
G&GA	PKR 200,000	PKR212,000 (200,000+ 6% WHT normalization 12,000)	Higher in both scenarios

vii. That the above comparative analysis demonstrates that, whether the bids are evaluated as publicly quoted or after the uniform application of the Respondent No. 1's alleged "Net Cost to PPL" methodology, the Appellant remains the lower evaluated bidder in both scenarios.

viii. That Respondent No. 1, however, selectively applied the alleged methodology by increasing only the Appellant's quoted rate while treating G&GA's admittedly NET/exclusive of WHT bid as WHT inclusive. Such unequal and inconsistent application of the evaluation methodology is arbitrary, discriminatory, and contrary to the fundamental principle that all bidders must be evaluated on an equal and consistent basis.

It is, therefore, most respectfully prayed that this Hon'ble Authority may be pleased to hold and declare that, assuming the applicability of the Respondent No. 1's alleged "Net Cost to PPL" methodology, the same was required to be applied uniformly and consistently to all bidders; that the Respondent No. 1's selective application of the said methodology to the Appellant, while treating G&GA's admittedly NET/ exclusive of WHT bid differently, constituted unequal and discriminatory treatment contrary to Rule 32 of the Public Procurement Rules, 2004; and that, upon the correct and equal application of the said methodology, the Appellant remains the technically responsive, financially lowest and most advantageous bidder.

ISSUE NO. 8: Award of contract to G&GA

i. That it has come to the knowledge of the Appellant that Respondent No. 1 has issued the contract to Respondent No. 3. Such award of contract is against the bidding requirements and contrary to law, and is therefore liable to be reversed/set aside.

Reliance is placed on 2023 CLC 443 Islamabad.

13. The counsel for the Respondent (PPL) submitted that the instant application is being filed by Pakistan Petroleum Limited (hereinafter referred to as "PPL"), a State-owned Enterprise, engaged in the exploration, production and distribution of oil and gas having its principal office at Karachi. PPL is one of the country's foremost energy companies and plays a critical role in fulfilling Pakistan's national energy requirements, supplying in excess of twenty percent of the nation's natural gas alongside the production of crude oil, natural gas liquids and liquefied petroleum gas (LPG). The Company/PPL operates sixteen (16) producing fields across Pakistan.
14. Further submitted that the captioned appeal filed on behalf of M/s Seismic Management Services (UK) Ltd. (hereinafter referred to as "the appellant Company") is not maintainable and is, therefore, not proceedable in its present form, on account of the following grounds: -

Lack of proper authorization

A. That it is an admitted fact that the appellant Company is a United Kingdom-based company and the memo of appeal purports to have been filed by one Mr. Muhammad Haseeb ul Haq alleged to be an authorized representative of the said Company. However, the memo of appeal is entirely silent regarding any Board Resolution, Special Power of Attorney or any other corporate instrument empowering the said individual to institute the captioned appeal. Moreover, the purportedly authorized individual who has executed a Power of Attorney on behalf of the appellant Company for the purpose of filing this appeal has failed to disclose his full credentials and authority. Further, the official corporate seal or stamp which is essential to establish valid corporate authorization under law is conspicuously missing.

B. That it is a fundamental and well-settled principle of law that a corporate entity, being an artificial juridical person, can act only through duly authorized officers or representatives. No act performed on behalf of a company by an individual lacking proper authority can confer legal effect. Institution of legal proceedings including the filing of appeals is an act which is contingent upon valid authorization. In the absence of such authority, the purported act of filing constitutes a nullity ab initio and is of no legal effect.

C. That since the appellant Company is a foreign company incorporated in the United Kingdom, the law imposes additional requirements. Any authorization executed by a foreign company must be properly attested by the Pakistani Consulate in the United Kingdom. Failure to comply with these mandatory formalities renders the purported authorization invalid and incapable of conferring authority to institute proceedings before Pakistani Courts or Tribunals.

D. That the Power of Attorney/Vakalatnama relied upon by the appellant Company, being neither accompanied by a Board Resolution nor duly attested Special Power of Attorney authenticated by the Pakistani Consulate, cannot confer any authority on the signatory to file or pursue this appeal. As such, the filing is fundamentally defective, legally invalid and non-proceedable. It is a settled proposition of law that where a corporate filing is made without proper authorization, the act is not merely irregular but void ab initio. No Tribunal or Court can entertain or adjudicate a claim or appeal that is instituted without proper corporate authority as doing so would violate the very principles of corporate governance and procedural law.

E. Furthermore, the superior Courts of the country have consistently emphasized that the requirement of valid corporate authorization is not a mere technicality but a substantive requirement. Without a valid Board Resolution authorizing the representative of a company and without proper authentication of foreign corporate instruments through Consular attestation, the institution of proceedings by such a company is legally impermissible. Any appeal or proceeding filed in violation of these

principles is legally defective and must be dismissed on this foundational ground.

F. It is also well-established that courts presume legality and authority only where due process is followed in the execution and authentication of corporate instruments. In the absence of verifiable evidence of proper authorization, including a Board Resolution and consular attestation, the filing is void and cannot be remedied retrospectively. Allowing such a filing to proceed would contravene the rules governing corporate acts, undermine the sanctity of authentic documentation and open the door to potential misuse or misrepresentation of corporate authority.

Violation of other mandatory requirements prescribed for filing of appeal:

i. That the captioned appeal is liable to be dismissed as the appellant Company has failed to comply with the mandatory statutory requirements governing the institution of an appeal before the Authority. Regulation 7 of the Public Procurement Regulatory Authority (Redressal of Grievances) Regulations, 2021 ("the 2021 Regulations") unequivocally mandates that every appeal shall be accompanied by a Demand Draft/Pay Order towards the prescribed non-refundable appeal fee in accordance with Schedule-II of the said Regulations. The Regulation further leaves no room for discretion by expressly providing that the Authority shall not entertain any appeal filed without the prescribed fee.

ii. That the language employed by the referred Regulation is mandatory in nature and admits of no exception. The use of the expression "shall" clearly manifests the legislative intent that submission of the prescribed fee is a condition precedent to the assumption of jurisdiction by the Authority and to the maintainability of the appeal itself. Consequently, compliance with the said requirement is not a mere procedural formality capable of being waived or overlooked but rather a substantive statutory obligation which goes to the very root of the matter.

iii. That it is an admitted and undisputed position that no Demand Draft, Pay Order or any other instrument evidencing payment of the prescribed non-refundable fee

was appended with the captioned appeal at the time of its institution. The appeal was, therefore, incomplete, incompetent and legally defective from its inception. In the absence of compliance with the mandatory requirement prescribed under Regulation 7, no valid appeal can be said to have come into existence before the Authority.

iv. That what is even more startling is that despite the clear and unambiguous mandate contained in the governing Regulations, the Authority proceeded to entertain the appeal thereby disregarding its own statutory framework. It is a settled principle of administrative law that where a statute or subordinate legislation prescribes a particular mode for the performance of an act, the same must be performed strictly in the manner prescribed and in no other manner. A statutory authority, being a creature of law, cannot travel beyond the limits imposed upon it by the very Regulations under which it derives its powers and jurisdiction.

v. That the requirement of payment of the prescribed appeal fee is not an empty formality nor a directory provision that may be ignored at will. Rather, it constitutes a jurisdictional prerequisite for the valid institution of an appeal. Failure to satisfy such prerequisite strikes at the maintainability of the proceedings and renders the appeal liable to rejection at the threshold. Any proceedings undertaken in pursuance of a defectively instituted appeal are, therefore, without lawful authority and of no legal consequence.

vi. That it is further respectfully submitted that the appellant Company cannot be permitted to derive any benefit from its own non-compliance with the mandatory provisions of law. Acceptance or entertainment of an appeal filed in patent violation of Regulation 7 would amount to rewriting the Regulations and rendering the statutory requirement of payment of the prescribed fee redundant and meaningless. Such an interpretation would not only defeat the object of the Regulations but would also create an impermissible distinction between litigants who comply with the law and those who choose to disregard it.

vii. That besides the above, Regulation 8 of the 2021 Regulations further makes it obligatory for the Authority to

issue notice to all the parties only when an appeal challenging the decision of the GRC is complete in all respects, Unfortunately, this provision too, has been disregarded while issuing notice by the Authority as multiple notices have been issued in an incomplete, defective and invalid matter.

15. The learned counsel of the Respondent (PPL) further submitted that the captioned appeal was filed on 13-05-2026 through Mr. Muhammad Haseeb Ul Haq. At the time of institution, no Board Resolution or other contemporaneous corporate record was produced to establish that the said person was duly authorized by SMS to institute, sign and file the appeal on behalf of the Company. The memorandum of appeal and vakalatnama was also showing no company seal.
16. Further submitted that PPL, in response to the notice issued by this Honourable forum, appeared and raised a specific objection to the competence of the signatory at the very outset. A formal application was filed by PPL in this behalf. It was only after this objection was raised by PPL that SMS sought time and started taking measures to overcome the defect. Eventually, SMS has produced the document now described as a Board Resolution purportedly passed on 07-05-2026 but notarized only on 24-07-2026 i.e. after 77 days of institution of the appeal.
17. Further submitted that a company is a juristic person and can institute legal proceedings only through a person duly authorized by its competent corporate organ. The Supreme Court of Pakistan in Telecard Limited v. Pakistan Telecommunication Authority (**2014 CLD 415 SC**) recognized the requirement that proceedings on behalf of a company must be instituted through a duly authorized person.

Authority must exist at the time of institution

18. That the crucial question for adjudication by this Honourable forum is, therefore, not whether SMS has now produced a document styled as a resolution but whether valid corporate authority existed and can be proved to have existed on 13-05-2026 when the appeal was instituted. The document produced by SMS merely recites that a meeting of the Directors was held on 07-05-2026. The document itself was notarized on 24-07-2026 after PPL had already challenged the authority of the signatory.
19. That no contemporaneous corporate record has been produced in support of the recital dated 07-05-2026. In particular, SMS has not supported it through the original/certified minutes of the alleged meeting, notice/agenda of the meeting, attendance or quorum record, minute book or other contemporaneous corporate record showing that the resolution was actually considered and passed on 07-05-2026.
20. That this assumes particular significance because SMS took steps to produce the alleged authorization only after PPL specifically objected to the competence of the signatory. A self-serving corporate document subsequently brought forward in response to an objection cannot, merely by mentioning an earlier date, establish that the requisite authority existed on that earlier date.

No presumption of correctness attaches to the private corporate recital

21. That the recital contained in the purported resolution that the Directors met and passed the resolution on 07-05-2026 is a statement emanating from the Company itself. It does not enjoy the statutory presumption of correctness/authenticity which the law attaches, in appropriate cases, to public records and official acts.

22. That notarization on 24-07-2026 may authenticate the act/document presented before the Notary on that date; it cannot authenticate the Company's assertion that its Directors had actually met and passed the resolution on 07-05-2026. In other words, the Notary was not certifying from personal knowledge that a Board meeting had taken place more than two months earlier.
23. That consequently, the notarization cannot substitute for the Company's contemporaneous corporate record. SMS must have proved the alleged authorization through the corporate record from which such authorization originated.
24. That taking it from another angle, if the document is treated as having come into existence subsequently, it still does not cure the defect through ratification. Sections 197 of the Contract Act, 1872 recognizes and regulates ratification of an act performed without prior authority. Section 196 permits the principal to elect either to ratify or disown such unauthorized act. For the ease of reference, Section 196 is reproduced below:

"196. Right of person as to acts done for him without his authority: Effect of ratification. *Where acts are done by one person on behalf of another, but without his knowledge or authority, he may elect to ratify or to disown such acts. If he ratify them, the same effects will follow as if they had been performed by his authority."*

25. That the purported resolution produced by SMS does not ratify, confirm, adopt or approve the appeal filed on 13-05-2026. It merely states that Mr. Haseeb is hereby empowered and authorized to commence, initiate, institute, defend, sign and file proceedings against PPL. These are words of authorization to act, not words adopting an act already performed without authority. The distinction is material. A grant of authority and ratification of an already completed unauthorized act are

conceptually different. The latter requires adoption of the past act in terms of sections 196 of the Contract Act, 1872.

26. That importantly, in order to get ratification of an unauthorized act, the details of the acts done have to be shared in terms of Section 198 of the Contract Act, 1872. The said Section of law is reproduced herein below:

"198- Knowledge requisite for valid ratification. No valid ratification can be made by a person whose knowledge of the facts is materially defective."

27. That PPL is conscious of the judgments including Rahat & Company v. Trading Corporation of Pakistan (**PLD 2020 SC 366**) and Rana Basit Rice Mills (Pvt.) Ltd. v. Shaheen Insurance Company (**2021 CLD 960 SC**) recognizing that, in appropriate circumstances, a defect of corporate authorization may subsequently be cured. However, these authorities do not mean that every subsequently produced document automatically validates an earlier unauthorized filing. SMS must still establish either: (a) that valid authority actually existed on 13-05-2026; or (b) that the unauthorized institution of the appeal was subsequently validly ratified and adopted by the competent corporate organ.

28. That the sequence of events in the case at hand is material: the appeal was instituted on 13-05-2026; no Board Resolution establishing the signatory's authority accompanied or supported its institution; PPL specifically objected to his authority; SMS thereafter sought time and took steps to meet the objection; and the document ultimately produced without supporting notarized only contemporaneous corporate record was on 24-07-2026.

29. That in these circumstances, the mere production of the purported resolution does not discharge SMS's burden of

establishing that the appeal was competently instituted on 13-05-2026. Nor does the document, by its language, constitute ratification of the act already performed by the signatory in terms of sections 196 of the Contract Act, 1872.

30. Reliance is placed on **2014 CLD 415**, titled Telecard Limited versus Pakistan Telecommunication Authority, wherein it is held that:

It is a settled law that a lis cannot be initiated on behalf of the company which is a juristic person, without having due authority either in terms of the articles of association or by the board resolution. This is conspicuously missing in the present case. The appellant has not even appended herewith any document to establish that the CEO of the company, who allegedly signed the memo of appeal, had the authority.

In the light of the above, we do not find any merit in this appeal calling for interference by this Court in the instant jurisdiction. Dismissed accordingly.

31. Reliance is placed on **2021 CLD 960**, titled Rana Basit Rice Mills Private Limited versus Shaheen Insurance Company and another, wherein it is held that:

16. Furthermore, such defect is not fatal to the institution to the suit by the attorney as it can be cured with ease under the principle provided by the English Court of Appeal decision in Presentaciones Musicales SA v. Secunda and another, and accepted by this Court in Rahat and Company which stated as:

"It is well recognised law that where a solicitor starts proceedings in the name of a plaintiff – be it a company or an individual – without authority, the plaintiff may ratify the act of the solicitor and adopt the proceedings. In that event, in accordance with the ordinary law of principal and agent and the ordinary doctrine law of ratification the defect in the proceedings as originally constituted is cured: see Danish Mercantile Co. Ltd. v. Beaumont, since

approved by the House of Lords. The reason is that by English Law ratification relates back to the unauthorised act of the agent which is ratified: If the proceedings are English proceedings, the ratification which cures the original defect, which was a defect under English Law, must be a ratification which is valid under English Law."

32. Reliance is placed on **PLD 2020 Supreme Court 366**, titled Rahat and Company versus Trading Corporation of Pakistan Statutory Corporation, Finance and Trade Centre, wherein it is held that:

"12.However, the learned amicus has referred to several decisions of the High Courts in this Country where, according to him, there is a conflict of views. In some cases, it is held that the defect cannot be ratified, where in others apparently an opposite conclusion is reached. On such basis it is submitted that an authoritative pronouncement from this Court is desirable.

13. In our view, since the matter does not as such arise in this appeal, a definitive pronouncement is not possible. That must await a case where the issue arises as such for determination. However, a tentative view may be expressed. As noted above, the learned amicus has referred to certain decisions from the English and Indian jurisdictions. Without considering the decisions of the High Courts of our company in any detail (which analysis must be deferred to some other case where the point actually arises), we are tentatively of the view that the stance taken by the English Court of Appeal in Presentaciones Musicales SA v. Secunda and another [1994] 2 All ER 737 and the Indian Supreme Court in United Bank of India v. Naresh Kumar and others AIR 1997 SC 3, namely that any defect can be cured by subsequent ratification, is correct and is to be preferred over any view to the contrary. In the first cited case, the Court of Appeal held as follows (pg. 743):

It is well recognised law that where a solicitor starts proceedings in the name of a plaintiff – be it a company or an individual – without authority, the plaintiff may ratify the act of the solicitor and adopt the proceedings. In that event, in accordance with the ordinary law of principal and agent and the ordinary doctrine law of ratification the defect in the proceedings as originally constituted is cured:

33. The learned representative appearing on behalf of the Respondent further contended that the appeal was not validly and duly instituted, as the person who purported to file the appeal was required to possess and demonstrate proper authority to institute the proceedings on behalf of the Appellant. It was further contended that the appeal was not accompanied by the requisite official seal and that the authority of the person who filed the appeal had not been duly established.

34. Further submitted that a purported Board Resolution was passed by the Directors on 28 July 2026; however, objections to the authority and validity of the filing had already been raised in June 2026. The Respondent further pointed out that the meeting concerning authorization was allegedly held on 7 May 2026, whereas the appeal was filed on 13 May 2026. The relevant document was, however, notarised only on 24 July 2026. In these circumstances, the Respondent questioned what prevented the Appellant from having the document duly notarised during the intervening period of approximately 77 days. The delay, according to the Respondent, casts serious doubt upon the validity, contemporaneity and evidentiary value of the alleged authorization.

35. Further submitted that the purported Resolution was neither supported nor authenticated by the Secretary of the Company. The Respondent contended that, in the absence of proper authentication and supporting corporate records, the alleged authority could not be treated as duly established. It was further argued that, if the original authorization was defective or incomplete, the same could not subsequently be cured merely by producing a Board Resolution, particularly where such Resolution did not constitute a valid ratification of the earlier unauthorized act.
36. The Respondent further submitted that the alleged Board Resolution, standing by itself, did not amount to valid ratification. The Appellant was required to substantiate the authority relied upon by producing the relevant corporate records, including the duly maintained minutes, resolutions and other contemporaneous documents evidencing the convening of the meeting, participation of the directors, passing of the resolution and its proper authentication.
37. In support of the above submissions, reliance was placed upon Section 178 of the Companies Act, 2017, which provides, inter alia, that every company is required to maintain records comprising resolutions of the Board passed by circulation and minutes of the proceedings of meetings of the Board or committees of directors, together with the names of the participants, in properly maintained books.
38. Section 178 further provides that minutes recorded in accordance with the statutory requirements, where purporting to be authenticated by the Chairman of the meeting or by the Chairman of the succeeding meeting, constitute evidence of the proceedings recorded therein. Until the contrary is proved, a meeting in respect of which such minutes have been duly made is deemed to have been duly called, held and conducted. The

statutory framework further requires the preservation of the relevant records in the prescribed form and for the prescribed period.

39. Accordingly, it was argued that the Appellant could not rely upon an isolated or subsequently produced Resolution without demonstrating compliance with the statutory requirements governing the creation, authentication and preservation of corporate records. In the absence of duly authenticated minutes or other contemporaneous corporate records establishing the authority of the person who instituted the appeal, the alleged authorization remained unsubstantiated.

40. Reliance was also placed upon Sections 248 and 249 of the Companies Act 2006 (Chapter 46). Section 248 requires every company to cause minutes of all proceedings at meetings of its directors to be recorded and requires such records to be retained for the prescribed period. Non-compliance constitutes an offence on the part of every officer of the company in default.

41. Section 249 further provides that minutes recorded in accordance with Section 248, where purporting to be authenticated by the Chairman of the meeting or by the Chairman of the next directors' meeting, constitute evidence of the proceedings at the meeting. Where minutes have been duly made, the meeting is, until the contrary is proved, deemed to have been duly convened and held; the proceedings are deemed to have duly taken place; and appointments made at the meeting are deemed to be valid.

42. The Respondent maintained that the Appellant had failed to establish, by reliable and legally admissible corporate record, that the person who instituted the appeal possessed valid authority to do so at the material time. The subsequent production and notarisation of the alleged authorization,

particularly after a substantial lapse of time and after objections had already been raised, could not, according to the Respondent, retrospectively cure the fundamental defect in the institution of the appeal. The appeal was, therefore, liable to be held improperly instituted and incompetent for want of proper authorization.

43. The counsel for the Respondent (PPL) submitted that the captioned appeal is misconceived, legally untenable, factually incorrect and liable to be dismissed. The Appellant has not been able to point out any violation of the Public Procurement Rules, 2004, the bid documents or any principle of transparency, fairness or equal treatment. The appeal is founded upon a fundamental misconception. The Appellant has equated the lowest publicly opened quoted figure of the financial proposal with the lowest evaluated cost to the procuring agency. In public procurement, these two concepts are distinct. The quoted figure is merely the figure stated in a financial proposal whereas the evaluated cost is the actual financial burden which the procuring agency is likely to bear after applying the disclosed commercial requirements and applicable tax consequences.

44. Further submitted that the Appellant has attempted to convert its flawed interpretation of the commercial evaluation into an allegation of illegality. The commercial evaluation was carried out to ascertain the actual net cost to Pakistan Petroleum Limited ("PPL") as per the pre-disclosed criteria in the bid documents. Such evaluation is inherent in a commercial evaluation process and cannot be termed as post-bid manipulation, alteration or modification.

45. Further submitted that the Appellant has misread the relevant provisions of the Invitation to Bid. The ITB required quoted rates to be treated in the manner prescribed therein; however,

it did not require PPL to ignore the real financial impact of recoverable and non-recoverable taxes while determining the most advantageous bid. That no bid was altered, amended, improved, negotiated or modified after opening. The bids submitted by both bidders remained exactly as submitted. PPL only evaluated the tax consequences and net cost impact of those bids as per the provisions in the bid documents. Such evaluation is not prohibited by Rule 31 of the Public Procurement Rules, 2004.

46. Further submitted that the Appellant is seeking an artificial comparison of two bids without taking into account the legal and financial effect of Provincial Sales Tax ("PST"). Recoverable tax and non-recoverable tax do not produce the same financial consequences for a procuring agency. Treating them identically would itself be irrational and contrary to value for money.
47. Further submitted that the principle of equal treatment requires similar treatment of similarly placed bidders. It does not require a procuring agency to ignore statutory tax consequences merely to create a false parity between bidders whose tax positions are materially different.
48. Further submitted that PPL, being a procuring agency dealing with public resources, was under a duty to determine the bid which represented the lowest actual cost and the most advantageous offer on the basis of net cost to PPL. Further submitted that financial evaluation was based on the model of 'net cost to PPL'. In the case at hand, SMS was an unregistered entity with respect to provincial sales tax and therefore, net cost to PPL included a further 15% charge of sales tax on top of their quoted rates. This was not the case with the other bidder. Further added here that SMS, through its letter dated 25-11-2025 stated that "Seismic Management Services Ltd. (SMS), United Kingdom is the contracting entity for RFQ-

31204. PPL may issue the Letter of Award and Call-Out Agreement in the name of Seismic Management Services Ltd." The Appellant, having itself acknowledged that the contract was to be awarded to its UK entity while remaining unregistered for provincial sales tax in Pakistan, cannot now challenge the inevitable financial consequences flowing from its own bidding structure.

49. Further argued that the Appellant has failed to establish mala fide, bias, favouritism, discrimination, collusion or any arbitrary exercise of discretion. Mere dissatisfaction with the outcome of a commercial evaluation is not a ground for interference by the appellate forum.

50. Further submitted that the Grievance Redressal Committee ("GRC") considered the grievance of the Appellant and rightly rejected the same. The decision of the GRC is based on the record, the bid documents, the applicable tax treatment and the objective of identifying the most advantageous bid. No jurisdictional defect procedural irregularity or patent illegality has been shown.

51. Further submitted that the PPL invited bids for procurement of Seismic Quality Control Consultancy Services through the tender referred to in the Appeal. The procurement was processed through the applicable procurement framework and the bid documents issued to the interested bidders. Two bidders, namely M/s Seismic Management Services Ltd. ("SMS") and M/s Geophysical & Geotec Associates ("G&G") were found technically responsive and their financial proposals were accordingly opened.

52. Further contended that PPL thereafter undertook commercial evaluation in order to determine the actual cost implication of each bid. This exercise included consideration of applicable

taxes, recoverability/adjustability of such taxes and the resulting net cost to PPL. Upon evaluation, G&G was found to be the most advantageous bidder on the basis of the actual net cost to PPL. The Appellant was not declared successful because its bid, after considering the relevant tax consequences, did not represent the lowest actual financial burden to PPL. The publicly opened figures were only the starting point of the commercial evaluation. Such figures did not, by themselves, conclude the evaluation or determine the actual financial burden on PPL.

53. Further averred that the Appellant filed a grievance before the GRC primarily contending that its publicly opened figure was lower and that the treatment of tax during evaluation was improper. The GRC examined the matter and rejected the grievance through a well-reasoned and speaking decision. The present appeal repeats the same misconception. The Appellant repeatedly compares a quoted figure with an evaluated cost and then alleges unequal treatment. This approach is legally unsustainable because it ignores the purpose of commercial evaluation.

54. Further submitted that PPL categorically denies that it added any amount to the Appellant's bid as a post-opening alteration. PPL did not alter the Appellant's bid; it assessed the actual cost to PPL resulting from the Appellant's tax position. Similarly, PPL did not give any unlawful advantage to G&G. The treatment of G&G's bid followed from the applicable tax position and recoverability of PST. The difference in evaluated cost was the result of objective financial consequences and not the result of preference, discrimination or manipulation.

55. Further submitted that the Appellant's assertion that G&G's quoted rate were exclusive of Withholding Tax (WHT) is categorically denied. The provisions in the bid documents

required quoted rates in the financial proposals of all bidders to be inclusive of all applicable taxes (excluding only PST) and no deviation to this requirement was declared by any bidder. Accordingly, all bids were treated as inclusive of WHT and evaluated on that basis. It is further submitted that any wording contained in supporting or scanned documents suggesting exclusion of taxes cannot override the express requirements of the bid documents. The ITB required quoted rates to be inclusive of applicable federal taxes, and no bidder declared any deviation. The binding submission for evaluation was the commercial proposal submitted in accordance with the prescribed format.

56. That the Appellant's case therefore fails both on facts and law. The procurement was fair, transparent, rational and consistent with the objective of securing best value for public money.

ISSUE-WISE DISCUSSION

A. DISTINCTION BETWEEN QUOTED PRICE AND EVALUATED COST

1. That the Appellant's principal error is its refusal to distinguish between quoted price and evaluated cost. A quoted price is what a bidder writes in its financial proposal. Evaluated cost is the actual cost to be borne by the procuring agency after applying the commercial evaluation requirements and the relevant tax consequences. The procurement legislation does not compel a procuring agency to award a contract merely to the bidder mentioning the lowest numerical figure. The objective is to identify the most advantageous bid, which necessarily includes the cost actually payable or borne by the procuring agency.

2. That if the Appellant's argument is accepted, commercial evaluation would become meaningless. The procuring agency would have to ignore tax recoverability, statutory cost implications and the actual financial consequences of the bids. Such a result would be contrary to public interest.

3. That a bid appearing lower on its face may not be lower in real cost if it carries a non-recoverable tax burden. Conversely, a bid appearing higher on its face may be less costly in real terms if the tax component is recoverable or adjustable. This is precisely why commercial evaluation is undertaken.

4. That PPL evaluated the bids by considering the actual net financial burden. This was a rational, objective and commercially necessary exercise. It did not amount to introduction of a new evaluation criterion; rather, it was part of determining the true evaluated cost.

B. LEGAL AND COMMERCIAL EFFECT OF RECOVERABLE AND NON-RECOVERABLE PST

1. That the Appellant's challenge also fails because it ignores the legal effect of recoverable and non-recoverable Provincial Sales Tax. In financial terms, a recoverable tax does not constitute an actual cost to the procuring agency, whereas a non-recoverable tax does.

2. That where PST is recoverable or adjustable by PPL, the amount so recoverable is financially neutral for PPL. It may appear in the transaction but it does not increase the final economic burden of PPL. Conversely, where PST is not recoverable due to the status, registration position or tax treatment of a service provider, the same becomes an actual expense and therefore must be considered as part of the cost of procurement.

3. That the Appellant cannot insist that PPL should ignore this distinction. No prudent procuring agency can be required to treat recoverable and non-recoverable taxes as identical when their financial effects are materially different. The treatment adopted by PPL did not penalize the Appellant. It merely reflected the statutory and financial consequences of the Appellant's own tax position. The Appellant cannot convert the consequences of its own tax status into an allegation of discrimination against PPL.

4. That the Appellant's argument that PST ought to have been added to both bids or to neither bid, is oversimplified and legally flawed. The correct approach is not mechanical addition or exclusion but assessment of the actual financial burden which each bid imposes upon the procuring agency.

5. That PPL was therefore justified in undertaking evaluation on the basis of net cost to PPL. This approach is consistent with the fundamental procurement objectives of economy, efficiency and value for money.

C. NO POST-BID MODIFICATION OR VIOLATION OF RULE 31

1. That the Appellant has wrongly invoked Rule 31 of the Public Procurement Rules, 2004. Rule 31 prohibits a bidder from modifying its bid after opening. The said rule is not attracted to a lawful commercial evaluation undertaken by the procuring agency. In the case at hand, no bidder was allowed to alter, amend, improve, revise, supplement or withdraw its financial bid. The financial bids remained exactly as submitted.

2. That no negotiation was conducted with any bidder after bid opening. No bidder was asked to reduce or increase its price. No bidder was permitted to change the tax treatment stated in its bid or take a tax position, after the opening of financial bids, contrary to the provisions in the bid documents. PPL did not change the Appellant's bid. It only determined what the Appellant's bid would actually cost PPL after applying the relevant tax consequences. This is evaluation, not modification.

3. That commercial evaluation frequently requires the procuring agency to analyze taxes, duties, freight, adjustments, exemptions, recoveries and other financial consequences. Such analysis does not become illegal merely because the evaluated figure differs from the publicly opened figure.

4. That the Appellant's argument would lead to an absurd situation whereby the procuring agency could open bids but could not evaluate their actual commercial effect. This is not the law.

5. That the allegation of post-opening manipulation is therefore denied. The record demonstrates that PPL applied a rational and uniform commercial analysis to determine actual net cost of each bid.

D. NO DISCRIMINATION OR UNEQUAL TREATMENT

1. That the allegation of discrimination is denied. Both bids were evaluated under the same procurement framework and the same commercial objective namely, determination of actual net cost to PPL
2. That unequal financial consequences resulting from different tax positions do not amount to unequal treatment by the procuring agency. The difference arose from objective legal and tax realities, not from any arbitrary act of PPL
3. That equal treatment does not mean that materially different tax consequences must be ignored. It means that the same evaluative principle is applied fairly to all bids. This was done in the present case.
4. That the Appellant seeks to be treated as if its tax consequences were the same as G&G's tax consequences. Such treatment would itself be artificial, irrational and contrary to the real cost principle.
5. That a procuring agency cannot be compelled to incur a higher actual cost merely because a bidder's apparent quoted figure looks lower on paper. The real test is not visual comparison of numbers; the real test is the assessment of actual financial burden on the procuring agency.
6. That no preference was granted to G&G. G&G emerged as the most advantageous bidder because its evaluated net cost to PPL was lower after considering the relevant tax consequences.

E. PUBLIC INTEREST AND VALUE FOR MONEY

1. That PPL is under a duty to protect public funds and to perform procurements in a manner that secures value for money. A procurement decision cannot be based on an artificial comparison which ignores actual cost implications. The Appellant's approach would require PPL to disregard recoverability of taxes and thereby potentially select a bid that imposes a higher real cost. Such an approach would be commercially imprudent and contrary to public interest.

2. That commercial evaluation on net cost basis promotes transparency rather than undermining it. It identifies the true financial consequence of each bid and prevents award on the basis of misleading headline figures.

3. That public procurement is not a mechanical exercise of selecting the lowest visible number. It is an exercise of selecting the most advantageous offer in accordance with the provisions in the bid documents and applicable law. PPL acted in a commercially prudent, transparent and lawful manner by evaluating the bids on the basis of actual net cost to itself.

REPLY TO THE MAIN ALLEGATIONS IN THE APPEAL

1. In reply to the allegation that the Appellant was the lowest bidder, it is submitted that the Appellant was, at best, relying on the lowest publicly opened figure stated in its financial proposal. It was not the lowest evaluated bidder once actual tax consequences and net cost to PPL were assessed.

2. In reply to the allegation that PST was wrongly added to the Appellant's rate, it is submitted that PPL did not amend the Appellant's rate. PPL, assessed the real cost implication of the Appellant's offer. The terminology of adding loading or increasing the bid is misleading and is specifically denied.

3. In reply to the allegation that G&G's bid was unlawfully left untouched, it is submitted that the treatment of G&G's bid followed from the applicable tax position, recoverability of PST, and the treatment of WHT as per the pre-disclosed criteria in the bid documents. There was no arbitrary or preferential treatment.

4. In reply to the allegation that the ITB required identical treatment of all taxes, it is submitted that the ITB cannot be read in isolation from commercial evaluation and the applicable tax regime as well as the relevant provisions in the pre-disclosed bid documents other than the ITB. For clarity, the bid documents comprised the ITB read together with PPL's Instructions, Standard Terms & Conditions for Procurement of Services, both forming an integral part of the procurement framework. While the ITB prescribed the format for financial quotation, the said Instructions (including Clause 4.3) governed determination of the 'most advantageous bid' on the basis of actual net cost to PPL. These documents are to be read

harmoniously and collectively. The requirement regarding quotation of rates did not prevent evaluation of actual net cost.

5. In reply to the allegation about evaluation methodology, it is submitted that no new criterion was introduced. Determining the actual financial burden is inherent in commercial evaluation and is necessary for identifying the most advantageous bid.

6. In reply to the allegation that Rule 31 of the Public Procurement Rules, 2004 was violated, it is submitted that Rule 31 concerns modification of bids. No bid was modified. Evaluation of tax consequences is not modification of a bid.

7. In reply to the allegation that Rule 32 of the Public Procurement Rules, 2004 was violated, it is submitted that the Appellant has failed to show any discriminatory criterion. The same principle of net cost evaluation was applied objectively.

8. In reply to the allegation that the process lacked transparency, it is submitted that the process was documented, reasoned and examined by the GRC. Transparency does not mean acceptance of the Appellant's preferred commercial interpretation.

9. In reply to the allegation that the GRC failed to consider the grievance, it is submitted that the GRC considered the matter and rightly upheld the commercial evaluation of bids. The Appellant is merely dissatisfied with the result.

10. In reply to the allegation that PPL should have declared the Appellant successful, it is submitted that no vested right accrued in favour of the Appellant merely because its publicly opened figure appeared lower. A bidder acquires no right to award until the procurement is lawfully evaluated and the most advantageous bid is determined.

57. Further submitted that the evaluation was not contrary to the provisions in the bid documents or procurement rules. The Appellant has wrongly assumed that commercial evaluation must ignore actual financial implications of taxes. The Appellant's bid was not altered and G&G's bid was not given any preferential treatment. The evaluation merely recognized

the difference between recoverable and non-recoverable tax consequences. The Appellant's reliance upon Rule 31 of the Public Procurement Rules, 2004 is misconceived because no post-bid modification took place. The exercise undertaken by PPL was lawful evaluation and not bid revision. The process did not suffer from illegality, arbitrariness or discrimination. The Appellant has failed to identify any mandatory provision of law that required PPL to disregard net cost. The GRC did not override the ITB. The GRC correctly appreciated that general terms of procurement and commercial evaluation must be read harmoniously with the specific bid requirements. The Appellant was not the most responsive or most advantageous bidder when the bids were evaluated on the basis of actual net cost to PPL. The impugned GRC decision is lawful reasoned and consistent with the procurement record. No violation of Section 24-A of the General Clauses Act, 1897 or any principle of procurement has been established.

58. The learned counsel for the Respondent No. 3, i.e., (M/s Geophysical & Geotec Associates (G&GA) submitted that the appeal, as framed, is misconceived and is liable to be dismissed insofar as it proceeds on the erroneous assumption that withholding tax (WHT) at 6% was required to be added over and above Respondent No. 3's quoted daily rate of PKR 200,000. Respondent No. 3 never sought exemption from WHT, never claimed any tax gross-up or reimbursement, and never reserved a right to receive PKR 200,000 after deduction of WHT. WHT remained an invoice-stage statutory deduction and did not constitute an additional amount payable by PPL over the quoted rate.

59. Further submitted that the Appellant has incorrectly isolated selected provisions of the Invitation to Bid while disregarding the other terms forming part of the same procurement framework. The ITB requirement concerning inclusion of

applicable taxes except provincial taxes and clause 4.3 of PPL's Standard Terms & Conditions concerning determination of the most advantageous bid on net cost to PPL are to be read harmoniously and as part of one tender package.

60. Further submitted that the Appellant's allegation that an undisclosed 'net cost to PPL' methodology was introduced after bid opening is denied. The relevant Standard Terms & Conditions formed part of the procurement documents. The commercial evaluation did not substitute a new criterion after opening; it evaluated the economic cost to PPL in accordance with the governing tender provisions. No alteration, amendment or modification was made to Respondent No. 3's bid after opening. The portal communication dated 06-02-2026 neither invited nor permitted Respondent No. 3 to revise its price, tax basis or any substantive term of its bid. Respondent No. 3 obtained no post-opening concession, relaxation or regularization.

61. Further submitted that the Appellant's proposed 'normalization' of Respondent No. 3's bid from PKR 200,000 to PKR 212,000 is artificial and contrary to the nature of withholding tax. In the absence of a contractual gross-up, deduction of WHT from an invoice does not increase PPL's cost by the amount withheld. The Appellant's central numerical comparison is therefore based upon a false premise. The difference between the evaluated costs of the two bidders arose from the treatment of provincial sales tax as recoverable or non-recoverable to PPL and not from any discriminatory treatment based upon the identity of the bidder. A recoverable tax does not constitute the same permanent economic cost to PPL as a non-recoverable tax. The allegation of unequal treatment under Rule 32 is therefore misconceived.

62. Further submitted that the publicly read financial figure at bid opening did not by itself confer upon the Appellant any vested right to award of the contract. The procurement process contemplated subsequent commercial evaluation for determination of the most advantageous bid in accordance with the tender documents and applicable procurement rules. The allegations of favoritism, accommodation, mala fide and discrimination in favour of Respondent No. 3 are vague, unsupported and specifically denied. The appeal identifies no collusion, communication, inducement, misrepresentation or special concession involving Respondent No. 3. An evaluation result favourable to Respondent No. 3 cannot, without supporting material, be converted into an allegation of mala fide. The original electronic bid record, including Respondent No. 3's priced commercial schedule, tax-related declarations and any deviations or exceptions, constitutes the best evidence of the bid actually submitted. Respondent No. 3 has no objection to the Honourable Authority examining the original electronic record for proper adjudication of the controversy.

63. Further submitted that the Appellant's prayer seeking direct award of the contract in its favour is legally misconceived. Even if the Appellant were able to establish any irregularity in the evaluation, which is denied, it would not automatically acquire an enforceable right to award without the procurement being dealt with in accordance with the applicable law and tender conditions. Without prejudice to the foregoing, Respondent No. 3 reserves the right to adopt and rely upon any maintainability or procedural objections lawfully available on the record, including such objections as may be raised by the Procuring Agency, insofar as the same are applicable to the present appeal.

64. Further submitted that it is specifically denied that the public opening itself established SMS as the financially most

successful or advantageous bidder. Public opening precedes detailed evaluation. It is further denied that Respondent No. 3's bidding PKR 200,000 quote required a further 6% WHT loading. Respondent No. 3 claimed no WHT exemption, no tax gross-up and no right to receive PKR 200,000 after WHT deduction. It is denied that this provision required PPL to treat a recoverable provincial tax as a permanent comparative cost, or to ignore clause 4.3 of the Standard Terms & Conditions concerning net cost to PPL. The tender documents must be read harmoniously.

65. Further submitted that the portal message dated 06-02-2026 did not permit or invite a change in Respondent No. 3's price, tax basis or bid substance and did not regularize any non-conforming bid. Respondent No. 3 had sought no exemption, WHT gross-up or tax deviation requiring regularization. The message communicated the uniform tender position that quoted rates were inclusive of WHT and that provincial taxes would be dealt with separately where applicable. The allegation that the exercise was designed 'accommodate' G&GA is baseless and to unsupported by any communication or act of Respondent No. 3.

66. Further submitted that Respondent No. 3's quoted daily rate was governed by the ITB requirement of inclusion of applicable taxes except provincial taxes, and Respondent No. 3 never sought to alter that position after opening. The communications between the Appellant and Respondent No. 1 otherwise speak for themselves and, to the extent not involving Respondent No. 3, require no reply.

67. Further submitted that admitted only to the extent that Respondent No. 3 was declared the Most Advantageous Bidder and was considered for award. It is denied that the result was unlawful merely because the Appellant's publicly read base

lower. The tender figure was detailed financial contemplated evaluation, and the most advantageous bid was to be determined under the governing evaluation provisions rather than by the opening figure alone.

68. Further submitted that the Appellant's characterization of Respondent No. 1's explanation is argumentative and does not establish any change in Respondent No. 3's bid. Respondent No. 3 reiterates that no WHT exemption, tax gross-up, qualification or post-opening concession was requested or granted. The tender position concerning WHT existed before bid opening and the portal communication did not alter the numerical price of either bidder.

69. Further submitted that it is denied that there was an arbitrary or discriminatory 'uplift' unique to SMS. The comparative evaluation treated non-recoverable provincial tax as part of PPL's net cost, whereas recoverable provincial tax did not increase PPL's comparative net cost. Respondent No. 3's evaluated net cost therefore remained PKR 200,000. The allegation of preferential treatment is denied.

70. Further submitted that the Appellant's proposed PKR 212,000 'normalized' figure for G&GA is legally and arithmetically misconceived because it treats WHT as an additional cost over and above Respondent No. 3's quote. WHT is deducted from invoice payment and remitted to FBR for the bidder's account; absent a contractual gross-up, it does not increase a PKR 200,000 invoice to PKR 212,000. Respondent No. 3 never sought a gross-up. The Appellant's numerical comparison therefore rests on a false premise.

71. Further submitted that the allegations and legal conclusions contained in the grievance are denied for the reasons stated in this reply, particularly the erroneous proposed WHT loading

and the incorrect allegation that Respondent No. 3 altered its bid after opening. The fact of the GRC decision dated 16-04-2026 is a matter of record. It is denied that the GRC arbitrarily ignored the ITB or applied an extraneous rule. Clause 4.3 formed part of the procurement framework and was read with the ITB. The GRC addressed WIIT, provincial-tax treatment and the comparative calculations. The fact that the GRC rejected the Appellant's interpretation does not make the decision unlawful.

72. Further submitted that the Appellant's stated 'reason to believe' is not proof that Respondent No. 3 submitted a WHT-exclusive bid. Respondent No. 3 has no objection to the Authority examining the original electronic bid record, which is the best evidence. That record should be read together with the ITB requirement that quoted rates include applicable taxes except provincial taxes and with the absence of any G&GA request for WHT exemption, gross-up, reimbursement or tax deviation. The GRC decision is a reasoned decision that identifies the WHT and provincial-tax issues, records the relevant calculations and explains the net-cost approach. Respondent No. 3 specifically denies that its publicly opened quote was lawfully WHT-exclusive or that any post-opening modification occurred. The Appellant's attempt to treat the Standard Terms & Conditions and the ITB as mutually exclusive is also denied; the documents form part of one procurement framework.

73. Further submitted that the impugned GRC decision is not patently or ex-facie illegal on any ground pleaded by the Appellant. The appeal is founded upon an incorrect WHT gross-up theory, an incomplete reading of the tender documents and unsupported allegations of discrimination and favoritism.

74. Further submitted that the Standard Terms & Conditions relied upon by the GRC were not extraneous conditions introduced after bid opening, they formed part of the procurement framework and were to be read with the ITB. Clause 4.3 supplied the disclosed basis for determining the most advantageous bid on net cost to PPL, while the ITB separately required quoted rates to include applicable taxes except provincial taxes. The GRC addressed the WHT and provincial-tax controversy within that framework. Respondent No. 3 neither sought nor obtained any exemption, relaxation, concession or special treatment. The ground is misconceived.

75. Further submitted that the general proposition that bids must be evaluated according to disclosed criteria is not disputed; however, the Appellant's application of that proposition is denied. Clause 4.3 and the Standard Terms & Conditions were part of the tender record, not an undisclosed formula introduced subsequently. The financial comparison applied the inclusive-tax requirement together with the disclosed net-cost principle, under which a cost recoverable by PPL is not treated as a permanent economic cost. Both bidders were subjected to the same governing documents and evaluation framework; no want of transparency, fairness or equal treatment is established.

76. Further submitted that Rules 29 and 30 require evaluation in accordance with the evaluation criteria and other terms and conditions contained in the bidding documents. The tender documents must be read as a whole. The ITB required rates to be inclusive of applicable taxes except provincial taxes, while clause 4.3 of the incorporated Standard Terms & Conditions determination provided for of the most advantageous bid on net cost to PPL, excluding recoverable costs. The net-cost principle was therefore not undisclosed. The Appellant cannot isolate

Part III and disregard the incorporated terms. No misprocurement is made out.

77. Further submitted that inclusion of non-recoverable provincial sales tax in the Appellant's comparative cost did not amend the Appellant's quoted price or alter its bid after opening. The quoted rate remained unchanged. The commercial evaluation determined PPL's economic cost under the tender framework: provincial tax that was non-recoverable to PPL formed part of comparative net cost, whereas recoverable provincial tax did not. The evaluation sheet consequently reflected SMS at PKR 208,849 and Respondent No. 3 at PKR 200,000. This was evaluation, not alteration of a bid.
78. Further submitted that Rule 32 prohibits discriminatory conditions, it does not require materially different tax-recoverability positions to be treated as identical. The same tender conditions and net-cost principle were applied to both bidders. The difference in the evaluated result arose from recoverability or non-recoverability of provincial tax to PPL, not from the identity of either bidder. No discriminatory condition or preferential methodology was introduced for Respondent No. 3.
79. Further submitted that the assertion that Respondent No. 3 submitted a non-conforming bid exclusive of WHT is specifically disputed. Respondent No. 3 submitted its PKR 200,000 daily rate under the tender requirement that quoted rates were inclusive of applicable taxes except provincial taxes. It sought no WHT exemption, no tax gross-up, no reimbursement of WHT and no reservation entitling it to receive PKR 200,000 after WHT. WHT remained deductible from invoices. The Appellant cannot insert into Respondent No. 3's bid a tax qualification that Respondent No. 3 never made; hence no basis existed to reject its bid on this allegation.

80. Further submitted that the characterization of the evaluation as an arbitrary 'uplift' of SMS alone is misleading. SMS's provincial sales tax was treated as therefore non-recoverable and formed part of its evaluated net cost, whereas the provincial sales tax relating to Respondent No. 3 was treated as recoverable and therefore did not increase PPL's net cost. Respondent No. 3's rate was not retained because of any indulgence concerning WHT; WHT was already within the quoted-rate structure and remained an invoice deduction. There was stage therefore no corresponding 6% amount to add to Respondent No. 3's price and no violation of Rule 32.

81. Further submitted that both alternatives advanced by the Appellant depend on the erroneous assumption that WHT on be added top of Respondent No. 3's PKR 200,000 quote. WHT is deducted from the must invoice and remitted for the bidder's account; absent a gross-up obligation it is not an additional cost to PPL. Respondent No. 3 never sought a gross-up. Thus a PKR 200,000 invoice does not become a PKR 212,000 cost merely because WHT is deducted. The proposed 6% 'normalization' would itself introduce a loading not contained in the bid or tender and would distort the comparison.

82. Further submitted that Rule 31(1) prohibits alteration or modification after opening but permits clarification that does not change the substance of the bid. No numerical price, tax reservation or substantive term of Respondent No. 3's bid was changed. The portal communication dated 06-02-2026 did not invite a revised price or tax basis; it communicated the tender position that quoted rates were inclusive of WHT and provincial taxes would be topped up where applicable. Respondent No. 3 neither sought nor obtained a WHT exemption, gross-up or post-opening concession. No retrospective regularization or material alteration occurred.

83. Further submitted that the allegations of arbitrariness, discrimination and mala fide are unsupported by any particularized act of Respondent No. 3. The appeal identifies no communication, collusion, misrepresentation, inducement or special concession involving Respondent No. 3. An evaluation outcome favourable to Respondent No. 3 does not establish mala fide. The evaluation proceeded on the tender framework and the respective tax-recoverability positions; no basis is shown for declaring it void ab initio.
84. Further submitted that the premise that the net-cost methodology was absent from the tender record is incorrect because clause 4.3 of the Standard Terms & Conditions formed part of the procurement documents and addressed evaluation on net cost to PPL, including recoverable costs. The ITB's inclusive-tax and provincial-tax provisions are complementary to that rule. It is also denied that the GRC failed to address the controversy: its decision dealt with WHT, provincial tax, the comparative calculations and net-cost basis. The Appellant's label 'NET/exclusive of WHT is disputed; the original electronic bid record is the best evidence of Respondent No. 3's unconditional bid position.
85. Further submitted that Clause 4.3 was not used to override the tender-specific ITB; the documents operate together and must be construed harmoniously. The ITB addresses what is included in quoted rates and how provincial taxes may be topped up, while clause 4.3 addresses comparison by net cost to PPL. There is no necessary conflict. As to Rule 35, PPL supplied the commercial evaluation material showing the comparative figures and basis of evaluation. In any event, complaint about the form or timing of an evaluation report does not establish that Respondent No. 3's bid was non-responsive, justify a 6% WHT gross-up, or entitle SMS a to direct award.

86. Further submitted that the Appellant confuses the publicly read quoted rate with the evaluated most advantageous bid. Public opening does not itself confer a right to award; evaluation follows under the tender documents and procurement rules. The commercial evaluation determined comparative net cost after applying the tax and recoverability provisions, on which Respondent No. 3 was found most advantageous. The Appellant's PKR 212,000 figure is artificial because it adds WHT as an additional cost despite there being no gross-up. The plea concerning the public exchequer therefore does not advance the appeal.

87. Further submitted that the GRC decision is not rendered unreasoned merely because it rejected the Appellant's interpretation. It addressed the material controversy concerning WHT and provincial tax, recorded the relevant calculations and relied on the net-cost provision governing commercial evaluation. Respondent No. 3 therefore denies that the decision is devoid of reasons or liable to be set aside on the basis asserted under section 24-A of the General Clauses Act.

88. Further submitted that the allegation is vague and identifies no particular judgment, principle or element of 'mis-procurement' said to have been violated. On the record, the governing evaluation terms were contained in the tender documents, no post-opening alteration of Respondent No. 3's bid occurred, and no discriminatory concession was granted. A generalized reference to superior-court principles cannot substitute for proof of an actual statutory or tender violation in this procurement.

89. The instant Appeal has been preferred by the Appellant, M/s Seismic Management Services Ltd., under Rule 48(7) of the Public Procurement Rules, 2004, assailing the decision dated

16.04.2026 passed by the Grievance Redressal Committee constituted by Respondent No. 1, Pakistan Petroleum Limited (PPL), whereby the grievance of the Appellant against the commercial/financial evaluation in respect of procurement of "Seismic Quality Control Services on Callout Basis" was rejected and M/s Geophysical & Geotec Associates Ltd. was maintained as the Most Advantageous Bidder.

90. The Appellate Committee has heard the learned counsels / representatives for the Appellant, Respondent No.1 (PPL) and Respondent No. 3 (G&GA), and has carefully examined the Memorandum of Appeal, written replies and rejoinders, documents and material placed on record, the decision of the GRC dated 16.04.2026, the relevant bidding documents, the applicable provisions of the Public Procurement Rules, 2004, Redressal of Grievances Regulations, 2021.

91. 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.

92. It is pertinent to mention that no deviation, variation, or departure from the specifications, terms and conditions stipulated in the bidding documents, including the prescribed evaluation criteria, is legally permissible. The Procuring Agency is required to act strictly in accordance with, and within the four corners of, the terms and conditions expressly set forth in the bidding documents. All participants in the bidding process are bound by the terms and conditions of the tender documents and are not entitled to introduce, invoke, or rely upon any condition, requirement, or consideration falling beyond the scope, purview, or ambit thereof. Accordingly, the bidding process must be conducted and evaluated strictly in accordance with the criteria and conditions expressly prescribed in the tender documents, without any unilateral deviation or departure therefrom.

93. In accordance with Regulation 2 (b) of the Redressal of Grievances Regulations, 2021, "Appellant" means *any bidder, including prospective bidder or any other party who prefers an appeal before the Authority against the decision of the Grievance Redressal Committee.*

94. It is expressly stipulated in Schedule I to the Redressal of Grievances Regulations, 2021, under the heading "Verification," that:

I (name in full in block letters) son / daughter / wife of _____ being the appellant / authorized representative of (_____) do hereby solemnly declare that the foregoing constitutes full, true and plain disclosure of all material facts and nothing has been concealed, and

that the contents of paras are true to my personal knowledge and belief.

Verified today this _____ day of _____.

Signature of the appellant / authorised representative.

95. It is expressly stipulated in Schedule I to the Redressal of Grievances Regulations, 2021, under the heading "Important Notice" that:

Please attach the "affidavit" and Wakalat Nama" / Attorney" or the "Authority Letter" as the case may be.

96. In terms of Section 178 of the Companies Act, 2017, which states:

Records of resolutions and meetings of board. —

(1) Every company shall keep records comprising—

*(a) all resolutions of the board passed by circulation; and
(b) minutes of all proceedings of board meetings or committee of directors along with the names of participants, to be entered in properly maintained books.*

(2) Minutes recorded in accordance with sub-section (1), if purporting to be authenticated by the chairman of the meeting or by the chairman of the next meeting, shall be the evidence of the proceedings at the meeting.

(3) Until the contrary is proved, every meeting of board or committee of directors in respect of the proceedings whereof minutes have been so made shall be deemed to have been duly called, held and conducted.

(4) A copy of the draft minutes of meeting of board shall be furnished to every director within fourteen days of the date of meeting.

(5) *The records must be kept at the registered office of the company from the date of the resolution, meeting or decision simultaneously in physical and electronic form and it shall be preserved for at least ten years in physical form and permanently in electronic form.*

(6) *Any contravention or default in complying with requirement of this section shall be an offence liable to a penalty of level 1 on the standard scale.*

97. Section 196 of the Contract Act, 1872, which states:

196. Right of person as to acts done for him without his authority. –

Effect of ratification – Where acts are done by one person on behalf of another, but without his knowledge or authority, he may elect to ratify or to disown such acts. If he ratifies them, the same effects will follow as if they had been performed by his authority.

98. In accordance with Section 248 and 249 of the Companies Act, 2006 (Part 10 – A company's directors, Chapter 9 – supplementary provisions, which states:

Section 248. (1) Every company must cause minutes of all proceedings at meetings of its directors to be recorded.

(2) The records must be kept for at least ten from the date of the meeting.

(3) If a company fails to comply with this section, an offence is committed by every officer of the company who is in default.

Section 249. (1) Minutes recorded in accordance with Section 248, if purporting to be authenticated by the Chairman of the

meeting or by the Chairman of the next directors' meeting, are evidence of the proceedings at the meeting.

(2) Where minutes have been made in accordance with that section of the proceedings of a meeting of directors, then, until the contrary is proved –

- a) The meeting is deemed duly held and convened,*
- b) All proceedings at the meeting are deemed to have duly taken place;*
- c) All and appointments at the meeting are deemed to be valid.*

99. The material issue, therefore, is not merely whether a document purporting to constitute a Board Resolution has subsequently been produced, but whether the Appellant has satisfactorily demonstrated that valid and subsisting corporate authority existed at the time the Appeal was instituted. A company, being a juristic person, can act only through its duly constituted and authorized organs, officers, or agents. Accordingly, the authority of the person purporting to institute or prosecute proceedings on behalf of the company must be demonstrably traceable either to the company's constitutional and governing documents or to a valid corporate authorization duly conferred in accordance with law. In the absence of such authority, the institution of proceedings on behalf of the company cannot be presumed to have been validly authorized.

100. In *Telecard Limited through Authorized Representative versus. Pakistan Telecommunication Authority through Chairman*, cited as **2014 CLD 415** (Supreme Court of Pakistan), the Hon'ble Supreme Court dealt with an appeal instituted on behalf of a limited company by a person whose authority had not been established. The Supreme Court held that:

"It is a settled law that a lis cannot be initiated on behalf of the company which is a juristic person, without having due

authority either in terms of the articles of association or by the board resolution. This is conspicuously missing in the present case. The appellant has not even appended herewith any document to establish that the CEO of the company, who allegedly signed the memo of appeal, had the authority.

In the light of the above, we do not find any merit in this appeal calling for interference by this Court in the instant jurisdiction. Dismissed accordingly”.

101. The principle laid down in Telecard is directly relevant to the threshold question before this Appellate Committee. The issue is not whether a corporate entity possesses legal personality, it plainly does, but whether the person who invoked the appellate jurisdiction on its behalf had demonstrable authority to do so at the material time.
102. The Appellate Committee observed with concern that the Appellant has not produced the original or certified minutes of the alleged Board meeting dated 07.05.2026, nor the notice or agenda of such meeting, attendance record, quorum record, minute-book entry or other contemporaneous corporate record demonstrating that the alleged resolution was in fact passed on that date.
103. This omission assumes material significance in light of Section 178 of the Companies Act, 2017, which mandates the maintenance of contemporaneous corporate records relating to proceedings of the Board, including resolutions, minutes of meetings, and the names of persons in attendance. Sub-section (2) further attaches evidentiary effect to minutes duly authenticated in accordance with law.

104. In the present case, the Appellant has failed to produce any contemporaneous corporate record evidencing the alleged Board Resolution dated 07.05.2026. No minutes of the purported meeting, attendance record, notice, agenda, particulars establishing the requisite quorum, or corresponding minute-book entry has been placed on record to substantiate that the alleged resolution was duly considered and passed by the Board. The subsequent notarization of the document relied upon by the Appellant does not, in itself, establish the historical fact that a Board meeting was convened or held on the date stated therein. Notarization is confined to authenticating the execution, presentation, or attestation performed before the Notary and does not, by its own force, constitute proof of the truth or correctness of the substantive historical recitals contained in the instrument. In the absence of the statutory and contemporaneous corporate records ordinarily expected to evidence such proceedings, the alleged resolution remains uncorroborated.
105. Accordingly, where the very existence and effectiveness of corporate authority on a particular date is disputed, the production of an isolated document at a later stage, without the underlying contemporaneous corporate record, cannot by itself conclusively establish that the requisite corporate act had occurred on the date asserted.
106. The Appellate Committee is, therefore, unable to accept that the subsequent production of the purported Board Resolution, by itself and without further corroborative evidence, is sufficient to establish that Mr. Muhammad Haseeb Ul Haq possessed the requisite and valid corporate authority to institute the Appeal on 13.05.2026.
107. The Appellate Committee emphasized that ratification constitutes a substantive corporate act and, therefore, cannot

be presumed or inferred in the absence of a conscious adoption of the unauthorized act by the competent principal, with full knowledge of the material facts and circumstances. The Committee further emphasized that this settled principle finds statutory recognition in Section 196 of the Contract Act, 1872, which provides that where an act is done by one person on behalf of another without authority, the person on whose behalf the act was done may either ratify or disown such act. Upon valid ratification, the law attributes to the act the same legal consequences as if it had originally been performed pursuant to lawful authority.

108. The Appellate Committee observed that no resolution has been placed on record expressly demonstrating that the Company, with full knowledge and conscious awareness that the Appeal had already been instituted on 13.05.2026, subsequently ratified, adopted, confirmed, and approved the institution of the said Appeal. Rather, the document relied upon is stated to authorize the concerned person to commence, initiate, institute, defend, sign and file proceedings. Such language, in the circumstances before the Appellate Committee, is not sufficient to demonstrate retrospective adoption of the specific unauthorized act already performed. The distinction between prospective authorization and retrospective ratification is material. The former authorizes an act to be undertaken; the latter adopts and confirms an act already undertaken without authority. The Appellate Committee therefore finds that the Appellant has failed to establish valid subsequent ratification of the act of institution of the Appeal.

109. The same principle is reflected in the provisions relating to corporate records, including Sections 248 and 249 of the Companies Act 2006 (Part 10 – A company's directors), Chapter 9, insofar as the Appellant is sought to be treated as a company governed by that statutory regime. Thus, in the peculiar facts

of the present case, the evidentiary gap concerning the alleged Board meeting remains unfilled.

110. In the present case, the Appellant has not established either:

- (a) that valid authority was demonstrably vested in the signatory on 13.05.2026; or
- (b) that the competent corporate organ subsequently, with knowledge of the material facts, expressly or otherwise validly ratified and adopted the institution of the present Appeal.

Accordingly, the Appellant cannot derive assistance from the general proposition concerning curability while failing to establish the factual and legal ingredients necessary for such cure.

111. Rule 48(7) of the Public Procurement Rules, 2004 provides that an aggrieved bidder or party may file an appeal before the Authority within thirty days of communication of the GRC decision, subject to depositing the prescribed fee and in accordance with the procedure issued by the Authority.

112. Regulation 7 of the Redressal of Grievances Regulations, 2021 Regulations expressly provides that:

"The Appellant shall append with every Appeal a Demand Draft / Pay Order of non-refundable fee as per Schedule II of these Regulations. The Authority shall not entertain any Appeal which is filed without the prescribed fee."

113. The regulatory language is mandatory. The requirement is not expressed as a discretionary administrative formality but as a condition attached to the very entertainment of an appeal. Recent orders of the Authority have likewise treated the

prescribed fee under Regulation 7 as a statutory precondition to entertainment of an appeal.

114. The Appellant has not disputed that the Appeal, at the time of institution, was not accompanied by the prescribed Demand Draft/Pay Order evidencing payment of the requisite fee in the manner prescribed.

115. The subsequent assertion that PKR 200,000 was deposited does not, by itself, establish compliance with Regulation 7 of the Redressal of Grievances Regulations, 2021. The requirement is for the prescribed fee, through the prescribed instrument, to accompany the Appeal. Moreover, the Appellant itself has acknowledged uncertainty regarding the applicable fee on the basis that the procurement was on a callout basis and that no guaranteed contract value was allegedly ascertainable.

116. Such uncertainty cannot authorize the Appellant unilaterally to determine the statutory fee payable. The appropriate course was to ascertain and comply with the fee prescribed under Schedule-II before invoking the appellate jurisdiction.

117. The Islamabad High Court, in Messrs Zohongding International Engineering Co. Ltd. through Authorized Representative v. National Highway Authority and others, **2023 CLC 1163**, examined Rule 48(7) read with Regulation 7 and Schedule-II of the 2021 Regulations and recognized that the right of appeal is statutory and subject to the conditions prescribed by the applicable regulatory framework. The Court reproduced the requirement that an appeal be accompanied by the prescribed fee and considered the statutory nature of the condition.

118. The fact that notice may have been issued or proceedings may have been commenced before the preliminary defects were finally examined cannot confer jurisdiction where the statutory

preconditions for entertainment of the Appeal have not been fulfilled.

119. Regulation 8 of the Redressal of Grievances Regulations, 2021 contemplates further processing of an appeal which is complete in accordance with the applicable regulatory framework. Procedural steps taken by the Authority at an earlier stage cannot retrospectively validate an appeal that was incompetent at inception for want of a mandatory statutory requirement. Accordingly, the issuance of notice or participation of the Respondents in the proceedings does not constitute a waiver of the statutory requirements nor does it estop the Respondent from raising an objection to the maintainability.

120. For the foregoing reasons, the Appellate Committee records the following findings:

1. The instant Appeal was instituted on 13.05.2026 by a person whose corporate authority had not been established through the Articles of Association, Board Resolution or other contemporaneous corporate instrument placed on record at the time of institution.
2. The purported Board Resolution dated 07.05.2026 was produced subsequently and was notarized on 24.07.2026, after the Respondent had specifically challenged the authority of the signatory.
3. No contemporaneous minutes, attendance record, notice, agenda, quorum record, minute-book entry or other corporate record has been produced to independently establish that the alleged Board meeting was in fact held and the resolution passed on 07.05.2026.

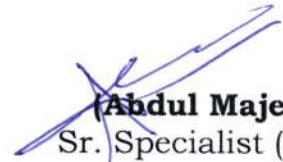
4. The subsequent production and notarization of the purported resolution cannot, by themselves, cure the absence of valid authority existing at the time of institution of the appeal on 13.05.2026, nor can they retrospectively confer upon the appellant an authority that did not exist on the date of filing.
5. The Appellant has further failed to establish that the competent corporate organ, with knowledge of the material facts, expressly or otherwise validly ratified and adopted the specific act of institution of the present Appeal.
6. The principle stated by the Hon'ble Supreme Court in case titled *Telecard Limited versus Pakistan Telecommunication Authority*, that proceedings on behalf of a juristic corporate person require due authority under the Articles of Association or by Board Resolution, supports the Respondent's objection on the facts of the present case.
7. Independently, the Appeal was not accompanied at the time of institution by the prescribed appeal fee in the manner required under Rule 48(7) of the Public Procurement Rules, 2004 read with Regulation 7 of the Redressal of Grievances Regulations, 2021.
8. Regulation 7 of the Redressal of Grievances Regulations, 2021 expressly provides that the Authority shall not entertain an appeal filed without the prescribed fee. The requirement therefore constitutes a statutory condition precedent to entertainment of the Appeal.
9. The defects identified above go to the competence and maintainability of the Appeal and are not merely

matters relating to the form or presentation of an otherwise validly instituted proceeding.

121. For the reasons and the threshold objections set out hereinabove, the Appeal is hereby **dismissed** being not maintainable, without it being necessary for this Appellate Committee to enter into or adjudicate upon the principal substantive contentions raised or urged by the Appellant.



(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: 11th September, 2026

Each page of the order has been signed by all members of the Committee. The order comprises seventy-three (73) pages.

