



CENTRAL MEDICAL SERVICES SOCIETY
(An Autonomous Society under Ministry of Health & Family Welfare, Govt. of India)
2nd Floor, VishwaYuvak Kendra, Pt. Uma Shankar Dikshit Marg,
Teen Murti Road, Chanakyapuri, New Delhi -110021

No. CMSS/LSC/TRANSPORT TENDER/MUMBAI/2023-24/210/892

Dated: - 04/09/2024

To,

M/s Caper India Pvt. Ltd.
302, Ascot Centre, Next to Hilton Hotel,
Sahar Road, Andheri(E), Mumbai - 400099
Email - jitendrad@caperindia.com
M - 8700947359, 9920262963

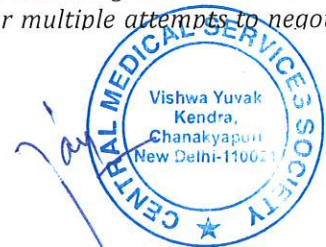
Subject: - Debarring of M/s Caper India Pvt. Ltd. for participation in CMSS Mumbai Transport Tender for a period of 01 year.

Reference: - 1) Show Cause notice (Letter No. CMSS/LSC/TRANSPORT TENDER/MUMBAI/2023-24/210/708 dated 30.07.2024) issued by CMSS to M/s Caper India Pvt. Ltd.
2) An email received on 03.08.2024 from the firm, M/s Caper India Pvt. Ltd. against the Show Cause notice vide 30.07.2024.

Sir/Madam,

1. As cited above, CMSS issued a Show Cause notice to M/s Caper India Pvt. Ltd. vide letter no. CMSS/LSC/TRANSPORT TENDER/MUMBAI/2023-24/210/708 dated 30th July 2024 requesting the detailed explanation by 05.08.2024. This notice concern with the terms and conditions of the contract regarding non-submission of performance security to CMSS and not signing the contract agreement with CMSS for transportation services at Mumbai warehouse location against CMSS contracts: -
 - i. To initiate proceedings to debar/ blacklisting of M/s Caper India Pvt. Ltd. of one year from Mumbai WH for breach the contract in accordance with the above-mentioned terms and conditions of the contract.
 - ii. To cancel the LOA no. CMSS/LCS/TRANSPORT TENDER/MUMBAI/2023-24/210/1111 against Tender no. CMSS/LSC/TRANSPORT TENDER/MUMBAI/2023 (GEM Bid No.: - GEM/2023/B/3476056) for Mumbai Location.
 - iii. To forfeit the EMD amount of Rs. 10,000/- submitted via Demand Draft no. 500403 on dated 03/07/2023 by M/s Caper India Pvt. Ltd.
2. The firm submitted the reply vide email dated 03.08.2024, in which it is stated that:-

"The primary reason for our delay in accepting the LOA and submitting the performance security is the significant and unpredictable costs associated with loading and unloading at the CMSS Mumbai warehouse, as outlined in our previous correspondence. Despite our multiple attempts to negotiate



and clarify these costs with the local union and CMSS representatives, we have not been able to reach a feasible solution. The variable and exorbitant rates quoted by the union have made it financially unviable for us to proceed under the current terms.

As documented in our emails dated 28.12.2023, 12.02.2024, 13.02.2024, and 23.02.2024 we have actively communicated our concerns and sought a resolution through various meetings and discussions with CMSS officials and the local union representatives. Our representative, Mr. Bijendra, attended a meeting at CMSS HQ, New Delhi on 08/04/2024, where we reiterated our concerns regarding the loading and unloading costs and stated that the same were not feasibly to us.

Despite these challenges, we have remained committed to providing our services where feasible. Our intent has always been to fulfil our obligations under the contract, provided the financial conditions allow for sustainable operations. We have proposed several solutions, including the standardization of loading/unloading rates, to ensure transparency and stability, which are critical for our continued service provision.

When we say loading and unloading should be a part of the process, it does not mean the loaders have the license to impose arbitrary costs. Ideally, this area must be controlled within your scope and not left to the vendor. We have no control to bring them under contract, as they refuse, leading to significant threats to the activity. Since they are your delegated loaders, this part must come under total transparency to build the tender bidding.

We request CMSS to reconsider the terms related to loading and unloading costs. Establishing fixed, transparent rates would enable us to comply with the LOA and submit the required performance security.

However, with reference to the issue of consequence of the breaches as mentioned under Point 7 of the Show Cause Notice, we wish to submit the following points while stating that we explicitly deny any responsibility and liability with reference to the Mumbai Warehouse Tender:

1. As per Clause 2 of the Letter of Acceptance (LOA) it is stated that:

"Please convey acceptance to this LOA within 3 days of issue of this letter, else it will be presumed that you are not keen to accept the LOA and CMSS may proceed for allocation of work to other bidder and other actions stipulated in referred Tender document."

This clause clearly indicates that non-acceptance would not result in any adverse consequences for us. The LOA was bearing the date 22 November 2023, following that timeline; CMSS could have rescinded the Letter on 25.11.2023.

2. In the Notice Inviting Tender, under Clause 12 (c) it is stated that:

"The financial bid shall be valid for a period of 120 days from the date of opening of Technical Bid and prior to the expiry of the bid validity; the Tender Inviting Authority may request the Tenderers to extend the bid validity for such further period as deemed fit."

This clause reinforces our right to decline the acceptance of Tender within the validity period without facing repercussions, and it provides CMSS the flexibility to request an extension, which was not invoked in this case.

Given these points, we reiterate our commitment to working with CMSS under fair and transparent conditions. However, the current structure, with its unpredictable costs for loading and unloading,



imposes an unreasonable financial strain on our operations. We request that that CMSS withdraw the issued Show Cause notice and actively participate in standardizing the loading and unloading rates at their Mumbai Warehouse."

3. The reply submitted by the firm in the Show Cause notice on 03.08.2024 which has been examined by the competent authority and found that reply has no merit. In this regard, kindly refer Clause 2 of LOA with Clause 10 (c) of the tender document which inter alia state as tender.

Clause 2 of LOA, "Please convey acceptance to this LOA within 3 days of issue of this letter, else it will be presumed that you are not keen to accept the LOA and CMSS may proceed for allocation of work to other bidder and other actions stipulated in referred Tender document."

Clause no. 10 (c) of the tender document, "Within 14 days from the date of intimation of award of contract/Purchase Order/Letter of Award of Contract, the successful bidder (Transporter/Logistics Services Provider) should furnish a Demand Draft of Rs. 25,000/- (Rupees Twenty-Five Thousand only) in favor of Central Medical Service Society, Payable at New Delhi as Performance Security Deposit. In case Transporter fails to submit the Demand Draft, the EMD submitted by the respective bidder will be forfeited and punitive action shall be taken against the transporter including blacklisting."

4. In view of aforesaid provision of tender document, the following decision have been taken with the approval of Competent Authority with the immediate effect:-

- (i) The LOA no. CMSS/LCS/TRANSPORT TENDER/MUMBAI/2023-24/210/1111 against Tender no. CMSS/LSC/TRANSPORT TENDER/MUMBAI/2023 (GEM Bid No.: - GEM/2023/B/3476056) for Mumbai Location stand cancelled.
- (ii) Your EMD amount of Rs. 10,000/- submitted via Demand Draft no. 500403 on dated 03/07/2023 has been forfeited.
- (iii) Your firm, M/s Caper India Pvt. Ltd. is debarred for the period of one year period (**i.e., from 04/09/2024 to 03/09/2025**) for CMSS Mumbai Warehouse for breach the contract in accordance with the above-mentioned terms and conditions of the contract.

This is issued with the approval of the Competent Authority.

With regards,



Vijay
04/09/2024
General Manager (LSC)

विजय कुमार धिंगरा / Vijay Kumar Dhingra
महाप्रबंधक (एलएससी) / General Manager (LSC)
केन्द्रीय चिकित्सा सेवा सोसाइटी / Central Medical Services Society
स्वास्थ्य और परिवार कल्याण मंत्रालय / Ministry of Health and Family Welfare
भारत सरकार / Government of India