

WEST CENTRAL RAILWAY

MATERIALS MANAGEMENT DEPARTMENT: AN OVERVIEW & GUIDELINES FOR VENDOR REGISTRATION.

1.0 Introduction:

The department of Materials Management traditionally known as Stores Department is responsible for integrated materials management activities on West Central Railway. The activities include material planning, estimation, procurement, stocking distribution and disposal of scrap. All procurement activities for West Central Railway have been taken over from 01/04/04.

2.0 Organizational Setup

The procurement function for WCR is centralized at COS Office, Jabalpur for a variety of stock and Non-stock items. Small value items are procured by the field units. The department carries out its materials management activities with the help of 9 depots spread over three divisions viz., Jabalpur, Bhopal and Kota. There are Divisional Materials Managers to look after the petty divisional requirements.

3.0 Salient Features

- Items Stocked 8800 items approx.
- Estimated Annual value 175 Crores approx.

4.0 Achievements

Creation of WCR website: Advertised Tender notices, Bulletin tenders, Auction program, auction catalogues, and other details about the activities of material management department have been put on website www.westcentralrailway.com.

5.0 Vendor Registration

Rational source selection forms an essential part of the purchase process and hence the registration of firms as registered suppliers is done after assessing the capacity and capability of the firms. The salient details of vendor registration system are covered by following FAQs.

Q. What are the benefits of Registration?

- Firms registered with WCR are not required to deposit Earnest Money.
- Firms registered with WCR need not to deposit Security Money for the order value upto the Monetary limit of their registration for registered trade groups.
- Weekly stores bulletin send to all registered firms, which contains the information about the tenders published by WCR.
- Firm's those are not registered with WCR may also participate in tenders, but they have to deposit Earnest Money and security deposit wherever applicable.

Q. What is the procedure for the registration of firms, which are not registered with NSIC?

- The firm has to be geographically located in the West Central Railway.
- Introductory Application must be submitted along with the following documents:

🕒🕒 The list of range of products being manufactured.

Contd.

- ⌚⌚ List of Plant and Machinery installed in the factory.
 - ⌚⌚ Quality Assurance plan/list of testing equipment.
 - ⌚⌚ List of orders secured and executed successfully from Railways, Government Departments or other public sector undertakings.
 - ⌚⌚ Performance of supply to other agencies.
 - ⌚⌚ CST/Sales Tax Registration Certificate.
 - ⌚⌚ Profit & Loss Accounts and last 3 years Balance sheet duly certified by Chartered Accountant.
 - ⌚⌚ Photocopies of valid Authorized Dealership Certificates, if any.
 - ⌚⌚ List of Technical Manpower.
- Detailed [application form](#) is issued along with an index of trade group headings to suitable firms. **(or alternatively vendors interested for registration in WCR's stores deptt may download [application form](#) from the website and may submit to COS office duly filled in all respect enclosing the required documents as above along with the cost)**
 - The application form, completed in all respect, is to be submitted along with demand draft of Rs. 500.00 towards cost of the application form in favour of FA&CAO/WCR.
 - The documents are to be submitted to the Registration section of the office of the Controller of Stores, W.C.Railway, JDA Building No.8, Civic Centre, Jabalpur - 482002. (Contact person Shri. Kanhaiyalal, AMM, Phone No. 0761-4051509)
 - Incomplete applications are liable to be summarily rejected.
 - Application is scrutinized for
 - ⌚⌚ The capacity and capability of the firm.
 - ⌚⌚ Proven performance in executing orders with Railways / other Government Departments.
 - An officer is nominated to inspect the firm, if necessary.
 - The case is considered for registration based on the documents and inspection report.
 - If approved, initial registration is for a period of one year which is renewed on satisfactory performance.
 - Vendors are required to pay Rs. 1000/- as registration fee and Rs. 2000/- towards annual subscription of the Stores Tender Bulletin.

Q. What is the procedure for the firms, which are registered with NSIC?

- The detailed [application form](#) will be provided free of cost if asked or same may be downloaded from website.
- Completed application form is to be submitted through the concerned NSIC Office along with all the required documents or alternatively Railways themselves confirm the registration status from NSIC.
- The registration is considered for the product list and monetary limit as per NSIC registration.
- No registration fee is required.
- Stores Tender Bulletin can be subscribed by paying Rs. 2000/- towards its annual subscription.

Q. What is the procedure for the firms which are registered with other Railways/Pus/DGS&D?

- Under the single point registration scheme, new firms seeking registration are asked to register with the Zonal Railway covering the place where the firm is situated and then approach other Railways for registration with a copy of the registration certificate issued by the Zonal Railway concerned. The registration for such firms is considered automatically as per the trade groups and monetary limit mentioned therein.
- The detailed [application form](#) can be purchased at the cost of Rs. 500/- or same may be downloaded from website.
- Completed application form is to be submitted along with all the required documents.
- Performance report is called for from the Organization, where the firm is registered.
- The registration is considered automatically as per the trade groups and monetary limit of Registration with other Railways / DGS&D.
- Where the performance is reported as unsatisfactory, registration may be refused.
- If considered for registration, vendors are required to pay Rs. 1000/- as registration fee and Rs. 2000/- towards annual subscription of the Stores Tender Bulletin.

Q. What are the monetary limits of registration of firms?

- The existing monetary limits of registration are:
 - For Cat 'A' those capable of executing orders more than Rs 40 lakhs ;
 - For Cat 'B' those capable of executing orders between Rs10 lakhs to Rs 40 lakhs.
 - For Cat 'C' those capable of executing orders between Rs5 lakhs to Rs 10 lakhs.
 - For Cat 'D' those capable of executing orders between Rs1 lakhs to Rs 5 lakhs.
 - For Cat 'E' those capable of executing orders below Rs 1 lakhs.
- Monetary limits are carefully fixed on the basis of :
 - The inspection report
 - The Banker's report
 - Capacity and capability of the firm
 - Other financial information indicated in the Balance sheet, Profit and Loss statements.
- The monetary limit does not debar a vendor from securing an order in excess of this ceiling, or for groups of stores other than that registered for, provided that Railways is satisfied about the capacity, and a Security Deposit would be payable.

Q. What is the procedure of renewal of registration?

- Initial registration is for a period of one year.
- Vendors have to apply for renewal 3 months before the expiry of registration.
- At the time of granting renewal performance of the firm is reviewed.
- If satisfactory, the registration is renewed for a further period of 2 years.

Q. What documents are required to be submitted along with the registration form?

- Application form duly filled up and signed
- Trade license (current and valid)
- Sales tax registration certificate
- Ownership Deed / Partnership Agreement

- Staff Statement
- Stock Statement
- Dealership certificates with product list (if applicable)
- Performance statement and purchase order copies (executed for Railways / other Government Departments for last 2 / 3 years)
- Last Annual Report, Profit Loss Account and last 3 years Balance Sheets duly certified by C.A.
- Registration certificates from other Railways .
- Permanent Enlistment Certificate copy with product list covered under NSIC registration.
- Current and valid Review Certificate from NSIC.

Note:

1. *NSIC registered firms should apply through concerned NSIC Office. Last two items of checklist are applicable for NSIC registered firms only.*
2. Digital certificate will be required for participating in tenders as West Central Railway in going to implement e-procurement. Digital certificates can be obtained for following agencies.

Licensed CAs	Website addresses	Contact No.
Safes crypt	www.safescrypt.com	91-044- 22540770
NIC	www.nic.in .	91-011- 24361133
IDRBT	www.idrbtca.org.in	91-040- 23534982, 91-085, 23536706
TCS	www.tcs-ca.tcs.co.in	91-022-22024827
MTNL	www.mtnltrustline.com	91-022-24329563/4, 1600118855
Customs & Central Excise	www.icert.gov.in	91-011-26877960
(n) Code Solutions CA (GNFC)	www.ncodesolutions.com	91-79-26857316 /17/18

Q. Can a firm who is not registered with the Railways quote against a advertised tender?

Yes, a firm can quote against an advertised tender along with the submission of the required EMD, performance particulars of supply of similar items, capacity cum capability etc. However, bulk supply of safety related items is restricted to sources approved by nominated agency like RDSO, DLW, CLW, ICF etc wherever applicable.

7.0 Scrap disposal activity

Q. What are the modes of Scrap Sale on Railways?

- By public auction.
- By inviting tenders for purchase or submitting tenders offering to sell.
- By direct sale.

Q. Normally which are the places, where auctions are held?

- Normally auctions are held at following sites

Location	Address
Bhopal	Badminton Hall at Sanchi Club, Nr. Rly. Officers Colony, Nishatpura, Bhopal
Kota	Samudaik Bhavan, In front of main gate of workshop, Wagon Repair Shop, Kota

- However for [detailed auction program](#) WCR's website may be seen.

Q. How a bidder can participate in an Auction Program?

A bidder can participate in an auction program by submitting a refundable entry fee of Rs 10,000/- at the time of auction in the form of Demand Draft in favour of the Chief Cashier, West Central Railway, Jabalpur (M.P).

Q. How much time is taken in approving the registration of firms?

Tentative time table of registration of firms:-

Registration of newly firms, which are geographically located in the West Central Railway

1. If basic documents are completely received, registration form with trade group booklet is issued within approx. 15-20 days.
2. If registration form with documents is submitted, then banker's report is called within approx. 07-10 days.
3. If banker's report is received, then inspecting officer is nominated within approx. 07- 10 days.
4. If inspection report is received completely, then registration is approved with competent authority within approx. 20-25 days.
5. After approval of registration, registration & stores bulletin charges are called within a week. If charged is received, registration certificate is being issued within approx. 07-10 days.

Contd.

Registration of the firms, which are registered with NSIC:-

1. If basic documents are completely received with valid NSIC certificate, registration form with trade group booklet is issued free of cost within approx. 15-20 days.
2. If registration form with documents is submitted by the firm, then confirmation is being called from NSIC with approx. 07-10 days.
3. If confirmation from NSIC is received completely, then registration is approved with Competent authority within approx. 20-25 days.
4. After approval of registration, registration & stores bulletin charges are called within a week. If charges are received, registration certificate is being issued free of cost within approx 07-10 days. But stores bulletin cost is required, which is dispatched to the firms after depositing the charges.

Registration of the firms, which are registered with other Railways:-

1. If basic documents are completely received with valid certificate of Railways, registration form with trade group booklet is issued & also confirmation from Railway is called within approx. 15-20 days.
2. If registration form with documents is submitted by the firm & also confirmation is received from concerned Railways completely, then registration is approved with Competent authority within approx. 20-25 days.
3. After approval of registration, registration & stores bulletin charges are called within a week. If charges are received, registration certificate is being issued within approx 07-10 days.

VENDOR REGISTRATION INSTRUCTIONS

1. Grouping of Stores - Stores are grouped in different trade groups as in the list attached; separate lists of contractors are being maintained for each item of stores. Firms may apply on the prescribed form for registration for the supply of one or more items of stores giving reference to the group and serial number of item of the attached list.

2. Security Deposit - Firms desiring to be enlisted for the supply of stores to this railway must complete the application form attached. No security deposit is required to be taken from contractors for which they are registered with this Railway. This is however, necessary for items for which they are not particularly registered @ 5% of the value of the value of an order in cash subject to a maximum of Rs.1, 00,000/- in each case.

3. Weekly Bulletins of Stores - Offers are invited for the supply of stores by advertisement, either publically or in the Railway Stores Weekly Bulletin. The letter is sent to all approved suppliers who pay the annual subscription of Rs.2000/- (Rupees Two thousand only) in cash for it (not refundable). As most of the requirements are published in the Weekly Bulletin it is in the interest of suppliers to subscribe for the Bulletin.

4. **Right to refuse Registration and Removal from Approved List** - The Controller of Stores reserves the right to decline to register any firm or to remove the name of any firm either for a specific period or permanently from the approved list without assigning any reasons and his decision shall be final.

5. I.R.S. Conditions of Contract - Firm will have to abide by the I.R.S. Conditions of Contract and rules and regulations issued by the Controller of Stores from time to time in regard to the purchase of Stores.

6. **The Cash Receipt** - The Cash Receipt for the purchase of application form should invariably be affixed thereon while submitting the application form. However the firm who are registered as Small Scale Units with the National Small Industries Corporation are exempted from the payment of cost of the form and the registration fee. Such firm should, however, in lieu of the cash receipt submit a certificate to the effect, from N.S.I.C. alongwith the application form.

7. **Signing of the application form**

a. **Proprietorship Firm:** - The application form should be signed by the proprietor.

b. **Partnership firm:** - The application form should be signed by all the partners or by any one of the partner who holds a general power of attorney authorising him to sign for and bind the firm in all contractual obligations.

c. **Limited concerns:-** The application form should be signed by any one of the Directors or Managing Directors of the firm.

The application may also be signed by a person other than those mentioned above, only when such a person holds a general power of attorney in his favour from the firm giving him authority to do so in which case such power of attorney in original together with a copy thereof should be forwarded alongwith application.

8. **Ownership Documents** - All firms should produce documentary evidence for ownership of their godown and factories and machineries installed therein.

- a. In case of a manufacturing firm, original rent receipts and cash vouchers, etc. together with copies thereof, of the plant and machineries installed in the factory should be forwarded.
- b. In case of stockiest, rent receipt for their godowns together with proof of ownership of the stocks, with the copies of the documents should be furnished.

Alternatively an affidavit sworn before the First Class Magistrate to the effect that the plant, machinery, building, etc., are owned by the applicant firms may be forwarded.

9. Other Documents to be forwarded- In case of a limited company, a copy of memorandum and articles of association and a certificate of incorporation, and in case of a partnership concern, a copy of the entry in form 'A' from the Register of Firms concerned should accompany the application. In addition to this list of sitting Directors in case of a limited concern a certified copy of the partnership deed in case of a partnership concern should be submitted.

10. Registration of Branches - In case where the firms desire registration of their branches in addition to their Head Office, they should forward a declaration to the effect that the Branch Managers are competent to bind the firm in all contractual obligations and that the Head office will be responsible for commitment of their Branch managers and for the satisfactory execution of the contracts placed on them.

11. Annual Report, Balance Sheets, Profit & Loss Statements - One copy each of the following should be furnished :-

- (i) Last Annual Report
(ii) Profit Loss Accounts and Balance Sheet for and at the end of the last year.
(iii) A Statement showing the results of operation and financial position of the firm during the proceeding three years in the following proforma :-

Details	Year ending	Year ending	Year ending
1. Sales			
2. Gross Profit			
3. Depreciation			
4 .Pre tax profit			
5. Taxation			
6. Net Profit after tax			
7. Percentage of net profit on sales			
8. Dividend declared			
9. Net Block			
10. Capital employed			
11. Reserves			
12. Percentage of Profit on Capital employed			
13. Authorised Capital			
14. Paid up Capital			
15. Debentures			
16. Debit Balance Profit & Loss A/c.			
17. Closing Stock			

-----X-----

Contd.