



GOVERNMENT OF KARNATAKA

No. CI 48 SPI 2019

Date: 07.10.2020

NOTIFICATION

Sub Amendment in Central Inspection Framework for compliance Inspections-Ease of Doing Business

Ref: 1. Notification no. CI 209 SPI 2017, dated 09.10.2017
2. Notification No. CI 48 SPI 2019 dated 21.02.2019
3. Ministry of Finance vide letter F.No 40 (06)/PF-S/2017-18/Vol.V dated 17.05.2020
4. DPIIT, GoI vide D.O No.25020/6/2020-EODB, dated 25.08.2020

Government of Karnataka vide(1) above institutionalised a Central Inspection System (CIS) for undertaking compliance inspections of the establishments under various Acts/Rules of the Labour Department, Department of Factories, Boilers, Industrial Safety and Health and Karnataka State Pollution Control Board. Further, vide subject (2) above, additional measures w.r.t inspection compliance were also defined.

The Central Inspection System is available on the state single-window portal of Karnataka Udyog Mitra, Department of Industries and Commerce, Government of Karnataka (<http://kum.karnataka.gov.in/>) to bring transparency, accountability and facilitate synchronized inspections.

Ministry of Finance, Government of India vide reference (3) above has recommended the implementation of CIS under the following Acts/Rules:

1. The Equal Remuneration Act, 1976
2. The Minimum Wages Act, 1948
3. The Shops and Establishment 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
8. The Factories Act, 1948
9. The Boilers Act, 1923
10. The Water (Prevention and Control of Pollution) Act, 1974
11. The Air (Prevention and Control of Pollution) Act, 1981
12. Inspection under Legal Metrology Act, 2009 and Rules

In view of the above, the Government of Karnataka now proposed to amend the existing CIS framework to include inspection under the Legal Metrology Act, 2009 and Rules.

In the circumstances explained above and as part of the DPIIT, GoI recommendation under Ease of Doing Business, the State single window agency has established Central Inspection System (CIS) to provide a single platform to carry out inspections as under:

1. Compliance inspection comprising applicable Acts/Rules under Labour Department, Department of Factories, Boilers, Industrial Safety and Health, Karnataka State Pollution Control Board and Department of Legal Metrology as per ref (3) shall be conducted under Central Inspection System henceforth.

1. The Contract Labour (Regulation and Abolition) Act, 1970
2. The Equal Remuneration Act, 1976
3. The Payment of Wages Act, 1936
4. The Factories Act, 1948
5. The Minimum Wages Act, 1948
6. The Inter-State Migrant Workmen (Regulation of Employment and Conditions of service) Act, 1979
7. The Maternity Benefit Act, 1961
8. The Payment of Bonus Act, 1965
9. The Payment of Gratuity Act, 1972
10. The Karnataka Shops and Commercial Establishment Acts, 1961
11. The Karnataka Industrial Establishments (National and Festival holiday) Act, 1963
12. The Karnataka Labour Welfare Fund Act, 1965
13. The Water (Prevention & Control of Pollution) Act, 1974
14. The Air (Prevention & Control of pollution) Act, 1981
15. The Boilers Act, 1923
16. Inspection under Legal Metrology Act, 2009 and Rules

The Central Inspection System may at a later stage broaden the coverage of this framework and bring in more Acts and departments for synchronized and co-ordinated inspections.

2. The key features of the CIS shall be mandated as below:

- The well-defined inspection procedure and a comprehensive inspection checklist/ form shall be published on the website.
- Synchronized/joint inspection shall be carryout by inspectors of Labour department and Department of Factories, Boilers, Industrial Safety and Health under the applicable labour laws including:
 - i. Inspection under The Equal Remuneration Act, 1976
 - ii. Inspection under The Factories Act, 1948

- iii. Inspection under The Maternity Benefit Act, 1961
 - iv. Inspection under The Minimum Wages Act, 1948
 - v. Inspection under The Karnataka Shops and Commercial Establishments Act, 1961
 - vi. Inspection under The Labour Welfare Fund Act (as applicable)
 - vii. Inspection under The Payment of Bonus Act, 1965
 - viii. Inspection under The Payment of Wages Act, 1936
 - ix. Inspection under The Payment of Gratuity Act, 1972
 - x. Inspection under The Contract Labour (Regulation and Abolition) Act, 1970
- Computerized, randomised and system-generated (without any physical touchpoint) scheduling mechanism for inspections as well as the allocation of inspectors based on the risk and level of the officer as notified by the concerned departments.
 - Further, the inspector schedule shall be on rotational basis i.e., the same inspector shall not perform two consecutive inspections of the same establishment twice consecutively.
 - Inspections (except in case of complaint-based inspections) shall be limited to the checklist.
 - Surprise inspections shall be conducted based on complaints only, with specific permission for the head of the respective department.
 - SMS and email alerts shall be sent to the concerned inspectors and establishments indicating the inspection details.
 - Preparation of site inspection report by the Inspectors in the proforma as prescribed in the departmental guidelines and mandatorily upload the inspection report within 48 hours of the inspection.
 - View and download of the inspection reports by the establishments/businesses through CIS portal. Availability of inspections report shall be at least past three years.
 - Facility for the third party to view and verify inspection reports on the portal.

3. Risk-based selection of establishments for inspection

- Selection of establishments is conducted through applicable computerized risk assessment.
- Risk-based selection of establishments under the Labour department is defined as per No: P&S/EODB / CR- 4 /2016-17 dated 16-10-2017
- Risk-based selection of establishments under KSPCB is defined as per Office Memo No. PCB/782/COC/2016/7158 dated 31.03.2016
- Risk-based selection of establishments under the Department of Factories, Boilers Industrial Safety and Health defined as per the circular memo no. EST-1/MISC/CR-54/2016-17, dated 06.08.2016 of Factories Department.

- Risk-based selection of establishments under Department of Legal Metrology defined as per the Notification No:CLM/Lic.R.C/CR-07/2020-21 Dated:22-09-2020

By order and in the name of the
Governor of Karnataka,

G. Nagarathnamma
(**NAGARATHNAMMA .G**) 7/10/2020
Desk Officer (Technical Cell)

Commerce & Industries Department

To,

The Director, Government Central Press, Mysore Road, Kengeri, Bengaluru-60 along with two original copies (soft copy also sent to mail ID. gov_suburbanpress@yahoo.in) to publish in the next issue of the Karnataka Gazette and also to provide 10 copies to this office.

Copy to:

1. The Principal Accountant General (G&SSA), Karnataka, New Building, 'Audit Bhawan', Post Box No. 5398, Bengaluru-01.
2. The Principal Accountant General (E&RSA), Karnataka, New Building, 'Audit Bhawan', Post Box No. 5398, Bengaluru-01.
3. The Principal Accountant General (A&E), Karnataka, Park House Road, Post Box No. 5329, Bengaluru-01.
4. The Chief Secretary to Government, Vidhana Soudha, Bengaluru - 01.
5. The Additional Chief Secretary to Government, Vidhana Soudha, Bengaluru - 01.
6. The Additional Chief Secretary to Government, Department of Ecology and Environment Government of Karnataka.
7. The Secretary to Government, Labour Department, Vikasa Soudha, Bengaluru-01.
8. The Secretary to Government, Food, Civil Supplies & Consumer Affairs Department, Vikasa Soudha, Bengaluru-01.
9. The Commissioner for Industrial Development and Directorate of Industries and Commerce, Khanija Bhavan, Race Course road, Bengaluru - 01.
10. The Commissioner, Labour Dept., Karmika Bhavan, ITI Building, Near Bengaluru Diary Circle, Bengaluru-29.
11. Controller of Legal Metrology in Karnataka, No.1, Ali Asker Road, Bangalore.
12. The Chief Executive Officer & Executive Member, Karnataka Industrial Areas Development Board, Khanija Bhavan, Race Course Road, Bengaluru-01
13. The Director, Factories and Boilers, Karmika Bhavan, ITI Building, Near Bengaluru Diary Circle, Bengaluru-29.

14. The Chairman, Karnataka State Pollution Control Board, 49, Church Street, Parisara Bhavan, Bengaluru.
15. The Member Secretary, Karnataka State Pollution Control Board, #49, Church Street, Parisara Bhavan, Bengaluru.
16. The Managing Director, Karnataka Udyog Mitra, Khanija Bhava, Race Course Road, Bengaluru.
17. PS to Minister for Large & Medium Industries, Vidhana Soudha, Bengaluru.
18. PS to Principal Secretary to Government, Commerce & Industries Department, Vikasa Soudha, Bengaluru.