

Exemption to smaller establishments, revision in working hours:

Haryana promulgates ordinance to amend S&E law

18 November 2025

In a notable development, the Governor of Haryana promulgated the Haryana Shops and Commercial Establishments (Amendment) Ordinance, 2025 (Ordinance) in the Official Gazette on 12 November 2025, pursuant to the Governor's assent to the same. This Ordinance amends the Haryana Shops and Commercial Establishments Act, 1958 (Haryana S&E Act), and the same has been made effective from 12 November 2025.

In this update, we discuss the key changes brought about by the Ordinance.

Applicability

As per the Ordinance, the employee headcount threshold for application of the Haryana S&E Act has been increased from 0 to 20 or more employees (such threshold is being inclusive of both managerial and non-managerial employees).

Registration

As per the Ordinance, new establishments having 20 or more employees are required to submit an online registration application in the format that will be prescribed by the State Government. Based on the assessment of the application, the Inspector will issue an online registration certification, with no requirement for periodic renewal. Further, the onus is on the employer to inform the Inspector, in case of changes in the information provided or at time of closure of the establishment.

Intimation by establishments with less than 20 employees

The Ordinance has introduced Section 13A, wherein, establishments having 0 to 20 employees will be required to submit an online intimation to the Inspector, in the format that will be prescribed by the State Government.

Daily working hours

As per the Ordinance, the maximum daily working hours has been increased from 9 hours to 10 hours per day. There has been no revision in the maximum weekly hour limit of 48 hours.

Overtime limits

As per the Ordinance, the overtime hours limit has been increased from 50 hours to 156 hours within a period of 3 months.

Intervals of rest

As per the Ordinance, the total number of hours of work without an interval has been increased from 5 hours to 6 hours, with a break of at least half an hour given after every 6 hours of continuous work. There has been no revision in the spread over of hours limited to 10 hours in a day.

Employer Obligations

As per the Ordinance, employers are required to issue appointment letters and identity cards to all their employees, in the format that will be prescribed by the State Government.

Penalties

- In case of contravention or failure of compliance with the requirements set out under Section 13 of the Haryana S&E Act, the employer shall be liable to pay a fine of minimum INR 3,000 to maximum INR 10,000 for the first offence.
- The general penalty provision set out under the Haryana S&E Act has been revised to a minimum of INR 3,000 and maximum of INR 10,000 for the first offence. For the second offence, the fine may range between INR 5,000 and INR 25,000. In the instance of continuous contravention, a penalty of INR 500 per day can be imposed.

Comments

With ease in regulatory compliances and increased flexibility by removal of periodical renewal and work hour arrangements, the Ordinance reflects the Government's larger initiative to promote ease of doing business. Notably, the Ordinance is in continuation of similar amendments brought about or proposed by other states including Maharashtra (we released an ERGO on this too, available [here](#)) and Telangana. The Ordinance aligns with the increasing emphasis on digitalisation by requiring online registration, thus enhancing transparency and better documentation. The increased rates of penalties reflects the Government's objective to impose stricter regulatory control and create better deterrent effect on employers.

Notwithstanding the flexibility offered by the Ordinance in work time regulations, it is yet to be seen whether establishments will revisit their policies. This is because a 10-hour working day in a week comprising 5 working days would mean that the total number of hours worked by an employee in a week would be 50, crossing the weekly threshold of 48 hours and attracting overtime.

- Abhinav Rastogi (Partner), Deeksha Malik (Principal Associate) and Akshita Sharma (Associate)



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