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(Supersedes JSG 015-03 : 2007)

भारत सरकार
GOVERNMENT OF INDIA
रक्षा मंत्रालय
MINISTRY OF DEFENCE

संयुक्त सेवा मार्गदर्शिका
JOINT SERVICES GUIDE

ON

REGISTRATION OF MANUFACTURER FOR DEFENCE

मानकीकरण निदेशालय
रक्षा उत्पादन विभाग, रक्षा मंत्रालय
'एच' ब्लॉक, निर्माण भवन डाकघर
नई दिल्ली - ११००११

DIRECTORATE OF STANDARDISATION
DEPARTMENT OF DEFENCE PRODUCTION
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0. FOREWORD

0.1 This Joint Services Guide (JSG) lays down the guidelines for Registration of Manufacturer(s) for defence stores only.

0.2 The specified quality and timely delivery of a manufactured product can be seriously compromised by "Indifferent" quality of bought out items, however trivial and whatever be the source, inadequate plant and machinery, improper test and measurement instruments, non availability of skilled manpower and lack of overall Quality Management System. It is, therefore, essential that items are procured only from those manufacturers who have demonstrated their capability to supply items of desired quality. A manufacturer must possess all the pre requisites of good manufacturing practices to produce a quality product. Therefore 100% or 80% order should only be placed on developed vendors. Undeveloped vendors should be identified for placing of 20% order.

0.3 This guide has been prepared by Directorate General of Quality Assurance and issued by Directorate of Standardisation on the authority of Department of Defence Production, Ministry of Defence.

0.4 With the increasing emphasis on quality and the emergence of the Quality Management System as envisaged in the ISO 9001:2008/9001:2015/ISO 14000 and based on the experience gained since the last revision of the JSG in 2007, there was a need to review the existing provisions of the system afresh to meet the current requirements.

0.5 There was also a need to re-examine the existing system to monitor the performance of manufacturers. This aspect has been amplified in this guide. Accountability factor for all concerned involved in registration has been brought out in this guide. The procedure for Registration has been simplified/streamlined. Other factors like multi discipline registration of manufacturers have also been covered. This guide supersedes the JSG: 015:03:2007. However, all registration of manufacturer(s) done under JSG: 015:03:2007 remain valid. Registration of manufacturer(s) henceforth will be carried out as per the guidelines contained herein and policy amendments, if any, issued from time to time.

0.6 This JSG includes following procedures for registration of Manufacturer with Defence:-

a) Registration

(i) General Registration
(ii) Registration against RFP
(iii) Renewal of Registration
(iv) SCAGE/NCAGE Registration

b) Self Certification

c) Award of Green Channel Status.

0.7 This being a general document, lays down only the procedural guidelines to clarify the registration procedure based on the audit of the documents and visit of the Registration team to verify the available Quality System, product specific infrastructure and financial standing of

the manufacturer intending to get registered as defence manufacturer. This JSG is an enabling document to serve as a guide to be followed by all organisations under MoD as per the stipulations of the DPM 2009 and revision thereof. To avoid conflict in interpretation of the various regulations governing registration activity, the sequence of hierarchy will be GFR > DPM > JSG.

0.8 Self Certification status is accorded to approved defence suppliers who have a comprehensive Quality System to meet quality objectives and demonstrate an ability to consistently achieve a high performance/Supplier rating in respect of supplies made by them. Deserving firms meeting the requirements to supply quality stores to defence as per the Self Certification Guide should be motivated to seek Registration for obtaining self-certification status. Self-certification has a number of advantages for the seller and purchaser (Govt). There is a need to vigorously implement the scheme for according self-certification status to maximum number of defence suppliers of proven ability.

0.9 In order to promote ease of doing business to achieve the national vision of 'Make-in-India' it has been decided to institute a mechanism for awarding Green Channel status to firms having predefined financial and quality credentials. Manufacturers producing quality products could be relied upon and may not be subjected to physical inspection and stores may be accepted under firms guarantee/warranty. Such manufacturers with an annual turnover of Rs 1000 crores and making the profit of any 3 years of the last 5 years may be approved for awards of Green Channel status for supply of stores after due process by respective registering Authorities.

0.10 In order to achieve the dual aim of Defence Forces definitely getting the specified Quality stores within the Delivery Period (DP) of the contract and also ensure new manufacturers/potential manufacturers are engaged to get developed under 'Make in India' initiative of the Govt., the Registration Certificate (RC) has been revised to clearly indicate a already developed manufacturer and potentially developable manufacturer. The Order Placing Authority (OPA) may accordingly take a call to place the order.

0.11 This JSG contains 22 Paragraphs (20 pages) and 43 pages of Appendices from Appendix 'A' to Appendix 'M'.

0.12 Any clarification, enquiry and suggestions for improvement of this guide or other questions arising as to the interpretation of the guidelines given in the guide may be addressed to:

a) The Addl DGQA (PP&T),
HQ DGQA, Ministry of Defence,
Room No. 37, 'H' Block,
Nirman Bhawan PO,
New Delhi – 110011

Fax No. 011 23013760,
E-mail id: tc16-dgqa@nic.in

b) **Copies of this Guide can be obtained on payment from:**

The Director,
Directorate of Standardisation,
Ministry of Defence, 'H' Block,
Nirman Bhawan PO,
New Delhi – 110011,

Fax No. 011 23015686,
E-mail id: **jdstd.defstand@gov.in**

0.13 Indian Standard (IS) specifications are available free of cost for registered users on Directorate of Standardisation Website: ***www.ddpdos.gov.in*.**

0.14 Directorate of Standardisation Website - All the approved JSSs/JSGs are available on the Directorate of Standardisation website ***www.ddpdos.gov.in*** Defence organisations in requirement of this document may approach the Directorate of Standardisation for obtaining User id and password to access the website, if not already held.

1. INTRODUCTION

1.1 This guide lays down the General Procedure for grant of Registration Certificate, renewal of registration certificate, Self Certification, award of Green Channel status and SCAGE/NCAGE registration of manufacturer.

1.2 Registration of manufacturing units is aimed at identifying a comprehensive production infrastructure for the defence of the nation. Over the years, wide range of production facilities with the help of Defence Public Sector Undertakings, Public Sector Undertakings and private firms have immensely contributed towards making our country self reliant for producing Defence Stores.

1.3 It is of Paramount importance that defence procurement agencies and the Quality Assurance organisation should have an arrangement of technical evaluation of the potential manufacturers prior to placement of any contract/Supply Order (SO). It is therefore necessary that competency of manufacturers be evaluated in order to have built in quality and reliability into the Defence products as per Qualitative Requirements (QRs) of Defence Forces.

1.4 Joint Services Guide (JSG) for "Registration of Manufacturer(s) for Defence" is a vital document in assessment of manufacturers in the entire chain of realising the specified product. It brings out a comprehensive methodical approach that has all the characters of quality and reliability factors to prove that the store is worthy of specified standards of defence requirements.

1.5 Proper source of knowledge and identification of suitable manufacturers capable of meeting the product quality required by the defence departments, particularly when indented by the defence procurement agencies, the above factors become vital for ensuring procurement of quality goods.

1.6 Registration of a Manufacture is necessary for the following purposes:

a) To register already developed manufacturers who have been supplying the specified store and have the Quality Management System (QMS) & finances in place to ensure specified stores can be supplied within the normal delivery period of the contract. Such manufacturers will be recommended for placement of 100% or 80% order quantity.

b) To register potential manufacturers who possess all the pre- requisite plant and machinery, QMS and financial standing but have not yet produced the specified store. In other words needs to be developed, such manufacturers will be considered for development and placement of 20% order quantity only.

c) To renew already registered manufacturers who have been participating in the Defence Procurement process.

d) To intimate OPA, the registration status of the potential manufacturers to enable procurement action.

1.7 This document lays down general guidelines for carrying out Registration of manufacturer for defence and grading them on their assessed capabilities for initial registration and for its periodical renewal. This document also briefly covers the guidelines for norms and procedure for removal of a manufacturer's name from compendium of registered manufacturers and suspension/banning of business dealings with the manufacturer.

1.8 A thorough knowledge of the requirements of Quality Systems of production is necessary. In particular, technical expertise is required in the following areas to carry out registration of manufacturer(s). These aspects are necessarily covered in an ISO 9001:2008/ 9001:2015 certified manufacturer. The major attributes are:

a) **Quality of Designing**: Material, Drawings, Performance Reliability and Design evaluation reports.

b) **Quality of Production Process**: Process documents, Machinery & Control limitation, traceability, internal Quality Audit reports.

c) **Production Quality Control**: Systematic quality checks, completeness, adequacy, documentation and Quality Control of their sub-contractors.

d) **Quality of Material**: Incoming raw material properties, systematic testing, maintenance of records & treatment of rejected material.

e) **Quality of End Product**: Evaluation of end product quality, Storage Life Cycle, systematic records, treatment of unacceptable product.

1.9 For uniformity in Manufacturer(s) Registration, the competent authority, as given in Para **5** or his authorised representative, will issue specific norms/guidelines for products/ technologies of their responsibility and the specific quality systems requirement, if any.

2. RELATED DOCUMENTS PERTAINING TO JSG:

a) ISO 9000 : 2005 - Quality Management System (Fundamentals & Vocabulary).

b) ISO 9001 : 2008/9001 : 2015 - Quality Management System-Requirements.

c) IS 12040 : 2001 - Guidelines for Development of Manufacturer Rating System.

d) DGQA Guide on Self-Certification on DGQA website *www.dgqadefence.gov.in*

3. DEFINITIONS

3.1 Quality Management System

A Quality Management System (QMS) is a formalized system that documents processes, procedures, and responsibilities for achieving quality policies and objectives. A QMS helps coordinate and direct an organisation's activities to meet customer and regulatory requirements and improve its effectiveness and efficiency on a continuous basis.

3.2 Quality Policy

In quality management system, a quality policy is a document developed by management to express the directive of the top management with respect to quality.

3.3 Quality Assurance

Quality assurance is an organisation's guarantee that the product or service it offers meets the accepted quality standards. It is achieved by identifying what "quality" means in context; specifying methods by which its presence can be ensured; and specifying ways in which it can be measured to ensure conformance.

3.4 Specification

A detailed description of technical requirements, usually with specific acceptance criteria, stated in terms suitable to form the basis for the actual design, development and production processes of an item having the qualities specified in the operational characteristics. It implies the document that prescribes the requirements with which the product or service has to perform.

3.5 Non-Conformity

In quality management system, a non-conformity (also known as a defect) is a deviation from a stated specification, a standard, or an expectation. Non-conformities are classified as either critical, major, or minor.

3.6 Manufacturer Grading

Manufacturer Grading is the classification allotted to manufacturers based on their Quality systems, documentation and their implementation, Research and Development facilities, Plant and Machinery, Quality Control facilities and production capacity as assessed.

3.7 Firms having Joint Venture

For `Buy (Global)' category procurements, where offset is applicable, if an Indian firm including a Joint Venture between an Indian Company and its foreign partner is bidding for the proposal and is offering an indigenously developed product, then for such a case offset would not be applicable. For applicability of this clause, indigenous content in the product has to be a minimum of 50%. In case the indigenous content in the product is less than 50%, the Indian firm or the Joint Venture has to ensure that the offset obligations are fulfilled on the foreign exchange component of the contracted value.

3.8 General Registration

General Registration is carried out for manufacturing firms who apply for registration of any number of stores/items. This is an independent activity not related to any RFP.

3.9 Registration against RFP

Registration against RFP is carried out for specific stores/items for which a manufacturer has responded to a RFP issued.

NOTE - The term CA/CV/assessment used in DPM 2009 and its supplement of year 2010 is being referred (for the purpose of this document only) as General Registration and Registration against RFP.

4. REGISTRATION OF MANUFACTURER

4.1 General Registration

A manufacturer, with minimum two years (preceding years from the date of applying) of experience in the industry, who desires to participate in defence supplies, may approach concerned Registration Authority to get registered with Defence. This may be undertaken for any number of items/stores for which Registration is sought by the manufacturer.

4.1.1 All the Indian ***entities*** (Manufacturers/Suppliers) dealing with Indian Defence Organisations are required to be allotted SCAGE Code and registered with NSPA in their NMCRL (NATO Master Catalogue of References for Logistics) website through NCB India. Registration of SCAGE with NSPA is the primary pre-requisite for the entities to further register their products duly codified with Indian NSN (NATO Stock Number) which will benefit/enable them in participating globally.

4.2 Registration Against RFP

Registration against RFP may be taken up with concerned Registration Authority by manufacturer who is not registered for specific item(s) mentioned in the RFP issued by OPA.

4.2.1 The registration of the manufacturer in the above cases has a validity of three years. **Appendix 'A'** will be used by the manufacturer for both the type of registration. A pre determined fee is chargeable as per the category of the firm.

4.3 Registration

Registration of manufacturer(s) for items of Multi Discipline may be undertaken as follows:

a) AsHSP having most complex and critical items for consideration of registration will be considered as Principal AsHSP and all other AsHSP as sub AsHSP.

b) After satisfactory scrutiny of the documents by concerned AHSP, the composite team will visit the manufacturer on date fixed and assess the items corresponding to their discipline and seek queries/clarification directly from the manufacturer's rep designated for the purpose. Manufacturer's rep for coordination of Registration process should be fixed in advance by manufacturer so that he is available full time with the Registration team on the date of visit.

c) The Registration Authority will issue a single Registration Certificate to the manufacturer by grouping all the items AsHSP wise.

4.4 Renewal of Registration

Renewal of registration will be carried out on self declaration basis by the firm stating that there is no change in the manufacturing capacity and other administrative and technical Parameters against which it was previously registered. Documents should reach AHSP 90 days in advance but not less than 60 days before expiry along with Registration Certificate (Appendix 'F' refers). All manufacturers who have submitted renewal documents within above mentioned time will be deemed to be registered till renewal action is completed.

4.4.1 The manufacturer should have participated in at least one of the tender enquiries in case tender enquiries have been floated to him/published in the media and there is no adverse feedback from the OPA.

4.4.2 There may be successive renewals.

5. COMPETENT AUTHORITIES

The Registration, Renewal and Removal from the compendium on various grounds involving fraud/malpractice/non performance is required to be carried out by Registration Authority as per the guidelines laid down in this document. The designated competent authorities and their responsibilities would be notified with the approval of Head of the Organisation of the respective Registering Authority(DGQA/DGAQA).

5.1 For Registration & Renewal

a) *Initiation, Procurement Agency against RFP:* Potential Manufacturer (Registration against RFP).

b) *Initiation of Renewal:* Manufacturer based on criteria as per Para **4.4**.

c) *Assessment & Recommendations:* SQAE and/or AsHSP as the case may be.

d) *Accepting Authority:* AsHSP

e) *Review and appeal against initial registration:* Respective ADGQA/ ADGAQA.

5.2 For Removal of manufacturers from compendium of registered manufacturers on various grounds involving fraud/malpractice.

a) *Initiation:* AHSP/SQAO through AHSP/OPA.

b) *Recommendation:* Addl DGQA/Addl DGAQA.

c) *Approving authority:* DGQA/DGAQA.

5.3 In routine cases such as non-renewal of previous registration, manufacturing units closed down for any reason, designated competent authority may order for removal of such manufacturer from compendium.

5.4 Whenever a firm is removed on various grounds involving fraud/malpractice/non-performance from the list of approved manufacturer or from the compendium, its registration stands cancelled. Such removal must be communicated to all other registering and procuring agencies so that OPA are aware of their registration status.

5.5 Competent authority for re-instatement of manufacturer in compendium of registered manufacturers is designated Registration Authority.

6. ELIGIBILITY CRITERIA

A manufacturer, integrator and firm in joint venture with minimum two years (preceding years from the date of applying) experience in the field of manufacturing of the specified store/equipment and that production line is still functional to produce the said item. Also the firms which have successfully executed SOs of specified store/ equipment be declared undeveloped sources/potential suppliers if they have plant/machinery/QMS and financial standing but have not manufactured the specified stores. Such stores from undeveloped sources are to be accepted after evaluation only and the OPA has the liberty to place 20% of the total order on such firms as per DPM as developmental order for developing more sources for future requirements.

6.1 Entities Not Eligible for registration

a) Traders/Dealers/Stockiest/Sole Selling Agents.

b) Sick units as defined in the "Sick Industrial Companies (Special Provision) Act 1985" and which have been declared sick by the Central/State Government authority.

c) Black listed firm by the competent authority/Govt. of India.

6.2 Special Eligibility

For indigenous manufactures who supply items only through their sole selling agents/ marketing firms, the registration of the manufacturing firm (OEM) would be mandatory. The supply order should clearly indicate the manufacturer/OEM and authorised sole selling agent/marketing firm. The quality assurance checks however will be carried out at manufacturer's premises only by designated authorities. Such firms should have MoU valid with the OEM.

7. VALUE ADDITION

A product/item not manufactured by a manufacturer but taken for processing in a finished product by means of process or design, is said to be a value addition. The principle of 'value addition' will be applied to decide whether they can be assessed for Registration as Defence Manufacturer e.g. fabricators of Ferrous/Non ferrous sheet metals and processors of grey cloth into finished fabrics may be considered as manufacturer meriting Registration since these involve value addition.

8. MANUFACTURER GRANTED PROPRIETARY ARTICLE CERTIFICATE (PAC)

Certain items, particularly equipment, may be the proprietary products of the manufacturer(s). Such items are only available with that firm or their dealers, stockiest or distributors as the detailed specifications are not available with others to manufacture the item. Situations may also arise when, for standardization of machinery or ensuring compatibility of spare parts with the existing sets of equipment, as per the advice of the competent technical expert, goods and services have to be obtained from a particular source. In such situations, a Propriety Article Certificate (PAC) may be issued to the Original Equipment Manufacturer (OEM) and items procured on PAC basis from that particular firm or its authorized dealers, from stockiest or distributors. While PAC is issued only in respect of the concerned OEM, the item may be bought from any dealer, stockiest or distributor specified in that particular PAC on the basis of the information provided by the OEM, provided the purchase is accompanied by a proper manufacturer certification. PAC once issued will be valid for two years from the date of issue unless cancelled earlier by the CFA (Refer Para **4.5.1** of DPM 2009).

9. PROCEDURE FOR REGISTRATION

Manufacturers fulfilling the eligibility criteria as per Para 6 may be considered for registration.

a) ***Step No. 1****:* Manufacturer may procure a copy of this JSG from addressee given in this guide at para 0.12(b).

b) ***Step No. 2****:* Application form for Registration namely 'Application for Manufacturer Registration (AMR)' at Appendix 'A' may be obtained from nearest competent authority. Alternatively, application form may be downloaded from the DGQA website (www.dgqadefence.gov.in). Appendix 'A' should be submitted strictly by the date as intimated by the OPA.

c) ***Step No. 3****:*

i) After acceptance of Appendix 'A', designated Registration Authority will nominate an assessment team who will visit the manufacturer's premises/facility to verify the details submitted in the application form and assess the Manufacturer.

ii) The assessment team will prepare the Registration report as per Appendix 'B' & 'C' of JSG and forward the same to the concerned authority for their vetting and further action of intimating the order placing authority and others concerned.

iii) Registration certificate will be awarded in both the cases of Registration i.e. General Registration and Registration against RFP.

10. REGISTRATION OF ADDITIONAL ITEMS

Application for registration of additional items from existing registered manufacturers will be entertained. The inclusion of additional items will be based on the assessment by the assessment team especially in case the item involves a different manufacturing technology, process, category or group of items registered. In such cases a visit by assessment team may be needed. Registration fee will be charged every time the manufacturer requests for registration of additional items where a visit is involved.

11. VALIDITY PERIOD OF GENERAL REGISTRATION AND REGISTRATION AGAINST RFP

11.1 Registration status of manufacturers who do not apply for renewal prior to expiration of their original registration validity will be deemed lapsed. Renewal of registration is carried out on the basis of manufacturer's declaration as stated in Para **4.4**. All renewal cases must be presented to AHSP/Registration Authority by the manufacturer 90 days in advance but not less than 60 days prior to the expiry of previous registration.

11.2 If request for renewal by the firm is not submitted as stated above, the name of manufacturers will be removed from the compendium of registered manufacturers and no requests/representation from the manufacturer(s) will be entertained thereafter. Further, no show cause is required to be issued to the manufacturers in such cases.

11.3 As and when the manufacturer apply at later date, fresh Registration will be carried out as per procedure for registration and Registration fee will be charged as applicable.

12. VALIDITY DURING RENEWAL

Where application for renewal has been made by due date, such supplier, will be deemed to be registered till the renewal action is completed.

13. VALIDITY OF RENEWAL

Renewal of registration will be valid for a period of three years from the date of expiration of originally issued certificate date/subsequent renewal date.

14. GENERAL TIME FRAME FOR REGISTRATION

As far as possible, general registration will be completed within 90 days after the receipt of complete set of documents from the intending manufacturers. Registration against RFP will be completed within 30 days after the receipt of complete set of documents from the intending manufacturers. All essential elements of the procedure indicated to verify the technical infrastructure and quality management systems of intending manufacturers will always be followed during Registration.

15. SCRUTINY OF REGISTRATION REPORT

To ensure timely materialisation of defence supplies of requisite quality, selection of technology, capable and financially sound manufacturer(s) for defence is of paramount importance. It is, therefore, vital that the registration report of the assessment team should be prepared with due care and scrutinized thoroughly by the designated recommended authority before recommendations are made to the Accepting Authority.

16. RESPONSIBILITY FOR CARRYING OUT MANUFACTURER REGISTRATION

16.1 Registration with one registration authority is valid for other registration authority also for similar stores/process. However, in case of manufacturer already registered with one registration authority, applies for registration for additional items/new products or process to a different Registering/initiating authority, the procedure to be followed for registration will be as per the guidelines given in Appendix 'D' to this guide. AsHSP having most complex and critical items in consideration of the registration list will issue the registration certificate.

16.2 Special Circumstances

16.2.1 The formal procedure for submitting all documents indicating details of technical infrastructure/facilities and the quality system may be modified by the approving authority or his authorised representative in specific cases of renowned and outstanding manufacturers where it is desirable to keep such manufacturers in compendium of registered manufacturers.
"For example, in the case of TELCO/TATA MOTORS, BHEL, IOCL etc, it may be irrelevant to compile and collect all details of installed machinery, personnel etc. However, in such cases the quality system of these manufacturers for specific product(s), for which it is desired to register them, can be verified and recorded".

16.2.2 Registration of such manufacturers may be carried out after deliberations between the recommending authority and suitable officials of the top-level management of the company and assessment of the quality control practices & quality of the product. Before registration, a written commitment will be obtained from the top management of the company to develop, indigenise and manufacture the stores in question as per defence requirement.

16.3 Assessment of Financial Health

While carrying out the manufacturer assessment, apart from verification of technical capability, it is also necessary to assess the financial soundness of the manufacturers to invest and incur expenditure for initial development, raw materials and various other inputs required for execution of defence supplies as per the stipulated delivery schedule. For this purpose, the audited balance sheets and profit and loss statements of the manufacturer for the previous three financial years will be obtained. From these documents, the Registration team will give factual position as under:

a) Sales/Turnover in the last three years and average/year. For this purpose trading account will not be considered and only sales account given in the audited balance sheets will be included.

b) Profit/loss during the past three years.

c) Accumulated losses if any.

d) Net worth of the manufacturer (assets minus liabilities) the average turnover of the manufacturer for the last three years will be taken as the monetary limit up to which order can be placed on the manufacturer and this will be included in the registration report.

e) In case a manufacturer is making losses it should not be assumed that it cannot be considered for registration. Each case will be assessed and examined on its overall merits by the recommending and accepting authorities.

16.4 Rejection of Registration

In case it is not possible to register a manufacturer due to deficiencies noticed during assessment, the details of the deficiencies noted will be intimated to the manufacturer as an advice by the recommending authority indicating that the firm may apply for registration afresh within a prescribed time frame. Normally re-Registration of such firms will be taken up only after six months and on payment of fresh Registration charges for initial registration. However, re-Registration may be taken up earlier at the discretion of the Accepting Authority for reasons to be recorded in writing depending on the nature of deficiencies noted earlier and merits of the case. To avoid the possibility of manufacturer for a particular item which may have been rejected for registration by one authority seeking to get registered through some other Authority dealing with similar items, it will be incumbent on the part of manufacturer to furnish all information regarding previous Registration results. For such serious acts of omission and commission by manufacturer, the manufacturer will not be considered for registration with Defence for a period of three years.

16.5 Categories for Registration

In addition to grading, manufacturers will be registered for various categories depending on their infrastructure and capabilities for one or more type of activities like design, development and production. The manufacturers will, therefore, be categorised as under:

a) Design, Development & Production (DDP)

Manufacturers who have design capability and infrastructure for Research & Development apart from manufacturing capability, covering all requirements of a quality system will be registered for all three capabilities and categorised as “DDP”.

b) Development & Production (DP)

Manufacturers with capability for development and bulk manufacture only but do not have infrastructure for design i.e. conversion of a concept into an engineering design. Accordingly these manufacturers will be categorised as “DP”.

c) Production (P)

All other manufacturers having only production facilities for converting defence design into hardware or end stores or those capable of specified process such as fabrication, casting machining etc. will be categorised as "P".

16.6 Registration Fee

For registration of a manufacturer, a fee is chargeable as mentioned below or as amended from time to time. This fee is chargeable from all prospective manufacturers seeking registration including Govt/Semi Govt Undertakings and PSUs. This fee is non-refundable. Details of the fee for two under mentioned categories of manufacturers are given as under:

a) For initial Registration

i) Large Scale Industries - Rs. 25000 + GST (as applicable)

ii) MSME - Rs. 10000 + GST (as applicable)

b) The Registration fee will also be charged in the following contingencies:

i) For additional items involving new/similar technology/design at any stage after initial registration/renewal. In case of doubt, the decision of registration authority regarding technology being new or otherwise will be final.

ii) Change of location/premises of factory/works of the manufacturer involving fresh visit.

16.7 Grading of Manufacturers

All manufacturers will be graded and registered according to their quality system, technical facilities available with them and their financial status. The grading will be awarded based on a system of allotment of marks by the assessing team deputed to verify the manufacturer in their report viz. "Manufacturer Quality Survey Report (MQSR)" given at Appendix 'B'. Based on the marks obtained in the MQSR, the following grading will be awarded to manufacturers:

	Points	*Grading*	*Remarks*
a)	80% and more marks	I	Fit for Registration
b)	70% to less than 80% marks	II	Fit for Registration & advice to improve
c)	Less than 70% marks	III	Not Fit for Registration

16.8 Marking System for Grading

For the purpose of grading, "Manufacturer Quality Survey Report (MQSR)" given at Appendix 'B' will be used as a guideline. This MQSR has been framed in two parts as under:

a) Part I

This part has been formulated to assess the requirement of the Quality Management System as per attributes (clauses) of ISO 9001. Under each main clause, a number of sub-clauses have been suggested as a guide to meet the minimum requirements of the quality system for defence stores. However, the manufacturer has to provide details on the capability to 'Design, Development and Production/ Development and Production/Production'.

b) Part II

This part has been framed to assess the product specific technical aspects of the manufacturers, which are not directly related to the quality system. In addition to the Requirements of manpower, bond room space, inspection facilities and environmental standards etc. of the manufacturer has been suitably incorporated.

16.8.1 Evaluation Norms for Allotting Marks

Certain clauses/sub clauses may not be applicable to same/some types of manufacturers or for some stores/disciplines. In such cases, no marks will be allotted for these clauses/sub clauses. Accordingly, percentage of marks for each part of the MQSR will be worked out based on the total marks of the applicable elements of the quality system and the product specific aspects.

16.9 Issue of Registration Certificate

After manufacturer assessment and approval of recommendations by Accepting Authority to register a manufacturer and include it in the compendium of registered manufacturers, a registration certificate as per specimen given at **Appendix 'E'** will be issued by the Registration Authority. Copies of the registration certificates will be endorsed to the following:-

a) The Manufacturer
b) Quality Assurance Authorities
c) Order Placing Authorities
d) Directorate of Standardisation (for processing of SCAGE Registration)

16.10 Contents of Registration Certificate

In response of items for which registration is accorded, the contents of the Registration Certificate should be prepared as per the following guidelines:

a) A combination of similar technology/design and specific description of the stores/processes should be included.

b) The range of dimensions/weight/tolerance limits should be specified where applicable.

c) Specific technology available with manufacturer may be mentioned but may not be limited.

d) In case of processes such as machining, casting, forging etc, a mention may be made of component/sub-assemblies/assemblies (as examples) which the manufacturer is capable of manufacturing.

e) Where possible/necessary, specification and/or drawings may be indicated.

f) Certificate should include suitable grade of the manufacturer for example "Large Scale – Design, Development and Production Grade 80% (LS-DDP-GRADE-1)" etc.

g) The registration certificate should clearly distinguish between already developed who have executed supply orders of specified store/equipment and undeveloped manufacturers and potential suppliers who have the plant/machinery, QMS and financial standing but have not manufactured the specified store/equipment as indicated in Appx 'E'. Such stores will be accepted after evaluation.

16.11 Renewal of Registration Certificate

For renewal of registration, certificate as per specimen given at **Appendix 'F'** in this guide will be awarded to the manufacturer.

17. COMPENDIUM OF REGISTERED MANUFACTURERS

In the compendium of registered manufacturers, comprehensive gradation of the manufacturer will be indicated as given in **Appendix 'G'** as manufacturer (Large or MSME, Category and Grading as per Para **16.8** above) with date of registration/renewal. For example: as LS-DDP-Grade I in the compendium.

17.1 Compendium of registered manufacturers of each discipline will be prepared in two volumes as per details given below:

a) ***Volume I***

This will be prepared to indicate details of registered sources of supply for all stores equipment and ancillaries. This volume will be in three parts as under:

i) ***Section A***: Alphabetical list of registered manufacturers qualifying for RFP covering their entire range of stores, equipment, spares tools, other accessories/sub-assemblies and processes for which the manufacturer is registered. Specific details of types, ranges, tolerances and limits for each item will be given.

ii) ***Section B***: Product/item-wise directory of registered manufacturers with cross reference to manufacturers covered under Section A.

iii) ***Section C***: Engineering process-wise directory of registered manufacturers with cross reference to manufacturers covered under Section A.

b) ***Volume II***

Compendium of registered sources of supply for specific items after Qualification/ Type approval, as Original Equipment Manufacturer (OEM), items cleared for rate contracts and sources for indigenized spares. Qualification approval is a status given to a manufacturer in recognition of their capability to produce an item conforming to the requirements of the stipulated and relevant paper particulars, standards, specifications and environmental conditions.

c) ***Volume III***

Compendium of registered sources which are undeveloped as far as specifies Defence Stores/Equipment is concerned. However they possess complete plant, machinery, testing facilities, financial standing and QMS.

d) Compendiums of registered manufacturers will be available on DGQA portal.

17.2 Updating of Compendium

The compendium will be updated through notifications by the issuing authorities once in every quarter i.e. April, Jul, October and January for amendments processed during the preceding quarter. The compendium will be uploaded on DGQA website. The notifications will be issued as per specimen at **Appendix 'H'** to this guide. The details that may be included in the notification are as under:

a) Addition of new sources of supply.

b) Deletion of manufacturers already registered with reasons.

c) Approval of new sources/products against qualification/type approval, indigenisation and rate contract items.

d) Revision of grading or other important details given in existing edition of the compendium.

17.3 Fresh updated compendium will be issued at least once in three years. E-Copies of compendium as and when issued will also be endorsed to all QA Authorities, OPAs and to Principal Purchase Officers in Ministry of Defence/Service HQs. E-Copies of updated notifications may also be given to all other concerned.

17.4 Compendium Monitoring

17.4.1 The Registration Authority will monitor the compendium and these will be uploaded on their websites. The monitoring will include:

a) Allotment of Control Number for newly registered manufacturers.

b) Ensure issue of updated compendium once in three years by respective Registration Authority.

c) Ensure issue of notification updating every quarter by respective Registration Authority.

d) Highlighting the manufacturers where validity has expired and removal from compendium was necessitated but not removed.

e) Maintaining a centralized list of compendium in their organisation.

18. REMOVAL OF MANUFACTURER FROM COMPENDIUM

Removal of manufacturers from the compendium of registered manufacturers may be ordered by respective Registration Authority on the following grounds:

a) If a manufacturer fails to execute a contract or fails to execute it satisfactorily against the specification.

b) If a manufacturer no longer has the technical staff or equipment considered necessary.

c) If a manufacturer is declared bankrupt or insolvent or its financial position has become unsound, and in case of limited company, it is wound up and taken into liquidation.

d) Consignee End Rejection cases where the manufacturer is at fault in supplying substandard stores (**Appendix 'J'**).

e) Firms which are blacklisted/banned and put on hold for all procurement and acquisition cases in the pipeline by the competent authority. (Refer Para 3.4 and 3.5 of DPM 2009).

18.1 The above said grounds when brought to the notice of the registration authority, a show cause notice will be issued to the manufacturer with the approval of the competent authority concerned, about the action proposed and grounds therefore.

18.2 On consideration of the reply thereto or after the expiry of the notice period, the competent authority will pass appropriate orders for cancellation of the registration of the manufacturer and removal from the list of registered manufacturers. However, in case of reason (a) and (b) orders regarding removal may be made applicable in respect of one or more items as may be relevant.

18.3 Once removed from the compendium, the name of the manufacturer may not be restored in the compendium unless it satisfies the registration requirements. After taking due corrective measure/after expiry of the period of removal from compendium, as the case may

be, the manufacturer will make a request to the competent authority to review its case accordingly.

19. SUSPENSION AND BAN

Business Dealings with Manufacturers : For serious acts of omission and commission, malpractices, defaulters etc, action may be taken for suspension/put on banned list of such manufacturers. There will be no business dealings as per Government orders issued from time to time.

20. SELF CERTIFICATION

Self-Certification status can be accorded to the approved defence manufacturer(s)/suppliers who have a comprehensive Quality System to meet quality objectives and demonstrate an ability to consistently achieve a high performance/Supplier rating in respect of supplies made by them. Quality Assurance Authorities at various levels should constantly monitor the performance of Manufacturers and advise them on the benefits of self-certification. Deserving firms meeting the requirements to supply quality stores to defence as per the Self Certification Guide should be motivated to seek registration for obtaining self-certification status. Self-certification has a number of advantages for the seller and purchaser (Govt). There is a need to vigorously implement the scheme for according self-certification status to maximum number of defence suppliers of proven ability. Manufacturers meeting the criteria of consistent defect free supplies to Defence requirements may seek Self-Certification for those products as per the guidelines contained in the self-certification guide available at DGQA web portal *www.dgqadefence.gov.in*.

21. GREEN CHANNEL STATUS

21.1 In order to promote ease of doing business to achieve the national vision of 'Make-in-India' it has been decided to institute a mechanism for awarding Green Channel status to firms having predefined financial and quality credentials.

21.2 Applications will be accepted from the eligible firms for grant of Green Channel status. The grant of Green Channel status will provide deemed registration status waiver of pre-dispatch inspection, and acceptance of stores under Firm's/OEM guarantee/warranty for the stores/ spares the contracts concluded by various Procurement Agencies under Ministry of Defence. Manufacturers having an annual average turnover of Rs. 1000 crore (Rupees One thousand crore) or more during last three years and making profit in at least three out of last five years shall be eligible for green channel status. Firms may apply for grant of Green Channel status for broad categories of items having continuous requirement/mass consumption in Defence Forces. Complete modalities and terms/conditions are laid down in MoD letter No. 43(5)/2015/D(QA) dated 24 Mar 2017 and the format of Application for Green Channel Status is placed at **Appendix 'K'** and also available at *www.dgqadefence.gov.in*.

22. SCAGE REGISTRATION

All eligible supplier/Registered manufacturers will also be registered for allocation of SCAGE/NCAGE following the steps given at **Appendix 'M'**. SCAGE/NCAGE will be

gradually incorporated in the compendium as and when these are updated. Intimation of newly registered manufacturer(s)/or their deletion etc will also be given to NCB India/Directorate of Standardisation (Para 16.9) refers.

22.1 As of now, the codification of products of ***entities*** used for Indian Defence is being done by the respective AHSP (Authority Holding Sealed Particulars) by submission of codification request through web based codification software tool to the concerned Defence Standardisation Cell/Detachment. The submitted codification requests are scrutinised/vetted by the Defence Standardisation Cell/Detachment and further submitted to the Directorate of Standardisation for allotment of 13-digit Indian NSN.

22.2 All Defence Standardisation Cells/Detachments of Directorate of Standardisation have been entrusted with the task of initiation of SCAGE allotment/registration process for ***entities*** dealing with all AsHSP/Ordnance Factories/PSUs/DRDO Labs. Without SCAGE/NCAGE, NSN cannot be generated for manufactured items. It is, thus, mandatory for each vendor/firm/manufacturer to have unique SCAGE/NCAGE.

22.3 NCS uses CAGE (Commercial and Governmental Entity) codes principally to identify **manufacturers (*entities*).** CAGEs are broadly used in many countries in a variety of logistics processes. As such, they are often assigned to a variety of **organisations (*entities*),** including **distributors, standards bodies, Government organisations**, and **service providers**. The CAGE code is allotted by NSPA (NATO Support and Procurement Agency) which provides technical and administrative support to AC/135. The allotted CAGE codes are registered automatically in the NMCRL (NATO Master Catalogue of References for Logistics) website which is managed by The NSPA. There are three type of CAGE codes:-

a) NCAGE Code : NATO Commercial and Governmental Entity code (NCAGE) is allotted to ***entities*** of NATO and Tier-2 Sponsored countries as per the format assigned by NSPA. For example, it may be seen in the enclosed NCS chart that the first country ALBANIA is assigned with format **A***H** and the NCAGE Code "A03SH" has been allotted to "Toyoto Tiruna, Albania".

b) SCAGE Code : "S" type CAGE Code (SCAGE) is allotted to ***entities*** of Tier-1 sponsored countries only. India being a Tier-1 sponsored country, SCAGE Code is allotted to Indian ***entities***. For example, SCAGE code "SYJ48" has been allotted to "Oxilium Engineering Services, Chennai". All SCAGE codes allotted to ***entities*** of a Tier-1 sponsored country will be upgraded to NCAGE codes on becoming Tier-2 sponsored country. In case of India, the NCAGE codes will be as per format "#***Y" assigned for India after getting Tier-2 status.

c) ICAGE Code : "I" type CAGE Code (ICAGE) is allotted to international organisations/agencies. For example, ICAGE code "I9033" has been allotted to "World Health Organisations, Switzerland".

22.4 The detailed on-line procedure for registration and submission of request form by the ***entities*** towards allotment/registration of SCAGE code is available on http://www.ddpdos.gov.in. The SCAGE once allotted/registered will be intimated to the ***entities*** by email with a copy marked to the concerned organisation.

Appendix 'A'
(Para 4.2.1)

APPLICATION FOR REGISTRATION BY MANUFACTURER (ARM)

NOTES

1. Strike out whichever is not applicable.

2. This information be submitted to the respective registration authority.

3. All pages of this application and enclosures are to bear full signatures with the Stamp, serially numbered and linked with relevant Para.

4. This Appendix contains eight pages and Annexure I & II.

5. This information will be treated as 'Confidential'.

A-1. PART-I

A-1.1 Administrative Information

a) *Name of the Manufacturer*

b) *Addresses with Telephone No. and registered mobile No. with STD code/Fax/ E-mail:*

i) Registered Office

ii) Factory / Works

iii) Branch offices if any

iv) Name, address, telephone and registered mobile No. of the MD/ Proprietor.

c)	Category of Industry (attach: registration documents)	Large Scale / MSME.
d)	Nature of company (attach: relevant documents)	Proprietary / Private Limited / Public Limited / Partnership / Joint Venture.
e)	Nature of Business	Manufacturer / Sole Selling Authorised Agent / Dealer /Assembler / Processor / Re-Packer / Fabricator.

f)	Details of Defence Products under production, if any.	Mention Supply Order No. and Description of store
g)	Details of Registration: Attach copies of registration Certificate.	NSIC / MSME / SSI / DGS&D / Other Defence Deptt / Other Government Deptt / Membership FICCI / ASSOCHAM / CII or any other Industrial Association.
h)	Company Index Number: /Corporation Identification Number (CIN) (enclose copy)	
j)	Have you earlier applied for Registration with DGQA. If yes, Please give details. i) Authority to whom applied with Date ii) Item(s) applied for iii) Reasons for Non Registration	YES / NO
k)	ISO: 9001:2008 / ISO 9001:2015 certified (attach copy of the latest certificate)	YES / NO
m)	Area of Factory/Works is on a) Covered Area b) Uncovered c) Bond Rooms d) No. of Bond Rooms e) Production Area f) Testing Area **NOTE -** Attach proof of ownership and detailed site plan of layout of premises clearly depicting various areas e.g. production area, (Appx location of plant/Machinery stores, bond rooms, inspection area etc.)	lease or owned ……m2 ……m2 ……m2 …… ……m2 ……m2
n)	Capital outlay :	
p)	Name of Bankers, A/c No. Addresses of the Bank :	
q)	Electric Power Capacity :	Sanctioned / Installed / Standby /Power back up

r)	*Does product being considered fall under:*	
	1) Cost Audit (report) Rules 1968.	YES / NO
	2) Fire Safety or Explosive Regulations (Details of license/compliance).	YES / NO
	3) Central Pollution Control norms.	YES / NO
	4) Other Government Regulatory norms.	YES / NO
s)	*Details of Manpower Employed:*	
	1) Admin	
	2) Technical	
	i) Skilled	
	ii) Unskilled	
	3) No. of shifts for manufacture of stores seeking registration. Attach Regulatory certificate.	
t)	*Attach Self attested copies of under mentioned documents for previous 03 years:*	
	1) Audited Balance Sheet, and total Accumulated losses, if any.	
	2) Present net worth.	
	3) Source of finance with borrowing limits & Bank Guarantee. Attach documents (i) (ii) & (iii)	Give Details
	4) Attach copy of PAN/TAN/ Service Tax/ VAT/ GST/Income	Available (Not Available)

Tax certificate for 3 years.	
5) Attach copy of Valid State, Central Sales Tax Registration Certificate.	Available / Not Available
6) Details of Pollution Clearance Certificate. Attach copy	Available / Not Available
7) Relevant information with complete details about sister concerns / subsidiaries, if any.	
8) Facilities for Water, Fire Fighting, Security &Medical. Attach documents (i), (ii), (iii), & (iv)	Available / Not Available
9) Copies of relevant regulatory certificates for which registration sought.	
10) Copy of other Regulatory certificates for stores/equipment for which Registration sought.	
11) Attach copy of Digital signature certificate issued by National Informatics Centre (Mandatory requirement for e-Procurement cases). 12) Attach MoU with the manufacturer on a stamp Paper in case of Sole Selling Agents / Marketing Firms.	

A-2. PART II

A-2.1 Technical Information

A-2.1.1 *Details of Defence Stores for which Registration is sought (if it is product specific)*:

S. No.	Nomenclature of Store	NSN	Drawing No.	Specification No.

A-2.1.2 *Details of foreign collaboration, if any:*

S. No.	Product	Name & Address of Collaborator	Year	Validity

A-2.1.3 *Details of Supply Orders executed during last three years with respect to stores/ equipment for which registration sought, if any:*

S. No.	Order placing authority	No of manufacturer of store	Supply No. & Date	Date of Last Supply	Value in RS

A-2.1.4 a) Details of bought out items (Component/Sub Assy/Assy/Processes) from sub-contractors: (Attach copies of agreements/ MoU on Stamp paper):

S. No.	Item	Comp/Assy/ Sub-Assy/Process	Name & Address of the sub-Contractor*

b) Details of Testing / Quality check done by Sub contractors (Attach copies of agreements/ MoU on Stamp paper):

S. No.	Item	Details of test	Name & Address of the sub-Contractor/ Laboratory*	Agreement

A-2.1.5 *Source of Raw Material/ Product:*

S. No.	Details of Material/Product used	Source	Brief Description
	Imported/ Indigenous		

A-2.1.6 Complete d*etails on facilities & infrastructure available as per following format:*

a) Plant and machinery specific to item (s) for which Registration is sought:

Item	Description of Machine & its Specification	Capacity	Make & Model	Quantity	Date of Purchase

b) Tool Room, Meteorology & Test Equipment Facilities:

Item	Type of Instruments/ Test Equipment	Make / Model & Quantity	Date of Purchase	Calibration done on	Frequency for Calibration

***Attach relevant calibration certificate.*

c) Design and Development facilities available (If Yes, enclose a declaration with details as per Para **4.3** of MQSR Part I of Appendix 'B'). YES / NO

d) Is the manufacturer committed & willing to supply spares for service life of the store. If Yes, give undertaking. YES / NO

e) Furnish the following details with relevant certificate and documents:

1) Inspection & quality control of

i) raw material/ Input material

ii) Components.

iii) Semi finished product.

iv) Sub assemblies

v) Assemblies

2) Assistance from central agency for testing/calibration etc.

3) Laboratory / Drawing Room Facilities available

i) facility for reverse engineering.

4) Flow process chart of item for which registration is sought.

5) Details of estimated production Capacity of the Defence stores for which registration is sought.

f) Future plan (if any) in respect of Expansion:
(Attach extra sheets)
Program, Installation of additional Machines/tool facilities etc.

Declaration

I/We confirm that the information furnished in Part I & II above is correct. In the event of any information given by me/us is found incorrect/false at any time, I/we understand our registration will be cancelled without notice, besides any other appropriate action against me/us.

SEAL

Signature of MD/Proprietor
Or his authorized representative
Name with seal

Seal of the manufacturer
Date :
Place :

CERTIFICATE OF VERIFICATION BY REGISTRATION TEAM
(To be filled by the assessing team)
(Please strike out which is not applicable in Part I & Part II of ARM)

1. Certified that we have verified the information given by the manufacturer and same is observed to be Correct / Not Correct.

2. The following comments are made:

a)

b)

c)

d)

e)

f)

g)

3. It is also certified that all the documents have been verified with the originals and enclosures attested.

Name & Designation of Team leader

Name and Designation of Team Members

1.

2.

Date :

Place :

Annexure I to Appendix 'A'

CERTIFICATE FROM INDIAN MANUFACTURER/OEM FOR ITS SOLE SELLING AGENT/MARKETING FIRM FOR REGISTRATION
(This Annexure consists of one page only on the letter head of Indian Manufacturer/OEM and on Judicial Paper)

To,

Order Placing Authority

Indian Manufacturer/OEM Certificate for its Sole Selling Agents/Marketing Firms for Registration

Sir,

We, M/s _____ (name and full address of Indian manufacturer/OEM) hereby confirm that M/s _____ (name and address of its Sole Selling Agents/Marketing Firms) are our Sole Selling Agents/Marketing Firms.

2. We Confirm that:

a) We have authorized M/s_____, our Sole Selling Agents/Marketing Firms to represent us and act on our behalf on all matters pertaining to manufacture and supply of the products against the supply orders placed on us/them.

b) We also take full responsibility for the acts/omissions committed by M/s _____. All claims and disputes if any, arising out of defects/poor quality of stores supplied by M/s _____or by us would be settled by the parent company.

c) The goods supplied to Consignee will be brand new, in our current production and conforming to Indian conditions as per technical specification.

d) Our OEM standard Guarantee/Warrantee shall be applicable for our products supplied by aforesaid firm to the Procurement Agencies.

e) In the event of termination/closure of the aforesaid Sole Selling Agents/ Marketing Firms, we shall immediately inform the same to the OPA and QA Authorities.

3. We M/s _____ are willing to get our manufacturing facility assessed for Registration in terms of JSG 015 : 2018.

a) Signature on behalf of the Indian Manufacturer/OEM.
b) Name of authorized signatory on behalf of the Indian Manufacturer/OEM.
c) Designation/Position of authorized signatory in the Indian Manufacturer/OEM.
d) Full address of the Indian Manufacturer/OEM with stamp/Seal.

Place :
Date :

Annexure II to Appendix 'A'

JOINT UNDERTAKING TO BE SIGNED BY PARENT COMPANY & ITS SOLE SELLING AGENT/MARKETING FIRM WHEN THEY DO NOT COMPLY WITH PROFITABILITY AND TURNOVER REQUIREMENT BUT PARENT COMPANY COMPLIES
(This Annexure consists of one page only)

1. "Notwithstanding that Registration Certificate and Supply Orders are awarded to the M/s _____ (Sole Selling Agent/Marketing Firm), the (Parent Company) and M/s _____(Sole Selling Agent/Marketing Firm). Jointly and severally, undertake the following:

a) M/s _____ (Parent Company) as well as M/s _____ (Sole Selling Agent/Marketing Firm). Jointly and severally, undertake to abide by all terms & conditions of Registration & supply orders and corresponding performance of supply orders thereof in all respects including timely delivery as well as required quality of the product, Fall Clause and Warranty/Guarantee obligations.

b) The named M/s _____ (Parent Company) as well as M/s _____ (Sole Selling Agent/Marketing Firm), jointly as well as severally shall be liable/responsible and accountable for due performance of the supply order as well as supplies thereof in all respects and also for all such claims of the purchases arising thereof including legal liability in competent court of law."

NOTE - The above joint undertaking should be signed & dated by authorized person on behalf of M/s _____ (Parent Company) as well as M/s_____ (Sole Selling Agent/Marketing Firm). The signing person must attach a necessary power of Attorney evidencing his authority to bind the company on whose behalf the above undertaking has been given.

Appendix 'B'
(Para 9(c)(ii))

PART I
(IN THE CONTEXT OF ORGANISATION)
Manufacturer Quality Survey Report (MQSR)
Quality Management System - Requirements

a)	The marks are to be allotted on the basis of following 1) QMS following in the Organisation 2) The determination of external & internal issues that can affect the intended results from the QMS. 3) The needs & expectations of interested parties that have been identified. 4) Culture of identifying and utilizing opportunities and mitigating potential risks before they occur. 5) Scope of the QMS established determining the boundaries and applicability. Note: Evidence of planning integration of the organisational processes to realize the intent of the QMS may be in the form of: i) SWOT analysis & its regular review. ii) Institutionalized process of Self-Assessment for internal issues such as Values & Culture Level of Employee Satisfaction Technological advancement, Effectiveness of action taken to address Customer feedback, Benchmarking Organizational Practices with Industry at large and Organizational performance. iii) Conducting surveys to analyze Social and Economic environments, trends in Trade & Technology, changes in Statutory & Regulatory requirements and opportunities to expand.	 2 2 2 2 2
b)	*QMS processes:* 1) Processes defined in detail including their interrelationships & interactions. 2) Availability of Process Maps (SIPOC/Flow Chart) that graphically describe all the requirements which include: i) Identifying Inputs required for the Processes & the Outputs expected of them. ii) Assigning Authorities & Responsibilities for the Processes.	 2 4

	iii) Identifying Risks & Opportunities associated with the Processes and Planning & Implementing actions to address them. iv) Applying the determined criteria & methods to ensure effective operation and control of Processes. 3) Risk based approach throughout the organization, anticipating consequences of things going wrong, changes in Customer needs & expectations and the opportunities presented. Evidence for planning to address Risks & Opportunities will be available from Failure Mode Effect Analyses.	2
c)	*Leadership:* 1) The Acceptability of accountability by Top Management for the effectiveness of QMS.	2
	2) The clarity on the Quality Policy. It is appropriate &compatible with the purpose, context and strategic direction of the Organization.	2
	3) Quality Policy understood and applied within the Organization.	1
	4) The importance of effectively conforming to the QMS requirements communicated across the Organization.	1
	5) The QMS requirements integrated into the organization's processes.	1
	6) Visibility of Top Management engaging, directing & supporting employees in contributing to the effectiveness of QMS.	1
	7) Top Management conveying the culture of QMS data based decision making and intent to continually seek scope for improvement.	1
	8) Top Management ensuring that customer and statutory & regulatory requirements, as applicable, are determined, understood and consistently met.	1
	9) The actions of the Top Management demonstrate focus on enhancing customer satisfaction.	2
	10) The Top Management promoting the use of Process Approach & Risk based thinking.	2
	11) Assignment by Top Management the responsibility and authority for ensuring: i) Conformance to requirements of QMS Standard.	1

	ii) Delivery of intended process outputs.	1
	iii) Promotion of customer focus throughout.	1
	iv) Integrity of QMS whenever changes are made.	1
	12) Mechanisms to report to Top Management on performance of QMS and opportunities for improvement	2
d)	*Planning:*	
	1) An Existance of an institutionalized practice of Risk Management cycle:-	
	i) Identifying Risks & Opportunities.	1
	ii) Analyzing & prioritizing Risks & Opportunities.	1
	iii) Planning actions to address risk.	1
	iv) Implementing plan.	1
	v) Checking effectiveness of actions.	1
	vi) Learning from experience.	1
	2) Measurable Quality Objectives established for various functions at relevant levels. Are they derived from and consistent with Quality Policy?	2
	3) Quality Objectives communicated to those responsible, measured and monitored for achievement and updated as appropriate.	2
e)	*Support:*	
	1) The infrastructure, resources, environment and manpower required to ensure valid & reliable results planned and made available.	2
	2) Outsourcing requirements planned taking into account capabilities & constraints of internal resources.	2
	3) Measurement traceability required, scheduled calibration maintained for measuring equipment.	2
	4) The calibration carried out at predetermined intervals, traceable to national/ international standards. Is the calibration status of the equipment identified? Are they safeguarded from possible damage/ adjustments?	3
	5) The action taken on the immediately preceding results when measuring equipment is found unfit.	2

	6) Managing Organizational knowledge.	2
	7) System of drawing competence matrix based on educational qualification, training & experience for such work that will affect the performance & effectiveness of QMS.	1
	8) People trained, where required, based on Need Analysis.	2
	9) Modes of communication established w.r.t. the matter to be communicated.	2
	10) Are the lists of "documented information" required to be maintained to support the effective execution of processes and "documented information" to be retained evidentially to have confidence that processes were executed as planned determined? While doing so, have the complexity of processes and competence of personnel been taken into consideration?	2
	11) Documented information identified, formatted, reviewed and approved.	2
	12) Availablity of document where & when needed and adequately protected.	2
	13) Documents distribution, access, storage, retrieval, period of retention and disposal addressed adequately.	6
	14) The documentation required to be maintained as per ISO 9001:2015 are: i) Information needed to support the operation of its processes **(4.4.2 a).** ii) Quality Policy **(5.2.2 a).** iii) Quality objectives **(6.2.1).** iv) Operational planning and control **(8.1e).** v) Control of production &service provision **(8.5.1).**	
	15) Minimum documentation to be retained as per ISO 9001:2015 are: i) To have confidence that processes are being carried out as planned **(4.4.2 b).** ii) Monitoring and measurement of resources **(7.1.5.1 and 7.1.5.2a).**	

	iii) Competence **(7.2d).** iv) Operational planning and control **(8.1e).** v) Review of requirements related to products and services **(8.2.3.2).** vi) Design and development inputs **(8.3.3).** vii) Design and development controls **(8.3.4f).** viii) Design and development output **(8.3.5).** ix) Design and development change **(8.3.6).** x) Externally provided processes, products & services **(8.4.1).** xi) Identification & Traceability **(8.5.2).** xii) Property belonging to customers or external parties **(8.5.3).** xiii) Control of changes **(8.5.6).** xiv) Release of products and services **(8.6).** xv) Control of nonconforming process output, products and services **(8.7.2).** xvi) Release of product and services **(8.6).** xvii) Control of nonconforming outputs **(8.7.2).** xviii) Monitoring, measurement, analysis and evaluation **(9.1.1).** xix) Internal audit **(9.2.2f).** xx) Management review outputs **(9.3.3).** xxi) Nonconformity &corrective action **(10.2.2).**	
f)	*Operation:* *1) Planning & control:* i) The requirements for products & services determined? Do they include statutory & regulatory requirements. ii) Criteria for processes and acceptance of products & services.	 2 2

	iii) The resources required to achieve conformity of products & services.	2
	iv) Process controls implemented in accordance with criteria.	2
	v) The outsourced processes controlled.	2
	vi) Communication with customers established in respect of:	2
	aa) Products & services.	
	ab) Enquiries & contracts including changes.	
	ac) Customer feedback including complaints.	
	ad) Handling customer property.	
	ae) Contingency plans when relevant.	
	vii) The ability to meet the requirements ascertained before committing to supply products & services?	2
	viii) Does the review include:	2
	aa) Requirements stated by the customer.	
	ab) Requirements not stated by customer but are necessary, when known.	
	ac) Requirements specified by the organization.	
	ad) Statutory & regulatory requirements applicable.	
	ae) Contract requirements differing from those previously expressed and their resolution.	
	ix) Are the relevant persons made aware of changed requirements, if any?	2
	2) *Design & Development:*	
	i) When Design & Development of products & services is involved, are the processes, including controls, established, implemented and maintained to ensure provision of products & services?	3

	ii) Are Design inputs adequate, complete and unambiguous?	3
	iii) Are Design reviews conducted to evaluate the ability of Design & Development results to meet requirements?	3
	iv) Is Design verification conducted to ensure outputs meet input requirements?	3
	v) Is Design validation conducted to ensure the products & services meet their intended use?	3
	vi) Do Design outputs specify characteristics essential for intended purpose?	3
	vii) Are the changes made during or subsequent to Design & Development controlled to avoid adverse impact on conformity to requirements?	3
	3) *Control of externally provided processes:*	
	Are the externally provided processes, products & services controlled such that they do not adversely affect the organization's ability to consistently deliver conforming products & services to its customers? How is it ensured?	6
	4) *Production & service provision:*	
	i) Are documentation available to define the characteristics of the products to be produced/services to be provided?	2
	ii) Are monitoring & measurement activities implemented at appropriate stages? Are the resources adequate? Are the persons deployed competent?	2
	iii) Is the ability to achieve planned results validated periodically when the resulting output cannot be verified by measurement?	2
	iv) Are there measures implemented to prevent human error?	2
	v) Are the outputs identified throughout production wrt their inspection status?	2
	vi) When traceability is required, are the outputs uniquely identified?	2
	vii) Are measures in place to identify, verify, protect & safeguard customer's property? Are they reported when lost, damaged or otherwise unsuitable for use?	2

	viii) Are the outputs preserved during production to the extent necessary to ensure conformity to requirements?	2
	ix) Are post-delivery activities determined w. r. t. nature, use & intended life time, customer requirements & feedback, statutory & regulatory requirements and potentially undesirable consequences?	3
	5) *Release of products & services:*	
	Is it ensured that the product & service requirements have been met before their release? Are the evidence of conformity & the traceability of the person authorizing the release retained?	6
	6) *Control of non-conforming outputs:*	
	i) Are non-conforming outputs identified & controlled to prevent their unintended use/delivery?	4
	ii) Is action taken, appropriate to the nature of non-conformity and its effect on conformity of products & services, to correct, segregate, inform the customer or accept under concession?	4
g)	*Performance Evaluation:*	
	i) Is it determined as to what needs to be monitored & measured and when, the methods for monitoring, measurement, analysis & evaluation?	2
	ii) Are the customer's perceptions, of the degree to which their needs & expectations have been fulfilled, monitored?	2
	iii) Are there provisions to analyze & evaluate:	7
	aa) Conformity of products & services.	
	ab) Degree of customer satisfaction.	
	ac) Performance & effectiveness of QMS.	
	ad) Effectiveness of implementation of planning.	
	ae) Effectiveness of actions taken to address risks & opportunities.	
	af) Performance of external providers.	
	ag) Need for improving QMS.	
	iv) Are Internal Audits conducted at planned intervals to assess	2

	effective implementation of QMS?	
	v) Are these Audit programs planned, established, implemented & maintained defining frequency, scope & criteria and the Auditors?	1
	vi) Are the results of audit reported to the management and correction & corrective action taken without delay?	2
	vii) Does the Top Management review the QMS at planned intervals? Does the review take into account: aa) Status of actions from previous reviews. ab) Changes in external & internal issues. ac) Adequacy of resources. ad) Effectiveness of action taken to address risks & opportunities. ae) Opportunities for improvement. af) Trends in customer satisfaction & feedback, extent of meeting quality objectives, process performance, conformity of products & services, non-conformities & corrective action, results of monitoring & measurement, audit results & performance of external providers.	6
	viii) Does the management review result in decisions & actions related to Opportunities for improvement, need for changes to QMS & resource needs?	2

h)	*Improvement:*	
	i) Are opportunities for improvement selected for implementation of action to:	6
	aa) enhance customer satisfaction by improving products & services, addressing future needs & expectations.	
	bb) prevent or reduce undesired effects.	
	cc) improve performance & effectiveness of QMS.	
	ii) Does the organization react to any non-conformity by first correcting it & then deal with consequences?	2
	iii) Is a Root Cause Analysis done and action taken to eliminate the cause?	5
	iv) Is the effectiveness of corrective action reviewed?	2
	v) Are the suitability, adequacy & effectiveness of the QMS continually improved?	3

Total Marks Scored out of 200 in Part I of MQSR =

PART II (PRODUCT SPECIFIC)
MANUFACTURER QUALITY SURVEY REPORT (MQSR)
QUALITY MANAGEMENT SYSTEM – REQUIREMENTS

a)	*Management Responsibility:* Objective evidence available for commitment of Management to provide product specific resource.	 10
b)	*Planning for Quality:* Has the management identified and communicated the Critical To Quality (CTQ) characteristics and Critical To Quality Processes (CTP) for all the products under consideration?	 10
c)	*Infrastructure:* i) Adequacy of power supply and water resources including stand- by arrangement. ii) Covered and open space for manufacturing facilities. iii) Bond rooms commensurate to the type and quantum of stores to be supplied and their security for work in progress/semi-finished/finished product.	 5 5 5
d)	*Manufacturing Plant & Machinery:* i) Are essential plant and machinery capable of consistently manufacturing the product range under consideration to the required specifications available? ii) Are desirable plant and machinery for the product range under consideration available? iii) Are they adequate to meet product requirement. Give details of process capability index to support assessment. iv) Are requisite maintenance facilities for in-house plant machinery and test equipment available?	 10 5 5 5
e)	*Facilities for QA:* Are the facilities required for verification/validation of performance by the QA team available?	 5
f)	*Technical Resources:* Where applicable, whether the supplier has adequate technical resources for support service such as preparation of specifications, drawings, user handbooks, technical manual, part lists etc.	 5

g)	*Manufacturing Process Management:* 1) Are all manufacturing processes carried out in house? (These include all operations required to be performed on the raw materials, semi-finished/finished components, subassemblies/assemblies for conformity of end product to required applications including packing, marking, handling and storage/delivery). 2) Where subcontracting, if any, is resorted to for processes or components/ subassemblies/ assemblies, are they as per laid down norms? Are details of processes outsourced/ sub-contracted with the control exercised on the sub-vendor to ensure quality of supplies available? Support the assessment with a specimen QA procedure for a typical item outsourced. 3) Are the capabilities of available processes (including that of sub-contractor) adequate and compatible with the product specific requirements? 4) Whether the supplier has made a realistic assessment of the production capacity for the items for which registration is sought? This may be supported by Flow Charts furnished by the Supplier for each product reflecting the following: i) Raw Materials used their source & the controls exercised. ii) Critical stages/processes & the controls exercised. iii) Time taken for each stage & total time taken for manufacturing a batch including testing.	10 5 5 5
h)	*Qualified Tech Manpower:* Availability and adequacy on the rolls of the Supplier	10
j)	*Quality Control:* 1) Availability and adequacy of Tools, Gauges and Measuring/test equipment. 2) Calibration of Tools, Gauges and Measuring/test equipment. 3) System of work order, specification, drawings. 4) Procedures for raw material identification, receipt, issue. 5) Ordering procedure and documentation for bought out items. 6) Inwards inspection procedure and records.	5 5 3 2 2 2

	7) Stage and final product inspection procedure and records.	2
	8) Adequacy of Quality Control measures and instructions thereon; are they being appropriately applied for quality improvement where applicable.	2
	9) Mechanism for Corrective and Preventive measures and records thereon.	2
k)	*Inspection, Measurement and Test Equipment:*	
	1) Are essential test equipment available in house as per laid down norms?	5
	2) Are desirable test equipment available as per laid down norms.	5
	3) Where desirable test facilities are not available in house, have alternative arrangements been made and are these adequate. Give brief details.	5
	4) Are calibration procedures available indicating the standards, methods, schedule and responsibility for calibration of test equipment?	5
	5) Are there records to support their effective implementation?	5
	6) Is there a system for identifying and isolating equipment of doubtful nature?	5
m)	*General Requirements:*	
	1) Is the supplier maintaining record of all supply orders for the item being manufactured?	5
	2) Whether the execution of the supply orders conforms to the delivery schedule.	5
n)	*Safety and Environment:*	
	1) Lighting and ventilation.	5
	2) Hygiene and sanitation, eco-friendly waste disposal and pollution control.	10
	3) Firefighting arrangements.	5
	4) First aid and medical arrangements.	5
	5) Approach to the supplier's premises and adequacy of security.	5

Total marks scored out of 200 in Part II of the MQSR =

Appendix 'C'
(Para 9(c)(ii))

PART-I – MANUFACTURER REGISTRATION REPORT
(To be filled by the Registration team)
(This Appendix contains three pages)

a) *Composition of the team:* *Name* *Designation*

1) Team Leader

2) Member (s) i)

ii)

b) *Name of the manufacturer:*

c) *Address* *Tel No.* *Fax* *E-mail*

1) Registered office:

2) Factory/Work :

d) *Details of Item(s)/Equipment(s) for which Quality Survey carried out:*

1) Nomenclature
2) Specification/Drawing No.
3) NSN

e) *Date(s) of visit:*

f) *Type of Registration: - Refer Para 0.6, 1.6, 3.10 &3.11*

g) *Comments on Tech Capability/Capacity of the manufacturer for:*

1) Ability to produce specified quality product(s) conforming to available Specification/Drawing

2) Process for Quality Control

3) On Adherence of delivery schedule, if applicable

4) Financial Capacity

5) Ability to Provide literature.

6) Comments on work force.

h) *Production Capacity per shift of 08 hrs.*

j) *Manufacturer Registration score:*

1) % Marks obtained in Part I x 0.5

2) % Marks obtained in Part II x 0.5

3) Total Percentage marks obtained = ……%

Grading of the manufacturer:

k) *Recommendations of the Registration team:*

1) Manufacturer is RECOMMENDED for Registration for following items:

i) The details on specified stores/items which are already being manufactured (Developed).

ii) The details on stores/items for which the firm is capable of manufacturing (Not Developed).

2) Items considered for development.

3) Items NOT RECOMMENDED for registration along with the reasons.

SIGNATURE OF THE MEMBERS OF REGISTRATION TEAM

Rank and Name	Signature with Date
1. Team leader	
2. Member	
3. Member	

PART-II
RECOMMENDATION OF THE AHSP

1. I having gone through the various documents attached with the ARM form and Registration team's report and agree/do not agree with the final recommendations of Registration team. The manufacturer M/s……. is recommended/not recommended, for the following:

a) Capable to manufacture the following equipment/stores:

S No.	Nomenclature	Recommended Production Capacity on single shift	Remarks

b) Capable for development of the following equipment/stores:

S No.	Nomenclature	PDC	Remarks

2. Monetary Limit (₹ …..Per Year)

3. No. of shifts the manufacture is capable of_____

Signature…….
Name & Designation ……
Date :
Place :

PART III
APPROVAL OF DGQA

Approved/Not Approved for Registration of M/s ……..

Signature…….
Name & Designation ……
Date :
Place :
Part – IV

REMARKS of Principal Controller in case (see Appx "D")

Appendix 'D'
(Para 16.1)

PROCEDURE FOR REGISTRATION OF MULTI DISCIPLINE MANUFACTURERS
(This Appx contains two pages)

1. AsHSP responsibility for all Army & common User's items or generic group of stores have been laid down in DGQA Standing Orders 2012 and SAO 7/S/2010. The Manufacturer will approach the Principal AsHSP (as per SAO 7/S/2010) and SQAE for registration & submit documents as specified in the JSG.

2. Technical Document will be in two Parts:

   a) Part I: Containing all relevant documents common for the purpose regarding infrastructure, Financial, license etc. required for the purpose.

   b) Part II: Containing product specific infrastructure with corresponding product list AsHSP wise, for Registration of items pertaining to each AsHSP separately.

3. AsHSP having most complex and critical items for consideration of Registration will be considered as Principal AsHSP and all other AsHSP as sub- AsHSP.

4. Principal AsHSP will appoint a team for Registration of the Manufacturer which will be constituted as under:

   a) Team Leader - From Principal AsHSP/SQAE

   b) One Member from each sub - AsHSP

   c) One Member Secretary - From Principal AsHSP/SQAE

5. After satisfactory scrutiny of the documents, the team will visit the manufacturer on date fixed and assess the manufacturer corresponding to their discipline and seek queries/ clarification directly from the manufacturer's rep designated for the purpose. Manufacturer's rep for coordination of Registration process should be fixed in advance by Team Leader so that he is available full time with the Registration Team on the date of visit.

6. All members of team will prepare their product specific recommendations separately and get them approved from their respective AsHSP.

7. Principal AsHSP will issue one Registration Certificate to the manufacturer by grouping all the items AsHSP wise.

8. In case the manufacturer is already registered with a Principal AsHSP and applies for additional items of some other discipline which are not pertaining to the Principal AsHSP, then the manufacturer will initially inform the Principal AsHSP/SQAE who had issued the original certificate. The Principal SQAE will contact the concerned SQAE for the additional items for which the registration is now being sought. The concerned SQAE will arrange the visit and process the case as per the laid down procedure and forward their recommendations to their AsHSP (sub-AsHSP). After scrutiny the sub-AsHSP will issue the Registration Certificate (RC) to the Principal ASHSP who will then keep this RC for record purposes and include the additional items as an annexure in the main Registration Certificate issued by them.

Appendix 'E'
(*Para 16.9*)

GOVERNMENT OF INDIA
MINISTRY OF DEFENCE

DIRECTORATE GENERAL OF QUALITY ASSURANCE
(This Appendix contains two pages)

REGISTRATION/RENEWAL CERTIFICATE
(Tick as applicable)

This is to certify that M/s ……. after assesemnt of their Manufacturing Capacity/Capability for defence items has been approved for registration vide Registration No. …… CDB No dated ……... as follows:

a) As a developed source and has complete resources and is manufacturing following equipment/stores/items :

S. No.	Nomenclature and details of the store (s)	MPC per shift	Specifications	Supply order if executed
(Attach a separate sheet as Annexure if required)				

b) Is an undeveloped source for manufacturing the following equipment/stores/items. (SO to be placed on such firms as per Chapter 15.2.1(h) and 15.10.1(a) & (b) of DPM 2009) :

S. No.	Nomenclature and details of the store (s)	PC per shift	Specifications
(Attach a separate sheet as Annexure if required)			

No. of items for which registered : …….. only
Monetary limit :
Capability of Number of shifts :
Category of Registration : Design, Development & Production (DDP) /
NCAGE/SCAGE CODE Development & Production (DP) /
Production (P)
Grading of manufacturer :
This certificate is valid up to :

c) This certificate is issued subject to conditions indicated overleaf.

Date : ADG (PP&T)
Approving Authority on behalf of DGQA
Ministry of Defence
NOO ……
CDB Control Number:

Conditions of Registration

1. Please apply for Renewal of registration on the prescribed form 90 days before expiry but not later than 60 days before expiry of this Certificate.

2. In case no application for Renewal is received on the prescribed form (which is available with AsHSP or the nearest SQAE) as stated above, your registration will lapse and the name will be automatically removed from the compendium of approved manufacturers without any further notice.

3. Changes, if any, in address or constitution of the manufacturer, major machinery/ equipment or technology used for the items registered should be intimated to the Registration Authority and concerned AsHSP/SQAE immediately on occurrence. Changes in location/ premises of the factory/works will render the registration as invalid.

4. The Approving Authority reserves the right to cancel this Registration certificate at any time during the validity of the Certificate.

Appendix 'F'
(*Para 16.11*)

FIRMS LETTER HEAD

(This Appendix contains one page only)

Reference No. …….

From

M/s ……
……
……

To
Concerned DGQA or SQAE

APPLICATION FOR RENEWAL OF REGISTRATION OF MANUFACTURER TO DEFENCE

Dear Sir,

Kindly refer to Registration Certificate No. …….dated …….. valid upto …….

2. We hereby apply Renewal of our registration.

3. I/We also hereby declare that there is no change in plant & machinery, infrastructure and Financial health against which the firm was originally registered.

4. Latest updated information with related documents is attached as Annexure to this application.

Yours faithfully,

Signature of Authorised Representative
Name with seal

SEAL

Appendix 'G'
(Para 17)

VOLUME I
COMPENDIUM OF REGISTERED MANUFACTURERS

Section 'A'
Alphabetical List of Registered Manufacturers

S. No.	Name and Address of Manufacturer	Registration No.	Date	Product / equipment	Full Grading with Month & Year	Production Capacity (per shift)
1	2	3	4	5	6	7

Section 'B'

Product-Wise Alphabetical List Cross Linked With Serial Number of Registered Manufacturers Listed In Section 'A'

S. No.	Products	Serial No. listed in Section 'A'
1	2	3

Section 'C'

Process-Wise Alphabetical List Cross Linked With Serial Number of Registered Manufacturers Listed In Section 'A'

S. No.	Products/Process	Serial No. listed in Section 'A'

Appendix 'H'
(*Para 17.2*)

AMENDMENT TO COMPENDIUM OF REGISTERED MANUFACTURERS

Notification No. :

Notification Date :

Period : From…….. To ……

Amendment No.

Discipline :

Edition :

Volume :

Section :

……

Details of Amendments

……

……

……

Issued by

…….

ADG (PP&T)

Place :
Date :

Appendix 'J'
(*Para 18 (d)*)

NORMS FOR PENALISING THE MANUFACTURERS IN CONSIGNEE END REJECTION (CER) WHERE THE MANUFACTURER IS AT FAULT
(This Appendix contains one page only)

1. Banning/Suspending business dealings/removal of manufacturer's name from the compendium are governed by the guidelines given in the Standardised Code for manufacturers and Joint Services Guide on Registration of Manufacturers for Defence, issued by the Ministry/Govt. In order to penalize the manufacturers who have defaulted in supplying sub standard stores, the following norms are to be followed:

a)	CER cases, due to quantity and quality reasons and not involving any financial irregularity/cheating, which are settled within 03 months of reporting of rejection to the manufacturer.	Warning to the manufacturer.
b)	CER cases due to quantity and quality reasons and not involving any financial irregularity/cheating, which are not settled within 03 months of reporting of rejection to the manufacturer.	Removal from the compendium of Registered manufacturers for the item in question.
c)	For second default with respect to quantity and quality of stores without involving any financial irregularities/ cheating.	Removal from compendium manufacturers for all items for which the manufacturer is registered.
d)	For repeat default thereafter and incase financial irregularity/cheating is involved.	Tech Dtes/AsHSP to initiate the case & after the approval of DGQA the case to be sent to Dte of P & C for Banning of Business dealing with the manufacturer.

2. The period of removal from compendium for default given at 1 (b) will be 1 year and for default given at 1(c) 3 years. All cases, where removal of manufacturers from compendium has been done for reasons mentioned at 1(b) & 1(c) above, will be reviewed after the expiry of the period and these cases will be put up to the competent authority for his approval before the case is revoked and the manufacturer is registered. The details of the manufacturers removed from the compendium of account of 1(b) & 1(c) will also be circulated to all concerned for their information and necessary action.

Appendix 'K'
(*Para 21.2*)

APPLICATION FORM FOR GRANT OF GREEN CHANNEL STATUS

(To be given on the letter head of the Applicant Firm)

To,

The Director General of Quality Assurance/
The Director General of Aeronautical Quality Assurance
'H' Block Nirman Bhawan PO
New Delhi – 110011

1. Name and Address of the Applicant firm:
(*Indicate full Address of their Head Office notified with the relevant authority*)

2. Name and address of the OEM (Original Equipment Manufacturer):
(*If applicant firm is not the manufacturer*)

3. State whether Applicant firm is a (Please choose the applicable option):

   (a) PSU (Public Sector Undertaking): Yes/No
   (b) Wholly owned Indian subsidiary of Foreign OEM: Yes/No
   (*If yes, attach documentary evidence*)

4. Details of existing approvals/accreditation of Quality Management Systems are given below:-

   (a)

   (b)

   (c)

   (d)

5. Details of Products for which Green Channel facility is being sought:-

Sl.No.	**Product**	**Production Facility**
(i)		
(ii)		
(iii)		

6. Annual Turnover of the OEM for the last 3 year duly certified by Internal Auditor/Chartered Accountant:

Sl. No.	**Year**	**Turnover in equivalent Rupees (at current exchange rate)**
(i)		
(ii)		
(iii)		

7. Annual Profit/Loss of the OEM for the last 5 years duly certified by Internal/Chartered Accountant:

Sl. No.	**Year**	**Profit/Loss in equivalent Rupees (at current exchange rate) (Indicate loss clearly wherever applicable)**
(i)		
(ii)		
(iii)		
(iv)		
(v)		

8. **Confirmation of Applicant firm:**

We confirm that:-

(a) We shall submit a certificate duly certified by our Internal Auditor/Chartered Accountant at the end of each financial year evidencing and confirming that we / our OEM continue to meet the prescribed Eligibility Criteria of having an annual turnover of Rs. 1000 crore (Rupees one thousand crore) or more and have made profit in at least three years out of the last five years, failing which the Green Channel Certificate is liable to be withdrawn.

(b) We are attaching herewith an Account Payee Demand Draft for Rs. 1.00 lakh (Rupees one lakh) + GST @ 18% in favour of 'Principal controller of Defence Accounts, New Delhi towards non refundable fee for granting Green Channel Certification.

(c) Within 15 days of receipt of intimation of our eligibility for grant of Green Channel Status, we shall be depositing an irrevocable Bank Guarantee (BG) as per DPM format for Rs. 50.00 lakh (Rupees fifty lakh) as security to effect recovery against established complaint on quality for supplies made against Supply Order placed. Green Channel Bank Guarantee shall be given in favour of 'Principal Controller of Defence Accounts, New Delhi' from any Indian scheduled or its affiliated banks, to be valid for 63 months.

Encl : As above

Place :

Date :

Signature on behalf of the Applicant firm……

Name of signatory on behalf of Applicant firm……

Designation / Position of signatory in the applicant firm……..

Full address of the applicant firm with stamp/seal……..

Annexure I to Appendix 'K'

OEM Certificate for "wholly owned Indian subsidiary"
(on the letter head of OEM)

To,

The Director General of Quality Assurance/
The Director General of Aeronautical Quality Assurance
'H' Block Nirman Bhawan PO
New Delhi – 110011

Subject: OEM Certificate for "Wholly owned Indian Subsidiary" for Green Channel

Sir,

We, M/s _____ (name and full address of OEM) hereby confirm that M/s _____ (name and address of "wholly owned Indian subsidiary") are our "wholly owned Indian subsidiary" for grant of Green Channel Status for the following categories of products manufactured by us in our manufacturing facilities or by M/s _____ in their manufacturing facilities :-

(a)

(b)

(c)

(d)

2. We Confirm that:

(a) We have authorised M/s _____, our wholly owned Indian subsidiary to represent us and act on our behalf on all matters pertaining to manufacture and supply of the products against the supply orders placed on us/them.

(b) We also take full responsibility for the acts/omissions committed by M/s _____. All claims and disputes if any, arising out of defects/poor quality of stores supplied by M/s _____ or by us would be settled by the parent company.

(c) The goods supplied to Consignee will be brand new, in our current production and suitably tropicalized to suit Indian conditions and as per technical specification.

(d) Our OEM standard Guarantee/Warrantee shall be applicable for our products supplied by aforesaid firm to the Procurement Agencies.

(e) In the event of termination/closure of the aforesaid wholly owned Indian subsidiary, we shall immediately inform the same to the Procurement Agency and Director General of Quality Assurance/Director General of Aeronautical Quality Assurance.

(f) We shall submit a certificate by our Internal Auditor/Chartered Accountant at the end of each financial year evidencing and confirming that we continue to meet the prescribed Eligibility Criteria of having an annual turnover of Rs 1000 crore and more and have made profit in at least three years out of the last five years, falling which the Green Channel Certificate is liable to be withdrawn.

3. Joint undertaking between us and M/s _____(100% subsidiary OEM company) is attached at Annexure (Format at Annexure II)

Place …….
Date ……

Signature on behalf of the OEM firm……

Name of authorised signatory on behalf of the OEM firm ……

Designation/Position of authorised signatory in the OEM firm……

Full address of the OEM firm with stamp/Seal……

Annexure – II to Appendix 'K'

Joint undertaking to be signed by Parent Company as well as its 100% Subsidiary for award of Green Channel Certificate to Subsidiary when Subsidiary OEM does not comply with profitability and turnover requirement but parent company complies

"Notwithstanding that the Green Channel Certificate and supply orders are awarded to the M/s _____ (100% Subsidiary OEM Company), the _____ (Parent Company) and M/s _____ (its 100% Subsidiary OEM Company), jointly and severally, undertake the following:-

(a) M/s _____ (Parent Company) as well as M/s _____ (100% Subsidiary OEM Company), Jointly and severally, undertake to abide by all terms & conditions of Green Channel supply orders and corresponding performance of supply orders thereof in all respects including timely delivery as well as required quality of the product, Fall Clause and Warranty/Guarantee obligations.

(b) The named M/s_____ (Parent Company) as well as M/s _____(100% Subsidiary OEM Company), jointly as well as severally shall be liable/responsible and accountable for due performance of the supply order as well as supplies thereof in all respects and also for all such claims of the purchases arising thereof including legal liability in competent court of law."

Note: The above joint undertaking should be signed & dated by authorised person on behalf of M/s _____ (Parent Company) as well as M/s _____ (its 100% Subsidiary company). The signing person must attach a necessary power of Attorney evidencing his authority to bind the company on whose behalf the above undertaking has been given.

Appendix 'M'
(*Para 22*)

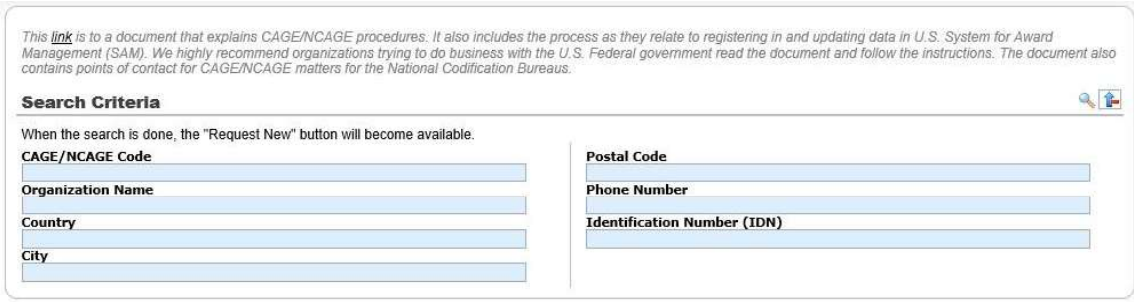
INSTRUCTIONS FOR S-CAGE REGISTRATION

You are now ready to begin registration of your Entity for allocation of NCAGE / SCAGE code. Given below are seven steps which take you through the process of registration. Please follow procedure given in each of the following steps to complete your registration process.

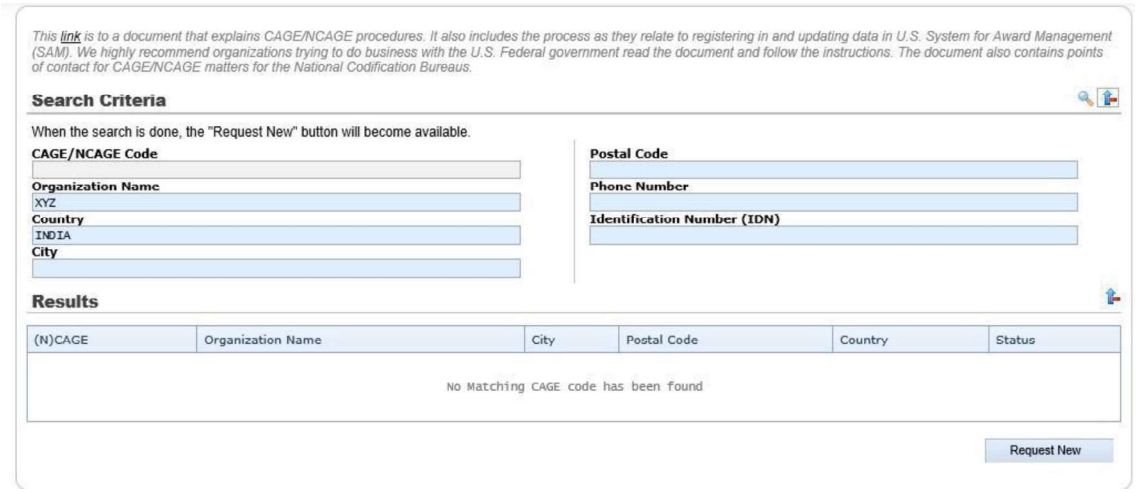
In case of any query you may contact NCB India at the following number / email:-

Tele: 011-23043224
Email id: ncbindia.defstand@gov.in

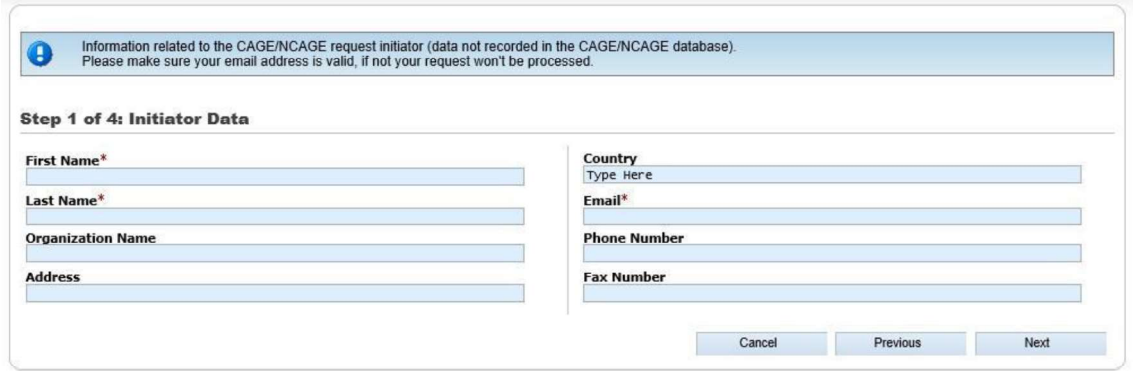
Step 1. Go to the URL "https://eportal.nspa.nato.int/AC135Public/scage/CageList.aspx". You will get the following screen.



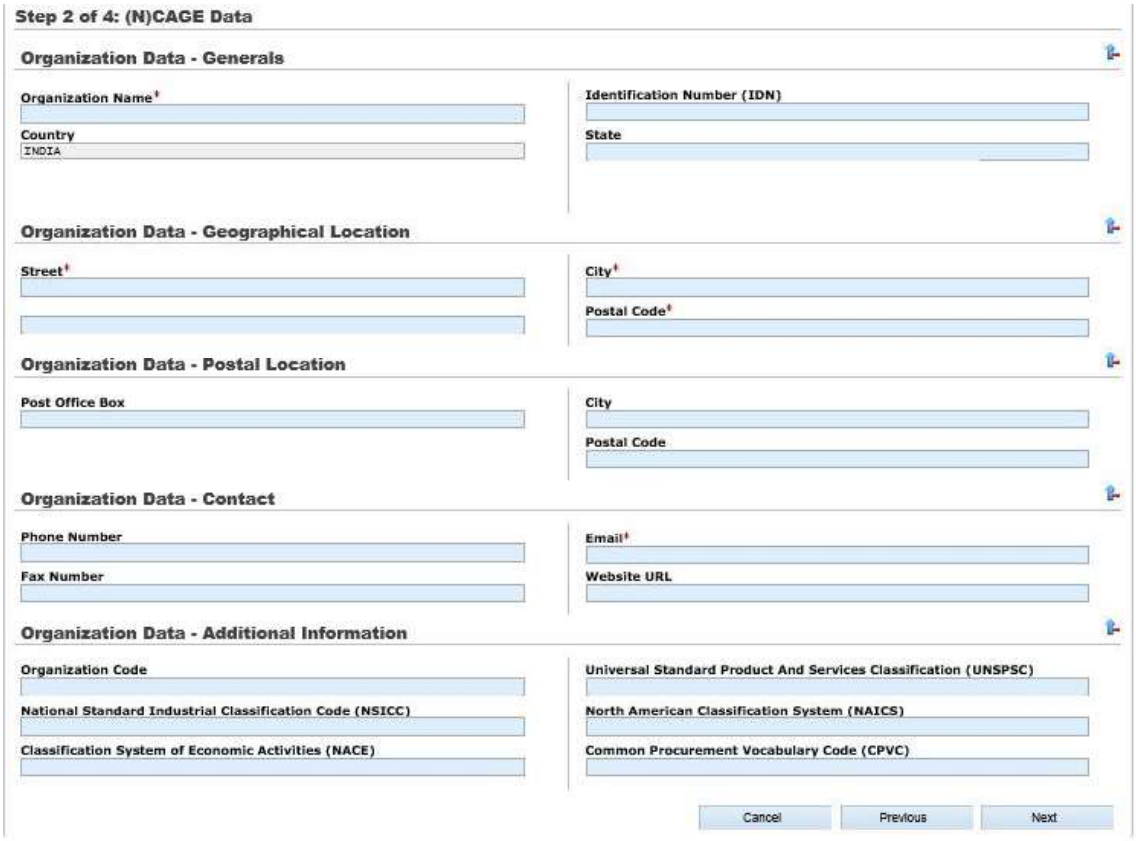
Step 2. Enter the details of your organization name (Example – "XYZ") and enter "India" in the space given for country. Click on the search icon after entering the details of Organization name and country. You will see the following screen – A button for "Request new" can now be seen. Enter your organization details and proceed with filling up of the form



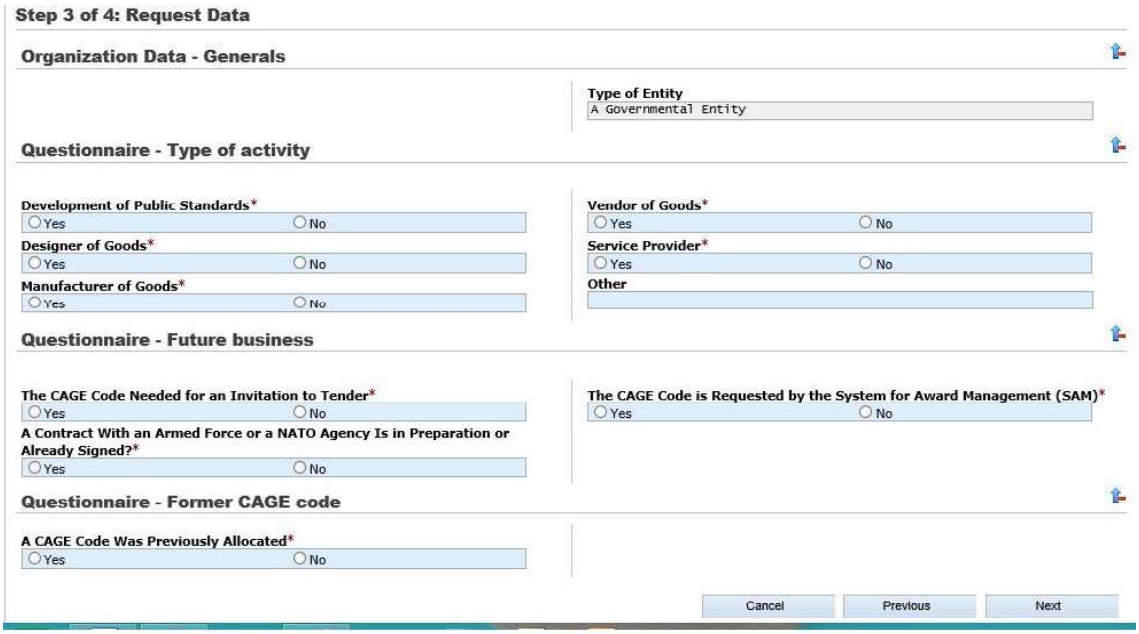
Step 3. Enter Initiator data



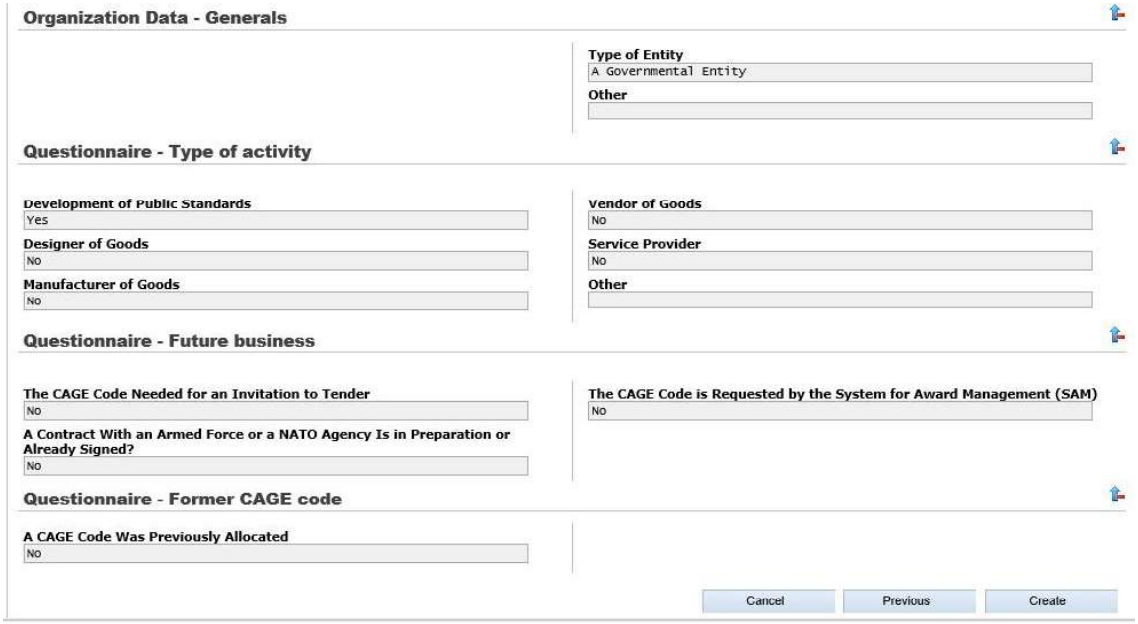
Step 4. Enter NCAGE data



Step 5. Enter request data



Step 6. The summary of the data entered so far is now visible. If you wish to correct / change any parameter, select "Previous" button (at the bottom of the screen). If you are satisfied with all the details entered, select "Create" button. This completes your request for NCAGE.



Step 7. AFTER SUBMISSION OF THE NCAGE REQUEST, PLEASE FORWARD THE FOLLOWING DOCUMENTS TO ncbindia.defstand@gov.in with copy to oicncbindia.defstand@gov.in to process your NCAGE request and allot you the NCAGE code :

(a) Scanned copy of your PAN card (Permanent Account Number).

(b) Scanned copy of your TIN (Taxpayer Identification Number) i.e Sales Tax registration number / Service Tax registration number / Value added Tax number etc.

BEST REGARDS FROM NCB INDIA