



**Government of Karnataka
Department of Labour**

NOTIFICATION

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KARNATAKA STATE LABOUR INSPECTION SCHEME

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1. Preamble:- Labour Inspection is a process of ensuring that the provisions of labour laws are given practical effect and thereby ascertaining meaningful compliance with the relevant provisions of law. The system of labour inspection ensures fairness in the workplace and thereby decent conditions of work. The institution of labour inspection helps in understanding the degree and quantum of implementation of the statutory provisions as well as facilitates information and advice to the entrepreneurs. Thus labour inspection plays a very important role in ensuring statutory human rights of the workers. The labour inspection system helps establishments to benchmark their compliance practices and thereby initiate steps for improvisation.

The International Labour Organisation (ILO) adopted the Labour Inspection Recommendation, 1923 (No.20), which laid down the general principles for the organisation and functioning of national systems of inspection. Later the International Labour Organization (ILO) adopted, the Labour Inspection Convention (No 81) in 1947 with the goal of “ensuring respect for the protection of workers in the exercise of their duties and for promoting legislation adapted to the changing need of the world of work”. This ILO Convention pointed out the significant and independent role of labour Inspection across the globe. Also the ILO adopted the Labour Inspection Recommendation (No. 81) in 1947. These instruments of ILO constitute the authority of labour inspection system and play a pivotal role in promoting decent conditions of work through a functional and effective labour inspectorate. India has ratified the ILO’s Labour Inspection Convention (No. 81), 1947. Some of the non-negotiable principles enshrined in this ILO Convention are: as frequent and as thorough as possible inspections, free entry of inspectors, free access to workplaces, no prior authorized inspections, and an adequate, well-resourced and independent inspectorate. Since India has ratified the ILO Convention, it is answerable to the ILO’s supervisory institution, the Committee of Experts on Application of Conventions and Recommendation (CEACR). The matters handled by CEACR move to International Labour Conference’s Standing Committee on Application of Standards (CAS). In the present scenario of world market, deficiency in compliance with national legislation as well as non-compliance with ILO’s Core Labour Standards, generates consumer concerns and international ethical practices.

The present scheme brings in an efficient e-governance system of online compliance for labour legislations with the help of advanced Information and Communication Technology (ICT). The scheme creates an unified portal for online registration of all industrial and commercial units, reporting of inspections, submission of periodical returns and redressal of grievances.

Through this scheme, the State Government intends to initiate strong e-governance system to enhance the efficiency and effectiveness of labour inspection practice. This scheme provides a mandate to safeguard the rights and interests of the working class, while promoting conducive working environment for industrial harmony and inclusive growth.

Hence in order to institute result oriented system for enforcement of labour laws, in supersession of all directions/notifications/guidelines/orders issued by the Department and the State Government, regarding inspection and the follow-up action to be taken, the Government of Karnataka are pleased to issue this Notification, with the following features;

2. Short Title: Karnataka State Labour Inspection Scheme.

3. Objective: The Karnataka State Labour Inspection Scheme (KSLIS) aims at achieving the objective of rationalisation and systematisation of regulation of business and bringing in clarity in labour inspection system in Karnataka State.

4. Notified Inspectors under Labour Laws: The Inspecting officers as notified by the State Government from time to time under various labour laws are as follows;

Sl. No	Notified Inspectors	Remarks
i	Labour inspector (LI)	Karnataka State is divided into 164 circles. For each circle there is one Labour inspector.
ii	Senior Labour inspector (SLI)	Karnataka State is divided into 83 circles. For each circle there is one Labour inspector.
iii	Labour Officer (LO)	Karnataka State is divided into 42 Sub Division. For each Sub Division there is one Labour officer.
iv	Assistant Labour Commissioner (ALC)	Karnataka State is divided into 11 Division For each Division there is one Assistant Labour Commissioner.
v	Deputy Labour Commissioner (DLC)	Karnataka State is divided into 5 Region. For each Region there is one Deputy Labour Commissioner.
vi	Joint Labour Commissioner (JLC)	Karnataka State is having one Joint Labour Commissioner
vii	Additional Labour Commissioner (ADLC)	Karnataka State is having two additional Labour Commissioner
viii	Commissioner of Labour (COL)	Karnataka State is having one Labour Commissioner

Government of Karnataka has issued Notification No. LD 139 LET 2011, Dated : 09-06-2011, which clearly provides jurisdiction of inspectors under various labour laws.

5. Supervisory Officers: The officers empowered to undertake inspection under various labour laws and their immediate supervisory officers are as follows;

Sl. No	Inspecting officer	Immediate Supervisory officer
1	Labour Inspector(LI) and Senior Labour inspector(SLI)	Labour officer(LO)
2	Labour officer(LO)	Assistant Labour Commissioner(ALC)
3	Assistant Labour Commissioner(ALC)	Deputy Labour Commissioner(DLC)
4	Deputy Labour Commissioner(DLC)	Joint Labour Commissioner(JLC)
5	Joint Labour Commissioner(JLC)	Additional Labour Commissioner(ADLC)
6	Additional labour Commissioner(ADLC)	Labour Commissioner(LC)

The Commissioner of Labour shall notify any State rank officer as State Nodal Officer (SNO) for the purpose of effective implementation of this scheme and removal of any difficulties those arise during the cases implementation of the scheme.

6. Labour Laws Enforced by the Department: The various labour laws and Rules framed thereunder, which are enforced by the Department are as follows;

Sl. No	Labour Laws (Acts)	Rules
1	The Karnataka Shops and Establishment Act,1961	The Karnataka Shops and Establishment Rules, 1963
2	The Contract Labour (Regulation and Abolition) Act,1970	The Contract Labour (Regulation and Abolition) Karnataka Rules, 1974
3	The Building and other Construction Workers [Regulation of Employment And Conditions of Service] Act, 1996.	The Building and other Construction Workers [Regulation of Employment and Conditions of Service) Karnataka Rules,2006 (As Amended by(Karnataka Amendment) Rules, 2013
4	The Payment of Gratuity act, 1972.	The Karnataka Payment of Gratuity Rules, 1973
5	The Minimum Wages Act, 1948.	The Karnataka Minimum Wages Rules1958
6	The Payment of Bonus Act, 1965.	The Payment of Bonus Rules, 1975
7	The Equal Remuneration Act, 1976.	The Equal Remuneration Rules, 1976
8	The Payment of Wages Act, 1936.	The Payment of Wages Karnataka Rules,1963
9	The Karnataka Labour Welfare Fund Act, 1965.	The Karnataka Labour Welfare Fund Rules,1968

10	The Karnataka Industrial Establishments (National and Festival Holidays) Act, 1963.	The Karnataka Industrial Establishment (National and Festival Holidays) Rules, 1964
11	The Maternity Benefit Act, 1961.	The Maternity Benefit Rules, 1963
12	The Motor Transport Workers Act, 1961	The Karnataka Motor Transport Workers Rules, 1964
13	The Beedi and Cigar Workers (Condition of Employment) Act, 1966.	The Beedi and Cigar Workers (Condition of Employment) (Karnataka) Rules, 1966.
14	The Sales Promotion Employees (Conditions of Service) Act, 1976.	The Sales Promotion Employees (Conditions of Service) Rules, 1976
15	The Industrial Employment (Standing Orders) Act, 1946.	The Karnataka Industrial employment (Standing Orders) Rules, 1961
16	The Working Journalist and other News paper Employees (Condition of Services) and Miscellaneous Provisions Act, 1955.	Working Journalist and other News paper Employees (Condition of Services) and Miscellaneous provisions Rules, 1957
17	The Inter- State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.	The Inter State Migrant Workmen (Regulation of Employment and Conditions of Service) Karnataka Rules , 1981
18	The Child and Adolescent Labour (Prohibition and Regulation) Act, 1977.	The Child and Adolescent Labour (Prohibition and Regulation) (Karnataka) Rules, 1998
19	The Plantation Labour Act, 1951.	The Plantation Labour Karnataka Rules, 1956

This scheme shall be valid for the above Acts and Rules.

7. Criteria for Categorization of Establishments: The inspection mechanism for certain establishments need to be mandatory and certain other category of establishments it needs to be optional. The Specific criteria to be applied for classifying establishments in to two categories are listed out below;

7.1. Mandatory Inspections: - In the following cases, the Inspection shall be mandatory for all units at least once in a year,

- i. The establishment where fatal or serious accident has occurred.
- ii. The establishment where strikes /lock out/retrenchment/lay off etc has taken place.
- iii. The establishments which are defaulters as per provisions of applicable labour laws.
- iv. The establishments closed without settlement of legal dues to workers.
- v. The establishments where anomalies/discrepancies are observed in the submitted self certified returns/ periodical returns.

vi. The Establishments against which complaints are received from the concerned workers, trade unions etc.

vii. Shops and commercial establishments having less than 100 workers.

7.2. Optional Inspections: The inspections in the case of other types of establishments shall be optional, under this criteria online inspection list shall be generated through computers using pre decided numbers. The indicative mix of establishments for generating list of establishments, for inspection is as follows;

Sl.No	Establishment	HRE Percentage
a	High Risk Establishment	50%
b	Medium Risk Establishment	30%
c	Low Risk Establishment	20%

8. Risk Based Assessment and Categorization of Establishments: For the purpose of carrying but meaningful and result oriented inspection, categorization of establishments based on risk factors is necessary. Hence the rational for categorization of establishments based on various risk factors is summarised below;

8.1 Risk Categorization on the basis of Number of Workers: Risk in the perspective of the State Government for categorization of establishments into High Risk Establishments (HRE), Medium Risk Establishments (MRE), Low Risk Establishments (LRE), and Zero Risk Establishment (ZRE) as relates to risk to the employees in terms of their rights and interests such as Wages, Remuneration, Leave, Holiday, Working Hours, Worksite Facilities, Safety, Security, Health, Welfare, Social security, Bonus, Provident Fund, Insurance, Accident Compensation, Gratuity etc. The categorisation of establishments into four (04) categories is briefly described below;

i.High Risk Establishments (HRE): The experience of the State Government in the State of Karnataka indicates that the smaller the establishments the less is the compliance. Therefore small establishments employing up to 100 workers are categorized as High Risk Establishments (HRE).

ii.Medium Risk Establishments (MRE): The establishments having employees in the range of 100 to 300 have the tendency to comply with the Labour Laws to some extent and further compliance need to be secured by some moderate action towards

enforcement. Such establishments are categorized as Medium Risk Establishments (MRE).

iii.Low Risk Establishments (LRE): The establishments having more than 300 workers generally comply with the Labour Laws to a reasonable extent due to their resourcefulness and further compliance are to be secured by persuasive measures. Hence these Establishments may be categorized as Low Risk Establishments (LRE).

iv.No(Zero) Risk Establishments (NRE): All establishments having no employees are only required to be registered under appropriate labour laws and no other provisions of Labour laws are applicable to such establishments and hence they are categorized as No Risk Establishments (NRE). The State Government has totally excluded these establishments from inspection system.

8.2 Risk Categorization on the basis of Number of Contract Workers Engaged:-

There are certain establishments employing large number of contract workers some times more than the number of regular workers. In such establishments, the terms and conditions of employment of regular workers and contract workers are totally different and contract workers are more prone to exploitation. The establishments employing contract workers are categorized as High Risk Establishments (HRE).

8.3 Risk Categorization on the basis of Nature of Activity of the Establishment:-

In certain activities workers are prone to exploitation besides risk of accidents and health hazards. On the basis of hazardousness of the activity the following establishments are categorized as High Risk Establishments (HRE).

Classification of Industries as High Risk Establishments (HRE):

SN	Name of The Industry
1	Agarbatti Industries.
2	Aluminum Industries
3	Wood Industries
4	Beedi Making
5	Bricks Making and Brick Klins
6	Textile Mills.
7	Cement and Allied Industry
8	Chakki Flour Mills.
9	Chemical & Pharmaceutical Industries.
10	Candle Manufacturing.

11	Engineering industry including automobile Industry.
12	Pan Masala and Gutkha manufacturing Industries.
13	Cotton Ginning Industry.
14	Metal Rolling, Re- Rolling Industry (Ferrous and Non Ferrous)
15	Plywood Industries
16	Rubber Processing and Rubber Manufacturing
17	Wood Industries.
18	Sugar Industries
19	Tiles Manufacturing
20	Transport Industry
21	Petrol Pumps and LP gas Distribution Workers
22	Construction or Maintenance of (1) Roads or Building Operation & (2) Stone Breaking and Stone Crushing.
23	Forestry & Timbering Operation
24	Electricity Generating Project
25	Printing Press.

On the same basis of hazardousness the following establishments are categorized as Medium Risk Establishment (MRE);

SN	Name of The Industry
1	Beverages Manufactories And Vending Establishment
2	Flour Mills
3	Food Processing
4	Gold and Silver Ornament and other Articles Of Artistic Design Manufacturing
5	Ice-Cream and Ice-Candy Manufacturing and Vending Establishment
6	Ice Factory and Cold Storage
7	Paper Industries
8	Photo & Picture Frame Manufacturing
9	Poultry & Cattle Feed Manufacturing
10	Rice & Oil Mills
11	Soap Making Industries

12	Trunk & Bucket Manufacturing
13	Tanneries & Leather Manufacturing
14	Bakery
15	Breweries & Distillery
16	Black Smith
17	Biscuit Manufacturing
18	Film (Production, Distribution & Exhibition) Industry
19	Carpentry
20	Clubs
21	Canteen
22	Cleaner
23	Coaching Academics including Nursing and English Medium Schools and Technical Institutes
24	Earth Cutting, Earth Removing, Earth Filling and Earth Leaving Operation
25	Fruit Preservation
26	Gold Smith
27	Hair Cutting Saloon and Spa
28	Grass Cutting & Wood Cutting
29	Premises Wherein Cows and Buffaloes or Both are kept for Milking Poultryes and dairies.
30	Fooding & All other similar Processes
31	Printing and Dying Clothes
32	Private Hospitals and Nursing homes /Pathological Laboratories/Dispensaries
33	Readymade Garments
34	Shops, Commercial Establishment Covers by the Schedule Shop and Commercial Establishment, Eating House and Restaurants
35	Small Selling Cooked Food Stuff
36	Transportation
37	Marketing and Distribution of Petroleum Products
38	Tailoring Industries
39	Theatres
40	Tube-Well Sinking Workers, Helpers & Welders (Minor Engineering)
41	Edible Oil Workers
42	Agriculture
43	Contractors Establishment. Of the Forest Department
44	Co-Operative Marketing Societies