

TATA INSTITUTE OF FUNDAMENTAL RESEARCH
(National Centre of the Government of India for Nuclear Science & Mathematics)
A DEEMED UNIVERSITY

Homi Bhabha Road, Colaba, Mumbai – 400 005.

**PROCEDURE FOR REMOVAL OR
SUSPENSION FROM THE VENDORS LIST**

1. Policy

- 1.1. After the recommendation of the Committee for blacklisting of vendors (henceforth referred as Committee) with the approval of Director the Purchase Officer shall have the responsibility to remove or suspend vendors from the list of eligible bidders and to disqualify such vendors from receiving any business from the Institute for a period of up to one (1) year. Such action shall be based on serious failures on the part of the vendor and shall include formal notice to the vendor with an opportunity for response to the actions.

2. Cause for Removal or Suspension of Suppliers

- 2.1. Vendors who fail to respond to a reasonable number of bids or fail to provide adequate goods or services shall be removed from the Vendors List. Reported failure to comply with bids, awards, and/or orders becomes a part of the bidder's file. If a qualified bidder repeatedly fails to respond to Invitations to Bid, the bidder will be removed from all commodity groups. Examples of failure to comply include but are not limited to, the following:
- 2.1.1. For consecutive failure to respond with either a valid bid or an indication of "No Bid" to the Institute's Invitation to Bid or Request for Proposal.
- 2.1.2. Failure to keep an offer firm for the length of time specified.
- 2.1.3. Default or failure to accept orders or honor a bid or contract that is based on firm bids within the stipulated period for acceptance.
- 2.1.4. Failure to provide a performance bond when required as part of the contract documents.
- 2.1.5. Failure to make delivery or complete a project in the time period specified on the contract or purchase order.
- 2.1.6. Delivery of commodities, equipment, or services which do not comply with the published requirements or specifications.

- 2.1.7. Frequent late delivery of goods/services without proper notification and justifications
- 2.1.8. Over^S shipments, under^Q shipments, early shipments and late shipments.
- 2.1.9. Unauthorized Substitutions.
- 2.1.10. Failure to make good on warranties and guarantees on products supplied.
- 2.1.11. Service deficiencies, poor after-sales service and slow response to maintenance calls.
- 2.1.12. Billing Errors
- 2.1.13. Collusion with other bidders or prospective bidders in an attempt to restrain competition.
- 2.1.14. Unethical Practices
- 2.1.15. Misrepresentation of Merchandise.
- 2.1.16. Failure to meet contract terms and conditions including, but not limited to, insurance and affirmative action requirements.
- 2.1.17. Giving information on the bidder list that is false or misleading.
- 2.1.18. Failure of a vendor to perform satisfactorily in any of the above areas may result in a vendor's liability for damages to the institution.
- 2.1.19. Any violation of the Institute's policies and procedures or laws of the State or Central Government pertaining to public purchasing.
- 2.1.20. Other violations of responsible business practices or unsatisfactory performance.
- 2.1.21. Any party that is involved in a current law suit or legal action against the Institute.
- 2.1.22. Any other criteria as the Committee may deem appropriate in the interest of the Institute and in compliance with the stipulated procurement procedures.

3. Dealing with Unsatisfactory Suppliers

- 3.1. Verbal warnings (once or twice) should be given to the unsatisfactory suppliers (record of such warnings should be kept);
- 3.2. Written warnings must be issued to the unsatisfactory suppliers who have shown no improvement after being verbally warned by the Institute;
- 3.3. If there is no improvement observed within a reasonable period of time after both verbal and written warnings have been issued, a proposal will be made by the Purchase Officer and processed for removal or suspension of such suppliers from the approved lists.

4. Procedure for Suspension/Removal of Unsatisfactory Suppliers from the Bidders Lists

- 4.1. Upon receiving a complaint from the indenter or indenting department (in the prescribed form) on one or more of the above listed problems, the Purchase Section shall notify the vendor in writing and request explanation prior to proceeding.
- 4.2. Vendor may dispute the Purchase Section's claim by responding in writing within two (2) weeks of notification. Response should include the vendor's interpretation of the events described by the Purchase Section.
- 4.3. In their response, the vendor may request a formal meeting with the Purchase Officer and the indenter / indenting department involved.
- 4.4. Following consideration of all information obtained in the complaint, vendor response and formal meeting, the Purchasing Officer shall submit the documents to the Chairman of the Committee.
- 4.5. A recommendation for removal or suspension shall take effect immediately only after recommendation by the Committee upon approval by the Director.
- 4.6. Purchase Officer shall issue notice of removal or suspension to all departments and shall cause the vendor's number to be designated as "Inactive" in the Institute's computerized purchasing system. This information shall also be put on the Datatnet.
- 4.7. No purchase orders or contracts are to be issued or executed with a vendor which has been removed or suspended in accord with this policy and procedure.
- 4.8. Removal or suspension shall include all products or services provided by the suspended vendor.

5. Subcontracting by an Ineligible Vendor

- 5.1. Suspension shall include Institute business directly or indirectly such as being a subcontractor to another vendor on Institute work.
- 5.2. Any disqualified vendor that is found to be a subcontractor on an Institute job shall have their suspension increased by an additional year.
- 5.3. Use of ineligible vendors as subcontractors may cause the main contractor to be placed on the Institute's list of ineligible vendors. The Institute's "Standard Instructions to Bidders" shall include a warning to this affect, as well as information on obtaining a current list of suspended vendors.

6. Duration and Reinstatement

- 6.1. Suspension shall be for an initial period of up to one (1) year, based on the recommendation of the Committee and approval by the Director.
- 6.2. At the end of the suspension period, a review will be conducted by the Committee to determine if problems have been resolved to correct the situation(s) that caused the original suspension.
- 6.3. If the problems have been resolved, the suspension will be lifted and the vendor returned to eligible status. If the problems have not been resolved, an additional period of suspension shall be imposed or suspension may be made permanent and the vendor removed from the Institute bid lists.
- 6.4. Reinstatement to the active bidder's list may be petitioned by the vendor at any time after formal notice of removal is received by the vendor. The vendor may submit in writing an explanation of the circumstances that caused the removal or suspension and the actions taken to correct the deficiency. On the basis of such explanation or demonstration, the Committee may rescind the removal or suspension.

7. Maintenance of Record

The complete record / register in respect of firms/suppliers/manufacturers where whom suspension or removal has been imposed or suspension or removal has been revoked shall be maintained by the Purchase