

Independent Review Panel

Decision No. 10/26

In the matter of:

RSL Security Services Ltd

(Applicant)

v/s

**Ministry of Agro Industry, Food Security,
Blue Economy and Fisheries
(Agro-Industry and Food Security Division)**

(Respondent)

(Cause No. 20/26/IRP)

Decision



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A. History of the case

On 07 November 2025, the Ministry of Agro-Industry, Food Security, Blue Economy and Fisheries (Agro-Industry and Food Security Division), (Respondent), invited bids from eligible Bidders of Mauritian Nationals or entities incorporated in Mauritius for the Provision of Security Services for Various Stations/Compounds of Agricultural Services bearing Procurement Reference No MOAIFS/Q20/2025-26/ONB – e-Proc Ref: AGRO/IFB/2025/4362.

Bids were invited through a Press notice using the Open Advertised Bidding Procurement method on the e-procurement system.

The closing date for the submission of bids was 08 December 2025 and the opening of bids was carried out on 10 December 2025.

Seven (7) bidders submitted their bids and RSL Security Services Ltd (Applicant) was one them.

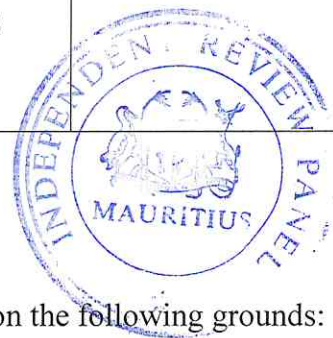
B. Evaluation

A Bid Evaluation Committee (BEC) was set up to evaluate the bids received and to identify the lowest evaluated substantially responsive bid.

C. Notification of Award

On 08 May 2026, the Respondent informed all the bidders that an evaluation of the bids received had been carried out and the particulars of the successful bidder are as given hereunder:

SN	Description	Name of Successful Bidder	Address	Contract Price Excluding VAT(Rs)
1.	Sites 1.1 to 1.2 and Sites 1.3 to 1.22 of the Agricultural Services	Top Security Service Ltd	4 th floor, Jade Court, Jummah Mosque Street, Port Louis	49,582,800.00

**D. Challenge**

On 13 May 2026, the Applicant challenged the procurement proceedings on the following grounds:

8. Bidder's grounds for challenge:

1. The bid of the selected bidder, Top Security Service Ltd ought to have been rejected as its contract price is lower than the estimated labour costs based on the applicable remuneration order and does not satisfy the minimum qualifying criteria, provided at Section I - Instructions to Bidders, Clause 5.2(d) - *"To qualify for award of the Contract, Bidders shall meet the following minimum qualifying criteria: an undertaking from the Bidder that the salaries and wages to be paid in respect of this bid are compliant with the relevant Laws, Remuneration Order and Award where applicable and that it will abide to sub-clause 4.6 of the General Conditions of Contract, if it is awarded the contract or part thereof."*
2. The contract price of Top Security Service Ltd would not allow it to meet its contractual obligations as the estimated labour costs based on the applicable remuneration order exceed the contract price of the selected bidder. The bid price of Top Security Service Ltd is Rs. 49,582,800.00 (exclusive of VAT), while the total calculated minimum labour costs estimates based on the remuneration order is Rs. 52,640,652.21 (exclusive of VAT) - The calculations of the total wages costs are annexed hereto and marked as Document A.
3. The Public Body failed to carry out a proper evaluation and assessment of the bid of Top Security Service Ltd, whose bid should not have been selected for award as it is not the lowest evaluated substantially responsive bid.
4. The bid of RSL Security Services Ltd, whose price is Rs.52,686,226.20 [Excluding VAT] meets all the requirements of the bidding documents and the minimum qualifying criteria, including the calculated minimum labour costs estimates of Rs. 52,640,652.21 [excluding VAT] based on the applicable Remuneration Order.
5. Although the bid prices of the four bidders, namely Top Security Service Ltd (Rs.49,754,400.00, excluding VAT), Rapid Security Services Ltd (Rs.43,398,000.00, excluding VAT), High Security Guard Services Ltd (Rs.36,636,000.00, excluding VAT), and Edmond Security Services Ltd (Rs.48,168,000.00, excluding VAT), were lower than that of RSL Security Services Ltd, their respective bid prices do not meet the calculated minimum labour costs estimates of Rs. 52,640,652.21 excluding VAT based on the applicable remuneration order. Therefore, the bids of these four bidders do not meet the minimum qualifying criteria and should be rejected.
6. RSL Security Services Ltd's bid price of Rs.52,686,226.20 (excluding VAT) is lower than Smart Security Services Ltd's bid price of Rs.54,024,000.00 (excluding VAT) and Premier Security Solutions Limited's bid price of Rs.54,252,000.00 (excluding VAT). Therefore, RSL Security Services Ltd is the lowest evaluated substantially responsive bidder, and its bid should have been retained for award.





7. The Public Body failed to carry out a proper evaluation and assessment of the bid of Top Security Service Ltd, whose bid should not have been selected for award as it is not the lowest evaluated substantially responsive bid in view of all the arguments propounded above.

E. Reply to Challenge

On 15 May 2026, the Respondent, in reply to challenge by the Applicant, stated that:



Reply to Para 7 of the Challenge:-

(a) The Evaluation Committee has recommended the successful bidder based on its compliance with requirements of the bidding document and has retained the successful bidder being the lowest evaluated substantially responsive bidder.

(b) As provided in the bidding document, the evaluation was carried out based on the technical criteria, the composite scoring and the financial evaluation.

(c) As provided in the bidding document, the evaluation was carried out based on the technical criteria, the composite scoring and the financial evaluation.

Reply to Para 8 of the Challenge: -

1. As provided in the bidding document, the evaluation was carried out based on the technical criteria, the composite scoring and the financial evaluation.

2. As provided in the bidding document, the evaluation was carried out based on the technical criteria, the composite scoring and the financial evaluation.

3. The Evaluation Committee has recommended the successful bidder based on its compliance with requirements of the bidding document and has retained the successful bidder being the lowest evaluated substantially responsive bidder.

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7. The Evaluation Committee has recommended the successful bidder based on its compliance with requirements of the bidding document and has retained the successful bidder being the lowest evaluated substantially responsive bidder.

F. Applicant's Grounds for Review:

On 20 May 2026, the Applicant seized the Independent Review Panel for review on the following grounds:-

1. The bid of the selected bidder, Top Security Service Ltd ought to have been rejected as its contract price is lower than the estimated labour costs based on the applicable remuneration order and does not satisfy the minimum qualifying criteria, provided at Section I – Instructions to Bidders, Clause 5.2(d) - "To qualify for award of the Contract, Bidders shall meet the following minimum qualifying criteria: an undertaking from the Bidder that the salaries and wages to be paid in respect of this bid are compliant with the relevant Laws, Remuneration Order and Award where applicable and that it will abide to sub-clause 4.6 of the General Conditions of Contract, if it is awarded the contract or part thereof."
2. The contract price of Top Security Service Ltd would not allow it to meet its contractual obligations as the estimated labour costs based on the applicable remuneration order exceed the contract price of the selected bidder. The bid price of Top Security Service Ltd is Rs. 49,582,800.00 (exclusive of VAT), while the total calculated minimum labour costs estimates based on the remuneration order is Rs. 52,640,652.21 (exclusive of VAT).
3. The Public Body failed to carry out a proper evaluation and assessment of the bid of Top Security Service Ltd, whose bid should not have been selected for award as it is not the lowest evaluated substantially responsive bid.
4. The bid of RSL Security Services Ltd, whose price is Rs.52,686,226.20 [Excluding VAT] meets all the requirements of the bidding documents and the minimum qualifying criteria, including the calculated minimum labour costs estimates of Rs. 52,640,652.21 [excluding VAT] based on the applicable Remuneration Order.
5. Although the bid prices of the four bidders, namely Top Security Service Ltd (Rs.49,754,400.00, excluding VAT), Rapid Security Services Ltd (Rs.43,398,000.00, excluding VAT), High Security Guard Services Ltd (Rs.36,636,000.00, excluding VAT), and Edmond Security Services Ltd (Rs.48,168,000.00, excluding VAT), were lower than that of RSL Security Services Ltd, their respective bid prices do not meet the calculated minimum labour costs estimates of Rs. 52,640,652.21 excluding VAT



based on the applicable remuneration order. Therefore, the bids of these four bidders do not meet the minimum qualifying criteria and should be rejected.

6. RSL Security Services Ltd's bid price of Rs.52,686,226.20 (excluding VAT) is lower than Smart Security Services Ltd's bid price of Rs.54,024,000.00 (excluding VAT) and Premier Security Solutions Limited's bid price of Rs.54,252,000.00 (excluding VAT). Therefore, RSL Security Services Ltd is the lowest evaluated substantially responsive bidder, and its bid should have been retained for award.
7. In response to the reply of the Public Body contained in email dated 15th May 2026 to the Applicant's challenge,
 - (a) The Applicant maintains that the bid of Top Security Services Ltd was not the lowest evaluated substantially responsive bid as its bid price is not in compliance with the existing Labour Law and Remuneration Order.
 - (b) The Public Body merely stated, in a generic and repetitive reply, that the evaluation was conducted on the basis of the technical criteria, composite scoring, and financial assessment, and that the Evaluation Committee recommended the successful bidder as compliant with the bidding documents and the lowest evaluated substantially responsive bidder, without addressing the Applicant's specific argument that the bid price of Top Security Ltd is below the calculated minimum labour costs estimates. Accordingly, the Public Body's reply cannot stand and should be disregarded.



G. The Hearing

The Hearing was held on 08 June 2026. There is on record a Statement of Case and a Statement of Defence filed by the Applicant and Respondent, respectively.

The Applicant was represented by Miss S. Chuong, appearing together with Mr M. Hassamal and Miss D. Ramah of Counsel, whilst Mrs A. Sungkur-Dabee and Miss H. Gunesh, State Counsel, appeared for the Respondent.

Mrs P. Chuttoo, the Applicant's Managing Director, deponed as witness for the Applicant, whilst Mr. M Moher, Agricultural Engineer, deponed for the Respondent.

H. Findings

The one single issue arising in this application is whether the successful bidder's bid is in compliance with the existing Labour Law and Remuneration Order as required by the bidding documents? Was its labour cost estimates based on the applicable Remuneration Order?

ITB 5.2(d) Section I. Instruction to Bidders of the Bidding Documents provides (as one of the minimum qualifying criteria):

“To qualify for award of the Contract, Bidders shall meet the following minimum qualifying criteria:

- (c) *An undertaking from the bidder that the salaries and wages to be paid in respect of this bid are compliant with the relevant laws, Remuneration Order and Award where applicable **and that it will abide to the sub-clause 6 of the General Conditions of Contract**, if it is awarded the contract or part thereof.”*

ITB 4.6.1 Section V – General Conditions of Contract provides:

The rates of remuneration and other conditions of work of the employees of the Contractor shall not be less favourable than those established for work of the same character in the trade concerned

- (iv) *by Remuneration Regulations under the provisions of relevant legislations in Mauritius.*

ITB 4.6.5 provides:

Every Contractor shall ensure that the number of hours of work of employees employed under this contract is in line with provisions of relevant legislation in Mauritius.”

Mrs Chuttoo, asserted that the respondent was indeed compliant with the above requirements. The total calculated minimum labour cost for the whole number of sites 1.1 to 1.22, was Rs 52,640,652.21, which is the minimum total wage cost required to cover those sites. This estimate was the calculation based on the applicable Remuneration Order. The Applicant has produced documents annexed to their Statement of Case containing detailed calculations of the minimum labour cost estimates. Other documents were produced during the hearing providing clarifications on the price breakdown as to how the total calculated labour cost estimate was reached.

The witness explained that the rate applicable for year 2025 was Rs18,544. This includes the amount of basic salary in the Private Security Service Employees (Remuneration) Regulations of 2019 (GN 223 of 2019). It also includes the salary compensation of Rs 610.

The witness also forcefully maintained that the bid price of Top Security - Rs 49,582,800.00 (exclusive of VAT) is considerably lower than the total calculated minimum labour cost estimates required.

Mr Moher, witness for the Respondent deposed that the BEC does not calculate the labour cost as it is not its role to do so. It was not for the BEC to do any calculations on the part of the bidders.

It is for the bidders to do this and submit their calculation. The BEC “only check it”. The BEC only had to verify the figures quoted and could not guarantee anything in terms of the implementation of those figures. According to him, ITB 4.6 only refer to an “undertaking”. All bidders have submitted an undertaking. The onus lies on the successful bidder to ensure that they are paying as per their quoted figures. The sub-clause provides a ‘garde-fou’ to ensure that the bidder is paying their security guards as per law. The labour clause forms part of the General Conditions of Contract (the GCC). This GCC is purely during Project Management stage. So, it is not during the evaluation that the BEC is going to ensure this sub-clause is respected. It is only after the award that it is going to be applied. The BEC has simply ensured that there is an undertaking that they are going to pay the minimum wage submitted by bidders. The witness maintained that the BEC has ensured this.

It is trite by now that the above reasoning from the Respondent is flawed, as we have had the opportunity to repeat in several cases before us. As far back as 2016, in **Maxi Clean Co. Ltd v. Ministry of Environment, Sustainable Development & Disaster & Beach Management (Solid Waste Management Division) (CN 26/16/IRP)**, the Panel had this to say:

“The Public Body’s only concern seems to be the respect of Remuneration Orders. However, in submitting a tender, all bidders implicitly commit themselves to the respect of all Labour and other Laws, including Health and Safety Regulations, and to the satisfactory performance of all duties listed in the Bidding Documents. It is the duty of the Public Body to ensure that the Bidder will be able to perform the Contract in the respect of all contract conditions, and that he will not default because of financial difficulties.

...

The Panel does not wish to go into matters that seem to concern implementation. However, it wishes to state emphatically that it is the duty of the Public Body to ensure that the Bidder has the means of respecting all Tender and Contract Conditions, whether explicit or implicit, before awarding him a contract.

The way to ensure that a bidder shall be able to perform the Contract, as per conditions imposed in the Bidding Documents, is to ask him to provide a detailed costing, detailing all items of cost likely to be incurred in the performance of the contract.”

In **Premier Security Solutions Ltd v. Mauritius Cane Industry Authority (CN No. 28/22/IRP)**:

“We also reiterate the fact that a mere undertaking from a bidder that the salaries and wages to be paid in respect of this bid are compliant with the relevant Laws, Remuneration Order and Award where applicable and that it will abide by the General Conditions of Contract, if it awarded the contract or part thereof (emphasis ours) is not enough. A more rigorous and professional approach is expected from Public Bodies when computing their cost estimates as well as when evaluating bids. Particular attention should be paid to details as the devil lies in the details.

We invite public bodies, that for future procurement exercises regarding security services, they come up with a standard form (breakdown of costs) wherein bidders are required to submit the following information, among other things:

- Basic Minimum monthly salary per security guard used in their computation for the sum quoted
- Number of hours required per each site

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- *Basic Minimum monthly salary per security guard used in their computation for the sum quoted*
- *Number of hours required per each site*
- *Number of guards required and deployed per each site*



Again in, ***RSL Security Services Ltd v. Central Water Authority (CN N0. 13/23/IRP)***

“In that regard we have time and again in many of our Decisions, specifically those concerning procurement of security services, emphasised that a mere undertaking by a bidder is simply not enough.”

The BEC cannot rely on a mere undertaking. It ought to check the breakdown of costs more closely.

As Counsel for the Applicant also rightly submitted, the undertaking ought to be substantiated. Adhering to the Remuneration Order is a fundamental criterion to be satisfied. The Respondent has a duty to ensure that the figures submitted were compliant with the Remuneration Regulations,

Indeed the Panel requested a detailed price break down site by site of the cost estimate from the public body.

The Panel has carefully examined the price breakdown schedules submitted by both the successful bidder and the Applicant.

The Panel notes that both bidders have based their calculations on the statutory basic salary of Rs 18,544 effective from January 2025, as prescribed under the Private Security Services Employees (Remuneration) Regulations. The evidence before the Panel shows that the various statutory entitlements, allowances and employer contributions have been calculated by reference to that basic salary.

The Panel further observes that whilst the successful bidder and the Applicant have adopted different methodologies in computing the item described as "Monthly Earnings", both approaches ultimately produce substantially similar results. The differences noted are marginal and do not materially affect the overall labour cost attributable to each security guard.

With regard to the mandatory employer contributions, namely CSG/NSF, Levy, PRGF and related statutory charges, the Panel notes certain differences in the amounts reflected in the respective price breakdown schedules. However, upon examination of the calculations and pricing structures adopted by the bidders, the Panel is satisfied that these differences are attributable to the methodologies used in allocating and presenting the statutory contributions rather than to any failure to account for such obligations. The Panel finds that both bidders have made provision for the statutory obligations imposed upon employers under the applicable labour and social security legislation.

The Panel further notes that the principal difference between the two bids does not arise from the statutory remuneration components or mandatory employer contributions, which are broadly comparable in both bids. Rather, the difference in the overall bid prices stems mainly from the operational expenses and overheads included by the Applicant. The Applicant has made provision for operational costs at a significantly higher level than the successful bidder. These additional costs are reflected in the Applicant's final price and account for a substantial portion of the price differential between the two bids.

The Panel considers that the pricing of operational expenses, supervision costs, administrative expenses, overheads and profit margins falls within the commercial discretion of each bidder. Such costs may

legitimately vary from one bidder to another depending on the bidder's operational structure, business model, efficiencies and pricing strategy. The fact that the successful bidder has quoted lower operational expenses does not, in itself, constitute evidence of non-compliance with the applicable remuneration regulations or of an abnormally low bid.

Having reviewed the price breakdown schedules in their entirety, the Panel is satisfied that both the successful bidder and the Applicant have substantially complied with the requirements of the Private Security Services Employees (Remuneration) Regulations and have made adequate provision for the payment of the statutory remuneration and employer contributions. The Panel therefore finds no basis to conclude that the successful bidder's bid is non-compliant or that its price is abnormally low. The Panel is satisfied that the difference in price between the two bids is primarily attributable to the bidders' respective operational cost structures and commercial pricing decisions.

I. Conclusion

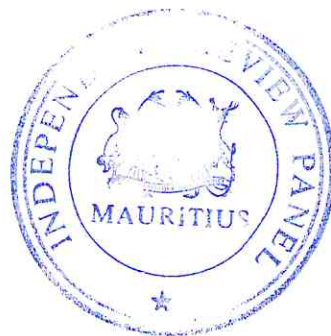
In the light of all the above, we find no merit in the present application. It is therefore set aside.



J. Ramano
(Chairperson)



A. Gathani
(Member)



R. Mungra
(Member)

Dated: 18 June 2026