

Restg/WS&I Cell, 804, Bharat Sanchar Bhavan BSNL CO, H. C. Mathur Lane, Janpath, New Delhi-110001. Telephone No: 011-23734327/ 23734315 / Fax-23765191		भारत संचार निगम लिमिटेड (भारत संचार का उद्योग) <b>Bharat Sanchar Nigam Limited</b> (A Govt. of India Enterprise)
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No. 2-1/2015 –WS&I/(ii)

Dated:07.10.2016

To

All CGMs,  
BSNL.

Sub: Implementation of provision of EPF/ESI regd.

From the reports received from circles, it has been noticed that in number of cases, contribution card/ pehchan cards have not been issued/maintained as well as the details/proof of EPF/ESI contributions have not been obtained on monthly basis from the contractor by the due date. It is not sufficient to check the details of contributions recovered and paid only at the time of making payment. Non-adherence to such provisions has both legal & financial implications to BSNL.

It is to be understood that as per EPF & MP Act, 1952, any person, employed through a contractor in an establishment would need to be enrolled under the PF Code No. of the contractor. It is the principal employer's duty to ensure that contributions of EPF/ESI, at the prescribed rates, are deducted and remitted by the contractor in respect of the said contract employees timely, failing which, being the principal employer, the establishment will be held liable for the payment of such contributions, along with any other liability on account of delay. Thus, it eventually puts the final responsibility on the (Principal) employer to pay both the contributions i.e. employer's contribution and also, member's, because recovery of amount from the contractor, at times, is not feasible. In case, these provisions are not complied by the contractors, the onus of making payments & extending benefits falls on principal employer.

Important provisions, as follow, must be complied unfailingly:

- (i) Ensuring EPF/ESI registrations,
- (ii) Maintenance of contribution card,
- (iii) Pehchan card,

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- (iv) Timely deposit of contributions of EPF and ESI such as
- EPF contributions to be submitted monthly by 25 th of following month or as prescribed under the relevant rules.
  - ESI contribution to be deposited latest by 21st of following month or as prescribed under the relevant rules.
- (v) Obtaining and maintaining the relevant records/proof from the contractor etc. such as,
- Details of wages and contributions in respect of each member (to be prepared financial yearwise) to the PF office by 30 th April every year or as prescribed under the relevant rules.
  - Details of the employees enrolled newly to the PF to be submitted within 15 days of the following month or as prescribed under the relevant rules.

*These records may also be required at any time for the inspection of BSNL CO / labour authorities/parliament standing committee on labour etc.*

Above measures will not only safeguard the legitimate interests of contract labour but also prevent undue liability on BSNL. Attention is also invited to this office letter/circular No. 14-8/2015-WS&I; dated 12.04.2016, vide which it was requested to use the online facility available at official website of EPFO i.e [www.epfindia.gov.in](http://www.epfindia.gov.in) to ensure compliance of the provisions under para-30 (Responsibility of Principal employer) and para-36B (Duties of Contractor) of EPF and MP Act, 1952. It is through strict maintenance/compliance of the provisions of the relevant Labour Acts/Statutes that we can safeguard BSNL from incurring the liability/penalties on account of non-compliance. Success of such actions for safeguarding the interest of BSNL would depend upon dealing the matter promptly and issuing notices to / taking actions against the erring contractors, timely.

Therefore, it is reiterated that the executive in charge of supervision should be instructed to monitor the contract works strictly and enforce the compliances of the said provisions of EPF/ESI Act through the contractor concerned.



(Sudhira Sabharwal)  
DGM( WS&I)