

## **Registration of Vendor - Brief guidelines**

### **Disclaimer :**

Following summary of Procedure for Registration of vendors in North Central Railway (NCR) is given for general guidance only and hence not worded in a strictly legal language. Therefore, it is not meant to be a substitute for legal and administrative rules, systems and procedures.

NCR needs nearly 10,000 wide variety of sophisticated and precision equipment, consumables and spares valuing over Rs.300 Crs. (including contractor supply item against works contract) annually to keep the railway system in good working condition.

### **1.0 Railway primarily needs following types of Materials:**

The items procured ranges from spares and assemblies for Diesel/Electric Locos, Carriage & Wagons, various tools, spares, appliances and machines, Electrical fittings, Signaling and Telecommunication items, Permanent Way items, Hardware, Clothing, Petroleum Products, Stationery, Various raw Materials and other general items.

In addition, Principal Chief Materials Manager (PCMM), N.C. Railway is responsible for printing and supply of various forms and stationary items and also for disposal of various scrap/condemned rolling stock, machineries, ferrous and non-ferrous items.

For the sake of convenience of development and purchase, the items are divided into various 'Vendor' Trade Groups which are indicated in the Booklet supplied along with the Registration Form.

### **2.0 Railway adopts following mode of tendering for procurement:**

- (i) **Limited Tender** - Tender enquiries are issued only to selected registered and approved vendors, past suppliers and other likely sources.
- (ii) **Advertised Tender** - The complete details of Advertised tender are uploaded on [www.ireps.gov.in website](http://www.ireps.gov.in). E-tender notices for Stores tenders are not published in the newspapers
- (iii) **PAC Purchases i.e. Single Tender** - Where only one source exists. For Single source item, sometimes Railway is issuing Advertised notices also so those vendors desirous of development can attempt the same.

The complete details of the Stores tenders Issued from the office of PCMM, North Central Railway/Allahabad are uploaded on IREPS portal ([www.ireps.gov.in](http://www.ireps.gov.in)). E-tender notices for Stores tenders are not published in the newspapers by the office of PCMM, North Central Railway/Allahabad any more. Firms desirous to participate in the tenders of this office may visit IREPS portal ([www.ireps.gov.in](http://www.ireps.gov.in)) regularly after registering themselves on IREPS portal and submit their e-bids on this portal only.

Registration is not a Pre-requisite in the tenders as per (i), (ii) & (iii) above. However, unregistered firms may have to meet Earnest Money, Security Deposit Stipulation.

**3.0** The essence of purchasing is rational source selection. Therefore, Registration of a firm is done carefully after assessing the capacity-cum-capability of the firms and other checks as prescribed by the Ministry of Railways from time to time. **As mentioned above, registration is a must for participation in Bulletin Tenders.** In other type of tenders, Registered Vendors are eligible for certain concessions regarding Earnest Money and Security Deposit. etc.

#### **4.0 Minimum Eligibility Registration**

- (i) Firms located in any part of India can apply for Registration and can be registered on this Railway on merit irrespective of their registration or un-registration with their home railway.
- (ii) (a) Our requirement is mostly of typical Railway components and of items requiring manufacturing facility and therefore, preference is given to manufacturing units. The Turnover in last 03 years should be as under:-
  - (i) Traders/Authorized distributors & Stockiest- more than 10 lakhs.
  - (ii) Manufacturing units – more than 50 lakhs.However, turn over limit is not applicable for firms registered with NSIC/DGS&D.  
(b) All Manufacturing units must be ISO – 9000 certified unit. Traders and distributors must be representing at least 2 firms having ISO 9000 certificate.
- (iii) Sales Tax registration with relevant Sales Tax Authorities.
- (iv) Electronic Procurement System (EPS) for procurement of Materials has been introduced on North Central Railway. It is therefore, **mandatory** for each firm desirous of registration to obtain E-mail ID and Digital Signature certificate from any of the certifying authorities as per Govt. of India, IT Act. 2005 and proof enclosed with the application form. The list of licensed certifying agencies for ready reference is given below:

<b>S.N.</b>	<b>Name of Certifying Agency</b>	<b>Phone No.</b>	<b>Website Address</b>
1	MTNL	011-24329563	<a href="http://www.mtnltrustline.com">www.mtnltrustline.com</a>
2	(n) Code Solution (GNFC)	91-79-26857316	<a href="http://www.gnfc.com">www.gnfc.com</a>
3	Safescrypt	044-22540770	<a href="http://www.safescrypt.com">www.safescrypt.com</a>
4	TCS	022-22024827	<a href="http://www.tcs-ca.tcs.co.in">www.tcs-ca.tcs.co.in</a>
5	NIC	011-24361133	<a href="http://www.nic.in">www.nic.in</a>
6	IDRBT	040-23534982-85	<a href="http://www.idrbtca.org.in">www.idrbtca.org.in</a>
7	Customs & Central Excise	011-26877960	<a href="http://www.icert.gov.in">www.icert.gov.in</a>

## **5.0 Procedure for New Registration of Firm :**

- (i) On receipt of firm's application on their letter head requesting Principal Chief Materials Manager to grant registration for their firms. Vendor Registration Section will issue normally within a week's time a "Preliminary Form" as Annexure 'A' asking them to furnish particulars and documents as prescribed in the form. The Preliminary Form can be had from the office of Principal Chief Materials Manager or downloaded from the NCR's website free of cost. When the "Preliminary Form" with all required documents is received, it will be scrutinized and deficiencies, if any, will be pointed out to firms generally within 15days from the date of receipt of the Preliminary Form.
- (ii) After all the documents have been submitted by the firm, "Main Application Form" as Annexure 'B' will be issued asking firm to deposit Rs. 1000/- towards Registration Processing fee. NSIC registered firms are exempted from payment of this fee. The firm is supposed to submit duly filled above form enclosing requisite documents along with a D.D. of Rs. 1000/- drawn in favour of PFA, N.C. Railway, Allahabad as a processing fee.
- (iii) After all the documents have been submitted by the firm, a confidential Confirmation in Standard format No.3 will be sent to Bankers of the firm to get information about the financial status of the firm.
- (iv) Banker's report are not required for the registration in same category for those firms who have already been registered with Principal Chief Materials Manager of concerned Zonal Railways/RCF/ICF/ DLW/CLW/ DMW/ NSIC/ DGS&D/RDSO.
- (v) After receipt of duly filled "Main Application Form" and having found completed in all respect, confirmation of their registration will be done by following measures:-
  - Cross verification with concerned Railways/NSIC.  
Or
  - Reconciliation with information contained in the official website of Concerned Rly. /NSIC, NSIC Vendor Booklet issued by NSIC time to time.  
Or
  - Affidavit furnished by the firm regarding status of their registration with other Rlys./NSIC.
- (vi) In case, firm is not registered with any of the agencies (Railways/NSIC) an officer of Stores Department (Normally JAG/SG of HQ) will be nominated by CMM/C to inspect the firm's premises. For outstation firms, closest officer of N.C. Railway, Stores Branch may be nominated. Nominated Officer of HQ will normally be the Officer who deals with the trade group requested by the firm and will submit report on the technical capability and financial capacity of the firm. On receipt of inspection report, Vendor Registration Section will put up file to CMM/C for approval of registration.
- (vii) If the firm is registered with Principal Chief Materials Manager of any zonal Railways/ RCF/ ICF/ DLW/ CLW/ NSIC/ DGS&D/ RDSO. Then normally inspection of firm will not be carried out and the firm is considered eligible for registration in NCR. The file will be put up to CMM/C for approval of registration.

(ix) As soon as CMM/C approves grant of registration to firm, a certificate of Registration will be issued. The registration period will be initially for a trial period of TWO YEARS and thereafter firm's performance will be reviewed for renewal.

(x) Monetary Limits of Registration:

Registration of firm is done for a particular Monetary limit and Trade Groups Based on their financial capacity, capability and available Plant & Machinery.

A manufacturing firm is registered into following Monetary categories:

Category	Monetary Limit
A	Above Rs. 40 Lakhs
B	Up to Rs. 40 Lakhs
C	Up to Rs. 10 Lakhs
D	Up to Rs. 05 Lakhs
E	Up to Rs. 01 Lakhs

The trading firms shall be entitled for Category "E" at the time of initial registration with monetary value up to Rs. 01 Lakhs only.

Within the monetary limit prescribed, as also the items of supply for which registration is granted the registered firm is not required to pay Security Deposit and Earnest Money Deposit. However, a higher value order can be capability and submits security deposit for the excess value as is done in case of unregistered firms.

**The firms who are registered for supply of orders valued above Rs. One Lakhs should invariably be a manufacturer.**

## **6.0 Renewal of firm registration as approved supplier:**

- (i) Three months before scheduled expiry of firms registration, firm should send the statement which shows compliance of supply orders for stock and Non-Stock items pertaining to the review period with proof of supply like receipt order (R.O) & Received Challan copy in the following format:

S.N.	Description of item	Details of Order No. and Date	Order Qty.	Qty. Supplied	Total value of P.O.	D.P. Stipulated in the P.O.	Date of Supply	R.Note/ Receipt No.

- (ii) An original affidavit on Rs.10/- non judicial stamp paper duly attested by Notary Public must be enclosed declaring that
- (ii) Firm has not been banned by Ministry of Railways/Ministry of Supply or other Govt. Departments including Director/ Partner/Proprietor of the firm.
  - (i) All the orders received during last two years from North Central Railway, Allahabad and correct supply position have been shown in the performance statement and nothing is concealed.
  - (ii) There is no change on constitution of firm.
  - (iii) No recoveries are due against the firm.
  - (iv) No case is pending for arbitration.
- (iii) a) Digital Signature Certificate as per Para 4.0 (iv)  
b) Valid certification for ISO-9000, in case initial registration was done without ISO-9000 certificate.
- (iv) If firm's performance is NIL, they must prove that they are active and have participated in at least ten purchase cases per year (except for firms registered under M&P Groups) during the preceding period. They must produce copies of offers submitted by them in response to Limited Tenders/Advertised Tenders against which they were unsuccessful.
- (v) On reviewing the firm's performance/participation, their renewal is considered for a period of 3 years. However, this period can be reduced by competent authority if past performance/participation of firm is not found up to desired level.
- (vi) After receipt of performance statement & required Affidavit the performance of firms shall be checked with data available in iMMS, renewal case file along with the performance statement which shows compliance of supply order for stock and non stock items pertaining to the review period will be put to CMM/C for approval. If during a renewal process, either inclusion of additional trade groups are enhancement of category is requested by the firm, the case will be put up to CMM/C for approval.
- (vii) If CMM/C grants approval for renewal then the same will be communicated to the firm in the Standard format No. 9. If CMM/C does not agree to grant renewal then case will be processed for de-registration as detailed in para 8.0 (i) below.

**a. Criteria for enhancement of the Category or Addition of Trade Groups:**

- (i) This issue will be dealt with only at the time of registration or renewal of firms. Once category is decided, it will continue for the ensuing period till review.
- (ii) The trading firms shall be entitled for Category 'E' at the time of initial registration. However, the monetary values of firms who are authorized agent of manufacturers can be fixed at 1/10<sup>th</sup> of average annual value of order executed during last 3 years to Railways. The firms, who are the authorized importers of the agents of manufacturers, will be considered at par with trading firm.
- (iii) Category of other manufacturers may be considered based upon five high value purchase orders secured and executed by them during last 03 years.

**8.0 De-registration/Suspension/Banning of the firm:**

**(i) De-registration:**

A show cause notice will be issued to the firm with the prior approval of Competent Authority when it is observed that firm's performance is certified by concerned CMM as nil/unsatisfactory or when firm indulges in un-business like behavior. Firm's case will be processed for deregistration, if firm's reply is not found to be satisfactory by CMM/C with his recommendation and the recommendation of the CMM dealing with trade group for decision by PCMM. If PCMM orders for de-registration, then the same will be communicated to the firm in Standard Format No. 10.

**(ii) Suspension/Banning of business:**

Some firms are found to be indulging in unethical practices, cheating and frauds causing financial loss to the railways. As per vigilance directives business with these firms will be immediately stopped pending detailed investigation and orders of the competent authority. For immediate stoppage of business, concerned CMM's recommendations and PCMM's decision will be necessary on record. The case will then be handed over to nominated investigating officer from Stores or other agencies. Based on the findings of investigation, the concerned CMM will put up recommendation along with imputation of charges for suspension or banning of business. The case will be forwarded to Railway Board after obtaining clearance of legal cell, CVO and approval of GM as per vigilance manual. Further action will be taken as per decision of the Railway Board (Ministry of Railways).

**9.0 Dealing with request of the firm for enhancement in category And addition in number of trade groups.**

After receipt of application, case will be put up to Dy.CMM/C for recommendation and approval will be obtained from CMM/C the basis of performance of the firm in particular trade groups and value of orders secured by the firm.

## **10.0 Request of the firm for change of address:**

After receipt of firm's request for change of address, firm will be asked through Standard format No.11 to submit particulars like rent receipt/lease deed in new address, ITCC/Sales Tax certificate in new address, Electricity/Telephone bill & NSIC certificate in new address/Certificate of incorporation issued by Registrar of companies. Change in address will be accepted by CMM/C if documents are found to be in order after scrutiny.

## **11.0 Request for change in the constitution of the firm:**

Normally following types of requests are received.

- i) Change from proprietary to partnership and vice-versa.
- ii) Change from proprietary/partnership to LTD. Company and vice-versa or from Pvt. Ltd. to Public Ltd.
- iii) Merging of firm registered with this Railway with another firm.
- iv) Takeover of firm by a firm registered with this Railway.
- v) Change of name of firm.
- vi) Change in partnership i.e. retirement or association of new partners.

While dealing cases pertaining to changes in the constitution of the firm, legal advice will invariably be sought and all formalities such as partnership deed with 'A' form, articles and memorandum of association, agreement deed, tripartite agreement, copy of resolution with ITCC & Sales tax certificates, NSIC certificates and certificate of incorporation issued by Registrar of companies as per new constitution are complied. It will be ensured that legal documents are vetted by Law Officer before the case is put up for final decision of CMM/C as described in Para 8.0 above.

**NOTE: - The above procedure will be worked within the existing rules and regulations in Force.**