

COMPLAINT AGAINST CORRUPTION

To,

Date:05-09-2015

Hon'ble President of India

Rashtrapati Bhawan

New Delhi-110001

Subject: Tendering Fraud AND Deception to Tenderers & Government by DHS, GNCT of Delhi

I have already raised the issue of “**Unnecessary Tendering for DGEHS Pensioners Causing Govt. Revenue Loss**” done by DHS, GNCTD previously for tender F.No. 25(III)/DGEHS/401/DHS/2014-15 done in 2014-15. Now again DHS is going to play malafied in fresh 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**”.

HIGHLIGHT OF TENDER F.NO. 25(III)/DGEHS/401/DHS/2014-15 (OLD TENDER)

(Copying the quotes as such mentioned in the said tender)

1. The Annual Turnover of the bidder in the previous two financial years should not be less than Rs. Fifty Lacs. The bidder has to submit an Audited Balance Sheet with profit and loss statement of the previous two financial years in support thereof. (page 1/30 of tender doc).
2. Since presently no such system exists therefore, amount of business to be generated is not available, however, expected business per for most of the clusters per annum may be Rs. 25 Lacs or more. (page 3/30 of tender doc)
3. The bidders are required to submit an amount of Rs. 50,000/- as Earnest Money. (page 2/30 & 5/30 of tender Doc)
4. Bids quoting less than 15% discount on MRP (inclusive of all taxes) shall not be considered. (page 7/30 of tender doc)
5. The successful bidders shall have to furnish a Performance Security for an amount of Rs. 1,25,000/-. (page 8/30 of tender doc)

HIGHLIGHT OF TENDER F.NO. 25(III)/DGEHS/453/DHS/2015 (NEW TENDER)

(Copying the quotes as such mentioned in the said tender)

1. The annual financial turnover of the bidder during last 03 financial years ending 31st March 2015 should be minimum Rs. 10.50 Lakh only. The bidder has to submit an Audited Balance Sheet with Profit and Loss statement of the previous three financial years in support thereof.

2. Experience (any one of the below):

- a. Three similar completed works costing not less than the amount of Rs. 14 lakhs.
 - b. Two similar completed works costing not less than the amount of Rs. 17.5 lakhs.
 - c. One similar completed works costing not less than the amount of Rs. 28 lakhs.
3. The bidders are required to submit an amount of Rs. 1,00,000/- as Earnest Money. (page 2/33 & 5/33)
 4. Bids quoting less than 15% discount on MRP (inclusive of all taxes) shall not be considered. (page 6/33)
 5. Scanned copies of the audited balance sheets for the last two financial years, 2012-13 and 2013-14 to establish the turnover of the bidder. (page 6/33)
 6. The successful bidders have to furnish a Performance Security for an amount of Rs. 3,50,000/- (page 7/33)

COMPARISION BETWEEN THE TWO TENDERS

S.No.	TENDER FOR THE YEAR 2014-15	TENDER FOR THE YEAR 2015-16
1.	Annual Turnover asked for previous TWO financial years.	Annual Turnover asked for THREE financial years
2.	Annual Turnover should not be less than Rs. 50 LACS in 2 Financial Years	Annual Turnover should not be less than Rs. 10. 50 LACS in 3 Financial Years
3.	Expected Annual Business may be Rs. 25 Lacs or more.	NOT MENTIONED
4.	EMD Rs. 50,000/-	EMD Rs. 1,00,000/-
5.	Performance Security Amount Rs. 1,25,000/-.	Performance Security Amount Rs. 3,50,000/-.
6.	NO EXPERIENCE ASKED	Experience (any one of the below): a. Three similar completed works costing not less than the amount of Rs. 14 lakhs. b. Two similar completed works costing not less than the amount of Rs. 17.5 lakhs. c. One similar completed works costing not less than the amount of Rs. 28 lakhs.
7.	Annual turnover asked for 2 years and balance sheet also asked for 2 years.	Annual turnover asked for 3 years and balance sheet asked for 2 years.
8.	Bids quoting less than 15% discount on MRP	Bids quoting less than 15% discount on MRP

OBJECTIONS:

1. The tender Terms and conditions are **GROSSLY MODIFIED WITH VIOLATION OF**

FINANCE RULES.

2. Whether DHS has taken prior approval from Law deptt and Finance Department of Govt. of NCT of Delhi for Gross modification of terms and conditions?
3. How Annual Turnover is calculated for exact Rs. 10.50 Lacs ?
4. Why Annual Turnover amount Modified to Rs. 10.50 Lacs from 50 Lacs?
5. Why Annual Business estimate is not mentioned in the current tender for 2015-16 whereas it was Rs. 25 Lacs as mentioned in previous tender?
6. Why EMD Amount raised to Rs. 1,00,000/- (9.5%) from Rs. 50,000/- (1%) against GFR?
7. Why Performance Security amount raised to Rs. 3,50,000/- from Rs. 1,25,000/-?
8. Why Experience not asked in previous tender but included in current tender as speculation?
9. How the amount (14 lakhs, 17.50 lakhs and 28 lakhs) is calculated by the authorities of DHS for three categories of Experience?

ADDITIONAL OBJECTIONS IS IN THE 15% DISCOUNT ON MRP

1. Delhi Govt. Hospitals are getting 23-31.9% Discount on MRP on all Branded Medicines through their own tenders then why DHS fixed 15 % Discount on MRP for the tenderers? ***DHS must clear their stand whether they are in favor of Tenderers OR Govt. to save hard earned money of People of Delhi?***
2. In open Market, Online stores along with other General stores are openly providing 15% Discount on MRP in Branded Medicines to general public. **This way DHS Tender rates are at par with the Market Discount Rates.** Then Why DHS not order the medicines from these stores and wasting several thousand of Rupees in advertisement of tender and wastage of manpower, if they wish to get minimum Discount amount for 15% on MRP and deceiving the tenderers as well as Govt.?

BIGGEST OBJECTIONABLE ISSUE OF THIS TENDER

1. **TENDER FOR BRANDED MEDICINES IS AGAINST GOVERMENT POLICY - As per Govt. Policy, doctors should prescribe Generic Medicines to their patients.** If the prescription is written for branded medicines, DHS should follow the Govt. Policy and must substitute the prescribed medicines with Generic Medicines. **Therefore, doing tender for Branded Medicines can not be Justified.**
2. Other Delhi Govt. Hospitals are getting Higher Discount on MRP i.e. 23-31.9%. Then Why

DHS is doing this tender to get 15 % Discount on MRP?

3. How it can be justified that a firm having turnover of Rs. 10.50 Lacs per annum, Deposit Rs. 3,50,000/- as Performance Security and afford Business of minimum 25 Lacs? (TOTALLY MALAFIED)
4. **Why DHS is so much desperate to do this tender through own hands without considering the above mentioned facts which were already brought in the knowledge of DHS? (MALAFIED INTENTION CAN NOT BE RULED OUT)**

EXTREME OBJECTIONABLE ISSUE OF THIS TENDER

DHS formulated several clusters on the basis of different Zones of Delhi and these zones are further divided into multiple clusters.

Extreme objection in this tender is that ----- **One tender is invited under One E-Tender ID for only One Item and DHS will approve Multiple tender Rates.**

EXAMPLE: This tender will be awarded to Firm X at 15% discount on MRP, Firm Y at 18% Discount, Firm Z at 19% Discount, Firm A at 22% Discount and so on.

Then

DHS will award ONE tender for ONE item to Multiple H1 i.e Multiple Highest Bidders. Violation of GFR Rule 160(xiv)

THIS TENDERING PROCESS OF DHS IS NO WHERE MENTIONED IN GFR OR IN CVC GUIDELINES OR IN ANY LAW OF INDIA.

WHY IT IS CALLED MALAFIED TENDER?

1. **This tender is not an invitation to increase participation of more tenderers because -**

A. On one hand, Annual turnover is reduced to Rs. 10.50 Lacs from 50 Lacs, on other hand, EMD Amount get doubled to Rs. 1,00,000/- from Rs. 50,000/- and Performance Security get Tripled to Rs. 3,50,000/- from Rs. 1,25,000/- which is beyond to understand.

How a tenderer can afford Rs. 3,50,000/- as Performance Security who has only turnover of Rs. 10.50 Lacs in a year?

B. Turnover Amount is for Rs. 10.50 Lacs is raising eyebrow towards malafied intention in preparing the tender BECUASE it seems it is an ATTEMPT TO QUALIFY FAVORITE TENDERER/s who has turnover of around Rs. 10.50 Lacs.

C. It is an attempt to kick out most of the tenderers on the basis of 3 different kinds of Experience.

2. **Short fall in Tender Clause** - DHS has asked Annual Financial Turnover of the bidder during last 03 financial years ending 31st March 2015 AND on other side at page no 6/33 and Corrigandum of Tender document asked to submit audited balance sheets for the last 2 Financial years i.e. 2012-13 and 2013-14.
- Now DHS should explain that how they will access the turnover for third year of the tenderer and To whom they will qualify?

CONCLUSION

Earlier, I have raised about the same issue in the same category of tender “**Empanelment of Chemist under DGEHS for supply of Medicines and Drugs to Delhi Govt. Dispensaries / Hospitals situated in various clusters**” under heading “**Unnecessary Tendering for DGEHS Pensioners Causing Govt. Revenue Loss**” but no action was taken by the Competent Authorities of Delhi Govt.

This New Tender is again having multiple controversial issues which are clearly directing towards Corruption in this tender.

PRAYER

Now, again the same Corruption is going on in DHS and therefore I request the authorities of Delhi Govt. as well as Govt. of India to stop this Manipulated Tendering immediately to protect the Government Rules, Regulations, Guidelines and Law of India and a high level enquiry from independent Investigation Agency should be started immediately to curtail Corruption.

Complainant

Date:05-09-2015

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2. Central Vigilance Commission, and other investigation agencies, Delhi
3. Hon'ble Lt. Governor of Delhi
4. Central Govt ministers/ officers/ officials.
5. Chief Secretary, Delhi and Delhi Govt. Officers/Officials / others.
6. Pr. Secretary, H & FW Deptt, GNCT of Delhi
7. Director, DHS, Delhi
8. Media Personnel