

GOVERNMENT OF ODISHA  
LABOUR & ESI DEPARTMENT

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**RESOLUTION**

Bhubaneswar dated the 30<sup>th</sup> May, 2015

LL-II-FM-15/2015-4870/LESI, After careful consideration, the Government of Odisha is pleased to introduce a "Voluntary Compliance Scheme for Industries & Commercial Establishments" which seeks to simplify the processes involved in implementation of labour laws while ensuring a more effective system for compliance with labour statutes.

This scheme will be implemented through the Labour & ESI Department and will apply to the various labour laws being implemented by the office of the Labour Commissioner, Odisha and its subordinate offices. This scheme aims to facilitate employers to comply with the provisions of the various labour statutes while protecting the interest of workers to create a harmonious relationship between employers, workers and the labour administration.

**A. DETAILS OF THE SCHEME**

1. This scheme will be applicable to all factories, shops, commercial establishments, motor transport establishments and other industrial establishments, except hazardous factories/establishments.
2. Any entrepreneur or employer will be free to join this scheme, on a voluntary basis.
3. This scheme will cover inspections and compliances under the following Acts and their related Rules:
  - (i) The Contract Labour (Regulation and Abolition) Act, 1970 and Rules, 1975.
  - (ii) The Equal Remuneration Act, 1976.
  - (iii) The Industrial Disputes Act, 1947
  - (iv) The Inter State Migrant Workmen (Regulation of Employment and Condition of Service) Act 1979 and Rules 1980.
  - (v) The Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by Certain Establishment) Act, 1988.
  - (vi) The Maternity Benefit Act, 1961 and Rules 1966.
  - (vii) The Minimum Wages Act, 1948 and Rules 1954.
  - (viii) The Motor Transport Workers Act, 1961 and Rules 1966

- (ix) The Industrial Employment (Standing Order) Act, 1946.
- (x) The Orissa Shops and Commercial Establishment Act, 1956 and Rules, 1958.
- (xi) The Payment of Bonus Act, 1965 and Rules 1975.
- (xii) The Payment of Gratuity Act, 1972 and Rules 1974.
- (xiii) The Payment of Wages Act, 1936 and Rules 1936.
- (xiv) The Sales Promotion Employees (Condition of Service) Act and Rules, 1976.
- (xv) The Orissa Industrial Establishment (National Festival) Holidays Act, 1969.
- (xvi) The Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (Central Act) and Rules, 2002.
- (xvii) The Beedi and Cigar Workers (Condition of Employment) Act, 1966 and Rules, 1969.
- (xviii) The Working Journalists (condition of Service) and Miscellaneous Provision Act, 1955.

4. The designated authority for this scheme will be the Labour Commissioner, Odisha or any other officer authorized by the Government in Labour & ESI Department for this purpose

**5. Procedure for joining the Scheme:-**

- a) Any employer/entrepreneur desiring to opt for this Scheme should apply to the Labour Commissioner, Odisha/designated authority with a copy to the concerned District Labour Officer of the district in the prescribed **Form-I** along with a declaration in shape of affidavit as prescribed in **Form-II**. Any discrepancies in the application or enclosure shall be communicated to the applicant within 30 days from the receipt of the application in the office of the Labour Commissioner/ designated authority. In case no discrepancy is so communicated, the applicant shall be deemed to have been enrolled under the Scheme.
- b) There is no fixed time limit to join with the Scheme. In other words, any employer can opt to join the Scheme at any time.
- c) The employer/entrepreneur joining the Scheme will have to submit a combined annual return in the prescribed **Form-III** for every calendar year, on or before the 1<sup>st</sup> of February of the succeeding year to the Labour Commissioner, Odisha/designated authority,



with a copy to the District Labour Officer of the concerned district. If the return is not filed within the time-limit, a reminder will be sent to employer/entrepreneur through SMS / Email / written information and 15 days extra time will be given for filing the return.

- d) The employers/entrepreneur will have to maintain the registers prescribed under different labour laws and the same should be made available at the time of inspection.

**6. Inspection of the establishments joining the Scheme:-**

- a) Industries / establishments covered under the Scheme will be inspected once in 3 years after giving them prior information. The selection of 30% of industries/establishments under the scheme for inspection every year would be done on random basis by the Labour Commissioner/ designated authority. The inspection conducted will be a combined inspection covering all applicable labour laws. The industries / establishments where shortcomings are noticed will be given notice to rectify the shortcomings identified within a given time-limit. If after such notice, the employer/entrepreneur fails to rectify the shortcomings, necessary legal action will be taken under the relevant labour laws.
- b) If any complaint is filed or information received about violation of labour laws by an industry/establishment covered under this Scheme, then decision will be taken at the level of the Labour Commissioner/ designated authority for additional inspection. In such cases, it will be decided by the Labour Commissioner/ designated authority as to whether such inspection will be conducted by giving prior information or not, considering the subject matter of complaint.

**7. Benefits for those establishments that prepare option of voluntary compliance scheme:-**

The industries/establishments covered under this Scheme will be inspected once in 3 years and will be exempted from excess inspections under various labour laws. The inspection will be conducted with prior intimation and the purpose of the inspection will be to provide guidance to the industry/establishment to comply with the provisions of the law.

## **8. Options of quitting the Scheme :-**

- (i) If any entrepreneur or employer wants to quit the Scheme, he can do so at any time by giving one month's prior notice.
- (ii) If the compliance to a report of inspection process is pending against any industry/establishment within the time period of the Scheme or if the investigation of a complaint is pending or in process against the said industry/establishment, then the Scheme for that industry/establishment will remain suspended till submission of the compliance report satisfactorily and/or completion of the investigation of the complaint, as the case may be.

## **9. Penalty for submitting false information or violating the provision of the scheme:-**

If it is detected that any employer/entrepreneur submitted false information in the Forms>Returns filed by him, or it is found during the course of inspection that false entries have been intentionally made in the prescribed records/registers, then necessary legal action shall be taken against such employers/entrepreneurs under the provisions of law.

## **10. Miscellaneous:-**

- a) The entrepreneur/employer completing 3 years successfully under the Scheme will have the option to quit the Scheme or renew it for the next 3 years.
- b) The date on which the application form is submitted by the employer, will be considered as the date of commencement of the term of the Scheme. In case there is any discrepancy pointed out by the Labour Commissioner/ designated authority, the Scheme will be applicable from the date on which the approval to the revised application is given by the Labour Commissioner/ designated authority
- c) The application for joining the Scheme along with declaration can be prepared by following officers:-
  - (i) In case of a single employer / proprietorship establishment, the employer / proprietor himself.
  - (ii) Any partner of a partnership firm or the Manager.
  - (iii) Authorized Director or Managing Director of a Company.
  - (iv) Occupier or Manager of a Factory.



This resolution shall come into effect from the date of publication in the Odisha Gazette.

**ORDER:** Ordered that the resolution be published in Odisha Gazette and copies thereof be forwarded to all concerned.


Enclosures: Forms- **I,II and III**

By order of the Governor

  
Principal Secretary to Government

Memo No.4871/LESI, dated the 30<sup>th</sup> May, 2015

Copy forwarded to the Gazette Cell in charge, Odisha gazette Cell, C/o- Commerce Department, Odisha Secretariat, Bhubaneswar with a request to publish the above Resolution in the next issue of the Odisha Gazette and supply 100 printed copies thereof to this Department.

  
Under Secretary to Government

Memo No. 4872/LESI, dated the 30<sup>th</sup> May, 2015

Copy forwarded to all Departments of Government for information and necessary action.

  
Under Secretary to Government


Memo No.4873/LESI, dated the 30<sup>th</sup> May, 2015

Copy forwarded to P.S to Hon'ble Minister, Steel & Mines and Labour & ESI / Pr. P.S to Principal Secretary to Govt., Labour & ESI Department / All Heads of Department under the control of Labour & ESI Department / All Officers / All Sections of Labour & ESI Department for information and necessary action.

  
Under Secretary to Government

Memo No.4874/LESI, dated the 30<sup>th</sup> May, 2015

Copy forwarded to State Head Portal, IT Centre, Secretariat Building, Bhubaneswar for information and necessary action. He is requested to upload the said Resolution in this Department Website.

  
Under Secretary to Government