



# புதுச்சேரி மாநில அரசிதழ்

## La Gazette de L'État de Poudouchéry

### The Gazette of Puducherry

#### PART - II

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#### GOVERNMENT OF PUDUCHERRY

#### LABOUR DEPARTMENT

(G.O. Ms. No. 01/2019/Lab./G, Puducherry, dated 3rd January 2019)

#### NOTIFICATION

The following Inspection Scheme has been devised for the Chief Inspectorate of Factories and Boilers to facilitate Ease of Doing Business in the Union territory of Puducherry and will be in compliance with the requirements enumerated in the Business Reform Action Plan – for the year 2018, devised by the Government of India. This system aims to provide transparency and accountability of inspections in the factories and simultaneously promote compliance of labour laws.

The Scheme is prepared as a two part Scheme wherein, the first part pertains to the detailed procedures for carrying out inspections of factories as “Inspection Scheme” and the second part contains the “Certification Scheme”, *i.e.*, Self Certification and Third Party Certification of factories for low risk and medium risk factories respectively, and will be implemented as follows:–

## PART - I

### **Inspection Scheme**

In order to facilitate ease of doing business and to bring more transparency, computerized risk assessment based inspections and random allocation of Inspecting Officers is the back bone of this Scheme.

The following Labour laws are enforced by the Chief Inspectorate of Factories and Boilers and the respective Puducherry Rules framed thereunder.

- (1) The Factories Act, 1948.
- (2) The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986.
- (3) The Contract Labour (Regulation and Abolition) Act, 1970.
- (4) The Maternity Benefit Act, 1961.
- (5) The Payment of Wages Act, 1936.
- (6) The Minimum Wages Act, 1948.
- (7) The Payment of Bonus Act, 1965.
- (8) Equal Remuneration Act, 1984.
- (9) Manufacture, Storage and Import of Hazardous Chemicals (MSIHC) Rules, 1989.
- (10) The Puducherry Industrial (National and Festival Holidays) Act, 1964.
- (11) The Control on Industrial Major Accident Hazards (CIMA) Rules, 1992.

1. *The Scheme.*— The Inspection Scheme mandates the following principles for promoting Ease of Doing Business:—

(i) Inspection would be carried out for all the Labour Acts listed above at the same time in any particular factory.

(ii) The same Inspector will not inspect the same factory twice consecutively.

(Note: This may not be applicable in the case of factories located in Karaikal, Mahe and Yanam).

(iii) For all inspection carried out, the inspection report would be uploaded in the website and the inspection order/notice (as the case may be) would be sent to the concerned factory within 48 hours of inspection.

2. *Categorization of Factories.*— For the purpose of this Inspection Scheme, based on the type of manufacturing process and the number of workers engaged therein, factories are classified as Very High Risk, High Risk, Medium Risk and Low Risk categories of factories

**Category – A : Very High Risk Category**

(a) All Major Accident Hazard (MAH) Factories.

**Category – B : High Risk Category**

(i) Factories involving hazardous process and employing more than 100 workers.

(ii) Factories employing more than 250 workers and not covered under hazardous process.

**Category – C : Medium Risk Category**

(i) Factories involving hazardous process and employing up to 100 workers.

(ii) Factories employing more than 50 workers and up to 250 workers and not covered under hazardous process.

Medium risk factories shall be covered under Third Party Certification Scheme (optional) and would be inspected once in every 3 years.

**Category – D : Low Risk Category**

All the other factories not covered under medium, high and very high risk categories shall be categorized as Low risk under computerized Risk Assessment procedure.

Low risk factories shall be covered under Self Certification Scheme (optional) and would be inspected once in every 5 years.

3. *Schedule of Inspections.*— The Schedule of Inspections will be determined through online inspection module. The competency, jurisdiction and frequency of inspection for different cadres of Inspecting Officers are given below:—

Designation of Officer	Category of factories	No. of Inspection per year
(1)	(2)	(3)
Assistant Inspector of Factories.	(1) Medium risk category of factories employing up to 20 workers.	35% of total number of such factories.
	(2) All the low risk category of factories.	20% of total number of such factories.
Inspector of Factories.	(1) Medium risk category of factories employing more than 20 workers.	50% of total number of such factories.
	(2) Low risk category of factories employing more than 20 workers.	20% of total number of such factories.
	(3) High risk Category of Factories.	Once in a year.
	(4) Very high risk Category of Factories.	Once in every six (6) months.

4. *Methodology of Inspections.*— The factories will be selected randomly as per the frequency of inspections indicated above. Computer generated intimation will be issued to the factories before inspection. The Occupier/Manager will have an option to raise a complaint in the online portal, if, inspection other than this Scheme is conducted in their factory. The Inspecting Officer will be selected randomly through computerized online inspection module. The same Inspecting Officer will not inspect the same factory twice consecutively. In case of exigencies, such as on duty, leave, Court appearance, *etc.*, the factory which is due for inspection shall be inspected by the available officer.

(a) In respect of Medium Risk, High risk and Very High risk, every inspection in the notified factory will be carried out as a team inspection comprising of the Inspector of Factories, Medical Inspector of Factories-*cum*-Certifying Surgeon and the official of the Industrial hygiene wing of the Chief Inspectorate of Factories.

(b) In the case of Low risk category of factories, they are exempted from inspection by the Medical Inspector of Factories-*cum*-Certifying Surgeon and the official of the Industrial hygiene wing. But, in special cases as required at the time of other inspections and in exigencies, the Medical Inspector of Factories-*cum*-Certifying Surgeon and the official of the Industrial hygiene wing will conduct the inspection and submit the report for necessary action.

5. *Inspection Report.*— The compliance of all applicable labour laws will be verified by the Inspecting Officer(s) during the inspection. The consolidated inspection report (of the Factory Inspector, Medical Inspector and Officer – Industrial hygiene wing) will be uploaded by the Inspector concerned within 48 hours after the completion of the inspection. If, there are any defects/contraventions noticed, an alert will be sent to the Occupier/Manager, so that he may view/download the inspection report/show cause notice. The Occupier/Manager will be required to take corrective action and upload compliance report within seven (7) days in the case of show cause notice and fifteen (15) days in the case of inspection report. The compliance report will be scrutinized and effective follow up action will be taken.

6. *Complaint/Petition.*— On receipt of complaint against any category of factory, the inspection will be carried out by the team of officials including Officers of Labour Office (Enforcement) in addition to regular Inspecting Officer and/or other higher level officer authorized by the Chief Inspector of Factories. In case of repeated complaint within a year, a team of officers selected by Chief Inspector of Factories will inspect the factory.

7. *Accident/Incident Inspection.*— In case of accident, dangerous occurrence and other emergencies, Chief Inspector of Factories, will order additional inspection in the particular factory.

8. *Squad Inspection.*— Squad inspection involving more than one inspector will be conducted in accident prone factories as per the orders of the Chief Inspector of Factories.

Factories enrolled under the Self – Certification-*cum*-Combined Annual Returns Scheme or the Third party Certification Scheme are exempted from inspection, subject to condition and as per details in Part-II. However, during the intervening period, such factories may be inspected with the authorization of the Chief Inspector of Factories in case of complaint, accident or other exigencies.

## PART – II

### Certification Scheme

As part of compliance with ease of doing business, and as indicated in the Inspection Scheme, the factories can opt for self-certification in the case of low risk category and certification by a Third Party for medium risk category of factories. Details of the certification of such factories are as follows:—

1. *Self Certification Scheme.*— Low risk categories of factories are eligible to opt for this Scheme. These factories may apply as per Annexure-I. Coverage under this Scheme is detailed out in the Annexure-III.

### Prerequisite

Factories that opt for Self Certification Scheme should be in possession of the factory licence valid for 5 consecutive calendar years from the date of such application.

### Application procedure

1. The factory seeking self certification shall:

(a) Submit the application Form in Annexure-I and undertaking in Annexure-II

(b) Remit a processing fee of ₹ 1,000 (paid through online payment portal of the Government of Puducherry under the head of account “0230-00-104-00-00 Labour, Fees realised under the Factories Act – Others”,.

(c) Submit the Form for Self Certification-*cum*-Consolidated Annual Return as per Annexure-III.

2. Such factories shall be exempted from Department inspection for the next five years, but, the occupier shall submit the Combined Annual Returns every year. However, in case of complaint, accident or other exigencies, the factory will be inspected as authorised by the Chief Inspector of Factories.

3. On failure to submit the combined Annual Returns within the prescribed time-limit or within the extended time-limit if any, granted by the Chief Inspector of Factories, Puducherry, the occupier shall cease to be covered under the Self-Certification Scheme

2. *Third Party Certification Scheme.*— Low and Medium risk categories of factories are eligible to opt for Third Party Certification.

Director-General of Factory Advise Service and Labour Institutes (DGFASLI), Ministry of Labour, Government of India, Sion, Mumbai or Certified Safety Auditors accredited by the DGFASLI would be the Third Party Certification Agency.

**Prerequisite:** Factories that opt for Third Party Certification Scheme should possess the factory licence valid for 3 consecutive calendar years from the date of such application.

### **Application Procedure**

1. The application seeking third party certification shall:

(d) Submit the application Form in Annexure - I

(e) Remit a processing fee of ₹ 2,000 (paid through online payment portal of the Government of Puducherry under the head of account “0230-00-104-00-00 Labour, Fees realised under the Factories Act – Others”,.

2. Upon submission of the Third Party Certification, such factories shall be exempted from Department Inspection for that next calendar year and the next two calendar years or as opted by the applicant. However, in case of complaint, accident or other exigencies, the factory will be inspected as authorised by, with permission from the Chief Inspector of Factories.

3. On failure to submit the Third Party Certification within the prescribed time-limit or within the extended time-limit if any, granted by the Chief Inspector of Factories, Puducherry, the occupier shall cease to be covered under the Third Party Certification Scheme.

(By order)

**E. VALLAVAN,**  
Additional Secretary to Government (Labour).

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ANNEXURE - I

**APPLICATION FORM**

From

M/s.

To

The Chief Inspector of Factories,  
Labour Department Complex,  
Vazhudavur Road,  
Gandhi Nagar,  
Puducherry - 605 009.

Sir,

*Sub.* : Application for registration to be covered under Self Certification-*cum*-Consolidated Annual Return Scheme/Third Party Certification Scheme under various labour laws being implemented by the Chief Inspector of Factories as per the terms and conditions of the Scheme.

\* \* \* \*

I have gone through the abovesaid Scheme and have understood the same. I, wish to be covered under (subscribe for) the ..... Scheme. As such, I request you to kindly issue me/us necessary registration under the same. The necessary information and documents,



as required under the Scheme are enclosed. I undertake to abide by all terms and conditions of the Scheme.

I opt to be covered for the period from .....

It is also certified that I am the occupier of the factory and do hereby provide the relevant information to, on behalf of my factory named M/s. .... located at .....

Kindly issue the necessary approval at the earliest.

*Yours faithfully,*

[Name and address of the occupier]

## ANNEXURE - II

### UNDERTAKING

*[To be filed by the Occupier on a Non-Judicial Stamp Paper of ₹100]*

I ....., S/o. ....,  
Shri. ...., R/o. ....  
and Occupier of M/s. .... hereby state as under.

That I have applied for grant of coverage of factory by the name of ..... situated at [complete address of the factory] under the Self Certification-*cum*-Consolidated Annual Return Scheme of the Labour Department, Government of Puducherry as notified *vide* G.O. No. .... Lab-G, dated ..... 2018.

1. That I have gone through the Scheme and have fully understood the contents of this Scheme and undertake to abide by the same.

2. That it is declared that I am complying with and will continue to comply with all provisions of labour laws covered under this Scheme.

3. I agree that in case of violation detected in my factory under the labour laws covered under the Scheme during Self Certification period, I will be responsible for all the consequences. If, any violation is detected during the course of inspection, it will be processed as per the provisions of the respective labour laws.

4. I shall not engage or permit to engage any child labour and bonded labour in my factory.

Place :

Date : *Deponent.*

### Verification

I, the above named deponent(s) do hereby further solemnly affirm that the contents given above are true and correct to my/our knowledge.

Place :

Date : *Deponent.*

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### ANNEXURE III

#### **Form for Self Certification-cum-Consolidation Annual Return to be Submitted by Occupier of the Factory for Compliance of Labour Laws**

I, Mr./Mrs./Miss. .... hereby certify that I am the Occupier of the factory whose identification and general details are as follows. I hereby certify that my factory have fully and correctly complied with all the labour laws under the Scheme and the status of compliance of following labour laws and annual return of my factory during the year ..... is as under.

#### **Coverage under this Scheme:**

- (1) The Factories Act, 1948.
- (2) The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986.
- (3) The Maternity Benefit Act, 1961.
- (4) The Payment of Wages Act, 1936.
- (5) The Minimum Wages Act, 1948.
- (6) The Payment of Bonus Act, 1965.
- (7) The Puducherry Industrial (National and Festival Holidays) Act, 1964.
- (8) Equal Remuneration Act, 1976.

## SELF CERTIFICATION - COMPLIANCE STATUS REPORT

*(For compliance of core issues under labour laws)*

For the year .....

### Part I: Factory Details

<p><b>Name and Address of Factory:</b></p> <p><b>Factory Licence :</b></p> <p><b>Whether registered under Cottage/Tiny/SSI/Medium/Large Scale (Tick one, which applicable)</b></p> <p><b>Registration No. thereof :</b></p> <p><b>Date of Commencement of the factory :</b></p>	<p><b>Name and residential address of the Occupier:</b></p> <p><b>Name and residential address of the Manager :</b></p> <p><b>PAN :</b></p>
<p><b>Telephone Number :</b></p>	<p><b>Fax Number :</b></p> <p><b>e-mail :</b></p>
<p><b>Mobile Number of Occupier :</b></p>	<p><b>Mobile Number of manager :</b></p>
<p><b>Manufacturing Activity :</b></p>	
<p><b>Licensed Number of Workers :</b></p>	<p><b>Licensed Power (HP) :</b></p>

Maximum Number of Persons Employed on any one day during the year:		
	Men	Women
(i) Unskilled	—	—
(ii) Semi-skilled	—	—
(iii) Skilled	—	—
(iv) <b>Total</b>	—	—
Number of days of work performed during the year :		
Daily Hours of Work :		
Day of Weekly Holiday :		
<b>Part 2 : Work Environment</b>		
<b>Health and Safety [The Factories Act, 1948 and Pudukcherry Factories Rules, 1964]</b>		
2.1 Are the machines located with sufficient space for free movement of workers and materials?		
2.2 Are Workrooms adequately ventilated, lighted and maintained at comfortable temperature and free from dangerous fumes and gases.		
2.3 Have adequate safety measures taken for : (specify the arrangements in brief)		
(i) To ensure floors free of obstruction and slipping hazard.		

(ii) Protection against danger caused by falling objects.	
(iii) Protection of workers from falling from heights.	
(iv) Protection against the moving parts of the machinery.	
(v) Protection from the hazards of electrocution and short circuits.	
(vi) Provision for adequate protective equipment/clothing.	
2.4 Are hoists, lifts cranes and pressure vessels being maintained in good condition and being tested on a regular interval? ( <i>Enclose copy of valid Test Certificate</i> )	
<b>Significant Risks</b> [ <i>The Factories Act, 1948 and Pudukcherry Factories Rules, 1964</i> ]	
2.5 Have the hazards associated with the use, handling and storage of hazardous substances being identified and adequate safety measures been taken and put in place to ensure safety.	

<p><b>2.6</b> Specify the fire protection measures available in the work place:</p>	
<p>(i) Whether adequate precaution system to prevent outbreak and spread of fire exist?</p>	
<p>(ii) Do you have provisions for adequate storage of water and firefighting equipments for firefighting?</p>	
<p>(iii) Whether adequate emergency exits, marked distinctly and conveniently accessible? (Whether it is ensured that emergency exits are not blocked and opens outwardly).</p>	
<p>(iv) Are fire drills carried out at regular intervals to sensitize the workers?</p>	
<p>(v) State the number of workers trained in fire fighting per shift.</p>	
<p><b>2.7</b> Are the accidents causing death or bodily injury being reported to the Factory Inspectorate &amp; whether amount of compensation paid to the deceased / injured as per rules?</p>	
<p><b>2.8</b> Number of Accidents:-</p>	<p>(a) Fatal : (b) Non-fatal :</p>
<p><b>Welfare Facilities [The Factories Act, 1948 and Puducherry Factories Rules, 1964]</b></p>	
<p><b>2.9</b> (i) Are the first aid boxes in adequate numbers provided at different accessible places in factory and the contents thereof are recorded on the box itself?</p>	

<p>(ii) Are the first aid boxes kept with the custody of trained first-aiders and are being maintained properly?</p>	
<p>(iii) Number of persons trained in First Aid :</p>	
<p><b>2.10</b> Is clean drinking water available to all workers at all time?</p>	
<p><b>2.11</b> Furnish details of the sanitary/toilet facilities available to workers.</p>	
<p><b>Part 3 : Wages Overtime and Remuneration</b></p>	<p><i>(The Minimum Wages Act, 1948; The Payment of Wages Act, 1936; The Payment of Bonus Act, 1965; The Payment of Gratuity Act, 1972)</i></p>
<p><b>3.1</b> State the scheduled employment applicable to your manufacturing/ business activity.</p>	
<p><b>3.2</b> What is the lowest rate of wages paid? (State the amount as daily basis/piece rate/monthly)</p> <p>(a) Unskilled - (b) Semi skilled - (c) Skilled -</p>	
<p><b>3.3</b> If workers are paid on piece rate, how do you ensure that they receive the minimum wage?</p>	
<p><b>3.4</b> State how workers receive their wage payments. (Cash/Cheque/ Direct credit to Bank Account)</p>	
<p><b>3.5</b> State periodicity of payment of wages. (Weekly/Fortnightly/monthly)</p>	

	3.6 State the date of payment of wages.
	3.7 Are workers aware of wage period, if so, is it displayed at prominent place?
	3.8 (i) In what circumstances overtime work is arranged? (ii) Whether it is under the circumstances mentioned under the law?
	3.9 (i) Do workers receive bonus as per the law? (ii) Whether the Bonus being paid in the factory is as per minimum amount payable under Law? (iii) Give the details of amount paid last year.
	3.10 (i) Number of Workers discharged, retrenched or whose services were terminated during the year. (ii) Do these workers discharged, retrenched or whose services were terminated receive gratuity as per the law?
	3.11 What deductions are made for the provision of any benefit, such as housing, cooperative societies, relief funds, meal, service and other amenities? <i>It should be ensure that the deductions are not more than 50% of the total wages.</i> (Please specify)
	(i) ESI (ii) E.P.F (iii) Income Tax
	(iv) House accommodation
	(v) Advances



(vi) Fines	
(vii) Any other Deduction specified under the law (Please specify deductions)	
<b>3.12</b> Are workers being provided wages slip, indicating payment and deductions, before the payment?	
<b>Part 4 : Hours of Work and benefits</b> [ <i>The Factories Act, 1948; The Puducherry Factories Rules, 1964 and the Payment of Wages Act, 1936; The Puducherry Industrial (National and Festival Holidays) Act, 1964; The Maternity Benefit Act, 1961</i> ]	
<b>Hours of Work</b>	
<b>4.1</b> Whether a regular schedule of hours of work, including shifts system and its rotation is fixed and displayed?	
<b>4.2</b> Is overtime regularly scheduled in view of exemptions granted by State Government? (specify the nature of work which is required to be carried out during the period of overtime)	
<b>4.3</b> How are workers' working hours recorded to estimate hours worked daily and week? (specify the system/procedure)	
<b>4.4</b> Detail what rest intervals workers have within a working day. (Specify the maximum spell of continuous work)	

<b>Benefits</b>	
<b>4.5</b> Whether National and festival holidays given to all workers as per the law?	
<b>4.6</b> Number of workers who were granted Leave with wages during the period	
<b>4.7</b> Whether women workers are provided maternity benefits as required under the law?	
<b>4.8</b> (i) What additional benefits, do you offer, that are not required under applicable law? (specify) (ii) Which workers receive these benefits?	
<b>Part 5: Child Labour [The Child Labour (Prohibition and Regulation) Act, 1986; and The Factories Act, 1948]</b>	
<b>5.1</b> Do you employ any child below the age of 14 years?	
<b>5.2</b> What is the normal minimum age for employment in the Factory?	
<b>Part 6: Discrimination</b>	
<b>Discrimination [The Equal Remuneration Act, 1976]</b>	
<b>6.1</b> Does the factory implement equal employment opportunity?	
<b>6.2</b> Are the following factors included in determining any terms or conditions of employment national origin, caste, religion, gender, disability, marital status, membership or affiliation to organizations?	If yes provide details explaining why?
<b>Part 7: Documents maintained</b> (Tick available records/documents from the list attached)	
Further, it is certified that relevant labour laws have been studied and accordingly complied with in relation to my industrial/economic activities.	
(Signature of the Occupier)	

**List of documents to be enclosed**

1. Factory Licence.
2. Muster Roll in Form No. 23.
3. Register of Adult Workers in Form No. 12.
4. Register of Payment of Wages.
5. Notice of Period of Work for Adult workers in Form No. 11.
6. Leave with wages register.
7. Register of National and Festival Holidays and Form V – Notice of National and Festival Holidays.
8. Register of White washing carried out in the factory.
9. Register of deductions from wages and fines.
10. Bonus Records.
11. Gratuity records.
12. Age verification records.
13. Unclaimed wages record.
14. Records pertaining to compliance to E.S.I.
15. Records pertaining to compliance to PF.

**Health and safety**

16. Details of Fire Extinguishers installed in the factory. (Specify the type and number of extinguishers).
17. Fire drill/training record.
18. List of Personal Protective Equipments provided.
19. Test Certificates of Lifting tackles, pressure vessels, gauges and safety devices.