**INFORMATION ON RISK CATEGORIZATION OF INDUSTRIES.**

***Information for Investors/Establishment on Risk Categorization of Industries based on Govt. Notification No. B. 12011/1/2017-LESDE/110, dated 10th April, 2019.***

**Inspection of Establishment under labour laws based on risk categories-**

1) High Risk

2) Medium Risk

3) Law Risk.

**\*Frequency of inspection:** The frequency of inspection for business establishment in Mizoram would depend on their risk category, below:

*High risk* - frequency of inspections in these establishments will be limited to a once in every four months.

*Medium risk*- frequency of inspections in this establishment will be limited to once in every eight months.

*low risk* - frequency of inspections in these establishment will be limited to once in every three years.

**High Risk:-**

***Labour*** : a) Establishments with number of employees/workmen (including directly and indirectly employed) of 100 or more.

b) Establishments against whom two or more written complaints are received and violations have been detected in respect to violation of labour laws administered by Directorate of Labour,

or

c) Establishments against whom court case or cases were launched for violation of labour laws in the past and were convicted within last three years.

***Factories*** : a) All the factories identified and notified as Major Accident Hazard factories

or

b) All factories involving processes identified as Hazardous processes under Section 2 (cb) and listed under Schedule(1) of The Factories Act 1948 and having Licence for employing more than 20 (Twenty) workers;

or

c) All other factories having Licence for employing more than 100 (One hundred) workers;

or

d) All factories in which incidents of Dangerous Occurrence (Fire/Collapse of structure etc ). Fatal/Serious Accidents may have taken place during the past three years;

or

e) Factories against which prosecutions have been initiated by the Directorate or complaints have been received in the past three years.

The number of the registered establishments/business entities, in the HIGH RISK category, must not exceed 20% of the total registered establishments/business entities.

The parameters for risk assessment would be revised as and when required to maintain the above stated proportion of 20% of the total registered establishments/business entities being in the HIGH RISK category.

**Medium Risk:**

***Labour*** : a) Establishments with number of employees /workmen (including directly and indirectly employed) of 10 to 99,

or

b) Establishments against whom written complaints has been received and violations have been detected in respect to labour laws administered by Directorate of Labour.

(Apart from those who are already covered under category A)

or

c) Establishments against whom court case or cases were launched for violation of Labour Laws (Apart from those who are already covered under category A)

d) If the number of Contract labourers is more than the number of regular workman in the establishment,

or

e) Establishments with more than 50 workers but with no operating trade union

or

f) Non-Renewal of license or registration issued under any labour laws or failure or delay in submission of returns under applicable laws

or

g) Establishments who failed or appeared to be failed to take registration under any labour law administered by Directorate of Labour

or

h) Such other establishments as may be determined by the Directorate of Labour depending upon nature of business and others

***Factories*** : All factories not covered under the afore-mentioned High Risk Factories and having Licence for employing 21 to 100 workers.

**Law Risk:**

***Labour*** : a) Establishments with number of employees/workmen (including directly and indirectly employed) of 0 to 9,

or

b) Such other establishments as may be determined by the Directorate of Labour depending upon nature of business and others

or

c) Establishments with nature of activity/employment where minimum rates of wages have been fixed by the State Government under the Minimum Wages Act, 1948;

or

d) Establishments defined as New Start Ups by the department of Industrial Policy & Promotion, Govt. of India (DIPP) for a period of initial three years of establishment