



**GOVERNMENT OF THE PUNJAB  
PUNJAB PROCUREMENT REGULATORY AUTHORITY  
SERVICES AND GENERAL ADMINISTRATION  
DEPARTMENT**

304-T, 3<sup>rd</sup> Floor Al-Falah Building, The Mall Lahore.

Dated Lahore, the 11<sup>th</sup> October, 2024

Tel: 042-99205593

Tel: 042-99204572

Tel: 042-36284773

Exe: 042-36284774

**CIRCULAR**

**008595**

**No. L&M(PPRA)10-1/2011.** Punjab Procurement Regulatory Authority (PPRA) is frequently being approached by different institutions/procuring agencies for seeking advice and clarification with respect to the procurement of works on the following points:

- i. Whether bids quoted in percentage (%) i.e. without quoting rates against each item of Detail Notice for Invitation to Tender (DNIT) or Bill of Quantities (BOQs) can be considered as financially responsive or otherwise?
- ii. What modus operandi shall be adopted for consideration of such financial bids and declaration of lowest evaluated bidder accordingly?

Punjab Procurement Regulatory Authority (PPRA) has also observed that, in tenders for the procurement of "works" bidders or contractors quote their rates in percentage (%) rather than quoting rates against each items and left the pages/portion/entries/financial bid of DNIT/BOQs/ Rate Analysis /summary or sub-summary as "blank".

2. PPRA is of the view that all such bids, where bidders do not quote the rates in DNIT/BOQs or left the pages of rate analysis/summary/sub summary as "blank", carry a tendency for arbitrary/discretionary evaluation by the procuring agency which may result into an undue advantage of some bidders over the others. This practice has been used to pooling purposes by the bidders during the paper based procurement process. The bidders/contractors

Page 1 of 3

at the time of bid submission making a pool to abandon the procurement process in favor of someone in lieu of their interest and submitted all blank bid (without item rates) except a statement quoting %age above or below the estimated cost. Such bids use to be submitted at eleventh hour as it only took 1-2 minutes approximately. This kind of practice is manipulative tactic used by the bidders for achieving undue advantages/ulterior motives and defeating the principles of procurement i.e. fairness, transparency and healthy competition. PPRA is of the view that quoting the rates against each item shall increase the better understanding of bidder/contractor regarding the scope of work, resultantly, bidders/contractors is able to quote a realistic rate that ensures the quality of work as well. Accordingly the procuring agency must require the bidders/contractors to work out the amount against “each item” and indicate the total amount of his bid on which he is willing to complete the work. Therefore, all such financial bids are liable to be treated as “incomplete bids” which should not be considered for financial evaluation. All the bidders or contractor are advised to quote their complete rates against DNIT/BOQs/ rate analysis/summary/sub-summary; for each component/item/entry of works required to be performed. The stoppage of quoting such arbitrary rates in percentage (%) term without knowing the actual scope of work will result into quoting realistic rates leading to reduction in number of sick project with revision of time & cost overruns.

3. In the wake of above, all the procuring agencies across the Punjab are advised to incorporate a clear cut clause in the bidding documents whereby all the bidders shall be required to quote their rates against each entry/item of DNIT/BOQs (instead of percentage) and completely fill the pages of rate analysis/summary/sub summary (as required by the procuring agency) in their financial bids. All previous tenders (already having this clause incorporated in the bidding documents), have to be processed in accordance with the provision of bidding document. All incomplete financial bids (i.e. blank DNIT/BOQs and blank entries/pages of rates



analysis/summary/sub summary etc.) shall be declared as "non-responsive" and not to be included in the competition for determination of lowest evaluated bidder.

-Sd-  
(WAQAR AZIM)  
Managing Director, PPRA

**No. & Date even.**

A copy is forwarded for information and necessary action to:-

1. The Senior Member, Board of Revenue, Punjab.
2. The Chairman, Planning & Development Board.
3. The Inspector General of Police, Punjab.
4. The Accountant General, Punjab.
5. All the Administrative Secretaries, Govt. of the Punjab.
6. All the Divisional Commissioner in Punjab.
7. All the Heads of Attached Departments, Punjab.
8. All the Heads of Autonomous Bodies, Punjab.
9. The Director General Anti-Corruption Punjab.
10. All the Deputy Commissioners in Punjab.
11. PSO to the Chairman PPRA/Chief Secretary, Punjab.
12. PSO to the Additional Chief Secretary, Punjab.
13. Web-Developer/Data Administrative, PPRA with the direction to immediately upload the same on the website of the PPRA.
14. PS to MD, PPRA.

*Abdul Salam*  
SENIOR LAW OFFICER  
PPRA S&GAD

*11/1/2024*

Cc:

1. The Registrar, Lahore High Court Lahore.
2. The Director General NAB, Lahore.
3. The Ombudsman, Punjab.