

Western Coalfields Limited
Materials Management Wing
Coal Estate, Civil Lines, Nagpur-440001
(Fax No.0712-2510284)

Ref.No.NGP/WCL/C-2(D)/Ancillary/1702

Date: 25/08/2003

To
The Chief General Managers,
WCL, Nagpur/Umrer/Ballarpur/Chandrapur/Wani/Wani North/Majri/Pench/
Pathakhera/Kanhan Area.
The General Manager,
Central Workshop, Tadali.

Sub : Procurement from ancillary industries of WCL

Dear Sir,

During the Plant Level Committee meeting held on 25th July, 2003, chaired by Director Tech (Oprn), the following policy decisions have been taken for procurement of items from ancillaries of WCL:

1. Ancillary units may be exempted from payment of tender form fee, earnest money and security deposit.
2. Distribution of order quantity in respect of tenders where L-1 rate is offered by ancillaries.
 - 2.1 If L1 is ancillary 100% order limit to their capacity in case only one ancillary has been registered/ancillarised or has tendered.
 - 2.2 In case where more than one ancillary has tendered, distribution may be done as follows:
 - 2.2.1 In case of 2 ancillary units : 60% on L1 ancillary unit and 40% on other ancillary unit at L1 rate.
 - 2.2.2. In case of 3 ancillary units distribution in the ratio of 50%:30%:20% to L1:L2:L3 ancillary units at L1 rate.
 - 2.2.3 In case of 4 ancillary units distribution in the ratio of 40%:30%:20%:10% to L1:L2:L3:L4 ancillary units at L1 rate.

3. Where the L-1 rate is offered by non ancillary unit

3.1 As per CVC guidelines, 50% order quantity to the non ancillary L-1 and balance 50% against counter offer of L-1 rate to ancillary unit. In case of non-acceptance, 100% on L-1 non-ancillary unit.

3.2 In case there is more than one ancillary unit the distribution (for balance 50%) may be as follows:

- a) 60%:40% of balance 50% in case there are 2 ancillary units according to price status.
- b) 50%:30%:20% of balance 50% in case there are 3 ancillary units according to price status.
- c) 40%:30%:20%:10% of balance 50% in case there are 4 ancillary units according to price status.

The above is limited to their manufacturing capacity and subject to acceptance of L-1 rates.

4. In case of non-acceptance of counter offer by ancillary units, the following distribution to be made:

- i) In case of one ancillary unit – quantity to be ordered on the L1 non-ancillary unit.
- ii) In case of more than one ancillary unit – the quantity to be passed on to the next ancillary unit who has accepted the counter offer.
- iii) If counter offers are not accepted by ancillary units, entire quantity will be ordered on the non ancillary unit.

5. Standard WCL terms of payment for trial and regular item shall continue to be applicable for ancillary industries also.

6. Number of firms for granting ancillary status for an item shall depend on the annual off-take, criticality of the item, current status and number of existing ancillary.

7. In case of new ancillaries who are still considered unproven with WCL norms, a trial order is to be placed for considering them as proven vendor in the subsequent tenders if they successfully execute the order and performance is satisfactory.

8. Trial order may be placed at last purchase rate.

9. Orders to new ancillary in current tenders:

Completion of formalities for granting ancillary status to a firm may not synchronise with the ongoing tender. However, any firm who are declared ancillary unit before opening of price bid may be given the benefit of ancillary as stated in aforesaid paragraph.

10. Firms having ancillary status for the tendered items who have also participated in the tender, may be considered for order at provisional last purchase price subject to such ancillaries give an undertaking that the rate finally decided in the tender shall be applicable.

11. Tender enquiry for ancillarised items must be given to the ancillaries.

This is for favour of your information and necessary action please.

Yours faithfully,

Sd/-
Chief General Manager(MM)

Western Coalfields Limited
Materials Management Wing
Coal Estate, Civil Lines, Nagpur-440001
(Fax No.0712-2510284)

Ref.No.NGP/WCL/C-2(D)/Ancillary/1366

Date: 24/07/06

To
The CGM/GM,
WCL, Nagpur/Umrer/Ballarpur/Chandrapur/Wani/Wani North/Majri/Pench/
Pathakhera/Kanhan/Central Workshop, Tadali.

Sub : Procurement from ancillary industries of WCL

Ref : Our letter no.NGP/WCL/C-2(D)/Ancillary/1702 dtd.25/8/03.

Dear Sir,

During the Plant Level Committee (PLC) meeting held on 23/6/06 chaired by Director(T) P&P, the following decisions have been taken and are being communicated for favour of your information and further needful action.

1) **MODIFICATION IN WCL'S ANCILLARY POLICY :**

WCL's ancillary policy circulated by this office vide reference no.NGP/WCL/C2D/Ancillary/1702 dtd.25/8/03 is modified to the following extent:

I) **Purchase Preference**

- a) Ancillary units shall be entitled for counter offer under purchase preference, if the price quoted by the participating ancillary units are within/upto 15% of L-1 price quoted by a non ancillary unit.
- b) In case of more than one ancillary unit, purchase preference shall be given only when the participating ancillary industries are within/upto 15% of price quoted by L-1 firm (non-ancillary).
- c) In case of an ancillary unit become L-1 and if there is more than one ancillary unit for that particular item, the other participating ancillary unit shall be entitled for counter offer under purchase preference only when their prices are within/upto 15% of the L-1 price quoted by the L-1 ancillary unit.
- d) No purchase preference shall be allowed if the quoted prices by an ancillary unit/ units is/are beyond 15% and they shall not be entitled for any counter offer.

Thus the present distribution system under the existing ancillary policy shall be applicable only when the ancillary units are within/upto 15% of the L-1 prices.

II) Ancillary units are to be considered for clarifications on commercial aspect if such clarifications do not have any price implication.

III) Initially ancillarisation shall be for a period of 5 years with a provision for extension for another 5 years. Further extension shall depend upon the availability of other firms for that item and also depending upon the performance of the ancillary firm.

IV) If any ancillary unit is not participating against WCL tenders (open or limited) floated by HQ/Areas consistently for 3 years, such ancillary unit shall be liable for de-ancillarisation. However such de-ancillarisation shall be applicable only after approval by PLC.

V) The formation of Sub-PLC has been scrapped. Hence for all matters relating to ancillary shall be put up to PLC for decision.

With the above inclusion, the existing WCL ancillary policy is modified to that extent.

Thanking you,

Yours faithfully,

Encl: Updated list of
Ancillary units of WCL

Sd/-
Chief General Manager(MM)

ANCILLARY UNIT OF W.C.L.

AS ON 28/02/07

Sr No	Name of the Firm	Ancillarised items	Validity Period
1.	M/s Central Cables Ltd 5 - Temple Road, Civil Lines, Nagpur 440001	PVC/XLPE Cables of various sizes	1/7/06 to 30/6/2011
2.	M/S Precision Components Hightech Ltd., W-58 MIDC, Industrial Area , Hingna Road, NAGPUR 4400 16	Belt Fastening Hooks, Cement Capsules & Resin Capsules	1/7/06 to 30/6/2011
3.	M/s Pushpak Chemicals W/4 MIDC, Kalmeshwar Dist. : Nagpur.	Cement Capsules and Readymix Cement Grout	1/7/06 to 30/6/2011
4.	M/S Shreyans Wires Ltd. Garoba Maidan, Bagadganj, Nagpur 440008	Super enameled Copper Wire	1/7/06 to 30/6/2011
5.	M/S Techno Engineering & Rubber Industries E-14/15 MIDC Industrial Area Nagpur 440028	Face Pump/Screw & Centrifugal Type alongwith spares. Spares for pumps, Rubber Mouldings, Structural for conveyors (without drive head, tail unit & Rollers). Pin Bushes, Washers Spacer and Bronze bushes for EKG 4.6/5 Shovels.	1/7/06 to 30/6/2011
6.	M/S Varsa Industries F-9/9 MIDC, Hingna Road Nagpur 440 016	Conveyor idlers & Rollers for and up to belt speed of 2.3 m/sec. Cold Rolled Threading of Roof Bolt, Job work for Cold Rolled Threading of Roof Bolt, Roof Bolt accessories such as Dommed Plate, Conical Seat and Bearing Plate.	1/7/06 to 30/6/2011
7.	M/S Mohta Hydroquip, W-34 MIDC, Industrial Area, Nagpur	Hose assemblies for HEMM and UG Equip. application (Low, Med. & High Pressure) As per BIS / NCB specification.	1/7/06 to 30/6/2011
8.	M/s Amar Coil & Commutators Sarai ward, Near Hanuman Mandir Chandrapur. 442 401	Ancillary status kept in abeyance	
9.	M/s Orient Nitrate Pvt. Ltd. T-15 MIDC, Indus. Area Hingna, Nagpur 440028	Ammonium Nitrate	1/7/06 to 30/6/2011
10.	M/s Shree Computers Forms Pvt. Ltd. U-88, MIDC, Industrial Area, Hingna Road, Nagpur 440 016	Pre-Printed, EZR and Blank Computer Stationary	1/7/06 to 30/6/2011
11.	M/S Nishit Thermit Alloys P. Ltd S-67 MIDC, Industrial Area, Hingna NAGPUR 440016	M. S. Electrodes	1/7/06 to 30/6/2011
12.	M/s Excell Control Linkages Pvt. Ltd. W-88, (c) MIDC, Industrial Area, Hingna Road , Nagpur 440 028	Mechanical Cables, Control Cables, Modulator Valves, Linkages products & Control Levers	1/7/06 to 30/6/2011

13.	M/s Shantiraj Cement Products, Old Warora Naka, Civil lines, Chandrapur 442 401	RCC Hume Pipes ISI mark, NP2, NP3, NP4 class from 250 mm dia to 1200 mm dia upto 2.5 mtr long	1/7/06 to 30/6/2011
14.	M/s Ram Marketing 38, Geeta Bhavan , Subhash Road Nagpur 440 018	Audio Visual Alarms for HEMM	1/7/06 to 30/6/2011
15.	M/s Rukmani Metal & Gaseous Ltd. C-16/17 MIDC, Indust. Area Nagpur 440 028	Industrial Oxygen Gas & DA Gas	1/7/06 to 30/6/2011
16.	M/s Jayant Rollers Pvt. Ltd. K-8/3. MIDC, Hingna Nagpur 440028	Cold Rolled Threading of Roof Bolt, Job work for Cold Rolled Threading of Roof Bolt, Roof Bolt accessories such as Dommed Plate, Dommed Washer, Conical Seat and Bearing Plate.	1/7/06 to 30/6/2011
17.	M/s Vijay earth Movers Tyre Retreading Company, E-26, MIDC , Chandrapur 442 406	Repair of OTR Tyre size 18.00 x 25 ----- Repair of OTR Tyre size 21.00x35 ----- Retreading of 18.00x25 size OTR tyres-900-1000 nos. per year Retreading of 21.00x35 size OTR tyres 400-500 nos. per year	1/7/06 to 30/6/2011 ----- Ancillary status kept in abeyance. ----- 1/8/2008
18.	M/S Weldwell Electrodes P. No. D-59, Hingna Indus. Area NAGPUR 440028	Special Electrodes	01.08.2008
19.	M/S Saibaba Cement Products B-27, MIDC , Ghugus Road Chandrapur.	RCC Hume Pipes.	01.08.2008
20.	M/S Gunjan Air Products Pvt. Ltd. B-3/2/2 , MIDC Area Chandrapur 442 406	Industrial Oxygen Gas & Dissolved Acetylene Gases.	01.08.2008
21.	M/S Tnsley Bridge Abbross Springs (I) Pvt. Ltd. At. & Post :- Wadoda Bhandra Road Tah. Kamptee Dist .Nagpur	Leaf Springs.	01.08.2008
22.	M/S Manav Engineering E-64, MIDC Chandrapur 442 406	Cold Rolled Threaded Roof Bolts, job work for Cold Rolled Threading of Roof Bolts, Roof Bolt accessories such as Dommed Plate, Dommed Washer, Conical Seat and Bearing Plate. W-Strap and Job work for W-Straps.	01.08.2008
23.	M/S Mohta Forging (P) Ltd. B-7 MIDC, Industrial Area, NAGPUR 440028	Chain Assembly for Feeder Breaker, Flight bars for Conveyors, Track Parts for LHD / SDL including chain assembly.	01.08.2008

24.	M/S Premier Spares (P) Ltd. C-48 MIDC Industrial Area Hingna Road, NAGPUR 440028	a) Spares for Eimco Elecon make SDL, model No. 625 / 611 : Gear pinion shafting, Bushing Pin, Sprocket, cradle Assembly., Idler Gear Assembly. b) Spares for M & P Pump spares type APOVB, PLURO II, PLURO III, M&P 100 x150 IBP, 150 x 200 IBP, 6/8 MML (6/8 GMI) : Rotating Element, Impeller, Shaft, Bush, Sleeve & Gland. Kirloskar Pump Spares – Impeller, Shaft, Bush. c) Ingersoll Rand Feeder Crusher Model SCH 100xSCH200 : Conveyor Pan, Output Shaft assy. Input shaft assy., Shaft, Bevel Gear, Bevel Pinion, Flight assy., Sprocket.	01.08.2008
25.	M/s Renuka Papers & Printers Pvt. Ltd. Renuka Tower Opp. Govt. ITI, Civil Lines CHANDRAPUR	All types of Computer Sheets All types of Printing All type of Book Binding Other Printed materials.	01.08.2008
26.	M/S Rishi Enterprises Darda Industrial Estate, Lohara Chowk, YAVATMAL 445 001	R.C.C. Hume Pipe	01.08.2008
27.	M/S Techno Precision Engineers Pvt. Ltd. W-135, MIDC Industrial Area, Hingana Road NAGPUR 440 016	i. Ready Mix Cement Grout ii. Resin Capsules.	01.08.2008
28.	M/s Tools India, A-8 1/1, MIDC, Nagpur-440028	Wheel and axle	24/7/06 to 30/6/2011
29.	M/s Malu Electrodes Pvt.Ltd., S-4, MIDC, Hingna Nagpur-440016	M.S. Welding Electrodes	24/7/06 to 30/6/2011
30.	M/s D.S.Electrical Works, D-71, MIDC Industrial Area, Hingna Road, Nagpur-440028	Repair of LT Motors and alternators, Repair of HT motrors and alternators upto 3.3KV capacities.	24/7/06 to 30/6/2011
31.	M/s Reena Enterprises, C-66, MIDC Industrial Area, Hingna Road, Nagpur-440028	Conveyor Rollers	24/7/06 to 30/6/2011