

GOVERNMENT OF TELANGANA  
ABSTRACT

Labour, Employment, Training and Factories Department – Inspections under various Labour Laws to facilitate Ease of Doing Business in the State – Revised Orders – Issued.

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LABOUR EMPLOYMENT TRAINING & FACTORIES (LABOUR) DEPARTMENT

G.O.Ms.No. 7

Dated: 21-04-2017.

Read the following:-

1. G.O.Ms.No.4, LET&F (Lab.IV) Department, Dated: 02.02.2013.
2. G.O.Ms.No.31, LET&F (Lab) Department, Dated: 10.12.2015.
3. G.O.Ms.No.18, LET&F (Lab) Department, Dated: 14.03.2016.
4. G.O.Ms.No.38, LET&F (Lab) Department, Dated: 24.05.2016.
5. G.O.Ms.No.45, LET&F (Lab) Department, Dated: 09.06.2016.
6. From the Commissioner of Labour, Telangana, Hyderabad, Lr.No.H/7770/2015, dated: 20.01.2017.

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**ORDER:**

Orders have been issued in the G.O. Second read above, introducing Computerised Systems of Risk Assessment based Inspections with random allocation of Inspecting Officers to facilitate Ease of Doing Business in the State. Certain amendments have also been issued to the said Order, in the G.Os. 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> read above.

2. In the circumstances reported by the Commissioner of Labour, Telangana, Hyderabad in the letter 6<sup>th</sup> read above, Government have decided to amend the orders issued in the G.O. second read above read with G.Os 3<sup>rd</sup> to 5<sup>th</sup> read above, and to issue revised comprehensive orders on the scheme of inspections.

3. Accordingly, the following revised comprehensive orders are issued introducing Computerised Systems of Risk Assessment based Inspections with random allocation of Inspecting Officers to facilitate Ease of Doing Business in the State in accordance with Business Reforms Action Plan, 2017:-

(1) The Scheme shall be applicable to the following Acts:-

- (i) The Equal Remuneration Act, 1976
- (ii) The Minimum Wages Act, 1948
- (iii) The Telangana Shops & Establishment Act, 1988
- (iv) The Payment of Bonus Act, 1965
- (v) The Payment of Wages Act, 1936
- (vi) The Payment of Gratuity Act, 1972
- (vii) The Contract Labour (Regulation and Abolition) Act, 1970
- (viii) The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979
- (ix) The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
- (x) The Motor Transport Workers Act, 1965
- (xi) The Factories Act, 1948
- (xii) The Maternity Benefit Act, 1961 and
- (xiii) The Telangana Labour Welfare Fund Act, 1987.

2. There shall be a single joint inspection under all the Labour Laws.

3. The units will be categorized as Low Risk / Medium Risk / High Risk depending upon the number of workers employed. Annexure-I gives the criterion for risk assessment of establishments and the cadre of the inspecting officers.

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4. The frequency of inspections for Establishments under Low Risk is once in 5 years, for Establishments under Medium Risk is once in 3 years and for Establishments under High Risk is once in 2 years.
5. Exemption from Compliance inspections to certain establishments.
  - (a) Those establishments which are categorized as Low risk as per para 3 and found to be satisfactorily complying the Labour Laws will be exempted from further compliance inspections unless any complaint is received against such establishments. The following class of establishments will be presumed to be satisfactorily complying with the Labour Laws unless any complaint is received against such establishments.
    - (1) Star Hotels, IT / ITES Units, EPZ Units, Export oriented Units, Bio-Tech Units, Tourism Promotion Units (irrespective of number of workers).
    - (2) Establishments under Telangana Shops and Establishment Act, 1988 employing upto 10 employees.

The remaining establishment will be determined as satisfactorily complying with the Labour Laws if they are found to be so after conduct of the compliance inspection.
  - (b) Those establishments which are categorized as Low risk as per para 3 and opting for Self Certification Scheme.
  - (c) Those establishments which are categorized as Medium risk as per para 3 and opting for Third Party Audit scheme.
  - (d) Startups: Those establishments which are Start-ups as defined by the Department of Industrial Policy & Promotion (DIPP), will be exempted from inspection for the first year of setting up upon submission of an online Self-declaration and if they continuously submit their Integrated Return>Returns specified under different Acts without fail they will be exempted from compliance inspections for a further period of three years from the second year onwards, unless any specific complaint is received against such establishment.
  - (e) Failure to submit on time, the necessary Self Certificate Scheme return, Third Party Audit scheme return and/or Integrated Return>Returns specified under different Acts will render the establishment ineligible for the above exemption from inspection
6. Centralised Inspection Agency: The Commissioner of Labour shall act as the centralized Inspection Agency. Under whose executive control the Computerised Systems of Risk Assessment based Inspections with random allocation of Inspecting Officers will operate.
7. The Inspection will be conducted as per a well defined procedure and the Checklist for inspection will be published on the web portal of the department.
8. Scheduling of Inspection and allotment of Inspecting officer(s):
  - (a) The Schedule of Inspections will be determined through online inspection module. The establishments will be selected randomly as per the frequency of inspections indicated above. A computer generated notice will be issued to the establishments so as to provide 15 days clear time before inspection. The establishments will be able to view and download

inspection reports of the past two years. The Inspecting Officer will be selected randomly through computerised online inspection module. The cadre of the inspecting officer is shown at column (7) of the Annexure appended to this order. In case of applicability of two or more Acts, the cadre of Inspecting Officer will be that of higher cadre officer. The same Inspecting Officer will not inspect the same establishment twice consecutively. In case of exigencies, such as leave, Court appearance etc., Commissioner of Labour shall be authorised to select a replacement Inspecting Officer duly observing that the replacement Inspection Officer shall not be the same, who inspected the unit last time.

- (b) Factories based establishments: In order to conduct synchronized / joint inspections of the units based on factories, risk categorization will be done by the Factories department and the same will be shared with and adopted by the Labour department. A District-wise list of Factories will be prepared and also shared with Labour department. The computer will allocate the factories month-wise and the same will be shared with Labour Department for conducting the joint-inspection. Based on the number of employees working in the Factory, the local authorized inspector from the Labour Department will accompany in the joint inspection. Joint inspections will be held on every Wednesday and Thursday, jointly by the inspectors from the Labour and Factories department.
- (c) The list of establishments to be inspected in the subsequent inspection cycle will be published on the online portal in public domain.
9. Inspection Report: The Inspection Report will be uploaded by the Inspecting Officer within 48 hours of the completion of the inspection. An alert will be sent to the employer, so that he may view/download the inspection report. In case of defects, the Employer will be required to take corrective action and upload compliance report within 15 days. The compliance report will be scrutinised and failure to correct shall entail action as per law.
10. However, any complaint received by the department will be referred to the Commissioner of Labour who may order additional inspection. The procedure for additional inspection shall be decided by the Commissioner of Labour after examining the contents of the complaint.
4. The Commissioner of Labour, Telangana, Hyderabad shall take further action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

DR. RAJAT KUMAR,  
PRINCIPAL SECRETARY TO GOVERNMENT

To  
The Commissioner of Labour, Telangana, Hyderabad.

Copy to:

The Commissioner of Printing, Stationary and Stores purchases (PW), Chanchalaguda, Hyderabad (for publication in the Gazette and supply of 500 copies to the Commissioner of Labour, Telangana, Hyderabad and 20 copies to Government).

The Industries and Commerce Department.

The P.S. to Hon'ble Minister (Home & Labour)

The P.S. to Principal Secretary to Government, LET & F Department

The Law (F) Department

S.F/S.C

// FORWARDED :: BY ORDER //

SECTION OFFICER

**ANNEXURE – I**

**to G.O.Ms.No.07, LET & F (LAB) DEPARTMENT, DATED: 21.04.2017**

**NOTIFICATION OF RISK ASSESSMENT CRITERION AND INSPECTING OFFICER UNDER VARIOUS LABOUR LAWS**

Sl No	Name of the Act under which establishment covered	Risk Assessment			Inspecting Officer	
		Low Risk	Medium Risk	High risk	No. of Workers employed in the Establishment (including all classes of Workers)	Inspecting Officer
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Shops and Establishments Act. 1988.	Those employing up to 30 employees	Those employing up from 31 to 100 employees	Those employing 101 and above employees	101 and above From 31 to 100 From 1 to 30	DCL ACL ALO
2.	Beedi and Cigar Workers Act , 1966	---	---	ALL	51 and above From 1 to 50	ACL ALO
3.	Motor Transport Workers Act, 1960	Those employing up to 50 employees	Those employing up from 51 to 100 employees	Those employing 101 and above employees	From 51 and above From 1 to 50	ACL ALO
4.	Contract Labour (R & A) Act, 1970	Those employing up to 30 employees	Those employing up from 31 to 100 employees	Those employing 101 and above employees	101 and above From 31 to 100 From 1 to 30	DCL ACL ALO
5.	Inter State Migrant Workmen (RE & CS) Act, 1979	Those employing up to 30 employees	Those employing up from 31 to 100 employees	Those employing 101 and above employees	101 and above From 31 to 100 From 1 to 30	DCL ACL ALO
6.	Building and Other Construction Workers Welfare Act, 1996	----	----	ALL	101 and above From 51 to 100 From 1 to 50	DCL ACL ALO
7.	Other establishments (including factories) not covered under 1 to 6 above and to which any of the Labour Laws apply.	Those employing up to 30 employees	Those employing up from 31 to 100 employees	Those employing 101 and above employees	101 and above From 31 to 100 From 1 to 30	DCL ACL ALO

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PRINCIPAL SECRETARY TO GOVERNMENT