

**GOVERNMENT OF TELANGANA  
MUNICIPAL ADMINISTRATION DEPARTMENT**

O/o  
Director  
of  
Municipal  
Administration,  
640, A.C.  
Guards,  
Hyderabad

**CIRCULAR**

08/08/2017

**CDMA-M2/ESST/OTH/36/2017-M2 SEC-  
CDMA**

**Sub:-** Municipal Administration Department –  
Outsourcing of supporting services –  
Further guidelines issued by the  
Government – Regarding.

**Ref:-** 1. Government Circular Memo.No. 15908-  
E/568/HRM-II/2016, dt.  
27.03.2017 of Finance (HRM.II)  
Department  
2. Government Memo.No. 4165/D2/2017,  
dt.01.04.2017 of MA &  
UD Department

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The attention of the Commissioners of all ULBs and Regional Directors in the State is invited to the references cited and they are informed that in the reference 1<sup>st</sup> cited, Government in Finance Department have informed that it is the responsibility of the outsourcing agency to bear out of its commission, the Employer's contribution towards Provident Fund, ESI, Service Tax etc. The outsourcing agency will have to quote its commission keeping all these statutory and mandatory payments in view and no additional amount other than the commission will be given towards any of these items. Further, while reimbursing the commission to the outsourcing

agency, a certificate from the agency regarding proper remittance of EPF/ESI should be insisted upon as per point no. 12 of the Guidelines issued in G.O.Rt.No. 2246 Fin Dept, dt. 07.06.2007.

2. Government further informed that inspite of the above instructions, it is has been brought to the notice of Government that significant number of outsourced persons are not being covered by EPF Scheme though the Government (ULB for Municipal Workers) is paying Employer's contribution of EPF, to the outsourcing agencies.

3. Government therefore directed to claim the bills relating to reimbursement of remuneration to outsourcing agencies only after confirming that the EPF & ESI contributions pertaining to previous month have been remitted to the relevant accounts of the individuals.

4. In view of the above, the above further instructions issued by Government are communicated herewith to the Commissioners of all ULBs and Regional Directorates of Municipal Administration in the State for strict compliance.

**SREEDEVI T K**  
**DIRECTOR OF MPL ADMN**

**To**

The Commissioners of all Urban Local Bodies in the State  
{through RDMA's}

The Regional Director-cum-Appellate Commissioners of  
Municipal Administration of Warangal and Hyderabad

Copy to the Superintendents of K & B-Sections of this office  
for compliance of the Government instructions

Copy submitted to the Secretary to Government, MA & UD  
Department, Telangana State Secretariat, Hyderabad

**Signature valid**

Digitally signed by DR T K  
SREEDEVI  
Date: . . . IST  
Reason: Approved

