CIRCULAR

VC&MD has approved the Standard Operating Process (SOP) for payments towards ESIC for labours deployed by the contractors for works like housekeeping, cleaning & sweeping, garden maintenance, labour engaged by CHO and persons engaged by Manager Personnel on contract basis as under:

- The existing contractors shall be made mandatory to pay the ESIC charges towards employer's as well as employee's contribution before releasing the interim bill. After submission of receipt /challan of payment the amount against employer's contribution shall be released to the contractor.
- For new / upcoming contracts, the provision shall be made in the latest tender for payment to be made under ESIC as under:
- a) The contractor has to recover 1.75% charges towards ESIC from labour (employee's contribution) and pay total 6.5% ESIC charges in ESIC office against each labour and shall submit the receipt of payment to CIDCO.
- b) Amount corresponding to ESIC contribution at 6.5% shall be kept aside as deposit in 1st R. A. Bill which will be released only after submission of documentary proof of payment towards ESIC contribution for earlier month.
- c) Payment to the contractor from 2nd bill onwards shall be made only after submission of documentary proof of payment towards ESIC contribution for earlier month.
- d) In case contractor fails to submit documentary proof of payment of ESIC contribution for earlier month, CIDCO will make arrangement for payment against ESIC at 6.5% or prevailing rates and amount corresponding to this, will be recovered from contractor's R. A. Bills with penalty of Rs.5000.00 per transaction. Further repeated failure may lead to termination and blacklisting of the agency.

All EEs are requested to take the note of this and take necessary action accordingly and all SEs shall ensure the same.

This order is issued as per the directives of CE(NM).

(R. S. Nayak) SE(HQ)

Emp. No.25555

To,

All SEs / EEs

C.C. to: CE(NM) / CE(SP) / CE(NMIA)

ACE(I & Metro) / ACE(II) / ACE(III) / M(P) / CHO