



**THE KARNATAKA INDUSTRIAL ESTABLISHMENTS (NATIONAL
AND FESTIVAL HOLIDAYS) ACT, 1963**

ARRANGEMENT OF SECTIONS

Statement of Object and Reasons

Sections:

1. [Short title, extent and commencement.](#)
 2. [Definitions.](#)
 3. [Grant of National and festival holidays.](#)
 - 3A. [Grant of Holidays on the polling day, for House of the people or to the State Legislative Assembly.](#)
 4. [Employer to send statement to Inspector.](#)
 5. [Wages.](#)
 6. [Inspectors.](#)
 7. [Powers of Inspectors.](#)
 8. [Penalties.](#)
 9. [Penalty for obstructing Inspectors.](#)
 - 9A. [Cognisance of offences.](#)
 10. [Exemptions.](#)
 11. [Rights and privileges under other laws, etc., not affected.](#)
 - 11A. [Power of State Government to amend the Schedule.](#)
 12. [Power to make rules.](#)
 13. [Rules and notifications to be laid before the State Legislature.](#)
- SCHEDULE.

* * * *

STATEMENT OF OBJECTS AND REASONS

I

Act 24 of 1963.- At present there is no uniform practice in the several industrial undertakings of the State to declare National and Festival Holidays every year. It is also likely that some of the private industrial establishments are declaring such holidays as paid holidays in spite of the fact that the Government issues Press Notes requesting all the industrial undertakings of the State, to prescribe Republic Day on 26th January and Independence Day on 15th August each year as additional paid holiday and not as substituted holidays.

As the Government of India have requested that appropriate action should be taken to enforce the observance of National and Festival Holidays as holidays with wages and in view of the great importance attached to the National and some other important festivals, it is considered necessary that our State should have legislation in this behalf.

Hence this Bill.

HR Solution

**Address: FL 9, Alsa mall, 1st Floor, Left Wing 149, Montieth Road, Egmore, Chennai 60th
Road, Egmore, Chennai 600008**

SOUNDARARAJAN V PH: 9600916497 / 6381205732



(Published in Karnataka Gazette (Extraordinary) Part IV-2A, dated 5th December 1962 as No. 244 at page. 7.)

HR Solution

Address: FL 9, Alsa mall, 1st Floor, Left Wing 149, Montieth Road, Egmore, Chennai 60th Road, Egmore, Chennai 600008

SOUNDARARAJAN V PH: 9600916497 / 6381205732

II

Amending Act 1 of 1975.—Under section 3 of the Mysore Industrial Establishments (National and Festival Holidays) Act, 1963 every employee is allowed two national holidays in a calendar year on the 26th January and the 15th August. It is proposed, as suggested by the National Commission on Labour, to provide for another national holiday on the 2nd October (Mahatma Gandhi's Birthday).

Under the proviso to sub-section (3) of section 5 of the Act, an employee will not be entitled to be paid any wages for any of the holidays allowed, if he has not completed period of thirty days' continuous service immediately preceding such holiday. This will mean hardship in cases where an employee though he may have completed a period of thirty days of service, may not have completed thirty days of *continuous service* immediately preceding the holiday. It is therefore proposed to amend the proviso providing for the requirement of a total period of thirty days' service within a continuous period of ninety days immediately preceding the holiday.

It is also proposed to provide that offences under the Act or rules shall be taken cognisance only upon complaint and by a magistrate of the first class.

Hence this Bill.

(Published in Karnataka Gazette (Extraordinary) Part IV-2A dated 14th March 1973 as No. 255 at page. 4.)

III

Amending Act 7 of 1985.—In his Budget Speech during 1982, the Chief Minister announced Government's intention to declare the 1st day of May as a paid holiday for industrial workers in the State.

When the Government of India were approached for obtaining the previous instructions of the President for amending section 3 of the Karnataka Industrial Establishments (National and Festival Holidays) Act, 1963, they informed that they were not agreeable to the day being declared a holiday in respect of establishments owned or controlled by the Government of India.

It is therefore considered necessary to declare 1st day of May as a paid holiday for industrial workers in the State of Karnataka except in respect of establishments owned or controlled by Government of India.

Hence the Bill.

(Published in Karnataka Gazette (Extraordinary) Part IV-2A dated 20th March, 1985, as No. 166 at page. 3.)

IV

Amending Act 16 of 1986.—The power conferred by section 6 of the Karnataka Industrial Establishments (National and Festival Holidays) Act, 1963 is, at present confined to the appointment of Inspectors for local limits specified by the State Government. It is intended to take power to appoint Inspectors for any given industrial establishment or class of such establishments. Where the power so conferred is exercised, provision for cession of jurisdiction by the Inspectors appointed for local limits in respect of such establishments is also required to be provided for.

It is also necessary to clear the ambiguity in section 3 and make a few consequential amendments.

Hence the Bill.

HR Solution

Address: FL 9, Alsa mall, 1st Floor, Left Wing 149, Montieth Road, Egmore, Chennai 60th Road, Egmore, Chennai 600008

SOUNDARARAJAN V PH: 9600916497 / 6381205732

(Published in Karnataka Gazette (Extraordinary) Part IV-2A, dated 3rd February, 1986 as No. 70 at page. 4.)

V

Amending Act 28 of 1997.—On the suggestions of the Election Commission, it is proposed to amend the Karnataka Industrial Establishments (National and Festival Holidays) Act, 1963, to make it obligatory on the part of employers to allow paid holiday to workers during general or bye-elections for any parliamentary or Assembly Constituency under the Representation of Peoples Act, 1951 (Central Act 43 of 1951) to enable the employees to exercise their franchise.

It is proposed to allow the employer and employee to choose paid holidays out of the list of festivals specified in the schedule. Hence the Bill.

(Obtained from LAW 18 LGN 97.)

* * * *

HR Solution

Address: FL 9, Alsa mall, 1st Floor, Left Wing 149, Montieth Road, Egmore, Chennai 60th Road, Egmore, Chennai 600008

SOUNDARARAJAN V PH: 9600916497 / 6381205732

¹[KARNATAKA ACT]¹ No. 24 OF 1963

(First published in the ¹[Karnataka Gazette]¹ on the Eleventh day of July, 1963.)

THE ¹[KARNATAKA]¹ INDUSTRIAL ESTABLISHMENTS (NATIONAL AND FESTIVAL HOLIDAYS) ACT, 1963

(Received the assent of the President on the Twenty-sixth day of June, 1963.)

(As amended by Act 1 of 1975, 7 of 1985, 16 of 1986 and 28 of 1997)

An Act to provide for the grant of national and festival holidays to persons employed in industrial establishments in the ¹[State of Karnataka]¹.

WHEREAS it is expedient to provide for the grant of national and festival holidays to persons employed in industrial establishments in the ¹[State of Karnataka]¹;

BE it enacted by the ¹[Karnataka]¹ State Legislature in the Fourteenth Year of the Republic of India as follows:—

1. Adapted by the Karnataka Adaptations of Laws Order 1973 w.e.f. 1.11.1973

1. Short title, extent and commencement.—(1) This Act may be called the ¹[Karnataka]¹ Industrial Establishments (National and Festival Holidays) Act, 1963.

1. Adapted by the Karnataka Adaptations of Laws Order 1973 w.e.f. 1.11.1973

(2) It extends to the whole of the ¹[State of Karnataka]¹.

1. Adapted by the Karnataka Adaptations of Laws Order 1973 w.e.f. 1.11.1973

(3) It shall come into force on such ¹[date]¹ as the State Government may, by notification, appoint.

1. Act came into force w.e.f. 14.8.1963 by notification. Text of the notification is at the end of the Act

2. Definitions.—In this Act, unless the context otherwise requires,—

(1) “day” means a period of twenty-four hours beginning at midnight;

(2) “employee” means,—

(i) any person (including an apprentice) employed in any industrial establishment to do any skilled or unskilled, manual, supervisory, technical or clerical work for hire or reward, whether the terms of employment be express or implied;

(ii) any other person employed in any industrial establishment whom the State Government may, by notification, declare to be an employee for the purposes of this Act;

(3) “employer”, when used in relation to an industrial establishment, means a person who has the ultimate control over the affairs of any industrial establishment and where the affairs of any industrial establishment are entrusted to any other person (whether called a managing agent, manager, superintendent or by any other name) such other person;

(4) “industrial establishment” means,—

(i) any shop or commercial establishment as defined in clauses (e) and (u) of section 2 of the ¹[Karnataka]¹ Shops and Commercial Establishments Act, 1961;

1. Adapted by the Karnataka Adaptations of Laws Order 1973 w.e.f. 1.11.1973

(ii) any factory as defined in clause (m) of section 2 of the Factories Act, 1948 (Central Act LXIII of 1948), or any place which is deemed to be a factory under sub-section (2) of section 85 of that Act;

(iii) any plantation as defined in clause (f) of section 2 of the Plantation Labour Act, 1951 (Central Act LXIX of 1951);

(iv) any other establishment which the State Government may, by notification, declare to be an industrial establishment for the purpose of this Act;

HR Solution

Address: FL 9, Alsa mall, 1st Floor, Left Wing 149, Montieth Road, Egmore, Chennai 60th Road, Egmore, Chennai 600008

SOUNDARARAJAN V PH: 9600916497 / 6381205732

(5) “Inspector” means an Inspector appointed under sub-section (1) of section 6;

(6) “notification” means a notification published in the official Gazette;

(7) “wages” means all remuneration capable of being expressed in terms of money, which would, if the terms of employment, express or implied, were fulfilled, be payable to an employee in respect of his employment or of the work done by him in such employment, and includes,—

(i) such allowances (including dearness allowance) as the employee is for the time being entitled to;

(ii) the value of any house accommodation, or of supply of light, water, medical attendance or other amenity or of any service or of any concessional supply of foodgrains or other articles;

but does not include,—

(a) any bonus;

(b) any contribution paid or payable by the employer to any pension fund or provident fund, or for the benefit of the employee under any law for the time being in force;

(c) any gratuity payable on the termination of his service;

(d) any sum paid to an employee to defray special expenses entailed on him by the nature of his employment;

(e) any travelling concession.

3. Grant of National and festival Holidays.—(1) Every employee shall be allowed in each calendar year, a holiday of one whole day on the 26th January, 15th August, 2nd October and five other holidays each of one whole day for such festivals as the employer may specify, from out of the list of festivals specified in the Schedule appended to this Act in consultation with the trade unions or in the absence of any trade union in consultation with the employees or their authorised representatives in such manner as may be prescribed:

Provided that except in the case of Industrial establishments owned or controlled by the Government of India, the number of such other holidays shall be seven including first day of May and first day of November.

(2) Whenever there is any disagreement between the employer and employees or the trade Unions concerned as to the festivals to be allowed as holidays during each calendar year the employer or the employees of the concerned Trade Union shall refer the dispute to the Inspector, having jurisdiction over the area in which the Industrial establishment is situated, for his decision and his decision shall be final.

3A. Grant of Holidays on the polling day, for House of the People or to the State Legislative Assembly.—Notwithstanding anything contained in section 3, when a general election to the House of the People or to the State Legislative Assembly or an election to fill up any casual vacancy in the House of the People or the State Legislative Assembly is held under the Representation of the People Act, 1951 (Central Act 43 of 1951), every employee (other than an employee in an Industrial establishment owned or controlled by the Government of India) whose name is included in the electoral roll of the constituency where such election is held, shall be allowed on the polling day, a day’s paid holiday to enable him to exercise his franchise.]¹

1. Section 3 and 3A substituted by Act 28 of 1997 w.e.f. 30.9.1997

HR Solution

Address: FL 9, Alsa mall, 1st Floor, Left Wing 149, Montieth Road, Egmore, Chennai 60th Road, Egmore, Chennai 600008

SOUNDARARAJAN V PH: 9600916497 / 6381205732

4. Employer to send statement to Inspector.—Every employer shall send to the Inspector having jurisdiction over the area in which the industrial establishment is situated, and display in the premises of the industrial establishment, a statement showing the holidays allowed in each calendar year under section 3, in such form, within such time and in such manner as may be prescribed.

5. Wages.—(1) Notwithstanding any contract to the contrary, every employee shall be paid wages for each of the holidays allowed to him under ¹[section 3 or 3A]¹.

1. Substituted by Act 28 of 1997 w.e.f. 30.9.1997

(2) Where an employee works on any holiday allowed under ¹[section 3 or 3A]¹, he shall, at his option, be entitled to,—

1. Substituted by Act 28 of 1997 w.e.f. 30.9.1997

(a) twice the wages; or
(b) wages for such day and to avail himself of a substituted holiday with wages on any other day.

(3) Notwithstanding anything contained in sub-section (1) or sub-section (2), an employee who is paid wages by the day or at piece rates shall be entitled to be paid wages for any holidays allowed under ¹[sections 3 and 3A]¹,—

1. Substituted by Act 28 of 1997 w.e.f. 30.9.1997

(i) only at a rate equivalent to the daily average of his wages to be calculated in the prescribed manner;

(ii) where he works on any such holiday, only at twice the rate mentioned in clause (i), or in lieu thereof, at the rate mentioned in that clause and to avail himself of a substituted holiday with wages at that rate on any other day:

²[Provided that no such employee shall be entitled to be paid any wages for any of the holidays allowed under section 3, other than the 26th January, the 15th August and the ¹[2nd October and the holiday allowed under section 3A]¹ unless he has been in the service under the employer for a total period of thirty days within a continuous period of ninety days immediately preceding such holiday.]²

1. Substituted by Act 28 of 1997 w.e.f. 30.9.1997

2. Substituted by Act 1 of 1975 w.e.f. 23.1.1975

Explanation.—For the purpose of this proviso, a weekly or any other holiday or authorised leave availed of by an employee shall be included in computing the period of thirty days mentioned therein.

6. Inspectors.—(1) The State Government may, by notification, appoint such persons or such class of persons as it thinks fit to be Inspectors for the purposes of this Act for such local limits ¹[or one or more industrial establishments or class of industrial establishments therein]¹ as the State Government may specify. ¹[Where an Inspector is appointed for one or more industrial establishments or class of industrial establishments, such Inspector and none other shall have jurisdiction over such industrial establishment or industrial establishments or such class of industrial establishments.]¹

1. Inserted by Act 16 of 1986 w.e.f. 8.5.1986

(2) Every Inspector shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code (Central Act XLV of 1960).

7. Powers of Inspectors.—Subject to any rules made by the State Government in this behalf, an Inspector may, within the local limits for which he is appointed ¹[or

HR Solution

Address: FL 9, Alsa mall, 1st Floor, Left Wing 149, Montieth Road, Egmore, Chennai 60th Road, Egmore, Chennai 600008

SOUNDARARAJAN V PH: 9600916497 / 6381205732

within which the industrial establishment or class of industrial establishments for which he is appointed is or are situated]¹,—

(a) enter at all reasonable times and with such assistants, if any, who are persons in the service of the Government or of any local authority as he thinks fit to take with him, any place which is, or which he has reason to believe is, any industrial establishments ¹[or as the case may be, the industrial establishment or one belonging to such class of industrial establishments for which he is appointed]¹;

(b) make such an examination of the premises and of any prescribed registers, records and notices and take on the spot or otherwise, the evidence of such person as he may deem necessary for carrying out the purposes of this Act;

(c) exercise such other powers as may be necessary for carrying out the purposes of this Act:

Provided that no one shall be required under this section to answer any question or give any evidence tending to incriminate himself.

8. Penalties.—Any employer who contravenes any of the provisions of section 3 ¹[or section 3A]¹ or section 5 shall be punishable with fine which, for the first offence may extend to ²[one hundred and twenty-five rupees]² and for a second and subsequent offences may extend to two hundred and fifty rupees.

1. Inserted by Act 28 of 1997 w.e.f. 30.9.1997

2. Substituted by Act 28 of 1997 w.e.f. 30.9.1997

9. Penalty for obstructing Inspectors.—Whoever wilfully obstructs an Inspector in the exercise of any power conferred on him by or under this Act, or fails to produce on demand in writing by an Inspector any register, record or notice in his custody which may be required to be kept in pursuance of this Act or of any rule made thereunder, shall be punishable with imprisonment for a term which may extend to three months or with fine which may extend to five hundred rupees or with both.

¹**9-A. Cognisance of offences.**—(1) No Court shall take cognisance of any offence punishable under this Act or any rule made thereunder except upon a complaint made in writing by an Inspector.

(2) No court inferior to that of a magistrate of the first class shall try any offence punishable under this Act or any rule made thereunder.]¹

1. Section 9A inserted by Act 1 of 1975 w.e.f. 23.1.1975

10. Exemptions.—The State Government may, by notification, exempt any establishment or class of establishments or persons or class of persons from all or any of the provisions of this Act, subject to such conditions as the State Government may deem fit.

11. Rights and privileges under other laws, etc., not affected.—Nothing contained in this Act shall affect any rights or privileges which any employee is entitled to, on the date on which this Act comes into force, under any other law, contract, custom or usage, if such rights or privileges are more favourable to him than those to which he would be entitled under this Act.

¹**11A. Power of State Government to amend the Schedule.**—The State Government may, by notification in the Official Gazette, amend the Schedule appended to this Act.]¹

1. Section 11A inserted by Act 28 of 1997 w.e.f. 30.9.1997

12. Power to make rules.—(1) The State Government may, by notification, make rules for the purpose of carrying into effect the provisions of this Act.

HR Solution

Address: FL 9, Alsa mall, 1st Floor, Left Wing 149, Montieth Road, Egmore, Chennai 60th Road, Egmore, Chennai 600008

SOUNDARARAJAN V PH: 9600916497 / 6381205732

(2) In making a rule under this Act, the Government may provide that a contravention thereof shall be punishable with fine which may extend to ¹[two hundred and fifty rupees]¹.

1. Substituted by Act 28 of 1997 w.e.f. 30.9.1997

13. Rules and notifications to be laid before the State Legislature.—Every rule made under this Act and every notification issued under sub-section (2) of section 10 shall be laid as soon as may be after it is made or issued, before each House of the State Legislature while it is in session for a total period of thirty days which may be comprised in one session or in two successive sessions, and if, before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule or notification or both Houses agree that the rule or notification should not be made, the rule or notification, shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or notification.

¹[**SCHEDULE**

[See section 3]

LIST OF FESTIVALS

1. New Year's Day
2. Bhogi Festival
3. Uttarayana Punyakala (Sankranthi)
4. Kanu Festival
5. Tyagaraja Aradhana
6. Purandara Dasara Punyadina
7. Garuda Jayanthi
8. Ratha Saphthami
9. Vyasa Poornima
10. Maha Shivarathri
11. Holi Festival
12. Holi Saturday
13. Good Friday
14. Shabh Barath
15. Chandramana Ugadi
16. Souramana Ugadi
17. Sriramanavami
18. Dr. Ambedkar Jayanthi
19. Mahaveera Jayanthi
20. May Day Celebration
21. Chitra Poornima
22. Shebe-E-Quader
23. Jumat-UI-Vida
24. Sri Ramanujacharya Tiru Nakshatra
25. Basava Jayanthi
26. Ramzan
27. Shankara Jayanthi
28. Buddha Poornima
29. Bakrid

HR Solution

Address: FL 9, Alsa mall, 1st Floor, Left Wing 149, Montieth Road, Egmore, Chennai 60th Road, Egmore, Chennai 600008

SOUNDARARAJAN V PH: 9600916497 / 6381205732

30. Varamahalakshmi Vratha
31. Last Day of Mohram
32. Upakarma
33. Sri Krishna Jayanthi
34. Swarna Gowri Vratha
35. Ganesha Vratha
36. Thiru Onam
37. Ananthapadmanabha Vratha
38. Mahalaya Amavasye
39. Mahanavami
40. Vijaya Dashami
41. Id-Milad
42. Thula Sankramana
43. Naraka Chathurdashi
44. Bali Padyami
45. Kannada Rajyotsava
46. Uttana Dwadasi
47. Gurunanak Jayanthi
48. Geetha Jayanthi
49. Shiva Deepa
50. Christmas Eve
51. Christmas
52. Madhva Navami.]¹

1. Schedule inserted by Act 28 of 1997 w.e.f. 30.9.1997

* * * *

NOTIFICATION

Bangalore date the 13th August 1963,

(Sharavana 22, Saka Era 1885). [No. PLM 189 LLE 63]

In exercise of the powers conferred by sub-section (3) of Section 1 of the Mysore Industrial Establishments (National and Festival Holidays) Act, 1963 (Mysore Act 24 of 1963), the Government of Mysore hereby appoints the 14th August 1963, as the date on which the said Act shall come into force.

By Order and in the name of the Governor of
Mysore,

(H. L. LINGARAJ URS)

Deputy Secretary to Government,

P. H., L. & Ml. A. D.

* * * *

HR Solution

**Address: FL 9, Alsa mall, 1st Floor, Left Wing 149, Montieth Road, Egmore, Chennai 60th
Road, Egmore, Chennai 600008**

SOUNDARARAJAN V PH: 9600916497 / 6381205732