

Receipt No : 4021848(9)/2019/LSGD(OS)

All Sections

22 Nov 2019

GOVERNMENT OF KERALA

No.E2/288/2018-LBRD

Labour & Skills (E) Department
Thiruvananthapuram, Dated: 11.11.2019**CIRCULAR**

Sub:- Extension of Social Security Benefits under Employees Provident Fund & Miscellaneous Provisions Act, 1952- Contract Employees engaged directly or through Contractor by the State Government Department/ PSUs/ Local Self Government Institutions/Board- Instructions- Reg.

As per Sec 2(f) of the Employees Provident Fund & Miscellaneous Provisions Act, an employee means any person who is employed for Wages in any kind of work, manual or otherwise, or in connection with the work of an establishment and who gets his wages directly or indirectly from the employer, and includes any person employed by or through a Contractor.

Non-Extension of EPF benefits to the contract employees engaged directly or through contractors by the State Government Departments/ Public Sector Undertaking/ Local Self Institutions/Boards is the violation of the provisions of the Employees Provident Fund & Miscellaneous Provisions Act. As per the Act, the Principal Employer can recover any PF dues payable by a Contractor by deduction of the amount payable to the Contractor. Being the Principal Employer, it is the responsibility of the Head of the Departments and Drawing and Disbursing Officers in the concerned Departments, Local Self Government Departments/Board / State Public Sector Undertakings etc. to ensure that the benefits under the EPF & MP Act is extended to the contract employees working in their jurisdiction.

The unpleasant situation of taking legal action against certain HOD's for non co-operation and non-compliance under provision of EPF Act can be avoided, if the Head of Departments /Local Self Government Departments Institutions/Public Sector Undertakings/Board furnish the required information to Employees Provident Fund Organisation and ensure that contract employees engaged by them or through a contractor are covered under the provisions of the EPF & MP Act.

The objectives of the legislation can be achieved better by ensuring that the contracts are awarded only to such contractors who are registered under the EPF & MP Act and the final bills are settled only after confirming the compliance under the EPF & MP Act which can be verified from the website of the Employees Provident Fund Organisation. They shall also upload the details of the Contractors engaged by

Receipt No : 4021848(9)/2019/LSGD(OS)

them in the Employees Provident Fund Organisation Website www.epfindia.gov.in. The Departments/ Local Self Government Departments/Public Sector Undertakings/Boards may seek the assistance of the concerned EPF Office in ensuring the coverage and compliance with regard to all the contract employees working with them.

Under the circumstances, all the Heads of Departments, Local Self Government Institutions / State Public Sector Undertakings /Boards are requested to ensure the Coverage and enrolment of all the Contract workers engaged through agency/contractor working in their respective jurisdictions by the agency or contractor who is supplying contract workers under the provisions of the EPF & MP Act, 1952.

SATYAJEET RAJAN,
ADDITIONAL CHIEF SECRETARY

To

All Departments in the Government Secretariat.
All Sections in Labour Department.
The Labour Commissioner, Thiruvananthapuram,
The Regional Provident Fund Commissioner, EPFO, Thiruvananthapuram,
The Information and Public Relations Department (for vide publicity).
Web and New Media.
Stock File/Office Copy.

Forwarded/By order



Section Officer.