

ମହାନଦୀ କୋଲଫିଲ୍ଡ୍‌ସ୍ ଲିମିଟେଡ୍
महानदी कोलफील्ड्स लिमिटेड
MAHANADI COALFIELDS LIMITED

(A Subsidiary of Coal India Limited)

At/P.O.- Jagruti Vihar, Dist-Sambalpur-768020 (Orissa)

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Ref. No. MCL/HQ/...E.24/1884

CIRCULAR

Date: 15.10.08

Sub: Running on Account (R/A) Payment in E&M Contracts:

The NIT/ Agreement of E&M contracts stipulates the following clause regarding Payment of R/A Bills during progress of the work:

QUOTE

Clause-9.7 : **Payment :** The running on account payments may be made once in a month or at intervals stipulated in the work order/contract agreement.

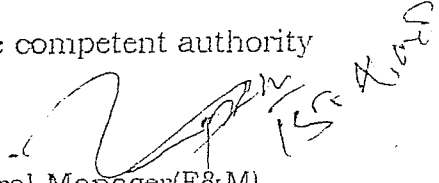
UNQUOTE

The above agreemental provision regarding payment of R/A bills at monthly intervals during progress of the work, is not being complied in most of the E&M contracts. This amounts to breach of contract as well as undue harassment to the contractors.

The Payment Clause of the NIT/Agreement containing provision for "Monthly Payment of R/A bills during progress of the work", shall be strictly enforced in all E&M contracts irrespective of the contract value and contract period.

In a particular work if the monthly payment of R/A bills is not feasible for some genuine reason, an appropriate "Payment Clause, indicating the frequency of payment of R/A bills" should be incorporated in the NIT & Work Order with approval of the competent authority and the same must be complied throughout the contract period.

This circular is issued with the prior approval of the competent authority and it will come into force with immediate effect.


General Manager(E&M)

Distribution

- 1) CGMs/GMs
Talcher/Orient/Ib Valley/Lakhanpur/B-G/Jagannath/
Lingaraj/Hingula/Bharatpur Area.
CH(Tal)/CWS(Tal)/CWS(IBV)/MCL BBSR.
- 2) All Area SO(E&M) - They are requested to circulate to all Elect/E&T
Engineers & Supervisors of their Area.
Dy. CE(E&M)-CH(Tal)/CWS(Tal)/CWS(IBV)/MCL BBSR.
- 3) All Area Finance Managers.
- 4) CE(E&M)- I, CE(E&M)-II & CE(E&M)-III, MCL HQ.
- 5) All Dy. CE(E&M)/Dy. CE(E&T)/SE(E&M)/SE(E&T) MCL HQ.
- 6) All Foreman In-charge(E&M), MCL HQ.

Copy for kind information :

CMD/DY(O)/DT(P&P)/D(F)/ CVO, MCL.