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To
All Members of The Association

KEA IN THE NEWS

Progressive measures of State Govt. for ease of doing business

The Karnataka State Government has proposed to increase the daily working hours to 10 from the current nine hours, besides allowing more overtime hours.

Views of Mr. B.C. Prabhakar - President, KEA, has received extensive media coverage by the major newspaper. It is quoted as under:

“Ease of Doing Business, taking a contrary view, President of Karnataka Employers’ Association B.C. Prabhakar said that it would help in “ease of doing business” by exempting establishments employing less than 10 persons from submitting documents. In Andhra Pradesh, Haryana, Punjab, and Uttarakhand, the exemption for submitting annual returns has been exempted to establishments that hire less than 20 persons,” said Mr. Prabhakar. He said that increase in the cap for daily working hours and extra overtime is a progressive measure. It legitimises what is already going on.”



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Link to the newspaper: The Hindu dated 18th June 2025

<https://www.thehindu.com/news/national/karnataka/it-ites-sectors-to-benefit-the-most-with-10-hour-shifts/article69706084.ece>

10-hour shifts will benefit IT, ITES sectors the most

The amendment will legitimise the violation of working hours that is already happening in the sectors, says the CITU

Sharath S. Srivatsa
BENGALURU

Among the biggest beneficiaries of amendment being proposed to the Karnataka Shops and Commercial Establishments Act, 1961, will be hundreds of companies in the Information Technology and Information Technology-Enabled Services (IT & ITES) sectors offering software services, backend IT services and hardware sales, among others.

The State government has proposed to increase the daily working hours to 10 from the current nine hours, besides allowing more overtime hours. A meeting is being held on Wednesday to discuss the proposals.

"The amendment will legitimise the violation of working hours that is already happening in the sectors," said Meenakshi Sundaram, general secretary, CITU, Karnataka, calling it an attempt to "legalise the illegal act".

Succumbing to pressure
Trade unions argued that this was being pushed by the Centre. Mr. Sundaram, said, "It is unfortunate that the Congress government is succumbing to the pressure of the Centre and compromising the basic rights of the citizens of Kar-

What is the proposal?

To amend Karnataka Shops and Commercial Establishments Act, 1961, and Karnataka Shops and Commercial Establishments Rules, 1963

What the amendment seeks			
To provide for increase in daily working hours from nine to 10	Provision of daily working hours, including overtime work, increased from 10 to 12	Provision for overtime hours in three continuous months from 50 to 144	The amendment has been brought in BJP ruled States of Chhattisgarh, Uttar Pradesh, Uttarakhand, Maharashtra and Gujarat

nataka." Pointing out to a similar exercise by the State government for the factory workers in the State, he said that this would only reduce employment generating potential while helping only profit making. "Their idea of to keep shops and establishments for long hours hoping to increase the turnover. However, people do not have purchasing capacity. Instead, the government should work towards increasing the income of people."

The absence of a strict compliance and monitoring, AITUC State secretary M. Satyananda said, could lead to "wage theft" where employers could force employees to work for longer hours without increasing wages. "How can the Labour Department, which faces staff shortage, inspect thousands of commercial establishments?"

There will be no mechanism to monitor. Increasing hours would reduce the rest period for workers as well," he said.

'Ease of doing business'
Taking a contrary view, president of Karnataka Employers' Association B.C. Prabhakar said that it would help in "ease of doing business" by exempting establishments employing less than 10 persons from submitting documents.

"In Andhra Pradesh, Haryana, Punjab and Uttarakhand, the exemption for submitting annual returns has been exempted to establishments that hire less than 20 persons," said Mr. Prabhakar. He said that increase in the cap for daily working hours and extra overtime is a "progressive measure." "It legitimises what is already going on," he said.

For KARNATAKA EMPLOYERS' ASSOCIATION

**Sd/
[B C Prabhakar]
President**