Copy of:

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GOVERNMENT OF ANDHRA PRADESH
FINANCE (SMPC) DEPARTMENT

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Circular Memo. No. 8999-A/319/A2/SMPC/2007   Dated: 21.04.2007.

Sub: Public Services – Outsourcing of supporting services in the Government Departments – Guidelines – Certain Clarification– Reg.

Ref: G.O.Rt.No. 4459, Finance (SMPC) Dept., dt. 27.12.2006.

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In the reference cited Government have issued guidelines for outsourcing the supporting services in the Government Departments. After reviewing the issue Government hereby issued further clarifications especially for the point Nos. 11, 12 and 13 of the Guidelines issued in the reference cited above, for being followed while fixing and paying the remuneration for the outsourcing agency:

1. The remuneration as indicated in G.O.Rt.No. 2501, Finance (SMPC) Department, dt. 13.7.2006 has to be paid in full to the employees outsourced by the agency. The only amount that can be deducted out of this amount is Employee's contribution to the Provident Fund and nothing else.

2. It is the responsibility of the outsourcing agency to bear out of its commission, the Employer's contribution towards Provident Fund, E.S.I., Service Tax etc. The outsourcing agency will have to quote its commission keeping all these payments in view and no additional amount other than the commission will be given towards any of these items. However, while reimbursing the commission to the outsourcing agency, a certificate from the agency regarding proper remittance of E.P.F./E.S.I. would be insisted upon as pointed out as at Point No. 12 of the Guidelines in the reference cited.

2. All the Departments are requested to follow the above guidelines scrupulously.

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I.Y.R. KRISHNA RAO
PRINCIPAL SECRETARY TO GOVERNMENT (R&E)

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To
All the Departments of the Secretariat.
All the Heads of Departments.
The Director of Treasuries and Accounts, A.P., Hyd.
The Pay and Accounts Officer, A.P., Hyderabad.
All the District Collectors
All Dy. Directors O/o D.T.O. in the State.
All District Employment Officers
All the District Labour Officers.
SF/SCs.

<div align="center">//Forwarded :: By Order//</div>

<div align="right">**SECTION OFFICER**</div>