

GOVERNMENT OF TELANGANA
A B S T R A C T

Factories Department – Ease of Doing Business – Recommendations on action Points – Amendment to certain provisions of the Telangana Factories Rules, 1950 for implementation of Ease of Doing Business – Final Notification – Orders – Issued.

LABOUR EMPLOYMENT TRAINING & FACTORIES (LABOUR-II) DEPARTMENT

G.O.Ms.No. 33

Dated: 07-11-2019

Read the following:-

1. G.O.Ms.No.39, LET&F (Lab) Department, Dated: 30.12.2015.
2. G.O.Ms.No.77, LET&F (Lab) Department, Dated: 28.12.2016.
3. From the Director of Factories, Telangana, Hyderabad, Lr.No.A1/2441/2019, Dated: 22.05.2019.
4. G.O.Rt.No.413, LET&F (Lab) Department, Dated: 29.08.2019.
5. From the Director of Factories, Telangana, Hyderabad, Lr.No.A1/2441/2019, Dated: 15.10.2019.

ORDER:-

In the letter third read above, the Director of Factories, Telangana, Hyderabad has requested to amend certain provisions of the Telangana Factories Rules, 1950 for implementation of Ease of Doing Business and requested for issuing preliminary notification.

2. In the G.O. 4th read above, Government have issued preliminary notification as required under section 115 (1) of the Factories Act, 1948 (Central Act No.63 of 1948) calling for objections / suggestions within the period of 45 days from the date of publication of the notification in the Telangana Gazette to amend certain provisions of the Telangana Factories Rules, 1950 for implementation of Ease of Doing Business. The same was published in Telangana Gazette vide Notification No.19, Part-I Extraordinary, Dated: 31.08.2019.

3. In the letter 3rd read above, the Director of Factories, Telangana, Hyderabad has reported that no objection / suggestion are received so far from any person or institute or management even after completion of 45 days period from the date of issue of the preliminary notification and requested the Government to issue the final Notification in the matter.

4. Accordingly, the following notification shall be published in the extraordinary issue of Telangana Gazette, dated: 14.11.2019:

FINAL NOTIFICATION

In exercise of the powers conferred by section 112 of the Factories Act, 1948 (Central Act 63 of 1948), the Governor of Telangana hereby makes the following amendments to the Telangana Factories Rules, 1950 for implementation of Ease of Doing Business since the objections / suggestions have been called for vide G.O.Rt.No.413, LET&F (Lab) Department, Dated: 29.08.2019 published in Telangana Gazette vide Notification No.19, Part-I Extraordinary, Dated: 31.08.2019 in terms of sub-section (1) of section 115 of the said Act and no objections / suggestions have been received within the stipulated period:-

A M E N D M E N T S

In the said rules,

(1) In rule 3,

- (i) in sub-rule (1), in clause (b), for the word “75 H.P.”, the word “30 H.P.” shall be substituted;

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(ii) in sub-rule (1), in clause (b), in the existing paragraph after the word “**Chief Inspector**”, the words “**through online**” shall be added;

(iii) for sub-rule (2), the following sub-rule shall be substituted, namely:-

“(2) The owner or occupier of every factory falling under sub-rule (1) and the owner or occupier of any other factory shall upload through online for approval of plans in the prescribed Form No.I by remitting the plans scrutiny fee at the following rates:”

Factories wherein the Maximum installed Horse Power is upto 100	Rs.1,000/-
Factories wherein the Maximum installed Horse Power is from 101 to 500	Rs.3,000/-
Factories wherein the Maximum installed Horse Power is from 501 to 1,500	Rs.5,000/-
Factories wherein the Maximum installed Horse Power is from 1,501 to 10,000	Rs.10,000/-
Factories wherein the Maximum installed Horse Power is above 10,000	Rs.15,000/-

(iv) for sub-rule (3), the following sub-rule shall be substituted, namely:-

“(3) If the Chief Inspector is satisfied that the plans uploaded under sub-rule (2) are in accordance with the requirements of the Factories Act, 1948 and Telangana Factories Rules, 1950 he shall by an order grant the permission applied for through online subject to conditions, if any”;

(v) in sub-rule (4), for the word “**sent**”, the word “**uploaded**” shall be substituted;

(vi) in sub-rule (4), after the words “**speaking order**”, the words “**through online**” shall be inserted;

(vii) in sub-rule (4), the words “**along with a copy of the plans approved or rejected**” shall be omitted;

(viii) in sub-rule (5), for the words “**delivered in person or sent by registered post**”, the words “**uploaded through online**” shall be substituted;

(ix) for sub-rule (6), the following sub-rule shall be substituted, namely:-

“(6) No manufacturing process shall be carried on in any building in a factory which is not in accordance with the plans approved by the Chief Inspector and does not satisfy the conditions subject to which the plans have been approved.”

(x) for sub-rule (8), the following sub-rule shall be substituted, namely:-

“(8) In the case of any factory not covered by sub rule (1), the Government or Chief Inspector may, having regard to any special circumstances in any particular existing or proposed factory, by order, require the owner or occupier to submit the particulars and plans of the factory through online within 30 days of service of the order”;

(2) Rule 3-A shall be omitted;

(3) In rule 4,

(i) for sub-rule (1), the following sub-rule shall be substituted, namely:

“(1) The occupier of every factory, shall at least fifteen days before commencing any manufacturing process in any factory upload through online an application for the registration of the factory and for grant of the licence in the prescribed Form No 2 along with online payment of annual licence fee up to ten times prescribed in the schedule to Rule 6”;

(ii) for sub-rule(5), the following sub-rule shall be substituted, namely:

“(5): Every licence granted is permanent and valid till it has been duly cancelled provided the requisite annual licence fee is remitted through online for that period”;

(4) In rule 5,

(i) for sub-rule (1), the following sub-rule shall be substituted, namely:

“(1) The occupier of a factory shall, within fifteen days of occurrence of any change in the name or in particulars of the maximum horse power installed or maximum number of persons employed, apply through online for amendment of the licence stating the nature of amendment to be made and the reasons there for together with online payment of prescribed fee”;

(ii) in sub-rule (2), for the words "**Rs 50/- (Rupees Fifty)**", the words "**Rs.500/- (Rupees five hundred)**" shall be substituted;

(5) for rule 6, the following shall be substituted:-

“(1) Payment of Annual Licence Fee or for a block period up to ten calendar years:

Every licensee shall, before the commencement of any calendar year, remit the annual licence fee as prescribed in the schedule under this rule through online portal of Factories Department, Telangana State and services connected with the same either for one calendar year or more but does not exceed 10 calendar years. In case the licensee is intended to remit the licence fee for ten calendar years the amount payable shall be ten times the Annual Licence Fee as prescribed in the said schedule.

Provided that for computing the quantity of power, for the purposes of this rule, the power for the plant and machinery used in the manufacturing process only shall be taken into account and no account shall be taken of the power for lighting, or for any office equipment or appliances. The total installed horse power of plant, machinery and equipment or the captive generation of power whichever is higher shall be taken into consideration.

(2) If the prescribed annual licence fee is not fully paid within the prescribed period in sub-rule(1), simple interest at two percent per month or part of a month shall be payable on the part of the annual licence fee not paid from the first day of the calendar year till the last day of the calendar month in which the annual licence fee together with interest is paid:

Provided that the Chief Inspector may, if satisfied that there is sufficient reason for the non-payment of the annual licence fee within the time prescribed in sub-rule (1), by order in writing, waive the interest specified:

Provided further that the Chief Inspector may waive the annual licence fee and the interest thereon if it is shown to his satisfaction that no manufacturing process has been carried on in the factory on any day of the relevant calendar year and the owner or occupier applies for the cancellation of licence.

- (3)** No manufacturing process shall be carried on in any premises unless the requisite annual licence fee is remitted through online before commencement of the licensing year.”

(6) for rule 8, the following rule shall be substituted, namely:-

“8. Transfer of Licence:- A licence may be transferred from one owner or occupier to another consequent to any transfer of the factory and the transferee shall upload the application through online along with requisite documents mentioned therein by remitting the transfer fee of Rs. 500/- (Rupees five hundred) and such application shall be deemed to be endorsement of transfer until the transfer is endorsed by the Inspector unless the application has been refused by speaking order in writing within a period of thirty working days from the date of uploading the application.”

(7) rule 10 shall be omitted.

- (8)** in rule 11, for sub-rule (1), the following sub-rule shall be substituted, namely;-

“(1) Every application made under these rules through online for which a fee has been prescribed shall be followed by remitting the prescribed fee through the online portal of Factories Department, Telangana State.”

2. The Annual Licence Fee payable under Rule 6 above is as prescribed in the Schedule and the items in the Note vide G.O.Ms.No.77, LET&F (Lab) Department, Dated: 28.12.2016.

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

Dr. SHASHANK GOEL,
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Commissioner of Printing, Stationary and Stores Purchases (PW),
Chanchalguda, Hyderabad. (for publication in the Extra-ordinary issue of
Telangana Gazette and supply 20 copies to the Director of Factories and
5 copies to Government)

The Director of Factories, Telangana, Hyderabad

Copy to:

The P.S. to Special Secretary to Chief Minister

The P.S. to Minister (Labour & Employment)

The Law (F) Department

S.C.

// FORWARDED :: BY ORDER //

SECTION OFFICER