



GOVERNMENT OF KERALA

Abstract

Labour & Skills Department - Ease of Doing Business - Centralised Inspection System - approved- orders issued.

LABOUR & SKILLS (D) DEPARTMENT

G.O.(Rt)No.1034/2020/LBR

Dated, Thiruvananthapuram, 13/10/2020

Read :- 1. G.O(MS)No.8/2019/ID dated 24/01/2019

2. Lr.NO.IT(2)19213/2018 dated 5/10/2020

ORDER

As part of Ease of Doing Business initiatives in the state, BRAP 2018-19 has recommended to institutionalize a Central Inspection System (CIS) responsible for undertaking compliance inspections of the Department of Labour, Factories and Boilers, State Pollution Control Board & also a Joint Inspection System including Department of Labour, Factories and Boilers. Regarding the recommendation KSIDC was assigned to develop a common platform.

In the circumstances reported by the Labour Commissioner in his letter read above, sanction is accorded for continuing the routine inspection mechanism and follow the joint inspection system through the Central Inspection - System (CIS) as detailed below:

Central Inspection System

Inspections under:

1. The Equal Remuneration Act, 1976,
2. The Minimum Wages Act,1948
3. The Shops and Establishments Act
4. The Payment of Bonus Act, 1965
5. The Payment of Wages Act, 1936
6. The Payment of Gratuity Act, 1972
7. The Contract Labour (Regulation and Abolition) Act, 1970

Joint Inspection

Inspections under:

- The Equal Remuneration Act, 1976
- Inspection under The Factories Act, 1948
- Inspection under The Maternity Benefit Act, 1961
- Inspection under The Minimum Wages Act, 1948
- Inspection under The Shops and Establishments Act (as applicable)
- Inspection under The Labour Welfare Fund Act (as applicable)
- Inspection under The Payment of Bonus Act, 1965
- Inspection under The Payment of Wages Act, 1936

Inspection under The Payment of Gratuity Act, 1972

Inspection under The Contract Labour (Regulation and Abolition) Act, 1970

As per the directions in the Government Order read above, Establishments has to be categorized as Low risk/Medium risk/High risk as per the risk assessment based on following criteria's:

- Number of Workers
- Nature of activity of the establishment
- Number of contract workers
- Status of compliance on the basis of combined annual return/Online Inspection
- Complaints (From workers,trade unions,managements,citizens etc..)
- Compulsory Inspections (eg: Orders of courts and other judicial institutions like Lok-Ayukta, HRC etc..)

All the above criteria's will be made as a basis for ascertaining the risk basis of industries as below wise.

Criteria fixation

- **Risk categorization on the basis of Number of workers**

Risk Basis	Employees
Low Risk	1 to 10 employees
Medium Risk:	10 to 50 employees
High Risk:	Above 50 employees

All establishments having no employees will be categorized as low risk establishments and totally excluded from inspection system only on default of registration/renewal it will be subjected to inspection.

Risk categorization on the basis of Nature of activity of the establishment

The establishments undertaking the following activities will be categorized as low risk,medium risk & high risk establishments. All the employment types may vary their risk status as per the number of employees working in the establishment.

Low Risk:

1. Agri Products Shop
2. DTP/Photo copy Centre/Telephone booth
3. Grocery Shop
4. Handicrafts Shop

5. Herbs Shop
6. Nursery Garden/Plants
7. Pan Shop/Cool drinks/Ice/Juice/Tobacco/Milk Booth/Eggs Shop
8. Provision Shop/General Stores etc
9. Ration Shop (ARD)
10. Stationary Shop
11. Tailoring Shop
12. Tea Stall
13. Vegetable Shop
- 14. Internet Cafe**

Medium Risk:

1. Advertising Agency
2. Aquarium Shop
3. Ayurvedic Clinic/Vaidyasala
4. Bakery Shop
5. Barber/Beautician Shop
6. Battery Shop
7. Books and Magazines/Stationery Shop
8. Cable Car Service
9. Cable TV Service
10. Cane/Bamboo Furniture Shop
11. Canteen
12. Carton Making
13. Cashew
14. Catering Service/Food Carry Home
15. Cattle/Poultry Farms
16. Chips making/sales
17. Chitties/Kuries
18. Clinics
19. Coffee Works
20. Coir
21. Coir/Rubber/Mats/Beds and Foams
22. Common Service Centre

23. Computer Aided Designing
24. Computer Sales/Service
25. Consultancy/Agency
26. Co-operative Bank/Society
27. Co-operative/Government - Commercial under takings
28. Courier/Parcel Service/Agency
29. Curtain Works
30. Cycle Sales/Service
31. Dental Clinic
32. Document Writer/Stamp Vender
33. Driving School
34. Dry Fish Stall
35. Dry Fruits/Spices/Forest/Hill Products
36. Educational Institutions
37. Electrical/Electronics Shop
38. Fancy Store/Foot wear/Ladies store/Baby shop
39. Fertilizer Shop/Agriculture equipment
40. Fire wood Shop
41. Fish Breeding Centre
42. Fish Stall
43. Flex/Vinyl/Seal making/Key duplicating
44. Flour Mill
45. Flower Shop
46. Food Processing/Fish processing
47. Fruit Stall/Vegetable Shop
48. Furniture Shop
49. Gas Agency
50. General Merchant
51. Gold Covering Works
52. Health Club
53. Hollow Bricks
54. Hire Service/Event management/Pandal/Decoration
55. Temporary Fair/Mela
56. Home Appliances
57. Home Nursing agency
58. Homeo/Sidha Clinic
59. Home Stay
60. Hostel
61. Ice cream Shop
62. Jyothishalayam
63. Khadi/Handloom

64. Laundry/Dry Clean
65. Leaf Shop
66. Light and Sounds
67. Lodges/Home stay
68. Logistics
69. Lottery shop
70. Marriage Bureau
71. Mattress Manufacturing
72. Meat/Chicken/Cold Storage
73. Mechanized Fishing
74. Medical Laboratory
75. Medical Shop/English/Ayurvedic/Homeo etc
76. Medicines/Pharma Distributer
77. Minor Engineering works/Industry/Service centre/Work shop
78. Mobile Phone Sales/Service/Recharge
79. News Paper agency
80. Office/Customer care of Business/Shop etc
81. Oil Merchant
82. Oil Mill
83. Old Scraps
84. Online Marketing
85. Opticals
86. Ornament Making
87. Pappadam Works
88. Pet Shop
89. Photo Studio/Video
90. Plastic Industry
91. Plastic Manufacturing
92. Pooja Store
93. Pottery
94. Poultry/Hatchery
95. Printing
96. Private Education
97. Private Telecom Services
98. Private Temple
99. Privilage Card Issuing Agency
100. Publication house
101. Saw Mill
102. Rubber/Latex Shop
103. Share Broking
104. Shipping
105. Slaughter House

106. Smoke Testing Centre
107. Soda Works
108. Spa / Massage Centre
109. Spare parts/Helmet Shop
110. Sports goods/Musical instruments Shop
111. Supply co/Maveli Store
112. Surgical/Medical equipment
113. Tea Brocking
114. Textile
115. Tile/Marble Shop
116. Toddy Shop
117. Tour/Travel Agency
118. Tyre Shop/Wheel alignment
119. Upholstery Shop/Umbrella
120. Used Car Sales
121. Utensils Shop/Silver Shop
122. Watch Shop
123. Water Bottling Unit
124. Weigh Bridge
125. Wheel Alignment

High Risk

1. Amusement Park
2. Auditorium/Convention Centre/Marriage Hall
3. Building or Other Construction work Office
4. Bus/Car/Taxi/Lorry/Auto rickshaw Office
5. Cargo Handling
6. Cinema Theatre
7. Clubs
8. Bar/Beer/wine
9. Computer Software Development
10. Construction
11. Financial Services/Non banking business/Private Bank
12. Security Agency/Contract Agency Office
13. Exporting
14. Fire Works & Crackers Merchant
15. Godowns /Shop annex
16. Hard Wares/Building Materials/ply wood/Glass
17. Vehicle Show Rooms/Sales/Service Centres
18. Sales Agencies/Whole sale dealer
19. Hospitals
20. Hotel/Restaurant/Resort
21. House Boat/Cruise Company
22. Ice Plant

23. Importing
24. Insurance Business
25. Iron and Steel Industry
26. IT/Software firm
27. Jewellery
28. Petrol,Diesel, auto Gas Bunks
29. Liquor Shop/BEVCO
30. Marble/Granite/Tiles Shop
31. Margin Free and Super Market
32. Motor Transport
33. Scan Centre/Labs
34. Star Hotel
35. Wood and Timber Business
36. Aluminium Fabrication
37. Chemical Shop

Risk categorization on the basis of number of contract workers engaged:

Department should have the facility in Centralized Inspection Platform to change the risk status of an establishment on the following basis.

- Status of compliance on the basis of combined annual return/online inspection
- Complaints (from workers, trade unions, managements, citizens etc.) ,
- Compulsory Inspections (ex: Orders of Courts and other Judicial Institutions like Lok-Ayukta, HRC, Labour Commissioner etc...)
- Facility of payment of wages through Wage Protection System.

Frequency of Inspection

The frequency of inspection will be fixed based on risk-based classification as specified below-

- In cases of High Risk Industries / Establishments - the inspections shall be conducted between six months and when need arises.
- For Medium Risk Industries / Establishments - the inspections shall be conducted between one year and when need arises.
- For Low Risk Industries / Establishments - the inspections shall be conducted only once in two year and when need arises.

Establishments exempted from online inspection

1. Start -up Establishments for a period of 3 years from the date of commencement of work / business. (Will conduct inspections on specific compliants/non registration of WPS)
2. Low risk industries with a history of satisfactory compliance from Labour compliance inspections, or allow self-certification in lieu of conducting physical inspections under all Labour laws and environment/ pollution laws and who has taken WPS registration.
3. Exempt Green and White industries with a history of satisfactory compliance from environmental compliance inspection and allow self-certification (in lieu of conducting physical inspections)
4. Establishments under SEZs / EPZs.
5. Establishments submitted combined annual return and having no violations consecutively for 3 years.
6. Any other establishment specifically exempted by the Govt.
7. All the above establishments can be inspected if not registered with WPS or with the permission of higher officials of the department if any complaints receive in the department.

Inspecting officers:

- Assistant Labour Officer Grade II, (Including Head Quarters)
- Assistant Labour Officer Grade I
- Inspector of Plantations
- Deputy Labour Officer
- District Labour Officer(Enforcement & General) (Including Head Quarters)
- Deputy Labour Commissioner (Including Head Quarters)
- Chief Inspector of Plantations
- Joint Labour Commissioner (Kollam,Ernakulam,Kozhikkode)
- Additional Labour Commissioner (Enforcement,Industrial Relations,Welfare)
- Labour Commissioner

Supervisory officers:

- District Labour Officer(Enforcement & General)
- Deputy Labour Commissioner
- Chief Inspector of Plantations
- Joint Labour Commissioner (Kollam,Ernakulam,Kozhikkode)

- Additional Labour Commissioner (Enforcement,Industrial Relations,Welfare)
- Labour Commissioner

Sl.No.	Inspecting officer	Supervisory officer
1.	<ul style="list-style-type: none"> • Assistant Labour Officer Grade II • Assistant Labour Officer Grade I • Deputy Labour Officer 	District Labour Officer (Enforcement & General)
2.	<ul style="list-style-type: none"> • Inspector of Plantations 	Chief Inspector of Plantations
3.	<ul style="list-style-type: none"> • District Labour Officer(Enforcement & General) 	Joint Labour Commissioner
4.	<ul style="list-style-type: none"> • Joint Labour Commissioner • Chief Inspector of Plantations • Deputy Labour Commissioner 	Additional Labour Commissioner(Enforcement,Industrial Relations,Welfare)
5.	<ul style="list-style-type: none"> • Additional Labour Commissioner(Enforcement,Industrial Relations,Welfare) 	Labour Commissioner

Number of days of inspection and Number of inspections per day:

In Labour Commissionerate Automation System the number of days to be allotted in a month in Centralized Inspection System by each inspecting officer for carrying out inspections and number of online inspections to be conducted per day will be assessed and specified as follows:

<u>Name of Officer</u>	<u>No. of inspecting days in a month</u>	<u>No. of inspections per day</u>
Assistant Labour Officer Grade II	2	1
Assistant Labour Officer Grade I	2	1
Inspector of Plantations	2	1
Deputy Labour Officer	2	1
District Labour Officer (Enforcement & General)	1	1

Joint inspection by Labour & Factories Departments:

Factories and Boilers Department is also implementing online inspection system which allots factory establishments to the inspectors of factories for online inspection. The list of factories allocated for online inspection by the factories and boilers department shall be made available to the Labour Department through web service. The online inspection portal of the labour department will also allocate factories as per the risk categorization. The factories commonly figured in both lists will be identified and indicated in the portal to the respective inspecting officer of the labour department to enable him/ her to take up joint inspection of such common factories in consultation with the respective inspector of factories.

Data Sharing

The data of establishments will be shared to the CISCO portal from department as spreadsheets.

Instructions To Inspecting Officers And Supervisory Officers:

- Link for the Online Inspection Portal is provided in the Home Page of Labour Department Web Site at www.lc.kerala.gov.in and inspecting & supervisory officers are required to login with the User ID provided to them. The system sends e-mail & sms to the inspecting officer with details of establishments allotted for inspection on the following day.
- Online inspection should be conducted physically by visiting the respective establishment and the data shall be entered into the inspection portal by the inspecting officer within 48 hours of the inspection & failure in which will cause the invalidation of inspection report.
- On submitting the Inspection report online, MIS Report will be received by the Supervisory Officer in CIS portal who in turn shall record remarks within 2 days.
- If no remarks recorded by the supervisory officer within 2 days, the system will automatically generate the Inspection order cum Notice based on the Inspecting Officer's findings and sends by e-mail, to the Employer of the establishment for submission of compliance online.
- If the supervisory officer records his remarks deviating from the action proposed by the inspecting officer, the inspector shall proceed to generate Inspection Report-cum-Notice accordingly and the system will transmit the same to the employer by e-mail and sends SMS to the Employer.
- The CIS system transmits the Inspection Note to the LCAS through a web service & employer on the spot through e-mail of the Establishment/Employer entered in the Inspection Report and SMS shall be sent to the mobile of the employer of the establishment. Further rectification procedures will be conducted in LCAS and status of inspection will be updated in CIS.

- The employer shall submit the compliance within the prescribe period through e-mail, failing which the inspecting officer shall proceed to take up further action as per law. The action initiated by the inspecting officer and the outcome shall be updated in the portal regularly.

(By Order of the Governor)
SATYAJEET RAJAN
ADDITIONAL CHIEF SECRETARY

To

Labour Commissioner, Thiruvananthapuram.
Director, Factories & Boilers, Thiruvananthapuram
The Principal Accountant General (Audit/ A&E) Thiruvananthapuram.
Labour & Skills (E) Department.
Industries (J) Department
Information & Public Relations Department (web & new media division)
Stock file/ Office copy.

Forwarded / By Order

Anishar?
Section Officer