

CHAPTER III

REGISTRATION OF FIRMS AS APPROVED CONTRACTORS

3.1 Rule 29 of Stores Purchase Rules prescribes as under :—

"The Stores Department will maintain a list of approved contractors. The registration of each contractor will be renewed in the succeeding year if his performance remains satisfactory, on payment of prescribed fees."

3.2 Main object of registration as approved suppliers.

The main object of registration as approved suppliers is to locate such reliable sources of supplies as could be depended upon for securing supplies at short notice against urgent indents received from the Indenting Departments. In case of emergent demands inviting tenders through press will not be advisable as it will be time consuming and so the purchases are made by floating enquiries from amongst the firms registered as approved suppliers or other firms known to the Purchase Department.

With this in view, firms are registered as approved contractors after taking into consideration their financial standing, capacity, past performance etc.

3.3 Eligibility

Following categories of firms are eligible for registration :—

- (i) Indigenous manufacturers who have workshop of their own.
- (ii) Sole agents/Distributors/Stockists/Dealers where manufacturers do not handle business direct.
- (iii) *Overseas firms* with their agents/distributors in India.
- (iv) Firms registered as approved suppliers with the DGS & D, New Delhi, or N.S.I.C.

3.4 Procedure for Registration

(a) The firms seeking registration are required to apply to Director Supplies & Disposals on the prescribed application form SP-I(a) or I(b) as the case may be for manufacturers and other categories indicated above. The firms are required to furnish the following documents with application for registration.

- (i) Income tax clearance certificate.
- (ii) Registration certificate for Sale tax and Central Sales Tax.
- (iii) A copy of certificate from the Registrar of firms/companies in support of their registration as a partnership concern/limited company.
- (iv) In case of stockists/sole selling agents, a certificate from the manufacturers that the applicant is their sole selling agent and they do not have

any other marketing source.

(b) In case of manufacturers from outside Haryana the application is required to be routed through Director of Industries concerned. In case of manufacturers located in Haryana, the application is required to be routed through the concerned General Manager District Industries Centre.

(c) The price of application form is prescribed by Government from time to time. At present it is Rs. 5 for each form.

(d) On receipt of application for registration, verification in respect of the following is made :—

- (1) Financial standing of the firm in question is ascertained from their bankers.
- (2) The genuineness of the firm etc. is verified from the concerned authorities of the area.
- (3) Verification of the details of the supply orders received by the firm from this Purchase Organisation/Other Government Department is made.

The application of the firms already registered with the DGS & D/N.S.I.C. and Haryana State Electricity Board are generally accepted without the aforesaid verification.

3.5 (a) Amount of permanent security

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| (i) Manufacturers | Rs. 2,000 |
| (ii) Other categories | Rs. 5,000 |

The security is to be deposited with the Director, Supplies & Disposals, Haryana, in the form of Call deposit receipt/FDR obtained from a Nationalised bank in favour of Director Supplies & Disposals, Haryana or Saving Bank Pass Book or National Saving Certificate.

(b) Registration/renewal fee

A registration fee of Rs 50 for the first year and a renewal fee of Rs 25 for each subsequent year is charged from the approved contractors.

3.6 After the Director of Supplies & Disposals is satisfied about the bonafides of the firm, he orders the registration of the firm. A registration certificate is issued to the firm in form SP2. Simultaneously, an office order is issued in form SP 3 to intimate the purchase section about the fact of registration. The registration certificate is forwarded to the firm with a covering letter in form SP 4 under registered cover.

3.7 Benefits/Facilities given to the registered Contractors

The following benefits/facilities are given to the registered contractors :—

- (a) Copies of tender notices/enquiries are regularly supplied to them.
- (b) They are exempted from the deposit of earnest money.

- (c) Registration with this Purchase Organisation raises the firm's status in business with other Government Departments/establishments.

3.8 Removal of firms from the registration list

(i) A registered supplier can seek removal of their name from the register of approved supplier on his own.

(ii) An approved contractors is liable to be removed from the list of approved contractors in the following cases :—

- (a) If it is debarred/banned from having business dealing with Govt. Deptt. either by Haryana Govt. or by DGS & D/Central Govt.
- (b) If it is removed by D.G.S. & D. from its approved list for misconduct, unbusinesslike dealing etc.
- (c) If it fails to fulfill its contractual obligations satisfactorily.
- (d) If it fails to furnish correct income tax clearance certificate.
- (e) If it is declared bankrupt or insolvent.
- (f) If the financial standing is considered to be unsound.
- (g) If it fails to deposit renewal fee in response to a registered notice issued by the Director Supplies & Disposals to deposit fees.

(iii) A registered notice is served on the firm giving it three weeks time from the date of issue of letter to show cause against the proposed removal.

(iv) Director Supplies & Disposals is the competent authority to order the removal of the firm from the list of approved suppliers. He may delegate his powers to any of the gazetted officers working under him.

3.9. Forfeiture of permanent security

The whole of the amount of permanent security may be forfeited in any of the following cases :—

- (1) If a contract is concluded and the contractor fails to execute any agreement embodying the terms & conditions of the contract or to deposit the security and samples in accordance with the terms of that contract.
- (2) If the contractor fails to pay the losses sustained by Govt. on account of the purchases made at his risk due to his failure to make the supplies in conformity with the terms of the contract.
- (3) If the contractor fails to submit to the Director Supplies & Disposals, Haryana the quarterly statement of supplies made to the Indenting officer(s).
- (4) the contractor indulges in any of malpractices as mentioned in para 17(ii) of the Schedule (B) (Conditions of Contract) or commits a breach of the conditions of contract.

3.10 Register of Registered Suppliers

A consolidated record of registration of firms is maintained in a register in form SP 5 both for manufacturer as well as traders. The names of the registered firms are entered in the register in alphabetical order. An index is provided at the beginning of the register indicating pages earmarked for each alphabet.

3.11 Record of Registration Forms

The registration forms are got cyclostyled or printed by Director Supplies & Disposals. Each form is numbered and signed by the Head of the office. An account of these forms is maintained in the register of Registration forms in form SP 6. Separate account of forms relating to manufacturer or traders are kept in this register.

3.12 Sale of Registration Forms

The Registration forms are sold to the firms who intend to get themselves registered as approved supplier. An account of sale of these forms is maintained in a register in form SP 7. The sale proceeds are entered in the Cash book of the office from day to day.