



CIRCULAR

Circular No - 036 / 2022

Date: 29.04.2022

To
All Members of The Association

**EPF COMPLIANCE IN RESPECT OF EMPLOYEES
ENGAGED THROUGH CONTRACTORS**

1. The members are aware that EPF Provident Fund Organization have issued direction to the Establishments covered under the EPF Scheme to upload the details of the contractor engaged by them on the PF Portal.
2. EPFO Head Office with a view to ensure that the principal employers furnish the details of the contractors engaged by them have laid down action plan for field officers to improve performance in declaration of the contractors and principal employers. Enclosed is the copy of the letter dated 27.04.2022 issued by the EPFO Head Office to their field functionaries on the subject. The letter gives detailed instructions to the field functionaries for adopting a pro-active approach in compliance with the provisions of the EPF Scheme in respect of the contractors engaged by the principal employer.
3. The field functionaries have also been directed to collect certain information from the principal employer and the format of the letter to be addressed to the principal employer is also attached to the letter dated 27.04.2022.
4. The PF Authorities may approach the member establishments for furnishing the details of the employees engaged through the contractor in connection with the work of the establishment. The member establishment may ensure that the information as requested in the draft letter attached to the letter dated 27.04.2022 may be kept ready so that the information could be made available to the PF department as and when called for.

For KARNATAKA EMPLOYERS' ASSOCIATION
Sd/-
[B.C. PRABHAKAR]
PRESIDENT

ईपीएफओ, मुख्य कार्यालय
श्रम एवं रोज़गार मंत्रालय, भारत सरकार



EPFO, HEAD OFFICE

MINISTRY OF LABOUR & EMPLOYMENT, GOVERNMENT OF INDIA

No: C-1/3(28)2016/7A&14B/Pt./7212

Date: 27 APR 2022

To,

All Addl. CPFCs in charge of Zones

Subject: Action Plan for Field Offices to improve performance in declaration of Contractors and Principal Employers - reg.

Sir/Madam,

Earlier an electronic facility on Employer Interface of EPFO's Unified Portal was launched for Principal Employers (PEs) to declare and monitor the EPF compliance of their contractors in r/o contract employees. Now an additional functionality has been added on the same portal through which a contractor establishment can declare its' PE with an aim of Ease of Compliance as well as to generate an intelligence input for EPFO Field Offices to reduce coverage gap. However, the progress in respect of registration of the PEs and their contractors is highly inadequate.

2. In this regard, it is pertinent to note that the State Labour Departments issue Certificates of Registration to the PEs u/s 7(2) of the Contract Labour (R&A) Act, 1970 and Licenses to Contractors u/s 12(2) of the said Act. Usually such certificates / licenses are issued by the district level officers such as the Assistant Labour Commissioner (ALC).

3. The Certificates of Registration issued to the PEs invariably include the details of the Contractors, nature of Work in which the contract labour is employed, maximum number of contract labourers to be employed during the contract and the estimated or actual date of termination of employment of the contract labour.

4. A separate license is usually issued to a contractor in r/o every contract and includes the details of PE, period of license and the maximum number of contract workers to be engaged for the said contract.

5. It is felt that collating such actionable information from the respective district offices of the State Labour Department can drastically improve the progress of registration of the contractors through their PEs and vice versa over the Unified Portal and consequently lead to improved compliance under the Act and thus ensure extension of Social Security to the eligible workforce.

6. In light of the above, a more proactive approach needs to be adopted by the Zonal Offices. Hence, a step by step Action Plan is advised as under:

- a. Obtain the copies and list of Certificates of Registration (CR) issued u/s 7(2) and Licenses issued u/s 12(2) of the CL(A&R) Act, 1970 from the respective offices of the

ALCs falling under the jurisdiction of the Circle Officers of the Region within fifteen (15) days of this communication and inform HO about the number of registered PEs and their contractors.

b. Based on the information available in a CR issued to a Principal Employer, issue instructions through informed letters (Standard draft copy enclosed) to the PEs located in the geographical jurisdictions of the Regions with express instructions to register all such contractors on the EPFO employer's portal within a prescribed time limit and monitor the compliance in respect of contract workers engaged through the contractors.

c. If any unregistered (with EPFO) contractors are found to be active contractors as per the information shared from the labour department, compliance in respect of the contract workers be verified and possibility of coverage to be explored after due permission from CAIU.

d. Conduct informed and targeted webinars for such Principal Employers who fail to register their contractors even after the issue of instructions to do so and hand hold them wherever necessary.

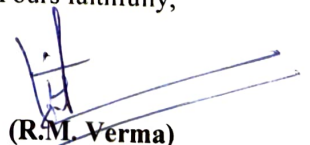
e. If the Principal Employers or their contractors are found to be registered under a separate Regional Office, than that of the geographic region, a copy of the letter as mentioned at 2 needs to be intimated for proper follow up by the concerned Regional Office.

f. Besides, establishments such as Public Sector Undertakings, Scheduled Commercial Banks or other financial institutions, Installations of the Armed Forces & Para Military Forces, Nagar Panchayats (constituted under Article 243Q(1)(a)), Municipal Councils, Municipal Corporations are big principal employers employing large number of contractors and contract workers in various type of works. All Regional Offices must ensure that such establishments are pursued diligently to make declarations on the employer portal.

g. Also, every Zonal and Regional Office of EPFO must ensure the registration and declaration of their contractors on the employer portal within a week of this communication.

7. The Zonal Offices shall closely monitor the progress being made by the Regional Offices and ensure undertaking above-mentioned action-plan in a time-bound manner to expedite the registration of the Principal Employers and their contractors on the EPF Unified Portal for employers.

Yours faithfully,



(R.M. Verma)

Addl. Central P.F. Commissioner (Compliance)

the employees employed by or through a contractor and also administrative charges”.

Kindly acknowledge the receipt.

S/d -
APFC / RPFC

Copy to:

AEO.... with the direction to follow up with the Principal Employer, explore the possibility of registration of contractors under the Act wherever necessary and submit the report within 7 days.

S/d -
APFC / RPFC