

TEL: 011-23230139
FAX: 011-23234537



HEADQUARTERS OFFICE
EMPLOYEES' STATE INSURANCE CORPORATION
PANCHDEEP BHAWAN, C.I.G. ROAD, NEW DELHI
(ISO: 9000-2001 Certified)
Website: <http://esic.nic.in> / www.esic.org.in

NO. JD (V)/PERS/2007-08

Dated: 05/08/2008

C I R C U L A R

SUB.: STREAMLINING PAYMENTS TO WORKERS ENGAGED THROUGH SERVICE PROVIDER IN ESIC ESTABLISHMENTS.

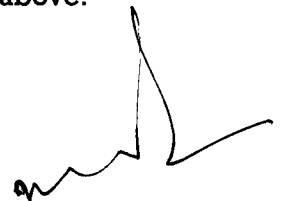
It has come to the notice of the Hqrs. that the contract workers, engaged in ESIC establishments through Service Providers, are not getting their due wages on time. This is not a happy situation. It must be ensured at all cost that workers engaged through Service Providers in ESIC receive their entitled wages on time. In view of this, it has been decided that in all ESIC establishments, the following procedure will be adopted.

- (i) Workers engaged through Service Providers must receive their entitled wages on the last day of the month.
- (ii) Payment to such workers must be made by the Service Providers through cheque. Under no circumstances payments will be made in cash. To ensure this, Service Providers will get a bank account opened for every engaged worker.
- (iii) In order to ensure that such workers get their entitled wages on the last working day of the month, the following schedule will be adhered to:-
 - (a) Monthly Bill cycle will be from 24th day of the previous month to 23rd day of the current month.
 - (b) Monthly, Bill as per above cycle, will be submitted by the Service Providers on 26th of the current month.
 - (c) The concerned ESIC office shall make the payment of the Bill to Service Providers on 28th of the current month, after preliminary checking. Detailed checking, if required, will be done subsequently and if any mistake is found, it will be corrected and deductions made in the next bill. However, the last bill of the Service Provider will be paid after detailed checking, but in time and without any delay.

- (iv) The Service Provider must ensure that entitled wages of the workers are credited to their bank account on the last working day of the month. Service Provider will not be given any relaxation in this matter.
- (v) While submitting the Bill for the next month, the Service Provider must file a certificate certifying the following:-
- (a) Wages of workers were credited to their bank accounts on (date)
 - (b) ESI Contribution relating to workers amounting to Rs. _____ was deposited on (date) (copy of the challan enclosed)
 - (c) EPF contribution relating to workers amounting to Rs. _____ was deposited on (date) (copy of the challan enclosed)
 - (d) He is complying with all Statutory Labour Laws including Minimum Wage Act.
- (vi) The office must ensure that Service Provider submits the bill in accordance with the above time schedule. In case, he fails to submit the bill by 26th of the month, even then he has to make the payment to the workers on the last working day.
- (vii) The agreement/contract in respect of services hired through outsourcing be reviewed and the above conditions may be included in the current contracts. If any Service Provider does not agree to these new conditions, the services may be re-tendered including above terms and conditions.

All the offices hiring services by outsourcing must send a report by 31st August, 2008 that the procedure has been adopted and the existing contracts have been reviewed. The second report may be sent by 05th September, 2008 certifying that the payment to the contract workers have been made as per the provisions stated above.

This issues with the approval of the Director General.



**(M.S. DAHIYA)
JOINT DIRECTOR(G)**

To

All ACs/RDs/JD (IC)/MSs/D(M)D

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