

**GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA**

UNSTARRED QUESTION NO:4601
ANSWERED ON:11.08.2014
INSPECTIONS UNDER EPFO
Raghavan Shri M. K.

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

(a) whether the Government has formulated a new policy to simplify business regulation system for ensuring accountability, transparency and also minimizing frequent inspections under the Employees' Provident Fund Organisation (EPFO);

(b) if so, the details thereof; and

(c) the criteria adopted in this regard along with the benefits expected to be derived therefrom?

Answer

MINISTER OF STATE FOR STEEL, MINES, LABOUR AND EMPLOYMENT (SHRI VISHNU DEO SAI)

(a): Yes, Madam.

(b): The Inspection Scheme aims to achieve the objective of simplifying business regulations and to bring in transparency and accountability in labour inspections. It envisages objective criteria for selection of establishment for inspection both mandatory and optional.

The list of the establishments will be generated through a computerized system taking into account the drop in remittance/membership as compared to last quarter for the purpose of inspection.

The Inspection Proforma has also been simplified.

The Inspectors after inspection of the establishments shall upload the Inspection Reports in the New Inspection Proforma within three days from the date of inspection. No inspection will be considered legitimate unless it is uploaded to the Unified Single Web Portal.

(c): The criteria adopted is as under:

1. Mandatory Inspections will be carried out in respect of all new coverages, in case of all establishments registered on Electronic Challan cum Return (ECR) portal not marked as closed and not complying and establishments reported for closure.

2. Optional inspections will be in cases where there is drop in remittance in excess of Rs. 10,000/- and 15% as compared to last quarter, drop in membership in excess of 50 members and 15% as compared to last quarter, in case of remaining units 20% in a year and normally not to be repeated in the same year.

These inspections will check evasion of employees in the covered establishments and lead to extension of benefits to all eligible workers.

The New Inspection Scheme will bring transparency and accountability among all Stakeholders and build confidence and positive investment climate in the country.