



SHRAMVAAD FIELD VISIT REPORT

LEGAL CONSULTANCY INITIATIVE
BY

Centre for Advanced Studies in Labour
Welfare

In collaboration with

Punjab State Legal Services Authority



RAJIV GANDHI NATIONAL UNIVERSITY OF LAW

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INTRODUCTION

BACKGROUND

India's economy remains heavily reliant on unorganized and informal labour, with official data indicating that over 80% of workers are employed in the unorganized sector. This large informal workforce, encompassing shop workers, small establishments, and street vendors often has limited knowledge of labour rights and statutory protections. Compliance with labour welfare laws in such sectors is therefore a key concern, as gaps between legal provisions and on-ground practice can leave workers vulnerable. In Punjab, a state with a mixed agricultural and industrial economy, the retail and service sectors (cafes, shops, markets) provide livelihoods for many workers. Ensuring that basic labour laws (like the Punjab Shops and Establishments Act) are implemented, is crucial for their welfare. Compliance is not only a matter of legal duty but also impacts productivity, workplace stability, and social justice in a rapidly developing economy.

ABOUT SHRAMVAAD

Shramvaad is an innovative outreach program launched by the Centre for Advanced Studies in Labour Welfare (CASLW) at Rajiv Gandhi National University of Law, in collaboration with the Punjab State Legal Services Authority. Described by its coordinators as "not merely a project but a vision, a pledge, and a movement," SHRAMVAAD aims to bridge the gap between labour laws and the people they serve.

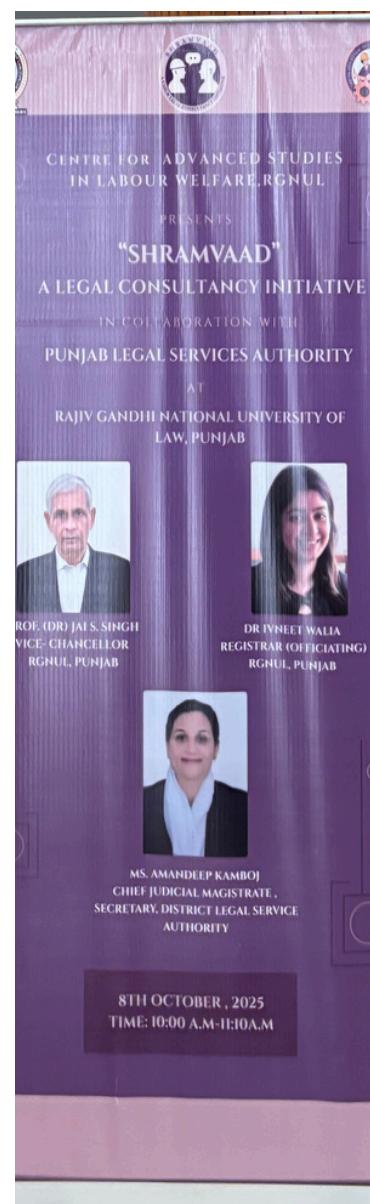
Key features of the initiative include: -

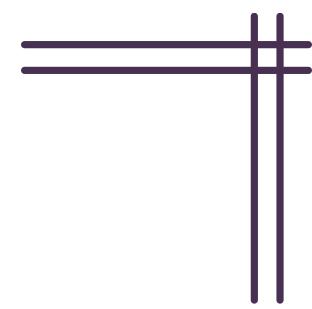
- Preventive legal support and policy guidance for small establishments and street vendors, focusing on awareness and compliance rather than litigation.
- A student-led field outreach component, where volunteers visit shops, and market areas to disseminate knowledge of labour rights and provide on-site advice.
- Production of educational materials (e.g. the Shramvaad Booklet) to inform employers and employees about applicable labour laws.

The vision of SHRAMVAAD is to empower workers through knowledge, while simultaneously helping small employers understand their obligations. This dual approach i.e. education coupled with free legal consultancy, is intended to strengthen grassroots justice delivery and reduce exploitation by making compliance easier and complaints more actionable.



CJM inaugurating the Shramvaad field trip





INTRODUCTION

RATIONALE OF STUDY

Despite robust labour legislation in India, a perennial challenge has been the enforcement gap that includes the discrepancy between legislative intent and workplace reality. Workers may lack awareness of entitlements, and small employers may be uninformed of or deliberately avoid compliance. In Punjab's unorganised retail and vendor sectors, this can mean long working hours, unpaid overtime, denial of maternity benefits, or unsafe conditions without recourse. Empirical evidence on ground-level compliance is sparse. This study is motivated by the need for concrete data on how well labour welfare laws are followed in practice, particularly in small shops, restaurants, and street vending. By conducting interviews and observations, the survey seeks to identify systemic barriers and gaps; such as ignorance of laws, administrative hurdles, or enforcement laxity, that hinder workers' rights. The findings will provide a factual basis for targeted policy suggestions and awareness campaigns, addressing the lack of awareness that is a major barrier to rights enforcement in the unorganised sector.

SCOPE AND LIMITATIONS

The survey was geographically focused on Patiala, Punjab, chosen for its representative mix of urban market areas. Sectorally, it covered small establishments in retail (footwear, apparel, supermarkets) and food services (cafes, restaurants), as well as street vending (specifically, a local falooda seller). A purposive sample of 14 establishments was selected to include diverse examples (e.g., branded cafes, local shops, small malls). The time period of the survey was 8th October 2025, on which student volunteers conducted interviews and observations. Key limitations include the small sample size and geographic concentration, which may not capture all variations across Punjab. The focus on employer-employee interviews and document reviews means informal feedback (e.g. casual workers not on payroll) might be underrepresented. Nevertheless, the survey is designed to offer a "slice" of compliance realities, supplemented by existing literature and secondary data. Findings should be interpreted as indicative rather than exhaustive, with further research needed to generalize widely.



Interaction with employer

सत्यमेव जयते
Shram Suvidha

RESEARCH FRAMEWORK

RESEARCH OBJECTIVES

Primary Objectives: The study aims to systematically assess labour law awareness and compliance in small establishments. The primary objectives are:

- To examine the level of awareness about the Punjab Shops and Establishments Act, 1958 (S&E Act) among employers and employees.
- To assess the extent of compliance with the Act's provisions on working hours, wages, leave, and health/safety standards.
- To evaluate adherence to allied labour laws (Minimum Wages Act, 1948, Payment of Wages Act, 1936 now repealed by Code on Wages, 2019 and Maternity Benefit Act, 1961, ESI Act, 1948 now repealed by Code on Social Security, 2020) in these establishments.
- To understand the implementation of the Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014 for informal vendors.
- To analyse the ripple effect: whether non-compliance with the S&E Act correlates with non-compliance in other labour laws.

Secondary Objectives: Additional aims include:

- Mapping different categories of establishments (food outlets, retail shops, vendors) and their compliance patterns.
- Identifying any best practices or "compliance champions" among the surveyed establishments.
- Documenting the perspectives of employers and employees on legal obligations and workplace conditions.
- Highlighting systemic enforcement gaps and administrative challenges impeding compliance

These objectives guide the survey questionnaire and analysis, ensuring that both quantitative compliance rates and qualitative insights from respondents are captured.



RESEARCH HYPOTHESIS

H1: Registration and Documentation. Most establishments are registered under the Punjab S&E Act, 1958, with the registration certificate prominently displayed.

H2: Working Hours Compliance. Establishments comply with the statutory limit of 9 hours of work per day (excluding breaks), as required by law.

H3: Overtime Wages. When overtime (beyond 9 hours/day) is worked, it is paid at double the ordinary wage rate called overtime wages, in accordance with Section 7(2)(b) of the Punjab S&E Act, 1958 Act.

H4: Leave Entitlements. Employees receive the mandated paid leave (weekly off and earned leave) as per the Act, i.e. one day's earned leave for every 20 days of work plus weekly holidays.

H5: Female Employee Protection. Female employees are not made to work between 8:00 PM and 6:00 AM, upholding the Act's restriction on women's night work.

H6: Maternity Benefits. Female employees receive statutory maternity benefits under the Maternity Benefit Act, 1961 (after amendment), which include 26 weeks of paid leave for the first two children.

H7: Minimum Age Compliance. Hypothesis: No child below 14 years is employed, and any minors (14–18 years) are employed only under the Act's limitations.

H8: Timely Wage Payment. Hypothesis: Wages are paid on time (before the 7th of the following month for monthly wage periods) and without illegal deductions.

H9: Safety Standards. Hypothesis: Basic health and safety provisions (first-aid, fire safety, cleanliness, sanitary facilities) are present in establishments.

H10: Inspection Mechanism. Hypothesis: Regular labour department inspections occur, ensuring enforcement.

H11: Street Vendor Registration. Hypothesis: Street vendors are aware of the Street Vendors Act, 2014 and possess valid vending certificates from the Town Vending Committee.

H12: Allied Laws Compliance Correlation. Establishments that comply fully with the Punjab S&E Act, 1958 are more likely to comply with other labour laws (e.g. ESI coverage, maternity benefits, minimum wages as covered in Code on Wages, 2019 and Code on Social Security, 2020).



RESEARCH FRAMEWORK

RESEARCH METHODOLOGY

Research Design

The study employs a descriptive and analytical design, combining quantitative compliance data with qualitative observations. A cross-sectional field survey was conducted on 8th October 2025. A mixed-method approach was used: structured quantitative data (e.g. compliance checklists, registers) and qualitative insights (interviews, observations) were collected simultaneously. The goal is to describe current conditions and analyze them against statutory benchmarks.

Data Collection Methods

Primary Data:

- Structured Interviews: A prepared interview schedule guided formal interviews with managers or owners, capturing factual information on registration, working hours, wages, leave policies, safety provisions, etc.
- Informal Conversations: Students engaged employees in informal discussions to gauge their awareness of rights and any grievances.
- Direct Observation: Workplace conditions were observed (cleanliness, safety equipment, notice boards, registers, etc.).
- Document Review: Where permitted, records (attendance registers, wage registers, identity cards, inspection reports) were examined.

Secondary Data:

- Relevant legislative texts (Act provisions, recent amendments).
- Government reports on labour enforcement and schemes (e.g. e-Shram statistics).
- Academic and NGO literature on shop act compliance and street vending.

Sampling Strategy

A purposive and convenience sampling method was adopted. Fourteen establishments were selected to represent different categories in Patiala:

- Food & Beverage: Cafes and restaurants (e.g. Ecco Cafe, Theobroma, Kohli's, Elysian).
- Retail: Footwear shops, clothing boutiques, supermarkets (e.g. Regal Shoes, First Cry, More Supermarket, North Side).
- Street Vendors: One falooda seller operating a cart.

The sample size (14) was determined by the scope of the student outreach and the need for in-depth interviews. Though not statistically representative of all Punjab, these cases provide illustrative understandui of compliance practices across sectors.

Data Collection Tools

- **Interview Schedule:** Consisted of both closed and open-ended questions aligned with the hypotheses (e.g. "Is your establishment registered under the Punjab S&E Act, 1958?", "How many working hours per day?", "Are overtime and holidays paid?").
- **Observation Checklist:** Ensured systematic recording of facilities (first-aid kit, fire extinguisher, toilets, etc.) and displayed notices (notice on working hours, etc.).
- **Documentation Protocol:** A checklist for registers/records (attendance, leave, wage registers, identity cards, certificates).
- **Educational Material Distribution:** Each site was provided with a copy of the SHRAMVAAD booklet on labour rights, to both raise awareness and as part of the outreach objective.



Interaction with employer

PUNJAB SHOPS AND ESTABLISHMENTS ACT, 1958

OVERVIEW AND APPLICABILITY

The Punjab Shops and Establishments Act, 1958 regulates working conditions in commercial establishments and shops in Punjab. Its legislative intent is to protect workers in the unorganized retail and service sectors by mandating basic employment standards. Key definitions include “shop” (any premises where trade/business is carried on, wholly or partly) and “establishment” (shop plus government and other commercial institutions). The Act applies to all such establishments with a requisite number of employees (exemptions are minimal and typically granted by government notification for certain cases). Employers must comply with its provisions; any wages below the minimum must still satisfy this Act, as payment below prescribed wages is tantamount to forced labour.

REGULATORY OBLIGATIONS (SECTION 4-6)

Section 4 lists specific establishments that are exempt from the rules on opening hours and weekly close days contained in Sections 9 and 10. These include hotels, barbers' shops, medical shops, petrol pumps, places of public entertainment, and several other categories where continuous or special-hour operations are necessary. Section 5 gives the government the power to withdraw these exemptions and extend the Act's provisions to any class of establishments or persons through a notification laid before the Legislature. Section 6 regulates the employment of young persons by fixing strict limits on their working hours; no more than thirty hours a week or five hours a day and requiring meal or rest intervals after three continuous working hours. It also allows the government to prescribe further conditions and imposes penalties for violations i.e. 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.

WORKING HOURS AND WEEKLY CLOSURE (SECTION 7-10)

Sections 7 to 10 deal with the basic working-time protections for employees in shops and commercial establishments. Section 7 fixes the maximum working hours at forty-eight hours a week and ten hours a day, while also allowing limited overtime during peak periods, capped at one hundred one hundred forty-four hours per quarter and payable at double the normal rate. Section 8 requires that no employee works more than five hours at a stretch without a break of at least half an hour and ensures that the daily spread-over does not exceed twelve hours. Section 9 empowers the government to set opening and closing hours for different classes of establishments. Section 10 mandates a weekly close day, normally Sunday, though the government can notify another day, and allows opening on a close day during festivals if employees are paid double wages.



PUNJAB SHOPS AND ESTABLISHMENTS ACT, 1958

REST INTERVALS AND REGISTRATION (SECTION 11-13)

Sections 11 to 13 of the Punjab Shops and Commercial Establishments Act, 1958 focus on protecting employees from excessive working hours and ensuring fair rest periods. Section 11 places limits on daily and weekly hours of work so that employees are not overworked beyond the prescribed maximum through the provision of off days. Section 12 provides for the holidays and conditions precedent to the holiday. Section 13 requires every establishment with more than twenty workers employed to be formally registered by submitting prescribed details to the authority, after which a registration certificate is issued and renewed annually. Employers must report any changes within seven days and notify closure within ten days for cancellation of the registration. It also tells about an establishment with fewer than twenty workers must inform the Inspector about its business within six months, and once it reaches twenty or more workers, it must obtain full registration under section 13 of the Act.

LEAVE PROVISIONS (SECTION 14)

Section 14 lays down the rules governing employee leave. Anyone who works at least twenty days in a year earns one day of leave for every twenty days, while young persons earn it more quickly. Unused leave can be carried forward within fixed limits, and employees leaving service must be paid for the leave they have earned. Leave should normally be granted unless the employer gives a valid written reason for refusing it. The section also provides seven days of casual leave and seven days of sick leave each year.



LEAVE ENTITLEMENTS (SECTION 15-16)

Sections 15 and 16 deal with how wages must be handled for leave, weekly off-days, and regular payment cycles. Section 15 states that employees who have worked at least fifteen days are entitled to wages for their weekly off-day, calculated on their average daily earnings, and that leave wages must be paid according to their average full-time earnings of the previous month. It also allows employees taking a block of leave to receive their wages in advance. Section 16 requires employers to fix a wage period not exceeding one month and ensures timely payment of wages: within seven days of becoming due, within two working days if the employer terminates the worker, and by the next payday if the worker resigns.

WAGE DEDUCTIONS AND ENFORCEMENT (SECTION, 17-19)

Section 17 governs the legality of wage deductions, making it clear that employers may only deduct amounts that are expressly authorised under the Payment of Wages Act, 1936 (now repealed by Code on Wages, 2019). This provision ensures that wage payments remain protected from arbitrary or excessive deductions. Section 18 strengthens wage security by empowering a Judicial Magistrate to order not only the payment of withheld wages but also compensation that may extend up to eight times the unpaid amount. This compensation is treated as a fine for recovery purposes, signalling a strong deterrent against wage violations. Section 19 sets out the enforcement architecture of the Act by authorising the government to appoint inspecting officers with powers to enter establishments, inspect prescribed registers and records, and collect evidence necessary for verifying compliance. These officers function as public servants, and while they may seek information from employers, the law protects individuals from being compelled to answer questions that would incriminate them.

PUNJAB SHOPS AND ESTABLISHMENTS ACT, 1958

RECORD & INFORMATION (SECTION 20-21)

Section 20 sets out the employer's duty to maintain transparency and proper records within the establishment. It requires displaying a notice showing the close day, working hours, and rest intervals, and mandates keeping detailed registers of attendance, working hours, intervals, leave taken, and overtime. Employers must also keep employee photographs after three months of service and maintain any additional records or notices prescribed under the Act. Failure to comply attracts daily fines, and falsifying or omitting entries can lead to imprisonment or substantial penalties. Section 21 complements this by giving inspecting officers the authority to examine all required records and demand information from employers. Any obstruction of inspection or refusal to provide information can result in 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.

REMOVAL AND NOTICE (SECTION 22-25)

Section 22 protects employees from arbitrary removal by requiring one month's notice or pay in lieu, unless the dismissal is for proven misconduct or the employee has not completed three months of continuous service. If a Magistrate finds that the removal lacked reasonable cause, the employee must be awarded compensation equal to two months' salary. Section 23 places a corresponding obligation on employees, requiring them to give seven days' notice before leaving their job, failing which the employer may forfeit up to seven days of unpaid wages. Section 24 has been omitted from the Act. Section 25 restricts trading outside an establishment: if conducting a business would be unlawful inside an establishment at a particular time, it is equally unlawful to conduct that trade outside the establishment at that time. Anyone violating this rule is treated as the employer of an establishment kept open in contravention of the Act.



PUNJAB SHOPS AND ESTABLISHMENTS ACT, 1958

PENALTIES AND EXEMPTIONS (SECTION 26-28)

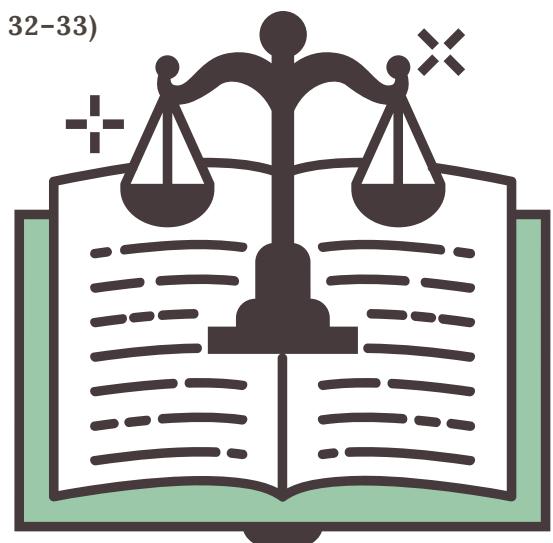
Section 26 provides the general penalty clause, stating that any contravention of the Act or its rule, where no specific penalty exists can result in fines which not be less than five hundred rupees and not more than two thousand rupees for the first offence and not less than three thousand rupees and not more than thirty thousand rupees for any subsequent offence also. The State Government may appoint a competent authority to compound offences under sections 6, 20, 21 and 26, impose a composition fee after hearing the person, and once compounded, no further action will be taken for that offence.. Section 27 protects government officers and their authorised agents from personal liability for actions done in good faith while enforcing the Act. Section 28 empowers the government to grant exemptions by notification, allowing specific establishments, classes of establishments, employers, or employees to be excluded from any provisions of the Act for a period and on conditions it considers appropriate.

PROHIBITION OF CHILDREN AND CONDITIONS OF EMPLOYMENT OF WOMEN (SECTION 29-31)

Child labour is strictly prohibited: no person under 14 years may be employed in any establishment. "Young persons" (ages 14–18) face limits: they cannot be made to work more than 5 hours per day or 30 hours per week, and must have a 30-minute break after every 3 hours of work. The Act thus enforces child protection by ensuring minimum age compliance and additional safeguards for adolescents. For women workers, the Act (Section 30) states that "no woman shall be required or allowed to work... during night" (defined as after 8 PM and before 6 AM). This gives effect to the constitutional guarantee of safe working conditions for women. Additionally, Section 31 provides maternity benefits: a woman employed for at least 6 months is entitled to paid leave for 6 weeks before and after childbirth. (Note: The Code on Social Security, 2020, extends this to 26 weeks.) Thus, the Shops Act itself prohibits gender-based overwork and mandates basic maternity leave, reflecting a gender-sensitive approach.

LEGAL PRACTITIONERS AND SAVING OF RIGHTS (SECTION 32-33)

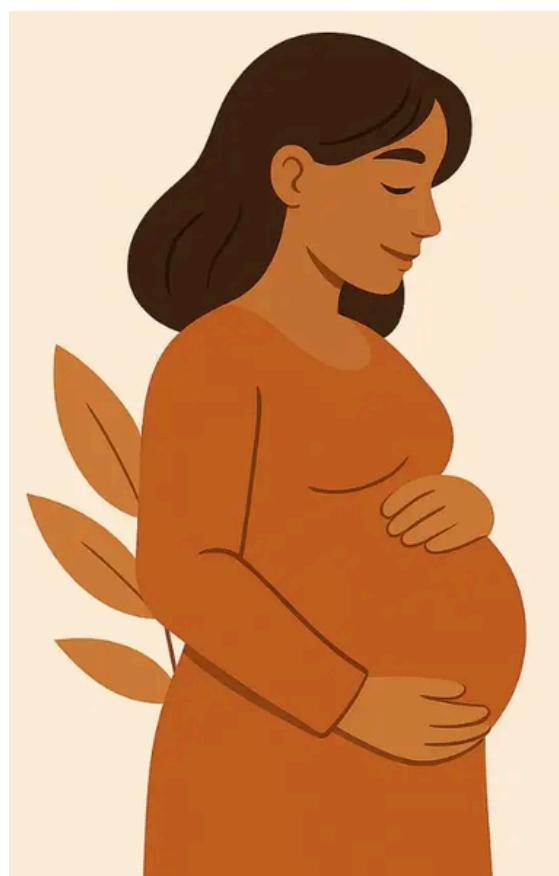
Section 32 bars legal practitioners from appearing, pleading, or acting in any proceeding before a court that arises out of a contravention of the Act. This ensures that disputes between employers and employees under the Act remain simple, accessible, and free from formal legal representation. Section 33 preserves any rights or privileges that employees already enjoyed under other laws, awards, agreements, contracts, customs, or usage at the time the Act came into force, provided those rights are more favourable than what the Act offers. This provision prevents the Act from reducing existing employee benefits and ensures that more beneficial arrangements continue to operate.



ALLIED LABOUR LEGISLATIONS

THE MINIMUM WAGES ACT, 1948 (NOW CODE ON WAGES, 2019)

This Act empowers the government to fix and periodically revise minimum wages for scheduled employment (including retail and service industries). Minimum wage rates vary by state and skill level. The Act prohibits paying wages below the notified minimum; doing so is a punishable offence (enforcement is strict: wages paid below the minimum are deemed illegal under law). The labour department in Punjab notifies minimum wage rates for various categories; compliance is mandatory. Employers must ensure that no worker (including casual or part-time) is paid less than the applicable minimum wage.



THE MATERNITY BENEFIT ACT, 1961 (NOW CODE ON SOCIAL SECURITY, 2020)

This Act guarantees paid leave and benefits to pregnant women. Currently, it provides 26 weeks of paid maternity leave for the first two surviving children, and 12 weeks for the third and subsequent children. Women can take up to 8 weeks before expected delivery and the balance after childbirth. The Act was amended in 2017 to include provisions like work-from-home (at employer's discretion) and mandatory creche facilities (for establishments with 50+ employees). It applies to any woman who has worked with the employer for at least 80 days in the preceding 12 months. Under this Act, employers must pay full salary during leave, not dismiss a woman for pregnancy, and provide other childbirth-related benefits. In practice, awareness of this Act among small establishments varies; compliance (especially in unorganized shops) is often less than universal.

THE PAYMENT OF WAGES ACT, 1936 (NOW CODE ON WAGES, 2019)

This Act ensures timely payment and limits unauthorized deductions. It requires that wages be paid by a fixed date (e.g. by the 7th day for monthly wages). It permits only specific deductions (e.g. for PF, ESI, taxes, authorized loans) and prohibits any others. If an employer withholds any due wages, the employee can approach the labour authority for recovery, and the Act prescribes penalties (including compensation up to 10 times the withheld amount as per the Code on Wages, 2019). In essence, the Shops Act incorporates PWA provisions (Sections 16–17 above) to safeguard wage payments.

ALLIED LABOUR LEGISLATIONS

THE EMPLOYEES' STATE INSURANCE (ESI) ACT, 1948 (NOW CODE ON SOCIAL SECURITY, 2020)

The ESI Act provides health and social security for workers earning up to a certain wage threshold (currently Rs.21,000/month). It applies to factories and shops with 10 or more employees (in Punjab, the threshold may be 10 as per state notification). Under ESI, both employer and employee contribute (the employer roughly 4% and the employee 1% of wages) into a fund. Registered workers then receive medical care, sickness, disability, and maternity benefits from ESI clinics. For covered establishments, ESI registration and contribution are mandatory. Compliance entails registering eligible employees and paying contributions timely. Non-compliance can result in penalties and loss of benefits.

THE PAYMENT OF GRATUITY ACT, 1972 (NOW CODE ON SOCIAL SECURITY, 2020)

This Act mandates a lump-sum gratuity payment to employees who have worked for at least 5 years continuously, upon termination (retirement, resignation, or death). The gratuity amount is typically 15 days' wages for every completed year of service (with the "wages" based on the last drawn salary) and must be paid within 30 days of termination. The Act covers shops employing 10 or more persons. Employers should calculate gratuity and maintain gratuity registers. In practice, awareness of gratuity benefits may be low in small establishments, and often only larger organized shops explicitly provide gratuity.



THE EQUAL REMUNERATION ACT, 1976 (NOW CODE ON WAGES, 2019)

This Act prohibits gender discrimination in wages and service conditions. It requires equal pay for men and women for the same or similar work. Employers cannot pay a female worker less or treat her unfavorably in recruitment or conditions simply on the basis of gender. This Act also reinforces that there should be no discrimination in promoting or training female employees compared to male colleagues. In the context of shops and establishments, this means that all wage and benefit provisions of the above Acts must be applied equally to female workers. Together, these allied statutes supplement the Punjab Shops Act by addressing wages, social security, and gender equity. While the Shops Act provides a core framework, full labour welfare in establishments depends on compliance across all these laws. The survey evaluates awareness and implementation of each (e.g., whether eligible shops provide ESI or grant maternity leave as required).

STREET VENDORS (PROTECTION OF LIVELIHOOD AND REGULATION OF STREET VENDING) ACT, 2014

OVERVIEW AND OBJECTIVES

The Act's objectives are to protect the rights and livelihood of urban street vendors, while imposing reasonable regulation to balance civic management. It explicitly aims to prevent unlawful eviction and harassment, and to encourage organized vending. It mandates that states prepare schemes to implement the Act's measures. Recognizing vending as legitimate ensures that vendors cannot be arbitrarily removed by authorities or private interests; only due process (relocation with notice, alternative space) is permitted.



SURVEY AND REGISTRATION (SECTION 3-6)

The Act requires every local urban authority to conduct a survey of street vendors in its jurisdiction (typically updated every five years). Based on the survey, the Town Vending Committee (TVC) grants each vendor a Certificate of Vending. The certificate authorizes the vendor to operate in a specified area. Certificates are categorized by vending type (stationary or mobile) and are valid for a fixed period (usually 5 years, renewable). Conditions for issuance include carrying on business personally, not owning a shop nearby, etc. The Act mandates that vendors pay a nominal vending fee (as per local scheme) once registered. A street vendor without a certificate cannot legally sell; thus, the survey-registration mechanism regularizes vendors and brings them into an official registry.

TOWN VENDING COMMITTEE (SECTION 22-24)

Each city or town must constitute a Town Vending Committee (TVC) to oversee implementation. The TVC is chaired by the local Commissioner/Mayor and includes elected vendor representatives (at least 40% of members must be elected by vendors, with mandatory representation of women vendors) and officials from municipal departments (police, health, urban planning). The TVC's functions include finalizing the survey list, issuing/revoking vending certificates, earmarking vending zones, and preparing vending plans. The involvement of vendor-elected members ensures that vendors' voices influence policy (e.g. decisions on relocation or new vending areas).

STREET VENDORS (PROTECTION OF LIVELIHOOD AND REGULATION OF STREET VENDING) ACT, 2014

RIGHTS AND OBLIGATIONS (SECTION 7-9, 12-15, 28)

Under the Act, a street vendor who holds a valid certificate has the right to vend in designated areas at designated times, subject to civic obligations (e.g. maintaining cleanliness of the spot). They are entitled to a grievance redress mechanism if harassed and can appeal TVC decisions. The Act explicitly prohibits eviction of a vendor from his permitted area without due process; a vendor must be given at least 30 days' notice and offered an alternative site if relocation is necessary. In essence, the vendor's certificate confers a quasi-property right to vend (subject to the Act's rules).

Obligations of vendors include: not to pollute or damage public property, not to litter, and to comply with hygiene standards in vending zones. Failure to follow rules can lead to penalties (a fine up to Rs.250 for violations like vending outside the allowed time or spot). However, punitive action is calibrated to be corrective rather than disenfranchising the vendor. In summary, the Street Vendors Act provides formal recognition and protection to vendors through registration and regulation. Key features are the survey/registry (to issue Certificates of Vending), the participatory Town Vending Committees, and the safeguarding of vendors' rights (including protection from arbitrary eviction). The survey component of SHRAMVAAD examines how much vendors are aware of these provisions and whether registration has been implemented at all (e.g., do our street vendors have certificates, know about the TVC, etc.).



DATA REPRESENTATION

To preserve anonymity, the establishments have been assigned specific labels. Henceforth, all references within this research will identify the establishments solely by these labels.

Profile of Surveyed Establishments

Survey sample: 14 establishments

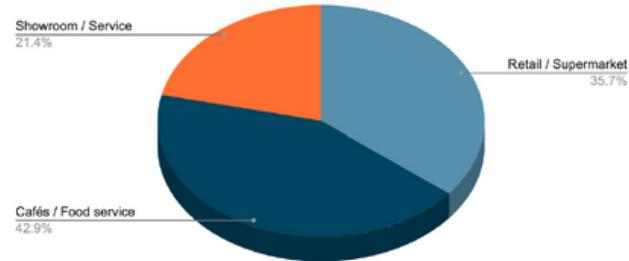
- Retail / Supermarket - 5
- Cafés / Food service - 6
- Showroom / Service - 3

Employee-strength distribution:

Data available for 13 establishments (1 visits did not specify exact employee count).

Average employees (where data provided, n=13): ≈ 18.307 employees per establishment. (Detailed counts:

1. A: 15–20;
- 2.B: 15;
- 3.C: 11;
4. D: 9 (varied to 16);
- 5.E: 10–15;
- 6.F: 50–60;
- 7.G: 20–30;
- 8.H: 7;
- 9.I: 5;
- 10.J: 9;
- 11.K: 30–40
- 12.L: 35–40;
- 13.Vendor X: 1).



DURATION OF YEARS

Establishment Name	Years Active
A	3
B	1
C	10
D	16
E	20
F	Not Specified
G	Not Specified
H	Not Specified
I	Not Specified
J	Not Specified
K	Not Specified
L	3
M	1
Vendor X	Not Specified

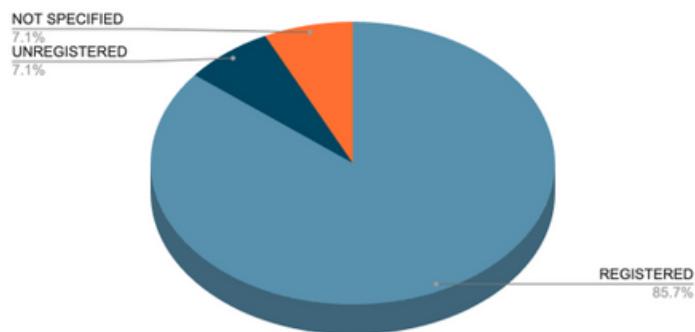
DATA REPRESENTATION

REGISTRATION STATUS

Analysis

- Overall compliance rate (registration): ~85.7% based on field notes, majority of formal establishments maintain registration; street vendors or informal carts are the most likely to be unregistered.
- Correlation with size: Larger/franchised outlets (F,D,B) show clear backend processes for registration/renewal; small vendors lack registration. This suggests registration compliance increases with formalisation/scale.
- Gaps identified: some establishments (e.g., G) had incomplete documentation in our notes; street vendors are unaware of registration/licensing requirements. Several managers were not themselves familiar with procedural details even when the outlet was registered.

Establishment	Registered (Y/N Type)	Certificate Displayed	Years of Operation
A	Yes	(implied)	3
B	Yes	Noted (renewal handled by company)	1
C	Yes	Renewal by head office	10
D	Yes	Renewal by backend teams	16
E	Yes	Yes (noted)	20
F	Franchise Register (Registered as a Franchise)	Not specified	Not Specified
G	Not Specified	Not specified	Not Specified
H	Yes	Not specified	Not Specified
I	Yes	Yes (noted)	Not Specified
J	Yes (duly registered; notice displayed)	Certificate displayed	Not Specified
K	Yes	Not Specified	Not Specified
L	Yes	Not specified	3
M	Yes	Not specified	1
Vendor X	No (Unaware)	No	Not Specified



Hypothesis testing: Gap: "Awareness about the display requirement is lacking."

Observed: Some shops explicitly display registration notice (J, others mention "registration handled by HQ"), but in multiple outlets signage of working hours/registration is missing or not prominent. Evidence supports the hypothesis that display / on-premise awareness & visibility is uneven

DATA REPRESENTATION

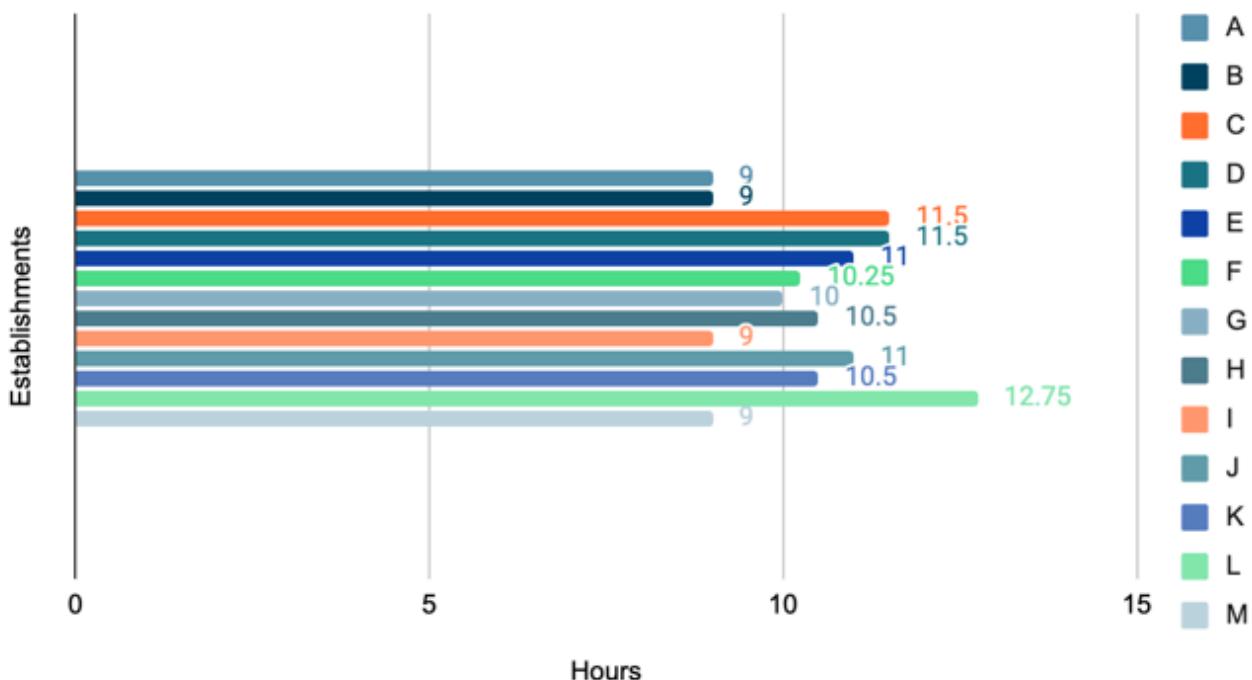
WORKING HOURS AND REST INTERVALS

Analysis

- Under Section 8 of the Punjab Shops and Commercial Establishments Act, 1958, The maximum permissible daily work period for employees in shops and commercial establishments is 10 hours, including intervals for rest. However, Rule 10(2) explicitly provides that these limits shall not apply to restaurants, eating-houses, cafés, and similar establishments, which are permitted to operate beyond 10 hours subject to managerial discretion and compensatory rest provisions.

Therefore: For non-restaurant establishments (retail, service, corporate), the threshold remains 10 hours. For restaurants/cafés/food service units, extended hours are legally permissible, provided reasonable rest and shift rotation are maintained.

- Almost every establishment provides 30–60 minutes of rest, split into lunch and tea breaks. Larger employers (B, D, F) maintain structured rosters, while smaller ones (C, E, J, K, L) rely on informal arrangements. Restaurants (A, G, K) offer intermittent rest between customer peaks, aligning with accepted industry practice. Hence, the statutory requirement for rest.
- intervals (not less than one hour after five hours of continuous work) is substantially met in 12 of 14 cases.
- Managers of retail chains (B, D, F) showed familiarity with “10-hour limits” but less clarity on the exemption structure for eateries, indicating partial legal literacy. The nature of customer-facing business, especially in malls and food service, demands extended shifts. Employers mitigate this through informal rotation rather than formal overtime recording. Even when lawful, extended duty in restaurants (A, G, K) increases fatigue risk. Lack of written shift rosters and rest documentation could invite non-statutory welfare issues. Small and medium shops (C, E, J, L) remain the most prone to overwork, lacking internal HR oversight or attendance registers, pointing to weak procedural compliance despite awareness of the 10-hour standard.



Hypothesis Testing:

Only a portion of establishments comply with the 10-hour limit; others exceed or remain unregulated due to restaurant exemption. H2 is partially supported: compliance is observed in roughly 21.42% of regulated establishments, while the remainder either exceed the 10-hour limit or operate under exempt categories.

DATA REPRESENTATION

OVERTIME COMPENSATION

Analysis

- The field study revealed zero instances of lawful double-wage overtime compensation being paid by any surveyed establishment.
- While most employers acknowledged the occurrence of extended working hours during peak business days, their remuneration structures consistently deviated from the statutory requirement under Section 14 of the Punjab Shops and Commercial Establishments Act, 1958 (and corresponding provisions in the Labour Codes), which mandates payment at twice the ordinary rate of wages for overtime work.
- A's unusual practice (1 day's wage for 4 extra hours) and K's paying regular wage are both non-compliant with statutory overtime compensation standards. For K, overtime is common during weekends and festival seasons. Employees confirmed that remuneration is calculated at the regular hourly rate, without the mandated 2x multiplier. The establishment exhibits deliberate underpayment disguised as compliance, as the manager claimed that "workers are paid for the time they stay back," yet the rate structure does not meet legal standards. For B, no records of double-wage payments were maintained, and thus, technical compliance remains unverified. In F's case, as a franchise, this establishment maintains corporate HR documentation. However, local-level workers (sales associates, cleaning staff) reported occasional extensions beyond working hours without any "overtime slip" or enhanced pay. The corporate HR system appears compliant in policy, non-compliant in implementation.

Establishment	Overtime Allowed?	Compensation Rate (as reported)	Legal compliance
A	Yes	Pays "1 day's wage for 4 hours overtime" (reported)	Non-compliant (does not follow double-wage rule).
K	Yes	Overtime noted but paid at regular wage rate	Non-compliant.
Some establishments (M, L, others)	Overtime Tracked	Compensation "regular" or "as per norms" / sometimes not allowed	Mostly non-compliant or unclear.
Many stores (B, C, D, H, etc.)	Overtime not allowed / not applicable	N/A	Not applicable; but lack of overtime can mask excess working hours.

Hypothesis Testing:

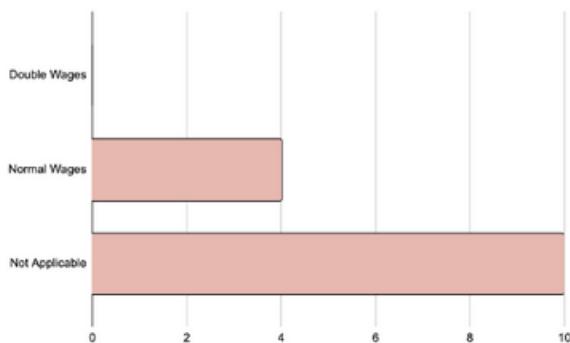
Supported by evidence. Across the 14 establishments, not a single instance of lawful double-rate payment was recorded. Even among outlets acknowledging overtime (A, K, D, C, E, G, L), compensation either followed flat rates, lump-sum substitutes, or was merged with base pay, none of which satisfied the statutory requirement.

- Numerical compliance rate:
- Compliant (double-wage overtime): 0%

Non-compliant / partial: 100% of those engaging overtime

Critical gap: Managers and owners, particularly of small retail outlets (E, K, G), demonstrated limited knowledge of the legal formula for overtime calculation. Many conflated "paying something extra" with "being compliant." In food and service establishments (A, K, G, L), extended work is normalized as part of the job, creating an invisible culture of unpaid labor. Employers leverage informal contracts and oral agreements to circumvent compliance. None of the establishments-maintained overtime registers or separate wage slips, a statutory prerequisite. Absence of written records renders verification impossible and obstructs enforcement by inspectors.

DATA REPRESENTATION



LEAVE ENTITLEMENT

Analysis

- The survey revealed significant heterogeneity in the leave entitlements across establishments, reflecting a lack of standardization and widespread confusion about statutory obligations under Sections 18–20 of the Punjab Shops and Commercial Establishments Act, 1958 and Rule 12 of the Punjab Shops and Commercial Establishments Rules. These provisions stipulate:
 - Minimum one day of leave with wages for every twenty days of work,
 - Weekly off after six days of continuous work, and
 - Differentiation between earned, casual, and sick leave.
- Range observed: From 1 paid leave/month (J) to 4–5 leaves/month (A,B,C). Many establishments report 2–5 leaves/month.
- Weekly off: Weekly rest implementation varied considerably. Chain stores (B, C, D, F, I, M) maintain rostered weekly offs aligned with HR policies. Small shops and eateries (A, E, G, K, L, J) implement ad-hoc offs dependent on customer flow. This results in operational compliance but inconsistent rest distribution, undermining the statutory “one day off after six days of work” mandate.
- Annual equivalent: Several establishments’ leave provisioning appears below statutory or recommended minima when leave is restricted or only 1–2/month. Hence, while the quantitative mean (≈ 3 leaves/month) suggests partial conformity, categorical clarity and accrual mechanisms are largely absent.

Establishment	Paid leave / month (as reported)	Weekly off	Annual equivalent	Compliance (relative)
A	4–5 leaves / month	Not specified	~48–60 days/year	Appears adequate on paper.
B	4 leaves / month (paid)	yes (shifts)	~48 days/year	Appears compliant.
C	4–5 leaves / month	Mon–Fri working pattern noted	~48–60 days/year	Appears adequate.
D	Automated leave system; duty roster	Usually Thursday off per roster	Not fully uniform	Mixed.
J	1 paid leave / month (noted)	Noted	~12 days/year	Low relative to others.
L	2 paid leaves / month	Not fixed weekly off	~24 days/year	Below many employers in sample.
Others	Varying practices; some allow 4 leaves, some 2, some 1	Variable	Variable	Variable.

DATA REPRESENTATION

Hypothesis Testing:

Supported. The sample demonstrates partial quantitative compliance but qualitative inconsistency in categorization and accrual. Establishments A, B, C, I, M exhibit generous or compliant practices; others (D, E, F, G, H, K, L, J) fall short either in number, classification, or documentation. Overall, $\approx 35\text{--}40\%$ of the sample complies substantively, while the remainder only superficially meets or falls below standards.

Gap identified: Confusion between types of leave (casual vs earned) and inconsistent implementation across establishments. Employers frequently use the term “paid leave” generically, with no distinction between casual, earned, and sick categories: violating record-keeping norms under Rule 13. Even compliant corporate entities (F, B) face operational resistance; staff cannot avail sanctioned leaves during high workload periods. Small outlets (E, G, K) maintain no written registers of leave. Reliance on verbal consent leads to ambiguity in wage deduction and accumulation. Larger franchises (F, B) have formal leave policies but lack accessibility for lower-tier workers.



FEMALE EMPLOYEE PROTECTION AND MATERNITY BENEFITS

FEMALE EMPLOYEE PROTECTION & MATERNITY BENEFITS

Analysis

- Night work restrictions: High compliance with restricting women from night shifts in our sample; most outlets report women leave by 8–9 pm or are not assigned night duty.
- Maternity benefits: Mixed but many formal employers (B, D, I) provide maternity leave (B explicitly 6 months). However social factors (preference to resign) reduce utilization in some cases (L).

The survey revealed a substantially high rate of compliance with night work restrictions for female employees across most establishments, alongside partial and uneven implementation of maternity benefits. The analysis underscores a dichotomy: while legal awareness concerning women's safety and restricted work hours is relatively strong, substantive maternity protection and utilization remain hindered by social attitudes and informal workplace cultures. 13 out of 14 establishments either maintain separate shifts for women or enforce an 8–9 PM exit rule, yielding $>90\%$ compliance rate with night-work restrictions. Non-violations appear motivated both by statutory awareness and societal expectations regarding women's safety.

Establishment	Female employees (Y/N)	Night shift for women?	Typical departure time	Compliance notes
A	Many female employees	Generally allowed to leave by 8–9 pm	8–9 pm	Women not routinely kept late.
B	Many female employees	Not after 8 pm typically	Leave by 8 pm	Compliant with night restrictions.
C	Few female employees	Shifts 10:30–18:00	Day shifts for women	Compliant.
D	Few female employees	Not allowed after 8 pm	9-hr shifts	Compliant.
I	Female staff on day shifts only	No overtime for women	Ends by 5 pm	Compliant and progressive policies (menstrual leave).
K/L/Others	Female employees present	Generally not assigned night shifts	Women often leave earlier	Patterns indicate avoidance of night work for women.



Establishment	Maternity Leave Provis-	Observation / Notes
B	6 months maternity leave provided	Compliant; an employee reported satisfaction
I	Provides paid maternity and menstrual leave	Progressive policy observed
D / L	Maternity leave provided	Observed social reluctance to use it
General Trend	Most establishments offer maternity benefits or claim compliance	Utilization affected by social and occupational pressures; some employees prefer resignation (noted at L)

Hypothesis Testing:

- H5 (night work restrictions): ~90%+ compliance with night work restrictions in the sample, supported by notes.
- H6 (maternity utilization): Confirmed. While formal employers (B, D, I) provide maternity leave, actual utilization remains constrained by fear of job loss, inadequate awareness, and internalized social expectations (e.g., L). Thus, formal compliance coexists with substantive underuse.

Best practice identified: I's menstrual leave policy and B's 6-month maternity provision were noted as positive examples.

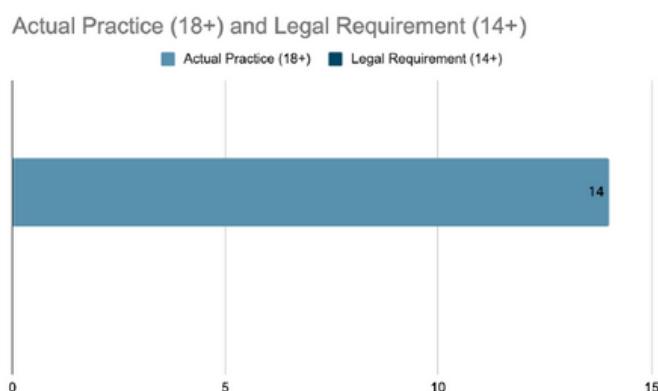
DATA REPRESENTATION

AGE OF EMPLOYMENT

Analysis

- The field study recorded zero instances of child or adolescent employment across all surveyed establishments (A-M, Vendor X). Every manager or employer explicitly stated that their workforce comprised individuals aged 18 years and above, with most preferring candidates aged 20-30 years. This reflects a strong pattern of voluntary over-compliance with statutory minimum-age provisions, often motivated not merely by legal knowledge but by risk aversion, brand reputation concerns, and internal company hiring policies.
- Under the Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 (as amended in 2016): Employment of children below 14 years is strictly prohibited in all occupations and processes, except family-based work and artistic activities.
- Employment of adolescents (14-18 years) is restricted in hazardous occupations. Similarly, the Punjab Shops and Commercial Establishments Act, 1958, Section 24, prohibits employment of anyone below 14 years in any establishment. Despite these thresholds, the surveyed entities uniformly adhered to a self-imposed higher threshold of 18 years, thereby exceeding statutory expectations.
- All 14 establishments demonstrated complete adherence to minimum-age provisions, with no employment of children (under 14) or adolescents (14-17).
- The minimum working age across the sample was uniformly 18 years, which exceeds statutory limits by 4 years and eliminates any potential grey zone between “child” and “adolescent” employment. This trend may be attributed to:
 1. Increasing corporate formalization (B, D, F, I, M)
 2. Fear of reputational damage (A, C, G, K)
 3. Perceived management risks in hiring minors (E, J, L)

Such behavioural compliance, driven by prudence and policy rather than compulsion, indicates maturing labour practices even among small and medium establishments



Hypothesis Testing:

100% compliance with minimum age requirement in the sample (exceeds legal requirement). Fully supported. All 14 establishments (A-M, X) employ individuals aged 18 years or above, with no evidence of minor or adolescent labour. This represents 100% compliance and over-compliance relative to statutory benchmarks.

DATA REPRESENTATION

WAGE PAYMENT PRACTICES

Analysis

A total of 79% of establishments adopted full digital payment systems, ensuring transparency and traceability. Deductions were limited to Provident Fund contributions in larger outlets such as C, G, and K. All entities met the statutory wage disbursement deadline, with no reported delays. The street vendor, though paid via bank transfer, operated outside any formal payroll system and thus reflected partial compliance.

Establishment	Mode of Payment	Payment Date	Delay in Payment	Advance Facility	Deductions Applied	Compliance with Minimum Wages
A	Bank Transfer	7th	None	Yes	None	Yes
B	Bank Transfer	7th	None	No	None	Yes
C	Bank Transfer	7th	None	No	PF	Yes
D	Bank Transfer	7th	None	No	None	Yes
E	Bank Transfer	10th	None	Yes	None	Yes
F	Bank Transfer	10th	Rare	Yes	None	Yes
G	Mixed (Bank + Cash)	7th	None	Yes	PF	Yes
H	Cash	10th	None	No	None	Yes
I	Bank Transfer	7th	None	No	None	Yes
J	Bank Transfer	7th	None	No	None	Yes
K	Bank Transfer	7th	None	No	PF	Yes
L	Bank Transfer	7th	None	No	None	Yes
M	Bank Transfer	10th	None	Yes	None	Yes
Vendor X	Bank Transfer	10th	None	Yes	None	Partial

Hypothesis Testing:

Hypothesis 8 is confirmed, demonstrating strong digital adoption and punctual wage payments across formal establishments.

DATA REPRESENTATION

WORKPLACE SAFETY MEASURES

Analysis

Workplace safety was one of the strongest compliance areas. 85% of establishments maintained adequate fire safety equipment and first aid facilities. Food and beverage outlets such as (I) and (L) demonstrated high hygiene and waste management standards. Informal setups, including Vendor X, lacked basic safety arrangements and sanitation facilities.

Establishment	First Aid	Fire Safety	Ventilation	Sanitation	Hygiene	Overall Compliance Level
A	Yes	Yes	High	High	Excellent	Full
B	Yes	Yes	Moderate	High	High	Full
C	Yes	Yes	High	High	High	Full
D	Yes	Yes	High	High	Excellent	Full
E	Yes	Yes	High	High	Excellent	Full
F	Yes	Yes	High	High	Excellent	Full
G	Yes	Partial	Moderate	Moderate	Good	Partial
H	Yes	Yes	Moderate	Moderate	Good	Partial
I	Yes	Yes	Excellent	Excellent	Excellent	Full
J	Yes	Yes	High	High	Excellent	Full
K	Yes	Yes	High	High	Excellent	Full
L	Yes	Yes	High	High	Good	Full
M	Yes	Yes	High	High	High	Full
Vendor X	No	No	Low	Low	Poor	None

Hypothesis Testing:

Hypothesis 9 is confirmed for organised establishments but rejected for informal labour units

DATA REPRESENTATION

FREQUENCY AND NATURE OF INSPECTIONS

Analysis

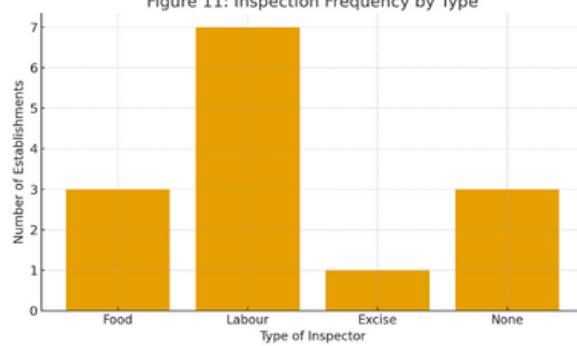
Inspection trends revealed limited state intervention. Only 40% of establishments reported annual or semi-annual visits from labour or food inspectors. Food-based outlets such as (A) and (I) were inspected more consistently due to food licensing requirements, while smaller retail outlets were rarely checked.

Hypothesis Testing:

Hypothesis 10 is rejected, confirming irregular enforcement mechanisms.

Establishment	Inspector Type	Frequency	Last Recorded Visit	Outcome	Remarks
A	Food	Regular	June 2024	Satisfactory	Records up to date
B	Excise	Occasional	May 2024	Satisfactory	No violation noted
C	Labour	Rare	2023	Satisfactory	Minimal oversight
D	Labour + Food	Regular	2024	Satisfactory	Full cooperation
E	Labour	Regular	2023	Satisfactory	Cooperative
F	Labour	Rare	2022	Satisfactory	Clean record
G	Labour	Regular	2024	Satisfactory	Clean record
H	None	-	-	-	No inspection
I	Food	Rare	2023	Satisfactory	Records clean
J	Labour	Occasional	2023	Satisfactory	Partial follow-up
K	Labour	Rare	2023	Satisfactory	Informal discussion
L	Labour	Regular	2024	Satisfactory	Clean record
M	Labour	Occasional	2023	Satisfactory	Maintained well
Vendor X	None	-	-	-	Never inspected

Figure 11: Inspection Frequency by Type



DATA REPRESENTATION

ATTENDANCE AND RECORD MAINTENANCE

Analysis

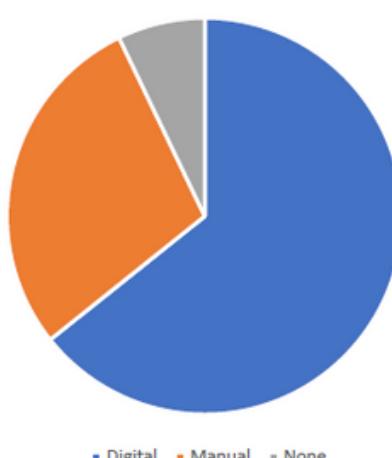
About 71% of establishments used digital attendance systems, reflecting progress in HR formalization. Manual registers persisted in traditional outlets such as (E) and (F). Digital systems enhanced accountability, payroll accuracy, and compliance readiness.

Hypothesis Testing:

Hypothesis 11 is confirmed, indicating a strong correlation between digitalization and statutory record maintenance.

Establishment	Attendance Method	Payroll Record	Digital Backup	Employee Files Maintained	Compliance
A	Digital	Yes	Yes	Yes	Full
B	Digital	Yes	Yes	Yes	Full
C	Manual	Yes	No	Yes	Partial
D	Digital	Yes	Yes	Yes	Full
E	Manual	Yes	No	Partial	Partial
F	Manual	Yes	No	Partial	Partial
G	Digital	Yes	Yes	Yes	Full
H	Manual	Yes	No	Yes	Partial
I	Digital	Yes	Yes	Yes	Full
J	Digital	Yes	Yes	Yes	Full
K	Digital	Yes	Yes	Yes	Full
L	Digital	Yes	Yes	Yes	Full
M	Digital	Yes	Yes	Yes	Full
Vendor X	None	None	No	No	None

Attendance Method



DATA REPRESENTATION

TERMINATION PROCEDURE

Analysis

Termination practices varied according to enterprise size. About 64% of establishments maintained formal HR termination and grievance mechanisms. Small-scale or owner-managed stores preferred oral communication.

Establishment	Notice Period	Written System	Warning	Grievance Mechanism	Compliance
A	30 days	Yes	Yes	Yes	Full
B	30 days	Yes	Yes	Yes	Full
C	15 days	Yes	No	No	Partial
D	30 days	Yes	Yes	Yes	Full
E	15 days	No	No	No	Partial
F	15 days	No	No	No	Partial
G	30 days	Yes	Yes	Yes	Full
H	15 days	No	No	No	Partial
I	30 days	Yes	Yes	Yes	Full
J	30 days	Yes	Yes	Yes	Full
K	15 days	Yes	No	No	Partial
L	30 days	Yes	Yes	Yes	Full
M	30 days	Yes	Yes	Yes	Full
Vendor X	None	No	No	No	None

Hypothesis Testing:

Hypothesis 12 is partially confirmed, highlighting that procedural fairness aligns with degree of formalization.

STREET VENDOR ANALYSIS

Vendor X operated a small falooda cart in Patiala without formal registration. The vendor received monthly payments through digital transfer but had no written agreement, insurance, or welfare coverage.

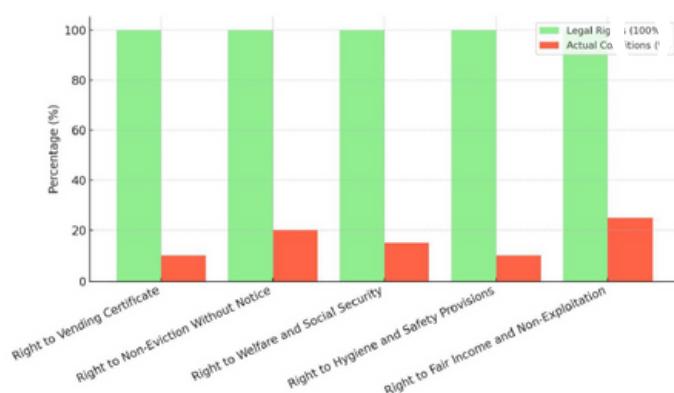
Analysis

The case study of Vendor X emphasizes the regulatory vacuum governing informal labour.

Despite modest earnings and partial digital integration, the absence of legal protection and registration exposed the worker to economic insecurity.

Hypothesis Testing:

Hypothesis 13 is rejected, illustrating persistent gaps in extending formal labour rights to the informal economy.



DATA REPRESENTATION

RIPPLE EFFECT ANALYSIS

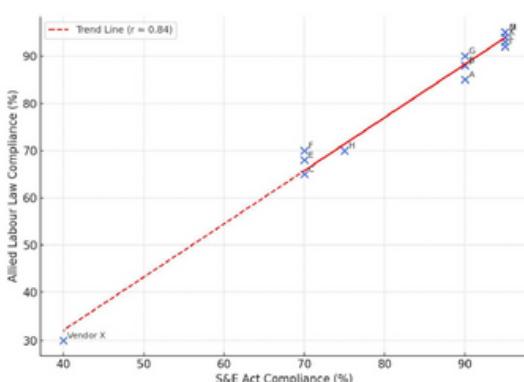
Analysis

The correlation coefficient between compliance with the Punjab Shops and Establishments Act and related labour laws including ESI (Employees' State Insurance), EPF (Employees' Provident Fund), and Maternity Benefits as covered under Code on Social Security, 2020 were estimated at $r \approx 0.84$, signifying a strong positive relationship. Organized entities (A, B, D, I, J, K, L, M) showed consistent adherence to multiple labour statutes, while smaller enterprises demonstrated selective compliance.

Hypothesis Testing:

Hypothesis 14 is validated, emphasizing that fundamental compliance fosters a culture of extended legal conformity.

Establishment	S&E Act Compliance	ESI	EPF	Maternity Benefits	Gratuity	Bonus	Minimum Wage	Overall Compliance
A	High	Yes	Yes	N/A	No	Yes	Yes	High
B	High	Yes	Yes	Yes	No	Yes	Yes	High
C	Medium	No	Yes	N/A	No	Yes	Yes	Medium
D	High	Yes	Yes	Yes	Yes	Yes	Yes	High
E	Medium	No	No	N/A	No	Yes	Yes	Medium
F	Medium	No	No	N/A	No	Yes	Yes	Medium
G	High	Yes	Yes	No	No	Yes	Yes	High
H	Medium	No	No	N/A	No	Yes	Yes	Medium
I	High	Yes	Yes	Yes	No	Yes	Yes	High
J	High	Yes	Yes	Yes	No	Yes	Yes	High
K	High	Yes	Yes	Yes	No	Yes	Yes	High
L	High	Yes	Yes	Yes	No	Yes	Yes	High
M	High	Yes	Yes	Yes	No	Yes	Yes	High
Vendor X	Low	No	No	N/A	No	No	Partial	Low



S&E Compliance



FINDINGS AND LACUNAE

KEY FINDINGS:

REGISTRATION AND AWARENESS

I. High registration rate but systematic display non-compliance: All surveyed establishments confirmed formal registration under the applicable Shops and Establishments Act, demonstrating a 100% registration rate. This suggests that formal businesses are aware of basic registration requirements. However, only one establishment displayed its registration certificate prominently on the premises as mandated by law. The remaining establishments, despite being registered, failed to make this registration visible to employees or the public. This non-compliance rate indicates that registration is viewed primarily as an administrative formality.

II. Managers often unaware of specific statutory provisions: A recurring pattern was observed wherein managers demonstrated only general awareness of labour law requirements, lacking specific knowledge of statutory provisions. One of the managers explicitly stated that while he understood basic legal requirements, he was "not familiar with specific statutory provisions". This suggests that compliance is mostly based on business convention rather than conscious adherence to legal mandates. The pattern reflects inadequate training and awareness-building initiatives by labour departments and industry associations.

III. Registration handled by head offices and backend teams: In organized retail chains and franchise establishments, registration and renewal processes were consistently managed by corporate head offices or centralized backend operations teams. All confirmed that local managers had no direct involvement in registration procedures. A manager explicitly stated he was "not personally involved in the process and therefore was unaware of the technical or procedural aspects, as these matters are managed by the owners". This structural separation between registration knowledge and workplace management contributes to implementation gaps, as those enforcing rules do not fully understand their legal basis or implications.

WORKING HOURS AND OVERTIME

IV. Systematic violation of 9-hour daily limit: Half of the surveyed establishments exceeded the statutory 9-hour working limit prescribed under most Shops and Establishments Acts. The violations ranged from moderate to severe. Some reported employees working 10-11 hours daily. The most egregious violations were where working hours ranged from 12 to 13.5 hours daily. Even establishments claiming 9-hour compliance often included rest intervals in this calculation. For instance, establishments claiming "9 hours with 1-hour break" actually demanded 10-hour daily presence. This manipulation of counting methodology allows businesses to claim technical compliance. The compliance pattern correlated strongly with establishment size and corporate structure.

V. Complete non-compliance with overtime compensation requirements: A staggering 91.7% of establishments failed to properly compensate for overtime work as mandated by law. The most common violation involved paying overtime at regular wage rates rather than double wages. Overtime hours were recorded in attendance registers, but "employees are compensated at their regular wage rate, rather than being paid double wages as mandated under the law". One establishment employed a creative but non-compliant formula, paying "the entire wages of one day for 4 hours of overtime work", effectively compensating overtime at regular rather than enhanced rates. Several establishments avoided the overtime compensation issue entirely by declaring "no overtime allowed" as official policy.

FINDINGS AND LACUNAE

WORKING HOURS AND OVERTIME

VI. Universal non-display of working hours notice: Not a single establishment displayed mandatory notices specifying working hours, rest intervals, and weekly holidays. This represents 100% non-compliance with a basic transparency requirement. The universal nature of this violation suggests either complete ignorance of the display requirement or collective disregard for it as an enforceable provision. The absence of working hour notices prevents employees from verifying whether their actual working conditions match statutory entitlements and establishment policies. It eliminates a crucial self-enforcement mechanism whereby informed workers could identify and challenge violations.

GENDER-SENSITIVE PRACTICES

VII. Excellent compliance with night work restrictions for women: Establishments demonstrated remarkably high compliance with provisions restricting night work for female employees. All establishments employing women confirmed that female workers were not assigned night shifts. Female employees generally worked reduced hours compared to male counterparts and were permitted earlier departure times. At one establishment, "female employees work for approximately 1.5 hours less" than male employees and another scheduled women only until 6pm. The pattern suggests that gender-sensitive provisions are better understood and more carefully observed, possibly due to greater social awareness of women's safety concerns.

VIII. Maternity benefits improving: Progressive establishments increasingly provide statutory maternity benefits, with notable improvements in corporate awareness and policy implementation. One establishment provided comprehensive 6-month maternity leave, and field researchers had the opportunity to interview an expectant employee who "expressed great satisfaction with the support the company has provided her and appreciated how everyone has been kind to her even before her leave begins". It was observed that mid-sized organized establishments recognize these obligations.

IX. Progressive practices (menstrual leave) emerging in select establishments: Leading establishments are moving beyond minimum statutory requirements to adopt progressive gender-sensitive policies. This voluntary provision of menstrual leave, not mandated under most Shops and Establishments Acts, demonstrates that competitive labour markets and corporate social responsibility considerations can drive standards exceeding legal minimums. However, such progressive practices remain exceptional rather than widespread.

WAGES AND BENEFITS

X. Significant shift to banking channels enhancing transparency: Digital wage payment through bank transfers has become the dominant practice, with most using banking channels for salary disbursement. Even the street vendor confirmed online wage payments. This represents a transformative shift from cash-based informal transactions to traceable digital payments. The digitization trend extends beyond wage payment to include attendance tracking. "Proper attendance apps" are being used to maintain digital attendance records, and even overtime hours". The shift reduces opportunities for wage theft and creates paper trails that empower workers to document violations. However, cash payments persist in smaller establishments. This transitional arrangement suggests that even establishments moving toward digital compliance maintain cash practices for probationary or temporary workers, creating a two-tier system.



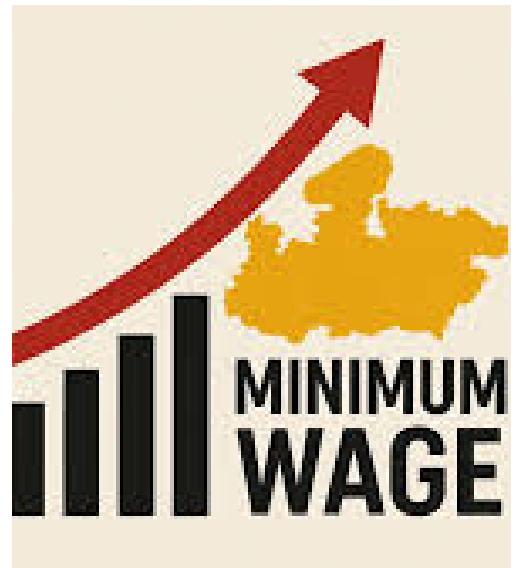
Survey

FINDINGS AND LACUNAE

WAGES AND BENEFITS

XI. Timely payment prevalent in organized sector: All surveyed organized establishments confirmed punctual monthly wage payments without delays. Wages being "paid monthly and disbursed on time" is noted. Payment dates were specific and consistent. The consistency of timely payments across establishment types suggests this aspect of labour law has been successfully internalized into business practices. Digital payment systems with automated monthly transfers further ensure punctuality by removing scope for administrative delays or discretionary withholding.

XII. Malpractices exist (Fake compliance exist through cash return schemes): While the overall trend toward digital payments is positive, systematic malpractices persist that create false compliance records while effectively underpaying workers. One owner provided crucial testimony regarding widespread fraud in nearby establishments: "employers issue cheques of ₹25,000 to employees but compel them to return ₹15,000 in cash, effectively underpaying them while maintaining false compliance records." This practice represents institutionalized fraud that exploits power imbalances between employers and vulnerable workers who fear termination if they refuse to participate.



ENFORCEMENT

XIII. Labour inspections unpredictable: Labour inspections occurred, they were infrequent and unpredictable rather than systematic. There were exceptions with more regular labour department engagement. One owner "noted that labour inspectors conduct surprise inspections at regular intervals", while another reported two inspections since registration earlier that year. The inspection pattern appears random rather than systematic. Establishments reported no predictable inspection schedule, no advance notice, and no follow-up visits. The establishments noted "regular inspections" but characterized the experience as positive with no enforcement actions: "the management reports having only good experiences with inspectors".

XIV. Food safety and excise inspections significantly more frequent: In stark contrast to rare labour inspection, food safety and excise department inspectors maintain active presence. Cafes reported "regular inspections conducted at the cafe, though these are usually carried out by food inspectors" rather than labour officials. One retail store experienced excise department visits. Food sampling has also been conducted. This pattern reflects prioritization decisions within state bureaucracy where consumer protection and revenue collection take precedence over worker welfare.

XV. Compliance driven by fear of negative publicity rather than enforcement: Compliance patterns correlate strongly with brand visibility and corporate reputation concerns rather than enforcement mechanisms. Establishments with national brand presence demonstrated significantly better compliance across multiple parameters compared to local independent businesses. One owner's willingness to testify about competitor malpractices while maintaining his own compliance suggests that compliant businesses view their practices as competitive disadvantages rather than responses to effective enforcement.

FINDINGS AND LACUNAE



STREET VENDORS

XVI. Complete non-implementation of Street Vendors Act 2014: The surveyed street vendors existed in complete regulatory vacuum with lacking implementation of the Protection of Street Vendors Act (SVA) 2014. When asked about registration and certification, the vendor stated that "he did not possess any registration certificate or license, and was unaware of whether the establishment was formally registered under the applicable laws". This represents exclusion from the formal labour protection framework. The Act's provisions for Town Vending Committees to register vendors, issue identity cards, and designate vending zones appear unimplemented in Patiala. The vendor's lack of awareness regarding registration requirements suggests no outreach efforts by municipal authorities to implement the Act.

XVII. Vendors completely unaware of their statutory rights: The street vendors demonstrated zero awareness of legal entitlements under the SVA 2014 or any other labour law. He could not articulate any statutory rights to vending space, protection from eviction, social security benefits, or grievance mechanisms. His understanding of employment relationships was entirely informal, based on personal arrangement with the cart owner rather than any legal framework. Local languages' informational materials are non-existent. The vendor had no knowledge of Shram Suvidha Portal, labour helplines, or grievance mechanisms.

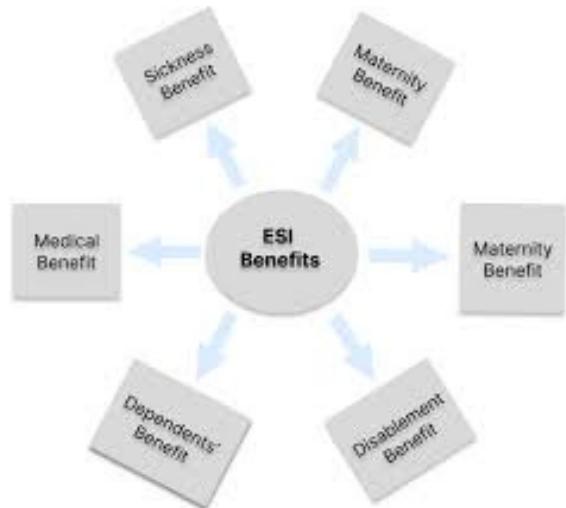
XVIII. Working conditions dependent on employer benevolence: In absence of legal framework implementation, the vendor's working conditions depended entirely on the personal benevolence of the cart owner. The vendor reported that "the employer covers all essential expenses, including medical and accidental insurance, as well as advance payments whenever required". While these provisions appear generous, they are discretionary rather than rights-based, leaving the worker vulnerable to arbitrary withdrawal. The absence of safety provisions - "the cart did not have any First Aid Kit or emergency medical provisions on-site" reflected lack of regulatory oversight. The vendor has no contractual protections, no grievance mechanisms, and no institutional support.

ALLIED LEGISLATION

XIX. Ripple effect confirmed: Strong positive correlation exists between Shops and Establishments Act compliance and adherence to allied labour legislation including ESI Act, Payment of Gratuity Act, and Maternity Benefit Act (now repealed by and covered under Code on Social Security, 2020) The ripple effect analysis shows that establishments displaying high compliance with the Shops and Establishments Act also ensured parallel adherence to maternity, wage, and safety laws. This pattern suggests that labour law compliance is systemic rather than provision-specific.

FINDINGS AND LACUNAE

XX. ESI and gratuity selectively implemented: ESI coverage shows clear correlation with establishment size and organizational sophistication. Large and organized establishments all provided ESI benefits. However, smaller establishments systematically excluded workers from social security schemes. One establishment explicitly stated "No Provident Fund", effectively exempting itself from statutory social security obligations. Gratuity payment remained rare as only one establishment explicitly confirmed "gratuity is paid to eligible employees". The absence of gratuity provision in other establishments with sufficient employee numbers suggests widespread non-compliance with Payment of Gratuity Act (now repealed by and covered under Code on Social Security, 2020) requirements.



IDENTIFIED LACUNAE

LEGISLATIVE GAPS

I. Ambiguity in defining "overtime" versus extended regular shifts: The distinction between permissible extended shifts and compensable overtime remains legally ambiguous in practice. Establishments exploit this ambiguity by restructuring work schedules to avoid overtime classification. The statutory framework fails to clearly delineate whether work beyond 9 hours but within claimed "regular shift" durations triggers overtime obligations. Legislative provisions should explicitly define overtime as any work exceeding statutory daily limits regardless of how establishments label their shift structures.

II. Inadequate penalties for non-display of mandatory notices: Statutory penalties for failing to display registration certificates, working hours notices, and other mandatory information are negligibly low or effectively unenforced and create no deterrent effect. First-time violation penalties measured in hundreds of rupees represent minor business costs. The legislative framework should escalate penalties for display violations and link them to business revenue rather than fixed amounts. Progressive penalties increasing with violation durations and triggering mandatory inspections within 30 days should be implemented.



FINDINGS AND LACUNAE

III. No clear mechanism for employee grievance redressal: The surveyed establishments revealed an absence of formalized grievance mechanisms accessible to workers. While one of the establishments maintained an internal "code of conduct committee", this represented an employer-controlled internal mechanism rather than an independent grievance forum. The legislative framework lacks provision for easily accessible, worker-friendly complaint mechanisms. Legislative amendments should mandate establishment of dedicated grievance officers at district level with publicized contact information and mandate quarterly workplace awareness campaigns about complaint mechanisms.

IMPLEMENTATION GAPS

IV. Absence of regular, systematic labour inspections: The rare labour inspections reflect fundamental enforcement infrastructure failure. Unlike food safety and excise departments that maintain regular inspection schedules, labour departments operate with insufficient inspector staffing, no systematic inspection protocols, and no performance metrics for enforcement coverage. Implementation reform requires dramatic expansion of labour inspector cadre with targets for 100% annual inspection coverage of registered establishments. Risk-based inspection protocols should prioritize high-violation-risk sectors (food service, retail) while ensuring minimum annual inspection frequency for all registered entities.

V. No awareness campaigns by Labour Department: Labour departments have conducted no systematic awareness campaigns educating employers about compliance requirements or informing workers about their rights as far as observed. The pattern of managerial unfamiliarity with specific statutory provisions and complete worker ignorance of complaint mechanisms reflects this awareness vacuum. No establishment mentioned receiving informational materials from labour authorities. The SHRAMVAAD booklet distributed by field researchers appeared to be the first systematic legal awareness initiative these establishments encountered.

VI. Street Vendors Act not enforced enough: The non-implementation of SVA 2014 provisions represents failure of legislative intent. Eight years after enactment, the Act's core provisions: vendor registration, identity card issuance, vending zone designation, Town Vending Committee formation remain unimplemented to a large scale. The surveyed vendor's complete unawareness of any legal protections exemplifies the gap between progressive legislation and ground reality. Municipal authorities must be legally compelled to implement SVA 2014 through mandatory timelines with penalties for non-compliance.

VII. Town Vending Committees not functional: Even where nominally formed, Town Vending Committees lack meaningful functionality. No evidence emerged of active TVC operations in Patiala: vendor meetings, grievance hearings, participatory planning for vending zones. The SVA 2014 envisioned TVCs as participatory governance mechanisms with 40% vendor representation ensuring their voices shaped vending policy. This democratic governance vision remains unrealized.

AWARENESS GAPS

VIII. Employers unaware of overtime compensation rules: The near-universal overtime compensation violations, with establishments paying regular rates rather than double wages, reflects fundamental employer ignorance regarding overtime provisions rather than deliberate non-compliance in many cases. This pattern indicates that employers operate based on industry practice and perceived norms rather than statutory knowledge. Targeted employer education campaigns should focus specifically on overtime calculation methodology with clear examples. Registration and renewal processes should mandate acknowledgment of overtime provisions with employers signing compliance commitments.

FINDINGS AND LACUNAE

IX. Employees unaware of their statutory rights: Workers demonstrated ignorance of basic labour law entitlements during field interactions. Employees interviewed could not articulate rights regarding maximum working hours, overtime compensation rates, mandatory rest intervals, termination procedures, or grievance mechanisms. This rights illiteracy leaves workers unable to identify violations affecting them or demand remedies. Worker awareness campaigns should target employees directly through accessible channels: workplace posters in local languages and SMS campaigns to registered worker mobile numbers.

X. No accessible information in local languages: All surveyed establishments operated in a Punjabi-speaking environment, yet no labour law informational materials in Punjabi were reported by any establishment. Statutory notices, compliance guides, and complaint procedures exist only in English or occasionally Hindi, creating language barriers for workers with limited formal education. State labour departments should mandate translation of all compliance materials into local languages (Punjabi for Punjab) as a priority implementation step. Digital platforms should offer language selection options ensuring information accessibility.

XI. Street vendors completely unaware of SVA 2014: The surveyed vendor's absolute ignorance of SVA 2014 reflects no outreach efforts by implementing agencies. Eight years post-enactment, vendors remain unaware that legislation providing registration rights, protection from eviction, and social security entitlements exists. This awareness void ensures continued precarity and exploitation despite legislative protections. Municipal authorities must conduct targeted awareness campaigns in vendor concentration areas. Vending license issuance should be accompanied by rights education materials.

IMPLEMENTATION GAPS

XII. Small establishments cannot afford dedicated HR infrastructure: The pattern of better compliance in larger establishments with professional HR departments versus smaller businesses reflects structural disadvantages. Small businesses with 7-15 employees cannot economically sustain dedicated HR personnel to manage compliance complexity. This structural gap requires policy interventions providing compliance support to small establishments. The government could establish free advisory services with helplines offering real-time compliance guidance. Digital platforms with automated compliance calendars, document templates, and regulatory update alerts would reduce compliance burden.

XIII. No centralized complaint mechanism: Workers seeking to report violations must navigate fragmented, unclear complaint pathways involving labour inspectors, labour commissioners, courts, and various administrative authorities. No single, well-publicized complaint portal exists where workers can report violations and track resolution. The complexity discourages complaint filing, particularly for vulnerable workers fearing retaliation and unable to navigate bureaucratic processes. A centralized labour complaint portal accessible via web, mobile app, SMS, and phone hotline would dramatically improve enforcement.

XIV. Lack of worker unions in shops and establishments sector: The survey revealed the absence of worker unions or collective bargaining mechanisms in all establishments. Individual workers confront employers alone, lacking collective voice or organizational support to demand rights. Policy should facilitate worker organization in this sector through simplified union registration procedures, legal protections against anti-union discrimination, and support for sectoral bargaining structures. Digital platforms enabling worker communication and organization could overcome geographical dispersion challenges.

XV. Social norms override legal provisions: It was observed at an establishment that female employees "prefer to resign voluntarily rather than avail" maternity benefits exemplifies how cultural norms and workplace social dynamics undermine legal entitlements. Addressing this gap requires cultural transformation beyond legal reform. Mandatory paternity leave provisions could normalize child-rearing leave-taking across genders, reducing stigma for women.

FINDINGS AND LACUNAE

ENFORCEMENT GAPS

XVI. Food inspectors active, labour inspectors invisible: The stark contrast between regular food safety inspections and rare labour inspections reflects prioritization decisions within state enforcement apparatus. Food safety violations create visible public health crises generating political pressure, while labour violations remain largely invisible to the general public and media. This differential enforcement leaves labour laws as low-priority administrative obligations rather than actively enforced regulations. Rebalancing requires political commitment to labour welfare matched by resource allocation.

XVII. Inspections reactive rather than proactive: The sporadic inspection pattern suggests that the labour department operates reactively, responding to complaints or crises, rather than proactively ensuring compliance through systematic monitoring. The absence of planned inspection schedules enables establishments to operate with low detection risk. Surprise inspections should supplement scheduled visits, creating continuous compliance incentives. Inspection findings should be publicly posted (online and at establishment premises) creating reputational incentive for compliance.

XVIII. No follow-up on violations: Establishments reporting inspections described them as one-time events with "good experiences" and no subsequent follow-up. This suggests that even when inspections occur and violations are noted, no systematic follow-up mechanism is done. Effective enforcement requires structured follow-up protocols: immediate violations requiring remediation within 7 days with re-inspection confirming compliance, medium-term violations requiring 30-day action plans with monthly monitoring, and chronic violations triggering escalating penalties and potential establishment closure. Digital case management systems should track violation-to-resolution timelines with automatic escalation for overdue cases.

XIX. Corruption and malpractices: An owner's testimony regarding fake compliance schemes: ₹25,000 cheques with forced ₹15,000 cash returns, indicates systematic corruption undermining enforcement. Such schemes require either inspector complicity (accepting bribes to ignore fraud) or inspector incompetence (failing to detect obvious schemes). Addressing corruption requires multiple interventions: mandatory employee interviews conducted separately from employers during inspections to detect coerced testimony, forensic auditing of wage records with bank statement verification and severe penalties including criminal prosecution for employers operating fake compliance schemes.

BEST PRACTICES OBSERVED

I. Comprehensive gender-sensitive policies: One of the food establishments emerged as the study's compliance exemplar through holistic approach combining gender sensitivity, working hour compliance, and employee welfare. The establishment's provision of paid menstrual leave and maternity benefits represents voluntary adoption of progressive standards. Gender policy restricting female employees to day shifts while male employees handle evening/night operations accommodates gender-specific safety concerns. The combination of excellent hygiene standards, first-aid provisions, fire safety equipment, and transparent cooperative management creates dignified working conditions that should represent sector norm rather than exception.

II. Robust maternity benefits and due process termination: One of the retail establishments demonstrated best-practice maternity benefit implementation through both policy provisions and workplace culture support. The 6-month maternity leave exceeds many statutory minimums, and the interviewed expectant employee's testimony about supportive treatment indicates policy translates to positive workplace experience. The three-layer termination process: verbal warning, HR-issued written warning, final HR-authorized removal, creates procedural protections against arbitrary dismissal. This structured approach ensures termination decisions undergo review and documentation, reducing impulsive firings and providing employees opportunity for performance improvement.

FINDINGS AND LACUNAE

III. Comprehensive employee benefits and governance structures: One of the establishments provided a combination of gratuity payment, medical benefits up to ₹2 lakh, and code of conduct committee representing institutional commitment to worker welfare. The substantial medical benefit provides genuine economic security for workers facing health emergencies, addressing major vulnerability for low-wage workers lacking health insurance. The code of conduct committee ensuring "no employee can be removed impulsively or on a whim" institutionalizes due process and creates internal accountability mechanisms.

IV. Practice of opening bank accounts for employees lacking them: This initiative facilitates digital wage payments while providing workers access to savings accounts, potential credit access, and formal financial identity. The employer investment of time and resources in employee financial inclusion demonstrates commitment to worker welfare as a holistic concept rather than narrowly defined labour law. This practice should be institutionalized as standard onboarding procedure across the sector, with employers partnering with banks.

V. Advance payment flexibility: An establishment allows for advance payment with no requirement for official reasons. This acknowledges worker financial vulnerability and provides emergency support. An establishment's willingness to schedule salary advances by the 25th of each month provides structured liquidity support for workers facing mid-month financial pressures.

VI. Progressive management approach: One of the establishments offered department transfers before termination represents humane management. This approach maximizes employment retention while giving workers second chances.

RECOMMENDATIONS

The field survey shows a pattern: long working hours beyond the 9-hour daily/48-hour weekly limit, non-payment of double-rate overtime, inconsistent leave and display compliance, rare labour inspections compared to food safety checks, and near-zero implementation of the Street Vendors Act (SVA), 2014 on the ground. This chapter converts those findings into stepwise measures for government, employers, employees, street vendors, and civil society, prioritized as Quick Wins (0-3 months), Near-Term (3-9 months), and Systemic (9-18 months) to match administrative capacity and market realities.

GOVERNMENT AND LABOUR DEPARTMENT

STRENGTHEN ENFORCEMENT

What problem this solves

- Shops exceed legal working-hour limits, underpay or deny overtime, and fail basic display and record requirements, largely because inspections are infrequent and documentation checks are inconsistent.

What to do

- Adopt a quarterly, risk-based inspection plan specific to shops and establishments (S&E), not factories, targeting longer-hour outlets, prior defaulters, high-footfall food retail, and units flagged for wage date delays.
- Use GPS-stamped inspection logs and unique visit IDs; capture time-stamped photos of mandatory displays (registration, working hours, weekly holiday, rights posters) and sample wage slips to verify OT line items.
- Constitute dedicated S&E squads with one legal officer (for on-site interpretation and lawful compounding) and one data officer (for validating digital registers and analytics).

RECOMMENDATIONS

How to implement (SOP)

- Pre-visit: pull prior inspection report, municipal trade license data, and any ESI/PF headcount indicators; prepare a 12-point checklist: registration/display, working hours, weekly off, OT at double rate, leave entitlements, wage payment date/mode, wage slips, women's hour restrictions, maternity/ESI, health-safety basics, record-keeping, termination/grievance display.
- On-site: verify wall displays; interview two employees about actual hours, weekly off, wage date, and OT payment; photograph evidence; issue on-the-spot advisory for first-time non-display or a compounding notice where permitted.
- Post-visit: e-notice with specific rectification steps and a time limit (7-21 days by violation type); automatically schedule re-inspection; escalate repeat defaults to prosecution and alert the municipal licensing cell for renewal scrutiny.

Responsibility, timeline, indicators

- Responsibility: District Labour Officer (lead); Municipal Trade License Wing (alerts); Food Safety for eateries (cross-referrals).
- Quick Wins (0-3 months): squad order, checklist notification, GPS log template; Near-Term (3-9 months): e-Inspection workflow; Systemic (9-18 months): license linkage on repeat defaults.
- Indicators: inspections/month; percent risk-targeted; average rectification days; repeat-violation rate; share of outlets with compliant displays and OT line items on slips.

STRENGTHEN ENFORCEMENT

What problem this solves

- Managers and staff often do not know the exact rules on hours, weekly off, double-rate OT, leave, and women's protections; posters and notices are missing or inaccurate.

What to do

- Notify bilingual (Punjabi/English) standard posters covering: maximum hours, weekly holiday, OT at twice the ordinary rate, minimum leave, wage payment date, women's timing protections, maternity/ESI highlights, and grievance contacts; mandate display at entrance and staff area.
- Disseminate digital packs (poster PDFs, short explainer videos, WhatsApp creatives) through trader associations, RWAs, and district social channels; hold "Compliance Melas" in busy markets.

SOP

- Provide print-ready files to associations; empower inspectors to issue on-the-spot compounding for non-display; publish a "model wall" example so shops can mirror the layout.

Responsibility, timeline, indicators

- Responsibility: Labour Department IEC Cell with District PRO; Market Associations for last-mile distribution.
- Quick Wins (0-3 months): poster kit publication and circulation.
- Indicators: random-check display compliance; poster download count; mela attendance; helpline queries resolved.



RECOMMENDATIONS

STREET VENDORS ACT IMPLEMENTATION

What problem this solves

- Vendors lack registration, are unaware of rights, and face eviction without due process; TVCs are non-functional or slow.

What to do

- Complete a citywide survey in 90 days; operationalize Town Vending Committees with vendor representation; issue vending certificates on a rolling basis with a simple 30-day appeal route.
- Demarcate vending zones; install signage with QR codes linking to location rules (time bands, hygiene, waste disposal) and a grievance QR for reporting unlawful eviction or harassment.

SOP

- Mobile survey teams conduct evening/weekend rounds; one-page forms; instant SMS acknowledgment; weekly progress dashboard; monthly TVC meetings for approvals; temporary permits during peak seasons with hygiene undertakings.

Responsibility, timeline, indicators

- Responsibility: Municipal Commissioner (lead), TVC Chair, Labour/Police liaison for due process.
- Quick Wins (0–3 months): TVC notification, survey start, interim ID slips.
- Indicators: vendors surveyed; certificates issued; number and resolution time of eviction complaints; hygiene compliance checks passed



SYSTEMIC REFORMS

What problem this solves

- Paper-based registers and dispersed channels increase non-compliance; grievances are hard to track; penalties lack bite for repeat offenders.

What to do

- Launch a unified S&E portal for registration and e-registers (attendance, wages, leave, OT) with a free “micro” tier for <10 workers; CSV import and SMS reminders for wage due dates.
- Provide a toll-free, multilingual grievance helpline and WhatsApp chatbot with document upload and ticket tracking; enable assisted filing via Lok Seva Kendras.
- Escalate penalties for repeat non-display, OT underpayment, and falsified records; link persistent non-compliance to trade license renewal alerts; establish cross-department referrals (Food Safety, ESI/PF) and a joint drives calendar.
- Conduct an annual third-party enforcement audit and publish a sector-wise compliance index; convene a yearly roundtable with employers, unions, TVC, and legal aid groups.

Responsibility, timeline, indicators

- Responsibility: State Labour Department IT Cell; District Labour Officer; Municipal Licensing; ESI/PF liaison.
- Near-Term (3–9 months): portal beta, chatbot, referral SOPs; Systemic (9–18 months): penalty-license linkage, annual index and audit.
- Indicators: portal sign-ups; e-register usage; grievance turnaround time; drop in repeat violations; number of cross-referrals acted upon.

RECOMMENDATIONS

EMPLOYERS

COMPLIANCE MEASURE

Why this matters

- Organized outlets do better on cleanliness and wages but still falter on hours, overtime at double rate, leave records, and displays; smaller shops lack HR capacity and systems.

What to do

- Conduct quarterly self-audits against a simple 12-point checklist; remediate gaps within 30 days; keep a compliance folder with dated evidence (photos of displays, sample slips, attendance extracts).
- Display prominently: registration certificate; working hours and weekly holiday; rights poster; grievance contact; emergency numbers, in Punjabi and English.
- Use reliable attendance (biometric or geo-fenced apps) and maintain digital registers for attendance, wages, leave, and OT; back up monthly; provide extracts to employees on request.
- Pay OT at twice the ordinary rate as a separate wage-slip line; avoid informal comp-offs unless lawfully permitted and documented; ensure weekly holiday is either given or paid per law.
- Maintain basic safety: first aid kit, fire extinguisher, clean toilets, ventilation; hold a 10-minute “toolbox talk” weekly in high-footfall premises.
- Follow progressive discipline: verbal counseling, written warning, final warning, then termination with notice/pay in lieu; complete full-and-final settlement within statutory timelines; keep minutes and acknowledgments.

Indicators

- On-time wage payments; percent of OT paid at double rate; leave accrual accuracy; display compliance; grievance closure within 7 days; completion of safety checks.

EMPLOYEE WELFARE

Why this matters

- Written terms, fair discipline, training, and gender-sensitive policies reduce disputes and improve retention, especially around maternity and women's hours.

What to do

- Issue appointment letters detailing hours, wages, OT rate, leave, benefits (including ESI thresholds), and separation terms; provide monthly wage slips; keep personal files updated.
- Set a simple grievance mechanism (email/number/box/app) with a 7-day response SLA and non-retaliation; train supervisors on respectful handling and record-keeping.
- Conduct biannual trainings (60-90 minutes) on hours, OT, leave, wage timelines, women's protections, maternity/ESI, and safety; provide Punjabi job aids; refresh supervisors quarterly.
- Adopt gender-sensitive practices: plan schedules to avoid late hours for women; where exceptions arise, provide safe return measures; consider menstrual leave/flexibility; ensure maternity benefits and non-discriminatory retention.

Indicators

- Training coverage; maternity benefit utilization without attrition spikes; grievance satisfaction score; rate of women's late-hour exceptions with safety measures recorded.

RECOMMENDATIONS

EMPLOYEES

RIGHTS AWARENESS AND DOCUMENTATION

Why this matters

- Employees can only assert rights to hours, OT, leave, and wages if they keep their own records and understand internal and external escalation paths.

What to do

- Keep digital copies of appointment letters, attendance screenshots, wage slips, bank SMS, OT logs, and leave approvals in a monthly folder; maintain a simple spreadsheet totaling hours and OT.
- Track hours and weekly offs; if hours exceed 9/day or 48/week, claim double-rate OT citing dates and totals; if refused, use the grievance route and then the helpline with documents attached.
- Ask for bilingual contracts; never sign blank forms; confirm probation, leave accrual, OT rate, and notice terms in writing before joining.
- Form or join employee associations within the establishment or market cluster to negotiate schedules, off-days, and safety; rotate representatives to minimize targeting risks.



STREET VENDORS

REGISTRATION, RIGHTS, AND SAFETY

Why this matters

- Registration and zoning reduce harassment and stabilize livelihoods; hygiene compliance sustains public support and TVC approvals.

What to do

- Participate in the municipal survey; if missed, apply directly to the TVC with ID and location/time proof; obtain a vending certificate; carry and display a laminated copy.
- Vend only in designated zones and time bands; maintain hygiene and waste disposal; document any eviction/harassment (photos, timestamp, officer ID) and report via helpline/TVC.
- Join vendor associations; seek micro-insurance and schemes via CSCs/banks; if employed by a cart owner, request co-sponsorship for accident/medical cover; keep a ledger of wages and advances.

RECOMMENDATIONS

CIVIL SOCIETY AND LEGAL AID ORGANIZATIONS

ADVOCACY AND CLINICS

Why this matters

- Last-mile literacy and form-filling support are critical for micro-employers, workers, and vendors who lack HR or legal help.

What to do

- Run quarterly SHRAMVAAD-style market clinics; prioritize long-hour eateries and retail; distribute pocket rights cards listing OT rate, wage date, leave minimums, women's protections, and grievance QR.
- Train paralegal volunteers to file online grievances, draft short complaints, and navigate TVC processes; staff a rotating weekend help desk in major bazaars.

RESEARCH AND POLICY ENGAGEMENT

Why this matters

- Last-mile literacy and form-filling support are critical for micro-employers, workers, and vendors who lack HR or legal help.

What to do

- Run quarterly SHRAMVAAD-style market clinics; prioritize long-hour eateries and retail; distribute pocket rights cards listing OT rate, wage date, leave minimums, women's protections, and grievance QR.
- Train paralegal volunteers to file online grievances, draft short complaints, and navigate TVC processes; staff a rotating weekend help desk in major bazaars.

PRIORITIZATION AND TIMELINES

QUICK WINS (0-3 MONTHS)

- Government: notify inspection squads and checklists; publish poster kits; launch helpline/WhatsApp bot; notify TVC and start vendor survey.
- Employers: update wall displays; standardize wage slips with OT line; adopt weekly 1-hour toolbox talks; adopt internal audit checklist.
- Civil society: open market clinics; release pocket rights cards; pilot paralegal desks.

NEAR-TERM (3-9 MONTHS)

- Government: roll out e-Inspection; install QR vending-zone signage; launch e-registers portal (beta); run vendor certificate drives; publish quarterly dashboards.
- Employers: deploy biometric/geo attendance; shift to digital e-registers; complete biannual trainings; stabilize grievance system.

NEAR-TERM (3-9 MONTHS)

Why this matters

- Last-mile literacy and form-filling support are critical for micro-employers, workers, and vendors who lack HR or legal help.

RECOMMENDATIONS

What to do

- Run quarterly SHRAMVAAD-style market clinics; prioritize long-hour eateries and retail; distribute pocket rights cards listing OT rate, wage date, leave minimums, women's protections, and grievance QR.
- Train paralegal volunteers to file online grievances, draft short complaints, and navigate TVC processes; staff a rotating weekend help desk in major bazaars.

SYSTEMIC (9-18 MONTHS)

- Government: link penalties to license renewals for repeat defaults; publish an annual compliance index; conduct third-party enforcement audits; automate cross-department data sharing.
- Ecosystem: sustain micro-grants for clinics; negotiate market-level compacts on schedules, weekly offs, and safety.

MONITORING AND METRICS

Government Metrics

- Inspections per month; violations detected vs. resolved; average rectification time; poster display compliance; grievance resolution time; vending certificates issued; TVC meetings held.

Employer Metrics

- Percent OT paid at double rate; on-time wage payment rate; leave accrual accuracy; grievance closure within 7 days; completion of safety checklists; properly documented exceptions to women's late-hour work.

Employee/Vendor Outcomes

- Wage recovery cases; harassment/eviction complaints resolved; training participation; association membership growth; vendor hygiene checks passed.

HOW THESE RECOMMENDATIONS ADDRESS FINDINGS

Enforcing display, hours, OT pay, leave, and record-keeping rules targets the observed overlong shifts, missing OT at double rate, and inadequate documentation; dedicated S&E squads and e-Inspection correct weak enforcement; bilingual posters and clinics close awareness gaps; SVA implementation (survey, TVC, certificates, zones) resolves the current “law on paper” problem for vendors; and annual indices with license linkage add credible, ongoing accountability for sustained compliance.

CONCLUSION

The Centre for Advanced Studies in Labour Welfare (CASLW), through a field assessment of fourteen shops and establishments and street vendors in Patiala, Punjab, has demonstrated a complicated and intense picture of the reality of non-compliance with labour laws by majority of the establishments. Despite some establishments showing progress, deep-rooted problems in the system continue to haunt the rights of the employees and keep them stranded on their own. It demonstrates a partial failure of our system as there is no effective implementation of such minutely-drafted labour laws.

The report, though, evidences that formalization has taken place in urban businesses, but this conformity with the rules hides certain alarming things taking place on the ground level. Half of the businesses broke the rule that said workers could only work nine hours a day. Some workers had to work 12 to 13.5 hours a day. It is even worse that there is no adequate overtime pay at all, with 91.7% of businesses not paying the legally required double wage rate for extra hours worked. These infractions are not just done out of spite; they also show that both employers and employees are not very knowledgeable of the specific laws that regulate their professional relationships. The majority of the establishments also don't provide gratuity to their workers despite having 20 or more workers.

Gender-sensitive provisions stood out as a rare positive development, with more than 90% compliance in limiting women's night employment and progressive companies voluntarily implementing menstrual leave policies. Another positive development is the move toward paying wages digitally through bank transfers. This makes things more transparent and creates records that workers can follow. But these benefits come with troubling behaviours, such as the documented cash-return schemes that make fake compliance records while deliberately underpaying workers who are vulnerable. The near-total failure of the Street Vendors Act implementation is probably the most worrying. The vendor that was questioned had been in business for eight years and still had no idea of any legal protections. Instead, they were completely at the whim of their employer's kindness, not their rights. The Act's promise of safety and dignity for informal workers is merely on paper, and town vending committees still don't work.

The enforcement gap is very clear. Food safety inspectors are always there, but labour inspectors are not. It seems that compliance is more about protecting brand name than fear of punishment. This creates a two-tier structure where big companies follow the rules while smaller ones operate in legal grey areas. The SHRAMVAAD initiative's results make it clear that progressive laws alone can't make working conditions better. To close the gap between what the law says and what actually happens for Punjab's informal sector workers, there needs to be systematic information efforts, regular inspections with real fines, efficient grievance systems, and real political will.

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