



CREATING WEALTH FOR WELL BEING

मुख्य महा प्रबंधक (थर्मल) का कार्यालय  
Office of the Chief General Manager (Thermal)  
ताप विद्युत गृह-1 विस्तार कैम्पस, नेयवेली, कडलूर जिला - 607807  
TPS-I Expansion Campus, Neyveli, Cuddalore District-607807  
CIN: L93090TN1956GOI003507 टेलीफैक्स/Telefax: 04142-265303 वेबसाइट/Website:  
[www.nlcindia.com](http://www.nlcindia.com)



No. CGM (Th.)/Cont.-3/18

Dt: 24.01.2018

**CIRCULAR**

Sub: Vigilance Study on finalization of Agreements pending/ dormant  
- reg.

\*\*\*\*\*

Regarding finalization of Agreements pending for long period/ dormant, Vigilance Department has suggested system improvements for implementation in all Thermal Power stations.

1. As per Volume-2, Chapter-33, Item no-46 of Contracts Manual, all agreements are to be finalized within 60 days from the date of completion of work.
2. In Mines, solution for various issues for finalization have been firmed up with time bound Action plan and the same was approved by Competent Authority for immediate implementation. The approved solutions for various issues and action plan are annexed along with the Circular issued by ED/ Mines vide No. GM/Mines/ Tech/ Pending finalization/2016 dt 17.09.16. Copy of the same is herewith enclosed for implementation in Thermal power stations.
3. All the Divisional Heads are directed to review on case to case basis and communicate the Contractor for the requirements based on the solutions mentioned above, immediately. In spite of the above, if still the Contractors are not coming forward for finalizing the old agreements, then an ultimatum may be issued by the Division concerned by giving 14 days time. If the Contractors furnish/ respond for the ultimatum issued, then the finalization may be taken up as per the above solutions.
4. The list of Contractors, to whom the ultimatum letters issued are not served upon the Contractors on last known address, may be communicated to the Contracts Division for publication in daily Newspapers. The development of each case as per action plan may be communicated then and there to Contracts Division for monitoring.



- 3/6
5. Hence all the Divisional Heads are requested to put forth sustained efforts for closure of all the pending agreements on the above lines.
  6. Periodical meetings may be conducted by the Unit heads to review the agreements pending for finalization for long time.

0. m ✓  
24.1.18

Chief General Manager (Thermal)

Encl: As above.

To

GM (TPS-I), GM (TPS-I Expn.), GM (TPS-II), GM (TPS-II Expn.)

Copy to CGM/NNTPP, CGM/B&BP, CEO/NTPL

Copy to TS to Director/ Power.





OFFICE OF THE EXECUTIVE DIRECTOR/ MINES  
NLC INDIA LIMITED  
( formerly Neyveli Lignite Corporation Limited )  
( 'Navratna'- Govt. of India Enterprise )  
Administrative Office, Mine-I&IA, Block-26, Neyveli-607803  
E.mail: dgmtechm1.1a@nclindia.com TELE FAX: 04142 229322



ISO 9001:2008



TGA-ZM-02-06-00  
TGA TRÄGERGENEHSCHAFT FÜR AKKREDITIERUNG  
GERMAN ASSOCIATION FOR ACCREDITATION GERMANY

ISO 9001:2008 TGA-ZM-02.06-00  
ISO14001:2004 TGA-ZM-02.06-60  
OHSAS 18001:2007 CERTIFIED

No. GM/Mines/Tech/Pending finalisation/2016,

Dt: 17.09.16

**CIRCULAR**

Sub: Mines – Pending finalization of old agreements from 2005 - 06 up to 2013 -14 – solutions and action plans – communicated – Reg.  
Ref: GM/Tech/Mines(i/c) Note Contd., dt: 28.07.16.

Kind attention of all the divisional/zonal heads of Mines is invited on the above subject matter. Nearly 293 agreements from 2005-06 to 2013-14 in all mines are still pending, out of which 39 cases are under litigation / Arbitration. Hence, the rest 254 cases are needed to be finalized at the earliest.

Solution for various issues for pending finalisation were firmed up with time bound Action plan and the same was approved by competent authority for immediate implementation. The approved solutions for various issues and action plan are annexed along with this circular.

All the divisional/zonal heads are directed to review on case to case basis and communicate the contractor for the requirements based on the above solutions immediately. In spite of the above, still contractors are not coming forward for finalising the old agreements, and then a ultimatum may be issued by the division concerned by giving 14 days time. If the contractors furnish/respond for the ultimatum issued then the finalisation may be taken up as per above solutions.

The list of contractors to whom the ultimatum letters issued are not served upon to the contractors, on last known address may be communicated to technical section for publications in daily news paper. The development of each case as per action plan may be communicated then and there to Technical Section for monitoring.

Hence, all the Zonal /Divisional heads are requested to put forth sustained efforts for closure of all the pending agreements on the above lines.

First review meeting will be held in ED/Mines chamber on 24.09.16.

*[Signature]*  
17/9/16  
EXECUTIVE DIRECTOR/MINES

Encl: Solutions and Action plan

To

All Zonal/Divisional heads /Mines.

Copy to GM/MI, CGM/MIA, CGM/MII

Copy Submitted to Director/Mines



**ANNEXURE****SOLUTIONS**

Sl. No	ISSUES	Solutions
I.	<b><u>Non- furnishing of Statutory documents</u></b>  a. PF, Form-XVI & XVII	<p>User division has to furnish the DLR report or form XVI &amp; XVII (if available) with NLC official authentication.</p> <p>If available, then the PF amount with penalty will be calculated by HR, the same will be remitted to PF authorities and the same will be deducted from the final bill of contractor.</p> <p>IF not available the bills will be finalised up to the period, the documents are available, if contractor gives the consent for the same.</p> <p><b>If contractor does not give such consent for finalisation of bill, then an ultimatum will be issued by NLC for production of required statutory documents. If still not responded then those contract will be brought under the category IV "No response from the contractor" and will be dealt as per the solution proposed in that case.</b></p>
	b. Insurance documents	For Insurance clearance, if no document from contractor is available, then the user division is required to certify as 'no accident occurred during the agreement period. The penalty will be worked out by HR as per the practice in vogue and will be levied in the final bill.
	c. Labour Licence documents	In the absence of Labour Licence, if user divisions certified as no accident took place, then HR will give clearance in this regard.
	d. OT Payments details (Form-XXIII)	In the absence of Form 23 for OT shifts, OT wages will not be entertained for finalization.
II.	<b><u>Non- furnishing of other documents (Non-Statutory )</u></b>  a. Consent letter for finalisation / contractors' consent in measurements and Bill Forms	<p>In such cases, if the value of work executed is known by the user division, a letter may be addressed to the contractor to furnish the details/documents <b>and come forward for accepting the measurements</b> within the time frame. If the contractor did not turn up, the recorded quantity will be taken into account for finalization <b>and it will be informed to the contractor for their consent /objection if any within 14 days time. Even after this communication if contractor does not raise any objection then NLC will finalize the bill with the existing records.</b></p>
	b. TA Clearance Certificate	Township Administrative Clearance will be obtained from TA Dept. by Technical section, by sending list of contractors for whom the final bills are pending.
	c. Security Deposit BG	If there is no liability from the contractor, then, the validity of SD need not be insisted up to the date of getting final payment, for these old agreements.



### III. NON-PAYMENT/REMITTANCE OF

1.	Service Tax	<p>In respect of old agreements with reimbursement of Service Tax clause, consent letter from the contractor is to be obtained for payment of service tax by NLC with interest. However penalty has to be paid by the contractor, as per recent guidelines, dt:02.12.15.</p> <p>In respect of cases with service tax claim clause, documentary proof for remittance of service tax by contractor need not be insisted for the service tax amount claimed prior to the final bills.</p> <p><b>Since the contracts belong to various period and service tax implications are changing as per the government guidelines, such cases will be dealt individually as per the guidelines in vogue during the relevant point of time with concurrence of Finance Department.</b></p>
2.	Difference in Min.wages, Addl Wages to contract workmen	<p>Since it was not paid and workmen are not traceable these Nonpayment of wages need not be linked with finalization of agreement. whatever the payment made to the Contract workmen, by the contractor may be taken into account for finalizing the agreement.</p>
3.	Bonus to contract workmen	<p>In case of Non AMC agreements, Bonus payment is under the purview of contractor though no provision is made in the agreement. Hence it is proposed to finalize the agreements after with holding the bonus amount payable, after intimating the contractors.</p>

### IV. NO RESPONSE FROM CONTRACTOR

Contractor not turned up for furnishing the required documents	<p><b>In case, the ultimatum letter issued by NLC has been duly served upon the contractor, it will be construed as a valid notice and such cases will be treated as failure of contractor in not responding NLC's letter, and those contracts would be treated as deemed to be finalised and no further claim would be entertained.</b></p> <p>However, if the ultimatum letter issued by NLC is not served upon the contractor, on the last known address available with NLC, a publication in daily news paper will be issued requesting, to furnish the required documents. If still not responded then those contracts would be treated as deemed to be finalised and no further claim would be entertained.</p>
--	---

### ACTION PLAN:

1. On approval, the above proposed solutions will be communicated to all divisions for immediate finalisation of pending agreements. In turn the divisions will communicate the contractors for the requirements based on the above solution.
2. NLC contractor Association, Builders' Association of India and Neyveli integrated Contractors Association will also be informed to extend their assistance in furnishing the required documents by the contractor concerned for finalizing the agreements. Details of such list of contractors will also be furnished to the Contractors' Associations.



- 6/6
3. In spite of the above, if still the contractors' are not coming forward for finalizing the old agreements it is proposed to issue a ultimatum by the divisions concerned to the contractors by giving 14 days time.
  4. If the contractors furnish / respond for the ultimatum, then finalization will be taken up as per above solutions.
  5. Even after receiving ultimatum letter, if they do not turn up for finalization, to furnish the required documents pertaining to old agreements within 14 days then those cases will be treated as failure on the part of the contractor and those contracts would be treated as deemed to be finalized and no further claim will be entertained.
  6. Even after ultimatum if the contractor residing at NLC quarters do not turn up, then, TA department will be addressed to take appropriate action against the erring contractors.
  7. If the ultimatum letter issued by NLC is not served upon the contractor, on the last known address available with NLC, publications in daily News paper will be issued requesting to furnish the required documents within 14 days time.
  8. If still not responded then those contracts would be treated as deemed to be finalized and no further claim would be entertained to the contractor.

*R. V. 17/9/2016*

GENERAL MANAGER/TECH/MINES (i/c)