



National Bank of Pakistan

نیشنل بینک آف پاکستان

NBP/LSG/P&PD/2019/1821

February 22, 2019

Honourable. Mr. Justice (Retired) Zia Perwez
Trustee - Transparency International Pakistan,
4-C Mezzanine Floor, Khayaban-e-Ittehad,
Phase VII, Defence Housing Authority,
Karachi

Honourable Sir,

Complaint against National Bank of Pakistan
Tender ID No: P&PD/DCS&AMS/05/2018

We refer to your letter dated: 30-01-2019 under reference TL19/3001/6A and humbly submit our response as hereunder:-

- 1- That the complaint preferred by M/s. Rayyanco Business Systems vide its letter #: RBS/L06/TENDER P&PD/ DC/2018 dated: 07-12-2018 is devoid of any merits as it is explicated specifically in Section IV. A of the Technical Specification of the RFP (page 20) (**Annex-A**) that the Sorting and Authentication Machine Systems should be capable and calibrated to authenticate bank notes on all operational modes i.e. ability to detect mismatch, be able to count and sort, authenticate, fitness sorting, as well as orientation sorting.
- 2- That additionally, M/s. Rayyanco affirmed in Form T4 Technical Compliance of the RFP (page 32) (**Annex-B**) that their machine was capable of authenticating bank notes as mentioned in Section IV A of the RFP on all operational modes which tantamount to misrepresentation and as such the Complainant has not come with clean hands to your forum but with concocted and twisted facts.
- 3- That technical testing of the machine Hitachi - ST 350 supplied for testing by M/s. Rayyanco was undertaken on the 10th, 11th and 12th of October, 2018 at NBP Main Branch, Karachi.
- 4- That the aforementioned machine on Test Day No. 1 (October 10, 2018) failed to perform as per the Technical Criteria laid out on Page No. 32 item No. 6 (Operating Mode) 7(Machine Capabilities to capture the security features of Bank Notes), 8 (Fitness Standards) & 9 (Authentication) Machine software should be calibrated to authenticate bank notes on all operational modes.
- 5- M/s. Rayyanco and their Technical Team was afforded repeated opportunities on multiple occasions for software up-gradation on Test Day No. 3 (October 12, 2018) , but the machine repeatedly failed to perform as per the stipulated criteria. Their team was also allowed extra time to adjust and tweak the specifications of the Machine but could not produce the desired results.
- 6- That M/s. Rayyanco have categorically stated in its complaint that their machine was incapable of detecting mismatch and desecrated face features in the Currency Notes. The said statement tantamount to "admission" and therefore as per M/s. Rayyanco's own accord it was conclusively concluded at the time of testing that the aforesaid machine did not meet the requirements of the RFP. This point is also reflective of the fact that there was no prejudice on the part of the Bank and its officers.



- 7- That the complaint preferred by M/s. Rayyanco was put before to forth before the grievance redressal committee which upon careful and detailed deliberation unanimously concluded that the Hitachi- ST 350 machine supplied by M/s. Rayyanco did not conform to the specifications of the RFP. Hence the machine was found non-compliant. The intimation of such rejection was sent to the complainant (Annex-C1 & C2).
- 8- Honourable Sir, we firmly believe that application of Rule of Law is the only way to stop corruption and as such it is quite surprising for us to note that despite availability of proper legal forum i.e. Public Procurement and Regulatory Authority (PPRA)-Islamabad, M/s. Rayyanco has preferred to use your good office for the instant complainant. However, we are confident that in the light of our response you will accordingly guide the complainant in the right direction.

Thanking you.

Yours Truly,

Irfan Jan Muhammad
Assistant Vice President
Logistic Support Group

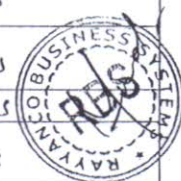
Saad Salman Dar
SVP/Divisional Head (P&PD)
Logistic Support Group

Encl: As above.

Section IV. A. Technical Specification

“Supply, Installation and Maintenance of Desktop Currency Sorting & Authentication Machine System (DCS&AMS)” Type-II

Desktop Currency Sorting & Authentication Machine System (Type-II)			
S No.	Subject	Specification	Detail Description
1	Machine Name	Desktop Currency Sorting Machine	
2	Brand & Model	HITACHI S-350	
3	Country Origin	Korea	
4	Machine Assembled in	Korea	
5	Currency to be Processed	Pakistani banknotes circulation in Width 65-73mm Length 115-175 mm Plus: Foreign Currencies (minimum 6 Nations, 6+ will be more preferable)	Upto 10 Currencies.
6	Operating Modes	Counting, Authentication and Fitness Sorting	Yes
7	Machine Capabilities to Capture the Security Features of Bank Notes	<ul style="list-style-type: none"> ➤ Counting ➤ Authentication <ul style="list-style-type: none"> ○ UV ○ IR ○ Magnetic ○ Thickness Detection ➤ Fitness sorting <ul style="list-style-type: none"> ○ Fit for Re-Issue ○ Soiled ○ Rejected ➤ Orientation sorting- Face Orientation Required ➤ Ability to detect mismatch notes (i.e. cross check serial numbers on both sides of the banknote. Ability to detect paper & plastic tape on banknote	Yes
8	Fitness Standards	In accordance with SBP FD Circular No.1/2014. (Annexure - I)	Yes
9	Authentication	Machine software should be calibrated to authenticate banknotes on all operational modes	Yes
10	Hopper Capacity	At least 1,000 banknotes	Yes
11	Nominal Speed	At least 30,000 fresh banknotes/hour (stated capacity). However, for re-issuable banknotes, this should be atleast 70% of the machine's stated capacity (in banknotes/hour) and at least 50% of the machine's stated capacity (in banknotes/hour) for soiled banknotes.	Yes
12	Pockets / Stackers	At least Three + One (3+1) Horizontally Adjacent	Yes
13	Digital Counting Display (DCD)	DCD on Pocket / Stackers	Yes
14	Stacker Capacity	At least 200 banknotes per stacker	Yes
15	Reject Stacker Capacity	At least 100 banknotes	Yes
16	Display	Multiple LCDs display with	Yes





		descriptive guidance	Can be attached VGA Port.
17	Reports	Machine should be capable to generate detail report(s) of banknotes processed in predefined formats. These reports may be either printed or extracted onto the PC in predefined formats compatible to Microsoft Windows.	Yes
18	Printer	Option Available and Functional to Plug & Play with Printer	Yes
19	Machine Orientation	Desktop Type	Yes
20	Error Alarm / Buzzles	If machine operationally stop	Yes
21	Machine Input Operations	At least user Friendly	Yes
22	Connectivity	LAN Connectivity (Functional)	Yes
23	Capturing Features	Currency Numbers Capturing Features	Yes
24	Upgradable Software	Possibility of Software upgrade as per NBP requirement	Yes
25	Upgradable Software Capacity	In House	Yes
26	Duty Time	Identify Machine duty Time (Maximum will be more preferable)	Yes
27	Machine Useful Life	Identified Machine Useful Life (Expected)	Yes.

Note: Pocket means=Stacker / Bin



Seal & Signature of Bidders : _____



Form T4 - Technical Compliance

IFB No: P&PD/DCS&AMS/05/2018
 Title: "Supply, Installation and Maintenance of Desktop Currency Sorting & Authentication Machine System (DCS&AMS)" Type-II
 Bidder: Rayyaneq Business Systems

Please write Yes / No in the blank space against each specification of items, which your product contains, and in case of any difference please elaborate equivalence.

Bidder must attach product data sheet, brochures, technical manuals or any other relevant document from OEM to give as reference for the verification of the feature or technical specification.

Technical Compliance – Desktop Currency Sorting & Authentication Machine System (Type-II)		
Required Technical Specification		Bidder's Assessment
S No.	Subject	Specification
1	Machine Name	ST350 Currency Sorting Machine
2	Brand & Model	HITACHI SEETECH
3	Country Origin	Korea
4	Machine Assembled in	Korea
5	Currency to be Processed	Pakistani banknotes circulation in Width 65- 73mm Length 115-175 mm Plus: Foreign Currencies (minimum 6 Nations, 6+ will be more preferable)
6	Operating Modes	Counting, Authentication and Fitness Sorting
7	Machine Capabilities to Capture the Security Features of Bank Notes	<ul style="list-style-type: none"> ➤ Counting ➤ Authentication <ul style="list-style-type: none"> ○ UV ○ IR ○ Magnetic ○ Thickness Detection ➤ Fitness sorting <ul style="list-style-type: none"> ○ Fit for Re-Issue ○ Soiled ○ Rejected ➤ Orientation sorting- Face Orientation Required ➤ Ability to detect mismatch notes (i.e. cross check serial numbers on both sides of the banknote. Ability to detect paper & plastic tape on banknote
8	Fitness Standards	In accordance with SBP FD Circular No.1/2014. (Annexure - I)
9	Authentication	Machine software should be calibrated to authenticate banknotes on all operational modes
10	Hopper Capacity	At least 1,000 banknotes
11	Nominal Speed	At least 30,000 fresh banknotes/hour (stated capacity). However, for re-issuable banknotes, this should be atleast 70% of the machine's stated capacity (in banknotes/hour) and at least 50% of the machine's stated



		capacity (in banknotes/hour) for soiled banknotes.	Yes
12	Pockets / Stackers	At least Three + One (3+1) Horizontally Adjacent	Yes
13	Digital Counting Display (DCD)	DCD on Pocket / Stackers	Yes
14	Stacker Capacity	At least 200 banknotes per stacker	Yes
15	Reject Stacker Capacity	At least 100 banknotes	Yes
16	Display	Multiple LCDs display with descriptive guidance	Yes
17	Reports	Machine should be capable to generate detail report(s) of banknotes processed in predefined formats. These reports may be either printed or extracted onto the PC in predefined formats compatible to Microsoft Windows.	Yes
18	Printer	Option Available and Functional to Plug & Play with Printer	Yes
19	Machine Orientation	Desktop Type	Yes
20	Error Alarm / Buzzles	If machine operationally stop	Yes
21	Machine Input Operations	At least user Friendly	Yes
22	Connectivity	LAN Connectivity (Functional)	Yes
23	Capturing Features	Currency Numbers Capturing Features	Yes
24	Upgradable Software	Possibility of Software upgrade as per NBP requirement	Yes
25	Upgradable Software Capacity	In House	Yes
26	Duty Time	Identify Machine duty Time (Maximum will be more preferable)	Yes
27	Machine Useful Life	Identified Machine Useful Life (Expected)	Yes.

Note: Pocket means = Stacker / Bin

Seal & Signature of Bidders : _____





National Bank of Pakistan
نیشنل بینک آف پاکستان

Logistic Support Group
NBP/LSG/P&PD/2019/ 20225
February 11, 2019

Mr. Mubashir Mujahid
Business Operations Manager
Rayyanco Business Systems
84-A SMCH Society
Karachi

Dear Sir,

**Supply, Installation & Maintenance of Desktop Currency Sorting
and Authentication Machine Systems (Type-II) Hitachi- ST- 350**
Tender ID: P&PD/DCS&AMS/05/2018

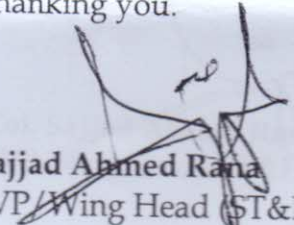
This is with reference to your Letter No. RBS/L06/Tender P&PD/DC/2018 dated: 07-12-2018 wherein you had raised your grievance on being disqualified for the subject tender.

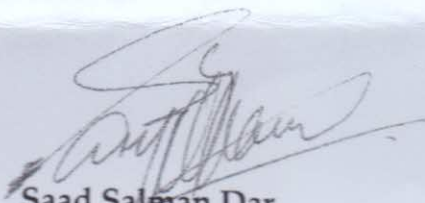
Your grievance was taken up before the Grievance Committee in its meeting on 16-01-2019, wherein, it was observed that the Hitachi- ST 350 machine (supplied and operated on the days of technical testing) did not conform to the specifications of the RFP which clearly explicates that the machine should be capable of authenticating, sorting detecting mismatch and counting bank notes on all operational modes.

You are hereby informed that, your company's bid stands rejected as it did not meet the criteria and requirements for the Tender.

In view of the above, you are advised to collect your Bid Security from the Procurement Division, LSG, 3rd Floor, NBP Head Office within 3-days of receipt of this letter. Please note that the Bid Security shall only be handed over to your company's Authorized Representative having an original valid CNIC, official employee identity card and requisite Authority letter to the said effect.

Thanking you.


Sajjad Ahmed Rana
SVP/Wing Head (ST&EPW)


Saad Salman Dar
SVP/Divisional Head (P&PD)



NBP

National Bank of Pakistan

نیشنل بینک آف پاکستان

NBP/LSG/P&PD/2018/ ۱۱۱۱
November 30, 2018

Syed Mudassir Shah
Business Development Executive
Rayyanco Business System
84-A, SMCH Society
Karachi

Dear Sir,

**Supply, Installation and Maintenance of
Desktop Currency Sorting & Authentication Machines System (Type-II)
Hitachi-ST-350, Technical Testing
Tender No. P&PD/DC&AMS/05/2018**

In response to your company participation in above mentioned NBP Tender opened on 25th September 2018. Further technical testing held at NBP Main Branch Karachi (from 10th to 12th October 2018). We would like to inform you that your machine Hitachi ST-350 did not passed the technical tests as per RFP requirement.

In view of the above, your company stand technically disqualified from the above mentioned tender. You are advised to collect your financial bid (un-opened & sealed envelope) from Procurement Division, LSG, 3rd Floor, NBP Head Office on any working day (with 3-days of receipt). Your authorized person should bring authority letter and CNIC (in Original).

Thanking you,

Yours truly,

Col. Sajjad Ahamd Rana (Retd)
SVP/Wing Head -ST&EP Wing

National Bank of Pakistan

Head Office, I.I. Chundrigar Road, Karachi. Ph : 99220100 (50 lines)

Website: www.nbp.com.pk