

Himachal Pradesh Control Public Works Department e-mail: <u>pwd-hp@nic.in</u> No. PW-CTR- 29-2285(EPF Instructions)/2015-21043-21142 Dated: 30/1/17 To

All the Chief Engineers Working in HP PWD (Including Chief Engineer, NH)

All the Superintending Engineers (Civil) (Including National Highway, Electrical & Mechanical.)

Subject: -

Coverage of contract workers under Employees Provident Funds and Miscellaneous Provision Act, 1952.

Your attention is invited towards this office letter of even file No 6534-633 dated 04/06/2016 13870-969 dated 05/09/2016&even file No. 18531-18555 dated 23/12/2016 vide which you are requested to adhere to the instructions issued by the EPF commissioner and upload the details of all contract employers of each contract awarded on the EPFO website.

In this connection, a photocopy of letter No. RO /HP /Intelligence /Contract workers/23337 dated 30/12/2016received from the Assistant Provident Fund Commissioner Kasumpti Shimla is sent herewith for taking immediate necessary action vide which mechanism to implement the provision of the EPF&MP, Act 1972 has been suggested.

You are, therefore, requested to look in to the matter personally and do the needful and direct all the concerned & the Executive Engineers working under your control to adhere the instructions contained in the letter strictly & to follow up the mechanism for ensuring compliance from the contractors in the department as suggested. The details of all contractors/sub-contractors engaged by the Department be uploaded with their work contract at principal employers portal on EPFO website at the link : EPFO <u>http://www.epfindia.gov.in</u> - for Employers -for principal Employers or at <u>http://www.epfindia.com/site</u> en/PrincipalEmployers.php immediately to avoid any litigation at later stage.

Any laxity in this regard will be your personal responsibility.

DA: As above

Engineer-in-Chief, HP PWD., Shimla-2

Copy of above is forwarded to the:-

- The Additional Chief Secretary (PW) to the Government of Himachal Pradesh, Shimla-2 for information.
 The Regional Provident Free 102
- The Regional Provident Fund Commissioner, Block No. 34, I & II Floor, SDA Complex Kasumpti, Shimla -9 H.P.e.r.t his office
 All the E
- All the Executive Engineers in HPPWD, (throught e-mail) for information and strict compliance.

4. The Executive Engineer (IT) in this office. He is requested to upload the same on the Departmental website.

Engineer-in-Chief, SHP PWD., Shimla-2 क्षेत्रीय कार्यालय /Regional Office कर्मचारी भविष्य निधि संगठन Employees Provident Fund Organization श्रम एवं रोजगार मंत्रालयभारत सरकार ,

STD Code : 0177

3 0 DEC 2016

Dated:

Ministry of Labor and Employment, Government of India, दुरभाष :2623023 ब्लाक न(.प्र.हि) 171009 ,शिमला ,कसुम्पटी ,कम्पलैक्स .ए.डी.एस ,34. Tele: 2624620 Block No. 34, I &II Floor, SDA Complex, Kasumpti, Shimla-9, HP Fax: 2623197

No.RO/HP/Intelligence/Contract Workers/ 23337

To

Subject:

C.T.R. VI

J.C. "F&A"

Suppl. Gr.-

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Head of Department/Office-in-Charge HPPWD Department Nirman Bhawan, Nigam Vihar, Shimla-2

Coverage of contract workers under EPF & MP Act, 1952-regarding.

Sir, This is in reference to this office earlier letter dated 06.10.2016 on the above captioned subject vide which nomination for workshop on 09.11.2016 at EPFO, Regional Office, Shimla were called for.

In this regard, it is to inform that the list of all the participants from your department who had attended the said seminar is enclosed herewith for your information. It is further intimated that the objective of said seminar was to impart knowledge and information of the relevant provisions of the EPF & MP Act, 1952 and schemes framed there under and various new initiative started by the EPFO. The following points were elaborated to the participants during the workshop alongwith others matters:

 Section 2(f), 6, 8A of the EPF & MP Act 1952 and Para 30 of EPF Scheme, 1952, Para 8 of EDLI Scheme, 1976 and Para 4 of EPS, 1995 cast liability upon the Principal Employers/Employers to comply with the provisions of the Act in respect of the direct as well as contractor's employees.

 Having separate EPF Code of the contractor does not absolve Principal Employer from its liability under the Act. An agreement between the contractor & the Principal Employer in contravention of the Act is null and void ab initio.

3) Non compliance of the provisions of the Act & the Scheme is punishable under Section 14 of the Act with imprisonment or fine or with both.

4) Under Section 14AB of EPF & MP Act, 1952 an offence relating to default in payment of contribution by the employer is cognizable offence.

Under Section 14AA of EPF & MP Act, 1952 there is a provision of enhanced punishment for minimum imprisonment of two years and fine incase of repeated offence.

6) Non deposit of EPF dues after deduction from the wages also attracts FIR for criminal breach of trust u/s 405, 405 & 409 of IPC.

7) All Principal Employers are advised to upload the details of contractors engaged by them alongwith work order on official website of EPFO at the link: <u>http://www.epfindia.gov.in</u> – For Employers – For Principal Employers or at <u>http://www.epfindia.com/site en/Principal</u>

<u>Employer.php</u>.

- 8) As stated above the onus of compliance under the Act irrespective of the past whether the contractor is having EPF Code no. or not lies on the Principal Employer hence you are advised to put in place proper mechanism for ensuring EPF compliance from the contractors in your department. Accordingly it is suggested to implement following mechanism:
 - i) As provided under the Contract Labour (Regulation & abolation) Act 1970 and BOCW (RE&CS) Act, 1996 the wages to the contractor's workers should be made in presence of the representatives of the Principal employers and the representative is required to sign the wage register & muster roll as witness.
 - ii) The attested copies of the wages register, muster rolls & Electronic Challan cum Return (ECR) be obtained from the contractor along with bills.
 - iii) Before passing the bills, it must be ensured that the EPF dues are actually deposited by the contractor for each employees by verifying the same with wages register, ECR, TRRN enquires & EPFO establishment search. The TRRN enquiry & the tool for the EPFO establishment search is available at EPFO website <u>www.epfindia.gov.in</u>.
 - iv) It must be ensured that each worker engaged by the contractor is allotted with UAN number and the Bank account and the Adhar is seeded as KYC in respect of each worker as provided in the Employer Portal. The detailed process flow is available at the EPFO website.
 - v) The workers are provided with their UAN number and it should be ensured that the UAN number is activated by the workers. Detailed process is available at the website of EPFO.
 - vi) Uploading of detail of all the contractors on EPFO official website as explained above.

An action taken report be sent to this office within fifteen days of this letter

(This letter is issued without prejudice to any action/liabilities under any of the provisions of the Act)

Enclosure: As above.

Yours faithfully,

(K.C. Joshi) Assistant P F Commissioner