

PUNJAB VIDHAN SABHA

BILL NO.14-PLA-2025

THE PUNJAB SHOPS AND COMMERCIAL ESTABLISHMENTS
(AMENDMENT) BILL, 2025

A

BILL

further to amend the Punjab Shops and Commercial Establishments Act, 1958.

BE it enacted by the Legislature of the State of Punjab in the Seventy-sixth Year of the Republic of India, as follows:-

Short title and
commencement.

1. (1) This Act may be called the Punjab Shops and Commercial Establishments (Amendment) Act, 2025.

(2) It shall come into force on and with effect from the date of its publication in the Official Gazette.

Amendment in
section 1 of
Punjab Act 15 of
1958.

2. In the Punjab Shops and Commercial Establishments Act, 1958 (hereinafter referred to as the principal Act), in section 1, for sub-section (4), the following sub-section shall be substituted, namely:-

"(4) The provisions of this Act shall apply to the shops and establishments employing twenty or more workers, whereas to shops and establishments employing less than twenty workers only section 13-A shall be applicable:

Provided that whenever number of workers in any shop or establishment, with less than twenty workers, becomes twenty or more, the provisions of this Act shall become applicable."

3. In the principal Act, in section 6, for sub-section (4), the following sub-section shall be substituted, namely:-

"(4) In the case of any contravention of, or failure to comply with, the provisions of this section, the employer shall be liable, on conviction, to pay fine, to be imposed by the competent authority as notified by the State Government, which shall not be less than one thousand rupees and not more than twenty-five thousand rupees for the first offence and not less than five thousand rupees and not more than fifty thousand rupees for the second offence and may impose fine at the rate of rupees one thousand for each day if any subsequent offence continues.

Explanation.- Second and subsequent offence means the offence committed after a period of three months from the date on which a similar offence was committed earlier and an offence committed after a duration of more than one year of the earlier offence shall be considered as first offence."

Amendment in
section 6 of
Punjab Act 15 of
1958.

Amendment in
section 7 of Punjab
Act 15 of 1958.

4. In the principal Act, in section 7,-
- (i) in sub-section (1), for the words "nine hours", the words "ten hours" shall be substituted; and
 - (ii) in sub-section (2), in the proviso, in clause (a), for the word "fifty", the words "one hundred forty-four" shall be substituted.

Amendment in
section 8 of
Punjab Act 15 of
1958.

5. In the principal Act, in section 8, in sub-section (2), for the words "ten hours", the words "twelve hours" shall be substituted.

Substitution
of section 13
of Punjab Act
15 of 1958.

6. In the principal Act, for section 13, the following section shall be substituted, namely:-

"13.(1) On and with effect from the date of commencement of the Punjab
Registration of
establishments. Shops and Commercial Establishments (Amendment) Act,
2025, the employer of every establishment employing twenty or
more workers shall, within a period of six months from the
date of commencement of his business, apply for registration and obtain
registration certificate.

(2) Every application for registration under sub-section (1) shall be
made in such form and in such manner together with such fee, as may be
prescribed.

(3) The Inspector shall, on receipt of an application under sub-section
(2), register the establishment and issue a registration certificate to the
employer, for a duration as prescribed, within twenty-four hours in such
form, as may be prescribed. If the registration certificate is not issued by the
Inspector within a period of twenty-four hours from the date of receipt of
application, the registration certificate shall be deemed to have been granted
under this Act.

(4) The Inspector shall maintain a register of establishments, in such
form, as may be prescribed.

(5) The registration certificate shall be prominently displayed in the
establishment by the employer.

(6) The employer shall give intimation to the Inspector, of any change
in any of the particulars furnished in the application form submitted under
sub-section (2) together with such fee as may be prescribed, within a period
of thirty days of such change. The Inspector shall, on receipt of such
intimation, amend the registration certificate or issue a fresh registration
certificate.

(7) The employer shall, within a period of thirty days of the closure of
the establishment, give intimation of such closure to the Inspector and on

receipt of such intimation, the Inspector shall cancel the registration certificate."

Insertion of
section 13-A in
Punjab Act 15 of
1958.

7. In the principal Act, after section 13, the following section shall be inserted, namely:-

"13-A. Employer of every establishment employing less than twenty workers shall, within a period of six months from the date of commencement of the Punjab Shops and Commercial Establishments (Amendment) Act, 2025, or within a period six months from the date of commencement of his business, give intimation of his business to the Inspector in such form, as may be prescribed. The Inspector shall record the particulars furnished by the employer in such register, as may be prescribed:

Intimation of
Business.

Provided that if at any point of time, the number of workers engaged in the establishment become twenty or more, then all the provisions of this Act shall apply to such establishment and the employer of such establishment shall apply for registration and obtain a registration certificate as per the provisions of section 13."

Amendment in
section 21 of
Punjab Act 15
of 1958.

8. In the principal Act, in section 21, for sub-section (2), the following sub-section shall be substituted, namely:-

"(2) Whoever contravenes the provisions of sub-section (1) or willfully obstructs the inspecting authority in the exercise of the powers under this Act or conceals or prevents any employee in an establishment from appearing before or being examined by the authority, shall be liable, on conviction, to pay fine which shall not be less than one thousand rupees and not more than ten thousand rupees for the first offence and not less than three thousand rupees and not more than fifty thousand rupees for the second offence. The competent authority as notified by the State Government, may impose fine at the rate of five hundred rupees for each day if any subsequent offence continues.

Explanation.- Second and subsequent offence means the offence committed after a period of three months from the date on which a similar offence was committed earlier and an offence committed after a duration of more than one year of the earlier offence shall be considered as first offence."

9. In the principal Act, for section 26, the following section shall be substituted, namely:-

"26. Subject to the other provisions of this Act, whoever contravenes any of the provisions of this Act or the rules made

Penalties.

Substitution
of section 26
of Punjab
Act 15 of
1958.

-4-

thereunder and no penalty has been provided for such contravention in this Act, shall be liable, on conviction, to pay fine which not be less than five hundred rupees and not more than two thousand rupees for the first offence and not less than three thousand rupees and not more than thirty thousand rupees for any subsequent offence. Competent authority may impose fine at the rate of five hundred rupees for each day if subsequent offence continues.

Explanation.- Second and subsequent offence means the offence committed after a period of three months from the date on which a similar offence was committed earlier and an offence committed after a duration of more than one year of the earlier offence shall be considered as first offence."

- Insertion of section 26-A in Punjab Act 15 of 1958. 10. In the principal Act, after section 26, the following section shall be inserted, namely:-

"26-A.(1) The State Government shall, by notification in the Official Gazette, appoint any person as competent authority to compound the offences under this Act for such amount and in such manner, as may be prescribed:

Compounding
of offence.

Provided that the competent authority may, after giving the person a reasonable opportunity of being heard in the matter, and if, on such inquiry, is satisfied that the person concerned has contravened or has not complied with any of the provisions of sections 6, 20, 21 and 26, or the rules made thereunder or order issued thereunder, impose such composition fee which shall not exceed maximum fine specified under these sections.

(2) Where an offence has been compounded under sub-section (1), no further proceedings shall be taken against the offender in respect of such offence."

- Omission of Schedule. 11. In the principal Act, the Schedule appended thereto shall be omitted.

-5-

STATEMENT OF OBJECTS AND REASONS

In order to reduce the burden of regulatory compliances, shops & commercial establishments that employ upto 20 persons are proposed to be brought out of the provisions of this Act. Further compounding provisions are proposed to decriminalize the act and also promote Ease of Doing Business by introducing the option of rationalized and progressively deterrent fines/ composition fees for any contraventions/ non compliances. Working hours in a day and the maximum permissible overtime are also proposed to be increased in line with the best practices in the present times. The above amendments in Punjab Shops and Commercial Establishment Act, 1958 will result in reduction of burden of regulatory compliances on shops & commercial establishments that employ upto 20 persons. Compounding provisions will result in decriminalization of the act and also promote Ease of Doing Business. Making working hours and overtime hours in line with the best practices in present times will boost overall productivity.

Hence, the Punjab Shops and Commercial Establishment (Punjab Amendment) Bill, 2025.

TARUNPREET SINGH SOND,
Labour Minister, Punjab.

CHANDIGARH:
THE 10TH JULY, 2025

R.L. KHATANA
SECRETARY.

N.B. - The above Bill published in the Punjab Government Gazette (Extraordinary), dated the 10th July, 2025 under the proviso to rule 121 of the Rules of Procedure and Conduct of Business in the Punjab Vidhan Sabha (Punjab Legislative Assembly).