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Maharashtra Shops Act Update: 24x7 Continuous Operations Explained

AUTHOR Nidhi Singh

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Introduction

In a significant move for businesses in Maharashtra, the state government, through a notification dated October 1, 2025, has formally clarified that shops and commercial establishments can operate seven days a week, provided certain conditions are met. While the underlying legal provision already existed, this notification provides much-needed clarity and enforcement guidance, enabling businesses to operate with confidence.

Table of contents

- [Introduction](#)
- [Legal Background](#)
- [Earlier Position: Ambiguity and Restrictions](#)
- [What the October 2025 Notification Clarifies](#)
- [Implications for Businesses](#)
- [Legal and Policy Significance](#)
- [Conclusion](#)

Legal Background

The framework for continuous operations is rooted in the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017. Specifically, Section 16(1)(b) allows establishments to remain open all days if every employee is granted a continuous 24-hour weekly rest period.

The provision was always intended to balance business flexibility with employee welfare. However, due to the lack of formal communication and ambiguity in implementation, many establishments hesitated to operate continuously, fearing potential legal complications during inspections or audits.

Importantly, establishments serving alcohol, including bars, permit rooms, liquor shops, and hookah parlours, remain excluded from this provision. They must continue to follow existing time restrictions under separate regulations

Earlier Position: Ambiguity and Restrictions

Before this notification, the law technically permitted 24×7 operations, but businesses were cautious. Typical practice involved observing a weekly holiday, capping daily working hours at nine hours, and limiting weekly hours to 48, with overtime within permissible limits.

The uncertainty surrounding inspections and compliance checks created hesitancy among businesses. While the Act did allow continuous operations, the absence of formal government guidance led to varying interpretations, making it difficult for businesses to confidently plan seven-day operations.

What the October 2025 Notification Clarifies

The recent notification primarily does three things:

1. **Permits 24×7 Operations:** Businesses across sectors such as retail, hospitality, and entertainment can now legally operate all seven days of the week.
2. **Protects Employee Rights:** Every employee must receive a continuous 24-hour weekly rest, as mandated by Section 16(1)(b). This ensures that operational flexibility does not come at the cost of labor welfare.
3. **Maintains Certain Exclusions:** Alcohol-serving establishments continue to follow existing restrictions and cannot operate 24×7 under this notification.

By explicitly allowing continuous operations with conditions, the government has created a balanced approach between commercial interests and employee protection.

Implications for Businesses

The notification offers several practical implications:

- **Operational Advantage:** Businesses now have the flexibility to serve customers throughout the week, potentially increasing revenue and enhancing customer convenience. Retail outlets, restaurants, malls, theatres, and other commercial establishments can strategically plan their operational hours to maximize efficiency.
- **Compliance Obligations:** Employers must carefully design staffing schedules to ensure that every employee receives their weekly rest period. Non-compliance may attract penalties under the Act. This requires businesses to review HR policies, internal compliance systems, and work schedules.
- **Strategic Planning:** The ability to operate continuously allows businesses to adjust marketing strategies, promotional campaigns, and service availability according to customer demand, without worrying about legal constraints.

It is also worth noting that while operational freedom has increased, establishments must continue to comply with other applicable laws, including labor protection statutes, minimum wages, and occupational safety requirements.

Legal and Policy Significance

This notification reflects a progressive approach by the Maharashtra government, aiming to modernize business operations while safeguarding worker rights. By clearly defining operational limits and employee rest obligations, the state has reduced legal ambiguity, which can encourage further investment and business expansion.

From a legal perspective, the notification provides certainty to businesses and employees alike. It confirms that continuous operations are permissible, provided statutory safeguards are in place. This step aligns Maharashtra with global business practices, where extended operational hours are increasingly common, while reinforcing the principle that employee welfare cannot be compromised for business flexibility.

Conclusion

The October 2025 notification marks a landmark development in Maharashtra's commercial regulation. By allowing shops and establishments to operate seven days a week, while mandating a continuous 24-hour weekly rest for employees, the government has struck a careful balance between operational freedom and labor protection.

Businesses now have the clarity and legal backing to extend working hours, improve service delivery, and plan operations strategically. At the same time, they must remain vigilant about compliance obligations to avoid penalties and ensure employee welfare. This notification is a positive step towards creating a flexible, yet responsible, commercial ecosystem in Maharashtra.

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