

Registration under Shops and Establishment Act



1. The Shop and Establishment Act regulates conditions of work, lists rights of employees in the unorganized sector, and provides a list of obligations for every employer.
2. However, this is best suited for shops all across India, every benefit making foundations, lodgings, bistros, eating circles and joints, eateries, cinemas and for all public places of entertainment.



What is Shops and Establishment Act?

1. Shops and establishments act deal with several operations that follows the shops, restaurants, theatres or the commercial establishments in the country.
2. However, the word 'Establishment' means a shop or commercial foundation.
3. Many entertainment resources are also covered under this Act.
4. When registering for the shop and establishment act in the case of SSI or MSME businesses in the unorganized sector, it serves as a proof for the existence of the business.



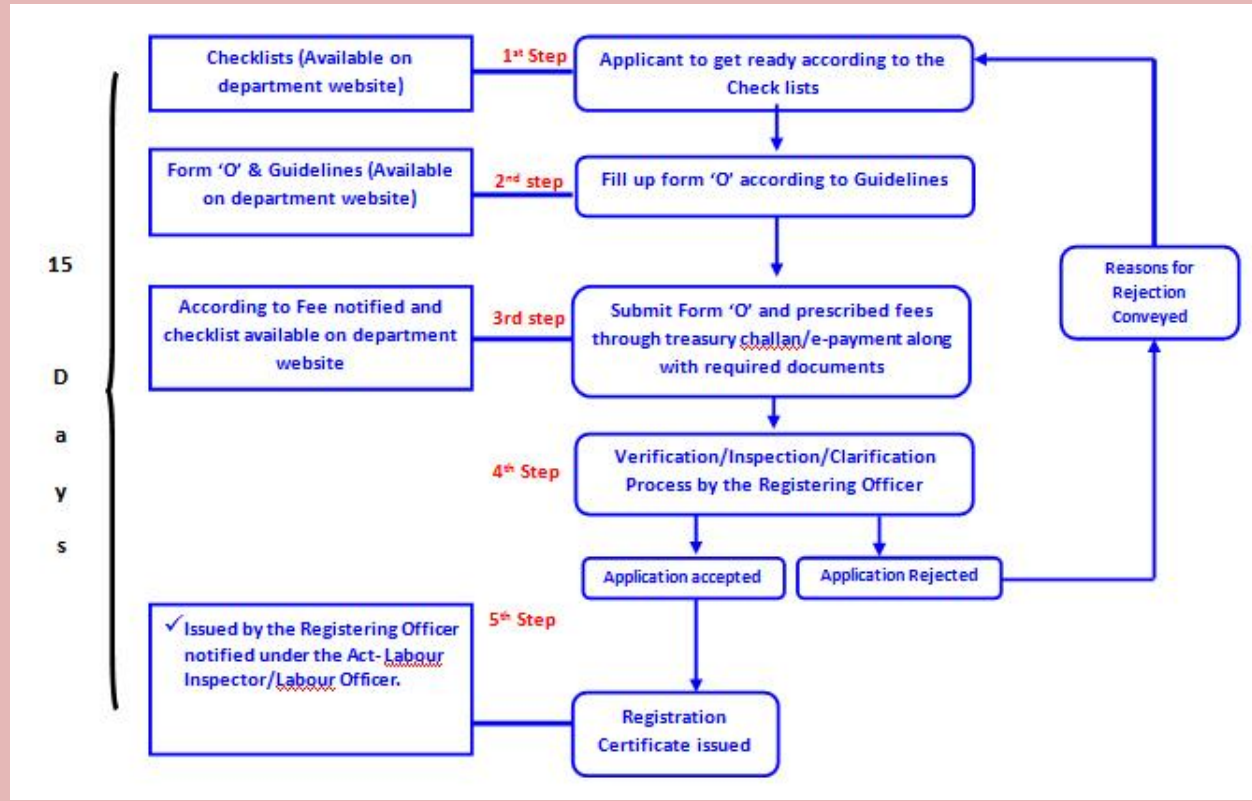
Reason of registration under the Act

The shop and establishment act is used for various –

- a. National Holidays
- b. Close days
- c. Weekly holidays
- d. Wages for holiday
- e. Time of payment
- f. Deductions from wages
- g. Leave policy
- h. Dismissal
- i. Lighting and ventilation
- j. Precautions against fire
- k. Accidents
- l. Record keeping
- m. Overtime
- n. Hours of work
- o. Interval for rest and meals
- p. Prohibition of employment of children



Registration Process



1. Each state follows a separate shop and establishment regulations.
2. The fee might vary, the process, the amount of time to deliver the certificate, the inspector in-charge, and so on will vary depending on each state.
 - a. Almost within 30 days from the date of commencement of any business, the employer of the shop/commercial establishment should send an application to the inspector in-charge.
 - b. The application should be in the agreed form. Moreover, the employer should submit it along with the prescribed fees.

The application form should contain the following details-

1. Name of the employer
 2. Name of the establishment
 3. Address of the establishment
 4. The category which it belongs to
 5. Number of employees working
 6. The date on which the establishment started work.
- The Labour Department of each State produces the shop and establishment act process and the registration takes place.
 - The local district labor officers normally take charge as the inspector in-charge under this act. However, they are the ones who will grant the shop and establishment registration certificate.
 - The fee for the whole process varies on how many workers are on employment in that particular organization/business.
 - The inspector in-charge will review the application, once the occupier applies. If the application has all the necessary details and if the details satisfy the inspector in-charge, then the registration of the shop and establishment will be successful and the occupier will get a registration certificate.

- Prominently, the registration certificate must be displayed at the establishment and also remember to renew the license periodically.
- However, the employer has to notify the inspector in-charge if there is a plan to close down the business.
- In case if the employer is sure to close, then the employer has to submit writing within 15 days of closing. The inspector will then cancel the registration provided under the Shops and Establishment Act. Therefore, they will remove its name from the register.
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Documents Required for Registering a Shop/Establishment License



Photograph proof of shop or establishment:

A photograph of the entrance to the shop with its name board in the local language.



List of partners:

A list of partners or owners of the establishment with their respective government issued IDs (driving license, voters ID, etc).



Copy of PAN card:

A PAN card copy of the shop or establishment.



Address proof:

A copy of the electricity bill, receipt of tax paid, purchase deed etc for the shop or establishment.



Additional business certificates:

Certificate of incorporation, Memorandum of Association (MOA) and Articles of Association (AOA), Limited Liability Partnership Agreement (LLP)

Documents Required

Here is a list of common documents:

- a. Identity Proof
- b. Commercial Address Proof
- c. Other licenses required to start a business
- d. PAN Card
- e. Fee Payment Challan

Record to be maintained under Shops and Establishment Act

1. Under the Shop and Establishment Act, every business has to seek approval from the Department of Labour and keep up-to-date registers regarding details of employment, fines, deductions and advances, salary, and holidays.
2. However, the requirements may vary from state to state. Files related to annual holidays and the number of employees need to be submitted to the office of the Municipal Corporation annually further no Regular return needs to be filed under this Act.