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State Labour Law Update: Tamil Nadu Festival Holidays

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Tamil Nadu Festival Holidays: The Case for a Simpler Approval Process

By Express Labour Law | 19 October 2026 | Reading time: about 5 minutes

Every industrial establishment in Tamil Nadu must get its festival holidays approved each year. A compliance firm has proposed replacing that approval step with a notified list and self-certification. Here is the law, the proposal, and what employers should do meanwhile.

What the law requires

The Tamil Nadu Industrial Establishments (National, Festival and Special Holidays) Act, 1958 and its Rules govern paid holidays for employees of industrial establishments in the state. The Labour Department describes the entitlement as four national holidays (26 January, 1 May, 15 August and 2 October) and five festival holidays each year. The national days are fixed. The five festival days are not: they are specified by the Inspector, in consultation with the employer and the employees, for each establishment. The Act was renamed in 2017 to add special holidays.

Secondary sources do not all describe the count the same way; one adviser's summary lists five paid holidays in total. For the exact entitlement, rely on the Act and the Labour Department's own description.

How approval works today

- The employer sends a proposal naming the five festivals to the Inspector appointed under the Act, in the prescribed form.
- The Inspector considers the proposal along with any objections or suggestions from employees or the trade union.
- The Inspector approves the holidays and communicates the decision in the prescribed manner.
- The employer then displays the approved list at the establishment.
- The Labour Department issues a statement of holidays with a registration number; a sample from the department's portal lists the four national holidays plus festivals such as Pongal, Tamil New Year, Vinayaga Chaturthi, Ayudha Pooja and Deepavali.

The practical problem

According to the recommendation letter issued by compliance service provider Aparajitha, the Labour Department introduced an online process for specifying and approving the

festival holidays with effect from 16 August 2020, through the state labour portal. The firm says that in practice online applications are not being entertained, and establishment owners or their representatives still have to visit the office in person. It also points out that no fixed timeline binds the authority to decide. We have not independently verified how the portal operates in every district, so employers should share their own experience with their industry body.

For employers the cost is real: a process that depends on physical visits and has no decision deadline makes it hard to plan shift calendars, production schedules and leave policies at the start of the year.

How other states are said to handle it

The letter compares Tamil Nadu with other states. As the firm describes them:

State	Reported approach
Bihar and Uttar Pradesh	The employer displays a notice at the start of the year letting employees choose their festival holidays, and keeps a record. No communication to, or approval from, the authority is needed.
Andhra Pradesh and Telangana	The government notifies a list of festival holidays. The establishment selects from it, displays the choice and communicates it to the authorities.

These descriptions come from the proposing firm and should be checked against each state's current law before anyone relies on them.

What is being recommended

- The Government of Tamil Nadu notifies a list of festival holidays.
- Each establishment, taking its employees' suggestions into account, chooses its holidays from that list.
- The employer displays the chosen list at the premises.
- The choice and display count as self-certification, or the employer simply informs the Inspector that the establishment is compliant.
- As an alternative, if approval is kept, a fixed timeline is set and strictly followed.

The firm argues that this would improve ease of doing business, reduce the regulatory burden and raise operational efficiency for employers.

Our view: benefits and safeguards

The case for reform is easy to see. A notified list gives employers certainty and removes a bottleneck. Even if the state keeps approval, a statutory decision deadline, with a deemed approval if it lapses, would make planning possible.

Reform should still protect the employee side. The current law builds in consultation with workers and a role for the trade union, and the Inspector can resolve disagreements. Any move to self-certification should keep a record of consultation, require display in the local language, and leave room for inspection and employee complaints. Employers who simply choose the cheapest days may invite disputes, so the list itself should reflect the regional and religious festivals employees actually observe.

What Tamil Nadu employers should do now

- Check your establishment's current approval and registration status on the Labour Department portal, and file early in the calendar year.
- Keep acknowledgments, proceedings and proof of consultation with employees or the union.
- Display the approved list in the prescribed form at the premises.
- Remember that national holidays are fixed. In 2026 these fell on Monday 26 January, Friday 1 May, Saturday 15 August and Friday 2 October.
- Align your leave policy, shift rosters and payroll with the approved list, since the holiday is a paid day.
- Track Labour Department notifications for any change, including a notified list or a decision deadline.

Bottom line: the law is clear, but the approval step is where employers lose time. A notified list with self-certification, or at least a firm decision deadline, would keep the protection and cut the delay.

This article is general information based on public material available as of 19 October 2026 and is not legal advice. The recommendations discussed are those of a private compliance firm and are not government policy. Confirm requirements with the Tamil Nadu Labour Department and a qualified adviser before acting.