

Telangana extends exemption from certain labour laws for IT/ITes establishments

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Information Technology (IT) and IT-enabled services (ITes) establishments operating in Telangana were exempt from the applicability of certain provisions of the Telangana Shops and Establishments Act, 1988 until 30 May 2024. On 7 June 2024, the state government has extended this exemption for another four years starting from 30 May 2024. This exemption is aimed at providing IT/ITes establishments flexibility in operating their business while simultaneously managing their workforce and accordingly provides relaxation from rules on opening and closing hours, daily and weekly working hours, engaging women and young persons in night shifts, and working on national and festive holidays.

To enjoy these relaxations, IT/ITes establishments must ensure that the following conditions are fulfilled:

1. **Overtime pay and weekly off:** The weekly working hours of employees will continue to be 48 hours and employees must be paid overtime wages for any additional work hours. Every employee must also be given a weekly off.
2. **Compensatory holiday:** If required to work on national holidays or festivals, that is, notified holidays, employees must be given a paid compensatory holiday.
3. **Safety measures for night shifts:** While young employees (who are at least 14 years old, but not yet 18 years old) and female employees can be engaged for night shifts, they must be provided with adequate security during the course of work and transportation to and from their residences. Safety measures include:
 - a. **Screening of drivers:** Before hiring drivers for picking up and dropping off employees working late at night, employers must obtain the biodata and other details of each driver and conduct pre-employment screening of such drivers, regardless of whether they are employed directly or outsourced through third-party contractors.
 - b. **Safe routes, schedules, and vehicle monitoring:** The schedules and routes of pick up and drop off must be decided by the supervisory officer of the employer every Monday or on the next working day in case Monday is a holiday. Change of drivers or routes or shifts is allowed only in case of exigencies with the prior knowledge of supervisory officers and employees. The routes must be carefully selected so that women employees are not picked up first or dropped off last. Designated supervisors must conduct random checks on vehicles on various routes. Employers must also have a control room or travel desk for monitoring vehicular movement.

The Telangana government has extended the exemption from some labour laws for IT/ITes establishments for four years. This allows flexible work hours and night shifts but requires overtime pay, weekly off, compensatory holidays, and safety measures for night shifts. Establishments that fail to comply will lose the exemption.

UPDATES

- c. **Data privacy:** The contact numbers and addresses of women employees must not be disclosed to unauthorised persons.
- 4. **Record keeping:** Maintenance of statutory registers in soft copies is adequate compliance and such establishments need not maintain physical copies of these registers.

Any establishment that does not meet these conditions will lose the benefit of the exemption.

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