

OFFICE OF THE COMMISSIONER OF LABOUR TELANGANA, HYDERABAD.

Circular Memo.No.H/7770/2013-I.

Dated: 17/12/2015

Sub: Labour Laws – Self Certification Scheme to facilitate Ease of doing business – Operational Guidelines – Issued- Reg.
Ref: G.O.Ms.No.31 Dated 10.12.2015 of Labour, Employment, Training & Factories Department.

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In the reference cited, the Govt. has issued orders introducing a Self certification Scheme covering certain Labour laws for the Establishments to which those Laws are applicable. The emphasis is on making things easy for establishments who voluntarily comply with Labour Laws. The Govt. has directed the Commissioner of Labour, to take further action accordingly. In pursuance of the directions of the Govt. operational guidelines of the Self Certification Scheme are issued as follows:-

A. Main features of the scheme are as follows:-

1. This scheme shall be applicable to the following Acts and Rules made thereunder as applicable to the concerned Employer / Establishment.
 - (i) The Building and other Construction Workers Welfare Act, 1996.
 - (ii) The Contract Labour (Registration and Abolition), Act, 1970 (37 of 1970).
 - (iii) The Equal Remuneration Act, 1976 (25 of 1976).
 - (iv) The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service Act, 1979 (30 of 1979).
 - (v) The Minimum Wages Act, 1948 (11 of 1948).
 - (vi) The Motor Transport Workers Act, 1961 (27 of 1961).
 - (vii) The Payment of Bonus Act, 1965 (21 of 1965).
 - (viii) The Payment of Gratuity Act, 1972 (39 of 1972).
 - (ix) The Payment of Wages Act, 1936 (4 of 1936).
 - (x) The Telangana Shops and Establishments Act, 1988.
2. The Enrolment in the scheme by any Establishment is voluntary. In other words any Establishment will be free to join or not join the scheme.
3. The Inspection process for the Establishments opting to join the scheme will be as follows:-
 - (i). Inspection will be carried out under the laws to which this scheme applies, once in five years after giving prior notice. Approximately 20 percent of the Establishments enrolled in the scheme will be selected randomly every year for inspection by the Commissioner of Labour or as per directions of the Government. Prior notice for the inspection will be given to the concerned Employer. The Inspection will be a joint inspection under all the Labour Laws to which the scheme applies. Once inspected, the same unit is not likely to be inspected in the same year or the next four years. Thus the Establishments participating in the scheme will normally be subjected to a single Joint Inspection once in five years.

During the inspection, if any deficiency is noticed, than instead of taking penal action, the Employer will be given an opportunity to take corrective action within a fixed time frame and it will be expected that the Employer will take necessary corrective action in respect of the deficiencies pointed out within the given time frame. However, if it is found that during the scheme period, false information was furnished in the Returns filed, with Malafide intention or false entries were made in the Registers to be maintained, with Malafide intentions, then the Employer / Establishment will be liable for penal action under the relevant law.
 - (ii) However, if within the period of five years, any complaint is received regarding violation of any labour law or specific violation of terms, conditions,

undertaking given under the scheme by the Employer/Establishment is brought to notice, then additional inspection may also be carried out after taking orders of the Commissioner of Labour. Whether prior notice for the additional inspection shall be given to the Employer or not will be decided by the Commissioner of Labour after examining the contents of the complaint.

B. Benefits for the Employer / Establishments opting for the Self Certification Scheme:-

4. A Once in five years joint inspection under the various labour laws under the scheme in the normal circumstances will provide exemption from maximum labour department related inspections and giving prior notice of inspection, under normal circumstances and the purpose of inspection being facilitatory rather than to take penal action will eliminate the scope of harassment of the Employer / Establishment.
5. The Employer / Establishment who are committed to comply with various laws voluntarily will be free from fear of inspection and penal action for five years.

C. Procedure to join the Scheme:-

6. There is no time limit fixed for joining the scheme. Thus, an Employer/ Establishment can opt to join the scheme at any point of time, by applying Online to the concerned Joint / Deputy / Assistant Commissioner of Labour / Asst. Labour Officer in the prescribed proforma in Form-I along with prescribed details as per Form-II, undertaking / affidavit as prescribed in Form-III and Security Deposit (by way of Bank Guarantee valid for five years in favour of Commissioner of Labour). Originals along with the Bank guarantee shall be submitted by Post/hand to the concerned Labour Officer.
7. Within 60 days from the date of receipt of the application, the Employer / Establishment will be informed of any discrepancy in the application / enclosures or of the acceptance of the application. In case no discrepancy is so communicated, the applicant shall be deemed to have been enrolled under the Scheme.

C. Maintenance of Registers and Filing of Returns

8. The Employer/Establishment will be required to maintain the Registers in the Prescribed Proforma under each of the laws to which the scheme is applicable. The same will have to be produced at the time of Inspection. The Employer/Establishment shall also file the Returns in the Prescribed Proforma under each of the laws to which the scheme is applicable.
9. The concerned Employer / Establishment shall file the Self-Certification Return with the concerned Labour Officer in the prescribed proforma in Form-IV for each financial year between 1st and 30th April of next financial year.

D. SECURITY DEPOSIT

10. In order to join the Scheme, the Application shall be accompanied with the following amount as Security deposit in the form of Bank Guarantee (valid for five years) payable to the Commissioner of Labour:-

No of Employees	Amount (Rs)
upto 20 workers	5,000
21 to 100 workers	10,000
101 to 300 workers	30,000
301 to 500 workers	40,000
Above 500 workers	50,000

11. The Security deposit will be returned to the Employer/ Establishment after 5 years on successfully complying with the provisions of the Scheme.

E. Option to Exit from the Scheme:-

12. An Employer/ Establishment can at any time opt to exit the Scheme. However, the amount of security deposit will be returned after making the following percentage deductions:-

Time of Exit	Percent (%) Deduction
Before Completion of 1 year	20
After Completion of 1 year but before completion of 2 year	40
After completion of 2 year but before completion of 3 years	60
After completion of 3 years but before completion of 4 years	80
After the completion of 4 years	100

13. However, in case any compliance report pertaining to an inspection carried out within the scheme period is pending or any enquiry is either pending or in progress on a complaint received during the scheme period, then such Employer / Establishment will be barred from exiting the scheme till the time the compliance report pertaining to the inspection is successfully presented or till the completion of enquiry.

F. Forfeiture of Security Deposit:-

14. If an Employer / Establishment decides to exit before the completion of scheme period, then the amount as per para 'F'(clause 12) will be deducted.

15. On failure to file annual return under the scheme despite reminder or makes false entries in the registers and returns with malafide intentions.

16. On violation of terms and conditions of the scheme or fails to abide by the undertaking.

17. On failure to take corrective action on the deficiency pointed out during the inspection conducted after giving prior notice after joining the Scheme.

18. If any accident occurs in the establishment due to the failure to comply fully with the provisions pertaining to worker's health and safety by the Employer.

19. If during the inspection carried out under clause 3(ii), on receipt of a complaint, it is found that any of the labour laws was violated.

20. The Security deposit will not be forfeited without giving the Employer / Establishment an opportunity of a proper hearing. The amount to be withheld / forfeited will be decided by the Commissioner of Labour / Authorised Officer after the hearing depending on the nature and seriousness of the violation. In the first instance the Security Deposit will only be attached instead of straightaway being forfeited and charges will be filed for the violations / irregularities before the competent court. In the event of charges being held proved, will the security deposit be forfeited, which will be in addition to the punishment imposed by the court. If the charges are held not proved, the Security deposit will be returned to the Employer. Till the decision of the court, the security deposit will remain attached with the Commissioner of Labour.

H. Miscellaneous.

21. An Employer / Establishment, whose security deposit has been withheld/Forfeited due to reasons mentioned in Para 'G' will automatically be excluded from the scheme. However it will still be possible for that Employer/ Establishment to rejoin the scheme after making a fresh application and depositing the Security deposit afresh.

22. The amount of Security Deposit mentioned at Para 'E' (clause10) will be subject to revision. However for the already enrolled Employers/ Establishments the security deposit structure will remain unchanged during the scheme period. The forms prescribed under this scheme may be modified, if necessary.

23. If there is an increase in the number of workers after the Employer / Establishment has enrolled in the scheme, such that, as per Para 'E' (clause10) additional security deposit is required to be deposited, then such additional security deposit (differential amount) valid for the balance period of the scheme, shall be deposited by the Employer within 30 days of such increase in the number of workers, failing which it will be deemed to have been excluded from the scheme.

24. The scheme period will start from the date on which the letter / intimation conveying acceptance of the application filed by the Employer is issued from the Labour officer and if no such letter / intimation is issued within 60 days of the date of application, then the 61st day from the date of application shall be deemed to be the date of enrolment in the scheme. The scheme period will be 5 years. Therefore the Bank Guarantee shall be valid for 5 years.

25. For enrolling in the scheme, the application and the Affidavit / declaration shall be presented by the following officials of the Employer / Establishment.

- (i) Sole Proprietorship Establishment-Employer/ Sole Proprietor of the firm.
- (ii) Partnership firm -Any Partner of the firm or Manager.
- (iii) Company -Director authorised by the Company / Managing Director

Sd/- Ahmad Nadeem
Commissioner of Labour

To,
All the JCL's/ DCL's/ACL's/ALO' in the State.

//Forwarded By Order//

Assistant Commissioner of Labour

Form-I

From

M/s _____

To

Joint/Deputy/Asst.
Commissioner of Labour/ Asst. Labour Officer

Sub: Application for Registration under Self-Certification Scheme under laws being implemented by Department of Labour, Employment, Training & Factories as per the terms & conditions of Scheme.

Sir,

Reference Government of Telangana G.O.MS. No. 31 dated 10/12/2015 regarding Self-Certification Scheme of Department of Labour, Employment, Training & Factories.

I/We have gone through the above said scheme and have understood the same. I/We wish to be covered under the said Scheme. As such I/We request you kindly issue me/us necessary approval for the same. The necessary information, and other documents, as required under the scheme, are enclosed. I/We undertake to abide by all terms and conditions of the Scheme. It is also certified that I/We are competent & duly authorized to make any statement or provide any information to any central/state govt. agency on behalf of this establishment/enterprise.

Kindly issue the necessary Registration at the earliest.

Encl. (i) Form II (List of documents)

(ii) Form III (undertaking/affidavit)

yours faithfully

(Name & Address of the Manager/Occupier).

Acknowledgement

This is to 'acknowledge' that an application regarding Self-Certification Scheme under certain Labour Laws has been received by the undersigned from M/s _____ (full address in capital) and the same has been allotted reference No. _____. Any further correspondence in future in this regard may be done by stating this reference No.

Date:

Authorized Signatory
Joint/Deputy/Asst.

Commissioner of Labour /Asst. Labour Officer.

Form-II

Details and list of documents to be attached with Application for Registration under Self Certification Scheme.

1. Name of the Establishment and address :
2. Status of the unit
[Company/Partnership Firm / Proprietorship / Others(Pl.Specify)]:
3. Nature of the unit
[what work/business, it is carrying on] :
4. Status of the industry (SSI/MS/LSI)
[attached attested copy of registration with]
Department of Industries attached/List attached
(if applicable)
5. List of raw materials used and end products
if the unit is a manufacturing or processing unit:
(if applicable)
6. Number of workers being employed
 - (a)Permanent :
 - (b)Temporary :
 - (c) Contract :
 - (d)Casual :
7. Correspondence details
 - (a)e-mail address :
 - (b)Telephone No(s) :
 - (c) Cell phone No (for SMS alert) :
8. Registration No. and date along with attested
copy of registration under Telangana Shops and
Establishment Act 1988 :
(if applicable)
9. Registration No. and date along with attested
copy of registration under
Any other Act covered under the scheme :
- 10.Details of Bank Guarantee attached :
(Mention Amount, Bank, Branch, Number, Date)

Note: In case any of the above is not being attached / provided please give specific reasons.

Form-III
Undertaking

(To be filed by the Employer / Manager on a non-judicial stamp paper of Rs.20/-)

I, _____ S/o / D/o. Sh/Smt _____
Age _____ R/o. _____ and employer /
manager of M/s _____ hereby states as under:

1. That I have applied for grant of coverage of unit by the name of _____ Situated at (complete address of the unit) _____ under the Self-Certification Scheme of Department of Labour, Employment, Training & Factories, Government of Telangana as notified vide G.O.MS. No. 31 dated 10/12/2015.
2. That I have gone through the Scheme and have fully understood the contents of this Scheme and undertake to abide by the same.
3. That it is declared that I/We are complying and will continue to comply with all provisions of labour laws covered under this Scheme.
4. That I agree to accept the penalty prescribed under law in case of violation detected in the unit under any labour law covered under the Scheme during the Scheme period.

Place:

Date:

Deponent

Verification

I/We the above named deponents do hereby further solemnly affirm that the contents given above are true and correct to my knowledge. Neither any false information has been given nor any true information has been hidden in the undertaking given above.

Place:

Date:

Deponent

Form-IV

(Self Certification Scheme)

Annual Return for the Financial Year.....

(to be filled before 30th April)

(To be filed before the Appropriate Labour Officer)

1. Details of Establishment:

(a) Name of the Establishment:-----

(b) Address of the Establishment:-----

(c) Name of Employer-----

(d) Address of Employer-----

(e) Email of employer-----

(f) Telephone Number of employer (Office)----- (Resi)-----

(g) Mobile Number-----

(h) Name and address of the Manager or person responsible for supervision
and control of the establishment:-----

(i) Brief description of business/work/product:-----

2. Details of Registration under Applicable Acts:

Enter details only for the Acts which are applicable:

Sl. No.	Name of Act	Registration / License No.	Date of issue / last renewal
i.	Telangana Shops & Establishment Act, 1988 (if applicable)		
	Any other Act (please specify)		

3. Details of workers employed by the establishment during the financial year

- a) Permanent :
- b) Temporary :
- c) Contract :
- d) Casual :

4. Self Certification Scheme applicable for:

(select the Acts which are applicable)

- (i) The Building and other Construction Workers Welfare Act, 1996.

- (ii) The Contract Labour (Registration and Abolition), Act, 1970 (37 of 1970).
- (iii) The Equal Remuneration Act, 1976 (25 of 1976).
- (iv) The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service Act, 1979 (30 of 1979).
- (v) The Minimum Wages Act, 1948 (11 of 1948).
- (vi) The Motor Transport Workers Act, 1961 (27 of 1961).
- (vii) The Payment of Bonus Act, 1965 (21 of 1965).
- (viii) The Payment of Gratuity Act, 1972 (39 of 1972).
- (ix) The Payment of Wages Act, 1936 (4 of 1936).
- (x) The Telangana Shops and Establishments Act, 1988.

Certification

I/We hereby certify that my/our shop(s)/establishment(s) have fully and correctly complied with all the labour laws under the scheme.

Signature

(Name & Designation of Authorised Officer)