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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:



(Bhavesh Gupta)
Dir (Contracts)

Encls : 11 sheets

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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.

