

COMPLAINT AGAINST CORRUPTION

To,

Date: 10-10-2015

Hon'ble President of India

Rashtrapati Bhawan

New Delhi-110001

Subject: Corruption in DGEHS Tender Through Gross Violation of Finance Rules

Respected Sir,

After a long period of reformation (O.M. Dated 25-10-2007 for retired persons), DHS decided to provide Medicines to DGEHS Pensioners under DGEHS Scheme and therefore **FIRST TIME** done tender **F. No. 25(III)/DGEHS/401/DHS/2014-15** for **"Empanelment of Chemist for supply of Medicines to DGEHS Pensioners" in the Year 2014-15.**

Immediately, One question arises - Why DGEHS in-service Beneficiaries were excluded from this Tender? However, **As per DGEHS Guidelines - *The scheme is mandatory for serving employees for which their monthly contributions are deducted from their salaries. However scheme is optional for eligible pensioners and they become member after depositing of lump sum for life membership.***

I already raised the issue in my complaint dated 12-03-2015 as **"Govt. Revenue Loss due to Unnecessary Tendering by DHS GNCTD"** against this Tender done in 2014-15. I warned the authorities about the several Lacs of Rupees Govt. Revenue Loss due to this tender **but no action taken by the authorities of H & FW Deptt.**

SECOND TIME, DHS raised one step ahead in violation of Finance Rules in this tender **F.No.25(III)/DGEHS/453 /DHS/2015** of "Empanelment of Chemist under DGEHS for supply of Medicines and Drugs to Delhi Govt. Dispensaries / Hospitals situated in various clusters for the period 2015-16".

Again I filed Second complaint on dated 05-09-2015 as "Tendering Fraud AND Deception to Tenderers & Government by DHS, GNCT of Delhi". No Action taken till date.

BUT the things are not over here. There is a big story behind this tender which is directing towards a **PREJUDICE COLLABORATED CORRUPTION.**

WHAT ARE THE OBJECTIONS IN THIS TENDER?

DHS done fresh tender in 2014-15 for "Empanelment of Chemist for supply of Medicines to DGEHS Pensioners" and framed the Rules and regulations which are not mentioned any where in the General Finance Rules and Guidelines of CVC.

1. DHS divided Zones of Delhi into multiple Clusters in following manner -

| S.No. | Zones of Delhi | Clustering of Zones in 2014-15 Tender No. of Clusters | Clustering of Zones in 2015-16 Tender No. of Clusters |
|-------|----------------|---|---|
| 1. | CENTRAL | 13 | 33 |
| 2. | NEW DELHI | 3 | 15 |
| 3. | WEST | 12 | 33 |
| 4. | NORTH | 21 | 21 |
| 5. | SOUTH | 12 | 12 |
| 6. | NORTH EAST | 4 | 10 |
| 7. | SOUTH EAST | 9 | 9 |
| 8. | SOUTH WEST | 25 | 25 |
| 9. | SHAHDARA | XXXX | 25 |
| 10. | EAST | XXXX | 18 |
| 11. | NORTH WEST | XXXX | 33 |

- DHS done this tender for one category i.e. "Empanelment of Chemist for supply of Medicines to DGEHS Pensioners" under one tender ID and **APPROVED MULTIPLE TENDER RATES ON CLUSTER BASIS** which is not mentioned under GFR.
- DHS has done tender for BRANDED MEDICINES when the Govt. orders to prescribe and distribute GENERIC MEDICINES.
- DHS modified following terms and conditions of this tender in 2015-16 through SU-MOTO decision which are not under jurisdiction of DHS:
 - DHS modified Minimum Annual Turnover from Rs. 50 Lacs to 10.50 Lacs.
 - DHS modified Earnest Money Amount from Rs. 50,000/- to Rs. 1,00,000/-.
 - DHS modified Performance Security Amount from Rs. 1,25,000/- to Rs. 3,50,000/-
 - Experience of tender asked in a very different manner which is also not

mentioned any where in Finance Rules.

5. In 2014-15 Tender, DHS declared the estimated business of each cluster for Rs. 25 Lacs but the estimated business not declared in the Tender held in 2015-16.
6. DHS modified number of clusters in various Zones of Delhi through SU-MOTO Decision.
7. DHS done tender for DGEHS Pensioners only without any provision for serving employees which is against DGEHS Policy.

WHY THIS TENDER CALLED AS PREJUDICE COLLABORATED CORRUPTION?

Directorate of Health Services (DHS) comes under H & FW Deptt, GNCT of Delhi and the competent Authority is Pr. Secretary of H & FW Deptt., GNCT of Delhi.

The officers/officials of DHS prepared & done the tender in 2014. Dr. N.V. Kamat, the then Director of DHS taken approval from Sh. S.C.L. Das, Pr. Secretary, H & FW Deptt. Sh. S.C.L. Das has approved the said tender through SU-MOTO decision. However Sh. S.C.L. Das alone was not competent enough to approve the said proposal. Following questions raising eyebrows towards role of DHS & H & FW Deptt:

1. Who authorized Dr. N.V. Kamat, Former Director of DHS and Sh. S.C.L. Das to divide Delhi into multiple hypothetical clusters? Are they competent authorities to divide Delhi?
2. Why Sh. S.C.L. Das not taken Cabinet approval to modify the Finance Rules and divide Delhi into multiple Clusters?
3. Why Sh. S.C.L. Das not taken approval from Law Department?
4. Why Sh. S.C.L. Das not taken approval from Administration and Reform Department?
5. Why Sh. S.C.L. Das not taken approval from Finance Department?
6. Why Sh. S.C.L. Das had given approval to do tender for BRANDED MEDICINES?
7. Why Dr. N.V. Kamat not considered DGEHS in-service employees to provide medicines under this scheme AND violated DGEHS Memorandums/guidelines?
8. Why Director of DHS not taken prior approval for modification of clusters in different Zones of Delhi from H & FW Deptt, Law and Finance Department?
9. DHS has done gross modifications in TERMS AND CONDITIONS of tender 2015-16. Is DHS hold such power to do gross modification in the tender without approval from the Competent Authority?

In fact, this Tender was prepared and approved for only CORRUPTION. The foundation of this tender is totally build up on strong pillars of Corruption. NO ACTION in other cases of corruption increased courage of Sh. S.C.L. Das to do further more corruption. Therefore, Sh. S.C.L. Das has given approval through SU-MOTO decision and not taken action in my complaint dated 12-03-2015.

It is not the case that Sh. S.C.L. Das, being an IAS officer don't know the procedure. He was well aware with all the facts. He was well aware that no authorities of Delhi Govt will provide permission to do this tender in such a manner and this way he may loose commission from this tender. Therefore he used his discretionary power and approved the proposal.

Please let me know, Why H & FW Deptt has not taken any action against my following 2 complaints on same subject till date:

1. Govt. Revenue Loss due to Unnecessary Tendering by DHS GNCTD dated 12-03-2015.
2. Tendering Fraud AND Deception to Tenderers & Government by DHS, GNCT of Delhi dated 05-09-2015

Reason for no action in these complaints are self explanatory that the Officers & authorities of DHS and H & FW Deptt are involved in the said corruption and therefore all are silent and not responding the complaints.

There is gross VIOLATION OF FINANCE RULES AND CVC GUIDELINES. Minor mistakes can be overlooked but major violation is usually done for corruption which can not be ignored. **IT IS A SCANDAL.**

ILLUSTRATION OF VIOLATED FINANCE RULES BY DHS & H & FW DEPTT

1. **Violation of Rule 3 (Interdepartmental Consultations) of GFR.**
2. **Violation of Rule 4 (Departmental Regulations of financial character) & 5 (Removal of Doubts) of GFR.**
3. **Violation of Rule 6 (2) of GFR** stated that The systems and procedures established by these rules may be modified by any other authority only with the express approval of the Ministry of Finance. Here DHS modified terms and conditions of 2015-16 tender through SU-MOTO decision by DHS.
4. **Violation of Rule 21 (Standards of Financial propriety) of GFR** by DHS.
5. **Violation of Rule 33 (1) (Report of Losses) of GFR** by DHS and H&FW Deptt. -
I have filed complaint on dated 12-03-2015 as "Govt. Revenue Loss due to

Unnecessary Tendering by DHS GNCTD” but both authorities had not taken action and continued the tender till date.

6. **Violation of Rule 33 (2) of GFR** by DHS and H&FW Deptt. - Even after getting complaint, both authorities not brought the incidence to the notice of Financial Adviser Or Chief Accounting Authority of the Ministry. If done, no action taken till date and tender is still alive.
7. **Violation of Rule 33 (3) of GFR** by DHS and H&FW Deptt. - No concrete report PREPARED. If report prepared, no action taken till date and Govt. Revenue loss is still going on.
8. **Violation of Rule 33 (4) of GFR** by H&FW Deptt. - NO ACTION TILL DATE.
9. **Violation of Rule 33 (5) of GFR** by H&FW Deptt. - NO ACTION TILL DATE.
10. **Violation of Rule 33 (6) of GFR** by H&FW Deptt. - NO ACTION TILL DATE.
11. **Violation of Rule 33 (7) of GFR** by H&FW Deptt. - NO ACTION TILL DATE.
12. **Violation of Rule 36 (Report to Audit and Account Officers) of GFR** by H&FW Deptt. - NO enquiry and action till date.
13. **Violation of Rule 37 (Responsibility for losses) of GFR** by H&FW Deptt. - No enquiry and no action taken till date. Moreover, tender is still alive and going on.
14. **Violation of Rule 38 (Prompt disposal of cases of loss) of GFR** by H&FW Deptt. - Complaint is pending till date.
15. **DHS violated GFR Rule 137 (Fundamental principles of Public Buying) Sub-section (iv)** that the procuring authority should satisfy itself that the price of the selected offer is reasonable and consistent with the quality required. How DHS can justify the price difference i.e VARIABLE DISCOUNT ON MRP IN SAME TENDER FROM 15.25% TO 20.80%. Please see the O.M. F.No.25(III)/DGEHS/453 /DHS/2015/34591-95 DATED 27-06-2014 as Documentary Evidence.
16. **Violation of Rule 160(XIV) (Transparency, competition, fairness and elimination of arbitrariness in the procurement process) of GFR** by DHS – Tender awarded to multiple tenderers at variable % of discount on MRP from 15.25% to 20.8%.
17. **Violation of Rule 161(iii) (Efficiency, Economy and Accountability in Public Procurement System) of GFR** by DHS – Tender awarded on 27-06-2014 and it is extended through letter F.No.25(III)/DGEHS/453/DHS/2015/102818-988 DATED 29-06-2015 and still going on till date.

ILLUSTRATION OF VIOLATED OFFICE MEMORANDUMS AND CABINET DECISIONS BY DHS

In response to my complaint dated 12-03-2015, DHS had formulated a Report F.25(III)/DGEHS/449/DHS/2014-15/85885 Dated 31-03-2015, issued by Dr. Arun Banerjee, Addl. Director, DHS. This report is also self-explanatory that DHS had violated O.Ms. And Cabinet Decisions.

1. DGEHS Guidelines stated that *"The scheme is mandatory for serving employees for which their monthly contributions are deducted from their salaries. However scheme is optional for eligible pensioners and they become member after depositing of lump sum for life membership".* **Why DHS not included in service employees in the said tender? Why it is done exclusive for Pensioners?**

- **There is Violation of DGEHS Guidelines.**
- **There is violation of O.M. No. F25(III)/DGEHS/140/DHS/09/38850-38862 Dated 28-07-2010, Point No.1 (as quoted by Dr. Arun Banerjee)** issued for Adoption of CS(MA)/CGHS provisions under DGEHS: *"It is decided that all CS(MA)/CGHS provision be automatically adopted under DGEHS provision"*. Then Why DHS excluded in service employees in the tender. Moreover, no where mentioned about this tender in the said O.M.

2. Violation of Finance Department, GNCTD Order – Dr. Arun Banerjee, Addl. Director, DHS stated in his report at page no.2, Point5, Para2, Line 6-9 that "it was suggested by Finance Department, GNCTD that "Chemist shop empaneled under CGHS are attached to 37 CGHS Dispensaries, However, DGEHS has 196 Dispensaries. It is felt that CGHS empaneled chemist shops might quote higher discount rates".

I am raising objection here that DHS fixed minimum 15% Discount on MRP for the medicines from the tenderers and getting discount of 15.25% to 20.8% through tender. However **(A)** a lot of companies are providing Discount of 20% Online through Internet. **(B)** On Branded Medicines Discount getting by BSA Hospital (23%), Bhagwan Mahavir Hospital (25.05%), DDU Hospital (31.9%), Sanjay Gandhi Memorial Hospital (27%), etc. About all Delhi Govt. Hospitals getting Discount on Branded Medicines more than DHS Discount Rates. **More over, DHS directed all Delhi Govt. Hospitals to get medicines from Pensioners from DHS.**

3. Violation of Cabinet Decision no. 1223 Dated 18-06-2007 – Dr. Arun Banerjee quoted this cabinet decision in his report at Page2, Point 4, Para1 which

stated that, "If the prescribed medicines are not available through CPA/Central Stores, the same shall be provided by the concerned dispensary/hospital through the approved chemist". It is mentioned for any prescribed medicines. Then Why DHS is so desperate to do this tender when other Delhi Govt. Hospitals are successfully doing their own tender and on Handsome % of Discount on MRP?

PRAYER:

Sir, **It is a Multi-Crore Rupees SCANDAL.** There may be chance that the authorities of DHS and H & FW Deptt try to destroy this file. Therefore I request you to please take this file under safe custody of Independent Enquiry Agency/CBI. High Level Independent Enquiry is only possible after dismissal of Sh. S.C.L. Das from his services because he is sitting at a very key post as Pr. Secretary to Hon'ble Lt. Governor. He can manage everything from his post.

I request you Sir to please take necessary action in corruption cases as per Law of India and prevent Delhi from various corrupt practices and get rid of Delhi form corrupt grip of Sh. S.C.L. Das.

NOTE: please visit <http://www.corruptionfile.com> to download the relevant documents of above said complaint and know other stories of corruption which was already exposed and concrete action is awaited in past more than 2 years.

With Regards

Whistle Blower Complainant

Dr. Avinash Kumar
B-3/4E, Gasta Complex
Paschim Vihar
New Delhi-110063
Mobile No: 9560593045
E-mail: aaaghdr@gmail.com
Website: www.corruptionfile.com

Copy to:

1. Hon'ble Prime Minister of India
2. Hon'ble Lt. Governor of Delhi
3. Hon'ble Chief Minister, Dy. Chief Minister, Health Minister, GNCT of Delhi
4. Central Vigilance Commission, and other investigation agencies, Delhi
5. Central Govt ministers/ officers/ officials.
6. Chief Secretary, Delhi and Delhi Govt. Officers/Officials / others.
7. Pr. Secretary, H & FW Deptt, GNCT of Delhi AND Director, DHS, Delhi
8. M.S/ Director/ HOD of all hospitals, I/C of Dispensaries, GNCT of Delhi
9. Media Personnel
10. Display on Website www.corruptionfile.com