

**GOVERNMENT OF INDIA  
LABOUR AND EMPLOYMENT  
LOK SABHA**

UNSTARRED QUESTION NO:1138  
ANSWERED ON:13.07.2009  
EXPLOITATION OF PRIVATE SECURITY WORKERS GUARDS  
Kumar Shri Vishwa Mohan

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

- (a) whether the private security service companies are blatantly exploiting the workers and security guards and indulging in irregularity in the Provident Fund (PF), Employees' State Insurance (ESI) of these workers and guards;
- (b) if so, the number of such companies who have been found to be violating Labour and Social Security Laws during each of the last three years and current year, State-wise;
- (c) the action taken by the Government against such erring companies; and
- (d) the details of PF, ESI and gratuity amount outstanding against such companies during each of the last three years and the current year, separately, State-wise?

**Answer**

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT(SHRI HARISH RAWAT)

(a) to (d): Few cases are noticed where private security service companies have defaulted in payment of regular contribution to Employees' State Insurance and Provident Fund dues. Details of such defaulting employers and outstanding Provident Fund and Employees' State Insurance dues for the last three years and current year are given in statements at Annexure 'A' and 'B' respectively.

Action is taken against such defaulters under various provisions of the Employees' State Insurance Act, 1948 ranging from recovery by coercive method, issue of show cause notice, launching of prosecution in the court of law. Similarly, action initiated against such agencies under Employees' Provident Funds and Miscellaneous Provisions Act, 1952 include initiation of enquiry for assessment of dues, filing of prosecution, levy of interest and damages, filing cases under section 406/409 of the Indian Penal Code for non-remittance of employees' share of contribution, etc.

Regarding gratuity, most of the private security service providers operate in the State sphere and therefore, State Governments concerned are the appropriate Governments for gratuity under the Payment of Gratuity Act, 1972.