

CHAPTER – 3
SOURCE REGISTRATION

3.1 Introduction

3.1.1 Reputed and reliable vendors are intangible assets to Purchase organisations. Efficiency of purchase function mainly depends upon the reliable source of supply. Hence it is very important for purchase organisation to have data base of reliable vendors in the form of registered vendors.

3.1.2 The registration procedure involves thorough evaluation of reliability of vendors seeking registration of the Department. Hence the selection and registration of vendors, their performance appraisal and classification must be clearly spelt out and properly disseminated.

3.2 Categories for Registration of Vendors

3.2.1 DPS will consider the applications only from the following categories of vendors according to policies in force from time to time:

1. Manufacturers
2. Assemblers
3. Converters

3.3 Manufacturer

3.3.1 Indian Manufacturer

3.3.1.1 Indian firms having their own factory(s) or utilising the factory of some other firm on lease or other arrangements for manufacture/fabrication of the stores wholly for which the registration is sought or entrusting a part of the work to some sub-contractors may seek registration. In cases where the Indian firm does not have their own factory, the firm should have a valid agreement to formalize such arrangements with the firm owning the factory. This agreement should be valid at least for a period of three years at the time of application.

3.3.2 Foreign Manufacturer

3.3.2.1 Foreign manufacturers can also be considered for registration. The services of Atomic Energy Wing, Paris or the Indian Embassy in the country of the manufacturer can be made use of to assess their credentials.

3.3.2.2 The additional documents that may be required from foreign manufacturers will be as under

- 1) In respect of foreign firms one set of catalogue, price list, etc. of the products being manufactured.

- 2) The availability or otherwise of after sale service facility in India and details thereof. These details shall be incorporated in the registration letter issued to the foreign manufacturer/their Indian Agent.

3.3.2.3 The registration of foreign firms and enlistment of their Indian agents should be preferably processed together. However, foreign manufacturers can be considered for registration without their Indian agent for such items where no after sale service is required.

3.4 Assembler

3.4.1 This category of suppliers normally buys the major items from the market and carries out the assembling work such as, air-conditioning plants, computers etc.

3.5 Converter

3.5.1 This category of suppliers does value addition to their products by their own technical facilities. Example: x-ray films, computer stationery, etc.

3.6 Application form

3.6.1 Application form for Registration can be obtained/downloaded by the firm from DPS website (www.dpsdae.gov.in) and shall be submitted along with required documents as called for in the application. There are no fees applicable for the forms.

3.7 De-registration, temporary debarment and De-enrolment from e-tendering portal

3.7.1 De-registration, temporary debarment and de-enrolment of a firm for a particular period not more than a year may be done with the approval of the competent authority in the following circumstances:

- 1) They fail to abide by the terms and conditions under which the registration/enrolment has been granted.
- 2) Makes any false declaration to DAE or any other Department.
- 3) Supplied stores of inferior quality.
- 4) Withdrew offer within validity period or failed to execute a contract or failed to execute it satisfactorily.
- 5) If the firm is declared bankrupt or insolvent.
- 6) On any ground which, in the opinion of DPS, retention of the firm's name in the list of registered/enrolled suppliers is not in public interest.
- 7) Failed to adhere to the code of integrity.

3.7.2 When any such instances are brought to the notice of the competent authority a show cause notice shall be issued to the firm about the action proposed and grounds thereof. On consideration of reply thereto or after expiry of notice period, appropriate orders shall be passed for de-registration or de-enrolment or temporary debarment or cancellation of the

registration of the firm and removal from the list of approved contractor/removal of name from e-tendering site/temporary debarment of the firm from participation against tenders issued by DPS.

3.7.3 The contractor shall be given an opportunity to appeal for reviewing. Director DPS shall receive the appeal for reviewing. Review of the decision shall be carried out by him or an officer authorised by him and the decision shall be communicated to the firm.

3.7.4 The list of all the temporary debarred/de-enrolled suppliers shall be displayed on the website of DPS. All DPS procuring entities after checking the status of the participating bidder(s) from the above mentioned lists may take the appropriate action accordingly.

3.8 Punitive Provisions

3.8.1 Without prejudice to and in addition to the rights of DPS to other penal provisions as per the tender or conditions of contract, if DPS comes to a conclusion that a bidder/supplier (whether prospective or otherwise), directly or through an agent or any other person as specified in the NIT, has violated code of integrity while competing for the contract or during execution of the contract, DPS may take appropriate measures including one or more of the following:

1. If his bids are under consideration in any procurement
 - a. Forfeiture or encashment of bid security (EMD);
 - b. Calling off of any pre-contract negotiations; and
 - c. Rejection and exclusion of the bidder from the procurement process.
2. If a contract has already been awarded
 - a. Forfeiture or encashment of any other security or bond relating to the procurement (Security Deposit);
 - b. Recovery of payments including advance payments, if any, made by the DPS along with interest thereon at the prevailing rate.
3. Provisions in addition to above:
 - a. Removal of name of vendor from the list of vendors and debarment of the vendor from participation in future procurements of the DPS for a period not exceeding one year;
 - b. In case of anti-competitive practices, information for further processing may be filed with the Competition Commission of India;
4. Holiday listing (Temporary debarment or suspension);
5. Removal from list of vendors;
6. Debarment from ministry/country-wide procurements;
 - a. The list of all the debarred suppliers shall be displayed on the website of Procuring Entity as well as on Central Procurement Portal. All procuring entities after checking the status of the participating bidder(s) from the above mentioned lists may take the appropriate action accordingly.

3.8.2 Debarment of Firm by DAE

3.8.2.1 When the misconduct and moral turpitude of a firm goes beyond mere performance issues, imposition of a ban on business relations with the firm may be done for a specified period of time (not exceeding three years), after following the debarment procedures mentioned below. DPS should ensure that, before sending the proposal to DAE for debarment of business, the name of the defaulting firm is removed from its list of vendors/Registered Vendors. An order of debarment passed on account of doubtful loyalty to the country or national security considerations shall continue to remain in force until it is specifically revoked.

Firms or individuals and any of their successors can be banned or debarred for a specified period of time (not exceeding three years), if the firm or its partners/directors/agents/representatives/employees with the knowledge of the firm or without it fail to adhere to the code of integrity.

3.8.3 Country-wide debarment

3.8.3.1 Debarment from participating in a procurement process of any Procuring Entity of GoI, for a period not exceeding three years, if the proprietor of the firm, its employee, partner or representative:

- a) Is convicted of any offence by a court under the Prevention of Corruption Act, 1988;
- b) Is convicted of any offence by a court under the Indian Penal Code or any other law for the time being in force for causing any loss of life or property or causing a threat to public health or to any other legal liability to the Procuring Entity as part of execution of a public procurement contract;
- c) Is suspected to have doubtful loyalty to the country or national security considerations as determined by appropriate agencies of GoI;
- d) Any other ground, based on which the GoI, considers that debarment is in public interest.
- e) For serious transgression of CIPP (Code of Integrity for Public Procurement)