



**GOVERNMENT OF THE PUNJAB  
SERVICES & GENERAL ADMINISTRATION  
DEPARTMENT  
(Implementation & Coordination Wing)**

Dated Lahore, the 6<sup>th</sup> January, 2016

**NOTIFICATION**

**No.S.O(Cabinet-I)2-9/2015.** In exercise of the powers conferred under section 26 of the Punjab Procurement Regulatory Authority Act 2009 (VIII of 2009), Governor of the Punjab is pleased to direct that in the Punjab Procurement Rules 2014, the following amendments shall be made:

**AMENDMENTS**

In the said Rules:

- (1) in rule 2:
  - (a) clause (p) shall be omitted;
  - (b) in clause (u), for the word "one", the word "two" shall be substituted; and
  - (c) in clause (ab), for the words "exceeds one", the words "exceed two" shall be substituted;
- (2) in rule 3, before the word "procurements", the word "public" shall be inserted;
- (3) in rule 12, for the expression "Subject to rule 59", the expression "Save as otherwise provided in these rules" shall be substituted;
- (4) in rule 20, in sub-rule (1), for the words "corrupt or fraudulent practice", the words "corrupt practice" shall be substituted;
- (5) for rule 21, the following shall be substituted:

**"21. Blacklisting.**— (1) A procuring agency may, for a specified period, debar a bidder or contractor from participating in any public procurement process of the procuring agency, if the bidder or contractor has:

- (a) acted in a manner detrimental to the public interest or good practices;
- (b) consistently failed to perform his obligation under the contract;
- (c) not performed the contract up to the mark; or
- (d) indulged in any corrupt practice.

(2) If a procuring agency debars a bidder or contractor under sub-rule (1), the procuring agency:

- (a) shall forward the decision to the Authority for publication on the website of the Authority; and
- (b) may request the Authority to debar the bidder or contractor for procurement of all procuring agencies.

(3) The Managing Director may debar a bidder or contractor of any procuring agency from participating in any public procurement process of all or some of the procuring agencies for such period as the Managing Director may determine.

(4) Any person aggrieved by a declaration made under rule 20 or a decision under sub-rule (1) of this rule may, within thirty days from the date of the publication of the information on the website of the Authority, file a representation before the Managing Director and the Managing Director may pass such order on the representation as he may deem fit.

(5) Any person or procuring agency aggrieved by an order under sub-rule (3) or (4) may, within thirty days of the order, file a representation before the Chairperson and the Chairperson may pass such order on the representation as he may deem appropriate.

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- (6) The mechanism or process for barring a bidder or contractor from participating in procurement process of a procuring agency, procuring agencies and a representation under this rule is specified in the Schedule appended to these rules.”;
- (6) in rule 22, after words “open competitive bidding”, the words “or publication of request for tender” shall be inserted;
- (7) for rule 27, the following shall be substituted:  
“**27. Bid security.**— The procuring agency may require the bidders to furnish a bid security not exceeding five per cent of the estimated price.  
**Explanation.**— In this rule, the words ‘estimated price’ mean the price of procurement estimated by the procuring agency before initiation of the process of procurement.”;
- (8) in rule 31, after sub-rule (2), the following sub-rule (3) shall be inserted:  
“(3) In simple or standard procurement process like open competitive bidding or procurement through direct request for tender, the procuring agency may use the amount of the bid price as the sole evaluation criteria for the bids.”;
- (9) in rule 35, after sub-rule (4), the following sub-rule (5) shall be inserted:  
“(5) A procuring agency may, for reasons to be recorded in writing, restart bidding process from any prior stage if it is possible without violating any principle of procurement contained in rule 4 and shall immediately communicate the decision to the bidders.”;
- (10) after rule 36, the following rule 36A shall be inserted:  
“**36A. One person one bid.**— (1) In any procurement, one person may submit one bid and if one person submits more than one bids, the procuring agency shall reject all such bids.  
(2) If a consortium of persons has submitted a bid in any procurement, it shall be construed that each member of the consortium submitted the bid.”;
- (11) in rule 46, after the words “selection process of individual consultant”, the words “in a short consultancy” shall be inserted;
- (12) rule 49 shall be omitted;
- (13) after rule 55, the following rule 55A shall be inserted:  
“**55A. Single complying proposal.**— Subject to rule 35, if one complying bid is received, the procuring agency may award the contract to the bidder.”;
- (14) in rule 61:  
(a) in sub-rule (1), for the word “exempt”, the word “relax” shall be substituted;  
(b) for sub-rules (2) and (3), the following shall be substituted:  
“(2) A procuring agency may directly procure goods from a public sector manufacturing unit on fixed price or negotiated price where value of procurement does not exceed one million rupees.  
(3) Where value of goods exceeds one million rupees or in a competitive bidding, the public sector manufacturing unit participating in the bid may, within three working days of opening of the bids, match the lowest evaluated bid.  
(4) In this rule, public sector manufacturing unit means a manufacturing unit owned or controlled by the Government, Federal Government, local government or by an organization which is owned or controlled by any of these Governments and enlisted on the website of the Authority.”;
- (15) after rule 64, the following rule 64A shall be inserted:

"64A. Assignment. - A procuring agency may assign whole or part of procurement process to another procuring agency with the consent of that other procuring agency."; and

(16) after rule 70, the following Schedule shall be inserted:

**"SCHEDULE**

*{see sub-rule (6) of rule 21}*

**BLACKLISTING MECHANISM OR PROCESS**

1. The procuring agency may, on information received from any resource, issue show cause notice to a bidder or contractor.
2. The show cause notice shall contain:
  - (a) precise allegation, against the bidder or contractor;
  - (b) the maximum period for which the procuring agency proposes to debar the bidder or contractor from participating in any public procurement of the procuring agency; and
  - (c) the statement, if needed, about the intention of the procuring agency to make a request to the Authority for debarring the bidder or contractor from participating in public procurements of all the procuring agencies.
3. The procuring agency shall give minimum of seven days to the bidder or contractor for submission of written reply of the show cause notice.
4. In case, the bidder or contractor fails to submit written reply within the requisite time, the procuring agency may issue notice for personal hearing to the bidder or contractor/ authorize representative of the bidder or contractor and the procuring agency shall decide the matter on the basis of available record and personal hearing, if availed.
5. In case the bidder or contractor submits written reply of the show cause notice, the procuring agency may decide to file the matter or direct issuance of a notice to the bidder or contractor for personal hearing.
6. The procuring agency shall give minimum of seven days to the bidder or contractor for appearance before the specified officer of the procuring agency for personal hearing.
7. The procuring agency shall decide the matter on the basis of the available record and personal hearing of the bidder or contractor, if availed.
8. The procuring agency shall decide the matter within fifteen days from the date of personal hearing unless the personal hearing is adjourned to a next date and in such an eventuality, the period of personal hearing shall be reckoned from the last date of personal hearing.
9. The procuring agency shall communicate to the bidder or contractor the order of debarring the bidder or contractor from participating in any public procurement with a statement that the bidder or contractor may, within thirty days, prefer a representation against the order before the Managing Director of the Authority.
10. The procuring agency shall, as soon as possible, communicate the order of blacklisting to the Authority with the request to upload the information on its website.
11. If the procuring agency wants the Authority to debar the bidder or contractor from participating in any public procurement of all procuring agencies, the procuring agency shall specify reasons for such dispensation.
12. The Authority shall immediately publish the information and decision of blacklisting on its website.
13. In case of request of a procuring agency under para 11 or representation of any aggrieved person under rule 21, the Managing Director shall issue a notice for personal hearing to the parties and call for record of proceedings of blacklisting. The parties may file written statements and documents in support of their contentions.

14. In case of representation of any aggrieved person or procuring agency under rule 21, the Chairperson shall issue a notice for personal hearing to the parties and may call for the record of the proceedings. The parties may file written statements and documents in support of their contentions.
15. In every order of blacklisting under rule 21, the procuring agency shall record reasons of blacklisting and also reasons for short, long or medium period of blacklisting.
16. The Authority shall upload all the decisions under rule 21, available with it, on its website. But the name of a bidder or contractor shall immediately be removed from the list of blacklisted persons on expiry of period of blacklisting or order of the competent authority to that effect, whichever is earlier.
17. An effort shall be made for electronic communication of all the notices and other documents pursuant to this mechanism or process."

**CHIEF SECRETARY  
GOVERNMENT OF THE PUNJAB**

**NO. & DATE EVEN:**

A copy is forward for information & necessary action to:

1. The Secretary to Governor, Punjab.
2. The Secretary to Chief Minister, Punjab.
3. The Registrar, Lahore High Court, Lahore.
4. The Inspector General of Police, Punjab.
5. Managing Director, PPRA.
6. Administrative Secretaries to Government of the Punjab.
7. Special Institutions of S&GAD.
8. Commissioners in Punjab.
9. PSO to Chief Secretary Punjab.
10. PSO to Additional Chief Secretary Punjab.
11. PS to Secretary (I&C), S&GAD.

*Zeshan* 06/01/2016  
**(ZESHAN LABBAH MASIH)  
SECTION OFFICER (CABINET-I)**