

File No. BMSIC/40025/11-2016/1971

Date: 16/09/2016

Order

Bihar Medical Services & Infrastructure Corporation Limited (BMSICL) vide its letter no. BMSIC/40025/11-2016/3157 dated 23rd Feb 2016 issued Letter of Intent (LoI) to M/s Zee Laboratories Limited (Zee) for supply of two drugs namely Ciprofloxacin Tablet 500 mg & Oral Rehydration Salt Powder 20.5 gm, against BMSICL tender no. BMSIC/DRUGS/15-04 dated 24-08-2015. Zee was asked to submit the required security deposit before execution of the agreement with BMSICL.

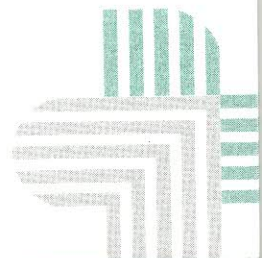
2. Post receipt of the LoI by their duly authorized representative, Zee vide their letter dated 15th March 2016 expressed their inability to submit the security deposit amount citing financial crisis at their end due to non-receipt of old outstanding payment of Rs. 28,99,162.31/- pending from the Govt. of Bihar against supplies made earlier. Further, Zee stated that as they are not in a position to supply on credit, hence they withdraw their tender.

3. Following the letter of Zee, BMSICL issued show cause notice bearing reference no. BMSIC/40025/11-2016/36 dated 04-04-2016 to Zee, seeking explanation as to why the firm should not be blacklisted for withdrawing from the tender after issuance of LoI, as per provision laid out in clause 27 (b) of BMSICL tender no BMSIC/DRUGS/15-04 dated 24-08-2015.

4. M/s Zee Laboratories replied to the show cause notice vide their letter dated 06-04-2016 wherein they reiterated their inability to submit the security deposit due to substantial payment outstanding with Govt. of Bihar. Further Zee stated that they were misled by their Liasoning Agents who informed them that payment against the tender no. BMSIC/DRUGS/15-04 would be made in advance before supplies. They however submitted their consent to make supplies against zero performance security and also on the condition that advance payment be released by BMSICL.

5. On perusal of the clause 27 (A) of the tender which is quoted as follows:

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“If the Tenderer fails to execute the agreement/to deposit performance security/to perform the obligations under the tender conditions/commits default in the performance of the contract/agreement, such Tenderers will be blacklisted for a period of 2years by BMSICL from the date of intimation besides forfeiture of EMD/Performance Guarantee. The Tenderers who have withdrawn after participating in the tender either fully or partially, the entire firm/company will be blacklisted for a period of 2 years from the date of intimation by BMSICL apart from forfeiture of Security Deposit/EMD”,

It is clear that the action of Zee i.e. withdrawing from the tender after issuance of LoI falls within the purview of the provision of the clause. Further the reasons given by Zee for its withdrawal from the tender vide their reply to the showcause, are not acceptable at all.

6. Hence, in accordance to the clause 27 (a) of the tender, M/s Zee Laboratories limited (Zee) is blacklisted with immediate effect for two years.


(Anil Kumar)
CGM (Supply Chain)

Memo No. - BMSIC/40025/11-2016/1971

Date: -16/09/2016

Copy to:-

1. M/s Zee Laboratories Limited, Behind 47,Industrial Area, Gondpur, Paonta Sahib-173205,Dist-Sirmour,HP
2. The Principal Secretary, Department of Health, Govt. of Bihar
3. Executive Director, State Health Society, Govt. of Bihar


CGM (Supply Chain)

