



No. PPRA/AP-29/2026
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 Lasifa Travel & Tours (Pvt) Ltd.

...the "Appellant"

Vs.

Federal Directorate of Education, etc.

...the "Respondent(s)"

Date of Hearing	Mr. Jameel Hussain Qureshi (ASC), Mr. Hashmat Ali (On behalf of Appellant)
04.06.2026	Mr. M. Luqman (Dir. Admn), Dr. Yaseen Aafaqi (ICB), Mr. Mushtaq Khan (AD Admn) (On behalf of Respondents)

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

The Authority received an Appeal filed by M/s Lasifa Travel & Tours (Pvt) Ltd., through its CEO Mr. Athar Iqbal "the Appellant" on 19-05-2026 under Rule 48(7) of the Public Procurement Rules, 2004. The Authority on receipt of the Appeal issued notices to M/s Lasifa Travel & Tours (Pvt) Ltd., through its CEO Mr. Athar Iqbal ("Appellant"); Federal Directorate of Education through its Director General; Federal Directorate of Education through its Chairman Grievance Redressal Committee

(the "Respondents"), wherein it was directed to appear in person or through their nominated representatives or Counsel before the Authority on 04.06.2026 before the Appellate Committee in the Committee Room of Public Procurement Regulatory Authority (PPRA).

2. On the said date of hearing (04-06-2026) the above-mentioned learned counsel(s) and representatives of the parties, appeared before the Committee and presented their arguments at length. The Respondents provided written arguments to the Committee.

3. The learned counsel for the Appellant submitted that having been aggrieved by and dissatisfied with the impugned order dated 11-05-2026, wherein the respondent No. 2 is failed to adequately address the grievance of the appellant as well as the impugned final evaluation report announced/published by the respondent No. 1, therefore the appellant prefers this appeal against the impugned order passed by respondent No. 2, being non-speaking, arbitrary, illegal and unlawful, is untenable in law and liable to be set aside.

4. Further submitted that the respondent No. 1 published "Invitation for Bid", for the provision of services of Janitorial Staff through outsourcing, (Ref #9800) for a Bid Security of Rupees 5 million, based on Single Stage- Two Envelope procedure. The Bid

submission deadline for the Ref # P9800 was 12-03-2026, therefore, the appellant submitted its sealed bids containing technical as well as financial accordingly within prescribed period, moreover, the technical bids were opened accordingly. The appellant has already been providing Janitorial Services to Respondent No. 1, to its full satisfaction. **The appellant was awarded 60 out of 70 marks as per the technical evaluation report, despite fulfilling the requisite criteria, whereas other bidders were awarded higher marks despite their non-compliance with the bidding requirement and being lack the requisite period of experience.** The Appellant being aggrieved of the technical evaluation report, raised concern regarding the technical evaluation on 21-04-2026, simultaneously requested for the provision of the detailed technical evaluation report including marking breakdown against each criterion, and comparative evaluation details of other participating firms who have obtained higher marks. However, the respondent No. 1 miserably failed to reply the same till date.

5. The counsel for the Appellant further submitted that the marks for technical evaluation were divided based on different categories. One of such categories was the relevant experience, 10 total marks were reserved for experience, 1 mark to be awarded against each year of experience. Only the firm having a working experience of 10 years was to be awarded full 10 marks, whereas,

the firms namely M/s N & U Enterprises and Malik Ghulam Mustafa & Co., being incorporated in the year 2022 as per SECP record, were awarded 10 marks, which is in stark contravention of the factual matrix, therefore renders the technical evaluation arbitrary and unlawful. On the other hand, the appellant having an experience of more than 10 years was awarded lesser marks, which appears to be a deliberate attempt to accommodate the aforesaid bidders. The instant bid was previously advertised, wherein both M/s N & U Enterprises and Malik Ghulam Mustafa & Co, were technically disqualified, however the appellant was awarded full marks in technical evaluation report at this time. The bid was cancelled and re-advertised with a revised-criteria, which further validates that the whole exercise is carried out just to accommodate the previously technically disqualified bidders.

6. The counsel for the Appellant contended that subsequently on 30-04-2026, the Respondent No.1 published the Final Evaluation Report, wherein it awarded highest marks to M/s N & U Enterprises (Pvt) Ltd, and declared it as the successful bidder, which is contrary to the factual position, bidding document, and applicable law in as much as the financial bid submitted by it is abnormally low, and is violative of the procurement and labour laws. Moreover, it lacks the mandatory technical evaluation criteria, the issue which has previously raised by the appellant. That being gravely aggrieved and

dissatisfied with the Final Evaluation report dated 30-04-2026, lodged a written complaint before the Respondent No. 2/GRC on 01-05-2026 received on 04-05-2026 which is well within time, wherein the appellant raised serious objection regarding the abnormally low financial bids submitted by the bidders, especially M/s N& U Enterprises, and provided the Statutory Cost Calculation as required / mentioned in the Bidding Documents. The Calculation is provided as below:

Minimum Wage	PKR. 37000
EOBI (5%)	PRK 1850
IESSI / Social Security (6%)	PKR 2,220
Subtotal	PKR 41,070
GST (15%)	PKR. 6,160
Total	PKR. 47,230
Withholding Tax (9%)	PKR 4,250
Total minimum cost per employee	PKR. 51,480

7. The aforesaid calculations were carried out in accordance with criteria stipulated in the bidding documents which provides that "**The rates offered by the company shall be inclusive of all costs related to provision of services including but not limited to overtime charges if applicable for janitorial staff, EOBI. Social Security Charges, Cost of uniform & accessories required for successful provision of required service, all direct & indirect applicable taxes/duties, providing medical care in case of on-duty injuries etc.**

8. Further added that any financial bid quoted below this minimum threshold is practically infeasible, abnormally low, contrary to bidding documents, and violative of applicable procurement and labor laws. As far as 9% withholding Tax is concerned, it is clarified that same percentage is being deducted by the Respondent No.1 from the services rendered by Appellant, therefore this benchmark has been set out by the Respondent No.1 itself. **That M/s N & U Enterprises (Pvt.) Limited quoted financial bid of PKR 47800/- which is substantially low, financially non-viable, non-compliant with labour laws and raises serious concerns regarding sustainability, however, was awarded highest marks and declared successful.** Moreover, the appellant also highlighted the strong objections against the irregularities committed in Technical Evaluation Report. The Respondent No. 2/ GRC vide its order dated 11-05-2026. arbitrarily and mechanically held that the grievance filed by the appellant regarding minimum benchmark for quotation to provide services is not tenable under law, PPRA rules and Public Interest. The impugned order dated 11-05-2026, passed by Respondent No.2 is therefore, non-speaking, patently and ex-facie illegal, perverse, contrary to law and without lawful authority and proper application of mind, therefore, the same is liable to be set aside.

9. The counsel for the Appellant further submitted that the GRC/Respondent No. 2 has passed a non-speaking, arbitrary and

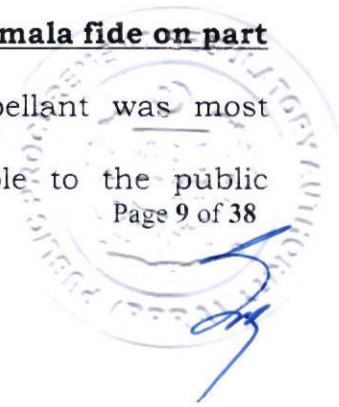

patently illegal order dated 11-05-2026, without application of prudent mind, and has completely failed to address the serious objections raised by the Appellant regarding the arbitrary and unlawful financial as well as technical evaluation conducted by Respondent No. 1 despite having been specifically seized of the matter through the complaint dated 01-05-2026 duly received on 04-05-2026. The GRC/Respondent No. 2 has thus failed to adequately and effectively address the grievance of the Appellant, in express violation of the paramount duty bestowed upon it under the PPRA Rules, 2004, and its order dated 11-05-2026 is therefore liable to be set aside. **The Respondents failed to undertake any meaningful scrutiny of the abnormally low bids despite the fact that the accepted rates are commercially impossible and incapable of sustaining statutory deductions, labour obligations, taxes, operational expenses, administrative costs, uniforms, and other mandatory contractual liabilities.** Further, mere tendering of undertaking from a bidder does not absolve the Respondents from independently determining whether the quoted rate is realistic, executable, sustainable, and compliant with the terms of the bidding documents and applicable laws.

10. **Further averred that the technical evaluation conducted by Respondent No. 1 is arbitrary, mala fide, and in stark contravention of the bidding documents. In as much as**

M/s N & U Enterprises and Malik Ghulam Mustafa & Co., both incorporated in the year 2022 as per SECP record, were unlawfully awarded 10 full marks against the experience criterion, despite possessing approximately 3 years of corporate existence, therefore manifestly lacking the mandatory experience. It is pertinent to mention here that under the evaluation criteria, 10 marks were reserved for relevant experience, with 1 mark to be awarded per year of experience and only a firm having 10 years of experience was entitled to the maximum of 10 marks. The Appellant requested Respondent No. 1 to provide the complete record of the technical evaluation, however, the same was not adhered to, which raises serious concerns regarding transparency, fairness, and impartiality. Nonetheless, Respondent No. 1 proceeded to declare M/s N & U Enterprises as the successful bidder, in a hasty and unreasoned manner, in gross violation of Rule 36 of the PPRA Rules, 2004, which mandates that evaluation shall be carried out strictly in accordance with the criteria specified in the bidding documents.

11. The counsel for the Appellant further submitted that on the other hand, the Appellant, having more than 10 years of proven and documented experience in providing janitorial services to Respondent No. 1 and others, and having been

previously awarded full marks in the technical evaluation in the earlier advertised bid for the very same procurement, was awarded lesser marks in the instant technical evaluation, in a deliberate attempt to keep it out of competition, without any lawful justification. This disparate and discriminatory treatment meted out to the Appellant demonstrates that the evaluation was conducted in a predetermined and biased manner to accommodate favored bidders, in express violation of Rule 4 of the PPRA Rules, 2004, which mandates transparency, integrity, and fair competition in all procurement proceedings. The mala fide intent of Respondent No. 1 is further evident from the fact that the instant bid was previously advertised, wherein both M/s N & U Enterprises and Malik Ghulam Mustafa & Co. were technically disqualified, while the Appellant was awarded full marks in the technical evaluation report. The bid was thereafter cancelled and re-advertised with revised criteria, with the sole and apparent purpose of accommodating the previously disqualified bidders. Such conduct on the part of Respondent No. 1 is a blatant abuse of the procurement process, directly contrary to Rule 4 of the PPRA Rules, 2004, which prohibits the use of procurement proceedings to frustrate fair competition, and clearly shows mala fide on part of Respondent No. 1. The bid of the Appellant was most responsive, compliant, and financially feasible to the public

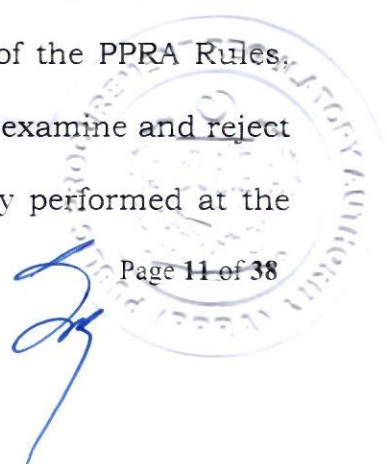
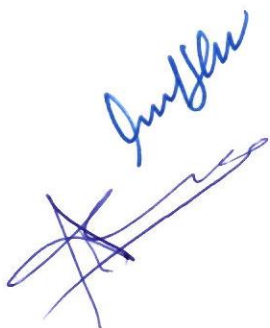


exchequer, which is a paramount consideration in the award of public contracts. However, Respondent No. 1 has shown gross negligence in considering this fact and has illegally and unlawfully sidelined the Appellant's bid, just to favor the blue-eyed bidder of Respondent No. 1. The actions undertaken by Respondent No. 1 are contrary to the principles of open competition and fair play.

12. Further argued that the Final Evaluation Report dated 30-04-2026 issued by Respondent No. 1, wherein M/s N & U Enterprises (Pvt.) Ltd. was awarded highest marks and declared as the successful bidder, is unlawful and contrary to the bidding documents, inasmuch as the financial bid submitted by the said firm at PKR 47,800/- per employee per month is substantially and abnormally below the minimum viable statutory threshold of PKR 51,480/- per employee per month. The said minimum threshold is calculated strictly in accordance with the mandatory statutory costs expressly stipulated in the bidding documents, comprising Minimum Wage of PKR 37,000/-, EOBI contribution at 5% amounting to PKR 1,850/-, IESSI/Social Security at 6% amounting to PKR 2,220/-GST at 15% amounting to PKR 6,160/-, and Withholding Tax at 9% amounting to PKR 4,250/-, aggregating to PKR 51,480/- per employee per month. Any financial bid quoted below this minimum threshold is practically infeasible, abnormally low, contrary to the bidding

documents, and violative of applicable procurement and labour laws, however, the Respondents have completely failed to take this aspect into account.

13. Further submitted that the Respondents have further overlooked a crucial aspect, inasmuch as the financial bids quoted by the other bidders appear to have been calculated at a lower rate of withholding tax. It is pertinent to clarify that a withholding tax at the rate of 9% is being deducted by Respondent No. 1 from the invoices/payments of the Appellant against the services rendered by it to Respondent No. 1. This rate has therefore been set out and established by Respondent No. 1 itself, and consequently, the same ought to have been uniformly applied as a mandatory benchmark while evaluating the financial viability of all bids. The failure of the Respondents to apply this self-imposed and established benchmark while evaluating the financial bids of other bidders, particularly M/s N & U Enterprises (Pvt.) Ltd., renders the financial evaluation inconsistent, arbitrary, and contrary to the bidding documents and the PPRA Rules, 2004. The acceptance of such an abnormally low and financially non-viable bid, which cannot possibly be performed in compliance with applicable labor laws and the express terms of the bidding documents, is a direct violation of the PPRA Rules, 2004, which requires the procuring agency to examine and reject abnormally low bids that cannot be genuinely performed at the



quoted price. The failure of Respondent No. 1 to reject the manifestly unviable and non-compliant financial bid of M/s N & U Enterprises (Pvt.) Ltd. is also contrary to the applicable labor laws, and renders the Final Evaluation Report ex-facie illegal and liable to be set aside.

14. The counsel for the Appellant further submitted that the GRC/Respondent No. 2 committed a further and glaring irregularity while passing the impugned order, wherein it observed that M/s N & U Enterprises (Pvt.) Ltd. had quoted an amount of PKR 47,800/- and provided an undertaking on judicial stamp paper to the effect that the firm will bear all expenses and taxes even if beyond the quoted amount. It is pertinent to mention here that the GRC/Respondent No. 2 has thereby travelled beyond its domain, as it does not possess any authority under the PPRA Rules, 2004 to obtain or accept any such undertaking from a bidder, nor can such an undertaking cure or validate a non-compliant and abnormally low financial bid. This very finding of the GRC/Respondent No. 2 validates and confirms that the financial bid of M/s N & U Enterprises (Pvt.) Ltd. is indeed below the minimum statutory threshold, yet the same was unlawfully accepted, which is contrary to the bidding documents, the PPRA Rules, 2004, and applicable labour laws. The actions undertaken by Respondent No. 1 are contrary to

the principles of open competition, fair play, transparency, and value for money, which are the foundational principles of public procurement as enshrined in Rule 4 of the PPRA Rules, 2004, and as consistently upheld by the superior courts of Pakistan. The bid of the appellant was most responsive, compliant and very feasible to the public exchequer, therefore is the most advantageous, which is paramount consideration in the award of public contracts. But the Respondent No.1 has shown negligence in considering this fact. The impugned order dated 11-05-2026 are devoid of merits and also in violation of Section 24-A of the General Clauses Act.

15. The representative of the Respondent (FDE) submitted that the Federal Directorate of Education (FDE) initiated a procurement process for the Provision of 356 Janitorial Staff for deployment in schools/ colleges of Federal Directorate of Education Islamabad through Single Stage Two Envelope procedure for educational institutions under its administrative control. As per the approved bidding documents, the Technical Evaluation carried a weightage of 70%, reflecting the critical importance of bidders' technical capacity, relevant experience, and compliance with the prescribed evaluation criteria available on EPADS 2.0. Accordingly, the Technical Proposals were evaluated strictly in accordance with the criteria set forth in the

bidding documents and on the basis of the information and documentary evidence submitted by the bidders themselves.

16. The representative of the Respondent (FDE) further submitted that no bidder raised any grievance, objection, or complaint regarding the Technical Evaluation process up to the opening of the Financial Proposals. This indicates that the participating firms accepted the outcome of the Technical Evaluation and did not contest the evaluation methodology or the treatment of documents uploaded in different sections of EPADS 2.0. Subsequently, M/s Lasifa Travel & Tours (Pvt) Ltd., vide its letter dated 21-04-2026, requested that relevant information regarding the technical evaluation be shared with the firm. In response, a meeting was arranged with the firm's representative, Lt Col (R). Hashmat, on 27-04-2026, during which a detailed presentation and briefing on the Technical Evaluation process was provided. Upon completion of the briefing, the firm's representative acknowledged that the information provided was comprehensive and satisfactory. Further stated that he had no grievance or objection regarding the Technical Evaluation process and expressed satisfaction with the explanations and clarifications furnished during the meeting. The outcome of the meeting was subsequently conveyed to the firm vide letter dated 29-04-2026.

17. The representative of the Respondent (FDE) submitted that the said firm did not submit any grievance or complaint before the Grievance Redressal Committee (GRC), either through EPADS 2.0 or in writing, within the prescribed timeframe. This indicates that the firm had accepted the Technical Evaluation process and did not seek redressal of any issue before the competent forum at that stage. However, the said firm submitted a grievance against final evaluation report dated 01-05-2026 addressed to the Director General, FDE, with a copy endorsed to the Chairman, Grievance Redressal Committee (GRC). In response, the firm was informed through an official letter as well as electronic message to appear before the GRC on 11-05-2026 at 11:00 AM for hearing of its grievance. In its grievance petition dated 01-05-2026, M/s Lasifa Travel & Tours (Pvt) Ltd. contended that the minimum benchmark for quotations to provide janitorial services should be Rs. 51,480/- per employee, calculated on the basis of minimum wage, EOBI contribution, Social Security contribution, GST, and withholding tax. The firm argued that any bidder quoting below this benchmark should be declared non-responsive and disqualified from the procurement process. In the instant case, EPADS 2.0 declared M/s N&U Enterprises (Pvt) Ltd. as the most advantageous bidder after completion of the technical and financial evaluation process.



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18. The representative of the Respondent (FDE) contended that the grievance was examined in detail by the Grievance Redressal Committee. After considering the relevant provisions of the bidding documents, applicable PPRA Rules, and the public interest involved, the Committee concluded that the grievance raised by M/s Lasifa Travel & Tours (Pvt.) Ltd. and M/s Malik Ghulam Mustafa & Co (Pvt) Ltd was not tenable. The Committee observed that the bidder's proposed benchmark had no legal basis in the bidding documents and could not be used as a mandatory threshold for determining responsiveness of bids. Accordingly, the GRC rejected the grievance dated 01-05-2026 and upheld the procurement process, holding that the objection raised by the firms was not sustainable under the applicable law, PPRA Rules, or principles of public procurement. **M/s Lasifa Travel & Tours (Pvt.) Ltd.** raised concerns regarding the rates quoted by M/s N&U Enterprises (Pvt.) Ltd. and requested that a benchmark be established to ensure compliance with the minimum wage, EOBI contribution, Social Security contribution, GST, and withholding tax requirements.

19. The representative of the Respondent (FDE) submitted that in the instant case, EPADS 2.0 declared M/s N&U Enterprises (Pvt) Ltd. as the most advantageous bidder upon completion of the technical and financial evaluation process. Further submitted that M/s N&U Enterprises (Pvt) Ltd. furnished

an affidavit on judicial stamp paper affirming that its quoted rate of Rs 47,800/- is fully inclusive of all applicable costs and statutory obligations, including minimum wage, EOBI, Social Security, taxes, and other mandatory contributions. The evaluation results were duly scrutinized by both the Procurement Committee and the Grievance Redressal Committee (GRC), which found the bid responsive and fully compliant with the requirements of the bidding documents. Accordingly, the objections raised by the complainant firms were examined and found to be unsubstantiated in light of the bidding requirements and the documentary evidence provided by the successful bidder.

20. The counsel for the Appellant further submitted through rejoinder that at the first hearing dated 04-06-2026, the respondent FDE submitted its comments and the copy of the same was supplied to appellant during hearing. That as per the direction of the Honourable Appellate Committee of the Authority, the appellant through its counsel and other parties argued the matter. Through the said rejoinder, the counsel for the appellant submitted as follows:-

Issue No. 1: Call Deposit Receipt (CDR):

21. That the respondent No. 1/FDE, published "Invitation for Bid" for the "Provision of Services of Janitorial Staff through Outsourcing" and there was a mandatory requirement for submission of Bid Security amounting to Rs. 5 million in the

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shape of Call Deposit Receipt (CDR) in favour of DDO FDE. The relevant clause is reproduced as under:

The Bidder shall enclose the Bid Security amounting to Rs. 5 million in shape of Call Deposit Receipt (CDR) in favour of DDO FDE. The Bid Security of unsuccessful bidder shall be returned after award of contract or within one week of expiry of bid.

22. The same term has also been mentioned in the bidding document under the clause (iii) of the Instruction to the Bidders which is as follows:

"Bid Security in shape of CDR amounting to Rs. 5 million shall be submitted in favour of DDO, FDE.

23. It is to be noted with all humbleness that the word "shall" has been used which in fact strengthen this requirement as mandatory and not optional.

24. During the first hearing on 04-06-2026, it has been admitted by contesting bidders namely (i) Malik Ghulam Mustafa & Co (Private) Limited and (ii) N&U Enterprises (Pvt) Ltd. that they have not submitted the CDR but submitted another alternative document.

25. It is very astonishing that when such bidders who have not complied the mandatory terms of the bidding document, but they have been declared Technical Responsive, which clearly

shows the mala fide on part of respondent No. 1 who actually accommodated the contested bidders in violation of its own bidding document whereas the these two bidders (i) Malik Ghulam Mustafa & Co (Private) Limited and (ii) N&U Enterprises (Pvt.) Ltd. should have been disqualified from participating in the bidding process on this score alone, as being non-compliant. It is interesting to note that the instant tender/bidding process is in fact retendered. In the earlier bid/Tender Enquiry No. F.25121465176 (TS744877E), for provision of Janitorial Staff for Schools/Colleges of Federal Directorate of Education (FDE), which was opened on 24-12-2025. The above named two bidders (i) Malik Ghulam Mustafa & Co (Private) Limited and (ii) N&U Enterprises (Pvt.) Ltd. were remained Technically Unresponsive on the ground that they did not comply with the terms of bid security, therefore, in the instant re-tender, it is beyond justification that the respondent No. 1 FDE declared them as Technically responsive specifically when they failed to submit the required CDR which is mandatory in nature.

26. Reliance is on PLD 2020 Islamabad 378 titled as "National Institutional Facilitation Technologies (Pvt) Ltd. versus F.B.R. In this Judgment the Honourable Islamabad High Court at Para 82 while referring the case "Muhammad Ayub and Brothers vs. Capital Development Authority" held as follows:

"...the Capital Development Authority had invited the bids for the award of a construction contract. One of the tender conditions was that bids had to be accompanied with bid security in the form of a Deposit at Call or a Bank Guarantee. One of the Bidders (whose bid was the lowest) submitted an insurance bond as bid security. At first its bid was declared to be invalid on account of not being accompanied with a Deposit at Call or Bank Guarantee, but a day after the opening of the tenders, C.D.A permitted the bidder to submit a Deposit at Call. C.D.A.'s decision to allow the bidder to substitute the insurance bond with a Deposit at Call was challenged by another bidder in a writ petition before the Hon'ble Lahore High Court. C.D.A.'s stance that Rule 31 of the P.P.R. permitted a procuring agency to allow a bidder to substitute an insurance bond with a Deposit at Call was spurned by the Division Bench of the Hon'ble Lahore High Court in the following terms: -

"12. It needs to be seen if in the light of the afore-quoted Public Procurement Rules, 2004, CDA was bound to reject respondent No. 6's bid or consider it for award of contract. Rule 25 prescribes the bid security of 5 per cent but the form of such bid security as to whether it should be an insurance guarantee or Deposit at Call is left to option of the procuring agency. Rule 30 mandates that the bids have to be evaluated in accordance with the terms and conditions set forth in the prescribed bidding documents. In the present case, the bidding documents not only prescribed bidding security in the form of Deposit at Call or bank guarantee but also emphasized that if a bid was not accompanied by Deposit at Call or bank guarantee, the same was to be rejected. CDA's



failure to reject respondent No. 6's non-responsive bid and accept it for consideration was, thus, in violation of Rule 30. In fact, by allowing respondent No. 3 to substitute its insurance guarantee with a Deposit at Call, CDA allowed respondent No. 6 to alter or modify its bid after the opening of a tender which is prohibited by Rule 31. In this view of the matter, the argument that substitution of insurance guarantee by Deposit at Call is a case of clarification rather than alteration or modification is ex-facie misconceived and untenable. There is no doubt that respondent No. 6 was unduly favoured whereas the appellant, who had submitted a responsive bid, was ignored despite having a right to be considered for award of a contract for being the lowest bidder in view of Rule 38 read with Rule 2(h)."

27. Further submitted that in the instant matter, the FDE/respondent No. 1 failure to declare (i) Malik Ghulam Mustafa & Co (Private) Limited and (ii) N&U Enterprises (Pvt.) Ltd. as non-responsive, amounts to unduly favoured them which is untenable and against the principles of procurement and fair and open competition.

Issue No. 2: Points/Marks in Technical Proposal Evaluation Criteria Issue:

28. During the hearing dated 04-06-2026, it has been very well noted by the Honourable Appellate Committee that the respondent No. 1 awarded the marks to contesting bidders namely (i) Malik Ghulam Mustafa & Co (Private) Limited and (ii) N&U Enterprises (Pvt) Ltd., in contravention of sub clause 1.1 of clause

1 of the technical proposal evaluation criteria. The clause 1 provides Experience of the Firm/Company with Maximum 10 points. The clause 1.1 provides that one mark for each year of experience, up to 10 marks maximum. It is an admitted fact, as per the SECP record that N&U Enterprises (Pvt) Ltd. was incorporated on 29-04-2022, whereas the respondent No. 1 awarded 10 points out of 10. It is beyond any legal justification that if any company is incorporated in 2022, how it could be given 10 marks. Similarly, it is an admitted fact, as per SECP record that Malik Ghulam Mustafa & Co (Private) Limited was incorporated on 08-09-2022, whereas the respondent No. 1 awarded 10 points out of 10. It is again beyond any legal justification that if any company is incorporated in 2022, how it could be given 10 marks.

29. It is to be noted that during the hearing Malik Ghulam Mustafa & Co. (Private) Limited reiterated multiple times that it is working since 2004 whereas the incorporation date is 2022 therefore, such assertion by Malik Ghulam Mustafa & Co. (Private) Limited amounts to misrepresentation before the Appellate Committee and hence it should be declared black listed on this score alone.

30. It is interesting to note that as per SECP record, Malik Ghulam Mustafa & Co. (Private) Limited is incorporated on 08-09-2022. The bid document provides that bidders are required to

submit Audited Financial Statement of three years, as per clause 5 which provides as follows:

"Average annual turnover of last three financial years supported by Audited Financial Statements specifying the net worth" with maximum 15 points/marks.

31. It is to be noted that the last date of submission of bid was 12-03-2026. The audited financial statement as per financial year works from July to June each year, so each company/bidder was required to submit the audited financial statements of last three years as per following:

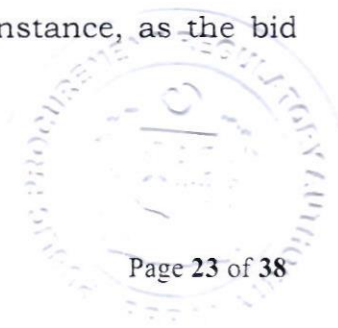
July 2022 to June 2023

July 2023 to June 2024

July 2024 to June 2025

Therefore, it is not acceptable to any prudent mind that a company which was incorporated on 08-September-2022, how could it submit the audited financial statements for last three years.

32. Further submitted that the bidder Malik Ghulam Mustafa & Co (Private) Limited is non-Active Taxpayer as per the current tax verifications, therefore, the FDE/respondent No. 1 should have declared the bid of Malik Ghulam Mustafa & Co (Private) Limited as non-responsive at first instance, as the bid has been submitted in violation of law.



Issue No. 3: Argument of FDE/respondent No. 1 regarding Technical Evaluation:

33. Further submitted that the appellant submitted the request dated 21-04-2026, for provision of detailed technical evaluation report with specific information regarding comparative evaluation details of other participating firms who have obtained higher technical scores than the appellant. And last two lines of the request was as follows:

"We shall be grateful for your cooperation and request that the above information may kindly be shared at the earliest and request to hold the process till provision of required documents and followed by grievance."

However, the FDE neither bother to reply the same nor provided the information to the appellant and opened the financial bid in order to favour the blue eyed(s). It was the implied duty of the respondent No. 1 to look into the bidding documents submitted by the contesting bidders and therefore, declaring such bidders as technically responsive who have not submitted CDR as Bid Security as required in the Bidding document, is just a lack of due diligence. Similarly awarding 10 points/marks out of 10 for yearly experience to bidders who in fact incorporated in the year 2022 is also lack of due diligence which is very much visible on part of respondent No. 1/FDE

34. Further submitted that surprisingly FDE is relying on a letter dated 29-04-2026. The contents of the letter dated 29-04-2026 is vehemently denied. Further, this letter has never been received by the appellant nor even delivered to the appellant. This letter has been prepared as an after-thought and has been prepared just to save the skin of the FDE and its official. It is interesting to note that final evaluation report was prepared on 29-04-2026 which was published on 30-04-2026. It is obvious that the Financial Bid was opened earlier to this final evaluation report dated 29-04-2026. Hence, this letter is just made with mala fide intentions which is an afterthought and therefore it is requested/prayed to the Appellate Committee that the official who prepared this letter may kindly be inquired and if found delinquent, may kindly be penalized.

35. It is to be noted that the respondent No. 1 never addressed the queries of the appellant but only clarify/informed to the representative of the appellant that any vendor/bidder who has produced 10 works orders, has been awarded 10 marks. And due to not addressing all the issues, the representative of the appellant made his reservations for which the respondent No. 1 did not even bother to address. If all the reservations/queries have been addressed by the respondent No. 1 then there would be no need to mention such reservations/queries again in the grievance



which was filed by the appellant which was later on decided by the Grievance Committee.

36. It is worth mentioning here that this impugned letter was allegedly sent to chairman grievance committee and members grievance committee for information. When the grievance was not filed by the appellant at that time then how could this letter dated 29-04-2026 be sent to the chairman and members of grievance committee by the respondent No. 1. If, for sake of an argument, this alleged letter is found correct, even then, it was the implied duty of the respondent No. 1 to check whether the bid security was CDR or not. And if CDR has not been submitted by the bidders, the mandatory terms of the bidding document cannot be altered on the consent of one bidder.

37. Similarly for sake of an argument, if this alleged letter is found correct, even then, the respondent No. 1 was under implied duty to award the correct marks/points as per the yearly experience of the bidders and awarding of highest marks in such category cannot be connected with the consent of one bidder. Hence, the respondent No. 1/FDE is miserably failed for due diligence and to act as per law and procedure and any deviation from the settled bidding document is untenable as held by the Honourable Islamabad High Court at Para 82 in PLD 2020 Islamabad 378 titled as "National Institutional Facilitation Technologies (Pvt) Ltd. versus F.B.R. as has been referred above.

Issue No. 4: Financial Evaluation/Abnormally Low Financial Bid:

38. Further submitted it was the mandatory requirement of the bidding document that the rates offered by the company shall be inclusive of all costs related to provision of services. However, the lowest bid accepted by the respondent No. 1 is in fact abnormally low.

39. The clause (xviii) of the bidding document at Page 95 of the Appeal filed by the appellant is as follows:

"The rates offered by the company shall be inclusive of all costs related to provision of services, including but not limited to overtime charges if applicable for Janitorial staff. EOBI, Social Security charges, cost of uniform & accessories required for successful provision of required service, all direct & indirect applicable taxes/duties, providing medical care in case of on-duty injuries etc."

If the minimum wage is only taken, then the minimum calculation/threshold would be calculated as PKR. 51,480/-. The calculation is as follows:

Minimum Wage	PKR. 37000
EOBI (5%)	PKR 1850
IESSI/Social Security (6%)	PKR 2,220
Subtotal	PKR 41,070
GST (15%)	PKR. 6,160
Total	PKR. 47,230

Withholding Tax (9%)	PKR 4,250
Threshold / Total minimum cost per employee	PKR 51,480

The bidders offered the bids lower than the threshold are as follows:

Bidders Name	Offered Bid
Pakistan Trading House (Pvt.) Ltd.	PKR. 44,500/-
N&U Enterprises (Pvt.) Ltd.	PKR 47,800/-
Adan Kiani Enterprises (Pvt.) Ltd.	PKR 48,140/-
Malik Ghulam Mustafa & Co. (Pvt.) Ltd.	PKR 50,731/-

The bidders offered the bids higher than the threshold are as follows:

Bidders Name	Offered Bid
Lasifa Travel & Tours (Pvt.) Ltd.	PKR. 52,950/-
Anees Brothers Services (Pvt.) Ltd.	PKR 53,497/-
CAIDS Marketing Network (Pvt.) Ltd.	PKR 54,945/-

However, the FDE declared the successful bidder to N&U Enterprises whose bid is abnormally low and cannot be met the threshold at least. It is therefore submitted that any financial bid quoted below the minimum threshold is practically infeasible, abnormally low, contrary to bidding documents and violative of applicable procurement laws, labor laws and taxation laws.

40. It is worth noting here that the appellant was providing the Janitorial services to respondent No. 1/FDE till 24-05-2026. And as per invoice, the FDE is deducting 15% as GST on the total invoice. For 83 Janitorial Staff the amount is Rs. 2,886,956/- excluding GST. And 15% GST of Rs. 2,886,956/- is Rs. 433,044 and when these amounts are added the total amount is Rs. 3,320,000/- inclusive of GST. Therefore, the FDE charged 15% GST to appellant as practice. Similarly, FDE charged 9% as WHT on the total invoice to appellant as practise. And after necessary deductions the amount cleared by the FDE was 2,962,876/- which can identify in the bank statement at page 136 of the appeal.

41. It has been noted by the Appellate Authority that how the unit price of earlier services is low @ 40,000/-. In this regard, it is submitted that in earlier bid the terms were different and not similar to this bid. The EOBI calculations and Social Security Calculations were not mandatory in the earlier bidding accepted by the FDE in favour of appellant.

42. **However, in the instant bidding document it is required that the rates offered by the company shall be inclusive of all costs related to provision of services as per the abovementioned clause. Therefore, acceptance of any bid below the minimum threshold is practically infeasible.**

abnormally low, contrary to bidding documents and violative of applicable procurement laws, labor laws and taxation laws.

Issue No. 5: Arguments of Nonjoinder/Misjoinder by N&U Enterprises (Pvt) Ltd.:

43. It is submitted that during the hearing dated 04-06-2026 the objection of nonjoinder/misjoinder has been raised by the other bidders that they have not been made party to the appeal. If both parties namely N&U Enterprises (Pvt) Ltd. and Malik Ghulam Mustafa & Co. (Pvt.) Ltd. were present at the time of hearing, therefore, the argument that they are not party to appeal and have not been heard by the Hon'ble Appellate Committee of the Authority is untenable. Even otherwise, the Authority can issue notice any of the bidders who participated in the bid or otherwise the Authority may direct the appellant to implead any bidder as party/respondent at any stage. Further, the appellant has annexed the amended memo of parties for the instant decision.

44. The Appellate Committee has heard the learned representatives of the Appellant and the Respondent (Procuring Agency) at length and has carefully examined the record, including the Technical Evaluation Report (TER), the grievance petition, the impugned decision of the Grievance Redressal Committee (GRC), the bidding documents, and all material placed before it.

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

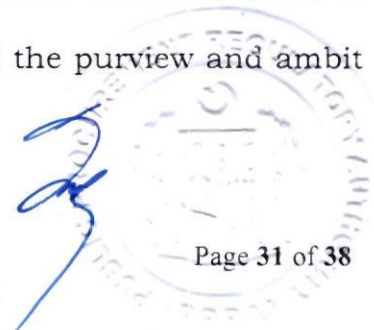
29. Evaluation criteria: -

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.

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



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47. The primary questions requiring determination are: (i) whether the Procuring Agency evaluated the bids strictly in accordance with the criteria and conditions prescribed in the bidding documents; (ii) whether the mandatory bid security requirement was complied with by all bidders; (iii) whether the technical evaluation was conducted in accordance with the prescribed evaluation criteria; and (iv) whether the Procuring Agency and the GRC adequately examined the issue of financial viability of bids in light of the mandatory statutory obligations contained in the bidding documents.

48. The record reveals that the bidding documents expressly required submission of Bid Security amounting to Rs. 5 million in the shape of Call Deposit Receipt (CDR) in favour of DDO, FDE. The relevant provision employed the word "shall", thereby making the requirement mandatory in nature. During the proceedings before this Committee, it was not disputed that certain bidders, including M/s N&U Enterprises (Pvt) Ltd. and M/s Malik Ghulam Mustafa & Co. (Pvt.) Ltd., had not furnished the bid security in the prescribed form of CDR and had instead submitted an alternate instrument.

49. It is settled law that where the bidding documents prescribe a mandatory requirement relating to bid security, the Procuring Agency is bound to apply the condition uniformly to all participants. The Procuring Agency cannot waive or relax such a

condition in favour of particular bidders without violating Rules 29 and 30 of the Public Procurement Rules, 2004. The principle laid down in *National Institutional Facilitation Technologies (Pvt.) Ltd. v. FBR* (PLD 2020 Islamabad 378) reinforces the proposition that a non-responsive bid cannot subsequently be cured by permitting deviation from a mandatory tender requirement.

50. The Appellate Committee finds that the Procuring Agency failed to demonstrate how bidders who admittedly did not furnish bid security in the prescribed form were nevertheless declared technically responsive. Such action is inconsistent with the mandatory provisions of the bidding documents and has materially affected the fairness and transparency of the procurement process.

51. The Appellate Committee notes that under Clause 1.1 of the Technical Evaluation Criteria, one mark was to be awarded for each year of experience, up to a maximum of ten marks. The record shows that M/s N&U Enterprises (Pvt) Ltd. and M/s Malik Ghulam Mustafa & Co. (Pvt) Ltd. were incorporated in the year 2022, yet both were awarded the maximum ten marks under the experience criterion. The Procuring Agency has not produced any cogent material demonstrating how entities incorporated in 2022 could legitimately qualify for the maximum marks available under a criterion expressly linked to years of experience. The evaluation appears inconsistent with the plain language of the evaluation



criteria. The award of maximum marks without a demonstrated basis in the record constitutes a departure from the prescribed criteria and is therefore contrary to Rules 29 and 30 of the Public Procurement Rules, 2004.

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

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

53. **The objection raised by the Appellant pertains directly to the allocation of marks under the technical evaluation criteria and, therefore, falls within the scope of technical evaluation. In view of the express bar contained in Rule 48(5), the Committee is precluded from adjudicating upon or granting relief with respect to the technical evaluation of bids. Consequently, notwithstanding the concerns arising from the record regarding the award of experience marks, the objection relating to technical evaluation is not maintainable before the Committee at this stage of the procurement process.**

54. With regard to the financial evaluation, the bidding documents specifically required that:

"The rates offered by the company shall be inclusive of all costs related to provision of services including but not

limited to overtime charges, EOBI, Social Security charges, cost of uniforms and accessories, all direct and indirect applicable taxes/duties, medical care in case of on-duty injuries and other obligations necessary for successful provision of services."

The above provision leaves no ambiguity that every bid was required to be inclusive of all applicable taxes, duties, statutory contributions, labour-related obligations and all other costs necessary for execution of the contract.

55. The Appellant has demonstrated that serious concerns were raised before the GRC regarding the financial viability of bids quoted substantially below the statutory cost calculations derived from minimum wage obligations, EOBI contributions, Social Security contributions and applicable taxes. The GRC, however, disposed of the grievance primarily on the ground that no benchmark was prescribed in the bidding documents and accepted an undertaking furnished by the successful bidder.

56. The Appellate Committee is of the considered view that an undertaking furnished by a bidder after submission of bids cannot substitute the Procuring Agency's obligation to independently assess whether the quoted rate is capable of meeting the mandatory requirements expressly incorporated in the bidding documents. Once the bidding documents require inclusion of all statutory costs and taxes, the Procuring Agency is

under a duty to satisfy itself that the quoted rates are capable of sustaining compliance with minimum wage laws and other mandatory legal obligations.

57. The Committee further observes that taxes required to be deducted at source are governed by the applicable taxation laws and must be deducted by the Procuring Agency strictly in accordance with those laws. However, where a bidder submits a rate that is stated to be inclusive of all applicable taxes and statutory obligations, the Procuring Agency must evaluate whether, after deduction of applicable taxes in accordance with law, the remaining amount is sufficient to meet minimum wage requirements and other mandatory statutory obligations.

58. In the present case, the Procuring Agency has failed to demonstrate that such an exercise was undertaken. The record further shows that the successful bidder's quoted rate was below the statutory cost calculations presented before the GRC. Instead of conducting a meaningful examination of the issue, the GRC relied upon an undertaking furnished by the bidder. Such an approach does not satisfy the requirements of transparency, fairness and objective evaluation envisaged under the Public Procurement Rules, 2004.

59. The impugned order dated 11.05.2026 is therefore found to be non-speaking and deficient in reasoning, as it does not

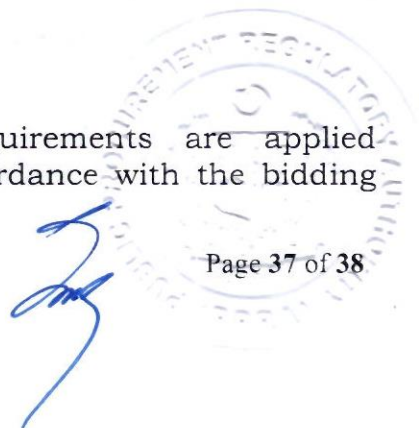
adequately address the material objections raised regarding compliance with mandatory bidding conditions, award of technical marks, and financial viability of the successful bid.

60. In view of the foregoing discussion, the Appellate Committee concludes that material irregularities have occurred in the evaluation process. The Procuring Agency failed to adhere strictly to the bidding documents while assessing compliance with bid security requirements. Furthermore, the Procuring Agency and the GRC failed to properly examine whether the accepted financial bid complied with the mandatory requirement that quoted rates be inclusive of all applicable taxes, statutory contributions and labour-related obligations.


61. Therefore, the appeal is hereby allowed. The impugned order of the Grievance Redressal Committee dated 11.05.2026 and the Final Evaluation Report dated 30.04.2026 are hereby set aside.

62. The matter is remanded to the Procuring Agency with the direction to undertake a fresh evaluation strictly in accordance with the bidding documents and the Public Procurement Rules, 2004. While conducting the fresh evaluation, the Procuring Agency shall ensure that:


- i. Mandatory bid security requirements are applied uniformly and strictly in accordance with the bidding documents;



- ii. Technical marks are awarded strictly in accordance with the prescribed evaluation criteria and the documentary evidence available on record;
- iii. All bids are treated as inclusive of all applicable taxes, duties, EOBI, Social Security contributions and all other statutory and contractual obligations required under the bidding documents;
- iv. The Procuring Agency shall deduct all taxes strictly in accordance with the applicable taxation laws;
- v. The Procuring Agency shall ensure that, after deduction of taxes required under the relevant taxation laws, the quoted rates remain capable of meeting minimum wage requirements and all mandatory statutory obligations under the applicable labour laws; and
- vi. The Procuring Agency shall complete the fresh evaluation process and issue a revised evaluation report in accordance with law within the prescribed period.


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


(Abdul Majeed)
Senior Specialist (M&E)
(Member)


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

Dated: 15th June, 2026

Each page of the order has been signed by all members of the Committee. The order comprises thirty-eight (38) pages.

