

REPORT ON THE WORKING OF THE LEGISLATION GOVERNING CONDITIONS OF EMPLOYMENT IN SHOPS, COMMERCIAL ESTABLISHMENTS, THEATRES, HOTELS AND RESTAURANTS DURING THE YEAR 2022

1. Introduction

The conditions of employment for individuals working in shops and commercial establishments across the country are primarily governed by acts enacted by the respective state governments, along with the rules framed under those acts. Additionally, there is a Central Act, the Weekly Holidays Act, 1942, which facilitates the provision of weekly holidays for employees covered under the respective state legislations. Each year, the Labour Bureau publishes a report on the implementation of legislation governing the conditions of employment in shops, commercial establishments, theatres, hotels, and restaurants, based on annual returns and reports submitted by state governments and Union Territory administrations. The current report pertains to the year 2022.

2. Scope, Coverage and Main Provisions of the Acts

(a) State Acts

The Acts enacted by various State Governments and Union Territory Administrations, along with the rules framed under them, regulate various aspects such as daily and weekly working hours, payment of wages, overtime, paid holidays, and annual leave for establishments. These Acts initially apply to shops, commercial establishments, restaurants, hotels, and places of amusement in specific notified urban areas, and they prohibit the employment of children below 14 years of age. However, State Governments have the authority to extend the applicability of these Acts to other areas or categories of undertakings as deemed necessary. Certain categories of employees, such as those employed in confidential roles or performing work of an intermittent nature, are excluded from the provisions of the Acts.

(b) Central Act

The Central Act, known as the Weekly Holidays Act, 1942, provides for weekly holidays for employees in shops and commercial establishments. It is applicable only in those States that have notified its application to specific areas within their jurisdiction.

Tables 1(A) and 1(B) show the areas covered by various State Acts and the Central Act across different States and Union Territories during 2022.

3. Administration

The administration of these Acts varies across States. In Bihar and the Union Territory of Chandigarh, the Acts are administered by the Chief Inspectors of Shops and Commercial Establishments, while in other States; they are overseen by Labour Commissioners or Factory Inspectors.

4. Number of Establishments Covered and Persons Employed therein:

Table II presents data on the number of shops, commercial establishments, and other entities covered under the Acts, as well as the number of employees in 2022. A total of 8,485,422 establishments were covered, employing 52,751,254 persons. Of these, 6,148,988 establishments (72.47%) were shops, 1,985,035 (23.39%) were commercial establishments, and 351,399 (4.14%) were cinemas, theatres, hotels, and restaurants.

The number of establishments was highest in Maharashtra (1,908,592 or 22.50%), followed by Madhya Pradesh (1,480,177 or 17.45%), Andhra Pradesh (1,112,060 or 13.11%), Rajasthan (751,479 or 8.86%), and Haryana (592,500 or 6.99%). In terms of employment, Delhi NCR led with 25,768,115 employees (48.85%), followed by Maharashtra (9,150,377 or 17.35%) and Madhya Pradesh (3,400,741 or 6.45%). In some States, the number of establishments was high compared to the number of employees, indicating that many shops were run by proprietors without any additional staff.

5. Ownership Details of Shops

Table III presents information on shops operated independently by owners versus those employing staff. Among the States providing ownership details, 52.96% (3,252,460 out of 6,141,629 shops) were run independently by the proprietors, while the remainder employed staff.

6. Enforcement

Table IV provides data on enforcement activities, including inspections, prosecutions, court cases, and fines collected in 2022. Across all States and Union Territories that submitted returns, 240,912 inspections were conducted, 38,509 prosecutions were launched, 29,797 cases were disposed of, and fines totaling ₹9,455,274 were collected from non-compliant establishments. Chandigarh reported the highest number of inspections (65,662 or 27.26%), prosecutions (29,051 or 75.43%), cases disposed of (28,166 or 94.52%), and fines collected (₹6,867,998).

The detected violations mainly involved non-payment of wages, arrears, bonuses, overtime, and leave entitlements, as well as non-maintenance of required records, failure to display notices, and non-compliance with working hours and weekly holiday requirements.

7. Limitations of the Statistics

Submitting data is a statutory requirement under the Act, with a deadline of March 31, 2022. However, several States, including Chhattisgarh, Manipur, Punjab, Sikkim, and West Bengal, and the Union Territories of Lakshadweep, Dadra and Nagar Haveli, and Daman and Diu, did not submit their returns despite repeated reminders, leading to delays in releasing the review. Additionally, some States, such as Arunachal Pradesh, submitted nil returns. This review is based on data from 21 States and 6 Union Territories.

Table-I (A)**State-wise Coverage of Shops and Commercial Establishments under the State Acts During the year 2022**

Sl. No.	State / Union Territory	Name of the Act	Areas Covered
1	2	3	4
1.	Andhra Pradesh	The Andhra Pradesh Shops and Establishments Act, 1988	Whole State
2.	Assam	The Assam Shops and Establishments Act, 1971	Assam Municipal Board and town committees, Guwahati Municipal Corporation ,127 Semi-urban areas and entire districts of Karbi Anglong & Dima Hasao
3.	Bihar	The Bihar Shops and Establishments Act, 1953	Whole State
4.	Goa	Goa, Daman & Diu Shops and Establishments Act, 1973	Erstwhile UT of Goa, Daman and Diu
5.	Gujarat	The Shops and Establishments Act, 1948	134 Local Authorities
6.	Haryana	The Punjab Shops and Commercial Establishments Act, 1958	Whole State
7.	Himachal Pradesh	The Himachal Pradesh Shops & Commercial Establishments Act, 1969	Municipal Corporation and other Municipal areas and cantonment limits in the whole State
8.	Karnataka	The Karnataka Shops and Commercial Establishments Act, 1961	Whole State
9.	Kerala	The Kerala Shops and Commercial Establishments Act, 1960	Whole State
10.	Madhya Pradesh	Dookan Aur Vanijayik sansthapna Adhinyam, 1958	Whole State
11.	Maharashtra	The Maharashtra Shops and Establishments Act, 1948 (Regulation of Employment and Conditions Of Services Act, 2017)	295 Local areas
12.	Meghalaya	Shops and Establishments Act, 2003	Whole State
13.	Manipur	Manipur Shops and Establishments Act, 1972	Whole State
14.	Mizoram	Mizoram Shop & Establishment Rules, 2010	Whole State
15.	Nagaland	The Nagaland shop and establishment act. 1982	Whole State
16.	Odisha	The Odisha Shops and Commercial Establishments Act, 1956	Municipal Corporations and N.A.Cs
17.	Punjab	The Punjab Shops and Commercial Establishments Act, 1958	131 Towns and other places
18.	Rajasthan	The Rajasthan Shops and Commercial Establishments Act, 1958	35 Places

19.	Tamil Nadu	The Tamil Nadu Shops and Establishments Act, 1947	Whole State
20.	Telangana	Shops & Establishments Act, 1988	Whole State
21.	Tripura	The Tripura Shops and Establishments Act, 1970	Municipal areas of Agartala town & Sub-Divisional Towns of Dharamanagar, Kailashahar, Khowai, Radhakishorepur (Udaipur) & Belonia in Tripura
22.	Chandigarh	The Punjab Shops and Commercial Establishments Act, 1958	Union Territory of Chandigarh
23.	Delhi (NCT)	The Delhi Shops and Establishments Act, 1954	The whole national capital territory.
24.	Puducherry	The Puducherry Shops and Commercial Establishments Act, 1964, the Puducherry Catering Establishments Act, 1964 and the Puducherry Industrial Establishments (National and Festival Holidays) Act, 1964	The whole Union Territory which comprises four regions viz., Puducherry, Karaikal, Mahe and Yanam
25	Jammu & Kashmir	Jammu & Kashmir Shops & Establishments Act, 1966	Whole State

Table – I (B) Coverage under the Weekly Holidays Act, 1942 during 2022

Sl.No	State/Union Territory	Area Covered
1.	Karnataka	Murnad, Bhagamandala, Napoklu, Ammathi, Ponnampet and Hudikeri in Kudagu District and Munirabad and Kinnal in Raichur District

Table - II
Number of Shops, Commercial Establishments, Cinemas, Theatres, Hotels, Restaurants, etc. and
Total Number of Persons Employed therein during the year 2022 (by States/UT's)

State / Union Territory		Number of							
		Shops	Persons employed	Commercial Establishments	Persons employed	Hotels and Restaurants Cinemas, Theatres,	employed Persons	Total Establishments	Employed Persons
1		2	3	4	5	6	7	8	9
1	Andhra Pradesh	1077387	629450	22415	143024	12258	63265	111206	835739
2	Assam	43752	38981	20929	51727	4891	19196	69572	109904
3	Bihar	76525	275174	76948	663304	282	1663	153755	940141
4	Goa	547	927	383	1467	166	1022	1096	3416
5	Gujarat	339941	2366768	66681	322878	12957	52067	419579	2741713
6	Haryana	495194	1099410	86936	2175027	10370	87836	592500	3362273
7	Himachal Pradesh	79629	28201	11942	23890	12499	25354	104070	77445
8	Jharkhand	48097	108265	19017	102730	909	5561	68023	216556
9	Karnataka	22649	158510	20486	294474	2812	33372	45947	486356
10	Kerala	272444	656944	58554	402195	17132	81272	348130	1140411
11	Madhya Pradesh	861276	1856313	519318	1343215	99583	201213	1480177	3400741
12	Maharashtra	963759	2632802	859992	6022204	84841	495371	1908592	9150377
13	Meghalaya	18057	38992	3933	17799	1216	7979	23206	64770
14	Mizoram	593	2359	149	705	24	145	766	3209
15	Nagaland	8409	8717	62	729	211	846	8682	10292
16	Odisha	17273	62690	28914	218402	6399	30273	52586	311365
17	Rajasthan	691399	976095	40620	232311	19460	79699	751479	1288105
18	Tamil Nadu	263057	782028	20285	387646	7222	85164	290564	1254838
19	Telangana	161027	638657	43801	270285	15498	95808	220326	1004750
20	Tripura	43231	15749	2029	8267	2148	4209	47408	28225
21	Uttarakhand	7674	7807	2899	10933	3259	1385	13832	20125
22	A & N Islands	7972	21632	2186	4001	1095	7688	11253	33321
23	Chandigarh	23276	51171	9239	74452	2447	15046	34962	140669

24	NCT Delhi	300201	15629408	23414	9022541	6382	1116166	329997	257681 15
25	Puducherry	27067	90929	4359	18780	3600	3818	35026	113527
26	Jammu & Kashmir	291193	109359	33866	79923	20848	35318	345907	224600
27	Leh ladhak	7359	4960	5678	6938	2890	8373	15927	20271
Total		6148988	28292298	1985035	21899847	351399	2559109	848542	527512
		72.47	53.63	23.39	41.52	4.14	4.85	100	100

Note: (i) The remaining States/Union Territories did not submit the Annual Returns for the year, 2022

(ii) Figures in brackets indicate percentage to total.

Table - III**Ownership of Shops and Employment therein during the year 2022 (by States/UT's)**

State/Union Territory	Number of Shops			Number of owners of shops shown in Col.4	Number of persons employed
	Independently run by owners	Others	Total		
1	2	3	4	5	6
1 Andhra Pradesh	930802 (28.63)	146585 (5.22)	1077387	1076761	629450
2 Assam	15806 (0.49)	27946 (0.99)	43752	48870	38981
3 Bihar	- -	- -	76525	-	275174
4 Goa	241 (0.01)	306 (0.01)	547	547	927
5 Gujarat	194135 (5.97)	145806 (5.19)	339941	339941	2366768
6 Haryana	292881 (9.01)	202313 (7.20)	495194	495194	1099410
7 Himachal Pradesh	58076 (1.79)	21553 (0.77)	79629	79629	28201
8 Jharkhand	28090 (0.86)	20007 (0.71)	48097	48097	108265
9 karnataka	4175 (0.13)	41772 (1.49)	22649	4175	158510
1 Kerala	142327 (4.38)	130117 (4.63)	272444	272444	656944
0					
1 Madhya Pradesh	416294 (12.80)	444982 (15.83)	861276	861276	1856313
1 Maharashtra	131630 (4.05)	832129 (29.61)	963759	963759	2632802
2					
1 Meghalaya	11903 (0.37)	6154 (0.22)	18057	18057	38992
3					
1 Mizoram	182 (0.01)	411 (0.01)	593	593	2359
4					
1 Nagaland	5435 (0.17)	2974 (0.11)	8409	8409	8717
5					
1 Odisha	- -	17273 (0.61)	17273	17273	62690
6					
1 Rajasthan	298611 (9.19)	392788 (13.98)	691399	691399	976095
7					
1 Tamil Nadu	191376 (5.89)	71681 (2.55)	263057	265939	782028
8					
1 Telangana	63811 (1.96)	97216 (3.46)	161027	301796	638657
9					
2 Tripura	28750 (0.88)	14481 (0.52)	43231	43231	15749
0					
2 Uttarakhand	- -	7674 (0.27)	7674	7674	7807
1					
2 A & N Islands	2100 (0.06)	5872 (0.21)	7972	7972	21632
2					
2 Chandigarh	23276 (0.72)	- -	23276	23276	51171
3					
2 NCT Delhi	174617 (5.37)	125584 (4.47)	300201	300201	15629408
4					
2 Puducherry	1412 0.04	25655 0.91	27067	27067	90929
5					
2 Jammu & Kashmir	236530 (7.28)	54663 (1.95)	291193	291193	109359
6					

2 7	Leh ladhak	
Total		3252460	(52.96)	2812644	(45.80)	6141629	6194773	28287338

Note: The remaining States/Union Territories did not submit the Annual Returns for the year, 2022.
Figures in brackets indicate percentage to respective total rounded off up to two decimal points.
- = Nil, .. = Data not reported

Table - IV

Number of Inspections Made, Prosecutions Launched, Cases Disposed off by the Courts and Amount of fine realised under the Shops and Commercial Establishments Act during the Year 2022 (by States/UT's)

State/Union Territory		Inspections made	Prosecutions launched	Cases disposed off by the courts	Amount realised as fine (in Rs.)
1		2	3	4	5
1	Andhra Pradesh	218	158	127	14600
2	Assam	8571	167	22	2000
3	Bihar	-	-	-	-
4	Goa	1869	11	17	39730
5	Gujarat	18861	5241	334	26479
6	Haryana	22	29	44	23950
7	Himachal Pradesh	9120	204	225	591100
8	Jharkhand	746	-	12	-
9	Karnataka	15829	1848	-	-
10	Kerala	639	46	387	1504950
11	Madhya Pradesh	29359	591		
12	Maharashtra	7798	530	-	322000
13	Meghalaya	1426	-	-	-
14	Mizoram	-	-	-	-
15	Nagaland	3052	-	-	-
16	Odisha	1086	57	16	1115
17	Rajasthan	572	2	3	550
18	Tamil Nadu	41032	7	8	52200
29	Telangana	949	152	-	-
20	Tripura	13528	-	-	-
21	Uttarakhand	13	-	-	-
22	A & N Islands	12	3	3	3200

23	Chandigarh	65662	29051	28166	6867998
24	NCT Delhi	-	-	-	-
25	Puducherry	10675	-	-	5400
26	Jammu & Kashmir	9873	412	433	2.479
27	Leh Ladakh
Total		240912	38509	29797	9455274

Note: The remaining States/Union Territories did not submit the Annual Returns for the year, 2022.

-= Nil, ..= Not reported