

V.O.CHIDAMBARANAR PORT AUTHORITY
FINANCE DEPARTMENT

CIRCULAR NO-2/ 2022-23

No.FIN-TRAFOCORR(MISC)/1/2022/D.439

Dated:25/11/2022

Sub: Disbursement of salary to the contractual employees –
regarding.

All the departments are engaging Manpower on contractual basis through Manpower Contractors. As per the conditions of the Contract Agreement the Contractors are liable to disburse the salary to the contractual employees on or before 7th of every succeeding month. The wages should be paid by the Contractor only through bank (Jan dhan yojana account) to the manpower deployed by him. (Para 3 (i) of Section IX – special Conditions of Contract).

2. Further, as per Payment of wages Act, 1936 (IV of 1936), the payment of wages before 7th of the succeeding month to be ensured by the Principal employer and failure of the same i.e., non-payment of wages before stipulated time will be on account of Principal employer. Accordingly, relevant conditions included in the Tender document to ensure payment of wages within the deadline. The tender document also contains a separate clause towards levy of penalty @ 15% (Clause No. Section IX-Special Conditions of Contract Para 3 (iv) of Tender document) for non-payment of wages on or before 7th of succeeding month.

3. In order to verify the compliance of the above condition, the Contractors are producing a Statement showing the disbursement of salary to the contractual employees for the particular month with details such as name of beneficiary, bank account number, name of bank, paid amount and duly acknowledging the receipt by the Bank officials with Bank seal with date of receipt. However, from the evidence submitted by the Contractors, it is not known whether the payment had been effected and credited to the contractual employees account on the same day or prior to 7th of the month.

4. In addition to the above, some of the Contractors are found to be not in possession of valid license throughout the contract period as envisaged in para 2(v) of Section VII of the Contract Agreement.

5. In order to ensure the above, it is to inform that the Contractors may be informed

(i) to produce a certificate from the concerned banks to the effect that their remittance/release of payment towards disbursement of salary to the contractual employees had been effected mentioning the date of transfer of funds or bank statement of the Contractor from where the payment has been disbursed. Further, the Contractors may also be informed that penal action will be initiated against those who are not complying with the above as per Conditions No.3 (iv) of Section IX – Special Conditions of Contract; and

(ii) to produce a copy of Labour license obtained under the Contract Labour (Regulation and Abolition) Act, 1970 with the monthly bills, wherever a condition in this regard exists.

6. The procedure is to be implemented with immediate effect.



FA & CAO

To
All Heads of Departments/VOCPA.

Copy to :

1. PS to CPA.
2. PA to Dy.CPA.