

ENLISTMENT OF CONTRACTORS, STANDING SECURITY DEPOSIT, UPGRADING, REMOVAL AND DOWN GRADING OF CONTRACTORS

1.1 General

(a) Applications for enlistment will be submitted by the contractors on [IAFW-2190 (Revised 2009) **Appendix 1.1**] to the appropriate enlisting authority.

(b) Fresh enlistment in MES is opened from time to time as per separate notification by the E-in-C's Branch. However in respect of certain remote and difficult areas, enlistment may be done at any time after satisfactory completion of work(s) by the contractor in MES in such areas with prior permission of E-in-C's Branch in respect of D to S Class and CE Command in respect of E Class.

(c) Fresh enlistment in MES is done (whenever opened) in respect of those contractors only, who have already completed satisfactorily at least one **work in MES**. No other firm is enlisted either on the basis of having worked on power of attorney or under any other capacity or on the basis of Job orders etc. Other firms who have not executed any MES work but are performing exceptionally well in other Government Departments and their enlistment is considered in the interest of MES, may also be enlisted after prior approval of CE Zone [or CE Command/ADG (OF & DRDO) where there is no CWE Office] in respect of enlistment in 'E' Class, CE Command/ADG (OF & DRDO) in respect of enlistment in 'D' to 'X' Class and E-in-C's Branch in respect of enlistment in 'S' Class.

(d) Applications received for enlistment in MES from the contractors during ban period shall be returned advising them that presently enlistment is banned and they will be informed, whenever enlistment is open, to apply at that time. However they will be sent the criteria for enlistment in MES, to comply with. Record of such contractors and provisionally enlisted contractors shall be maintained in a separate register in each office of enlisting authorities and these contractors will be informed to apply whenever enlistment is open.

1.2 Categories of Works for Registration

Contractors will be enlisted for one or more of the following categories of works for which they are considered suitable :

(a) Civil Engineering Works

- (i) Building and Roads
- (ii) Water Supply and Sewage Disposal
- (iii) Runways and Pavements
- (iv) Marine and Harbour Works

(b) Electrical Engineering Works

- (i) Low Tension Electric Works (upto 1100 Volts)
- (ii) High Tension Electric Works (excluding 33 KV)
- (iii) 33 KV and Extra High Voltage Installations

(c) Electrical/Mechanical Engineering Services

- (i) Air Conditioning and Refrigeration
- (ii) Lifts
- (iii) Electrically Operated Cranes
- (iv) Incinerators
- (v) Mechanical Laundry
- (vi) Fire Fighting and Fire Detection System
- (vii) Water and Effluent Treatment

(d) Miscellaneous

- (i) Manufacture of Furniture
- (ii) Handling of Engineer Stores and Transport
- (iii) Horticulture and Landscaping
- (iv) Information Technology Services
- (v) Maintenance and Operation of E/M Installation
- (vi) Repair of Transport Vehicles
- (vii) Energy Audit Services
- (viii) Auction Services

Note : Contractors of class X and above only shall be eligible for enlistment in categories (a)(iii) Runways and Pavements and (a)(iv) Marine and Harbour Works, subject to prior approval of E-in-C.

1.3 Classification of Contractors

The Classification, value of Standing Security Deposit, Competent Enlisting Authority and Registering Authority shall be as under :

Class	Upper Tendering limit (Rs.)	Value of Standing Security Deposit (Rs.)	Authority Competent to enlist	Authority Competent to Register
(1)	(2)	(3)	(4)	(5)
SS	No limit	15 Lakhs	E-in-C's Branch	E-in-C's Branch
S	1500 Lakhs	11 Lakhs	CE Command/ ADG (OF & DRDO)	CE Command/ADG (OF & DRDO)
A	750 Lakhs	7 Lakhs	CE Zone/Project	CE Command/ADG (OF & DRDO)
B	300 Lakhs	4 Lakhs	CE Zone/Project	CE Command/ADG (OF & DRDO)
C	100 Lakhs	1.75 Lakhs	CE Zone/Project	CE Command/ADG (OF & DRDO)

D	50 Lakhs	1.00 Lakh	CE Zone/Project	CE Command/ADG (OP & DRDO)
E	25 Lakhs	50,000/	CWE (CE Zone/Project in case there is no CWE Office)	CWE (CE Zone/Project in case there is no CWE Office)

1.4 Criteria for Fresh Enlistment/Upgradation

(a) Criteria for Fresh Enlistment/Upgradation in various classes shall be as under :

Class	Past experience of completed works in last 5 Years	Financial soundness	Engineering establishment	Limit of minimum reserves/ total of movable or immovable property or fixed assets (in case of companies) (50% of minimum reserves/ assets shall be in shape of immovable property) (Rs. in lakhs)
(1)	(2)	(3)	(4)	(5)
'SS'	(a) Two works costing not less than Rs. 12.00 crores each or One work costing not less than Rs. 20 crores and (b) Average annual turn over for last two consecutive years shall not be less than Rs. 20 crores.	(a) Solvent upto Rs. 8.00 crores or financially sound for engagement upto Rs. 40.00 crores (b) working capital not less than Rs. 75.00 lakhs	(a) Three graduate Engineers from a Government recognised institution with minimum experience of 5 years and (b) Five diploma Engineers from Government recognized institution with minimum experience of 8 years and (c) One of the Engineers should have capability to use Project Management Software like MS Projects/Primavera in all projects	120.00
'S'	(a) Two works costing not less than Rs. 7.50 crores or One work costing not less than Rs. 12.00 crores and (b) Average annual turn over for last two consecutive years shall not be less than Rs. 12.00 crores	(a) Solvent upto Rs. 4.00 crores or financially sound for engagement upto Rs. 15 crores (b) working capital not less than Rs. 50.00 lakhs	(a) Two graduate Engineers from a Government recognised institution with minimum experience of 5 years and (b) Three diploma Engineers from Government recognized institution with minimum experience of 5 years.	80.00
'A'	(a) Two works costing not less than Rs. 4.00 crores or One work costing not less than Rs. 6.00 crores and (b) Average annual turn over for last two consecutive financial years shall not be less than Rs. 6.00 crores	(a) Solvent upto Rs. 2.00 crores or financially sound for engagement up to Rs. 7.50 crores (b) working capital not less than Rs. 30.00 lakhs	(a) One graduate Engineer from a government recognised institution with minimum experience of 5 years and (b) Two diploma Engineer from Government recognized institution with minimum experience of 5 years.	75.00

'B'	(a) Two works costing not less than Rs. 1.50 crores or One work costing not less than Rs. 2.50 crores or (b) Average annual turn over for last two consecutive years shall not be less than Rs. 300.00 lakhs	(a) Solvent upto Rs. 100.00 lakhs or financially sound for engagement upto Rs. 3.00 crores (b) working capital not less than Rs. 12.00 lakhs	(a) One graduate Engineer from a government recognised institution with minimum experience of 4 years and (b) One diploma Engineer from Government recognised institution with minimum experience of 5 years	60.00
'C'	(a) Two works costing not less than Rs. 50.00 lakhs or One work costing not less than Rs. 80.00 lakhs or (b) Average annual turn over for last two consecutive years shall not be less than Rs. 100.00 lakhs	(a) Solvent upto Rs. 40.00 lakhs or financially sound for engagement upto Rs. 100.00 lakhs (b) working capital not less than Rs. 10.00 lakhs	(a) One graduate Engineer from a government recognised institution with minimum experience of 2 years and (b) One diploma Engineer from Government recognised institution with minimum experience of 4 years	25.00
'D'	(a) Two works costing not less than Rs. 25.00 lakhs or One work costing not less than Rs. 40.00 lakhs or (b) Average annual turn over for last two consecutive years shall not be less than Rs. 50.00 lakhs	(a) Solvent upto Rs. 20.00 lakhs or financially sound for engagement upto Rs. 50.00 lakhs (b) working capital not less than Rs. 7.50 lakhs	One graduate Engineer from a government recognised institution with minimum experience of 2 years or One diploma Engineer from Government recognised institution with minimum experience of 4 years	12.50
'E'	(a) Three works costing not less than Rs. 7.50 lakhs or Two works costing not less than Rs. 10.00 lakhs or One work costing not less than Rs. 22.00 lakhs or (b) Average annual turn over for last two consecutive years shall not be less than Rs. 25.00 lakhs	(a) Solvent upto Rs. 10.00 lakhs or financially sound for engagement upto Rs. 25.00 lakhs (b) working capital not less than Rs. 5.00 lakhs	One graduate Engineer from a Government recognised institution or One diploma Engineer from Government recognised institution with minimum experience of 2 years	8.00

(b) The Contractors shall also meet the requirement of minimum T & P/Machinery and Transport for fresh enlistment/upgradation in various categories corresponding to their classes as under :

Category	Special T & P/ Machinery/ Transport	Minimum Nos. required for callatment in class						Remarks	
		SS	S	A	B	C	D		E
(a) (i) Building & Road category									
1.	One bag capacity concrete mixer (diesel)	-	-	-	3	2	1	1	
2.	Vibrators (Needle and Plane type)	20	15	6	4	4	2	2	
3.	Tower/builder's hoist	4	2	1	1	1	-	-	
4.	Steel shuttering with spans, props etc. (sqm)	6000	4000	2000	1500	1000	500	200	
5.	Trucks/Tipppers	5	2	1	1	-	-	-	
6.	DG Sets 5/10 KVA	3	2	1	1	-	-	-	
7.	Total Stations	3	2	1	1	-	-	-	
8.	Concrete cube testing machine (Hydraulically operated)	3	2	1	1	-	-	-	
9.	Fully automatic concrete batching plant	1	1	1	-	-	-	-	
10.	Transit Mixers	3	2	2	-	-	-	-	
11.	Concrete Pumps	3	2	2	2	1	-	-	
12.	Concrete mobile weigh batchers	3	2	2	2	1	-	-	
13.	Cranes	2	2	1	1	-	-	-	
14.	Excavators (Power shovels/draglines)	2	2	1	1	-	-	-	
15.	Bull dozers	2	2	1	1	-	-	-	
16.	Road Rollers	2	2	1	1	-	-	-	
17.	Drilling machines	3	2	1	1	-	-	-	
18.	Boring rig	5	4	3	2	1	1	1	Optional in case of tube well boring work.
19.	Pile driving equipment (sets)	5	4	3	2	1	1	1	Optional in case of piling work
20.	Pile testing equipment (sets)	3	2	1	1	-	-	-	-do-
(a) (ii) Runways & Pavement									
1.	Vibratory rollers	1	1	1	-	-	-	-	
2.	Pneumatic wheeled roller	1	1	1	-	-	-	-	
3.	Fully automatic concrete batching plant	1	1	1	-	-	-	-	
4.	Concrete Paver finisher	1	1	1	-	-	-	-	
5.	Continuous type hot mix plant	1	1	1	-	-	-	-	
6.	Cold Milling Machine	1	1	1	-	-	-	-	
7.	Paver finisher (Hydraulically controlled) sensors operated electrically for the paver finisher (Hydraulically controlled)	1	1	1	-	-	-	-	

Category	Special T & V/ Machinery/ Transport	Minimum Nos. required for enlistment in class						Remarks
		SS	S	A	B	C	D	
	8. Bitumen sprayer	5	5	5	-	-	-	-
	9. Trucks/tipper	5	5	5	-	-	-	-
(a) (iv) Marine & Harbour Works								
	1. Pile driving equipment for :							
	(a) On shore piles with operating devices	2	2	2	-	-	-	-
	(b) Off shore pile driving device with complete equipment to facilitate lowering of rift, mixer, concreting etc.	2	2	2	-	-	-	-
	2. Bentonite circulation eqpt	2	2	2	-	-	-	-
	3. Kelly grab for diaphragm wall construction	2	2	2	-	-	-	-
	4. Crawler mounted crane of suitable capacity with clam shell attachment for grabbing	2	2	2	-	-	-	-
	5. Diesel/Elec operated hammer/devices for sheet pile driving and extraction	2	2	2	-	-	-	-
	6. Concrete Mobile Weigh batchers	3	2	2	-	-	-	-
	7. Pumping sets elec/diesel of suitable capacity	2	2	2	-	-	-	-
	8. Drifter equipment for rock anchors	2	2	2	-	-	-	-
	9. Sand blasting facility for clearing of rift of rock anchors	2	2	2	-	-	-	-
	10. Under water cutting of sheetpiles	2	2	2	-	-	-	-
	11. Welding eqpt and radiography eqpt for testing of joints	2	2	2	-	-	-	-
	12. Field testing equipment	2	2	2	-	-	-	-
	13. Concrete grouting equipment	2	2	2	-	-	-	-
	14. Needle and plate type vibrators	4	4	4	-	-	-	-
(b) (ii) (iii) Electrical Engineering (High Tension and Extra High Tension Electric Works)								
	1. Steel/Aluminum ladders 1.5 m. to 8m. (Nos)	10	8	6	4	3	2	2
	2. Chase cutting machines	3	2	2	2	1	1	-
	3. Torque wrench for nuts/bolts/screws	3	2	2	2	1	1	-
	4. Primary and secondary injection equipment	3	2	2	2	1	1	-
	5. Dielectric strength testing eqpt	3	2	2	2	1	1	-
	6. Magnetic dial indicator for alignment	3	2	2	2	1	1	-
	7. Conduit die set	3	2	2	2	1	1	-
	8. Pipe vice	3	2	2	2	1	1	-
	9. Bench vice	3	2	2	2	1	1	-
	10. LT Meggar 500 volts	3	2	2	2	1	1	-
	11. HT Meggar 5000 volts	3	2	2	2	1	1	-
	12. Tong tester	3	2	2	2	1	1	-

Category	Special T & P/ Machinery/ Transport	Minimum No. required for enlistment in class						Remarks
		SS	S	A	B	C	D	
	13. Hydraulically operated & hand operated crimping machines	3	2	2	2	1	1	-
	14. Earth tester	3	2	2	2	1	1	-
	15. Portable drilling machines	3	2	2	2	1	1	-
	16. Over head conductor puller	3	2	2	2	1	1	-
	17. Test bench for light fittings	3	2	2	2	1	1	-
	18. Cable fault location meggar	3	2	2	2	1	1	-
	19. Oil testing set	3	2	2	2	1	1	-
	20. Multi-meter	3	2	2	2	1	1	-
(d) (i) Manufacture of furniture								
	1. Properly fitted workshop	1	1	1	1	1	1	1
	2. Sawing machine	2	2	1	-	-	-	-
	3. Planing machine	4	3	2	2	1	1	1
	4. Machine for cutting, grooving, moulding & beading	4	3	2	2	1	1	1
	5. Compressor for spray painting	4	3	2	2	1	1	1
	6. Bending machines	4	3	2	2	1	1	1
	7. Welding sets	4	3	2	2	1	1	1
	8. Machines for screw driving	4	3	2	2	1	1	1
	9. Drilling machine	4	3	2	2	1	1	1
(d) (ii) Handling of Engineer stores and transport								
	1. Trucks	7	5	5	5	3	3	3

(c) Verification of character and antecedents of Proprietors/ Partners/Directors shall be done through police authorities (not below the rank of Superintendent of Police) before he is brought on the approved list.

Notes :

1. For enlistment in class 'SS', the company incorporated under the 'Companies Act 1956' shall only be eligible.
2. The categories for enlistment shall be decided on the basis of nature of works executed by Contractor and T&P/machinery possessed by him.
3. For enlistment in category (b) Electrical Engineering Works, one of the engineers employed by the Contractor should be degree/diploma holder in electrical engineering with requisite experience and for enlistment in category (b) (ii) and (iii), the Contractor should also employ persons having valid electrical licence from competent authority on their permanent establishment (Two persons for class 'SS' and one person for class 'S' to 'E'). For this, he will submit requisite affidavits and attested copies of Licences.
4. Working capital with the Contractor shall be judged from balance sheet/bank's certificate as per Appendix 1.2/bank statement for last 6 months/overdraft facility from bank/fixed deposit receipts with banks.
5. Immovable/movable property (minimum reserve) shall be exclusively in the name of Contractor and not in the name of family members/relatives/others. In case of limited companies immovable/movable property (considered for minimum reserve) shall be exclusively in the name of company and should be reflected in the Balance Sheet of the Company.

6. Requirements of Engineering establishment shall not be insisted upon if enlistment is to be done for following categories only : (d) Miscellaneous : (i) Manufacture of Furniture, (ii) Handling of Engineer Stores and Transport, (iii) Horticulture and Landscaping, (iv) Energy Audit Services, (v) Auction Services.

7. Upgradation of an enlisted Contractor shall be done gradually in stages. Before a Contractor is considered for upgradation, he should have worked at least for 2 years in the present tendering limit and also meets the criteria laid down. Normally upgradation will be done only to one next higher class at a time. However, if performance of any particular Contractor is found to be of very high order and Enlisting Authority considers upgradation of such Contractor by more than one class justified, the same shall be done only with prior approval of E-in-C's Branch. Following considerations shall only be applied to ascertain whether the performance of Contractor is of very high order or otherwise :

(a) Contractor has completed the works value of which is more than 1.25 times the requirements in which the upgradation is being considered.

(b) Average Annual Turnover of the Contractor is more than 1.25 times the requirement in which the upgradation is being considered.

Example : Contractor enlisted in class 'C' having tendering limit of Rs. 100 lakh proposed to be upgraded to class 'X' having tendering limit of Rs. 7.50 crore, minimum value of works completed and/or turn over shall be as under :

(i) Two works completed costing not less than Rs. 5.00 crore each (1.25×4.00)

Or

One work costing not less than Rs. 7.50 crore (1.25×6.00)

(ii) Average annual turnover Rs. 7.5 crores (1.25×6.00)

(c) Average marks secured in Performance Reports (Stage II) for the works completed in last five years shall not be less than 70%. Where report for any work is not available, it will be deemed to contain only 60% average marks.

8. The criteria laid down above for enlistment/upgradation may be relaxed in the case of Contractors whose performance has been found to be of a very high order. Such relaxation may, however be given only with the prior approval of E-in-C's Branch.

9. Contractor of class 'X' and above shall only be eligible for enlistment in categories (a) (iii) Runways and Pavements and (a) (iv) Marine and Harbour Works, subject to prior approval of E-in-C.

1.5 Documents required to be submitted by the Contractor for enlistment in MES

- Applications for enrolment as Contractor on IAFW-2190 (Photographs affixed on Application shall be got attested by any Government Gazetted Officer).
- Affidavit for constitution of firm (only limited companies shall be enlisted in 'SS' Class).
- List of works executed during last 5 years.
- Annual turnover certificate from CA/Income-tax deduction at source (TDS) certificates from GEs in support of annual turnover during last 5 years.
- Balance sheet of last 5 years in case of limited companies.
- Affidavit for immovable properties indicating present market value and containing following endorsements :
 - That the immovable property is free from mortgages, hypothecation or any other dispute and encumbrances and clearly belongs to the Contractor.

Or

That the immovable property is free from any disputes and encumbrances and clearly belongs to the Contractor. The immovable property has been mortgaged/hypothecated for Rs. Market value of immovable property as per valuation report No given by Registered valuer is Rs. Therefore balance market value of property i.e. Rs. (Market value minus mortgaged value) is free from mortgage/ hypothecation.

- (ii) That the said immovable property has not been shown for seeking enlistment of a sister concern in MES.
- (iii) That the said immovable property will not be sold, transferred, gifted or otherwise disposed off without prior intimation to the registering authority in MES. While giving such prior intimation, new affidavit for alternate immovable property of value at least equal to minimum requirement as per scales alongwith valuation report from registered valuer shall also be submitted; failing which the Registering Authority may declare the contractor unenlisted or may take action as deemed fit till acquiring alternate immovable property by the Contractor.

Note : In case of partnership firm, the partner having immovable property in his name, shall also endorse the following in addition to above :

"Irrespective of my share in partnership firm, my whole property may be utilised by the Government for realising their dues/recovery, if the firm fails to deposit the same".

- (g) Valuation report from Registered (with any Government body) valuer for immovable property clearly indicating ownership details. Alternatively the Contractor may submit certificate from the Deputy Commissioner/ Collector/First Class Magistrate or assessment of wealth tax authorities.
- (h) **Affidavit for movable property (T & R machinery, transport etc.)** : If certain movable property is being considered towards requirements of minimum reserve, endorsements as required for immovable property shall also be given on affidavit for movable property and valuation report from Registered (with any Government body) valuer for movable property clearly indicating ownership details shall also be submitted.
- (j) Solvency certificate from the scheduled bank as per specimen given in **Appendix-1.2**
- (k) Working capital certificate from the scheduled Bank as per specimen given in **Appendix 1.2**. Alternatively Contractor may submit bank statement for the last 6 months/attested copies of fixed deposit receipts/balance sheet in support of Working Capital.
- (l) Affidavit from contractor for employment of Engineers.
- (m) Affidavit from Engineers for employment with the Contractor.
- (n) Experience and Degree/Diploma certificates of Engineers.
- (o) Affidavit from Contractor that there is no Government dues/recovery outstanding against him. (If there is any Government dues/recovery outstanding from the Contractor, enlistment/upgradation shall not be done)
- (p) Affidavit from Contractor that he is not involved in any arbitration/litigation cases. If he is involved, he will give brief details of such cases on affidavit and enlisting authority will critically examine such details and if contractor is considered habitual litigant, his enlistment/ upgradation shall not be done.
- (q) Two photographs of proprietor/partners/directors of firm for verification of character and antecedents from the police authorities.
- (r) Copy of partnership deed in case of partnership firm.
- (s) Memorandum and Articles of Association in case of Limited Companies.
- (t) Copy of Registration Certificate of firm/company with Registrar of Companies.

- (u) Affidavit that no near relative(s) of the contractor or their employees/agents is/are working as Gazetted/ Commissioned Officer in MES/Corps of Engineers/ Ministry of Defence. If his/their near relative(s) is/are working in such capacity, he/they shall furnish details. The contractor shall not be entitled to tender for the works in entire area of CE Zone/Project under whose control his/their near relatives are working as Gazetted/ Commissioned Officers.
- (v) Affidavit that no near relative(s) of the contractor is/are working as Junior Engineer in MES/Corps of Engineers. If his near relative(s) is/are working in such capacity, the contractor shall furnish details. The contractor shall not be entitled to tender for the works in entire area of GE (I)/GE in which his near relative(s) is/are working as Junior Engineer.
- (w) Copy of power of attorney given to any person/partner/ director by the Contractor.
- (x) Copy of last income tax return.
- (y) A separate sheet containing specimen signatures (signed in black ink) and affixed with photographs of proprietor/ partners/directors. (To be used as Appendix B of enlistment letter).

Notes : (i) All the documents submitted by the Contractor shall be signed by him.

(ii) Photo copies of documents shall be attested by the Gazetted Officer/ Notary Public.

(iii) All the affidavits shall be given on non-judicial stamp paper of appropriate value duly signed by the contractor and attested by the Magistrate/ Notary Public.

1.5.1 On receipt of letter from enlisting authority asking standing security deposit and standing security bond (Bond to secure performance of agreement), and unless the contractor decides to deposit individual security for each work he secures, he shall furnish the following :

- (a) Standing security deposit of appropriate value (Acceptable form of standing security deposit shall be as given in para 2.1 (h) of section 2 except Bank Guarantee Bonds)
- (b) Standing security bond (Bond to secure performance) on non judicial stamp paper of appropriate value as per specimen given at **Appendix 1.4** duly signed by Contractor and attested by Magistrate/Notary Public.

1.6 Income Tax Clearance Certificate

W.e.f. 30.10.03 requirement of submission of ITCC by the contractors for enlistment purposes has been dispensed with.

1.7 Verification of Character and Antecedents of Contractors and their Agents.

- (a) There have been cases where foreign nationals and other anti-social elements were found associated with Defence works. In the interest of security, therefore, the following action will be taken :
 - (i) Character and Antecedents of a Contractor (Proprietor/ Partners/Directors) shall be verified through police authorities (Not below the rank of Superintendent of Police) before he is brought on the approved list.
 - (ii) Character and Antecedents of agents of contractors shall be verified through police authorities (Not below the rank of Superintendent of Police) before they are associated with the contract work.

- (iii) Character and Antecedents of a sub-contractor shall be verified through police authorities (Not below the rank of Superintendent of Police) before he is associated with the contract work.
- (iv) Character and Antecedents of an unregistered contractor to whom a tender may be issued shall be verified through police authorities (Not below the rank of Superintendent of Police) before a tender submitted by him is opened. In case the police verification is not received till the date of opening of tender, the tender of such Contractor shall not be opened.
- (v) Foreign nationals including labour shall be excluded from all contracts unless for reasons of technical collaboration or some other consideration, their inclusion is unavoidable.
- (b) The following instructions shall be followed for verification of character and antecedents of contractors :
 - (i) Verification of character & antecedents of contractors and their agents shall be taken up with Superintendent of Police of the District to which the individual belongs.
 - (ii) If an unregistered original equipment manufacturer and multinational company applies for issue of a tender and he is considered otherwise suitable, immediate action shall be taken to get the Police verification done. It may not, however, be possible to know the result of the Police verification before issue or even before acceptance of a tender submitted by such a tenderer. In such a case, the Accepting officer must, before issuing a tender, satisfy himself about the character and antecedents of the Contractors. If necessary, references to other departments with whom the Contractor may have been working may be made for the purpose.
 - (iii) Provision shall be made in all tender documents to the effect that Contractor shall employ only Indian Nationals after verifying their character, antecedents and loyalty. Attention of tenderers shall also be drawn to Condition 25 of IAFW-2249 (or other similar condition in the applicable Contract form).
 - (c) All possible steps shall be taken to ensure that a person of doubtful character and antecedents is not associated with Defence Works. If in doubt, a reference shall be made to police authorities for fresh verification.
 - (d) It has been clarified by the Ministry of Home Affairs that verification of antecedents in case of Government Undertakings is not necessary.
 - (e) It has been decided by the Ministry of Defence that verification of antecedents in respect of the following shall be got done through Intelligence Bureau, Ministry of Home Affairs :
 - (i) Indian Firms of Contractors having both Indian as well as foreign nationals as Directors.
 - (ii) Foreign firms of Contractors.
 - (iii) Indian Firms of Contractors having Indian Nationals as Directors living in India as well as Directors of Indian nationality living abroad.
 - (iv) Indian Firms of Contractors having Indian Directors living in India as well as Directors of Indian origin having acquired foreign nationality/ citizenship and living abroad.

- (f) Any Indian firm having one or more Directors of Indian Nationality but living abroad or having one or more Directors of Indian origin having taken up foreign nationality/citizenship may not be enlisted. However, in exceptional cases only and with the approval of Ministry of Defence, work can be awarded to such firm after verification of their antecedents and their performance through CBI.
- (g) Verification of antecedents of Proprietor/Partners/ Directors of the Firm in connection with issue of tender and or Enlistment shall be Govt. responsibility and accordingly payment to police authorities towards verification of antecedents shall be made by contractor.
- (h) Verification of antecedents of Contractor's representatives/labour deployed at site in connection with execution of work under the contract, as per security requirements of User Unit/installation shall be the responsibility of the contractor and all expenses in connection with verification of antecedents by Police Authority/Security Agency shall be borne by the contractor. An appropriate clause to this effect shall be incorporated in the contract.

1.8 Procedure for Enlistment of Contractors

To ensure uniformity of the procedure for enlistment/ upgrading, the various points to be checked are enumerated in the 'Check List' given at **Appendix 1.3**. The points given in the list should be checked while examining the case of enlistment/upgrading and complied with. Following procedure will be followed for enlistment of contractor.

- (a) **'SS' Class** : Application for enlistment as an approved contractor in 'SS' Class is to be submitted by the Contractor to E-in-C for decision. A contractor of 'S' Class already enlisted by CE Command should normally apply through that CE Command.
- (b) **'S' Class** : (i) Application for enlistment as an approved contractor in 'S' Class is to be submitted by the Contractor to the Command CE for decision. A Contractor not enlisted with MES may submit his application direct to Command CE but a contractor of 'A' Class already enlisted by a Zonal/Project CE should normally apply through that CE. Having taken a decision to enlist a contractor in 'S' Class the Command CE will inform the contractor about it and the categories for which it is proposed to enlist him, and call upon him to deposit the required Standing Security Deposit and to execute the Standing Security Bond, unless the contractor decides to deposit individual security for each work he secures.
 (ii) On receipt of the Standing Security Deposit and Standing Security Bond from the Contractor, the Command CE, after having completed the bond by making the following endorsement at the bottom of the last page, allot a number and issue enlistment letter to the Contractor under intimation to the E-in-C, CEs of other Commands, all Zonal/Project CEs, CsWE, GEs and Independent AGEs in his Command :

"Accepted for and on behalf of the President of India

Signature and Designation of CE Command"