

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.17509 of 2025

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1. M/s Centurion Laboratories Pvt. Ltd. having its Registered Office at P-2, Bio-Tech Park, Manjusar, Savli District- Vadodara, Gujarat, PIN- 301775, through its authorised representative Mr. Rajeev Kumar Shukla, male, aged about 49 years, son of Nirmal Shukla, resident of - Wari Bari, P.S. Singhia Samastipur, Bihar.
 2. Rajeev Kumar Shukla, Son of Nirmal Shukla, resident of - Wari Bari, P.S. Singhia Samastipur, Bihar.

... .. Petitioner/s

Versus

1. The State of Bihar through the Secretary, Department of Health, Government of Bihar, Patna.
2. The Secretary, Department of Health, Government of Bihar, Patna.
3. Bihar Medical Services and Infrastructure Corporation Ltd., Second and Third Floor, Swasthya Bhawan, Behind IGIMS, Sheikhpura, Patna, Bihar through its Secretary.
4. The Managing Director, Bihar Medical Services and Infrastructure Corporation Ltd., Second and Third Floor, Swasthya Bhawan, Behind IGIMS, Sheikhpura, Patna, Bihar.
5. The Chief General Manager (Supply Chain), Bihar Medical Services and Infrastructure Corporation Ltd Second and Third Floor, Swasthya Bhawan, behind IGIMS, Sheikhpura, Patna, Bihar.
6. The General Manager, Bihar Medical Services and Infrastructure Corporation Ltd., Second and Third Floor, Swasthya Bhawan, behind IGIMS, Sheikhpura, Patna, Bihar.

... .. Respondent/s

Appearance :

For the Petitioner/s	:	Mr.Sanjeev Kumar Mishra, Sr. Advocate
	:	Mr.Manini Jaiswal, Advocate
	:	Mr. Adya Pandey, Advocate
	:	Mr.Ritik Prakash, Advocate
	:	Mr.Manas Rajdeep, Advocate
	:	Mr. Shubham Kumar Upadhyay, Advocate
For BMSICL	:	Mr. Lalit Kishore, Sr.Advocate
	:	Mr.Vikash Kumar, Advocate
	:	Mr. Ayush Kumar, Advocate
	:	Mr. Kanishka Shankar, Advocate
For the State	:	Mr.Nadim Seraj, Government Pleader (05)
	:	Ms.Shalini, A.C. to G.P.-5

CORAM: HONOURABLE THE ACTING CHIEF JUSTICE
and
HONOURABLE MR. JUSTICE RAJESH KUMAR VERMA
ORAL JUDGMENT



(Per: HONOURABLE MR. JUSTICE RAJESH KUMAR VERMA)

Date : 04-11-2025

Heard Mr. Sanjeev Kumar Mishra, learned senior counsel for the petitioners, Mr. Lalit Kishore, learned senior counsel for the Bihar Medical Services and Infrastructure Corporation Limited and Mr. Nadim Seraj, learned G.P.-5 for the State.

2. The present writ application has been filed for the following reliefs:

I. For issuance of an appropriate writ to quash the order dated 14.10.2025 contained in letter No. BMSIC/40030/175-2024/7950 issued by the Managing Director, Bihar Medical Services and Infrastructure Corporation Ltd., Sheikhpura Patna (hereinafter referred to as BMSICL) whereby and where under the petitioner company has been blacklisted for a period of three years from the date of issue of the Impugned Order along with which the Security deposit and EMD has been forfeited.

II. During the pendency of the present writ application the letter no. 7950 dated 14.10.2025 may be kept in abeyance.

III. For any other order(s) as Your Lordship may deem fit and proper in light of the facts and circumstances of the case.

3. Learned senior counsel for the petitioners submits that the petitioners' firm has been granted licence after proper



verification in terms of the relevant provision of the Drugs Rule, 1945. The Bihar Medical Services and Infrastructure Corporation Limited (hereinafter referred to as BMSICL) had issued various tender notices vide Tender Ref. No. BMSIC/DRUGS/22-07 dated 23.05.2022 inviting Tender for rate contract and supply of Drugs for different healthcare facilities in the State of Bihar. The petitioners submitted the bid documents and was declared successful in Technical bid as well as the Financial bid. Thereafter the BMSICL had issued the Letters of Intent vide letter no. 3878 dated 07.09.2022 for submitting requisite documents, security deposit and to execute the Rate-Contract within 15 days from the date of receipt of the LOI. Learned senior counsel for the petitioners further submits that in pursuance of the above said Letters of Intent and its analogous Agreement, approximately 28 (twenty-eight) Purchase Orders were issued demanding meagre quantities that were below the minimum batch size of the petitioners' company. The petitioners' company requested the respondent authorities (BMSICL) to increase the size of units that were demanded through the above said purchase orders but the authorities had not taken any care. The Respondent-BMSICL had issued Show cause notices dated 11.10.2023, 02.05.2024, 09.07.2024, 25.09.2024, 19.12.2024 respectively. Learned senior



counsel for the petitioners further submits that the petitioners filed reply to the aforesaid show cause notices and again requested the authority concerned that the purchase order may be amended and the requisite quantity may be increased in order to enable the petitioners' firm to perform its duty as per the agreement. Learned senior counsel for the petitioners further submits that the respondent (BMSICL) has received the reply to show cause but without considering the same against issued show cause notice to the petitioners' firm on 31.10.2023, 24.05.2024, 23.07.2024, 07.10.2024 and 07.01.2025 respectively. The petitioners sent the reply to the above show cause notices on 10.10.2024, 07.10.2024, 25.05.2024, 07.01.2025, 22.04.2025, 11.07.2025 respectively and again requesting the respondent-BMSICL that the purchase order may be amended and the requisite quantity may be increased in order to enable the petitioner firm to perform its duty as per the agreement.

4. Learned senior counsel for the petitioners further submits that without any consideration of the reply to show cause as filed by the petitioners and also without assigning any reason, the respondent authorities vide letter no. 7950 dated 14.10.2025 issued under the signature of respondent No.4 has blacklisted the petitioners' company for a period of three years from the date of



issuance of the Impugned Order along with which the Security deposit has been forfeited. Learned senior counsel for the petitioners further submits that the petitioners are still ready to perform its duties as per the agreement and also ready to supply the orders of different Purchase orders, the purchase order issued by the Respondent-BMSICL to the petitioners' company is less than 10% of the quantity quoted in the Letter of Intent and the performance of such purchase order is not feasible for the petitioners' company. The impugned order is bad in the eye of law, the same is in absolute ignorance of principles of nature justice.

5. Mr. Lalit Kishore, learned senior counsel for the BMSICL submits that from a bare perusal of the impugned order dated 14.10.2025, it appears that the petitioners' company have given the letters of intent with respect to six life saving drugs which are mentioned in the impugned order itself, it also reflect from the impugned order that the letters of intent was issued on 07.09.2022 and agreement was executed on 19.10.2022 and BMSICL has given the purchase order to the petitioners' Company but till date the BMSICL has not received any quantity of drugs from the petitioners' company. Thereafter, the BMSICL has given the 1st show cause notice. Thereafter second show cause notice and as per Clause 27 A of the Standard Bid Document stipulates that



“if the tenderer fails to execute the agreement/to deposit performance security/ to perform the obligations under the tender conditions/commits default in the performance of the contract agreement, such tenderers will be blacklisted for a period of 2 years by BMSICL from the date of intimation besides forfeiture of EMD/Performance Guarantee. The Tenderers who have withdrawn after participating in the tender either fully or partially, the entire firm/company will be blacklisted for a period of 2 years from the date of intimation by BMSICL apart from forfeiture of the Security Deposit/EMD”.

Clause 27 C of the Standard Bid Documents stipulates that “BLACKLISTING FOR NON SUPPLY/PART SUPPLY/DELAYED SUPPLY/NON-FULFILLMENT OF CONTRACT OBLIGATION:-

Notwithstanding various actions and penalties for supply and/or delayed supply of the drugs and medicines as stipulated in the terms and conditions of the tender, the BMSICL, shall take action against the supplier as follows:

(I) In case, the supplier is found to be habitual defaulter of delayed supply or not supplying the full quantity in time, the balance amount of performance



security of such company shall be forfeited. No further supply order shall be given to them and company shall be barred from participating in any tender floated by BMSICL, further other punitive action such as blacklisting of the firm for a minimum period of 2 years from the date of intimation for blacklisting/debarring.

(ii) Purchase orders, if any, already issued before taking any blacklisting action or orders given in past will not be affected in view of action taken as per above guidelines but all strict quality checks shall be observed for each supply of products.

The blacklisting of particular product or company/firm will be done without prejudice to other penalties which may be imposed as per the conditions of Tender documents and also to other actions which may be initiated under Drugs and Cosmetics Act, 1949 or any other law of Land. BMSICL will display names of such blacklisted product(S) and company/ firm on its website for general notice".



6. All the above-mentioned drugs are lifesaving drug which are useful for Patient of HIV etc. This act of non-supply of such important medicines adversely affects the objectives of BMSICL. The BMSICL, due to inaction of the petitioners' company, is not in a position to supply Free Drugs to every patient at all Government Health Facilities in the State of Bihar within the stipulated time period/requirement.

7. Learned senior counsel for the BMSICL further submits that the BMSICL, after due consideration and compliance of principles of natural justice, has issued the impugned order in the interest of public at large. For the better appreciation of the matter, Annexure-12 is the impugned order, which is quoted herein in below:-

Bihar Medical Services & Infrastructure Corporation Limited
CIN No : U85100BR2010SGC015886

File No-Letter No.: - BMSIC/40030/175-2024/7950

Order

M/s Centurion Laboratories Pvt. Ltd. having its Head Office at P-2, Bio-tech Park, Manjusar, Savli Dist.Vadodara, Gujarat-391775 has participated in **Tender No-BMSIC/DRUGS/22-07**.

The firm, M/s Centurion Laboratories Pvt. Ltd., was declared L1 for the drugs namely Lopinavir (A)+ Ritonavir (B)-Tablet 200 mg (A) + 50 mg (B), Tenofovir+ Lamivudine Tablet - 300 mg+ 300 mg, Efavirenz Tablet-200 mg and was declared L2 & L3 for the drugs namely Lopinavir (A) + Ritonavir (B) Tablet-100



mg (A) + 25 mg (B), Zidovudine 60 mg + Lamivudine 30 mg + Nevirapine 50 mg Tablet & Lamivudine + Zidovudine Tablet -30 mg + 60 mg and gave their consent to accept L1 rate and agreed to supply on L1 rate.

The detail of Lol and agreement of the above-mentioned drugs are as follows:-

S. NO	Tender No.	Name of the Drugs	Lo1 No. & Dated	Agreement Dated
1	BMSIC/DRUGS/22-07	Efavirenz Tablet-200 mg	3878 dated 07.09.2022	19.10.2022
2		Lamivudine + Zidovudine Table -30 mg + 60 mg		
3		Lopinavir (A) + Ritonavir (B) Tablet- 100 mg (A) + 25 mg(B)		
4		Lopinavir (A) + Ritonavir (B) Tablet- 200 mg (A) + 50 mg(B)		
5		Tenofovir + Lamivudine Tablet -300mg + 300 mg		
6		Zidovudine 60 mg + Lamivudine 30 mg + Nevirapine 50 mg Tablet		

Subsequently, the firm M/S Centurion Laboratories Pvt. Ltd. Was issued Purchase Order for above-Mentioned 06 Drugs. The detailed summary of non-supply is mentioned below:-

No of PO	No. of Drugs	Item Name	PO. No & Dated	Schedule Date	PO Qty	Received	Delay days as on 10.10.2025 (in addition to schedule date)	1 st Show cause issued date	2 nd Show Cause Issued date	Status
1	1	Efavirenz Tablet- 200 mg	10282401015 & 30.04.2024	29-Jun-24	600	0	465	09.07.2024	23.07.2024	Non-Supply
2			10282401730 & 22.07.2024	20-Sep-24	1400	0	382	25.09.2024	07.10.2024	Non-Supply



3			10282402 338 & 19.10.202 4	18- Dec- 24	250	0	293	19.12.2024	07.01.2025	Non- Supply
4	2	Lamivudine + Zidovudine Tablet -30 mg + 60 mg	3910 & 08.08.202 3	07- Oct- 23	195	0	731	11.10.2023	31.10.2023	Non- Supply
5			10282401 021 & 30.04.202 4	29- Jun- 24	165	0	465	09.07.2024	23.07.2024	Non- Supply
6			10282401 736 & 22.07.202 4	20- Sep- 24	450	0	382	25.09.2024	07.10.2024	Non- Supply
7			10282402 342 & 19.10.202 4	18- Dec- 24	135	0	293	19.12.2024	07.01.2025	Non- Supply
8	3	Lopinavir (A) + Ritonavir (B) Tablet- 100 mg (A) + 25 mg(B)	10282400 266 & 20.02.202 4	20- Apr- 24	300	0	535	02.05.2024	24.05.2024	Non- Supply
9			10282401 460 & 20.07.202 4	18- Sep- 24	930	0	384	25.09.2024	07.10.2024	Non- Supply
10			10282402 270 & 19.10.202 4	18- Dec- 24	150	0	293	19.12.2024	07.01.2025	Non- Supply
11	4	Lopinavir (A) + Ritonavir (B) Tablet- 200 mg (A) + 50 mg(B)	10282401 834 & 23.07.202 4	21- Sep- 24	2170	0	381	25.09.2024	07.10.2024	Non- Supply
12			10282402 345 & 19.10.202 4	18- Dec- 24	280	0	293	19.12.2024	07.01.2025	Non- Supply
13	5	Tenofovir + Lamivudine Tablet- 300 mg+ 300 mg	10282401 836 & 23.07.202 4	21- Sep- 24	2170	0	381	25.09.2024	07.10.2024	Non- Supply
14			10282402 356 & 19.10.202 4	18- Dec- 24	140	0	293	19.12.2024	07.01.2025	Non- Supply
15	6	Zidovudine 60 mg + Lamivudine 30 mg + Nevirapine 50 mg Tablet	3910 & 08.08.202 3	07- Oct- 23	300	0	731	11.10.2023	31.10.2023	Non- Supply
16			10282400 267 & 20.02.202 4	20- Apr- 24	150	0	535	02.05.2024	24.05.2024	Non- Supply
17			10282400 908 & 29.04.202 4	28- Jun- 24	360	0	466	09.07.2024	23.07.2024	Non- Supply
18			10282401 513 & 20.07.202	18- Sep- 24	360	0	384	25.09.2024	07.10.2024	Non- Supply



			4							
19			10282402 331 & 19.10.202 4	18- Dec- 24	750	0	293	19.12.2024	07.01.2025	Non-Supply

Despite of several show cause notices, the firm M/s Centurion Laboratories Pvt. Ltd. has not started supplying the drugs against all the issued above mentioned Purchase Order as on date. Hence the firm was found to be habitual defaulter as per Clause 27 (c) (i) of SBD

The firm was issued two show cause notices Inspite of that the firm was unable to supply. Lastly, BMSICL, issued a mail on dated 22.09.2025 for the supply of small batch size drug with sticker of BMSICL logo and stamp of Bihar Govt. Supply, Not for sale. The firm replied in its mail dated 23.09.2025 that "*due to batch size constraint, we cannot manufacture this much small quantity*". The reply of the firm was found to be unsatisfactory and this is the violation of clause 27 A and 27 C of the standard bid document.

The firm also replied in its mail dated 19.12.2024 that "*due to very less quantity, we cannot manufacture these items and cannot supply this much of small quantity to different destination, as our standard batch size for tablet is 1,00,000 to 1,50,000 tablets. It is very difficult to bear production, transportation and testing charges for too small quantity*". The reply of the firm was found to be unsatisfactory and this is the violation of clause 27 A and 27 C of the standard bid document.

This pattern of behaviour places the firm under the purview of a habitual defaulter. This is the violation of Clause 27(C) of the Standard Bidding Document.

Annexure-1 of the standard bid document states that "*Tendered quantity is just a tentative quantity and shouldn't be treated as final. It may increase or decrease, as per need of the State. Keeping this in mind, the supplier isn't allowed to seek termination of the Rate Contract after finishing supply of tendered quantity*"

Clause 27 A of the Standard Bid Document stipulates that -
"*If the Tenderer fails to execute the agreement/ to deposit performance security/ to perform the obligations under the tender conditions/commits default in the performance of the contract agreement, such Tenderers will be blacklisted for a period of 2 years by BMSICL from the date of intimation besides forfeiture of EMD/Performance Guarantee. The Tenderers who have withdrawn after participating in the tender either fully or partially, the entire firm/company will be blacklisted for a period of 2 years from the date of intimation by BMSICL apart from forfeiture of the Security Deposit/EMD*".



Clause 27 C of the Standard Bid Documents stipulates that:-
“BLACKLISTING FOR NON SUPPLY/PART SUPPLY/DELAYED SUPPLY/NON-FULFILLMENT OF CONTRACT OBLIGATION:-

Notwithstanding various actions and penalties for supply and/or delayed supply of the drugs and medicines as stipulated in the terms and conditions of the tender, the BMSICL, shall take action against the supplier as follows:

- (i) In case, the supplier is found to be habitual defaulter of delayed supply or not supplying the full quantity in time, the balance amount of performance security of such company shall be forfeited. No further supply order shall be given to them and company shall be barred from participating in any tender floated by BMSICL, further other punitive action such as blacklisting of the firm for a minimum period of 2 years from the date of intimation for blacklisting/debarring.*
- (ii) Purchase orders, if any, already issued before taking any blacklisting action or orders given in past will not be affected in view of action taken as per above guidelines but all strict quality checks shall be observed for each supply of products.*

The blacklisting of particular product or company/firm will be done without prejudice to other penalties which may be imposed as per the conditions of Tender documents and also to other actions which may be initiated under Drugs and Cosmetics Act, 1940 or any other law of Land. BMSICL will display names of such blacklisted product(S) and company/ firm on its website for general notice".

All the above-mentioned drugs are lifesaving drug which are useful for Patient of HIV etc. This activity of the firm of non-supply of such important medicines adversely affecting the objectives of BMSICL i.e. Free Drugs supply to every patient at all Government Health Facilities in the State of Bihar within the stipulated time period.

Thus, in light of the provisions contained in the tender document, M/s Centurion Laboratories Pvt. Ltd. Having its Head Office at P-2, Bio-tech Park, Manjusar, Savli Dist. Vadodara, Gujarat-391775 is hereby blacklisted for a period of three (3) years from the date of issue of this order apart from forfeiture of security deposit and EMD.

Sd/-
(Managing Director)

Memo No.BMSIC/40030/175-2024/7950

Copy to: The Managing Director M/s Centurion Laboratories Pvt. Ltd. For Information and needful action.



Sd/-
(Managing Director)

Memo No.

Date:-

Copy to:

1. The Secretary, Department of Health, Govt. of Bihar for kind Information please
2. Executive Director, State Health Society, Bihar for kind Information please
3. The CGM (Supply Chain), General Manager (Logistics), General Manager (Finance), BMSICL for information and necessary action. GM (Logistics) is requested to ensure publication of this order on the official website of BMSICL and Notice Board as well
4. MD, All Medical Corporations and Procurement Agencies all over India for Information necessary action please.
5. CEO, Government e-Marketplace for information and necessary action please
6. All Civil Surgeons, Bihar and Superintendents of all Govt. medical colleges and hospital Bihar for information and necessary action.
7. All the concerned manufacturer having rate contract with BMSICL for information.

Sd/-
(Managing Director)

8. We have heard the parties at length and perused the material available on the record, it is crystal clear from the impugned order that despite of repeated request to the petitioners, the petitioners have failed to comply the terms and conditions of the agreement as well as even the petitioners have not supplied a single drug as mentioned in the impugned order. The respondent-BMSICL has given proper opportunity to the petitioners to comply the agreement dated 19.10.2022 requesting them to supply the medicines which are life saving drugs but the petitioners have not



supplied the drugs in question. The BMSICL has rightly issued the impugned order dated 14.10.2025 and as per Clause 27(A) and 27(C) of the Standard Bid Documents, the petitioners’ company has been blacklisted.

9. We find no merit in the present writ application, it is, accordingly, dismissed.

10. Pending application(s), if any, stands disposed of.

(Sudhir Singh, ACJ)

(Rajesh Kumar Verma, J)

Nitesh/-

AFR/NAFR	NAFR
CAV DATE	NA
Uploading Date	14.11.2025
Transmission Date	NA

