November 2025

Haryana introduces ordinance amending shops and establishments legislation

The Government of Haryana, *vide* notification dated November 12, 2025, has promulgated the Haryana Shops and Commercial Establishments (Amendment) Ordinance, 2025 ("**Ordinance**") under Article 213 of the Constitution of India. The Ordinance amends select provisions of the Haryana Shops and Commercial Establishments Act, 1958 ("**Haryana S&E Act**"), particularly in the areas of applicability, working hours, overtime limits, rest intervals and penalties, among others.

Interestingly, these changes closely mirror the recent reforms introduced in Maharashtra through the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) (Amendment) Ordinance, 2025, notified on October 1, 2025 ("**Maharashtra Ordinance**").

Given that the Ordinance has been issued under Article 213 of the Constitution of India, it will have the same force and effect as an Act of the State Legislature, until laid before the State Legislature upon its reassembly and is approved and enacted into law by the State Legislature. In the event that it remains unapproved, the Ordinance will expire at the end of 6 (six) weeks from the reassembly of the State Legislature.

Key changes

Applicability and intimation requirement

1. While the Haryana S&E Act applied to all establishments irrespective of their employee headcount, the Ordinance revises the applicability of the Haryana S&E Act to extend only to shops and establishments employing 20 (twenty) or more workers. Accordingly, only establishments employing 20 (twenty) or more workers are required to be registered under the Haryana S&E Act.
2. Such establishments are required to submit an online registration application within 1 (one) month of commencing business. Upon verification of the application and accompanying documents, the inspector will issue an online registration certificate, which will remain valid unless amended, cancelled upon closure, or revoked after verification by the inspector.
3. Employers must report any change in the particulars furnished at the time of registration including in relation to the establishment's name, employer, manager or workforce details within 7 (seven) days after the change has taken place. Employers are also required to notify the inspector within 30 (thirty) days of closing the establishment, following which the inspector (once satisfied with the accuracy of information furnished) will cancel the registration and remove the establishment from the register.
4. Although shops and establishments engaging less than 20 (twenty) workers, will not be governed by the Haryana S&E Act, such establishments must submit an online intimation to the inspector within 1 (one) month of

commencing business, in the prescribed form (which is yet to be notified). Upon submitting the intimation, the employer will be issued a 'Basic Information Performa ID Number'. However, the Ordinance remains silent regarding compliance actions for establishments that are already registered under the Haryana S&E Act and engage fewer than 20 employees.

Increased daily working hours

The Ordinance increases the permissible daily working hours from 9 (nine) hours to 10 (ten) hours. However, the weekly work hours limit of 48 (forty-eight) hours continues to be the same. This amendment mirrors the change recently introduced in Maharashtra through the Maharashtra Ordinance.

Enhancement of overtime limits

Under the Haryana S&E Act, employees could perform overtime work up to 50 (fifty) hours in a quarter. The Ordinance significantly increases this limit to 156 (One hundred and fifty-six) hours per quarter, providing employers with greater flexibility to manage peak workloads and seasonal demands. In comparison, Maharashtra's Ordinance recently expanded overtime limits, from 125 (One hundred and twenty-five) hours to 144 (One hundred and forty-four) hours in a 3 (three) month period.

Revision of rest interval requirements

Under the Haryana S&E Act, a rest break of half an hour was required to be provided after every 5 (five) hours of work. The Ordinance now relaxes this requirement by mandating a rest interval only after 6 (six) hours of continuous work.

Enhanced penalties

1. Non-compliance with the registration related provisions may attract penalties ranging from INR 3,000 (Indian Rupees three thousand) to INR 10,000 (Indian Rupees ten thousand) for the first violation, INR 5,000 (Indian Rupees five thousand) to INR 25,000 (Indian Rupees twenty-five thousand) for the second violation, and INR 500 (Indian Rupees five hundred) per day for continuing subsequent violations.
2. Under the Haryana S&E Act, failure by an employer to produce records for inspection, provide information required by the inspecting authority, or wilfully obstructing the inspecting authority (including by preventing an employee from appearing or being examined) was punishable, upon conviction, by a fine ranging from INR 25 (Indian Rupees twenty-five) to INR 200 (Indian Rupees two hundred). The Ordinance removes the requirement of conviction and replaces the earlier fine with a monetary penalty that will not be less than INR 3,000 (Indian Rupees three thousand) and may extend to INR 10,000 (Indian Rupees ten thousand) for such violations.
3. The Ordinance also revises the penalty framework under Section 20 of the Haryana S&E Act relating to maintenance of records and exhibition of notices. Previously, any contravention attracted a fine of up to INR 500 (Indian Rupees five hundred) for each day of continuing default and required a conviction before the fine could be imposed. The Ordinance replaces the term fine with penalty and removes the requirement of conviction, enabling the authorities to impose penalties directly.
4. The Ordinance further amends the consequences for falsification or omission of entries in statutory records or notices. Earlier, such actions could lead to imprisonment of up to 3 (three) months, and/or a fine ranging from INR 25 (Indian Rupees twenty-five) to INR 200 (Indian Rupees two hundred), upon conviction. The Ordinance removes the imprisonment component as well as the conviction requirement, replacing them with a monetary penalty ranging from INR 3,000 (Indian Rupees three thousand) to INR 10,000 (Indian Rupees ten thousand) for the first violation, and INR 5,000 (Indian Rupees five thousand) to INR 25,000 (Indian Rupees twenty-five thousand) for

the second violation. For continuing offences, a penalty of INR 500 (Indian Rupees five hundred) per day may be imposed by the competent authority.

5. The Ordinance also amends the general penalty clause applicable in case of contraventions of the Haryana S&E Act or the rules made thereunder, where no specific penalty is prescribed. Under the Haryana S&E Act, such violations, upon conviction, attracted a fine of up to INR 100 (Indian Rupees one hundred) for the first offence and INR 300 (Indian Rupees three hundred) for subsequent offences, with a fine of INR 100 (Indian Rupees one hundred) for subsequent offences committed within the same year. For general violations, the Ordinance introduces a monetary penalty ranging from INR 3,000 (Indian Rupees three thousand) to INR 10,000 (Indian Rupees ten thousand) for the first violation, and INR 5,000 (Indian Rupees five thousand) to INR 25,000 (Indian Rupees twenty-five thousand) for the second violation. For continuing offences, a penalty of INR 500 (Indian Rupees five hundred) per day may be imposed by the competent authority.
6. In summary, the Ordinance increases the monetary penalties and removes the requirement of conviction.

Issuance of appointment letters

The Ordinance introduces a new requirement mandating every covered employer to provide each employee with a letter of appointment. The appointment letter must include the employee's photograph, and employers are required to obtain an acknowledgement from the employee upon issuance.

Mandatory identity cards

The Ordinance requires employers to issue identity cards to all workers. These identity cards must contain the particulars as prescribed, which will be specified once the relevant rules or amendments to the rules are notified.

Conclusion

The Ordinance introduces several employer-friendly reforms, such as increased daily permissible working hours, higher overtime limits, and relaxed rest interval requirements. At the same time, it introduces new compliance obligations, including issuance of appointment letters with photographs, and mandatory identity cards for all workers.

While establishments employing 20 (twenty) or more workers are required to register themselves, those with fewer than 20 (twenty) workers only need to submit an intimation. This will hopefully reduce the compliance burden for smaller establishments and streamline the registration process for larger ones. Overall, these changes are designed to empower employers to optimise productivity, manage workforce requirements more efficiently, and focus on business growth without being encumbered by outdated regulatory constraints.

Needless to mention, many procedural details will be operationalised only once the Ordinance becomes permanently effective and upon notification of the supporting rules. In the meanwhile, employers are encouraged to implement these changes in a balanced manner, leveraging the regulatory ease to enhance efficiency, but also prioritising fair work practices and employee welfare to maintain a motivated and productive workforce. By doing so, businesses in Haryana can achieve sustainable growth while fostering a positive workplace culture under the new legal framework.

Employment Practice

JSA has a team of experienced employment law specialists who work with clients from a wide range of sectors, to tackle local and cross-border, contentious and non-contentious employment law issues. Our key areas of advice include (a) advising on boardroom disputes including issues with directors, both executive and non-executive; (b) providing support for business restructuring and turnaround transactions, addressing employment and labour aspects of a deal, to minimize associated risks and ensure legal compliance; (c) providing transaction support with reference to employment law aspects of all corporate finance transactions, including the transfer of undertakings, transfer of accumulated employee benefits of outgoing employees to a new employer, redundancies, and dismissals; (d) advising on compliance and investigations, including creating compliance programs and policy, compliance evaluation assessment, procedure development and providing support for conducting internal investigations into alleged wrongful conduct; (e) designing, documenting, reviewing, and operating all types of employee benefit plans and arrangements, including incentive, bonus and severance programs; and (f) advising on international employment issues, including immigration, residency, social security benefits, taxation issues, Indian laws applicable to spouses and children of expatriates, and other legal requirements that arise when sending employees to India and recruiting from India, including body shopping situations.

JSA also has significant experience in assisting employers to ensure that they provide focused and proactive counselling to comply with the obligations placed on employees under the prevention of sexual harassment regime in India. We advise and assist clients in cases involving sexual harassment at the workplace, intra-office consensual relationships, including drafting of prevention of sexual harassment (POSH) policies, participating in POSH proceedings, conducting training for employees as well as Internal Complaints Committee members, and acting as external members of POSH Committees

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