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66546/P-1/02 /E8


ENGINEER-IN-CHIEF'S BRANCH
DTE OF CONTRACT MANAGEMENT/E-8

RENEWAL OF ENLISTMENT OF ENLISTED CONTRACTORS
CYCLIC PERIOD ENDING 31 DEC 2020
AND
FRESH ENLISTMENT OF CONTRACTORS

1. DGW has directed that a copy of this Dte letter No. 66546/P-1/01/E8 dated 10 Apr 2015 containing 11 pages enclosed herewith for uploading on MES website under general tab please:

Encls : 11 sheets

Automation Cell


(Bhavesh Gupta)
Dir (Contracts)

Tele: 23019151

ON MES WEB SITE

Dte of Contract Management
Military Engineer Services
Engineer-in-Chief's Branch
Integrated HQ of MOD (Army)
Kashmir House, Rajaji Marg
New Delhi – 110 011

66546/P-1/ 01 /E8

10 Apr 2015

List 'A'

ADG (OF & DRDO) S'Bad

List 'B'

RENEWAL OF ENLISTMENT OF ENLISTED CONTRACTORS
CYCLIC PERIOD ENDING 31 DEC 2020
AND
FRESH ENLISTMENT OF CONTRACTORS

1. Reference this HQ letter No 66546/P-1/91/E8 dated 23 Dec 2009 and subsequent amendments thereto.
2. Classification of MES Contractors for the purpose of enlistment were revised vide letter under reference including Monetary Limits of Contractors, Standing Security Deposit, Minimum Reserves, Earnest Money and Individual Security Deposit approved by Govt of India Min of Def under letter No PC-66546/P-1/E8/2652/D(W-II) dated 05 Nov 2009. It has been decided that for the cyclic period ending 31 Dec 2020 no revision in Monetary limits, Standing Security Deposit, Minimum Reserves, Earnest Money will be undertaken.
3. The present enlistment of contractors (in respect of contractors of class 'D' to 'SS') is valid upto 31 Dec 2015 and the next cyclic period will start from 01 Jan 2016 to 31 Dec 2020. With a view to ensure completion of the process of renewal well before expiry of the validity period of 31 Dec 2015, the Registering Authorities will take necessary action within the time schedule indicated in succeeding paragraphs.

Format for Renewal

4. The format for the application for renewal will be as indicated in **Appendix 'A'** to this letter alongwith the documents stated therein. The last date of receipt of application shall be 30 Jun 2015.

Contd...2

Stages of Renewal

5. The process of renewal will be carried out for class SS ,S and A to D contractors as indicated hereinafter.

Time Schedule

6. The following time schedule is laid down for the various activities involved in renewal: -

| Srl No | Activity | Latest by |
|---------------|---|------------------|
| (a) | Notification on MES Website by E-in-C's Branch and also by MES BAI on their Website | 15 Apr 2015 |
| (b) | Receipt of applications complete in all respects with from contractors by email | 30 June 2015 |
| (c) | Issue of renewal/non-renewal letters by email | 30 Sep 2015 |
| (d) | Last date for appeal by the contractors against non-renewal of enlistment/ reclassification in lower class by email | 31 Oct 2015 |
| (e) | Decision on appeal/representation by email | 30 Nov 2015 |

Criteria for Renewal

7. All contractors who apply for renewal will be re-enlisted in same class/categories of enlistment except those falling under para 14 here-in-after and those falling under the following categories for which the approval of this HQ will be obtained:-

(a) Contractors whose contracts have been cancelled and unrealized recoveries exist thereto and cases, where cancellation of contract has been declared invalid/illegal in arbitration/court of law.

(b) Contractors in whose completed works during the last 5 years, serious defects were noticed which are substantially attributed to the performance of Contractors, established through Court of Inquiry or Tech Boards and disciplinary action is pending.

(c) Contractors who could not secure any work in the last 3 years ending 31 Mar 2015 either in MES or any Govt Dept/Public Sector Undertaking /AWHO/ ANWHO/DGsNP; or in case they could not secure any work, they have not participated in tendering in MES or have participated in tendering but have not been in first three lowest quotation.

(d) Contractors who are habitual litigants.

(e) Contractors who are already removed on account of any default on their part, or banned, but period of ban is not yet over. Contractors where ban would be over after the stipulated date, the stipulated date would be deemed to be extended accordingly.

(f) Contractors not found fit for renewal for reasons other than (a) to (e) above, ie unethical conduct.

Notes : Some of the criteria listed above and action to be taken are elaborated as under:-

(i) Regarding (a) above, action needs to be taken to obtain the explanation of the contractors allowing 4 weeks time to furnish replies and the issue decided taking into account the replies of the contractor.

(ii) In respect of (d) above, a contractor will be considered a habitual litigant if he moves the court more than once ignoring arbitration clause and the court does not uphold his view.

(iii) Regarding (f) above, the Registering Authority will intimate the specific reasons to the next higher Engineer Authority alongwith the contractor's explanation and his views on the same.

(g) Any case of unusual nature may be referred to this HQ latest by **31 Aug 2015** for advice/clearance.

Contd....4

8. A contractor, who is not enlisted with the MES/who is enlisted but has not executed the Bond to Secure Performance of Agreement, while submitting a tender shall be required to furnish Earnest Money alongwith the tender. However, if the tender submitted by such a contractor is accepted, he will be required to lodge with the Controller of Defence Accounts concerned, Security Deposit (Individual Security Deposit for the specific work) within thirty days of the receipt by the contractor of notification of acceptance of his tender, failing which this sum shall be recovered from the first RAR payment or from the final bill. In the case of Term/Running Contracts, remaining sum shall be recovered from the subsequent bill(s) of the contractor. However, in cases, where any payment is made to the contractor within thirty days of the receipt by him of notification of acceptance of tender, the amount of Security Deposit shall be recovered from such payments. The Earnest Money will be refunded to the contractor after the Security Deposit is lodged by the contractor or recovered from payments due to him.

9. In case of a contractor who is enlisted and who has lodged the "Standing Security Deposit" and executed a Standing Security Bond, if the tendered cost of work exceeds the financial limits of the contractor (ie his class of enlistment) and the Accepting Officer decides to accept his tender, such a contractor shall be required to lodge with the Accepting Officer concerned, "Additional Security Deposit", equal to the difference between the " Individual Security Deposit" and the " Standing Security Deposit" already lodged by him, within thirty days of the receipt by him of notification of acceptance of his tender, failing which this sum will be recovered in the same manner as stipulated in para 4 hereinbefore.

10. Specialist firms will also be required to deposit Earnest Money and Individual Security Deposit in the same manner as stipulated in para 4 here in before.

11. Any contractor, borne on the approved list of contractors of any MES formation and who has executed a Bond to Secure Performance of Agreement, may be permitted to tender for works under any other MES formation without furnishing Earnest Money alongwith his tender. If the tender submitted by such a contractor is accepted, the contractor will be required to lodge with the Controller of Defence Accounts concerned the amount of "Individual Security Deposit" within thirty days of the receipt by him of notification of acceptance of his tender, failing which this sum will be recovered in the same manner as stipulated in para 4 hereinbefore.

12. Contractors of following classes who are enlisted and have lodged Standing Security Deposit and Bond to Secure Performance of Agreement in one Command (ie the contractor's parent Command) can get themselves enlisted by lodging fresh Standing Security Deposit and Bond to Secure Performance of Agreement in:-

- | | | |
|---------------------------|---|--|
| Any Command or Command(s) | - | For class 'S' contractors |
| Any TWO Command(s) | - | For class 'A' contractors |
| Any ONE Command | - | For class 'B' to class 'D' contractors |

For this purpose, the interested contractors may forward their application for enlistment to the CE of the new Command through CE of their parent Command, who will give his recommendations in this regard which will be accepted by the other Command CE without further scrutiny.

13. The contractors of class 'E' to 'S' registered with any one MES formation providing services to either Army or Navy or Air Force or Ordnance Factories or R&D, and who have deposited Standing Security and executed Bond to Secure Performance of Agreement, will be allowed to execute work in respect of GEs working for other services also without depositing separate Standing Security provided the works pertaining to other services are located at same station (ie within the same municipal corporation/cantonment limit) at which GEs/AGEs of his enlisting authority are located and also provided such works come under the jurisdiction of the same PCDA/CDA to which the enlisting authority has furnished Standing Security Deposit and Standing Security Bond for safe custody.

14. The contractors who are demoted to lower class will be refunded the old Standing Security Deposits already deposited on receipt of fresh Standing Security Deposit.

Fresh Enlistment

15. It has also been decided to allow fresh enlistment in respect of the contractors who have already satisfactorily completed at least two works of requisite value in MES during last five years and presently working satisfactorily in MES and fulfill the existing enlistment criteria . **The contractor having worked either on basis of power of attorney or under any other capacity or on the basis of job order etc shall not be enlisted in any case.** For fresh enlistment, the work shall be got inspected by Registering authority to ascertain its quality before enlisting the contractor.

16. Fresh enlistment will be valid upto 31 Dec 2020 at par with other enlisted contractors; except for class 'E', where no time limit has been fixed at present for validity of enlistment.

Action to be taken

17. Keeping the above policy guidelines in view, all Registering Authorities are requested to initiate action as indicated below:-

(a) This complete letter shall be displayed on main Notice Board of all MES Offices at prominent locations for wide publicity besides on the Notice Board of E8 section of all MES Offices. **This shall not be removed till 31 Dec 2015.**

(b) The Registering Authorities shall obtain ,in case not obtained ,email ids of NIC , and indicate same in their exclusive letter to be placed on MES website which shall be active for receipt of application and issue of renewal letter/ communication related to renewal.

(c) Collect information right now from CEs Zones/lower formations without waiting for applications from contractors to ascertain if any contractor falls in the categories mentioned in para 7 here-in-before. Register Authority shall scrutinize the application and enclosures through Board (s) of Officers presided by Director level officer who shall recommend renewal or otherwise

(d) Issue renewal letters to all contractors in appropriate class, who do not fall in the categories mentioned in para 7 and within time frame stipulated under para 6 through e-mail with scanned signed pdf copy of letter followed by hard copy by post.

(e) Exercise extreme care in refusing renewal on grounds mentioned in para 7 here-in-before. In all such cases contractor's views be obtained in writing and examined before taking final decision by Registering Authority viz E-in-C's Branch or CE Comd.

(f) Initiate simultaneous actions to ensure adherence to time schedule.

18. Action for renewal shall be taken by E-in-C's Branch in respect of class 'SS' contractors and by Command Chief Engineers/ADG (OF & DRDO) in respect of class 'S' 'A' to 'D' contractors. **Renewal of 'E' class contractor's is not required to be carried out.**


19. (a) If any MES formation is disbanded/reorganized, the contractors enlisted with that formation may get their enlistment transferred to any one other formation at their willingness. In such cases, the contractor will have to submit fresh Bond to Secure Performance of Agreement. They will also have to submit fresh Standing Security if PCDA/CDA also changes and his old standing security will be refunded.

(b) If any new MES formation is raised, the enlisted contractors, who are willing to work in area of new formation, may get their enlistment transferred to new formation and will have to submit Bond to Secure Performance of Agreement. They will also have to submit fresh Standing Security if PCDA/CDA also changes and his old Standing Security will be refunded. After enlistment in new formation, their enlistment with old formation will cease.

20. Keeping in view verification of documents in recent time, the contractor's upgraded in year 2014 and 2015 shall be required to submit application of renewal as per Appendix 'A' to this letter on their letter head mentioning the reference to the upgradation and enclose copy of the letter of upgradation. The application and Appendix 'A' shall be sent by email to the Registering Authority and after verification of records the Registering Authority shall issue renewal letter for the cycle 2016 & 2020 by email followed by copy by post. No additional documents shall be necessary.

21. Relevant paras of E-in-C's Branch Standing Orders and MES Manual on Contracts-2007 shall deemed to be amended accordingly.

22. This letter supersedes all previous instructions on the subject.


(ND Bhagatkar)
Jt DG (Contracts)
for Engineer-in-Chief

Enclosures: As above

Copy to: -

- 1) Ministry of Defence/D (Works-II)
- 2) Ministry of Defence (Finance)
- 3) The CGDA, New Delhi
- 4) DGNP Mumbai
- 5) DGNP Visakhapatnam
- 6) DG MAP
- 7) MES Builders Association of India (Regd)
Head Office :807-808, Sahyog
58 ,Nehru Place,
New Delhi-110019

Internal distributions

E2 (Design), E2(Army), E2 (N&DP), E2 (Air), E2W(PPC), E-4(Utility)

Appendix 'A'

(Refers to Para 4 of E-in-C's
letter No.66546/P-1/01/E8
dated 10 Apr 2015)

**APPLICATION FOR RENEWAL OF ENLISTED CONTRACTOR
FOR THE NEXT CYCLIC PERIOD 01 JAN 2016 TO 31 DEC 2020**

1. I/We _____ presently
enlisted with Index No. _____ am/are desirous of being re-enlisted on the
MES list of contractor for the _____ Area/Command.

Following particulars are submitted :-

- (a) List of works completed and/or in hand during the preceding 5 years at Annexure-I.
- (b) Declaration on firm's letter head for minimum reserve (immovable and movable property) and documentary proof of immovable property. Documentary proof shall be copy of Registered sale deed (self attested) and either of
 - (i) Latest electricity bill
 - (ii) Property tax paid receipt.
 - (iii) Landline telephone bill.

NOTE : The following endorsements shall be made on firm's letter head for the minimum reserve :-

- (i) that the immovable and movable property is free from mortgage, hypothecation or any other dispute and encumbrances and clearly belongs to the contractor.
 - (ii) that the said immovable/movable property has not been shown for seeking enlistment of a sister concern in MES or any other department of Central/State Govt of India .
 - (iii) that the said immovable property will not be sold, transferred, gifted or otherwise disposed off without prior approval of the Registering Authority in MES.
 - (iv) constitution of the firm is not changed.
- (c) Registered address of firm as per PAN(26 AS)
 - (d) Details of registration of DSC with eprocure MES web site
 - (i) Name of firm/contractor and address.
 - (ii) Mobile number and land line number.
 - (iii) e-mail address.

2. I/We forward through email (on email id of Registering Authority) the scanned copies of this application alongwith enclosures stated hereinbefore and shall send the originals by Registered Post/Speed Post to the Registering Authority (RA) within one week of date of sending email on the nic email id of RA.

3. I/We hereby agree with and reaffirm the contents at serial No.9 to 14 of our application form for enlistment, IAFW-2190. *In addition we reaffirm that I/we are fully equipped and active in etendering as per details given herein. I /we agree that I/we shall not qualify for renewal if not considered equipped and ready in all respects of etendering.*

4. I/We have NIL/**following cases of disputes pertaining to contracts in process/decided by Court/Arbitrator during last 5 yrs.

(a) Court Cases :-

(i)

(ii)

(b) Arbitration Cases :-

(i)

(ii)

(iii)

5. I/We understand and agree that the Registering Authority has the right as he may decide, not to re-enlist me/us or to re-enlist in lower class and in case, I/We are not satisfied with this decision, we may apply to the next higher Engineer Authority (E-in-C in case of SS Class), whose decision shall be final & binding.

Encls : Sheets

*Signature of Contractor(s)/Directors/Partners

*All partners and Directors are required to sign.

** To be deleted as applicable.

Annexure-I to Appx A

**List of works executed and completed and/or in hand during the preceding
5 years**

| Sl No. | CA No. | Name of work | Amount of Contract | Formation viz CE,CWE, GE or officer of other Deptt | Date of Commencement | Original date of completion | Actual date of completion | Remarks |
|--------|--------|--------------|--------------------|--|----------------------|-----------------------------|---------------------------|---------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |

*

Signature of Contractor(s)/Directors/Partner

1. In case no work was executed in the MES in the last 5 years, you may show details of works carried out in other Govt. Deptt or Public Sector Undertakings/AWHO/AFNHB/DGsNP in the last 5 years.
2. In case no work was carried out in MES or other Govt. Deptt/Public Sector Undertakings/AWHO/ANWHO/DGsNP during the last 5 years, please submit details of tenders of MES in which you have actively participated & have been in first three lowest but were not able to secure any contract.

*All partners and Directors are required to sign.