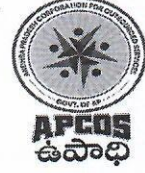




GOVERNMENT OF ANDHRA PRADESH
ANDHRA PRADESH CORPORATION FOR OUTSOURCED SERVICES
(APCOS)



From
The Managing Director,
APCOS, 2nd Floor,
NTR Administrative Block,
Vijayawada-520013.

To
The all DDOs of Client Organization.

Lr. No:976/APCOS/Admin/2022, Dated.04.10.2022

Dear DDO's,

Sub: APCOS-Inordinate delay in submission of Attendance and raising of bills of outsourced manpower- Attracting EPF and ESI penalties for delay payments-Regarding

Ref: Lr.No.97(1)/APCOS/Admin/2022, Dt.18/04/2022

Greetings from APCOS!!

It is repeatedly being noticed that there is an inordinate delay in submission of monthly attendance and raising of remuneration invoices of outsourced manpower. This is causing inconvenience to the outsourced manpower as it is the mandate of DDOs to raise invoices and make payment of remuneration in time to them.

Due to delayed submission of attendance and payment of remuneration the statutory payments like EPF, ESI, GST and PT are getting delayed and attracting penalties. APCOS for no fault at our end are unnecessarily facing this awkward difficulties.

As per EPF and ESI rules and guidelines, EPFO and ESIC remit/recover the penalties/damages from the employer for late payments of contributions. The details are below

EPF:

Penalty for Late Payment: Under Section 14B of EPF & MP Act

S.No	No of Days Delay	% of penalty
1	0-2 months.	5%
2	2-4 months	10%
3	4-6 months.	15%
4	more than 6 months	25% to 100%

Interest for late payment: Under Section 7Q, 12 % per annum

ESI:

The ESI Corporation may levy and recover damages under Section 31C at the following rates, not exceeding the amount of contribution payable for default or delay in payment of the contribution. Period of delay Rate of damages in % p.a.

S.No	No of Days Delay	% of penalty
1	0-2 months.	5%
2	2-4 months	10%
3	4-6 months.	15%
4	more than 6 months	25% to 100%

Thus, as per the Act, the employer (in this case it is you/your DDO) is liable for prosecution under Section 85(a) for the first time, Whoever, having been convicted by a court of an offence punishable under the Act, commits the same offence shall, for every such subsequent offence, liable for enhanced punishment under section 85 A of the Act.

In this connection, you are requested to ensure timely submission of attendance and payments at your end to avoid penalties and demurrages. If any delay in submission of attendance/transfer the amount from your end, APCOS will remit/recover the penalties/damages for late payments of contributions from your departments.

Best Regards,

Yours faithfully

4/10/2022

MANAGING DIRECTOR
APCOS