

a Francoi calficida (A Subsidiary of Coal India Limited) A. Mini Katna Company

Office of the General Manager (Bédvi)

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Date: 31/12/2009

Ref. No. MCL/SAMB/Civil/Circular/09-10/...3002

## CIRCULAR

In order to avoid delay in execution of agreement and to improve regular payment of R/A Bills to the contractors, the following system shall be followed in respect of E&M works awarded from the Areas and Headquarter of MCL:

- 1. Agreement must be executed before commencement of the work.
- 2. Performance Security Deposit(PSD) must be submitted by the contractor within the period specified under clause No.4.1.2 of Civil Engineering Manual (CEM), failing which the award of work must be cancelled with forfeiture of EMD. For submission of deposit against ALR items the same time limit and action shall be enforced.
- 3. The agreement should be executed within 7 (seven) days of receipt of PSD from the contractor. In case the PSD is submitted in the form of Bank Guarantee(BG) which needs verification from Bank, the time limit for execution of agreement may be extended maximum upto 10(ten) days from receipt of PSD.
- 4. The agreement must be signed by the officials designated here-in-under in compliance with Clause No.4.08.1 & 4.08.3 of Civil Engineering Manual (CEM):

| Sl. | Work Value                           | Agreement signing authority     |
|-----|--------------------------------------|---------------------------------|
| No. | •                                    |                                 |
| a.  | Upto Rs.5 lakh                       | Agreement not required          |
| b.  | Above Rs.5 lakh and upto Rs.25 lakh  | S.E.(E&M)                       |
| c.  | Above Rs.25 lakh and upto Rs.75 lakh | Dy.C.E.(E&M)/Staff Officer(E&M) |
| d.  | Above Rs.75 lakh                     | CGM(E&M)/GM(E&M) of the company |

5. Circular No.MCL/SAMB/CIVIL/03-04/1783 dated 11.11.2003 issued by General Manager (Constn.) with the approval of CMD, MCL must be enforced in case of E&M works also, which states as under (copy enclosed):

"So long as, there is no change in standard terms and conditions of the agreement as approved by CIL board and there is no change in the agreement format to be executed on non-judicial stamp paper, there is no need for legal/financial vetting separately each time if the standard documents are vetted once."

This issues with the approval of competent authority and shall come into force with immediate effect.

(M. Thapliyal)

General Manager (E&M)

## Distribution:

1. Chairman-cum-Managing Director, MCL

2. Director (T/Operation)/Director (T/P&P)/Director(P)/Director(F), MCL

3. Chief Vigilance Officer, MCL

4. CGM (Finance)/GM (Finance), MCL-HQ.

6. CGM/GM, JA/HA/TA/LA/BA/CWS(T)/NSCH/IbVA/OA/LkPA/B-GA/CWS(IbV)

7. S.O.(E&M), JA/HA/TA/LA/BA/CWS(T)/NSCH/IbVA/OA/LkPA/B-GA/CWS(IbV)

8. AFM, JA/HA/TA/LA/BA/CWS(T)/NSCH/IbVA/OA/LkPA/B-GA/CWS(IbV)

9. Chief Engineer (E&M)/All Dy.CE(E&M)/All S.E.(E&M), MCL-HQ.