

DEPARTMENT OF SOCIAL WELFARE
GOVT. OF NCT OF DELHI
7TH FLOOR, MSO BUILDING, ITO, NEW DELHI
(ADMINISTRATION BRANCH)

F.NO. 1(59)/2020/DSW/Estt/ 10172-10231

Dated

01 SEP 2023

Circular

Sub: Compliance under the EPF & MP Act, 1952 in respect of employees engaged by or through the Contractors-regarding.

Please find enclosed herewith a letter bearing No. Ref/No./Uncovered/Intelligence/06 dated 01.08.2023 received from Employees Provident Fund Organization on the above mentioned subject for compliance.

Encl: As above.

P. Singh
11/9/23

Section Officer(Admn.)

F.NO. 1(59)/2020/DSW/Estt/ 10172-10231

Dated

01 SEP 2023

Copy to:

1. All DDs/DSWOs/DDO/HOO/Supdt./In-charge of Homes/Institutions/Schools.
2. ~~Sr.~~ System Analyst for uploading on the website of the Department.
3. Guard File

P. Singh
11/9/23

Section Officer(Admn.)

965/ce
11/9/23

01 AUG 2023



Sl. No.

1939



कर्मचारी भविष्य निधि संगठन

EMPLOYEES' PROVIDENT FUND ORGANISATION

श्रम एवं रोजगार मंत्रालय, भारत सरकार

(Ministry of Labour & Employment, Govt. of India)

(क्षेत्रीय कार्यालय, दिल्ली (उत्तर) /Regional Office Delhi-North)

भविष्य निधि भवन, २८, सामुदायिक केन्द्र, वजीरपुर औद्योगिक क्षेत्र, नई दिल्ली-११००५२



Ref. No./Uncovered/ Intelligence/06

Date : 01 AUG 2023

To,

Secretary (SW),
Department of Social Welfare, Govt. of NCT of Delhi,
GLNS Complex, Delhi Gate, New Delhi-110002



Subject : Compliance under the EPF & MP Act, 1952 in respect of employees engaged by or through the Contractors- regarding.

Sir,

You may be aware that Employees Provident Fund Organisation administers the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and the Schemes framed thereunder which aim to provide social security in the form of Provident Fund, Pension and Insurance to all the employees who are employed for wages in any kind of work, manual or otherwise, in or in connection with the work of an establishment and who get wages directly or indirectly from the employer and which includes any person employed by or through a contractor in or in connection with the work of the establishment and apprentices engaged therein (other than the apprentice under the Apprentice Act, 1961).

You may have been regularly complying with the statutory provisions/ rules of the GNCT of Delhi in r/o regular/ permanent employees. However, activities like watch and ward, house-keeping, data-entry etc. you must have outsourced to agencies and contractors. At times, the workers engaged by these agencies and contractors are deprived of Provident Fund, Pension and Insurance. Even if they receive such benefits, those do not commensurate with the wages they earn every month. Similarly, various agencies and contractors often receive employer's contribution on full wages from you but while extending the provident fund benefits etc. to their workers, these agencies bifurcate the wages into basic wages and various other allowances, which are not within the ambit of basic wages, to evade the provident fund. This is nothing but subterfuge of wages. As a result, the poor workers are deprived of their legitimate share of provident fund etc. Further, the residual employer's contribution which these agencies do not pass on to their workers tantamount to pilfering of provident fund money. Thus, while settling the periodic bills of agencies and contractors which you engage, you become a party to this pilferage unknowingly. Your intervention in this regard will ensure that all such employees do get social security benefits.

While awarding various contracts, it may please be ensured that the agencies and contractors shall have Provident Fund Code Number and all the contract employees deployed by them are enrolled as members of Provident Fund. In this regard, your kind attention is drawn to Paragraph 30(3) of the Employees Provident

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Fund Scheme, 1952 which provides that it shall be the responsibility of the principal employer to pay both the contributions payable by him in respect of the employees directly employed by him and also in respect of the employees employed by or through a contractor.

A provision has been made on the Official Website of EPFO, www.epfindia.gov.in, on the "establishment search option" to verify as to whether the agencies and contractors having Provident Fund Code numbers are regularly depositing Provident Fund contributions every month in respect of all the employees deployed by them. The above facility may be utilized to check the compliance position of the agencies and contractors to the provisions of the Act and the Schemes framed thereunder to whom the contracts are awarded by you. Wherever the contractors do not have any Provident Fund Code number or if any non-compliance by any agency or contractor is noticed, the details of such establishment may please be informed to this office so that appropriate action can be initiated and poor workers' interest is protected.

The Enforcement Officer of this Office shall be visiting your establishment to ascertain the status of compliance in respect of the contract employees. You are requested to handover the details of the outsourced work together with the name and address of the contractor in the following format for verification so as to ensure compliance.

Sl.No.	Name of Contractor outsourced Agency, Address	Work Order(s) no. and Date and duration of work	Nature of work	No of employees	Wages paid	PF Code No. if any	Name of PF Office where PF and allied dues are deposited by contractor.

I am sure that your esteemed organization is interested in compliance of laws of land and therefore, you will give full support to the Enforcement Officer of the department. You will give us no occasion to resort to other statutory provisions existing in Employees Provident Funds and Miscellaneous Provisions, Act, 1952 and Schemes framed thereunder. Our joint venture is that contract/outsourced employees get the social security benefits to which they are entitled to and to which your organization is committed.

(This issues with the approval of RPFC-I)

Yours faithfully



(Srikanth G. Phulpagar)
Regional P F Commissioner-II
Intelligence

Copy to:-

1. Smt. Raj Rani Muthreja, EO, Intelligence
 2. Sh. Anil Kumar Antil, EO
- } For information and necessary action.