

IN THE PUBLIC PROCUREMENT APPEALS AUTHORITY

APPEAL CASE NO. 8 OF 2025 - 2026

BETWEEN

M/S LONGIDO AUCTION MART AND

COURT BROKERS LIMITED APPELLANT

AND

KARIAKOO MARKET CORPORATION RESPONDENT

DECISION

CORAM

- | | |
|-----------------------------------|---------------|
| 1. Hon. Judge (rtd) Awadh Bawazir | - Chairperson |
| 2. Dr. William Kazungu | - Member |
| 3. Ms. Florentina Sumawe | - Member |
| 4. Mr. James Sando | - Secretary |

SECRETARIAT

- | | |
|-------------------------|---------------------------|
| 1. Ms. Florida Mapunda | - PALS Manager |
| 2. Ms. Agnes Sayi | - Principal Legal Officer |
| 3. Ms. Violet Limilabo | - Senior Legal Officer |
| 4. Mr. Venance Mkonongo | - Legal Officer |

FOR THE APPELLANT

- | | |
|------------------------|------------------------|
| 1. Mr. Letie Longido | - Managing Director |
| 2. Mr. Loomon Olesingo | - Procurement Engineer |

FOR THE RESPONDENT

- | | |
|---------------------------|---|
| 1. Mr. Ashraph Abdulkarim | - General Manager |
| 2. Mr. Christopher Masebo | - Head of Procurement
Management Unit (HPMU) |
| 3. Mr. Fred Calist | - Legal Officer |



This appeal lodged by **M/S Longido Auction Mart and Court Brokers Limited** (hereinafter referred to as "**the appellant**") against **Kariakoo Market Corporation** (hereinafter referred to as "**the respondent**", concerns tender No. TR167/2025/2026/NC/49 for Debt Collection Services (hereinafter referred to as "**the tender**").

The background of this appeal, based on the documents provided to the Public Procurement Appeals Authority (hereinafter referred to as "**the Appeals Authority**"), can be summarized as follows: -

The tender was done through the National Competitive Tendering method as specified in the Public Procurement Act, No. 10 of 2023 (hereinafter referred to as "**the Act**") and the Public Procurement Regulations, GN. No. 518 of 2024 (hereinafter referred to as "**the Regulations**").

On 5th August 2025, the respondent issued an invitation to eligible tenderers to participate in the Tender through the National e-Procurement System of Tanzania (NeST). By 12th August 2025, four tenders, including the appellant's, were received and evaluated by the respondent. It was subsequently awarded to M/S Adili Auction Mart Limited (**the proposed awardee**) at a recommended contract price of Tanzania Shillings Six and Seventy-Eight Cents only (TZS 6.78), exclusive of VAT, for a completion period of 330 days.

On 28th August 2025, the respondent issued a Notice of Intention to award, informing the appellant of its intention to award the contract to the proposed awardee. Furthermore, it stated that the appellant's tender was



not considered for the award due to discrepancies between the amount stated in the appellant's tender and the attached documentation.

Dissatisfied with the grounds for its disqualification, the appellant applied for administrative review to the respondent on 3rd September 2025. However, the respondent did not issue a decision on the complaint. Consequently, on 16th September 2025, the appellant filed this appeal to the Appeals Authority.

When the matter came for the hearing, the following issues were framed:-

1.0 Whether the disqualification of the appellant's tender was justified.

2.0 What reliefs, if any, are the parties entitled to?

SUBMISSIONS BY THE APPELLANT

The appellant's submissions were made by Mr. Letie Longido, Managing Director, assisted by Mr. Loomon Olesingo, Procurement Engineer. Mr. Longido began by addressing the first issue, stating that the appellant received a notice of intention to award, which indicated that his tender was disqualified due to discrepancies between the amount submitted in the tender and the attached documents.

Mr. Longido contested the grounds for the disqualification, arguing that the criterion for demonstrating access to financial resources provided in the tender document was overly general. Tenderers were permitted to attach any documents to demonstrate their access to financial resources. He submitted that the appellant attached a bank statement in the name of

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one, Letie Said Longido, Managing Director of the appellant. Additionally, he said that the appellant mistakenly indicated in NeST to have cash and bank with a total value of TZS 180,000,000/, when it should have had stated TZS 18,000,000/.

On his part, Mr. Olesingo emphasized that the Managing Director and the company are inseparable, as he owns more than 50% of the company's shares and thus, supports the company.

He further explained that the bank statement submitted by the appellant showing a balance of TZS 3,209,748.75, complied with the tender document's requirements. He pointed out that the respondent did not specify that a single document must demonstrate a value of TZS 5,000,000/- to prove this criterion of access to financial resources.

To demonstrate this criterion, Mr. Longido submitted that the appellant had an inventory with the National Social Security Fund (NSSF) that would generate income. In support of his claim, he provided a letter from the NSSF showing it extended the company's contract for court broker services valued at TZS 700,000,000/-. He insisted that the respondent should accept this letter, as it did not specify documents required to demonstrate the criterion. Furthermore, he said a copy of the contract agreement was attached at the slot for ongoing contracts, where the appellant was required to prove its experience.

Regarding the line of credit, Mr. Longido submitted that a letter from CRDB bank attached in the NeST to prove line of credit was incorrectly included,

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as it did not pertain to the tender in question and should not be considered.

The appellant submitted further that the respondent did not respond to the application for administrative review submitted on 3rd September 2025.

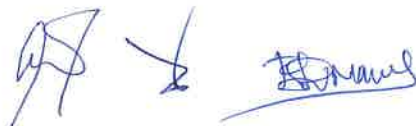
In conclusion, Mr. Longido prayed for the following reliefs: -

- (i) Annul the proposed award of the tender to the proposed awardee.
- (ii) Award the tender to the appellant, as it complied with the requirements of the tender document.

REPLY BY THE RESPONDENT

The respondent's submissions were made by Mr. Christopher Masebo, Head of the Procurement Management Unit (HPMU). On the first issue, he stated that the Appellant conceded to have submitted a bank statement with a balance of TZS 3,209,748.75, that is below the threshold of TZS 5,000,000/- specified in the tender document.

Mr. Masebo asserted that the appellant's tender was disqualified during the commercial evaluation stage due to non-compliance with the requirement of having an average fund of TZS 5,000,000/-, as stipulated in the tender document. He explained that tenderers were required to demonstrate access to financial resources by submitting documents indicating an average fund from all resources amounting to TZS 5,000,000/-. This requirement was also outlined under criterion 6 in the NeST. To comply with the said criterion, the appellant submitted a personal bank statement in the name of Letie Said Longido from the National Microfinance Bank (NMB). However, the name on the bank statement



differs from that of the appellant, which is a legal corporate entity registered by the Business Registration and Licensing Agency (BRELA) under the Companies Act, Cap 212. Furthermore, the bank statement does not correlate with the cash and bank with total value of TZS 180,000,000/- stated by the appellant in the NeST, as it only reflects a balance of TZS 3,209,748.75/-.

The respondent further stated that the appellant claimed to have an inventory of TZS 700,000,000/-. To support this claim, the appellant attached a letter extending contract No. PA/004/2022/2023/29 for court broker services issued by the NSSF. However, the letter does not specify the amount of TZS 700,000,000/- stated by the appellant.

Regarding the line of credit, the appellant included a letter from CRDB Bank PLC, indicating ownership of account No. 015C688971600. However, this letter does not pertain to the line of credit of TZS 200,000,000/- mentioned by the appellant in the NeST. During the hearing, the appellant conceded that this letter was erroneously attached, as it is unrelated to the tender in question.

Mr. Masebo, concluded by stating that the appellant was notified of the reasons for disqualification through a notice of intention letter dated 28th August 2025. He reiterated that the appellant was disqualified for failure to comply with the access to financial resources criterion.

In conclusion, the Respondent prayed for the following orders: -

- i. The appeal be dismissed with costs.

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- ii. Notify the PPRA of the fraudulent practices as per section 72 of the Act.

ANALYSIS BY THE APPEALS AUTHORITY

1.0. Whether the disqualification of the appellant's tender was justified

In addressing this issue, we examined the first ground of appeal, in which the appellant contests his disqualification on the basis that the submitted amounts differed from those in the attached documents. The appellant argued that the respondent did not specify the documents required from tenderers to demonstrate the access to financial resources criterion. He maintained that the submitted bank statement in the name of Letie Said Longido and the letter from NSSF were sufficient to demonstrate access to financial resources of TZS 5,000,000/-. Conversely, the respondent asserted that the appellant was disqualified for failing to comply with the requirement, as the documents provided to prove the average fund of TZS 5,000,000/- bore a different name from that of the appellant, while other documents did not specify any amount stated in the NeST.

In addressing the lis between the parties, we reviewed the evaluation report in the NeST and observed that the appellant was disqualified during the commercial evaluation stage for failure to comply with the access to financial resources criterion. We examined Item 3 of SECTION IV- "Qualification and Evaluation Criteria" which reads: -

"Item 3 – Access to Financial Resources (Sources of Fund) (Score: N/A)

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Tenderers are required to demonstrate details of their sources of finance that show their ability to access adequate finances to meet the cash flow requirements of current and future contracts. (In the case of the Joint Venture, compliance requirements are all Parties Combined - Must Meet requirements).

<i>Average fund amount from all sources (any free convertible currency proposed by bidder)</i>	<i>5000000"</i>
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With respect to the above item, tenderers were required to demonstrate access to financial resources sufficient to meet cash flow requirements of current and future contracts. The average amount required from all sources of finance was TZS 5,000,000/-.

To determine whether the appellant complied with this requirement, we reviewed the tender submitted in NeST and noted that in the slot where tenderers were to indicate their access to financial resources, the appellant attached a bank statement issued in the name of one Letie Said Longido, dated 31st May 2024, with a balance of TZS 3,209,748.75/-.

Additionally, we observed from the record of appeal that the appellant participated in the tender under the name of M/S Longido Auction Mart and Court Brokers Ltd. We expected the bank statement submitted by the appellant to reflect the access to financial resources criterion to be in the appellant's name, rather than in the personal name of Letie Said Longido.

Upon incorporation, a company acquires its own legal personality distinct from its members, shareholders, directors or creators. This principle was



affirmed in the case of ***Gedda Franco and Another versus Mohammed Rashid Juma, Civil Appeal No. 59 of 2017***, Court of Appeal of Tanzania, at Zanzibar, where the Court referred to the case of ***Salomon versus Salomon & Co. Ltd, [1897] AC 22***, which held that: -

"The company is at law a different person altogether from subscribers..., and, though it may be that after incorporation the business is precisely the same as it was before, and the same persons are managers, and the same hands receive the profits, the company is not in law the agent of the subscribers or trustee of them. Nor are subscribers, as members liable, in any shape or form, except and in the manner provided by the Act."

Based on this principle, we agree with the respondent and find that the bank statement submitted by the appellant does not bear the appellant's name and has thus in law, been submitted by a person distinct from the appellant company. We therefore reject the appellant's argument that the Managing Director and the company are inseparable since he owns more than 50% shares of the company. Even if the individual named on the bank statement is the Managing Director of the appellant's company, the bank statement should have been issued in the name of the appellant.

Moreover, the amount of TZS 3,209,748.75 indicated on the submitted bank statement is below the required amount of TZS 5,000,000/- specified in the tender document. Under these circumstances, the bank statement does not qualify to demonstrate the access to financial resources criterion.

During hearing, the appellant submitted that it mistakenly indicated a cash and bank of TZS 180,000,000/- in NeST while the correct amount was TZS 18,000,000/-. Upon reviewing the appellant's tender in NeST, we noted

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that in the slot for access to financial resources, the appellant inserted TZS 180,000,000/- and attached a bank statement in the name of Letie Said Longido. As previously mentioned, the bank statement bears a different name to the appellant's and the amount indicated was TZS 3,209,748.75. This amount is below the threshold of the required TZS 5,000,000/- and does not reflect the TZS 18,000,000/- claimed by the appellant.

Additionally, we observed from the record of appeal that the appellant attempted to demonstrate the access to financial resources criterion by indicating an inventory that would generate income for the company. He attached a letter from NSSF, dated 13th February 2025, which extended contract No. PA/004/2022/2023/NCS/29 for court broker services from 6th February 2025 to 5th February 2026. However, upon reviewing this letter, we observed that it did not specify any amount for the extended contract. Due to this anomaly, it would have been challenging for the respondent to ascertain whether the contract had a value of TZS 700,000,000/-, as mentioned by the appellant in the NeST.

During hearing, the appellant insisted that the respondent did not specify documents required from tenderers to demonstrate the access to financial resources criterion. We disagree with the appellant, as its disqualification was not based on the nature of the submitted documents but rather on their content, which bore a different name from the appellant's, indicated an amount less than that required in the tender document and also failed to disclose the amount of the contract. The appellant's claim thus lacks merit. For these reasons, we conclude that the appellant failed to comply with the access to financial resources criterion.



From the record, we are of the view that the respondent evaluated the tender in accordance with the terms and conditions specified in the tender document. Since the appellant failed to comply with the access to financial resources criterion, his disqualification was justified. Regulation 210(1) of the Regulations reads: -

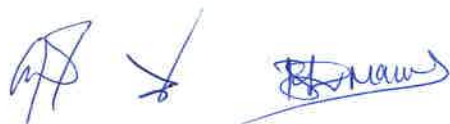
"r.210.-(1) The tender evaluation shall be consistent with the terms and conditions prescribed in the tender documents and such evaluation shall be carried out using the criteria explicitly stated in the tender document."

We also considered the appellant's ground alleging that the respondent did not respond to his application for administrative review. To address this, we examined sections 120(8) and 121(2)(a) of the Act which read as follows :-

"s. 120 (8) Where the accounting officer does not issue a decision within the time specified in subsection (7), the tenderer submitting the complaint or dispute to the procuring entity shall be entitled immediately thereafter to institute proceedings under section 121 and upon institution of such proceedings, the competence of the accounting officer to entertain the complaint or dispute shall cease.

s. 121 (2) A tenderer may submit a complaint or dispute directly to the Appeals Authority if -

(a) the accounting officer has not given a decision within the time prescribed under this Act, provided that a complaint or dispute is submitted within five working days after expiry of the period



within which the accounting officer ought to have made a decision."

In terms of the above provisions, where a procuring entity fails to issue a decision within five working days, a tenderer may file a complaint directly to the Appeals Authority, provided that the complaint is filed within five working days after the deadline has passed for the procuring entity to issue a decision. Based on this legal requirement, we are firmly of the view that the respondent's failure to issue a timely decision has not prejudiced against the appellant, as the law offers a remedy under the cited provisions which he has employed.

Consequently, we conclude affirmatively on the first issue that the disqualification of the appellant's tender was justified.

2.0 What reliefs, if any, are the parties entitled to?

Considering the above findings, we dismiss the appeal for lack of merit. We order the respondent to proceed with the tender process in accordance with the law. We make no order as to costs.

It is so ordered.

This decision is binding and can be enforced in accordance with section 121(7) of the Act.

The Right of Judicial Review, as outlined in section 125 of the Act, has been explained to the parties.

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This decision is delivered in virtual presence of the appellant via video conference and in the physical presence of the respondent on this 9th day of October 2025.

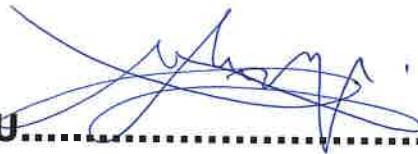
HON. JUDGE (rtd) AWADH BAWAZIR



CHAIRPERSON

MEMBERS: -

1. DR. WILLIAM KAZUNGU



2. MS. FLORENTINA SUMAWE

