

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

F. No.: 3315703

Dated: 22/09/2026

To,

M/s Pentagon Labs Limited
206, Archana Apartment 8-B,
Ratlam Kothi, Indore - 452001
Email: pentagonlabsltd@yahoo.co.in

Subject: Debarment of M/s Pentagons Labs Ltd. for two years from participating in tenders – Continuation thereof.

References:

1. Notice of debarment 11A/H/Drugs/2022-23 Dt:- 27/09/2025
2. Representation against the Debarment letter Dt:- 03/10/2025
3. The High Court of Delhi order Dt:- 14/01/2026
4. Show Cause Notice dated 11.08.2026
5. Personal Hearing Dated:- 17/08/2026 regarding repeated complaints of visible contamination in IV Fluid Products supplied by M/s Pentagon Labs Limited

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, repeated complaints were received from user-departments regarding IV Fluid Products supplied by M/s Pentagon Labs Limited.
3. M/s Pentagon Labs Ltd. was debarred for two years w.e.f. 27/09/2025 including the termination of the contract for the 04 items i.e. DNS 0.9% 500 ml Glass, Dextrose 50% 100 ml Glass, Dextrose 5% 500 ml Glass and 20% Mannitol 100 ml Glass.
4. M/s Pentagon Labs Ltd. represented against the debarment order and the termination of the contract for four items following, the committee was constituted under the chairmanship of Dr. Sandeep Mahajan, Professor, Nephrology. The committee recommended to reduce the period of debarment to six months, subject to satisfactory quality performance.
5. M/s Pentagon Labs Ltd. further represented against the letter of debarment in the Delhi High Court in which the Delhi High Court passed the directions as "Let the representation of the petitioner be reconsidered afresh without being prejudiced by the observations earlier made in order dated:- 27/09/2025, unless the same are inevitable."


22/9/25
रिक्त भण्डार अधिकारी (अस्पताल)
Special Officer (Hospital)
अ.मा.अ.स., अंसरी नगर, नई दिल्ली-29
A.I.M.S., Ansari Nagar, New Delhi-29

6. Meanwhile, it was observed that there were also repeated complaints regarding other products (Ringer Lactate 500 ml Glass Batch No. 25GD043, N/5 500 ml Glass Batch No. 26GBH001, 20% Mannitol 100 ml Plastic Batch No. 25EMN021, DNS 0.9% 500 ml Glass Batch No. 24GB072, NS 500 ml Glass Batch No. 26GC109, DNS 0.33% 500 ml Glass Batch No. 26GBE001) supplied by M/s Pentagons Labs Ltd., prompting the issuance of fresh Show Cause Notices and the scheduling of the personal hearing to ensure fair opportunity to the firm.

7. The Show Cause Notice dated 11.08.2026 was issued to M/s Pentagon Labs Limited with instruction to attend a personal hearing meeting on 17.08.2026 to explain the reason for this gross non-compliance which can put serious risk to patient care services.

8. In the personal hearing meeting held on 17.08.2026, Mr. M L Jain, 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.

9. In the meeting, Mr. M L Jain, the representative of M/s Pentagon Labs Limited acknowledged the issue and suggested that the contamination could have occurred due to issues related to logistics. He further stated that there is warning for the same on the bottle "*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 invisible damage to bottle in transit or storage or vacuum lost.*" advising the user to check the product before use.

10. In the personal hearing, the committee held the considered view that ensuring the safe delivery and integrity of I.V. fluids – including transit logistics – remains the responsibility of the vendor. Despite prior assurances from the firm's representative to implement stringent quality checks on packaging and third-party supplied components like quality of Glass bottles, cork etc., no such improvement has been noticed. Furthermore, the committee noted with concern that the complaints regarding product quality have now also expanded to other supplied items.

During the proceedings, Mr. M L Jain also acknowledged multiple complaints and it was observed & documented that there is persistent complaints of contamination in IV fluids supplied by M/s Pentagons Labs Ltd. reflecting the ongoing failure to maintain mandated quality standards.

11. 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.

12. 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.

13. 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,

22/9/26
सिद्ध भण्डार अधिकारी (अस्पताल)
Senior Store Officer (Hospital)
अ.भा.आ.सं., अंसरी नगर, नई दिल्ली-29
A.I.I.M.S., Ansari Nagar, New Delhi-29

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

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) M/s Pentagon Labs Limited is continued to be debarred for the following items i.e. Ringer Lactate 500 ml Glass, N/5 500 ml Glass, 20% Mannitol 100 ml Plastic, DNS 0.9% 500 ml Glass, NS 500 ml Glass, DNS 0.33% 500 ml Glass, Dextrose 50% 100 ml Glass, Dextrose 5% 500 ml Glass and 20% Mannitol 100 ml Glass from participating in AIIMS tenders and contracts for 02 years till 26/09/2027 under the provisions of Clause 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.

b) The Performance Bank Guarantee (PBG) submitted by M/s Pentagon Labs Limited stands 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.

22/9/26

Sr. Store Officer
Main Hospital Store
AIIMS, New Delhi

 वरिष्ठ भण्डार अधिकारी (अस्पताल)
Senior Store Officer (Hospital)
अ.भा.आ.सं., अंसारी नगर, नई दिल्ली-29
A.I.I.M.S., Ansari Nagar, New Delhi-29

Copy to:

1. Director, AIIMS, New Delhi
2. Addl. Director (Admin), AIIMS, New Delhi
3. 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.