



## ERGO

*Analysing developments impacting business*

### TELANGANA EXTENDS EXEMPTION GRANTED TO IT / ITES SECTOR ALLOWING THEM TO HAVE FLEXIBLE WORKING HOURS AND TO EMPLOY WOMEN IN NIGHT SHIFTS

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#### INTRODUCTION:

On 25 July 2019, the Government of Telangana (Government) issued a notification (Notification) exempting all information technology enabled services (ITES) and information technology (IT) establishments in the state of Telangana from the coverage of sections 15, 16, 21, 23, 31 of the Telangana Shops and Establishments Act, 1988 (Act) for a period of 5 years with effect from 30 May 2018. The above-mentioned provisions prescribe opening and closing hours, daily and weekly hours of work, special provision for young persons, special provision for women and other holidays in an establishment, respectively.

#### CONDITIONS TO AVAIL THE EXEMPTION:

The exemptions under the Notification are subject to certain conditions, and any violation of such conditions may lead to revocation of the exemption granted to an establishment. The conditions to avail the exemptions are as follows:

- **Working hours:** Weekly working hours for an employee shall be 48 hours. For work done beyond 48 hours, the employee shall be entitled to overtime wages.
- **Holidays:** Each employee must be given 1 holiday per week. Further, every employee shall be given a compensatory holiday in lieu of notified holidays, with wages as per section 31(2) of the Act, if they work on notified holidays.
- **Night shift for young and women employees:** Engagement of women employees during night shift is permitted subject to provision of adequate security during the course of employment and conveyance facility between their workplace and residence.
- **Identity cards:** Every employee shall be provided with identity cards and all other welfare measures to which they are eligible as per the rules in force.
- **Background check of drivers:** The companies must obtain bio-data of each driver and conduct pre-employment screening of the antecedents of all drivers employed on their own or through outsourcing. Details such as driving license, photographs, address, telephone / mobile number etc. of drivers should be available with the respective employers.

- **Pickup and drop facility:** The schedule and route of the pickup and drop shall be decided by the supervisory officer of the company on every Monday (if Monday is holiday, the next working day in a week). In case of exigencies change of drivers / routes / shifts shall be allowed only with the prior knowledge of supervisory officers / employees. Careful selection of routes shall be made in such a way that no women employee shall be picked up first and dropped last. The company shall provide security guards for night shift vehicles with GPRS facilities. The designated supervisors of the company shall randomly check the vehicle on various routes. The company shall have a control room / travel desk for monitoring vehicle movements. The time after / before which security should be provided to women employees for cab drop offs / pickups should be specified (preferably before 6 am and after 8 pm).
- **Prohibition on disclosure of contact information:** The telephone number particularly mobile numbers and addresses of the women employee shall not be disclosed to unauthorized persons.
- **Maintenance of records:** General exemption from maintenance of various statutory registers in hard copies and recognition of soft copy of registers as sufficient compliance.

#### COMMENTS:

Removal of restrictions on working hours and engagement of women employees in the night shift is a welcome move since it encourages flexible working hours and greater participation of women in the workforce. Further, the Notification attempts to ensure that adequate safety and security measures are taken by companies for peaceful execution of the job at hand.

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