



ABSTRACT

Ease of Doing Business – Online Common Inspection Scheme of
Commissioner of Labour - Orders – Issued.

LABOUR AND EMPLOYMENT (H2) DEPARTMENT

G.O. (Ms) No: 151

Dated: 31.08.2017

ஹேவிளம்பி ஆவணி 15

திருவள்ளூர்வராண்டு 2048

Read:-

From the Commissioner of Labour Letter No.L2/7500/2017

Dated 28.07.2017

ORDER:

In the letter read above, the Commissioner of Labour has sent the Online common inspection scheme in order to regulate the inspections conducted by the inspecting officers of respective jurisdiction, under various Labour Laws and Legal Metrology Act.

2. The Commissioner of Labour has sent the Online common inspection scheme of Commissionerate of Labour to regulate the inspections conducted by the inspecting officers of respective jurisdiction giving specific responsibility and accountability in taking up inspections of various categories of establishments along with its allocation depending up on number of employees and category of the establishment etc., under various Labour Laws and Legal Metrology Act as follows and requested to issue necessary orders in this regard.

3. The Government have been taking several steps to facilitate ease of doing business in the State. Hence, the Government after careful examination have decided to accept the above proposal of the Commissioner of Labour and accordingly order to implement the Inspection Scheme for giving specific responsibility and accountability in taking up inspections of various categories of establishments along with its allocation depending up on number of employees and category of the establishment etc., under various Labour Laws and Legal Metrology Act.

On-line Common Inspection Scheme

Based on the recommendations of the State Business Reform Action Plan, with a view to regulate the inspections conducted by the inspecting

officers from the level of Assistant Inspector of Labour to the Joint Commissioner of Labour of respective jurisdiction, giving specific responsibility and accountability in taking up inspections of various categories of establishments along with its allocation depending up on number of employees and category of the establishment etc., under various Labour Laws and Legal Metrology Act.

The objective is to bring more transparency in the inspection procedures by introducing Computerized System of Risk Assessment based Inspection with random allocation of Inspecting Officers. In pursuance of the directions of the Government. operational guidelines of the systematized inspection procedure to be followed in the Labour Department are as follows:

The Acts covered under online inspection system are:

1. The Tamil Nadu Shops and Establishments Act, 1947
2. The Tamil Nadu Catering Establishments Act, 1958
3. The Contract Labour (Regulation and Abolition) Act, 1970
4. The Inter-State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979
5. The Child and Adolescent Labour (Prohibition & Regulation) Act, 1986
6. The Maternity Benefit Act, 1961
7. The Motor Transport Workers Act, 1961
8. The Minimum Wages Act, 1948
9. The Tamil Nadu Labour Welfare Fund Act, 1972
10. The Payment of Bonus Act, 1965
11. The Payment of Gratuity Act, 1972
12. The Equal Remuneration Act, 1976
13. The Tamil Nadu Industrial Establishments (National and Festival Holidays) Act, 1958
14. The Payment of Wages Act, 1936
15. The Tamil Nadu Industrial Establishments (Conferment of Permanent Status to workmen) Act, 1981
16. The Legal Metrology Act, 2009
17. The Industrial Employment Standing Orders Act, 1946
18. The Working Journalists and other Newspaper Employees (Conditions of service and Miscellaneous Provisions) Act, 1955
19. The Sales Promotion Employees (Conditions of Services) Act, 1976
20. The Beedi & Cigar workers (Conditions of Employment) Act, 1966
21. The Cine Workers and Cinema Theatre Workers Act, 1981.
22. The Payment of Subsistence Allowance Act, 1981

2. Data base of Establishments:

The following are the sources of data base of establishments for online inspection.

1. Data of Shops & Establishments, Motor Transport Undertakings etc., covered under Tamil Nadu Labour Welfare Fund Act, 1972.
2. Data of Factories for the purpose of Legal Metrology Act
3. National Festival Holidays Register
4. Catering Establishment Register
5. Motor Transport Establishments Register
6. Beedi Establishments Register
7. Stamping Fees Register
8. Packaged commodities Registration particulars
9. Register of Manufacturer/ Dealer/ Repairer under Legal Metrology
10. Enumeration of Shop and Establishments
11. Contract Labour / Inter-State Migrant Registration & License Register
12. Complaints received through online complaint portal.
13. Complaints received through LMCTS (Legal Metrology Complaint Tracking System).

3. Identification of establishments for inspection based upon computerized risk assessment.

Selection of establishments for online inspection shall be on Risk assessment on the following criteria:

1. Number of workers
2. Nature of activity of the establishment
3. Status of compliance on the basis of combined annual return (or) Self-certification-cum-Combined annual returns / Non-compliance of Provision of verification (Defaulters) under Legal Metrology
4. Complaints (from workers, trade unions, managements, citizens etc.)
5. Compulsory Inspections (ex: Orders of Courts and other Judicial & Administrative instructions)
6. An establishment inspected in a year will not be inspected in the next two years (except check inspections in Dispensing pumps).

Establishments will be categorized as Low Risk (L), Medium Risk (M), and High Risk (H) as per the column No. 3 to 5 of the table at Annexure I.

The above categorization will be done through the Online Inspections Module developed as part of the Web Portal of the Labour department.

4. Frequency of Inspections

The establishments will be subjected to Compliance Inspection with the following frequency

- | | | |
|----------------------|---|--------------------|
| (i) Low Risk (L) | : | Once in 5 years |
| (ii) Medium Risk (M) | : | Once in 2 Years |
| (iii) High Risk (H) | : | Once in every Year |

5. Self-certification scheme:

Self-certification scheme has been proposed for the following establishments:

- a) Medium risk category of establishments
- b) Low risk category of establishments

The format for applying "self-certification" scheme has been given in Annexure-II. Low risk category of establishments enrolled under the self-certification-cum-Combined annual returns scheme shall be exempted from physical inspection. The medium risk category of establishments in the above scheme shall be randomly inspected once in five years. However such establishments may be inspected with the authorization of the Commissioner of Labour in case of complaint or other exigencies.

6. Scheduling of Inspections:

The Scheduling of inspections will be done through the Online Inspection Module. The number of establishments to be inspected will be calculated on monthly basis for each category (L, M, H) as per the criteria in para 3. The establishments will be selected randomly by the computer in the first week of the month for the inspections to be conducted in the succeeding month. The selection of establishment will be based on uniform mix of different type of establishment in terms of nature of business, size of work force, locations, complaints etc.

7. Allocation of Inspecting Officer:

The allocation of Inspecting Officer will be done randomly through the computerized online Inspection Module as follows, based on the local limits.

- (i) Inspecting Officer will be in the cadre as specified in column no. 7 of the Table at Annexure I.
- (ii) The pool from which Inspecting Officer will be selected in various cadres as at (i) will be as follows:
 - (a) Assistant Inspector of Labour – All Assistant Inspector of Labour working in their respective jurisdiction

- (b) Deputy Inspector of Labour–All Deputy Inspector of Labour working in their respective jurisdiction.
 - (c) Inspector of Labour of the respective jurisdiction
 - (d) Deputy Commissioner of Labour of the respective jurisdiction
 - (e) Joint Commissioner of Labour of the respective jurisdiction
- (iii) The same Inspecting Officer will not inspect the same establishment twice consecutively.
- (iv) System ensures that the same establishment is not allotted to the same inspector for a period of 3 years.

System randomly allocates establishments to the inspecting officers and inspecting officers inspect the allotted establishments. In case of inspection of an establishment in the area other than the jurisdiction of inspecting officer, **the inspecting officer having administrative jurisdiction shall take up follow up action.**

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

As per the feedback of the field officers of the department, the number of days to be allotted in a month by each inspecting officer for carrying out inspections and number of online inspections to be conducted per day has been assessed and specified as follows:

Inspecting Officer	Category of Establishments	No. of inspecting days in a month	No. of inspections per day
Joint Commissioner of Labour	High risk establishments employing 500 and above workers	1	1/12 of total number of such establishments
Deputy Commissioner of Labour	High risk establishments employing from 250 to 499 workers	2	1/12 of total number of such establishments
Inspector of Labour	High risk establishments employing from 100 to 249 workers	4	1/12 of total number of such establishments
Deputy Inspector of Labour	High risk establishments employing from 50 to 99 workers	4	1/12 of total number of such establishments

Assistant Inspector of Labour	Medium risk establishments	those covered under self certification scheme	10	1/60 of total number of such establishments
		those not covered under self certification scheme		1/24 of total number of such establishments
	Low risk establishments	those covered under self certification scheme		--
		those not covered under self certification scheme		1/60 of total number of such establishments

In case of unavoidable exigencies such as leave, court appearance etc., the inspecting officer will intimate the Commissioner of Labour duly recording the reasons, and the Commissioner of Labour will select replacement of inspecting officer in the same category from out of left over officers through computer system.

9. Single Joint Inspection :

Inspection will be conducted on the designated date by the designated inspecting officer in respect of all the Laws by way of a single Joint Inspection.

10. Inspection Report:

The Inspection report will be uploaded by the inspecting officer within 48 Hrs of the completion of the Inspection in the Online Inspection Module. An alert (sms/email) will be sent to the employer so that he may view / download the inspection report.

11. Notice of Deficiencies and Compliance :

In case of noticing defects in the compliance of any of the Labour laws, the Inspecting Officer will issue a notice to the Employer through the online Inspection Module. The Employer will be required to take corrective action and upload compliance report within 15 days. In case the establishment is found to be complying with the labour laws, the inspections will be categorized as satisfying and the issue closed.

12. Scrutiny of Compliance Report and Penal Action :

The Supervisory Officers such as the Commissioner of Labour (in case where Inspecting Officer is Joint Commissioner of Labour), Jurisdictional Joint Commissioner of Labour (in case where Inspecting Officer is Deputy Commissioner of Labour), Jurisdictional Deputy Commissioner of Labour (in case where Inspecting Officer is Inspector of Labour), Inspector of Labour (in case where Inspecting Officer is Assistant/Deputy Inspector of Labour) will scrutinize the compliance report to see if the compliance is made. Immediate and effective follow up action on the violations / irregularities shall be ensured if the employer fails to comply even after providing opportunity as in Para 11 by the Deputy Commissioner of Labour or the Inspector of Labour as the case may be. If the compliance report is found to be satisfactory, then the establishment will be categorized and the issue closed.

13. Complaints:

In case any complaint is received alleging violation of any labour law / false declaration under Self Certification Scheme by any Employer / Establishment, such cases will be referred to the Commissioner of Labour who will decide on the further course of action.

The above operational guidelines shall be followed scrupulously and any violation in this regard will be construed as dereliction of duty and erring officials will be liable for disciplinary action.

14. Establishments exempted from online inspection:

1. Start Up Establishments for a period of 3 years from the date of commencement of work / business (except branches of establishment existing beyond 3 years)
2. Establishments having no employees
3. Establishments under SEZs / EPZs
4. Establishments submitted combined annual return and having no violations consecutively for 3 years
5. Any other establishment specifically exempted by the Government.
6. Establishment inspected in the first year will be exempted for the next 2 years for inspection by any inspecting officer.

15. Instructions to Inspecting Officers and Supervisory Officers:

1. Link for the Online Inspection Portal is provided in the Home Page of Labour Department Web Site at www.labour.tn.gov.in and inspecting 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.
2. The inspecting officers shall take up online inspection of Establishments as allocated by the system on daily basis. Inspecting Officers shall carry out online inspection only and offline and manual inspection is not permitted. Manual inspection of establishments shall be carried out in case of need only on the orders of courts / Government or specific written instructions of the Commissioner of Labour.

Online inspection should be conducted physically visiting the respective establishment and the data shall be entered into the inspection portal on the spot using the tablet/PC. All Tablet PCs provided to the inspectors are registered under **MDM (Mobile Device Management) system to integrate GPS.**

4. The system transmits the Inspection Report to the 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.
5. On submitting the inspection report online, report will be received by the Supervisory Officer who in turn shall record remarks within 7 days.
6. If no remarks recorded by the Supervisory Officer within 7 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.
7. 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.
8. The employer shall submit the compliance within 15 days 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.

The information about the online inspection shall be published by placing in the web site of the department to bring awareness to the employers to comply with the statutory provisions without physical touch point.

(BY ORDER OF THE GOVERNOR)

**MANGAT RAM SHARMA
PRINCIPAL SECRETARY TO GOVERNMENT (FAC)**

To
The Commissioner of Labour, Chennai-600 006.

Copy to:

The Special Personal Assistant to the Hon'ble Minister for Labour,
Chennai-600 009.

The Private Secretary to the Principal Secretary to Government (FAC),
Labour and Employment Department, Chennai-600 009.

The Labour and Employment (I/OP.2) Department, Chennai-600 009.
Stock File / Spare Copy / Clean Copy to file (C.No.15831/H2/2017)

//FORWARDED BY ORDER //

D. Ravikiran
31/8/17
SECTION OFFICER
D. Ravikiran
31/8/17

ANNEXURE I

CRITERION FOR RISK ASSESSMENT OF ESTABLISHMENTS AND INSPECTING OFFICERS

Sl No	Name of the Act under which establishment covered	Establishment Category			Inspection	
		Low Risk	Medium Risk	High risk	No. of Workers Employed in the Establishment (including all classes of Workers)	Inspecting Officer
1	2	3	4	5	6	7
1.	<p>Labour Laws</p> <ol style="list-style-type: none"> 1. The Tamil Nadu Shops and Establishments Act, 1947 2. The Tamil Nadu Catering Establishments Act, 1958 3. The Contract Labour (Regulation and Abolition) Act, 1970 4. The Inter-State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979 5. The Child and Adolescent Labour (Prohibition & Regulation) Act, 1986 6. The Maternity Benefit Act, 1961 7. The Motor Transport Workers Act, 1961 8. The Minimum Wages Act, 1948 	Those employing from 1 to 9 workers	Those employing from 10 to 49 workers	Those employing 50 and more workers	500 and above workers from 250 to 499 workers from 100 to 249 workers from 50 to 99 workers upto 49 workers	Joint Commissioner of Labour Deputy Commissioner of Labour Inspector of Labour Deputy Inspector of Labour Assistant Inspector of Labour

<p>9. The Tamil Nadu Labour Welfare Fund Act, 1972</p>																														
<p>10. The Payment of Bonus Act, 1965</p>																														
<p>11. The Payment of Gratuity Act, 1972</p>																														
<p>12. The Equal Remuneration Act, 1976</p>																														
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<p>16. The Industrial Employment Standing Orders Act, 1946</p>																														
<p>17. The Working Journalists and other Newspaper Employees (Conditions of service and Miscellaneous Provisions) Act, 1955</p>																														
<p>18. The Sales Promotion Employees (Conditions of Services) Act, 1976</p>																														

2.	<p>19. The Beedi & Cigar workers (Conditions of Employment) Act, 1966</p> <p>20. The Cine Workers and Cinema Theatre Workers Act, 1981.</p> <p>21. The Payment of Subsistence Allowance Act, 1981</p> <p>Legal Metrology Act, 2009</p>				<p>Inspector of Labour/ Deputy Controller of Legal Metrology</p> <p>Deputy Inspector of Labour / Assistant Controller of Legal Metrology</p>
			<p>Non-compliance of Provision of verification (Defaulters) (Any capacity Weighing Instruments having Maximum Capacity is above 3t ; Automatic Weighing Instrument; Volumetric Weighing Instruments; Flow Meters; Compressed Natural Gas Dispenser; Liquefied Petroleum Gas Dispensers , Discontinuous totalizing weighing instruments</p>	<p>Irrespective of workers</p>	

				Non-compliance of Provision of verification	100 and above workers	Inspector of Labour/ Deputy Controller of Legal Metrology
					50 to 99 workers	Deputy Inspector of Labour / Assistant Controller of Legal Metrology
					0 to 49 workers	Assistant Inspector of Labour/ Legal Metrology Officer
3.	Other establishments (excluding plantation) not covered under 1 and 2 above and to which any of the Labour Law apply to Labour Department	Those employing from 1 to 9 workers	Those employing from 10 to 49 workers	Those employing 50 and more workers	500 and above workers	Joint Commissioner of Labour
					from 250 to 499 workers	Deputy Commissioner of Labour
					from 100 to 249 workers	Inspector of Labour
					from 50 to 99 workers	Deputy Inspector of Labour
					upto 49 workers	Assistant Inspector of Labour

MANGAT RAM SHARMA
PRINCIPAL SECRETARY TO GOVERNMENT(FAC)

// TRUE COPY //

M. R. Singh
SECTION OFFICER.
11/11/2011

Annexure-II

Format for applying for Self-Certification under various Labour Laws

1.	Name and Address of the Establishment	:	
2.	Registration No.	:	
3.	Name and address of the Occupier	:	
4.	Name and Address of the Manager	:	
5.	Name of the other Acts under which Registration/ licene obtained (if so please specify the No. and date of such approvals)	:	
6.	No. of workers employed	:	
	Men Women Total		
	a. Regular		
	b. Contract		
	c. Others		
7.	Whether minimum wages paid (specify the name of the scheduled employment)	:	
8.	Whether required register under all the relevant Acts maintained by the Principal Employer and Contractor	:	
9.	Whether returns as per Schedule under the Acts/Rules submitted before due date	:	
10.	Whether Maternity Benefit extended to the women employees	:	
11.	Whether arrangements are made to pay wages to the employees by 7 th /10 th of the succeeding month	:	
12.	No. of employees paid bonus	:	
13.	Whether wages paid to the employees through Bank Account	:	
14.	Whether the retired/resigned employees are paid gratuity, leave encashment etc as per provisions of the Acts/Rules	:	
15.	Whether the conditions of service, holidays, leaves, weekly offs etc allowed to the employees under the relevant Acts/Rules	:	

Certificate

- a) Certified that we have gone through the scheme and have fully understood the contents of this scheme and undertake to abide by the same.
- b) Certified that we have complied/are complying with all the provisions under all the Acts and Rules applicable to the establishment
- c) Certified that we will furnish the Combined Annual Return
- d) We are the authorized persons to issue the above certificate and the above certificate is issued with full knowledge of the statutes. We jointly and severally responsible for any information found incorrect subsequently and liable for prosecution under the provisions of the Acts/Rules.

Signature of the Manager

Signature of the Occupier

Name and Designation
Date & Official seal

Name and Designation
Date & Official seal

**MANGAT RAM SHARMA
PRINCIPAL SECRETARY TO GOVERNMENT (FAC)**

//TRUE COPY//

D. R. Raj Kumar
31.5.2017
SECTION OFFICER.

D. R. Raj Kumar
31/8/17