

Gujarat Enforces the Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) (Amendment) Act, 2026

16 March 2026

In a notable development, the Government of Gujarat has brought into force, the Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) (Amendment) Act, 2026 (Gujarat S&E Amendment Act 2026) through a notification in the Official Gazette on 27 February 2026. The Gujarat S&E Amendment Act 2026 amends the Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019 (Gujarat S&E Act 2019), and the same has been made effective from 16 December 2025.

The Gujarat S&E Amendment Act 2026 was earlier published as an ordinance, subsequently introduced as a bill, which has now been passed by the legislature and has received the approval of the Governor. We have covered this update when the Gujarat S&E Amendment Act 2026 was introduced as an ordinance, in detail in our [ERGO](#) dated 29 December 2025.

In this update, we discuss the key changes as brought about by the Gujarat S&E Amendment Act 2026 from an employment law perspective.

Key changes	Gujarat S&E Act 2019	Gujarat S&E Amendment Act 2026
Applicability	To establishments employing 0-20 employees (managerial and non-managerial employees)	To establishments employing 20 or more employees (managerial and non-managerial employees)
Intimation	Establishment employing less than 10 employees were required to give intimation to the Inspector along with necessary details.	Establishment employing less than 20 employees will now be required to give intimation to the Inspector along with necessary details.
Intervals of rest	Maximum 5 hours of continuous work	Increased to 6 hours of continuous work
Hours of work	Maximum 9 hours per day	Increased to 10 hours per day
Weekly working hours	Maximum 48 hours per week	No change and continues to be capped at 48 hours per week
Overtime Limits	Up to 9 hours in a day and 125 hours in a quarter	Increased to 10 hours in a day and 144 hours in a quarter
Women allowed to work in night shifts	Women employees were permitted to work between 6 am to 9 pm, subject to prescribed conditions.	Woman employees can now work between 9 pm to 6 am, with their consent, subject to prescribed conditions.

Comments

With ease in regulatory compliances and increased flexibility in work hour arrangements, the Gujarat S&E Amendment Act 2026 reflects the Government's larger initiative to promote a business-friendly climate in Gujarat for employees.

Notwithstanding the flexibility offered by the Gujarat S&E Amendment Act 2026 in work time regulations, it is yet to be seen whether establishments will revisit their policies. This is because a 10-hour working day in a week comprising 5 working days would mean that the total number of hours worked by an employee in a week would be 50, crossing the weekly threshold of 48 hours and attracting overtime. Moreover, with the enforcement of the Occupational Safety, Health and Working Conditions Code, 2020 (OSH Code) effective 21 November 2025, employers may have to tread cautiously as the OSH Code specifies 8 hours as the normal working hours per day for all establishments with 10 or more non-managerial employees.

Interestingly, the Government of Maharashtra has recently rolled back a bill it had earlier tabled to amend the state-specific shops and establishments law, given that it would have potentially deviated from the provisions of the OSH Code. However, it seems that Gujarat has taken the decision to take the amendments forward notwithstanding potential differences with OSH Code requirements.

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