Government of Pakistan
Revenue Division
Federal Board of Revenue
Inland Revenue
*****

C. No. 1(3)IC/Sugar/2020   Islamabad, the 11th February, 2021

OFFICE MEMORANDUM

SUBJECT: <u>UPLOADING OF IFB ON PPRA WEBSITE FROM PRE-QUALIFIED
VENDORS FOR SUBMISSION OF BIDS FOR PROCUREMENT OF VIDEO
ANALYTICS SYSTEM FOR SUGAR SECTOR BY FBR</u>

I am directed to refer to the Pre-Qualification Notice No. PSE43276
uploaded on PPRA's website on 07-10-2020 on the above subject and find enclosed
herewith "Invitation for Bids-IFB" along with SRO 889(I)/2020 dated 21-09-2020 for
procurement of Video Analytical System (VAS) from Pre-qualified vendors for Sugar
sector.

2.   It is requested that the same may please be uploaded on PPRA website
urgently for record and information to quarters concerned.

3.   An early action in this regard will be much appreciated by FBR.

Enc: <u>As above</u>

(Tariq Hussain Shaikh)
Project Director (VAS)

The Deputy Director (IMS)
Public Procurement Regulatory Authority,
1st Floor FBC Building Near State Bank,
<u>Sector G-5/2, Islamabad-Pakistan</u>

Copy for information to:-

The Director General,
Awareness & Prevention Division,
National Accountability Bureau (HQ),
<u>Islamabad.</u>

FBR
PAKISTAN

Invitation for Bids (IFB)
from Pre-Qualified Vendors for Procurement of
Video Analytics System (VAS) by FBR

- The Federal Board of Revenue of Government of Pakistan invites bids for procurement of Video Analytics System under National Competitive Bidding (NCB) from vendors pre-qualified under the Pre-Qualification Notice No. PSE43276, published dated 7th October, 2020, to supply Video Analytics equipment for installation in manufacturing premises of specified sector(s) in accordance with PPRA Rules, 2004 read with Video Analytics Rules, 2020 issued vide SRO 889(I)/2020 dated 21st September 2020.

- The Standard Bidding Documents (SBDs) can be downloaded from PPRA website (www.ppra.org.pk) and FBR's website (www.fbr.gov.pk). The copy of the same can also be obtained from the office of Project Director (VAS), Room No. 118, 1st Floor, FBR(HQ), Constitution Avenue, Sector G-5, Islamabad.

- Sealed Technical and Financial bids must be submitted under Single Stage Two Envelop Bidding process on 26th February, 2021 at 11 a.m. at the address mentioned above. The technical bids will be opened at 11.30 a.m. on the same day.

- Bidders should submit best and final price as no negotiations on price are allowed. Late bid submissions are not allowed. FBR reserves the right to accept or reject the bids under Rule-33 of the Public Procurement Rules, 2004.

(Tariq Hussain Shaikh)
Project Director (Video Analytics System),
Room No. 118, First Floor, FBR-HQ, Constitution Avenue,
Islamabad
Email. pdtnt@fbr.gov.pk
Ph. +92 51 9204520 (office)

Invitation For Bids (IFB)

for

Video-Analytics Surveillance of sugar production lines

under

Competitive Bidding between pre-qualified suppliers

Section I.   Instruction to Bidders

1.   General

1.1   In order to properly monitor the production and sale of sugar and the attendant sales tax and income tax thereon, Federal Board of Revenue (FBR) issued SRO 889(I)/2020, dated 21.09.2020 warranting all sugar mills to install Video Analytical Surveillance (VAS) System expecting that the process would be completed before official onset of the crushing season on 10.11.2020. FBR ran a rigorous process of procurement as enshrined under the VAS Rules, 2020, and pre-qualified/approved seven vendors for supply and installation of the System on sugar factories.

1.2   The VAS System, however, has so far been installed only by a few sugar mills and those too are sub-optimal solutions. Ostensibly, the cost, which under the prevailing rules is to be borne by the sugar mills, has been the key factor towards non-implementation of the VAS System. Sugar mill-owners, in an apparent effort to cut cost, went around getting demonstrations and quotations from all seven vendors consuming unending time in the process. Those that went ahead with installation eventually opted for the cheapest and sub-standard solutions. A relatively small contract size/volume (80 mills only) to be distributed over seven vendors, also did not prove enough an incentive for the vendors to aggressively invest in procurement of the systems and install in a timely fashion. The last deadline, i.e., 31.01.2021 has already expired and it seems unlikely that the System would be installed in a satisfactory manner across the board by all the mills.

1.3   The situation warrants a change in approach. Accordingly, FBR has been tasked to select and contract one vendor to install the video-analytics solution across all manufacturers of sugar in Pakistan and in the shortest possible time. The cost is to be borne by the Government and the Vendor will submit its invoices to FBR for payment.

2.   The Video Analytics based Solution

2.1   Production of sugar goods, manufactured in Pakistan, shall be monitored through intelligent video analytics (also referred to as vision analytics) by installation of equipment including intelligent production line video surveillance using video/vision analytics cameras, sensors, etc.:

   a.   Real time collection of data that shows production through object detection and object counting;
   b.   Transmission of data to a cloud-based data management service for storage and archiving of data;
   c.   Detection of stoppages and production rates;
   d.   Quantitative analysis of production; and
   e.   Obtaining and safe-keeping of the required data analytics to be used in legal actions.

2.2   The equipment offered by the vendor must have the following features:

a. The equipment shall include a high definition production-line video/vision camera, preferably with on-board analytics capability, and associated sensor that can record and count the production;

b. The equipment hall have the ability to infer weight of the product contained in bags;

c. The equipment will conduct video analytics and communicate the results thereof to a cloud-based data management service, serving as a Management Information System (MIS) providing dashboards and reports, and supporting queries, for manufacturers and FBR.

d. The equipment will report stoppages and other anomalies on production lines through generation of appropriate alerts;

e. The system will have sixty days storage capacity of remotely retrievable image data locally on-site of images/frames for each production site;

f. The hosted service should have a storage capacity capable of storing and retrieving data on a long term basis up to five to six years; and

g. The equipment at the manufacturing sites must be industrial grade, stable, fault tolerant, secure and accessible only by username and password as authorised by the Board. The equipment must be dust and water proof.

2.3   The cloud-based data management service needs to support the following required functions:

a. Registration of manufacturers, their production and packing lines and their respective associated standard product lines.

b. The structuring, management and storage of the production data.

c. Providing a production dashboard with descriptive statistics confidentially to the respective manufacturers to see their own respective production data.

d. Providing a production dashboard with descriptive statistics confidentially to the FBR to see production data for the entire industry per organisation, per region and for the country as a whole.

e. Provide real-time notification to FBR users of alerts generated by the controller PCs at the manufacturing production sites through the hosted cloud service.

f. Provide FBR users with images of specific product item counting events upon request.

g. Monitoring and notification to the support centre about system health and performance both at the manufacturing sites and also the cloud service itself.

h. Maintain privacy and confidentiality of data for each respective manufacturer.

i. The system must be hosted in a reputable cloud service provider in Pakistan as a private cloud. International cloud services are not acceptable.

2.4   The sugar production monitoring solution requires the following standard functional components as a minimum configuration:

a. a camera with an associated (motion) sensor to trigger the camera per production/packing line

b. One industrial PC with software and appropriately sized UPS per production/packing facility to control the cameras, to receive, structure and manage the data from the camera, and to communicate to the cloud service. As far as is practically possible, all the production/packing line installations will report to the one on-site industrial controller PC.

c. One dual SIM GSM router per production/packing facility to link the industrial PC to the Internet.

d. The necessary network components to link up the components described above (cameras, associated (motion) sensors, industrial PC, UPS, Router).

2.5 Counting and characterisation of the sugar bags to happen only after filling and sealing/stitching.

2.6 The system needs to capture at least the following data fields pertaining to production of the Goods under consideration:

Product: brand, packaging type, packaging dimensions, weight, count, time/date stamp

Packing line: Identity, description

Production line: Identity, description

Manufacturing site: Name, Address, Contact person, GPS coordinates

Manufacturer (Head Office): Name, Address, Contact person, Tax Number, GPS coordinates

2.7 The vendor shall make sure that all goods used in relation to the Bid are new, unused, and of the most recent or current models and that they incorporate all recent improvements in design and materials. The warranty of all equipment shall remain valid for the period of the Contract

Section II. Evaluation and criteria

The evaluation process is clearly focused on the proposed solution as a whole and how its components interact to provide the business process outcomes described in the IFB document. The scoring of presented technical proposals from the pre-qualified vendors shall be executed by FBR through the review, the quantitative and qualitative evaluation of technical proposals in accordance with technical requirements presented in section 2 of the Instruction to Bidders.

Each of these parameters shall be allocated maximum points to be scored as follows:

No.	Criterium	Max points	Score	Comment
1	Experience in production line video/image-based data capture and analytics. Describe cases of different implementations at different companies for different products. Describe the application and provide volumes of product involved, the scope and role of the analytics, and the performance achieved.	5		
2	What was the accuracy and repeatability with respect to product characterisation and counting that was observed in the production data capturing above?	5		
3	What was the failure rates of system components that was observed from own experience from previous installations done (e.g. from your Service Level records)?	2		
4	What precautions are being taking to protect equipment and to increase Mean Time Between Failure (MTBF)?	2		
5	What are the service and support requirements of your solution? Provide an overview of the preventative maintenance schedule of your solution. List all the items that need regular daily/weekly/monthly and yearly servicing and checking	5		
6	What relevant certifications can you provide, and letters of commendation from OEM component suppliers, to confirm the quality of your service and fitness in this solution space?	2		
7	Describe your ability to infer weight measurement through the proposed video analytics installation. Provide detailed overview.	2		
8	The Vendor shall make sure that all goods used in relation to the Bid are new, unused, and of the most recent or current models and that they incorporate all recent improvements in design and materials.	2		
9	The warranty of all equipment shall remain valid for the period of the Contract.	2		
10	Describe your solution in terms of:			
a.	Equipment/solution components and the role of each.	2		
b.	Operating/technical specifications of each component of each component and why you recommend it.	2		

c.	Data storage capacity of your system at the manufacturing site and your approach to data communications to the cloud.	2			
d.	Propose how/where to store images/frames of production/counting events.	2			
e.	Explain the anti-tamper precautions of your proposed technical solution	1			
f.	Explain how you perform system performance monitoring and reporting	1			
g.	Explain the recovery of your installed system in cases of power disruption.	1			
h.	Explain how you will implement automated updates and remote configuring.	1			
i.	Propose Service Level metrics and targets for the proposed solution.	2			
j.	Explain alerts and notification pertaining to: i. System performance problems ii. System failures iii. Production line stoppage (distinguish between short term and long term) iv. Significant changes in rate of production. v. Anomalies detected by the analytics camera on the production line	5			
11	Describe the cloud-based data management service in terms of the following aspects:				
a	Registration of manufacturers, their production and packing lines and their respective associated standard product lines.	2			
b	The structuring, management and storage of the production data.	2			
c	Providing a production dashboard with descriptive statistics confidentially to the respective manufacturers to see their own respective production data.	2			
d	Providing a production dashboard with descriptive statistics confidentially to the FBR to see production data for the entire industry per organisation, per region and for the country as a whole.	2			
e	Provide real-time notification to FBR users of alerts generated by the controller PCs at the manufacturing production sites.	2			
f	Provide FBR users with images of specific product item counting events upon request	2			
g	Monitoring and notification to the support centre about system health and performance.	2			
h	Maintain privacy and confidentiality of data for each respective manufacturer.	2			
i	Service to be hosted in Pakistan. Provide information about hosting party and hosting site.	2			
j	Set up as a private cloud for FBR	2			
k	Present evidence of quality and integrity of data services from the cloud-owner in the form of relevant internationally certifications	2			
l	A SLA between the vendor and the cloud-owner is required and it needs to be back-to-back with the SLA between the vendor and FBR.	2			

12		The system needs to capture at least the following data fields pertaining to production of the Goods under consideration:			
a	**Product:** brand, packaging type, packaging dimensions, inferred mass (weight), count, time/date stamp	2			
b	**Packing line:** Identity, description	2			
c	**Production line:** Identity, description	2			
d	**Manufacturing site:** Name, Address, Contact person, GPS coordinates	2			
e	**Manufacturer (Head Office):** Name, Address, Contact person, Tax Number, GPS coordinates	2			
Total		**80**			

The following comparative scoring procedure shall apply:

1. Each requirement stated above shall be rated with a mark ranging from 0 (minimum) to the maximum specified score.
2. The mark with the maximum specified score shall be delivered to the best response to the requirements stated above.
3. The mark 1 shall be delivered to the least advanced, yet compliant, response to the requirements stated above.
4. The intermediary mark between 1 and the maximum specified score shall be delivered to the remaining replies upon quality of the responses to the requirements stated above.

Section III. Form for presentation of Financial Proposal

(To be provided on company's letterhead)

Full Name of the Vendor:

Expected quantity	Price per standard solution per one sugar mill/manufacturer facility
Number of sugar mills/manufacturers: 80	
Number of Production/packing lines per sugar mill/manufacturer: 3	

Terms and Conditions:

1. This Price Schedule Form is valid for a period of 90 calendar days since the Quotation submission date.

2. The Price needs to be calculated for the solution as a whole, taking into account all 80 manufacturing facilities and the provisioning of a cloud service over the contract period, and then expressed as a Price per manufacturing facility.

3. The Price presented in this Price Schedule is quoted in PKR (= Pakistan Rupees) for a production monitoring and quantification solution for a sugar manufacturer with three production/packing lines including the following components:
   a. One camera per production/packing line, installed
   b. One sensor per camera, installed
   c. One industrial PC per production facility with required software to operate the system and communicate to the cloud service (installed)
   d. One UPS per industrial PC (appropriately sized) (Installed)
   e. One GSM router per production facility (with capacity to accommodate two SIM cards for redundancy on Internet connectivity)
   f. Including all other network and installation consumables and services.
   g. Cloud-based management information service (MIS)

4. This Price Schedule presents an all-inclusive Fee for the System proposed by the Vendor.

5. The proposed Price includes import duties and taxes, wherever applicable.

6. Recurring costs (e.g. licensing fees, hosting fees) need to be excluded from the Price.

7. The proposed Price excludes all taxes payable on local supplies/services in Pakistan, if such is to be applicable.

Signature of the authorized representative of the Vendor: Seal of the Vendor:

Evaluation of Financial Proposals

The scoring of presented and compliant financial/price proposals shall be done by FBR using a mathematical formula.

As the first step, FBR shall use the information provided by the quotation from each vendor in a duly filled Section III: "Form for presentation of Financial Proposal".

As the second step, FBR shall determine the lowest total unit price per packing line of all the Bids ("C-low"). The C-low shall be awarded 20 points – the maximum possible for the price proposal.

Consequently, C-low shall be divided by the total unit price per manufacturing facility of each vemdor and multiplied by 20. The result will determine how many points shall each vendor score for his price proposal.

Example: C-low is 10,000. Total unit price per manufacturing facility of the other vendor is 15,000. 10,000 divided by 15,000 and multiplied by 20 is 13.3. Therefore, the price proposal of the other vendor shall receive 13.3 points.

Total (Combined) Score

The total score is derived by simply adding the technical and financial scores together. The vendor with the highest grand total of points will be declared as the most advantageous Bid and FBR shall invite the respective vendor for contract negotiation.

Section IV. SRO 889 (I)/2020 (please find attached)

GOVERNMENT OF PAKISTAN
(REVENUE DIVISION)
FEDERAL BOARD OF REVENUE
******

Islamabad, the 21ˢᵗ September, 2020

NOTIFICATION
(SALES TAX AND FEDERAL EXCISE)

S.R.O. 889(I)/2020.--In exercise of the powers conferred by sub-section (1) of section 50 read with section 40C of the Sales Tax Act, 1990, read with sub-section (1) of section 4 and section 45A of the Federal Excise Act, 2005, the Federal Board of Revenue is pleased to direct that the following amendments shall be made in the Sales Tax Rules, 2006, namely:–

In the said Rules, after Chapter XIV-B, the following new Chapter shall be inserted, namely:–

"CHAPTER XIV-BA

VIDEO ANALYTICS RULES FOR ELECTRONIC MONITORING OF PRODUCTION OF SPECIFIED GOODS

SUB-CHAPTER 1
PRELIMINARY

150 ZQR. **Application.**—The provisions of this Chapter shall apply to video surveillance for electronic monitoring of production on real time basis, hereinafter referred to as the specified goods meant, namely:-

(a) goods specified in Third Schedule appended to the Sales Tax Act, 1990; or

(b) any other goods notified by the Board through a specific order:

Provided that for any or all of the goods specified above shall be monitored through video surveillance and video analytics from the date as notified by the Board through a specific order.

1

150 ZQS. **Definitions.-** In this Chapter, unless there is anything repugnant in the subject or context,-

(a) **"authorized vendor"** means any registered company which is authorized by the Board under these rules;

(b) **"approval committee"** means a committee comprising of the officers notified by the Board for the approval of vendors of equipments to be installed at production lines of specified goods;

(c) **"applicant"** means any registered company which applies for approval of its equipments for video monitoring of production under the rules;

(d) **"pre-qualification"** means the selection of authorized vendor on the basis of evaluation criteria given in these rules;

(e) **"video analytics"** or "intelligent video analytics" means a system for electronic monitoring of production on real-time basis;

(f) **"intelligent videos surveillance"** or **"IVS"** means technology that uses software to automatically identify specific objects, behavior or attitudes in a video footage; and

(g) **"central control room (CCR)"** means the control room established in FBR by Inland Revenue Operation Wing.

150 ZQT. **Goods to be monitored electronically through video cameras etc–** (1) Production of specified goods, manufactured in Pakistan, shall be monitored through intelligent video surveillance, and video analytics by installation of equipments including video cameras, sensors, etc., at production lines, as are approved by the Board for,–

(a) real time collection of data that shows production through object detection and object counting;

(b) transmission of data to central control room at FBR on real time basis, storage and archiving of data;

(c) detection of unexpected stops;

(d) quantitative analyses of productions; and

(e) data analytics for required legal actions.

(2) No person engaged in manufacturing of specified goods shall remove the production from its business premises unless it has undergone the process of intelligent video surveillance.

SUB-CHAPTER 2
APPROVAL OF THE VENDOR

150 ZQU. **Approved vendors.-**(1) Manufacturers of specified goods shall buy video monitoring equipments only from the authorized vendor.

(2) No manufacturer of the specified goods shall buy video monitoring equipment which is not authorized or approved by the Board.

150 ZQV. **Functioning of approval committee.-** (1) The approval committee shall function in accordance with the provisions of these rules.

(2) Project Director shall be the convener of the approval committee and its headquarters shall be located at FBR House, Islamabad. The Board shall provide secretarial and other allied support required for functioning of the approval committee.

(3) The approval committee shall devise procedures for its functioning, which shall be in accordance with these rules.

150 ZQW. **Application for approval .-** (1) An application to get approval as authorized vendor for video monitoring of production of specified goods mentioned in these rules shall be made in duplicate to the Board.

(2) An application under sub-rule (1) shall be accompanied by all the supportive and relevant documents including the following, namely:-

(a) a comprehensive profile of the company;

(b) brief about managerial and technical personnel indicating name, position, qualification and experience;

(c) total number of current employees;

(d) list of major clientele;

(e) documents showing relevant capacity of the video equipment;

(f) complete history of activities undertaken and synopsis of the projects done;

(g) current commitments and status of in-hand projects;

(h) incorporation certificate under the Companies Act, 2017, National Tax Number (NTN) certificate;

(i) audited accounts of the last three financial years;

(j) Income Tax returns for the last three years;

(k) registration with Sales Tax Department of FBR;

(l) computerized National Identity Cards (CNICs) of the Directors of the incorporated company; and

(m) undertaking that the company has never been blacklisted by any Government or private department or organization and has not been involved in confirmed cases of fiscal fraud.

150 ZQX. **Criteria for grant of an authorization.-** (1) The vendor shall be required to have and demonstrate ability to provide equipment with high security and efficiency for electronic monitoring of production and video analytics on real time basis.

(2) The equipment offered by the vendor must have the following features, namely:-

(a)   the equipment shall have high definition video camera and sensor that can record and count the production;

(b)   the equipment shall have ability to weigh the product contained in bags;

(c)   the equipment shall have ability to integrate with the software recommended by FBR which will be used for transmission of data to central control room;

(d)   the equipment will conduct video analytics and communicate results thereof to CCR;

(e)   the equipment will report any unauthorized stoppages of production through generation of appropriate alarm;

(f)   the system should have sixty days remotely retrievable local, on-site, and at place, specified by the Board, off-site, data storage at each site;

(g)   the CCR should have a central data storage capacity capable of storing and retrieving data on long term basis up to five years; and

(h)   the equipment must be stable, fault-tolerant, secure and accessible only by username and password as authorized by the Board.

150 ZQY.   **Functions and responsibilities of IT team of FBR.**-(1) IT team shall develop a software to run and operate the system, as per requirements of the Board. The equipment provided by the vendor after integration with FBR software shall be able to perform the following functions, namely:-

(a)   monitoring capability on real-time basis at factory premises or production lines;

(b)   the ability to configure the production unit remotely;

(c)   the system must be capable of sending alert messages and trigger alarms, visible and audible, in case of occurrence of abnormal events such as unauthorized stoppages of production, tempering with equipments and camera etc;

(d)   the system reporting should be capable to filter and process the production data for statistical and analytical purposes; and

(e)   the system should ensure secure data storage and archiving of data for five years from its generation or recording;

(2)   The team shall submit a complete list of operations, software and maintenance required to operate the equipment.

150 ZQZ.   **Procedure for grant of authorization.**-(1) On receipt of an application for grant of authorization, in the Board, the approval committee shall evaluate it.

(2)   The approval committee may also fix a date for a hearing to be attended by the vendor for the purposes of evaluation of the application submitted under sub-rule (1).

(3)   The approval committee may also carry out visits and physical inspections to ascertain eligibility of the vendor for authorization under these rules.

(4)   The vendor shall be required to give practical demonstration of the technological solution offered for approval.

(5)   The approval committee shall send its recommendations to the Board, within thirty days, from the date of submission of the application. In case of recommendation for rejection of any application detail "causes", in writing, is required.

(6)   In case a company meets the technical and financial criteria given in these rules, the licensing committee shall recommend to the Board for grant of authorization to such vendor.

(7)   The Board may grant authorization to the recommended vendor(s).

(8)   The qualified company shall be required to deposit bank guarantee for five percent of the value of the project cost or rupees five million, whichever is lower, to the approval committee, as financial security, at the time of issuance of the authorization. The bank guarantee shall be valid for whole duration of the authorization and shall be encashable in case of violation of these rules leading to loss of government revenue, in the manner as prescribed by the Board, after providing an opportunity of being heard.

SUB-CHAPTER 3
RESPONSIBILITIES OF THE VENDOR

150 ZQZA.   RESPONSIBILITIES OF THE VENDOR.– (1) Subject to these rules, authorization of vendor shall be granted for a period of three years.

(2)   The authorization granted under these rules shall be subject to the provisions of the Sales Tax Act, 1990.

(3)   The authorization granted under these rules shall be non-transferrable and shall not be allowed to be used by any sub-contractor.

(4)   The vendor shall specify the expected delivery and installation of equipment at factory premises, which shall not exceed sixty days from the date of order.

(5)   The vendor shall also assist the Pakistan Revenue Automation (Pvt.) Ltd. (PRAL) to install its software on the equipment and run the system during trial period of authorization.

(6)   An application for renewal of authorization shall be made, to the Board, by the vendor, within three months before its expiry.

(7)   Board shall evaluate the application and may recommend renewal of authorization for three years.

(8)   The vendor shall be required to comply with all the provisions of these rules for the renewed period.

150 ZQZB.   Requirements to be met at the factory premises.- (1) The IT team of FBR shall ensure that each factory premises is connected to the system with adequate IT infrastructure required for real time electronic monitoring of production and generation of periodic reports.

(2)   The vendor shall arrange testing of monitoring equipments at each production site.

150 ZQZC.   Technical and training support.- (1) The IT team of FBR shall provide the following technical support, namely: –

(a)   setting up and maintenance of all information technology (IT) infrastructure, wherever needed, for the purposes of these rules; and

(b)   the team shall be fully responsible for,-
    (i)   all upgrades of the software;
    (ii)   all bug fixes; and
    (iii)   immediate response and repair of any technical problem in the system during holidays or working days to cover the major, minor and moderate problems for uninterrupted working of the system.

(2)   The vendor shall undertake to upgrade, as per the new technological requirements, the installed IT structure, related software, and communication equipment etc., as and when required.

(3)   Quarterly appraisal reviews of functioning and efficacy of the equipment shall be carried out by IT team of FBR.

SUB-CHAPTER 4
FEE AND CHARGES

150 ZQZD. **Fee and charges.-** (1) The vendor shall charge for purchase of equipment, the video camera and allied equipments, to the manufacturer.

(2) No fee whatsoever shall be charged from any of the field formations or the Board.

(3) The price of the equipment shall be decided between the approved vendor(s) and the manufacturer.
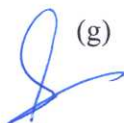
SUB-CHAPTER 5
FUNCTIONS AND RESPONSIBILITIES OF OTHERS

150 ZQZE. **Functions and responsibilities of the manufacturer of specified goods.**–(1) The manufacturer of specified goods shall –

(a) make all production facilities available for installation of the system and allow access to the vendor and FBR for routine operations, inspection and maintenance;

(b) not supply any goods without routing them through the intelligent video analytics,–

(c) be responsible to pay the fee as agreed with the vendor;

(d) be responsible for smooth functioning, protection and security of the intelligent video analytics;

(e) report to the Board and concerned Commissioner Inland Revenue, within twenty-four hours of any operational failure, damage, disruption or tampering of the intelligent video analytics:

Provided that any damage to the system found to be due to carelessness, negligence or deliberate action of the manufacturer will be repaired at the expense of the manufacturer, without prejudice to any legal action that may be taken for recovery of evaded tax and imposition of penalty;

(f) allow unhindered access to the FBR and any officer, authorized in this behalf;

(g) give a notice to the Board, at least thirty days in advance, from the date of start of production of new brands of goods,

7

expansion, modification or any other changes in the production line;

(h)   make available the damaged equipments, camera, etc., for inspection by the officer authorized by Commissioner Inland Revenue;

(i)   report any inoperative production lines within twenty-four hours of occurrence to the concerned Commissioner Inland Revenue and the officer authorized by Commissioner Inland Revenue shall immediately proceed to secure such lines using a security seal and register the action in the intelligent video analytics; and

(j)   production lines sealed as aforesaid shall not be de-sealed to resume operation except with the permission of the Commissioner Inland Revenue.

SUB-CHAPTER 6
MISCELLANEOUS

150 ZQZF.   Liabilities of the vendor.-(1) Without prejudice to the action that can be taken under these rules, the vendor shall be liable to punitive action under the Sales Tax Act, 1990 and rules made there under, in cases of its willful collusion with manufacturer for violation or contravention of any of such provision.

(2)   The vendor shall also be liable to deposit duty and taxes alongwith surcharges and penalties under the Sales Tax Act, 1990 and the relevant rules, where it is established through proceedings under the Act, after providing an opportunity of being heard, that the vendor has colluded with manufacturer resulting in evasion of duty and taxes.

150 ZQZG.   Audit.-The FBR shall arrange to carry out audit of the system every year. The report shall be used for system related improvements and corrective and remedial actions, where warranted."

[C. No.3(13)ST-L&P/2017]

((Muhammad Masood Ahmed Gorsi)
Secretary (Sales Tax Policy)