



POLICY FOR ACTIONS TO BE TAKEN AGAINST VENDORS/CONTRACTORS FOR DEFAULTS IN TENDER/CONTRACT TERMS, DISCHARGE OF CONTRACTUAL OBLIGATIONS, CORRUPT/FRAUDULENT/COLLUSIVE/COERCIVE PRACTICES

REVISED (w.e.f. 29.11.2023)

1. Scope:

Guidelines under this policy shall govern the placing on "Holiday/Debarment" of manufacturer(s), supplier(s), distributor(s), contractor(s), service provider(s), bidder(s) and consultant(s) including any Persons/Companies acting on their behalf (These shall be called "Vendors", and jobs / supplies awarded / proposed to be awarded shall be called "Contract") against all types of defaults, including but not limited to the following:

- Performance and/or Quality related issues/ Supply of sub-standard Materials etc.
- Bid Withdrawal/ Non-acceptance of PO/ Non-mobilization of resources etc.
- Corrupt/ Fraudulent/ Collusive/ Coercive Practices during Tendering Process / Award Process / Work Execution
- Financial Frauds.

This policy shall apply to all functions and locations of GGL and shall form an integral part of the Contracts with the Vendors.

2. Restrictions on Vendors placed on "Holiday/ Debarred":

A Vendor that is placed on "holiday" OR debarred as per this Policy shall not be allowed to participate in the bidding of GGL jobs/supply tenders during the period of holiday/debarment. These restrictions shall be equally applicable to a joint venture, consortium having a Vendor on Holiday/debarred as one of the partners.

3. Definition:

Termination Committee – Cross Functional Team hereinafter referred to as Termination Committee.

4. Process of placing on "Holiday/ Debarment":

4.1 Competitive bidding / Tendering / award process stage:

During the competitive bidding /Tendering /award process stage, bidders or prospective bidders should be considered for putting on "Holiday/ Debarment" from participating in the bidding process for a period mentioned in Clause-4.4 below, without prejudice to any other contractual damages that the Vendor is liable to pay for under the terms of the Contract, for one or more reasons mentioned below:

1. Submission of eligibility requirements containing false information or falsified documents and adjusted balance sheet, P & L, working capital, etc.



POLICY FOR ACTIONS TO BE TAKEN AGAINST VENDORS/CONTRACTORS FOR DEFAULTS IN TENDER/CONTRACT TERMS, DISCHARGE OF CONTRACTUAL OBLIGATIONS, CORRUPT/FRAUDULENT/COLLUSIVE/COERCIVE PRACTICES

REVISED (w.e.f. 29.11.2023)

2. Submission of bids that contain false information or falsified documents, or the concealment of such information in the bids in order to influence the outcome of eligibility screening, or any other stage of the bidding.
3. Withdrawal of a bid or any deviation sought after bid submission due date without justifiable cause, or refusal to accept an award, or refusal to enter into Contract, after it has been considered as having submitted the bid suitable for award.
4. Refusal or failure, to post/submit the required Bank Guarantee(s) as per the Contract/ Tender within the prescribed time.
5. Resorts to unethical business practices or flouts and / or does not maintain prudent and lawful business ethics / policies e.g. any unsolicited attempt by a vendor to unduly influence the outcome of the bidding in his favour or forming of cartel by the bidders/vendors participating in the bid etc.
6. Other acts that tend to defeat the purpose of the competitive bidding, such as but not limited to not complying with the requirements during bid evaluation, cartelling, etc.

Notes:

- If any of the above-mentioned event(s) comes to the notice of GGL prior to opening of price/ commercial bids; bids submitted by such bidders shall be rejected and the Company will continue with bidding/tendering process.
- If any of the above-mentioned event(s) comes to the notice of GGL post opening of price/ commercial bids; bids submitted by such bidders shall NOT be considered for further Award/Rate Acceptance.
- In case such bidder has emerged as L1 Bidder, Tendering process and/or Contract award process shall continue subject to acceptance of L1 rates by other qualified/empaneled bidder(s). In case none of the bidders accept the L1 rates, re-tendering shall be carried out.
- Tendering process and/or Contract award process and/or work execution shall continue in all cases wherein the default is by the Non-L1 Bidder/ Contractor who was Non-L1 bidder in the relevant tendering process.
- EMD as well as all types of BG / retention towards PBG, if any and as applicable to be forfeited as per Tender / Contract terms, without prejudice to any other contractual damages that the vendor is liable to pay under the terms of the Contract.

Notes: In all cases, actions shall be initiated against such defaulter Vendor(s) for putting on Holiday/ Debarment as per the provisions of this Policy.



POLICY FOR ACTIONS TO BE TAKEN AGAINST VENDORS/CONTRACTORS FOR DEFAULTS IN TENDER/CONTRACT TERMS, DISCHARGE OF CONTRACTUAL OBLIGATIONS, CORRUPT/FRAUDULENT/COLLUSIVE/COERCIVE PRACTICES

REVISED (w.e.f. 29.11.2023)

4.2 Contract implementation Stage

Vendors may be put on Holiday/Debarred for a period mentioned in Clause-4.4 immediately after the termination of the Contract or keeping the Contract in force till completion for breach committed during the Contract implementation stage, without prejudice to any other contractual damages that the Vendor is liable to pay for under the terms of the Contract, which include but not limited to the following:

1. Failure of the Vendor, due to its fault or negligence, to mobilize and start work or performance within the specified period.
2. Failure by the Vendor to fully and faithfully comply with its contractual obligations without valid cause, or failure by the Vendor to comply with any written lawful instruction of GGL or its representative(s) pursuant to the implementation of the Contract. Indicative list of lawful instructions include but are not limited to the following:
 - a. Employment of competent technical personnel, competent engineers and/or work supervisors.
 - b. Provision of warning signs and barricades in accordance with approved plans and specifications and Contract provisions;
 - c. Stockpiling in improper places of all materials and removal from the project site of waste and excess materials, including broken pavement and excavated debris in accordance with approved plans and specifications and Contract provisions;
 - d. Deployment of committed equipment, facilities, support staff and manpower; and
 - e. Renewal of the effective dates of the performance security after its expiration during the course of Contract implementation.
3. Assignment and/or subcontracting of the Contract or any part thereof or substitution of key personnel named in the proposal without prior written approval by GGL.
4. Unsatisfactory progress or otherwise failures and/or slippage in adhering to contractual milestones or final delivery schedule or contractual service obligations due to reasons not attributable to GGL.
5. Failure to meet quality Standards / Specifications provided in the Contract;



POLICY FOR ACTIONS TO BE TAKEN AGAINST VENDORS/CONTRACTORS FOR DEFAULTS IN TENDER/CONTRACT TERMS, DISCHARGE OF CONTRACTUAL OBLIGATIONS, CORRUPT/FRAUDULENT/COLLUSIVE/COERCIVE PRACTICES

REVISED (w.e.f. 29.11.2023)

-
6. Poor performance by the Consultant of his services arising from his fault or negligence and/or the following acts by the Consultant shall be construed as poor performance:
- Defective design resulting in substantial corrective works in design and/or construction;
 - Failure to deliver critical outputs due to Consultant's fault or negligence; and
 - Specifying materials which are inappropriate, substandard, or way below acceptable standards.
 - Allowing defective workmanship or works by the Vendor being supervised by the consultant.
7. Poor performance by the Vendor or unsatisfactory quality and / or progress of work arising from his fault or negligence as reflected in the contractor's performance evaluation report and official correspondence. Any existing performance monitoring system of GGL shall be applied. Any of the following acts by the Contractor shall be construed as poor performance:
- Negative slippage of 12% and above within the critical path, wherever applicable, of the project due to the fault or negligence of the Contractor;
 - Quality of materials and workmanship not complying with the approved specifications arising from the Contractor's fault or negligence.
8. Wilful or deliberate abandonment or non-performance of the project or Contract by the Contractor resulting to substantial breach thereof.
9. Any defaults covered in Clause 4.1 above, which comes to the notice of GGL after award/during implementation stage.

4.3 Other reasons:

- a. Undisciplined behaviour with any officer or employee of GGL or other agencies appointed by GGL.
- b. Creating law & order problem during bidding, execution and closure of Contract
- c. Vendor indulging in frivolous litigation/arbitration OR having history of initiating litigations/arbitrations, against GGL or GSPC Group Companies, will not be considered eligible for bidding.
- d. Any other grounds which in the opinion of GGL; render retention of the Vendor undesirable in the interest of GGL.
- e. Has been put on Holiday/debarred by any of the GSPC Group Companies.



**POLICY FOR ACTIONS TO BE TAKEN AGAINST VENDORS/CONTRACTORS FOR
DEFAULTS IN TENDER/CONTRACT TERMS, DISCHARGE OF CONTRACTUAL
OBLIGATIONS, CORRUPT/FRAUDULENT/COLLUSIVE/COERCIVE PRACTICES**

REVISED (w.e.f. 29.11.2023)

Notes: In all cases, all other on-going Contracts of such defaulter Vendor may be allowed to continue at the sole discretion of GGL.

4.4 Holiday/Debarment Period

Holiday/Debarment Period for all the above-mentioned defaults shall be as below:

Category	Type of Defaults	Debarment Period
Category-1A	<ul style="list-style-type: none"> Submission of False/Forged documents or information, which are forming the basis of Qualification/ Evaluation/ Billing/ Payment etc. Corrupt/ Fraudulent/ Collusive/ Coercive Practices during Tendering Process /Award Process /Work Execution etc. 	<p>3 years from the date of issuance of Debarment Letter</p> <p>In case of repeat default(s), Debarment Period shall be 3 years from the date of issuance of Debarment Letter against such repeat default(s).</p>
Category-1B	<ul style="list-style-type: none"> Serious Financial frauds like siphoning of money etc. 	<p>5 years from the date of issuance of Debarment Letter</p> <p>In case of repeat default(s), Debarment Period shall be 5 years from the date of issuance of Debarment Letter against such repeat default(s).</p>
Category-2	<ul style="list-style-type: none"> Bid Withdrawal Non-acceptance of PO Non-mobilization of resources Non-Performance of Contract Quality related issues Other defaults such as undisciplined behaviours, creating law and order issues etc. Any other grounds which in the opinion of GGL; render retention of the Vendor undesirable in the interest of GGL. 	<p>1 year from the date of issuance of Debarment Letter</p> <p>In case of repeat default(s), Debarment Period shall be 1 (one) year from the date of issuance of Debarment Letter against such repeat default(s).</p>



POLICY FOR ACTIONS TO BE TAKEN AGAINST VENDORS/CONTRACTORS FOR DEFAULTS IN TENDER/CONTRACT TERMS, DISCHARGE OF CONTRACTUAL OBLIGATIONS, CORRUPT/FRAUDULENT/COLLUSIVE/COERCIVE PRACTICES

REVISED (w.e.f. 29.11.2023)

Period specified above shall be deemed to be extended in case of "On Holiday/Debarred", subject to specified conditions viz; Non-improvement of performance in concurrent contracts or completion of Contracts in hand are not fulfilled.

EMD as well as all types of BG / retention towards PBG, if any and as applicable to be forfeited, without prejudice to all the other rights and remedies available to GGL under the reference EOI/Tender/Contract and at Law including but not limited to appropriate legal actions – as and when deemed fit.

5. Procedure for placing on "Holiday/Debarment"

User department or Procurement/Materials Department as the case may be, after following due process; initiate the Proposal for putting a Vendor on "Holiday/Debarment" by specifying any of the reason(s) cited above. Termination Committee shall examine the proposal & recommend the same based on suitability to the Tender Review Committee (TRC) for approval.

All Proposals shall include the duration of the "Holiday/Debarment" citing reasons and scope for which the "Holiday/Debarment" is proposed.

6. Status of "On Holiday/Debarred" Vendor

Vendor shall be informed with reasons in writing & shall be barred for participation in any of GGL tenders/Request for Quotation (RFQ)/ Expression of Interest (EOI) within the scope & duration of being placed "On Holiday/Debarment".

Such a Vendor shall be automatically delisted from the "On Holiday/ Debarred" list of Vendors after the period of "Holiday/Debarment" shall have elapsed, unless the "On Holiday/Debarment" is conditional & GGL representative initiating the proposal for placing "On Holiday/Debarment" submits a report to Tender Review Committee (TRC) mentioning the fulfilment of conditions.

Acceptance of the said report by Tender Review Committee (TRC) shall result into delisting of the Vendor from the list of "On Holiday/Debarred" Vendors.