



Bharat Sanchar Nigam Limited  
(A Government of India Enterprise)  
Corporate Office  
Bharat Sanchar Bhawan, Janpath  
New Delhi 110 001.

No.BSNL/Admn.I/29-5/2007 (Pt.)

Dated the 6<sup>th</sup> February, 2014.

To

CGMs Territorial/Non-Territorial Circles/Metro Districts

**Subject:- Non-compliance of minimum wages and social security measures like EPF & ESI etc. in respect of contract labour**

- Ref :** 1) Letter No.BSNL/Sectt./25-4/2004 dated 26.10.2004 (Copy enclosed)  
2) Letter Nos.BSNL/Admn.I/29-5/2007 (Pt.) dated 05.11.2008, 29.02,2012 and 27.03.2012 (available on the intranet)  
3) Letter Nos.BSNL/Admn.I/20-3/2013 (Pt.) dated 20.02.2013 (Copy enclosed)  
4) Letter Nos.BSNL/Admn.I/20-4/2013 dated 27.02.2013 (Copy enclosed)

**Sir,**

It has been brought to the notice of BSNL Corporate Office that some Circles are facing litigations on the above mentioned subject.

In this regard, kind attention is invited to circulars / instructions referred above issued by Legal and Admn. Cell of BSNL Corporate Office for ensuring proper and timely compliance of the provisions contained in following labour Legislations relating to contract workers:

- (i) Employees' Provident Fund & Miscellaneous Provisions Act, 1952,
- (ii) Employees State Insurance Act, 1948
- (iii) Contract Labour (Regulation and Abolition) Act, 1970,
- (iv) Payment of Wages Act, 1936, Minimum Wages Act, 1948 etc.

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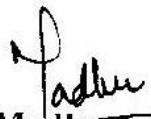
These acts required to be strictly followed by various contractors / agencies which are engaged to execute various types of work outsourced by BSNL.

3. Despite the issuance of such guidelines/circulars from time to time, it has been observed that due care is not being taken by field units in respect of compliance of the provisions of labour legislations resulting in initiation of action by labour authorities against BSNL.

4. In view of the above, it is requested that clear and strong communication may please be made to all the units under your respective administrative control to ensure that:-

- (a) Contractor/agency possess registration/licence from the appropriate labour authority;
- (b) Contractor/agency furnish particulars of their employees/workers engaged by them to execute the outsourced activities;
- (c) Preparation and filing of required returns;
- (d) Payment of minimum wages to the contract workers by the contractor/agency as per labour laws to be made in the presence of authorized representative of BSNL; and
- (e) All the statutory dues (EPF/ESI) of the contract workers are deposited with the appropriate authorities in time and contractor be asked to submit the documents in this regard to BSNL. These documents are to be checked thoroughly before making payment to the contractor.

5. These issues must be dealt with extreme sensitivity and caution by all concerned to avoid litigations.

  
(Madhu Arora)  
GM (Admn.)

**Encl.: As above.**

# भारत संचार निगम लिमिटेड

(भारत सरकार का उद्यम)

## BHARAT SANCHAR NIGAM LIMITED

(A Government Of India Enterprise)

No.BSNL/SECT/W/25-4/2004.

Date: 26.10.2004.

To

The CGM,  
A.P. Telecom Circle,  
Bharat Sanchar Nigam Limited,  
Hyderabad.

Sir,

**Subject- Issuance of notice by the PF Commissioner, Cuddapah - Steps to be taken by Circles/SSAs - regarding**

Kindly refer to your office communication No.TA/C/10/EPF/04, dated the 22<sup>nd</sup> Sept, 2004 on the above subject seeking for guidance and advice to avoid recurrence of such measures. It appears the action of Assistant Provident Fund Commissioner arose due to non-compliance of the provisions of EPF & Misc. Provisions Act, 1952 by the contractor(s), who were executing works on behalf of Bharat Sanchar Nigam Limited (BSNL).

2. As you may be kindly aware that there are number of Central as well as State legislations relating to the workers, for e.g., EPF & Mis. Provisions Act, 1952, the ESI Act, 1948 etc. The obligations cast on the employers by such statutes aim to protect the interest and welfare of the workforce in organized as well as unorganized sector. As such, whenever any activity is outsourced and the execution of the work is done by any outside agency/contractor, as the case may be, utmost care is required to be taken by such of the field units, to see that the outside agency/contractor does not violate any of such labour welfare legislations.

3. The field units must ensure themselves that (i) such contractor/agency possess registration/licence from the appropriate labour authority; (ii) such contractor/agency is making payment of prescribed minimum wages to its workers; (iii) The contractor/agency has obtained registration with PF/ESI authorities; (iv) all the statutory dues of the employees are being deposited with the appropriate authorities in time, and so on. This is not an exhaustive list. As already mentioned, there is a plethora of labour legislations coming into force frequently. In addition to labour laws, there are other legislations, viz., Direct and Indirect Tax Laws and various enactments pertaining to levy of Cess / Tax by local self governments.

4. It is advisable that before finalizing any contracts/agreements etc., due care is required to be taken by the field units to avoid the chances of BSNL being implicated as principal employer for defaults of contractors or else, they may have to face the legal consequences as vicarious liability for the acts of such outside agencies. It is expected that the field units keep themselves abreast as to the applicability of such laws. If required, they may seek opinion of the experts locally available in the respective fields of law(s).

This may be accorded top priority.

*Jain Sane*  
-H.C.Pant]  
Company Secretary & GM (L)

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A. Copy for information and further necessary action to:-

1. All Chief General Managers of Telecom Circles/Factories/Maintenance Regions/Projects/DNW.
2. All Sr. DDOs/DDsG

B. Copy for information to:-

1. CMD/Dir. (P), Dir. (Fin.), Dir. (HRD), Dir. (C & M), Dir. (Ops.)
2. OSDs to CMD/Dir. (Fin.), Dir. (HRD)

*[Signature]*  
Company Secretary & GM (L)



**EMPLOYEES PROVIDENT FUND ORGANIZATION**  
**(MINISTRY OF LABOUR & EMPLOYMENT**  
**GOVERNMENT OF INDIA)**  
**REGIONAL OFFICE, DELHI (NORTH)**

**Bhavishya Nidhi Bhawan, 28, Community Centre**  
**Wazirpur Industrial Area, Delhi-110052**

**FOR THE ATTENTION OF EMPLOYERS**  
**ENGAGING MANPOWER FROM CONTRACTORS**

With effect from 1<sup>st</sup> April 2012, Employees Provident Fund Organisation (EPFO) has introduced system of electronic monthly remittances with corresponding returns through Electronic Challan cum Return (ECR). Through ECR the employers are required to register their establishments and upload contribution details of all its employees from April 2012 onwards.

The amount of monthly contribution is credited to the PF accounts of respective members on monthly basis. The members/ employees can also view their passbook through Member Portal available on EPFO website [www.epfoindia.com](http://www.epfoindia.com).

The employers/ departments are advised that as principal employer, they can check the remittance status by their contractor establishments alongwith the names of the employees for whom the contractor establishments has remitted dues during the month. The employer may now direct the contractor to submit every month a copy of ECR together with challan containing the Transaction TRFN number in token of having deposited the PF, and allied dues with APFC for verification before releasing the monthly dues as per the contract agreement. The employers may check the Challan Payment status in 'EPFO TRFN QUERY' link available in [www.epfoindia.com](http://www.epfoindia.com) under heading "FOR EMPLOYERS" to check whether the payment has actually been made by the contractor establishment and received to EPFO bank account. The employers/ departments may also find and again view the payment status alongwith PF members list using the link "Establishment search (also view remittances & member name)". The employees may also be encouraged to view member passbook on the Member portal under the heading "FOR EMPLOYEES".

For further details the employers may access the website of Regional Office, Delhi (North) at [www.epfoindia.com](http://www.epfoindia.com) also to know about the important provisions of the Employees Provident Fund Scheme, 1952, Employees Pension Scheme, 1995 and Employees Deposit Linked Insurance Scheme, 1976.

It is further brought to notice that failure to enroll eligible employees as members of Provident Fund or failure to deposit PF dues after deduction from the wages of employees entails punitive action under the provisions of Employees Provident Fund & M.P. Act, 1952 and penalty including levy of damages, interest etc., after assessment of dues.

Regional Provident Fund Commissioner, Delhi (North)

day 23135/11/0004/1213