



# CENTRAL PUBLIC WORKS DEPARTMENT

## OFFICE MEMORANDUM

No.DGW/CON/210

ISSUED BY AUTHORITY OF DIRECTOR GENERAL OF WORKS

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Nirman Bhawan, New Delhi

Dated 25/04/2005

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**Subject: Rules of Enlistment of Contractors in CPWD, 2005**

Rules for Enlistment and revalidation of Enlistment hitherto in force i.e "Enlistment Rules-2001" have been reviewed. As a result of review, "Enlistment Rules 2005" are issued herewith for Enlistment and Revalidation of Enlistment of Contractors in CPWD.

These rules will come into force with effect from 1<sup>st</sup> day of May 2005.

Sd/-

Superintending Engineer (C&M)

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dated 25/04/2005

Copy forwarded as per mailing list

## Rules of Enlistment of Contractors in CPWD, 2005

1.0	<b>Title</b> These rules shall be called the “Rules of Enlistment of Contractors in CPWD, 2005” and shall come into force with effect from the <b>1st day of May, 2005</b>
2.0	<b>Short Title</b> Hereinafter these rules shall be referred to as “Enlistment Rules 2005” for the sake of brevity.
2.1	Term ‘CPWD’ where ever occurring, includes PWD (NCTD) and CCU of Ministry of Environment and Forest also
3.0	<p><b>Repeal and Saving</b></p> <p><b>3.1</b> All rules regarding enlistment/revalidation of contractors in CPWD existing before coming into force of Enlistment Rules 2005 are repealed by Enlistment Rules 2005 .</p> <p><b>3.2</b> Notwithstanding such repeal, the contractors already enlisted on the basis of rules hitherto in force shall continue to enjoy the status of enlisted contractors of CPWD till the period of such enlistment, including revalidation/extension granted before coming into effect of the Enlistment Rules 2005, expires. However, in regard to all other matters and further revalidation of their enlistment, they shall be governed by the Enlistment Rules 2005.</p> <p><b>3.3</b> And also, notwithstanding such repeal, applications as listed below shall be processed on the basis of Enlistment Rules 2001 and amendments issued from time to time and provisionally enlisted/ revalidated if found fit subject to conditions that contractors so Enlisted /Revalidated will have to satisfy the criteria as provided in Enlistment Rules 2005 within 18 months from the date of effect of Enlistment Rules 2005 in respect of Bankers certificate, T&amp;P and Engineering Establishment and within 36 months from the date of effect of Enlistment Rules 2005 in respect of works as given in Para19 of the Enlistment Rules 2005, failing which their provisional enlistment/revalidation will be treated as cancelled .</p> <p>i) Applications for Enlistments received with all required documents on or before 22.11. 04 but not finalized before issue of Enlistment Rules 2005.</p> <p>ii) Applications for Revalidation received on or before effect of Enlistment Rules 2005 but not finalized.</p> <p>iii) Applications for Revalidation of Enlistment received after the date of effect of Enlistment Rules 2005 and upto 36 months from the date of issue of Enlistment Rules 2005 will have to satisfy the criteria as mentioned above within balance time available out of schedule indicated above</p>
4.0	<b>Applicability.</b> CPWD enlists contractors who intend to work with the department. It is done to have a ready list of suitable and competent contractors for CPWD works so as to minimize requirement of verification of credentials of contractors at the time of individual tenders. At the same time only those contractors are allowed to continue in the list that remain active in CPWD and perform well. Any Indian Individual, Sole Proprietorship Firm, Partnership Firm, Public Limited Company or a Private Limited Company may apply for enlistment as a contractor in CPWD under these Rules provided the eligibility criteria and other conditions are satisfied The enlisted contractors have to abide by all the rules made herein and as amended from time to time during the currency of their enlistment.
4.1	No individual, or a firm having such individual as one of the partners, who is a dismissed government servant; or removed from the approved list of contractors; or demoted to lower class; or having business banned/ suspended by any government department in the past; or convicted by a court of law shall be entitled for enlistment.

4.2	No Engineer or any other official employed in Engineering or Administrative duties in the Engineering Department of the Government of India is allowed to work in the CPWD either as contractor or as employee of a contractor for a period of two years after his retirement from Government service unless he has obtained prior permission of Government of India to do so. Even after enlistment, if either the contractor or any of his employees is found to be a person who had not obtained the prior permission of Government of India as aforesaid, the name of the contractor shall be removed from the list of enlisted contractors.
4.3	A contractor is permitted to have enlistment in more than one category and under more than one enlistment authority but not in more than one class of the same category in CPWD.
4.4	A contractor is not permitted to have enlistment in more than one name.
4.5	A partner of a firm or a Director of a company enlisted as a contractor cannot be a partner/director in any other enlisted firm/company in CPWD.
4.6	A contractor will not be enlisted if it was enlisted in any category or class earlier but had remained inactive in CPWD during its previous enlistment period.
5.	<b>Scope</b> - The enlistment of a contractor in CPWD shall only entitle him to be considered for issue of tender papers subject to the conditions laid down in each individual Notice Inviting Tenders. It shall not confer any right on him either to be necessarily issued the tender papers or for award of work.
6.1	<b>Enlistment Procedure</b> - The contractor shall have to submit the application in a prescribed form (Annexure – I) to the enlistment authority, complete with all documents as per Annexure-II.
6.2	Incomplete applications and applications not accompanied with necessary documents are liable to be rejected.
6.3	All verification, submission of reports etc are to be pursued by the applicant. Any delay on account of delay in verification, submissions of reports etc will not entitle applicant for <u>any type of</u> enlistment
6.4	The enlistment authority shall have the right to independently verify the details furnished by the contractor and to get works done by the contractor inspected and/or to get such other reports as may be considered necessary.
6.5	If the enlistment authority finds the contractor suitable for enlistment, it shall issue the enlistment order and, otherwise, send a letter of rejection of the application to the contractor. The decision of the enlistment authority shall be final and binding on the contractor.
6.6	The enlisting authority reserves right to limit number of contractors to be enlisted in any class or category on All India/Regional/State/Location basis or any other manner decided by the department.
6.7	Enlistment of contractors in the department may be closed at any point of time. While closing the enlistment, the department may have a reserved list of eligible contractors from the pending applications. Out of this, contractors may be enlisted depending on requirement in a particular area or for the country as a whole.
7.	The enlistment shall be valid for a period of four years. The enlistment can, however, be revalidated in accordance with rules in this regard. Each revalidation shall be for a period of three years from the date of expiry of the previous enlistment/revalidation. The enlistment shall be open to review by the enlistment authority and liable to termination, suspension or any other such action at anytime if considered necessary by the enlistment authority, after issue of show cause notice
8.	<b>Categories &amp; Classes</b> - The enlistment shall be done in the categories and classes mentioned in Table – 1

9.	<b>Jurisdiction and Tendering Limits</b> The jurisdiction in which contractors enlisted in various categories and classes shall be permitted to tender and the tendering limit upto which they shall be eligible to tender shall be as given in Table-1. Northern Region shall include Delhi Region also.
9.1	The contractor shall be governed by the provisions existing at a particular point of time irrespective of when he was enlisted.
10.	Authorities for Enlistment - Enlistment in different categories and classes shall be done by different authorities. These are identified in Table I.
11.	<b>Eligibility Criteria</b> - The contractors shall have to satisfy the minimum eligibility criteria specified in Table – I, before they can be considered for enlistment. All contractors are expected to keep abreast with enlistment/revalidation rules modified from time to time.
11.1	The criterion for experience, in case of enlistment, shall be the completion of requisite number of works, as the case may be, of prescribed nature and magnitude executed on independent contract basis or as a builder, during the last five years. The works should have been executed in the same name and style in which the enlistment is sought. Enlistment of an individual in corresponding category may also be done based on his Technical Qualification in lieu of experience of completion of works in last 5 years but other eligibility criteria remaining the same.
11.2	The financial soundness shall be judged on the basis of the Banker's certificate or the working capital certificate, as the case may be, issued by the Bankers of the contractor on the format prescribed in Annexure-V. Such certificate shall be issued by a scheduled bank and shall be submitted, in original, in a bank sealed cover, addressed to the enlistment authority.
11.3	The criteria for enlistment/revalidation shall be as applicable on date of enlistment/revalidation. Applicant may be intimated when his application and verification is complete. The application may be decided within 90 days of such completion.
12.0	<b>Processing fee</b> – The contractor shall have to pay a non-refundable processing fee by crossed Demand Draft drawn in favour of the authority authorizing by enlisting authority. For various categories and classes of enlistment, the fee is prescribed in Table – I. This fee is to be submitted alongwith application form to the enlisting authority
13.0	<b>Income Tax clearance</b> : Deleted
14.0	<b>Electrical License</b> - The contractors of Electrical category shall have to produce valid electrical license from the competent authority in the name of the contractor. They shall keep valid license throughout the period of enlistment by getting it renewed at suitable intervals and submit an attested copy of the same to the enlistment authority after each renewal. In event of any discontinuity in validity of electrical license of the contractor, its enlistment and authority to work with CPWD will also automatically cease to be valid. For applying for tenders for a work in any state they shall have to possess electrical license of appropriate voltage issued by any State Govt. under Clause 45 of compilation of rule of Indian Electricity Rules 1956 or as amended from time to time. .
15.0	<b>Change in Constitution of Firm</b> -The contractor/firm shall not modify the existing partnership or enter into any fresh partnership without the prior approval of the enlistment authority. Such proposal, if any, shall be submitted in advance giving full details of the intended partnership/sole proprietorship along with the draft partnership deed/affidavit and documents as per Annexure-VI. Any change in status of the contractor as an 'Individual' or in constitution of the firm without prior approval of the enlistment authority will render the contractor/firm liable to be removed from the approved list of contractors.

15.1	If a firm is converted in two or more firms by any action of its partners, the new firm(s) or any separated partner(s) in his(their) individual/joint capacity shall have to apply for the enlistment afresh on the basis of work experience gained as a separate entity.
15.2	If new partners are taken in the firm, each new partner shall have to satisfy the eligibility conditions mentioned in Rule 4.0
15.3	If the number of original partners of a firm reduces to less than half due to any reason including death of partner(s), the enlistment of the firm shall be withdrawn. Original partners means constituents at the time of Enlistment and those who have remained as constituent for more than 5 years.
16.0	<b>Change in Address</b> - While applying for enlistment, the contractor should mention address of his Registered office as well as Head Office, if different. All documents i.e. , Bankers' Certificate, Electrical license etc. should bear one of the above addresses, otherwise the same shall not be accepted
16.1	The contractor shall intimate the change, if any, in any of the above addresses, in advance or maximum within one month of such change alongwith acknowledgement of noting down of such change in address from the Bank, Income Tax , Sales Tax authorities etc. Failure to do so may result in removal of his name from the approved list of contractors
17.0	<b>Near Relatives Working in CPWD</b> -Contractors whose near relatives are Divisional Accountant or Engineering Officers between the grades of Superintending Engineer and Junior Engineer (both inclusive) in the Central Public Works Department will not be allowed to tender for works if the circle responsible for award and execution of contract is the one where the near relative is working. For this purpose a near relative shall mean wife, husband, parents, grand parents, children, grand children, brothers, sisters, uncles, aunts, cousins and their corresponding in-laws.
18.0	<b>Review of Approved List of Contractors</b> -The contractor shall be required to secure works of appropriate magnitude in CPWD during the revalidation/enlistment period. Contractors shall be liable to be weeded out for non-observance of enlistment rules. For this purpose the enlistment authority shall have the power to periodically review the approved list of contractors.
19.0	<b>Revalidation of enlistment</b> - The validity of initial enlistment of the contractor shall be as given in Para 7.0. It shall, however, be revalidated on merits, if desired by the contractor. Only the contractor who has secured at least two works of appropriate magnitude (as applicable for enlistment in relevant class) in CPWD, PWD(NCTD) or CCU of Ministry of Environment & Forest during the period of enlistment or last revalidation period of enlistment as the case may be and at least one of them must have been completed 100%, shall be considered for revalidation. If second work is not completed by more than 50%,the department will select one non CPWD work out of the list furnished by the applicant for inspection and consideration of revalidation.. <p>The work completed/secured as an associate contractor of the main contractor, to whom a composite contract was/has been awarded, shall also qualify for consideration of revalidation</p>

19.1	Application for Revalidation -
19.1.1	The contractor shall apply for revalidation for his enlistment in the prescribed form 'Annexure VIII' alongwith all documents as per Annexure IX so as to reach the Enlistment Authority at least 6 months before expiry of his enlistment. The revalidation application with all documents shall however be accepted upto the date of expiry of enlistment with late fee.
19.1.2	In cases where the application is received after date of expiry of enlistment/revalidation, but within three months of expiry, the application can be accepted with double the late fee. Applications received, thereafter, shall not be accepted and contractor should apply for fresh enlistment, as per rules.
19.1.3	Late fee shall be Rs. 20000/- for class I and Rs. 10,000/- for other classes. This is payable in the form of Demand Draft in favor of the authority, as authorized by enlisting authority
19.1.4	On receipt of application for revalidation complete in all respect and with all necessary documents, provisional extension upto six months from the date of expiry of enlistment/date of issue of order, which ever is later may be issued.
<b>20.0 Annual Confidential report of contractors (ACRC)</b>	
20.1	Contractors will be required to complete the form of Annual Confidential report (ACRC), in duplicate as per Annexure VII , on completion of work or every year in respect of works being executed / executed by them under a CPWD division and submit one copy of the same to the concerned Executive Engineer/Assistant Engineer by 15 <sup>th</sup> January. Second copy of the Annexure(s) bearing acknowledgement of Executive Engineer//Assistant Engineer alongwith list of works as per Annexure III be submitted to enlisting authority by 31st January. This ACRC will be for the works done by them for the period 1 <sup>st</sup> January to 31 <sup>st</sup> December of the previous year_or part thereof. Depending upon criteria fixed by the enlisting authority in respect of ACRC,, contractors will be considered for revalidation. The enlisting authority reserves full right for fixing criteria for evaluation of ACRC.
20.2	The list of all works, pertaining to CPWD and non-CPWD, secured , in hand and completed during above mentioned period, be furnished as per Annexure III. In case, the contractor hides any information, his revalidation will be liable to be cancelled.
21.0	<b>Revalidation Procedure</b> - The revalidation shall be done on the basis of evaluation of ACRC on criteria as per Annexure X or as decided by enlisting authority
22.0	<b>Contractor's obligations</b> - The contractor should fulfill all his obligations under these rules in time and manner as specified, failing which he shall be liable for the action as mentioned therein. Some of the obligations are summarized below:- <b>a)</b> Prior approval shall be obtained from the enlisting authority before changing the constitution of the firm/company.. <b>b)</b> Intimation of change of address should be given in advance or within one month alongwith acknowledgement from Banker, Income Tax and Sales Tax authorities. <b>c)</b> He shall continue to possess, throughout the period of enlistment/revalidation, a valid electrical licence of appropriate voltage issued by appropriate authority. <b>d)</b> He should secure works of specified magnitude during the period of enlistment/revalidation as provided in Para 19.0 above <b>e)</b> He shall abide by these rules.

23.0	<p>f) He should not indulge in unethical practices and maintain good conduct</p> <p>g) He shall execute the works awarded to him strictly as per the terms and conditions of the contract and specifications.</p>
23.1	<p><b>Disciplinary Actions</b> The contractor shall have to abide by all the rules of enlistment and also by the terms and conditions of the contract and the Notice Inviting Tenders. He shall have to execute the works as per contract on time and with good quality. The enlisting authority shall have the right to demote a contractor to a lower class, suspend business with him for any period, debar him or remove his name from the approved list of contractors indefinitely or for a period as decided by enlisting authority after issue of show cause notice. Decision of the enlisting authority shall be final and binding on the contractor. The following actions of the contractor shall, in general, make him liable to disciplinary actions</p>
23.2	<p><b>Demotion to a lower class</b> -The contractor shall be liable to demotion to a lower class, by the enlisting authority, if he:</p> <ul style="list-style-type: none"> <li>a) fails to execute a contract or executes it unsatisfactorily or is proved to be responsible for constructional defects; or</li> <li>b) no longer has adequate equipment, technical personnel or financial resources; or</li> <li>c) is litigious by nature; or</li> <li>d) violates any important condition of contract; or</li> <li>e) or his staff misconducts or misbehaves with CPWD officials or.</li> <li>f) buys tender forms but fails to submit his offer on maximum of two occasions per calendar year or</li> <li>e) is responsible for a conduct which may justify his demotion to a lower class. or</li> <li>g) any other reason which in view of enlisting authority is adequate for his demotion to a lower class.</li> </ul>
23.3	<p><b>Suspension of business</b> The enlistment authority may suspend business with a contractor for indefinite period or for a period as decided by enlisting authority, pending full enquiry into the allegations, if the enlistment authority is prima facie of the view that the contractor is guilty of an offence in relation to business dealings which, when established would result in his removal/banning business and it is not considered desirable to entrust new works or continue business with the contractor.</p>
23.3	<p><b>Removal from the approved list</b> The name of the contractor may be removed from the approved list of contractors, by the enlisting authority, if he:</p> <ul style="list-style-type: none"> <li>A) has, on more than one occasion, failed to execute a contract or has executed it unsatisfactorily; or</li> <li>B) is proved to be responsible for constructional defects in two or more works; or</li> <li>C) persistently violates any important conditions of the contract; or</li> <li>D) fails to abide by the conditions of enlistment; or</li> <li>E) is found to have given false particulars at the time of enlistment; or</li> <li>F) has indulged in any type of forgery or falsification of records; or</li> <li>G) changes constitution of the firm or Individual without prior approval of the enlistment authority; or</li> <li>H) changes permanent address / business address without intimation to the enlistment authority; or</li> <li>I) is declared or is in the process of being declared bankrupt, insolvent, wound up, dissolved or partitioned; or</li> <li>J) persistently violates the labour regulations and rules, or</li> <li>K) is involved in complaints of serious nature received from other departments which prima facie appear to be true.</li> </ul>

L ) Default in settlement of tax dues like income tax, Contract tax, sales tax, octroi, duties etc.  
M) has already been demoted for other reason(s). or  
N) Ceases to fulfil eligibility criteria based on which enlistment/revalidation was done. Or  
O) is considered not required to be in list of CPWD for any other reason considered fit by enlistment authority.