

November 12, 2013

Ref: NBP/ITD/TIP/2013/\_\_\_\_

2 4 6 4

**Mr. Syed Adil Gilani**

Advisor,  
Transparency International Pakistan,  
5-C, 2<sup>nd</sup> Floor, Khayaban-e-Ittehad,  
Defence Housing Authority, Phase VII,  
Karachi.

Dear Sir,

**Subject: Complaint against Violation of Public Procurement Rules 2004, for the  
procurement of 1500 Desktop PC  
Tender ID: NBP/ITD/PW/PC/20032013**

This is with reference to your letter marked to the Chairman – National Bank of Pakistan dated October 03, 2013, with regard to the subject matter.

Before replying to the allegations we would like to apprise your office that all public procurements of goods, services and works in the public sector by National Bank of Pakistan ("Bank") are regulated by Public Procurement Regulatory Authority ("PPRA") under Public Procurement Regulatory Authority Ordinance 2002, read with Public Procurement Rules, 2004 ("PPRA Rules") and there are set guidelines/ rules in the above laws to be strictly adhered to by all the procuring agencies and any breach of which would amount to mis-procurement.

Please note that in the instant case the M/s Science & Computer link ("**Bidder**"), who has quoted a desktop PC of brand "**OneApple**", filed a complaint against rejection of its bid after a considerable delay and in violation of the time specified in PPRA Rules for lodging complaints. Bidder did not lodge a written complaint within the prescribed time of fifteen days from the announcement of bid evaluation report, as per **PPRA Rule 48 (2)**, the said Rule envisages:

***"48(2) Any bidder feeling aggrieved by any act of the procuring agency after the submission of his bid may lodge a written complaint concerning his grievances not later than fifteen days after the announcement of the bid evaluation report under rule 35".***

However as desired by PPRA vide their letter dated October 3, 2013, Bank explained its position with regards to the complaint of Bidder vide its letter dated October 22<sup>nd</sup>, 2013. The response letter to PPRA is attached as **Annexure – A**.

It is pertinent to note that Bidders contention is misconceived since the bidding process was not in violation of PPRA Rules and the Bank followed a complete transparent and fair procedure and criteria for evaluation of bids. Services of a third party procurement consultant were acquired by Bank for an independent evaluation of this bid.

Continued...



Further note that Bank had investigated the matter internally and had also submitted its findings to PPRA. The allegations imposed by the Bidder seemed baseless and filing of said complaint seems an act of hiding Bidder's ineligibility since evaluation of the bidding documents had revealed that the Bidder had significantly failed to comply certain regulatory requirements in the evaluation criteria laid down by the Bank. Bank therefore, under the PPRA Rules continued with its process of procurement as prescribed under **PPRA Rules 48 (4) that:**

***"48(4) Mere fact of lodging of complaint shall not warrant suspension of the procurement process"***

Further note that NBP has acquired IT procurement consultancy services from M/s Sidat Hyder Morshed Associates (SHMA) Pvt Ltd for IT procurement projects. As per the tender evaluation process performed by M/s SHMA, the M/s SCL bid was rejected during technical evaluation due to non-compliance of mandatory requirement. However, the other 3 bidders i.e. M/s MegaPlus (a supplier of **Dell brand**), M/s Mushko (a supplier of **HP brand**) and M/s Shahnawaz (a supplier of **Dell brand**) were technically qualified and met all the mandatory evaluation criteria. The reasoning and criteria under which the said Bidder was rejected is provided under the evaluation report that is duly published on NBP and PPRA's website and is also provided to PPRA vide our response to PPRA's letter. The copy of PPRA letter and the extract of evaluation report is attached as **Annexure – B**.

The RFP of the above mentioned project and M/s SCL bid are attached as **Annexure – C and D** respectively.

Hope the above would suffice; you may contact us for any further queries, if required.

Regards,

**Muhammad Uneeb Walayat**  
Vice President  
IT Procurement Wing, IT Division

Copy to:

1. Chairman, National Bank of Pakistan
2. Chairman – IT Board Committee, National Bank of Pakistan
3. President, National Bank of Pakistan
4. Mr. Mahmood Siddique, Chief Information Officer, National Bank of Pakistan
5. Secretary to Prime Minister, Islamabad
6. Director General, NAB (A&P), Islamabad
7. Director General, FIA, Islamabad
8. Registrar, Supreme Court of Pakistan, Islamabad
9. Managing Director, PPRA, Islamabad



October 21, 2013

2311

Ali Temoor  
Assistant Director-III  
Public Procurement Regulatory Authority  
Government of Pakistan, Cabinet Division  
F.B.C. Building Sector G-5/2  
Islamabad

**RE: COMPLAINT FOR TENDER NBP/ITD/PW/PC/17022013**


We write with reference to your letter dated October 3<sup>rd</sup>, 2013 received on October 8<sup>th</sup>, 2013 on the captioned subject (Copy attached).

In reference of the letter shared by M/s Science & Computer Link on the above subject kindly find our response accordingly.

The tender result was published on NBP and PPRA websites, dated 02-08-13 & 05-08-2013 respectively (scanned copy of the result published on PPRA website is attached as **annexure-A**). As per PPRA rules 35 and 48(2), NBP did not receive any complain/reservation during the prescribed grievance period of 15 days from the said bidder.

It may be further noted that NBP has acquired services from a third party procurement consultant for ensuring transparency across IT procurement related tendering and evaluations. Thus NBP has had an independent evaluation performed by a third party consultant for the mentioned bid. In this regard, as inquired in the letter from PPRA, an extract citing detailed reasons for disqualification of the said vendor by the third party consultant are attached as an **annexure-B** (extracted from the evaluation report submitted by IT Procurement consultant i.e. M/s Sidat Hyder & Morshed Associates).

We hope our above responses will suffice the observations raised by M/s Science & Computer Link as shared by PPRA.

  
Muhammad Mansoor Sultan  
Assistant Vice President  
IT Procurement Wing, IT Division,  
National Bank of Pakistan

cc:  
Mahmood Siddique, EVP - CIO, National Bank of Pakistan  
President, National Bank of Pakistan  
The Secretary, M/o Finance, Pak. Secretariat, Islamabad

EVP/CIO Secretariat  
Division 22/110

22.10.13 2.30

758  
08/10/13

Islamabad, the dated 3<sup>rd</sup> October, 2013

Subject: COMPLAIN FOR TENDER NBP/ITD/PW/PC/17022013.

Enclosed please find herewith copy of a self explanatory letter No. SCL-002348/2013 dated 26<sup>th</sup> September, 2013 received from M/s Science & Computer Link, on the above noted subject.

2. It is requested that a comprehensive report / comments on the contents of complaint may kindly be sent to this Authority within 15 days of issuance of this letter.

3. This information is being called by PPRA under the powers vested under Section 16(1) of Public Procurement Regulatory Authority Ordinance, 2002.

4. Unauthorized breach of any Rule of the Public Procurement Rules, 2004 is amounting to mis-procurement.

Encls: As Above

  
(Ali Temoor)

Assistant Director-III

**President,**  
National Bank of Pakistan (NBP),  
Head Office,  
NBP Building,  
I.I.Chundrigar Road,  
Karachi.

EVP/CIO Secretary  
08/10/13 2 50

Copy to:

1. The Secretary, M/o Finance, Pak. Secretariat, Islamabad.

NBP  
President's Sectt.  
Sr.No. 34  
Dated. 07-10-13



D10/AB 3(9)/13

solution provider



SCL-002348/2013

26-September-2013

The Honorable President

National Bank of Pakistan

Karachi

Subject: Complain for Tender NBP/ITD/PW/PC/17022013

Respected Sir,

This is in reference to above mentioned tender to purchase 1500 desktop computers, of which, we had submitted on 03<sup>rd</sup> April 2013, since then we were following to find the status of the tender, every time your IT department give us lame excuses that tender is in process and the Consultant not yet hired to evaluate the bids. Our several telecommunications with NBP IT Procurement staff, regarding the updates of tender, they told us that whenever we will finalize the tender, we will inform the bidders as per PPRA rule 16 (4), we were expecting their email or call but no one bothered to inform us the status. The longer period for tender process has created doubts of favoritism and corruption.

There were many irregularities in the tender but as a good faith we ignored and tried to cooperate with your IT team. NAB has take the notice of irregularities in tenders specially in IT procurement, so they have issued a letter to all Govt Departments reference no. 5-2(10)Misc/A&P/NABHQ/2013 issued on 02<sup>nd</sup> September, 2013 (copy enclosed). When we saw the evaluation report ref no.NBP/ITD/PW/PC/20032013 (copy enclosed), we are sure about that, there were melafied conditions and pre selected bidder as per evaluation report, we were the only bidder who has been rejected due to technical grounds. Your procurement committee was afraid about that if they qualify us in technical and open our financial, we may come lowest bidder and their plan to give tender to pre assigned bidder would be failed.

We request your kind interference to stop this possible corruption and a big loss to National Bank. We have all rights to take this matter to legal authorities such as NAB, FIA banking circle or Honorable Court. We expect your prompt action and positive response in this regard and assure you our full support and cooperation to you or your assigned committee by providing sufficient proofs and references. We request you to kindly cancel this tender and re tender with clean and clear competition with latest specifications, which will be benefited for National Bank.

Thank you

Sincerely

For Science & Computer Link

Director Operations

Copy to:  MD PPRA Islamabad

Director Transparency International

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Mezzanine Floor, D-MKT, D-28,  
P.E.C.H.S Block 6, Shahrah-e-Faisal,  
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Blue Area, Islamabad.  
Tel: 051-2804222

Branch Office Lahore:  
F-8-9 Shadman Plaza,  
Shadman Market,  
Lahore.  
Tel: 042-37550123



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Office of the Director-II (PPRA)  
Public Procurement Regulatory Authority  
By No. 308 Dated. 26/9/13

Office of M.D. (PPRA)  
Public Procurement Regulatory Authority  
By No. 256 MD (PPRA) 2013  
Dated: 26-9-13

Office of the Director General (PPRA)  
Public Procurement Regulatory Authority  
By No. 1947 Dated: 26-9-13

Handwritten notes and signatures: "Dik-11", "30/9", "A.S.", "30/9", "Please put up", "A.S.", "30/9"