



# ODISHA STATE MEDICAL CORPORATION LTD.

(A Govt. of Odisha Undertaking)

*Assuring Quality, Saving lives*

No. 13066 /OSMC/QA/I/070/2019

Date : 14-11-2019

## ORDER

M/s. Phyto Pharmaceuticals Pvt. Ltd., Plot No. 21 & 22, New Industrial Estate, Jagatpur, Cuttack -754021 was placed with orders to supply Riboflavin Tablet IP 10mg vide purchase order No. CS18627 dtd.25.06.2018. The firm supplied the said drug in a single batch bearing No. 18T0702, which was declared as "Not of Standard Quality" (NSQ) by majority of empanelled laboratories. The firm was asked by General Manager - Operation (D & S) to replace the said batch with a new batch as per Clause No. 5(e) of above purchase order vide letter No. 1934 dtd.11.02.2019. In compliance to the said letter the firm supplied a new batch bearing No.19T0701, which is also declared as NSQ by majority of empanelled laboratories. The details of batches of subject drug and the reason for which declared as NSQ are mentioned below.

Sl. No.	Batch No.	Mfg. Dt.	Exp. Dt.	Reason for declaring NSQ	PO No. & Date	Mfd. By
1	18T0702	10/2018	09/2020	Sample failed to comply the Assay test of Riboflavin as per IP	CS18627 25.06.2018	M/s. Phyto Pharmaceuticals Pvt. Ltd., Plot No. 21 & 22, New Industrial Estate, Jagatpur, Cuttack - 754021
2	19T0701	04/2019	03/2021	Sample failed to comply the Assay test of Riboflavin as per IP		

In view of the above M/s. Phyto Pharmaceuticals Pvt. Ltd. was issued with Show Cause Notice (SCN) vide this office letter No. 11728 dtd.14.10.2019 seeking explanation within seven (07) days of receipt of the letter as to why it shall not be derecognised/ blacklisted for the subject item in accordance with PO Clause No. 5(h)(ii) of Bid Reference No. 02-CA-02/07/Drugs Medicines/2016-17/05.

In response to the SCN, the firm vide letter dtd.19.10.2019 furnished reply stating the following.

- Since, they have supplied only two batches i.e. 18T0702 & 19T0701 to the OSMCL in two separate purchase orders issued against the Central Purchase Non-plan 2017-18 & 2018-19, OSMCL should not take steps for blacklisting this item, as this is not coming under the purview of the blacklisting condition as per Clause No. 5(h)(2) of PO No. CS19259 dtd.15.11.2018 which mentions "OSMCL shall derecognise/ debar the defaulting supplier for that item for a period upto 3 (three) years from the date of issue of derecognition/ debarment order, if 3 (three) or more batches of that item supplied during the contract period declared as Not of Standard Quality on the basis of quality test report by empanelled laboratories and/or Regulatory Authority (both State and Central)".

(P.T.O)



- They had supplied the drug only after testing in their own lab and also in another NABL lab and the product had passed in all respect.

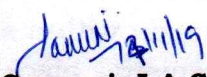
The plea of the supplier is not acceptable as SCN has been issued as per Clause No. 5(h)(ii) of PO No. CS18627 dtd.25.06.2018 of Bid Reference No. 02-CA-02/07/Drugs Medicines/2016-17/05 which states "OSMCL shall derecognise/blacklist the defaulting supplier for that item for a period of three (03) years from the date of issue of letter to the concerned firm, if two or more than two (02) batches of that item comes out to be Not of Standard Quality (NSQ)" and not as per Clause No. 5(h)(2) of PO No. CS19259 dtd.15.11.2018 of Bid Reference No. OSMCL/2018-19/DRUGS-DHS-LOCAL MSE/03 as cited by the supplier.

It is to mention here that M/s. Phyto Pharmaceuticals Pvt. Ltd. in whose favour the purchase order was issued has accepted the terms and conditions of tender and supplied the subject drug. Therefore, reports of empanelled laboratories shall be acceptable to both OSMCL and the supplier as per terms and conditions of the tender.

In view of the above, the reply of the firm in response to SCN is not sustainable in the eye of law and therefore liable to be rejected.

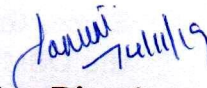
Therefore, as per PO Clause No. No.5(h)(ii) of Bid Reference No. 02-CA-02/07/DrugsMedicines/2016-17/05, **M/s. Phyto Pharmaceuticals Pvt. Ltd., Plot No. 21 & 22, New Industrial Estate, Jagatpur, Cuttack -754021** is hereby derecognised/ blacklisted for the item **Riboflavin Tablet IP 10mg** for a period of three (03) successive years from the date of issue of this order.

The Performance Security/ EMD submitted by the firm for the said item is hereby forfeited and the firm shall not be allowed to participate in the tender process of **Odisha State Medical Corporation Ltd.** for the said item.

  
**Yamini Sarangi, I.A.S.**  
**Managing Director, OSMCL**

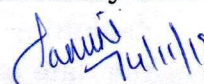
**Memo No. 13067 /Dt. 14-11-2019**

Copy forwarded to M/s. Phyto Pharmaceuticals Pvt. Ltd., Plot No. 21 & 22, New Industrial Estate, Jagatpur, Cuttack -754021 for information.

  
**Managing Director**  
**OSMCL**

**Memo No. 13068 /Dt. 14-11-2019**

Copy forwarded to DHS/DMET, Odisha for information and necessary action.

  
**Managing Director**  
**OSMCL**

Continued...



**Memo No. 13069 /Dt. 14-11-2019**

Copy submitted to the Commissioner-cum-Secretary to Govt., H & FW Dept. Odisha, for favour of kind information.

*Jamini 7/11/19*

**Managing Director  
OSMCL**

**Memo No. 13070 /Dt. 14-11-2019**

Copy forwarded to the GM-Operation (D & S)/ GM (F & A), OSMCL for information and necessary action.

*Jamini 7/11/19*

**Managing Director  
OSMCL**

**Memo No. 13071 /Dt. 14-11-2019**

Copy to the IT Division, OSMCL for information and necessary action.

*Jamini 7/11/19*

**Managing Director  
OSMCL**