

File No- BMSIC/40025/28-2021/2376

Date: -05/07/2022

Order

M/s Revat Laboratories Pvt. Limited, situated at 105B, Usha Enclave, Srinagar Colony, Hyderabad-500073 was declared as L1 bidder for following drugs vide tender reference no.- BMSIC/DRUGS/19-08:-

- (i) Sodium Valproate Oral Solution 200mg/5ml 100ml Bottle (Rs. 16.5/- per bottle).
- (ii) Rabeprazole Sodium Gastro Resistant 20mg Tablet (Rs.0.35/- per tablet)
- (iii) Zinc Sulphate Dispersible tablet 20mg (Rs.0.10/- per tablet).

Accordingly, the firm **M/s Revat Laboratories Pvt. Limited** was issued a Letter of Intent (LoI) vide letter no. -BMSIC/40025/111-2020/7014, dated 11-12-2020 for submitting the requisite documents, Performance security deposit and to execute the Rate-Contract for the said Medical Devices/ Consumables.

Subsequently, the firm **M/s Revat Laboratories Pvt. Ltd.** was given LoI of following times:-

1. 2,50,00,000 units of Zinc Sulphate Tablet 20mg; 1,50,00,000 units of Rabeprazole Gastro resistant Tablet 20mg & 3,500 units of Sodium Valproate Oral Solution 200mg/5ml 100ml Bottle vide letter no. - BMSIC/40025/28-2020/8258, dated 22-01-2021.
2. 1,20,00,000 units of Rabeprazole Gastro resistant Tablet 20mg & 14,000 units of Sodium Valproate Oral Solution 200mg/5ml 100ml Bottle vide letter no. - BMSIC/40025/28-2020/4720, dated 23-09-2021.
3. 65,00,000 units of Zinc Sulphate Tablet 20mg & 2,00,00,000 units of Rabeprazole Gastro resistant Tablet 20mg vide letter no. - BMSIC/40025/28-2020/6797, dated 16-12-2021.
4. 40,00,000 units of Zinc Sulphate Tablet 20mg; 90,00,000 units of Rabeprazole Gastro resistant Tablet 20mg & 25,000 units of Sodium Valproate Oral Solution 200mg/5ml 100ml Bottle vide letter no. - BMSIC/40025/28-2020/10081, dated 26-03-2022.
5. 80,00,000 units of Zinc Sulphate Tablet 20mg vide letter no. - BMSIC/40025/28-2020/1105, dated 19-05-2022.

The firm, **M/s Revat Laboratories Pvt. Ltd.** did not supply the ordered quantity against the Purchase Order no- 1105, dated 19-05-2022, which adversely affected the objectives of BMSICL, i.e. Free Drugs supply to every patients at all Government health facilities in the State of Bihar, thus violating Tender Clause No- 19 (d), which reads as, *"It is the duty of the supplier to supply Drugs at the destinations mentioned in the Purchase Order and supply shall confirm to the conditions mentioned in the provisions of NIT, rate contract and directives of BMSICL."*

In view of the above facts, **M/s Revat Laboratories Pvt. Ltd.** replied on 20-05-2022 against the said Purchase Order no- 1105, dated 19-05-2022, states that, *"the firm had already supplied 3,15,00,000 units of Zinc Sulphate Tablet 20mg against the total tendered quantity of 95,71,600 unit. The firm had supply this drug since last 2.5 years at a very competitive pricing and even completed the order no. 6797, dated 16-12-2021. The supply is being hampered due to scarcity of Raw materials and exorbitant pricing since their participation in tender. As per the prevailing COVID-19 norms the firm is currently operational with only 70% staff at their production facility. The firm is requesting to exempt from supplying this PO and dismiss from any further penalty applicable"*



According to Force Majeure Clause (FMC), *“A Force Majeure (FM) means extraordinary events or circumstance beyond human control such as an event described as an act of God (like a natural calamity) or events such as a war, strike, riots, crimes (but not including negligence or wrong-doing, predictable/ seasonal rain and any other events specifically excluded in the clause). An FM clause in the contract frees both parties from contractual liability or obligation when prevented by such events from fulfilling their obligations under the contract. An FM clause does not excuse a party’s non-performance entirely, but only suspends it for the duration of the FM. The firm has to give notice of FM as soon as it occurs and it cannot be claimed ex-post facto. There may be a FM situation affecting the purchase organization only. In such a situation, the purchase organization is to communicate with the supplier along similar lines as above for further necessary action. If the performance in whole or in part or any obligation under this contract is prevented or delayed by any reason of FM for a period exceeding 90 (Ninety) days, either party may at its option terminate the contract without any financial repercussion on either side.”*

Hence, in view of the provisions contained in the contract relating to Force Majeure Clause, where the performance in whole or in part or any obligation under the said contract was prevented or delayed by any reason of Force Majeure for a period exceeding 90 days, the rate Contract of **Zinc Sulphate Tablet 20mg** with **M/s Revat Laboratories Pvt. Ltd** is hereby terminated with immediate effect, apart from forfeiture of security deposit. The Purchase Order No-1105, dated 19-05-2022 is hereby cancelled.


(Managing Director)

