

ALL INDIA INSTITUTE OF MEDICAL SCIENCES  
ANSARI NAGAR, NEW DELHI – 110029  
HOSPITAL STORES

**NOTICE OF TERMINATION OF CONTRACT AND DEBARMENT**

F. NO. 11A/H/Drugs/2022-23

Dated: 27<sup>th</sup> September, 2025

To,

M/s Pentagon Labs Limited,  
206, Archana Apartment 8-B  
Ratlam Kothi, Inddore – 452001  
E-mail: pentagonlabsltd@yahoo.co.in

**Subject: Rate Contract No. 11A/H/Drugs/2022-23 dated 07.05.2024 in favor of M/s Pentagon Labs Limited for providing Crystalloid Supplies to AIIMS, New Delhi – Termination of contract and debarment/ blacklisted for two years from participating in tenders thereof.**

**References:**

- 1) Rate Contract No. 11A/H/Drugs/2022-23 dated 07.05.2024
- 2) Complaint letter dated 28.06.2025 regarding Fungus found in Inj. Mannitol (Batch No. 24GMN014)
- 3) Complaint letter dated 04.07.2025 to M/s Pentagon Labs Limited
- 4) Another letter dated 08.07.2025 to M/s Pentagon Labs Limited
- 5) First Personal Hearing Meeting dated. 09.07.2025
- 6) Second Personal Hearing Meeting dated. 05.08.2025 and information regarding contamination in IV fluid products supplied by M/s Pentagon Labs Limited in the crystalloid products
- 7) Show Cause Notice dated 12.09.2025
- 8) Response letters dated 13.09.2025 and 15.09.2025 from M/s Pentagon Labs Limited

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**Whereas:**

1. AIIMS, New Delhi, placed a rate contract vide no. 11A/H/Drugs/2022-23 dated 07.05.2024 with M/s Pentagon Labs Limited for providing Crystalloid Supplies at AIIMS, New Delhi. This contract was valid for a two-year term from 07.05.2024 to 06.05.2026.
2. During the contract execution period, complaints were received from user-departments regarding Fungus found in Inj. Mannitol (Batch No. 24GMN014).
3. In view of the non-compliance with the contract requirements, a complaint letter dated 04.07.2025 was issued to M/s Pentagon Labs Limited to give an opportunity to the vendor

to improve and with instructions to replace 4800 bottles of Inj. Mannitol, supplied under Batch No. 24GMN014, within a week.

4. Neither the said batch was replaced nor any response was received from M/s Pentagon Labs Limited which in violation of Clause 5.5 of Section IV (General Conditions of Contract) of Tender No. 11A/H/Drugs/2022-23, liable to be debarred and this non-compliance was taken very seriously by the competent authority in view of the safety of the patients at AIIMS.
5. Another letter dated 08.07.2025 was issued to M/s Pentagon Labs Limited with instruction to attend a personal hearing meeting on 09.07.2025 to explain the reason for this gross non-compliance which can put serious risk to patient care services.
6. In the personal hearing meeting held on 09.07.2025, Mr. Ashwani Kumar, the representative of M/s Pentagon Labs Limited who attended the meeting was informed about the serious concerns over the repeated trend of contamination found in the injectable products supplied, posing serious risk to patient safety and undermines public trust in the healthcare system.
7. In the meeting, Mr. Ashwani Kumar, the representative of M/s Pentagon Labs Limited acknowledged the issue and suggested that the contamination could have occurred due to issues during transportation or storage. He further stated that, as per Pharmacopeia standards, FDA guidelines and other Govt. Of India instructions, a certain minimal percentage of such defects is considered permissible. He added that instructions are clearly printed on each label, advising the user to check the product before use.
8. The representative of M/s Pentagon Labs Limited was informed that such incidents of contamination have significantly increased in recent times, which was not observed earlier and expressed serious concern over this emerging trend. In the meeting it was emphasized that even a single contaminated bottle in a sterile injectable product is a matter of grave concern and is a criminal offence, especially in a critical healthcare setting like AIIMS and is not acceptable.
9. In spite of our letters dated 04.07.2025 & 08.07.2025, no action was taken by the vendor to replace the 4800 bottles of Inj. Mannitol, supplied under Batch No. 24GMN014, within a week. This shows non-ethical and irresponsible attitude on part of M/s Pentagon Labs Limited.
10. In view of non-compliance and negligence on the part of the firm and to ensure uninterrupted services in the best interest of patients at AIIMS, AIIMS was compelled to do risk purchase from open market under the provisions of Clause 5.5(f) of Section IV (General Conditions of Contract) of Tender No. 11A/H/Drugs/2022-23 to run the patient



care services smoothly despite having a rate contract and affected the functioning, put extra burden and reduced efficiency of the procurement system apart from problems in the user areas.

11. Subsequently, in view of the contamination of Mannitol, other batches of crystalloid supplies made by M/s Pentagon Labs Limited were tested in the Microbiology Laboratory of the Institute under the provisions of Clause 5.1 of Section IV (General Conditions of Contract) of Tender No. 11A/H/Drugs/2022-23 and as per the test Report dated 23.07.2025, formation of fungus was found in the following crystalloid preparations manufactured and supplied by M/s Pentagon Labs Limited:

Sl. No.	Name of Item	Supply Order No. and Date	Batch No.
1	DNS (Dex. + Sod. Chloride) 5 gm + 0.9 gm/100 ml (500ml)	2324/H/CSK/24-25 dated 27.09.2024	24GB061
2	5% Dextrose 500ml	2894/H/CSK/24-25 dated 11.11.2024	24GA035 & 25GA002
3	20% Mannitol 100ml	2422/H/CSK/24-25 dated 18.10.2025	24GMN014
4	50% Dextrose 100ml	2807/H/CSK/24-25 dated 25.10.2024	24GAD003

12. From the above; it is evident that in spite of given the opportunities to improve including personal hearing, the crystalloid supplies made by M/s Pentagon Labs Limited to AIIMS, New Delhi have been found to be of sub-standard quality with no improvisation. This continued gross misconduct and safety issues were taken very seriously by the competent authority at AIIMS, New Delhi.

13. Second personal hearing meeting was held on 05.08.2025 wherein Mr. Rajesh Sinha; the representative of M/s Pentagon Labs Limited attended the meeting. During the deliberations, it was strictly conveyed to the representative of M/s Pentagon Labs Limited of repeated complaints of fungus contamination in IV fluid products supplied by M/s Pentagon Labs Limited in the following crystalloid products:

Sl. No.	Name of Item	Supply Order No. and Date	Batch No.
1	DNS (Dex. + Sod. Chloride) 5 gm + 0.9 gm/100 ml (500ml)	2324/H/CSK/24-25 dated 27.09.2024	24GB061
2	5% Dextrose 500ml	2894/H/CSK/24-25 dated 11.11.2024	24GA035 & 25GA002
3	20% Mannitol 100ml	2422/H/CSK/24-25 dated 18.10.2025	24GMN014
4	50% Dextrose 100ml	2807/H/CSK/24-25 dated 25.10.2024	24GAD003

14. During the meeting, it was conveyed to the representative of M/s Pentagon Labs Limited that in the previous personal hearing meeting held on 09.07.2025 the matter of fungal growth in Mannitol 20% 100 ml glass bottle was raised, however, no effective corrective actions were implemented by the vendor following the meeting.
15. The representative of M/s Pentagon Labs Limited, **acknowledged the multiple complaints and confirmed that more than 3 instances have been reported regarding visible fungal growth in the sealed IV fluids glass bottles supplied.** The representative of M/s Pentagon Labs Limited admitted the possibility of glass quality issues. He further acknowledged that on receipt of complaint of fungus found in the bottles, some improvements have been made in manufacturing, including changing the bottle cock.
16. During the meeting, it was observed and documented that fungal growth was found in many samples of the products manufactured by M/s Pentagon Labs Limited.
17. Representative of M/s Pentagon Labs Limited indicated that the company will investigate potential faults in third party supplied components such as glass bottles and caps.
18. During the meeting, it was made clear that M/s Pentagon Labs Limited is solely responsible for ensuring product quality and compliance, regardless of third party involvement. It was also noted that the defective batch of Mannitol 20% 100 ml glass bottle has not been fully replaced, despite repeated reminders.
19. This response of the representative of M/s Pentagon Labs Limited in the meeting was found unsatisfactory and unacceptable, since such incidents can occur in the future also and can put serious risk to patient care services, hence is unacceptable. Therefore it was recommended to initiate process to debar Ms Pentagon Labs Limited for a period of two (02) years and it was further recommended that the matter will be documented and formally escalated to regulatory authorities for further investigation and appropriate action.
20. The vendor was thereafter issued a Show Cause Notice dated 12.09.2025 asking why contractual and safety provisions should not be enforced, including termination and debarment.
21. In its reply dated 13.09.2025, M/s Pentagon Labs Limited expressed regret and proposed replacement of defective batches, citing compliance with labeling requirements and manufacturing processes, but failed to adequately address repeated lapses and the risks posed to patient safety. They submitted that, *"as regards the quality of products supplied is concerned, glass bottles quite often get cracks developed upon mishandling or improper storage, and fungus may develop in those affected bottles only. However, we are not taking any excuse to escape from our responsibility of manufacturing, distributing*



and supplying 'STANDARD QUALITY DRUGS' to serve the noble profession of Health Care" and assured that "ENTIRE SUPPLIED QUANTITY OF AFFECTED DRUG AND NOW IT WILL BE REPLACED WITH FRESH STOCKS OF THE ANOTHER BATCH OF DRUG" and further requested not to initiate any further action in this matter.

22. In another reply dated 15.09.2025, M/s Pentagon Labs Limited further submitted that:

- a. We are providing information on the label of the Particular Drugs as prescribed by the individual monographs in Indian Pharmacopeia which is mandatory to us as per the Drugs and Cosmetic Acts 1940 and Rules Made their under.
- b. The Product Mannitol Injection IP monograph requires Labelling Information regarding labeling is that: "the Injection should not be used if it contains visible solid particles which do not dissolved on warming".
- c. Mannitol Injection is a life savings Drugs and as being Glass container it requires to be handle with care in all stages including transportation, storage, shifting and before its final uses. Hence we have mention Caution in red color as under:

**CAUTION: Examine the bottle before use and do not use if the solution is found leaking or having particulate matter & fungal contamination which may occur due to even invisible damage to bottle in transit or storage or vacuum lost**

And further requested not to initiate any further action in this matter against.

23. The competent authority at AIIMS reviewed all documents, responses, hearings, and applicable rules. It was observed that despite ample opportunity and warnings, the vendor failed to adhere to contractual provisions, resulting in a risk to patient safety, disruptions in medical services, and erosion of public trust.

24. The persistent failure of M/s Pentagon Labs Limited to improve and adhere to the contractual provisions coupled with repeated instances of unethical conduct even after given the opportunity the act of M/s Pentagon Labs Limited is considered as violations of Clause 5.5 of Section IV (General Conditions of Contract) of Tender No. 11A/H/Drugs/2022-23 which stipulates that,

*"If any drug sample fails the test or is found to be of substandard quality, action as below will be initiated:*

- (a) If any store/stores supplied against the contract are found to be not of standard quality as per specifications on analysis and/or on inspection by competent authority, the Institute will destroy the entire consignment against the particular invoice, irrespective of fact that part of the supplied stores may have been consumed. The institute shall not be liable to make any payments in lieu of inferior items.*
- (b) If the firm fails to make fresh supplies in lieu of substandard quality of drug, it is liable to be debarred for three years in respect of all the items in the rate-contract of this Institute and EMD/Performance security shall be forfeited.*
- (c) If the product is found to be not of standard quality, the cost of testing done by the Institute will be recovered from the supplier.*

(d) In case, the supplies are found to be of inferior quality on three occasions, the firm shall be liable for debarment for subsequent tender of Drugs and EMD/Performance security shall be forfeited.

(e) A copy of the test report will be sent to the DCGI for necessary action at their end.

(f) If any drugs supplied against this Rate Contract are found to be not of standard quality on inspection by Competent Authority, the pharmaceutical firm will be liable to replace the entire quantity within 15 days otherwise risk purchase will be charged from the company and the cost of testing will be recovered from the supplier."

25. The violations of contractual obligations by M/s Pentagon Labs Limited lead to the competent authority at AIIMS, New Delhi to view these matters with utmost seriousness and decided to debar M/s Pentagon Labs Limited for the following items for 02 years as per Clause 5.5 (a), (b), (d), (e) of Section IV (General Conditions of Contract) of Tender No. 11A/H/Drugs/2022-23 and under the provisions of Clause 5 (C) of O.M. F.1/20/2018-PPD dated 02.11.2021 issued by Procurement Policy Division, Deptt. of Expenditure, Ministry of Finance, Govt. of India:

Sl. No.	Name of Item
1	DNS (Dex. + Sod. Chloride) 5 gm + 0.9 gm/100 ml (500ml)
2	5% Dextrose 500ml
3	20% Mannitol 100ml
4	50% Dextrose 100ml

**In light of these findings and the fact that despite ample opportunity and warnings, the vendor failed to adhere to contractual provisions, resulting in a risk to patient safety, disruptions in medical services, and erosion of public trust; following actions are hereby ordered:**

a) Termination of the existing contract for following 04 items due to repeated supply of sub-standard quality of crystalloid supplies under the provisions of Clause 12.1 of Section IV (General Conditions of Contract) of Tender No. 11A/H/Drugs/2022-23:

Sl. No.	Name of Item
1	DNS (Dex. + Sod. Chloride) 5 gm + 0.9 gm/100 ml (500ml)
2	5% Dextrose 500ml
3	20% Mannitol 100ml
4	50% Dextrose 100ml

b) The due payment against the above-mentioned batches of crystalloid items shall be withheld under the provisions of Clause 5.5(a) of Section IV (General Conditions of Contract) of Tender No. 11A/H/Drugs/2022-23

c) A letter along with copies of the test report will be sent to the DCGI for necessary action at their end under the provisions of Clause 5.5(e) of Section IV (General Conditions of Contract) of Tender No. 11A/H/Drugs/2022-23



- d) M/s Pentagon Labs Limited is debarred from participating in AIIMS tenders and contracts for 02 years with immediate effect under the provisions of Clause 5.5(b), 5.5 (d) of Section IV (General Conditions of Contract) of Tender No. 11A/H/Drugs/2022-23 and under the provisions of Clause 5 (C) of O.M. F.1/20/2018-PPD dated 02.11.2021 issued by Procurement Policy Division, Deptt. of Expenditure, Ministry of Finance, Govt. of India.
- e) In case contamination is found in other crystalloid products under the above mentioned rate contract, the Performance Bank Guarantee (PBG) submitted by M/s Pentagon Labs Limited will be forfeited.

This order is being issued after considering all facts, documents, hearings, and applicable rules. The decision is based on the repeated supply of sub-standard quality products that compromise patient safety and violate contractual obligations, as detailed above.

This issues with the approval of the Competent Authority.

 27/9/25  
Medical

Superintendent  
Main Hospital, AIIMS,  
(For and on behalf of  
the Director, AIIMS,  
New Delhi)

**Medical Superintendent**  
**A.I.I.M.S. Hospital**  
**New Delhi-110029**

Copy to:

1. PPS to Director, AIIMS, New Delhi
2. PS to Addl. Director (Admin), AIIMS, New Delhi
3. PS to Sr. Financial Advisor, AIIMS, New Delhi
4. All Chief of Centers, AIIMS, New Delhi
5. All Senior Stores Officer/ Store Officer/ Assistant Store Officer, AIIMS, New Delhi
6. Stores Accounts Section, AIIMS, New Delhi
7. Professor In-Charge, Computer Facility: with request to upload the order on AIIMS website.

Email

SATISH SANGAWAT

**Rate Contract No. 11A/H/Drugs/2022-23 dated 07.05.2024 in favor of M/s Pentagon Labs Limited for providing Crystalloid Supplies to AIIMS, New Delhi - Termination of contract and debarment/ blacklisted for two years from participating in tenders thereof**

**From :** SATISH SANGAWAT <ssangawat@aiims.gov.in> Sat, Sep 27, 2025 12:15 PM  
**Subject :** Rate Contract No. 11A/H/Drugs/2022-23 dated 07.05.2024 in favor of M/s Pentagon Labs Limited for providing Crystalloid Supplies to AIIMS, New Delhi - Termination of contract and debarment/ blacklisted for two years from participating in tenders thereof 1 attachment  
**To :** pentagonlabsltd@yahoo.co.in

ALL INDIA INSTITUTE OF MEDICAL SCIENCES  
ANSARI NAGAR, NEW DELHI – 110029  
HOSPITAL STORES

**NOTICE OF TERMINATION OF CONTRACT AND DEBARMENT**

F. NO. 11A/H/Drugs/2022-23  
2025

Dated: 27<sup>th</sup> September,

To,

M/s Pentagon Labs Limited,  
206, Archana Apartment 8-B  
Ratlam Kothi, Inddore – 452001  
E-mail: [pentagonlabsltd@yahoo.co.in](mailto:pentagonlabsltd@yahoo.co.in)

**Subject: Rate Contract No. 11A/H/Drugs/2022-23 dated 07.05.2024 in favor of M/s Pentagon Labs Limited for providing Crystalloid Supplies to AIIMS, New Delhi - Termination of contract and debarment/ blacklisted for two years from participating in tenders thereof.**

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**Whereas:**

1. AIIMS, New Delhi, placed a rate contract vide no. 11A/H/Drugs/2022-23 dated 07.05.2024 with M/s Pentagon Labs Limited for providing Crystalloid Supplies at AIIMS, New Delhi. This contract was valid for a two-year term from 07.05.2024 to 06.05.2026.
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3. In view of the non-compliance with the contract requirements, a complaint letter dated 04.07.2025 was issued to M/s Pentagon Labs Limited to give an opportunity to the vendor to improve and with



instructions to replace 4800 bottles of Inj. Mannitol, supplied under Batch No. 24GMN014, within a week.

4. Neither the said batch was replaced nor any response was received from M/s Pentagon Labs Limited which in violation of Clause 5.5 of Section IV (General Conditions of Contract) of Tender No. 11A/H/Drugs/2022-23, liable to be debarred and this non-compliance was taken very seriously by the competent authority in view of the safety of the patients at AIIMS.
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8. The representative of M/s Pentagon Labs Limited was informed that such incidents of contamination have significantly increased in recent times, which was not observed earlier and expressed serious concern over this emerging trend. In the meeting it was emphasized that even a single contaminated bottle in a sterile injectable product is a matter of grave concern and is a criminal offence, especially in a critical healthcare setting like AIIMS and is not acceptable.
9. In spite of our letters dated 04.07.2025 & 08.07.2025, no action was taken by the vendor to replace the 4800 bottles of Inj. Mannitol, supplied under Batch No. 24GMN014, within a week. This shows non-ethical and irresponsible attitude on part of M/s Pentagon Labs Limited.
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11. Subsequently, in view of the contamination of Mannitol, other batches of crystalloid supplies made by M/s Pentagon Labs Limited were tested in the Microbiology Laboratory of the Institute under the provisions of Clause 5.1 of Section IV (General Conditions of Contract) of Tender No. 11A/H/Drugs/2022-23 and as per the test Report dated 23.07.2025, formation of fungus was found in the following crystalloid preparations manufactured and supplied by M/s Pentagon Labs Limited:

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1	DNS (Dex. + Sod. Chloride) 5 gm + 0.9 gm/100 ml (500ml)	2324/H/CSK/24-25 dated 27.09.2024	24GB061
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13. Second personal hearing meeting was held on 05.08.2025 wherein Mr. Rajesh Sinha; the representative of M/s Pentagon Labs Limited attended the meeting. During the deliberations, it was strictly conveyed to the representative of M/s Pentagon Labs Limited of repeated complaints of fungus contamination in IV fluid products supplied by M/s Pentagon Labs Limited in the following crystalloid products:

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14. During the meeting, it was conveyed to the representative of M/s Pentagon Labs Limited that in the previous personal hearing meeting held on 09.07.2025 the matter of fungal growth in Mannitol 20% 100 ml glass bottle was raised, however, no effective corrective actions were implemented by the vendor following the meeting.
15. The representative of M/s Pentagon Labs Limited, **acknowledged the multiple complaints and confirmed that more than 3 instances have been reported regarding visible fungal growth in the sealed IV fluids glass bottles supplied.** The representative of M/s Pentagon Labs Limited admitted the possibility of glass quality issues. He further acknowledged that on receipt of complaint of fungus found in the bottles, some improvements have been made in manufacturing, including changing the bottle cock.
16. During the meeting, it was observed and documented that fungal growth was found in many samples of the products manufactured by M/s Pentagon Labs Limited.
17. Representative of M/s Pentagon Labs Limited indicated that the company will investigate potential faults in third party supplied components such as glass bottles and caps.
18. During the meeting, it was made clear that M/s Pentagon Labs Limited is solely responsible for ensuring product quality and compliance, regardless of third party involvement. It was also noted that the defective batch of Mannitol 20% 100 ml glass bottle has not been fully replaced, despite repeated reminders.
19. This response of the representative of M/s Pentagon Labs Limited in the meeting was found unsatisfactory and unacceptable, since such incidents can occur in the future also and can put serious risk to patient care services, hence is unacceptable. Therefore it was recommended to initiate process to debar Ms Pentagon Labs Limited for a period of two (02) years and it was further recommended that the matter will be documented and formally escalated to regulatory authorities for further investigation and appropriate action.
20. The vendor was thereafter issued a Show Cause Notice dated 12.09.2025 asking why contractual and safety provisions should not be enforced, including termination and debarment.
21. In its reply dated 13.09.2025, M/s Pentagon Labs Limited expressed regret and proposed replacement of defective batches, citing compliance with labeling requirements and manufacturing processes, but failed to adequately address repeated lapses and the risks posed to patient safety. They submitted that, ***"as regards the quality of products supplied is concerned, glass bottles quite often get cracks developed upon mishandling or improper storage, and fungus may develop in those affected bottles only. However, we are not taking any excuse to escape from our responsibility of manufacturing, distributing and supplying 'STANDARD QUALITY DRUGS' to serve the noble profession of Health Care"*** and assured that ***"ENTIRE SUPPLIED QUANTITY OF AFFECTED DRUG AND NOW IT WILL BE REPLACED WITH FRESH STOCKS OF THE ANOTHER BATCH OF DRUG"*** and further requested not to initiate any further action in this matter.



22. In another reply dated 15.09.2025, M/s Pentagon Labs Limited further submitted that:
- We are providing information on the label of the Particular Drugs as prescribed by the individual monographs in Indian Pharmacopeia which is mandatory to us as per the Drugs and Cosmetic Acts 1940 and Rules Made their under.
  - The Product Mannitol Injection IP monograph requires Labelling Information regarding labeling is that: **"the Injection should not be used if it contains visible solid particles which do not dissolved on warming"**.
  - Mannitol Injection is a life savings Drugs and as being Glass container it requires to be handle with care in all stages including transportation, storage, shifting and before its final uses. Hence we have mention Caution in red color as under:  
**CAUTION: Examine the bottle before use and do not use if the solution is found leaking or having particulate matter & fungal contamination which may occur due to even invisible damage to bottle in transit or storage or vacuum lost**  
 And further requested not to initiate any further action in this matter against.
23. The competent authority at AIIMS reviewed all documents, responses, hearings, and applicable rules. It was observed that despite ample opportunity and warnings, the vendor failed to adhere to contractual provisions, resulting in a risk to patient safety, disruptions in medical services, and erosion of public trust.
24. The persistent failure of M/s Pentagon Labs Limited to improve and adhere to the contractual provisions coupled with repeated instances of unethical conduct even after given the opportunity the act of M/s Pentagon Labs Limited is considered as violations of Clause 5.5 of Section IV (General Conditions of Contract) of Tender No. 11A/H/Drugs/2022-23 which stipulates that,  
*"If any drug sample fails the test or is found to be of substandard quality, action as below will be initiated:*
- If any store/stores supplied against the contract are found to be not of standard quality as per specifications on analysis and/or on inspection by competent authority, the Institute will destroy the entire consignment against the particular invoice, irrespective of fact that part of the supplied stores may have been consumed. The institute shall not be liable to make any payments in lieu of inferior items.*
  - If the firm fails to make fresh supplies in lieu of substandard quality of drug, it is liable to be debarred for three years in respect of all the items in the rate-contract of this Institute and EMD/Performance security shall be forfeited.*
  - If the product is found to be not of standard quality, the cost of testing done by the Institute will be recovered from the supplier.*
  - In case, the supplies are found to be of inferior quality on three occasions, the firm shall be liable for debarment for subsequent tender of Drugs and EMD/Performance security shall be forfeited.*
  - A copy of the test report will be sent to the DCGI for necessary action at their end.*
  - If any drugs supplied against this Rate Contract are found to be not of standard quality on inspection by Competent Authority, the pharmaceutical firm will be liable to replace the entire quantity within 15 days otherwise risk purchase will be charged from the company and the cost of testing will be recovered from the supplier."*
25. The violations of contractual obligations by M/s Pentagon Labs Limited lead to the competent authority at AIIMS, New Delhi to view these matters with utmost seriousness and decided to debar M/s Pentagon Labs Limited for the following items for 02 years as per Clause 5.5 (a), (b), (d), (e) of Section IV (General Conditions of Contract) of Tender No. 11A/H/Drugs/2022-23 and under the provisions of Clause 5 (C) of O.M. F.1/20/2018-PPD dated 02.11.2021 issued by Procurement Policy Division, Deptt. of Expenditure, Ministry of Finance, Govt. of India:

Sl. No.	Name of Item
1	DNS (Dex. + Sod. Chloride) 5 gm + 0.9 gm/100 ml (500ml)
2	5% Dextrose 500ml
3	20% Mannitol 100ml
4	50% Dextrose 100ml

**In light of these findings and the fact that despite ample opportunity and warnings, the vendor failed to adhere to contractual provisions, resulting in a risk to patient safety, disruptions in medical services, and erosion of public trust; following actions are hereby ordered:**

- a) Termination of the existing contract for following 04 items due to repeated supply of sub-standard quality of crystalloid supplies under the provisions of Clause 12.1 of Section IV (General Conditions of Contract) of Tender No. 11A/H/Drugs/2022-23:

Sl. No.	Name of Item
1	DNS (Dex. + Sod. Chloride) 5 gm + 0.9 gm/100 ml (500ml)
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4	50% Dextrose 100ml

- b) The due payment against the above-mentioned batches of crystalloid items shall be withheld under the provisions of Clause 5.5(a) of Section IV (General Conditions of Contract) of Tender No. 11A/H/Drugs/2022-23
- c) A letter along with copies of the test report will be sent to the DCGI for necessary action at their end under the provisions of Clause 5.5(e) of Section IV (General Conditions of Contract) of Tender No. 11A/H/Drugs/2022-23
- d) M/s Pentagon Labs Limited is debarred from participating in AIIMS tenders and contracts for 02 years with immediate effect under the provisions of Clause 5.5(b), 5.5 (d) of Section IV (General Conditions of Contract) of Tender No. 11A/H/Drugs/2022-23 and under the provisions of Clause 5 (C) of O.M. F.1/20/2018-PPD dated 02.11.2021 issued by Procurement Policy Division, Deptt. of Expenditure, Ministry of Finance, Govt. of India.
- e) In case contamination is found in other crystalloid products under the above mentioned rate contract, the Performance Bank Guarantee (PBG) submitted by M/s Pentagon Labs Limited will be forfeited.

This order is being issued after considering all facts, documents, hearings, and applicable rules. The decision is based on the repeated supply of sub-standard quality products that compromise patient safety and violate contractual obligations, as detailed above.

This issues with the approval of the Competent Authority.

sd/-  
Medical  
Superintende  
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Main  
Hospital,  
AIIMS,  
(For and on  
behalf of the  
Director,  
AIIMS, New  
Delhi)

Attached: **NOTICE OF TERMINATION OF CONTRACT AND DEBARMENT.**

Copy to:

1. PPS to Director, AIIMS, New Delhi
2. PS to Addl. Director (Admin), AIIMS, New Delhi
3. PS to Sr. Financial Advisor, AIIMS, New Delhi
4. All Chief of Centers, AIIMS, New Delhi
5. All Senior Stores Officer/ Store Officer/ Assistant Store Officer, AIIMS, New Delhi
6. Stores Accounts Section, AIIMS, New Delhi
7. Professor In-Charge, Computer Facility: with request to upload the order on AIIMS website.





**Debarment Letter\_0001.pdf**

5 MB

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