

CHAPTER 04 · COMPLIANCE MANUAL · 2024 EDITION

section 4 - KARNATAKA SHOPS & COMMERCIAL ESTABLISHMENT ACT, 1961

*This chapter is an extract from **The RST Compliance Manual**, a regulator-mapped reference for Indian business entities curated by the partners of R S T & Co.*

Karnataka Shops and Establishment Act registration is a mandatory requirement for all companies, persons, and legal entities planning to set up a shop or commercial establishment in the state.

The Act is an important document for employers and their human resources (HR) departments in the state.

4.1 Applicability

All business establishments (*with or without any employees*) in Karnataka are required to register under the Karnataka Shops & Commercial Establishments Act, 1961. This is an important state level compliance requirement.

However, the establishments registered under Factories Act, 1948 need not register under the Act.

4.2 Renewals and Changes

In case of any changes such as increase in, change in Address etc same form – Form A to be used. Certificate of registration is required to be renewed once in 5 years. If the company has more than one office/ branches each branch has to be registered separately. Each Company / branch has to be registered in different circles based on their locality (*Locality will be on PIN code basis*).

4.3 Compliances

4.3.1 Important Registers to be maintained

Register of leave with wages Form–F

Visit book

Appointment order in Form –Q

Notice to be exhibited on weekly holidays in Form P

Registration certificate to be exhibited in Form C

Combined Annual return in Form-U for the period January-December each year (**Due date – 31st January**)

4.3.2 Prohibited Activities

The employment of children below 14 years is prohibited.

Young persons and woman shall not be employed during night, between 8 pm to 6 am. Establishment requiring them to work between 8 pm to & 6 am are required to obtain a special permission after fulfilling certain welfare measures such as providing security & transport facilities for employees engaged in Night shift, etc.

4.3.3 Rules & Conditions to be followed

Business establishments in Bangalore should not open before 6.00 am and the closing hours cannot be after 8.00 pm. Business establishments in other cities were permitted to open upto 9.00 pm. If any organization requires working beyond the closing hours, a separate permission from Labour Officer is required to be obtained.

The name board of every establishment shall be in Kannada. If any other language is used, it should be below Kannada version.

NOTES

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End of Chapter. For the complete Compliance Manual, additional chapters, or a tailored briefing for your finance and compliance teams, contact info@rstandco.co.in.