Review Petition No. PPRA/RP-12/2026
Government of Pakistan
Public Procurement Regulatory Authority
(Appeal & Review Petition Secretariat)
1st Floor, FBC Building, G-5/2, Islamabad

ORDER

M/s Inner Imaging Center (Pvt.) Ltd.

...the "Petitioner"

Vs.

Lahore Cantonment Board, etc.

...the "Respondents"

Date of Hearing **17.11.2026**	Mr. Muhammad Ahmed Khan Niazi (AHC), Mr. M. Jawwad Khan Lodhi (AHC), Syed Samir Sohail (AHC) ***(On behalf of the Appellant)*** Mr. Khurram Chughtai (Advocate) ***(On behalf of the Respondent i.e., Lahore Cantonment Board)***

REVIEW PETITION UNDER RULE 19(3) OF THE PUBIC PROCUREMENT RULES, 2004 AGAINST THE FINAL BLACKLISTING ORDER DATED 04.09.2026 COMMUNICATED TO THE PETITIONER ON 18.09.2026

The Authority received a Review Petition filed by M/s Inner Imaging Center (Pvt.) Limited (hereinafter referred to as the "Petitioner") under Rule 19(3) of the Public Procurement Rules, 2004, assailing the Final Speaking Order dated 04.09.2026 passed by the Committee for Blacklisting and Debarment, Lahore Cantonment Board (hereinafter referred to as the "Respondent No. 2"), whereby the Petitioner was blacklisted and debarred from participation in public procurement proceedings for a period of ten (10) years. The

impugned order was communicated to the Petitioner on 18.09.2026.

2. At the outset, learned counsel for the Petitioner submitted that Respondent No. 1, namely Lahore Cantonment Board, initiated the procurement process on 16.06.2023 for completion, development, equipping, operation and management of the Cantonment Healthcare Complex, comprising a proposed 500-bed teaching hospital and medical college situated at Sarfraz Rafiqui Road, Lahore Cantonment. The procurement was advertised on the website of PPRA vide Reference No. TS513551E. The Petitioner participated in the procurement process and, after depositing bid security amounting to PKR 5 million, participated in the competitive auction held on 09.08.2023, wherein it emerged as the successful highest bidder with an approved monthly rental offer of PKR 9.5 million. The said offer was subsequently approved by the Ministry of Defence vide Approval Letter dated 08.09.2023.

3. Learned counsel for the Petitioner further submitted that, despite the approval granted by the Ministry of Defence, the Procuring Agency failed to proceed with execution of the formal agreement and handover of the Project site, notwithstanding repeated requests and reminders made by the Petitioner. Consequently, the Petitioner invoked the constitutional jurisdiction of the Honourable Lahore High

Court through Writ Petition No. 22172 of 2024. The Honourable Lahore High Court, vide judgment dated 29.11.2024, declared the Petitioner to be the successful bidder and directed the Procuring Agency to execute the formal agreement in accordance with the approved terms and the applicable provisions of the Public Procurement Rules, 2004. Subsequently, Intra-Court Appeals bearing Nos. 81288 and 81314 of 2024 were preferred before the Honourable Division Bench of the Lahore High Court. During the pendency of the said proceedings, a fresh Expression of Interest was floated in respect of the same Project, which was also challenged by the Petitioner. The Honourable Division Bench, vide order dated 17.09.2025, directed the parties to maintain status quo with respect to the Project.

4. The counsel for the Petitioner also submitted that, during the pendency of the aforesaid proceedings, the Procuring Agency initiated blacklisting proceedings against the Petitioner through Show-Cause Notice dated 13.07.2026, followed by a Supplementary Charge Sheet dated 07.08.2026. The Petitioner submitted its detailed reply controverting the allegations raised therein. However, the Committee for Blacklisting and Debarment ultimately passed the impugned Final Speaking Order dated 04.09.2026, whereby the Petitioner was blacklisted for a period of ten (10) years. Being aggrieved by the said order, the Petitioner preferred the instant Review

Petition before the Authority under Rule 19(3) of the Public Procurement Rules, 2004.

5. At the very outset, learned counsel for the Petitioner submitted that the prescribed fee for filing the instant Review Petition had duly been deposited in accordance with the Regulations for Procedure of Filing and Disposal of Review Petition under Rule 19(3), 2021 (hereinafter referred to as the "2021 Regulations"). It was contended that the pre-qualification/bidding documents issued by the Procuring Agency did not stipulate any specific estimated cost or consolidated procurement value of the Project. In the absence of any expressly specified estimated procurement value, the Petitioner calculated the prescribed fee on the basis of the approved annual rental value of PKR 114 million, representing the monthly rental consideration of PKR 9.5 million multiplied by twelve months. Accordingly, an amount of PKR 200,000/- was deposited through Pay Order dated 30.09.2026 under Serial No. 1 of Schedule-II of the 2021 Regulations.

6. Learned counsel for the Petitioner further submitted that the amount deposited by the Petitioner was correctly calculated with reference to the annual rental consideration forming the financial basis of the procurement. It was argued that, since the procurement documents did not expressly provide a consolidated estimated project cost, the Petitioner had reasonably assessed the value on the basis of the approved

monthly rental offer and deposited the fee accordingly. It was, therefore, contended that the fee deposited by the Petitioner was in accordance with the applicable regulatory framework and that the preliminary objection raised by the Respondents regarding deficiency in payment of the prescribed fee was misconceived and liable to be rejected.

7. On the other hand, learned counsel for the Respondents controverted the above submissions and raised a preliminary objection regarding the entertainability of the Review Petition on the ground that the prescribed fee had not been deposited in accordance with Regulation 7 read with Schedule-II of the 2021 Regulations. It was contended that the Petitioner had incorrectly calculated the prescribed fee by treating one year's rental consideration as the total procurement value, whereas the subject procurement involved completion, development, equipping, operation and management of a 500-bed teaching hospital and medical college for an initial period of thirty-three (33) years, extendable by a further period of thirty-three (33) years, subject to the rental escalation stipulated in the pre-qualification documents.

8. Learned counsel for the Respondents further submitted that the said communication explained that the procurement was initiated through Pre-Qualification Notice dated 16.06.2023 and comprised the completion, equipping, development, operation and management of the Cantonment

Healthcare Complex, a proposed 500-bed teaching hospital and medical college situated at Sarfraz Rafiqui Road, Lahore Cantonment, for an initial period of thirty-three (33) years, extendable by a further period of thirty-three (33) years. The Respondents specifically maintained that the procurement could not be treated as being confined to one year's rental consideration.

9. In support of their contention, Respondent No. 1 furnished a written communication dated 19.11.2026, bearing the subject "Provision of Total Estimated Cost/Procurement Price – Review Petition No. PPRA/RP-12/2026, M/s Inner Imaging Center (Pvt.) Limited, Lahore Cantonment Board, etc." Through the said communication, the estimated cost and relevant financial particulars of the subject procurement were placed on record to assist the Authority in determining the prescribed fee under Regulation 7 read with Schedule-II of the 2021 Regulations. The Respondents accordingly furnished the following financial particulars through the aforesaid communication dated 19.11.2026:

Component	**Estimated value (PKR million)**
Rental consideration for 33 years at the approved monthly rental of PKR 9.5 million, without escalation	3,762
Rental consideration for 33 years, inclusive of escalation prescribed in the pre-qualification documents	Approximately 23,780
Capital investment required for completion of the remaining works, as	5,000

indicated in the Petitioner's Revised Proposal dated 13.04.2026	
Investment claimed by the Petitioner to have already been made, as pleaded in Writ Petition No. 22172 of 2024	Approximately 1,000
Total estimated project cost, as stated by the Respondents	Approximately 15,000

10. The Respondents further pointed out that the Petitioner had calculated the prescribed fee on PKR 114 million, representing one year's rental consideration at the approved monthly rental of PKR 9.5 million, whereas the said amount did not represent the total value of the procurement or any of the financial components identified in the aforesaid communication. It was, therefore, contended that Schedule-II did not provide for calculation of the prescribed fee on the basis of annual rental value and that the procurement value substantially exceeded the threshold prescribed for payment of the fixed fee. Accordingly, the Respondents maintained that the amount deposited by the Petitioner was deficient and the Review Petition was not entertainable under Regulation 7 of the aforesaid Regulations.

11. The learned counsel for the Respondents further submitted that the subject procurement was not confined to the payment of rental consideration but constituted a comprehensive project involving completion of the remaining construction, equipping and furnishing of the facilities, substantial capital investment and long-term operational and

management obligations. It was, therefore, contended that the overall nature, scope and duration of the procurement, along with its associated financial obligations, were required to be taken into consideration while determining its value for the purposes of the 2021 Regulations. The Respondents accordingly prayed that the Review Petition be dismissed as not entertainable for want of payment of the prescribed fee.

12. The Committee has heard the learned counsel/representatives of the parties and examined the available record, including the Review Petition, para-wise comments and reply submitted by the Respondents, the relevant provisions of the 2021 Regulations and, particularly, the communication dated 19.11.2026 furnished by the Lahore Cantonment Board regarding the estimated cost/procurement price of the Project.

13. The preliminary objection raised by the Respondents relates to the payment of the prescribed fee, which goes to the very maintainability of the instant Review Petition. In this regard, Regulation 7 of the 2021 Regulations provides that the Authority shall not entertain any Review Petition filed without payment of the prescribed fee. Furthermore, Schedule-II of the said Regulations prescribes the fee payable with reference to the value of the procurement, providing a fixed fee where the procurement value does not exceed PKR 250 million, whereas procurements exceeding the said threshold attract the fee

prescribed at Serial No. 2 of Schedule-II, calculated at the rate of 0.1% of the procurement value.

14. The Committee observes that the Petitioner has deposited an amount of PKR 200,000/- through Pay Order dated 30.09.2026 by treating the approved annual rental value of PKR 114 million as the total procurement value and claiming the benefit of Serial No. 1 of Schedule-II. However, the record reveals that the subject procurement is not confined to the payment of one year's rent. Rather, it encompasses completion, development, equipping, operation and management of a 500-bed teaching hospital and medical college for an initial contractual period of thirty-three (33) years, extendable by a further period of thirty-three (33) years, with rental escalation and other financial obligations stipulated in the pre-qualification documents. Therefore, the nature, scope, duration and financial obligations forming part of the procurement are relevant considerations for determining its value for the purposes of the 2021 Regulations.

15. The Committee has also taken into consideration the communication dated 19.11.2026 furnished by the Respondent No. 1, wherein the financial particulars of the Project have been specifically identified with reference to the record of the Board. The said communication reflects that the rental consideration for the initial contractual period of thirty-three (33) years, calculated at the approved monthly rental of

PKR 9.5 million without escalation, amounts to PKR 3,762 million, whereas the rental consideration inclusive of the prescribed escalation has been estimated at approximately PKR 23,780 million. Furthermore, the Respondents have referred to the Petitioner's own Revised Proposal dated 13.04.2026, wherein an estimated capital investment of PKR 5,000 million was indicated for completion and operationalization of the Project. Reference has also been made to the Petitioner's pleadings in Writ Petition No. 22172 of 2024, wherein investment of approximately PKR 1,000 million was claimed to have already been made. On the basis of the aforesaid particulars, the Respondents have stated the total estimated project cost to be approximately PKR 15,000 million.

16. The Committee is of the considered view that the absence of a consolidated estimated cost figure in the pre-qualification documents, by itself, does not justify restricting the procurement value to one year's rental consideration, particularly when the nature, scope and financial obligations of the Project are ascertainable from the procurement documents and the financial particulars subsequently furnished by the Procuring Agency. The Petitioner's calculation of the prescribed fee on the basis of PKR 114 million, therefore, does not represent the value of the procurement for the purposes of Schedule-II of the 2021 Regulations. The financial particulars placed on record by the Respondents demonstrate

that the value of the procurement substantially exceeds the threshold of PKR 250 million prescribed under Serial No. 1 of Schedule-II.

17. The Committee further observes that the prescribed fee under Schedule-II is linked to the value of the procurement and not merely to the annual rental consideration. In the instant case, the procurement involves a long-term project with substantial development, completion, equipping, operational and management obligations. Accordingly, the annual rental value of PKR 114 million, taken in isolation, cannot be treated as the total procurement value for determining the applicable fee. The Petitioner's contention that the fee deposited under Serial No. 1 is sufficient, therefore, cannot be accepted.

18. In view of the foregoing discussion, the Committee finds that the Petitioner has calculated and deposited the prescribed fee on an incorrect basis by treating the annual rental value of PKR 114 million as the total procurement value. The amount deposited under Serial No. 1 of Schedule-II does not constitute payment of the prescribed fee applicable to the subject procurement, which falls beyond the threshold of PKR 250 million. The requirement of payment of the prescribed fee under Regulation 7 read with Schedule-II is mandatory, and the Authority is expressly precluded from entertaining a Review Petition filed without payment of the fee prescribed under the

said Regulations. Accordingly, the preliminary objection raised by the Respondents is found to be legally sustainable.

19. For the reasons recorded hereinabove, the Committee is of the considered view that the instant Review Petition is not entertainable for want of payment of the prescribed fee in accordance with Regulation 7 read with Schedule-II of the Regulations for Procedure of Filing and Disposal of Review Petition under Rule 19(3), 2021. Consequently, the Review Petition is hereby dismissed.

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

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

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

Dated: 24th November, 2026

Note: A copy of this order is being forwarded to Director-IT, PPRA, Islamabad for information.

Each page of the order has been signed by all members of the Appellate Committee. The order comprises of twelve (12) pages.