



**OFFICE OF THE MANAGING DIRECTOR**  
**ASSAM MEDICAL SERVICES CORPORATION LIMITED**  
Central Drug Ware House Campus, Patherquary, Narengi, Guwahati, Assam-781026  
Email id: md-amscl@assam.gov.in

No. AMSCL/PROC-DRUGS/2022-23/0364/154754

Date: 31/03/2023

**From:** Dr. Robin Kumar, IPS  
Managing Director, AMSCL.

**To:** Mercury Laboratories Limited.  
18 Shreeji Bhuvan, 51 Mangaldas Road, Mumbai-400002.

**Sub:- Product debarment notice for non-completion of supply of ordered drug Tablet Furosemide 40 mg.**

Ref: -1. P.O No: NHM-18011/46/2022-PROC-NHM/ECF: 209129/2020102381265, Dated: 28/06/2022.

2. Tender No. NHM/18011/17/2020-PROC-NHM/ECF:142502/19212, Dated 16.10.2020 & Corrigendum no. NHM/18017/31/ 2019-PROC-NHM/22633, Dated 25.11.2020.

3. Letter from this office vide no.NHM-43018/15/2022/PROC/NHM/ECF:226528/149092, Dated: 12/01/2023.

3. Letter from this office vide no. NHM-43018/15/2022/PROC/NHM/ECF:226528/151068, Dated: 10/02/2023.

Sir/Madam,

With reference to the subject cited above it is to inform you that an e- tender was floated by NHM, Assam for rate discovery of Tablet Furosemide 40 mg along with other drugs vide tender nos referred at pt. 2 above for two year RC ending on 31.03.2023.

Your company **Mercury Laboratories Limited** participated in the tender & qualified as L1 bidder for Tablet Furosemide 40 mg, hence LoI was issued & your company had entered into RC (rate contract) agreement on 7<sup>th</sup> May 2021 with the department.

Accordingly, a P.O (purchase order) was placed on 28.06.2022 for supply of 6,50,400 nos of Tablet Furosemide 40 mg along with other 2 drugs for the Districts.

But after stipulated time, it was observed that as per tender norms no supply has been completed against the P.O placed to you. Therefore, a mail sent on 26.08.2022 for completion of supply (details at Annexure-1).

The 2<sup>nd</sup> reminder mail was sent to your company on 13.09.2022 on the same matter as above (details at Annexure-2), but no reply received and no drug was supplied.

The 3<sup>rd</sup> reminder mail was sent on 23.09.2022 (details at Annexure-3), but no reply received and no drug was supplied.

The 4<sup>th</sup> reminder mail was sent on 01.10.2022 (details at Annexure-4), but no reply received and no drug was supplied.

The 5<sup>th</sup> reminder mail was sent on 12.10.2022 (details at Annexure-5), but no reply received and no drug was supplied.

The 6<sup>th</sup> reminder mail was sent on 04.11.2022 (details at Annexure-6), but no reply received and no drug was supplied.

The 7<sup>th</sup> reminder mail was sent on 17.11.2022 (details at Annexure-7), but no reply received and no drug was supplied.



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The 8<sup>th</sup> reminder mail was sent on 20.12.2022 (details at Annexure-8), but no reply received and no drug was supplied.

The 9<sup>th</sup> reminder mail was sent on 03.01.2023 for the district P.O (details at Annexure-9), but no reply received and no drug was supplied.

The 10<sup>th</sup> reminder mail was sent on 04.01.2023 for the MCH P.O (details at Annexure-10), but no reply received and no drug was supplied.

The delivery period with maximum LD (liquidated damages) charges was till the month of the month of January 2023, therefore a final letter was sent from the AMSCL authority on 12.01.2023 (details at Annexure-11), for completion of supply also an intimation was shared with your company in the said letter that if the supplies shall not be completed within the contractual delivery period or period with maximum LD charges, then penal action will be initiated as per clause 5.6 and which indicated debarment.

Thereafter, on dated 21.02.2023 a mail was received from your end with a request for extension of delivery period up to 28<sup>th</sup> February 2023 for completion of supply of ordered drugs (details at Annexure-12).

Authority has examined the matter and allowed you to complete the supply of ordered drugs against the awarded P.O within 15.02.2023 (extended delivery period) on special ground vide letter dated 10.02.2023(details at Annexure-13), but then also you are failure to supply full ordered quantities of Tablet Furosemide 40 mg against the P.O referred at Pt.1 above. You have **supplied 5,18,400 numbers of Tablet Furosemide 40 mg out of ordered quantity of 6,50,400 numbers against the P.O. The percentage of supply of this drug i.e. Tablet Furosemide 40 mg against the P.O referred at Pt.1 above is 79.70% only (Below 90%).**

AMSCL Authority found that said drug is essential in nature for needy patients getting treatment in Govt. Health Institutions. Whereas, non-supply of this drug resulted non availability & hindrance in public service, especially in the treatment of patient community at public health facilities and resulted in increase in out-of-pocket expenditure.

Penal clauses as per the tender are described below for your reference:

#### **5.6.1 Delivery, Shortage & Delay Penalty:**

5.6.1 In case there is delay in delivery beyond the stipulated period as mentioned in the purchase order, there shall be penal deduction @ 0.5% of the value of delayed goods per week of delay or part thereof subject to a maximum of 10% of the total order value. Once the maximum price reduction is reached, termination of the whole contract will be considered.

#### **5.6.2 Debarment/Blacklisting for failure in execution of supply/non-supply/default in supply**

**Product debarment:** In case of non-supply or incomplete supply (i.e. less than 90% of the total ordered quantity) by the approved manufacturer/importer (Firm) within agreed delivery period including the delay penalty period or any such extended delivery period then the concerned rate contract shall be cancelled and the manufacturer/importer (Firm) shall be debarred for participating in any bid called by the Authority for **3 years from the date of debarment for that item.**

In case the manufacturer/importer (Firm) supply 90% or more of the ordered quantity but fails to supply the entire quantity within the allowed delivery period then the firm shall be levied a penalty @ 10% of the value of the short-supplied item and same shall be adjusted against the payment for supply.

**Firm Debarment:** The firm shall be black listed and debarred from participating in any tender by the TIA or procuring agency for **3 (three) years if the company is debarred for all the items** (where it has RC- "Rate Contract" for less than 3 items) or at least 3 items (where it holds RC-"Rate Contract" for more than 3 items)

#### **Forfeiture of Performance Security:**

In case of Product debarment: In addition to product debarment the performance security deposited by the supplier for that particular product shall be forfeited and apportioned towards financial penalty.



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In case of Firm debarment: In addition to firm debarment the entire performance security deposited by the supplier shall be forfeited and apportioned towards financial penalty.

**5.11 Alternative Purchase**

5.11.1 If the empanelled supplier fails to execute the supply within the stipulated time, NHM, Assam is at liberty to make alternative purchase of the items of items and medicines for which the Purchase Orders have been placed from any other sources (such as Public Sector undertakings at their rates, empanelled bidders, and bidders who have been technically qualified in the said bid) or in the open market even at higher rates at the risk and the cost of the supplier and in such cases NHM, Assam shall have every right to recover the cost and impose penalty, apart from termination of the contract for the default.

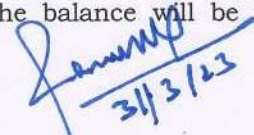
5.11.2 In the event of making ALTERNATIVE PURCHASE, the supplier will be imposed penalty apart from forfeiture of Security Deposit. The excess expenditure over and above contracted prices incurred by the NHM, ASSAM in making such purchases from any other source or from the open market shall be recovered from the Security Deposit or from any other money due to the supplier and in the event of such amount being insufficient, the balance will be recovered personally from the supplier or from his properties, as per rules.

Hence, in the greater public & patient interest, your company **Mercury Laboratories Limited** is hereby **disqualified** to participate in the tender of AMSCL for a period of **3 years** for **Tablet Furosemide 40 mg** as per referred tender clause **5.6.2**, because your company has failed to complete the supply of the a ordered drugs **Tablet Furosemide 40 mg** for which you had already entered into R.C (Rate Contract) with AMSCL/NHM & received P.O (Purchase Order).

In addition to the firm debarment, the value of the PBG (Performance Security Deposit) will be deducted from either any of your outstanding bill or any performance security deposited with in department.

Please be noted that in the event of making alternative purchase, as per clause no **5.11 (sub-clauses 5.11.1 & 5.11.2)**, you will be imposed with excess expenditure over and above contracted prices incurred in making such purchases and will be recovered either from the Security Deposit or from any other money due/ outstanding payment and in the event of such amount being insufficient, the balance will be recovered personally from your company.

This is for favour of your information.

  
31/3/23  
**(Dr. Rohin Kumar, IPS)**  
**Managing Director, AMSCL, Assam**

Memo No. AMSCL/PROC-DRUGS/2022-23/0364/154755-63 Date: 31/03/2023

Copy to the:

1. Principal Secretary to the Govt. of Assam, Health & FW Deptt for kind information.
2. Principal Secretary, all Autonomous Council & Deputy Commissioner, all Districts for information.
3. Mission Director, NHM, Assam for kind information & needful.
4. Director of Health Services, Assam for information.
5. Sr. Finance Controller, AMSCL. He is requested to initiate all financial penalties as proposed above.
6. Jt. Director Health Services, all Districts for information.
7. DDSM/Pharmacist, all Districts for information.
8. Sr. Manager (IT), AMSCL for uploading the debarment notice in the website.
9. P.S to the Hon'ble Minister, Health & FW for kind information to the Hon'ble Minister.

  
**Managing Director, AMSCL, Assam**