
INSPECTION SCHEME OF EMPLOYEES PROVIDENT FUND ORGANIZATION

Objective : The Inspection Scheme aims to achieve the objective of simplifying business regulations and bring in transparency and accountability in labour inspections. It envisages objective criteria for selection of units for inspection.

Criteria of Inspections

Mandatory inspections:-

1. In the following cases, the inspections will be mandatory for all units:-
 - i) All new coverages
 - ii) All establishments registered on ECR portal, not marked as closed and not complying.
 - iii) Establishments reported for closure
2. EPFO would set up a Central Analysis and Intelligence Unit (CAIU) for collecting, analysing field level data for a transparent and accountable labour inspection system. The cases forwarded through Central Analysis & Intelligence Unit (CAIU) of EPFO will be based on data and evidence. EPFO will formulate an objective methodology for selection criteria of the cases by the CAIU keeping in view its priorities and the provisions of ILO C-81.

Optional inspections:-

3 In following cases, the inspections would be generated through computer using pre-decided number tables taking into account the following factors:-

- 1) Drop in remittance/membership as compared to last quarter
 - Remittance drop in excess of Rs.10000/- and 15% (weightage of 1:1)[40%]
 - Membership drop in excess of 50 members and 15% (weightage of 1:1)[40%]

- All other Units [20%]
- Normally not to be repeated in the same year as far as possible.

4. Methodology:

1. Employers to feed master data and periodical returns.
2. Inspectors to feed detailed inspection report.
3. Inspectors to feed accident returns.
4. Computer programme to be provided by NIC taking into account the criteria.
5. Computerized generation of inspection programme and communication to the inspecting staff keeping in view the confidentiality aspects.

5. General Instructions:

1. The inspecting officer has to maintain registers of the establishments.
2. He has to record the statement of workers present at the time of inspection.
3. In case of contradiction in the statements of employer's, worker and entries in the record, the inspecting officer will seize the relevant records.
4. Inspection report should always be prepared on the work –spot by the inspecting officer himself and handover to the employer's representative.
5. The inspection should be carried out during the normal working hours as far as possible.
6. The inspection report is being simplified and under review/revision.
7. The inspection report should be uploaded within 3 days by the inspector.
8. In case of violations by the inspecting staff, entries are recorded in APAR.

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(Ajay Malik)

Under Secretary to the Govt of India

New Delhi, Dated the 21st June, 2014

INSPECTION SCHEME FOR EMPLOYEES STATE INSURANCE CORPORATION

Objective : The Inspection Scheme aims to achieve the objective of simplifying business regulations and bring in transparency and accountability in labour inspections. It envisages objective criteria for selection of units for inspection.

Criteria of Inspections

Mandatory inspections:-

1. In the following cases, the inspections will be mandatory for all units:-
 - i) All new covered/registered units
 - ii) Units which have been defaulters for six months
 - iii) Units for which closure request has been received
 - iv) Units where no inspection was carried out in last 3 years (as ESIC has time bar of 5 years for claiming dues)
2. ESIC would set up a Central Analysis and Intelligence Unit (CAIU) for collecting and analysing field level data for a transparent and accountable labour inspection system. The cases forwarded through Central Analysis & Intelligence Unit (CAIU) of ESIC will be based on data and evidence. ESIC will formulate an objective methodology for selection criteria of the cases by the CAIU keeping in view its priorities and the provisions of ILO C-81.

Optional inspections:-

3. In following cases, the inspections would be generated through computer using pre-decided number tables taking into account the following factors:-
 - 1) Drop in contribution by 30% and above compared to previous contribution period (over a period of six months)[30%]
 - 2) Drop in number of covered employees by 30% and above compared to previous contribution period (over a period of six months)[30%]
 - 3) Security/manpower agencies employing more than 250 employees[30%]

4) Any other not falling in above categories [10%]

4 Methodology:

1. Employers to feed master data and periodical returns.
2. Inspectors to feed detailed inspection report.
3. Inspectors to feed accident returns.
4. Computer programme to be provided by NIC taking into account the criteria.
5. Computerized generation of inspection programme and communication to the inspecting staff keeping in view the confidentiality aspects.

5 General Instructions:

1. The inspecting officer has to maintain registers of the establishments.
2. He has to record the statement of workers present at the time of inspection.
3. In case of contradiction in the statements of employer's, worker and entries in the record, the inspecting officer will seize the relevant records.
4. Inspection report should always be prepared on the work –spot by the inspecting officer himself and handover to the employer's representative.
5. The inspection should be carried out during the normal working hours.
6. The inspection report is being simplified and under review/revision.
7. The inspection report should be uploaded within 3 days by the inspector.
8. In case of violations by the inspecting staff, entries are recorded in APAR.

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