

THE FACTORIES ACT, 1948 AND THE KARNATAKA FACTORIES RULES, 1969.

Objectives of the legislation:

An Act to Consolidate and Amend the Law Regulating Labour in Factories.

1. Applicability of the Factories Act, 1948:

The Act is applicable to the premises wherein: -

- (i) 10 or more workers are employed with use of power
- (ii) 20 or more workers are employed without the use of power
- (iii) Less than 10 workers, if activity is notified by the State Government.

Engaged in manufacturing activities.

- Factories act 1948, is a central act, enforced by the state governments making the relevant rules to extend scope and objectives of the Act.
- Karnataka State has formulated its rules as envisaged under the Act, and they are called "The Karnataka Factories Rules, 1969".
- The Act is applicable to all the factories including state, and Central Government.
- **Onus is on the part of the factory management to comply with the provisions of the Act and Rules made there under.**

GUIDELINES TO THE MANAGEMENT FOR COMPLIANCE:

To establish a factory under the purview of the Act, the factory management shall:

1. Obtain prior permission for construction of the factory building;
2. Obtain licence before commencement of manufacturing activity;
3. Comply with applicable provisions of law, which are in vogue;

APPROVAL OF PLANS OF THE FACTORY

Approval shall be obtained for a new building proposed to be constructed or an existing building to be taken in to use as a factory for which, plans of the said building shall be submitted to the concerned area inspector of the department I with the following documents:-

1. **Form 1A** (Certificate of Stability issued by qualified structural engineer) (in duplicate)
2. Flow chart of the manufacturing process (in Triplicate)

3. Land or Site Possession Certificate (in duplicate)
4. Certificate from Controller of Explosives (wherever explosive substances are stored or used) (in duplicate)
5. Treasury Receipted Challan for having paid the prescribed fee of Rs.500/- for Factories proposed to employ less than 500 workers and Rs.1000/- for workers beyond 500.
6. Questionnaire Form duly filled and signed(in duplicate)
7. Clearance certificate from the Pollution Control Board. (in duplicate)
8. Application in **Form No.1** (in duplicate).

Note: Drawings shall be in blue prints, prepared by a person possessing degree in civil engineering, to a scale of 1:100, which shall include all the details of various buildings, the amenities to be provided as per Rules along with the machinery layout. The person who prepares the drawing shall sign on the drawings in addition to applicant. The drawings shall be submitted in triplicate.

All the above said documents shall be submitted to the department, which will be scrutinised and permission, will be granted within 30 days from the date of submission of application, if the same is in order.

REGISTRATION AND LICENCING OF FACTORY

Application for registration and grant of licence is required to be made before 15 days of starting an manufacturing activity in the factory to the concerned area inspector with the following documents:

1. Registration application in **Form No.2** duly filled with all particulars and signed by the occupier and the manager. (In Triplicate)
2. List of directors / Partners with the memorandum of article of association / partnership deed (in Duplicate)
3. Prescribed Fee paid as per Table A & B of the Fee Chart and treasury receipted challan for having paid required registration fee.
4. Health and Safety policy of the proposed factory drawn and duly signed by the Occupier in case of factories engaged in the hazardous processes as stipulated in the First Schedule of the Act.

Application made with the above said documents will be scrutinised by visiting the factory and the licence will be granted after due verification within 30 days.

Once the application is made for registration to the department and if no order is communicated to the applicant within three months, the registration applied for in the said application shall be deemed to be granted.

Existing factories fulfilling the applicability clause mentioned above, shall submit application for plan approval and registration along with the above listed documents at once.

Working a factory without duly registering and without holding a valid licence attracts the penal provisions envisaged under the Factories Act.

All correspondence to with regards to registration of and grant of licence shall be made either to the concerned area Inspectors or to the Chief Inspector of Factories and Boilers whose addresses are available in this website.

Any further clarifications or assistance required in these matters, one may contact the concerned officers at their respective offices after 3.00 P.M on all the working days.

RENEWAL OF FACTORY LICENCE:

The licensee shall renew the licence every year;

Documents to be submitted for renewal:

- Application in **Form No.2** in triplicate;
- Original Licence;
- Treasury receipted challan or cheque or D.D (drawn in favour of " The Chief Inspector of Factories and Boilers, Bangalore".
- List of directors/partners with addresses in triplicate;

If the applicant wants to avail the benefit of renewal of factory licence for 3 years at once, he may do so by paying three years licence fee along with the above said documents.

The documents pertaining to renewal of factory licence shall be submitted to the office of jurisdictional Inspector on or before 31stOctober i.e., two months prior to the expiry of the licence issued.

Any application made after the said due date attracts surcharge of 25% of the licence fee. This can be avoided by making the application in time.

TRANSFER/AMENDMENT/ISSUE OF DUPLICATE LICENCE:

Licensee is required to get his licence transferred in case of change in the management/constitution/occupier, amended in case of change in the limits specified in the licence with regard to No. of workers or power and obtain a duplicate license if the original license is lost, misplaced etc., for which the relevant documents to be submitted to the jurisdictional inspector are:

Documents to be submitted for transfer and amendment:

- Application in **Form no.2** in triplicate;
- Original licence;
- Documents connected with transfer or amendment or both;
- Treasury receipted challan for Rs. 250/- for each amendment or transfer;

Document to be submitted for obtaining Duplicate Licence:

- a requisition letter from the occupier with reasons for issue;
- a treasury receipted challan for Rs.500/-

EXEMPTION PROVISIONS UNDER THE ACT

The Factories Act envisages exemption provisions, which can be availed by the management

1. EXCEPTIONAL PRESSURE OF WORK- EXEMPTION TO WORK ON OVERTIME :

Application shall be made by the occupier on a plain paper affixing Rs.2/ court fee stamp narrating the reasons for working over time with supporting documents, mentioning the period of such exemption required with number of personnel to be deployed on overtime work with their willingness to work;

Application shall be made in duplicate to be submitted to the area inspector addressed to Chief Inspector of Factories;

Application shall be made at least 15 days prior to the engagement of workers on overtime work;

Exemption will be granted after scrutiny and perusal of the documents.

Exemption will be granted for a quarter at a time starting with January, April, July and October.

The exemption granted restrict the overtime hours to 75 hours in a quarter per quarter in addition to other conditions mentioned in the exemption order.

Please note that the Act prohibits granting of overtime exemption in respect of women workers.

2.EXEMPTION FOR MAINTAINING REGISTERS IN PRESCRIBED FORMS:

Act stipulates provisions for granting exemption to maintain registers in prescribed forms provided all the required information's are available in the format which the management desires to maintain. Such application with a court fee stamp of Rs.2/- may be made to the Chief Inspector of Factories, along with the intended format with reasons thereof.

3.OTHER SPECIFIC EXEMPTIONS ENVISAGED UNDER THE ACT

Applications can be made to the Chief Inspector of Factories, for availing specific exemptions under the relevant provisions of the Act giving reasons with supporting documents, affixing Rs.2/- court fee stamp.

4. EXEMPTION FOR EMPLOYING WOMEN WORKERS UPTO 10PM IN CERTAIN FACTORIES

Government has exempted 15 categories of factories to facilitate women workers to work upto 10. p.m. with the following conditions;

- Written consent shall be obtained from the willing workmen;
- No overtime shall be extracted from the women workers;
- Every women worker shall have uninterrupted rest of at least 9 hours between cessation of work of period of work after 7p.m in a day and beginning of a fresh period of work on the following day;

- They shall be allowed to work only upto 10pm, free transport shall be provided to return to their homes;
- The facilities of canteen and creche shall be extended, if the same is available in the factory.

LIST OF EXEMPTED FACTORIES:

1. Ready made garment – clothes industries;
2. Leather goods industries (foot wear, fancy leather articles, leather garments etc..)
3. Fruit canning and processing industries;
4. Electronics, telecommunication, informatics, computers (hardware and soft ware) allied industries;
5. Agarbathi, perfumery industries;
6. Horological industries, watch assembly, component manufacturing, jewel manufacturing etc.,
7. Precision instruments, electrical, electromechanical, electronic manufacturing industries;
8. Lamps, lamp filament and lamp component industries;
9. Food processing industries, instant foods etc.,
10. Units manufacturing domestic appliances, sports goods, toys etc.,
11. Cosmetics, drugs (formulation) manufacturing units;
12. Biscuit and confectionery units;
13. Cotton, woolen, hosiery industries;
14. Jarada industries;
15. Cotton ginning and pressing factories;

STATUTORY AMENITIES TO BE PROVIDED IN THE FACTORIES:

Statutory amenities have to be provided in the factories as a compliance of Welfare measures. The type of amenities and its number relates to the number of men/women workers employed in the factory.

Sl.No.	Type of amenity	NO. of workmen required	Nos. to be provided.
1	Drinking water points		Adequate supply at 5litres/worker
2	Cooled supply of water	>250	One for 150
3	Latrine accommodation		One for 25 separately for male and female
4	Urinal accommodation		One for 50 workers.
5	Washing facility		
6	First aid appliances		One equipped first aid box per 150 persons
7	Ambulance room	>500	With all amenities and personnel.
8	Rest room/shelter/lunch room	>150	With adequate accommodation and facilities
9	Crèche	>30 female	With adequate facilities and personnel

10	Canteen	>250	With adequate facilities and personnel
11	Occupational Health Centres (in respect of hazardous process industries)	>50	With adequate facilities and personnel

STATUTORY APPOINTMENTS TO BE MADE:

Sl.No.	Particulars of appointment	No. required	Qualification
1	Safety officers (for factories employing more than 1000 workmen and notified factories)	One per thousand	Diploma in Industrial Safety.
2	Welfare Officers (for factories employing more than 500 workmen)	One per 500 upto 2000 and one additional per every 1000. A lady welfare officer wherein 500 women workers are employed	Degree or diploma in social science with pe management.
3	Factory Medical Officer (in respect of industries involving hazardous processes)	One for 500 workers and one more for additional 1000	Degree under the Medical Degree Act and certificate course in occupational health.
4	Supervisors (in factories involving hazardous processes)		A degree in chemistry or diploma in chemica engg., with experience.
5	First aid trained personnel	Adequate Nos.	Workers of the factories shall be trained in t recognised institutions.
6	Qualified nursing staff (wherever creche facilities are provided)	One women incharge & one female attendant for every 20 children.	Women in charge should possess nurse's qualification.

STATUTORY REGISTERS REQUIRED TO BE MAINTAINED UNDER THE FACTORIES ACT, 1948 AND RULES MADE THEREUNDER:

It is obligatory on the part of the management to maintain the following registers with upto date entries:

- Muster Roll in **Form No.22**;
- Register of adult workers in **Form No.11**;

- Register of leave with wages in **Form no.14**;
- Register of accident or dangerous occurrence in **Form no.23**;
- Inspection book containing **Form No.6, 28 and 29**;
- Overtime register in **Form no.9** in respect of exempted workers and corresponding duplicate copy of the overtime slip;
- Health register in **Form no.16** in respect of factories involving hazardous processes and dangerous operations.

Exemptions – applicability of the Act

The Labour laws (exemptions from furnishing returns and maintaining registers by certain establishments) Act, 1988

Object:

An act to provide for the exemption to employers in relation to establishments is employing small no. of person from furnishing returns and maintenance of registers under certain Labour laws.

Applicability:

It extends to the whole of India and applies to the establishments to which the schedule of the Act applies.

Exemption:

On and from the commencement of this Act an employer in relation to any small establishment to which a scheduled Act applies shall:-

1. Furnish a core Return in Form A;

2. Maintain registers in **Form B**, **Form c** and Form D in the case of small establishment and a register in Form E in the case of very small establishments and such establishments need not furnish the return or maintain the register under the Scheduled Act. But the employer shall continue to issue wages slips under the minimum wages central rules 1950, slips relating to measurements of the amount of work done by piece rated workers under the Payment of Wages (Mines) Rules 1956 and return relating to accidents under the Factories Act, 1948 and Plantations Labour Act, 1951.

STATUTORY NOTICES TO BE DISPLAYED:

The following statutory notices or displays shall be displayed at conspicuous place in the factory premises.

- Notice of periods of work in **Form no.10** along with weekly holiday, name and address of the inspector and the medical officer;
- Abstract of the Act and rules made thereunder in Form no.19;
- Relevant cautionary notices wherever required;
- Safety and health policy of the factory;
- Relevant safety posters to create awareness amongst the workers;

STATUTORY RETURNS TO BE FILED UNDER THE FACTORIES ACT WITH DUE DATES:

The factories Manager of all the registered factories are required to submit the following returns to the area inspector.

1. Annual Return in **Form No.20** in duplicate on or before 1st February of subsequent year;
2. Half yearly Return in **Form no.21** in duplicate on or before 15th July of the calendar year;
3. Monthly accident return in **Form no.23**, on or before 5th subsequent month;

STATUTORY PERIODICAL EXAMINATIONS OF PLANTS AND EQUIPMENT TO BE CARRIED OUT

Factories Act, envisages provisions for periodical tests and examinations of the following equipment and plant used in the factory:

1. Lifting machine and connected tackles;
2. Overhead and pendent operated cranes;
3. Hoists;
4. Pressure vessels and pressure plants;
5. Power presses;
6. Ventilation system;
7. Solvent extraction plants;
8. Dust Extraction system etc.,

Tests and examinations shall be carried out by the competent person recognised by the Chief Inspector of Factories, in Karnataka, Bangalore.

The result of test and examinations shall be maintained in prescribed forms issued by the competent person.

RECOGNITION OF COMPETENT PERSON:

A person or an institution having requisite qualification, experience and infrastructure facilities for conducting such tests and examinations may make application to the Chief Inspector of Factories and obtain requisite competency certificate.

Documents to be filed for obtaining certificate of competency.

- Application in **Form No. 1B** in case of individual;
- Application in **Form No. 1C** in case of institution;
- Treasury receipted challan for having paid the prescribed fee of Rs.1000/- in case of individual and Rs. 2000/- in case of institution;

The application shall be made to the Chief Inspector of Factories and Boilers, who intern verifies the application and issue competency certificate in **Form no. 1D**, which is required to be renewed every year.