



KARNATAKA LEGISLATIVE ASSEMBLY
FIFTEENTH LEGISLATIVE ASSEMBLY
NINTH SESSION

**THE KARNATAKA SHOPS AND COMMERCIAL ESTABLISHMENTS (SECOND
AMENDMENT) BILL 2020
(LA Bill No. 68 of 2020)**

A Bill further to amend the Karnataka Shops and Commercial Establishments Act, 1961.

Whereas, it is expedient further to amend the Karnataka Shops and Commercial Establishments Act, 1961, (Karnataka Act 8 of 1962) for the purposes hereinafter appearing;

Be it enacted by the Karnataka State Legislature in the Seventy first year of the Republic of India as follows:-

1. Short title and commencement.- (1) This Act may be called the Karnataka Shops and Commercial Establishments (Second Amendment) Act, 2020.

(2) It shall come into force at once.

2. Amendment of section 15.- In the Karnataka Shops and Commercial Establishments Act, 1961 (Karnataka Act 8 of 1962), in section 15, in sub-section (7), for the first proviso, the following shall be substituted, namely:-

“Provided that, the total number of the days of leave that may be carried forward to a succeeding year shall not exceed forty five days.”

STATEMENT OF OBJECTS AND REASONS

It is considered necessary to amend the Karnataka Shops and Commercial Establishments Act, 1961 (Karnataka Act 08 of 1962) to enable an employee to carry forward forty five days of leave instead of thirty days to succeeding year.

Hence the Bill.

FINANCIAL MEMORANDUM

There is no extra expenditure involved in the proposed legislative measure.

Arabail Hebbar Shivaram
Minister for Labour

M.K. Vishalakshi
Secretary (I/c)
Karnataka Legislative Assembly

ANNEXURE**Extract from the Karnataka Shops and Commercial Establishments Act, 1961
(Karnataka Act 08 of 1962)****XX****XX****XX**

15. Annual leave with wages.—(1) Every employee in an establishment shall be entitled to leave with wages and shall be allowed to avail such leave for the number of days calculated at the rate of,-

- (i) one day for every twenty days work performed by him, in case of an adult;
- (ii) one day for every fifteen days of work performed by him, in case of a young person;

Explanation: For the purpose of this sub-section,—

(a) any day of lay-off, by agreement or contract as permissible under the standing order or for any other reasons beyond the employer's control;

(b) in the case of female employee, maternity leave for any number of days not exceeding twelve weeks; and

(c) the leave earned in the year prior to that in which the leave is enjoyed:

-shall be deemed to be days on which the employee has worked in an establishment for the purposes of computation of leave under this section, but the employee shall not earn leave for that period.

(3) Every employee shall also be entitled during the first twelve months of continuous service and during every subsequent twelve months of such service in any establishment to leave with wages for a period not exceeding twelve days, on the ground of any sickness incurred or accident sustained by him or for any other reasonable cause.

(4) If an employee is discharged or dismissed from service during the course of the year he shall be entitled to leave with wages at the rates laid down in sub-section (1) even if he has not worked for the entire period specified in sub-section (1) entitling him to earn leave.

(5) If an employee entitled to any leave under sub-section (3) is discharged or dismissed from service when he is sick or suffering from the result of an accident, the employer shall pay him the amount payable under this Act in respect of the period of the leave to which he was entitled at the time of his discharge or dismissal, in addition to the amount, if any, payable to him under sub-section (4).

(6) In calculating leave under this section, fraction of leave of half a day or more shall be treated as one full day's leave, an fraction of less than half a day shall be omitted.

(7) If an employee does not in any one calendar year take the whole of the leave allowed to him under sub-section (1) or sub-section (2), as the case may be, any leave not taken by him shall be added to the leave to be allowed to him in the succeeding calendar year:

Provided that, the total number of the days of leave that may be carried forward to a succeeding year shall not exceed thirty days in the case of an adult and forty days in the case of a young person:

Provided further that, an employee who has applied for leave with wages but has not been given such leave in accordance with any scheme laid down in sub-sections (10) and (11) shall be entitled to carry forward the unavailed leave without any limit.

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