

From overlap to order: recalibrating registration obligations between Central labour codes and State laws

The overlap between Central and State labour laws could be a source of complexity for employers in India. The constitutional principles suggest that central legislation ordinarily prevails over State laws on matters in the concurrent list. This issue came into focus pursuant to notification of the Occupational Safety, Health and Working Conditions Code, 2020 (“**OSH Code**”). It arose particularly due to the concurrent provisions on establishment registration and intimation requirements under the OSH Code, the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 (“**MSEA**”) and the Haryana Shops and Commercial Establishments Act, 1958 (“**HSEA**”), respectively.

Regulatory clarification and legal position

A recent circular¹ dated April 30, 2026 issued by Industries, Energy, Labour and Mining Department, Government of Maharashtra (“**Circular**”) provides clarity in this regard and represents a conscious move towards rationalising compliance obligations.

The Circular clarifies that eligible establishments employing 10 (ten) or more workers, once registered under the OSH Code, pursuant to operationalisation of the applicable rules, are not required to obtain a separate registration under the MSEA. This clarification acknowledges the OSH Code’s consolidated framework for registration and compliance. It gives effect to the constitutional principle that, in the event of inconsistency, a Central law enacted on a concurrent subject prevails over State legislation.

The Circular also adopts a measured and legally nuanced approach. It recognises that the pre-eminence of the OSH Code does not entirely displace the MSEA and clarifies that all substantive provisions of the MSEA would continue to apply to eligible establishments so long as they are not inconsistent with the OSH Code. Further, eligible establishments employing less than 10 (ten) workers, which fall outside the registration threshold under the OSH Code, would remain subject to the requirement of filing an intimation of commencement of business under the MSEA. This distinction preserves the regulatory reach of the State law where the Central framework does not extend.

The clarification must also be viewed in conjunction with earlier guidance issued by the Ministry of Labour and Employment², which emphasised that where overlapping or inconsistent provisions exist between Central labour codes and State laws, employers are obligated to extend the more beneficial terms to employees. The Circular reinforces this interpretative principle by underscoring that while procedural duplication in registration can be

¹ Government circular number OSH-2026/C.R.40/Labour-10

² Additional FAQs on Labour Codes dated March 16, 2026

dispensed with, compliance with substantive employment conditions under both regimes continues, subject to consistency and employee-centric interpretation.

In a similar development, the Labour Department, Haryana has also issued a notification³ dated May 4, 2026 (“**Notification**”) granting exemption to commercial establishments in Haryana from registration requirements under the HSEA, once such establishments are registered under the OSH Code, with a view to avoid duplicacy of registration requirements.

For context, under MSEA and HSEA, commercial establishments are required to provide intimation to prescribed labour authorities upon commencement of operations, without the need to submit an application for registration, provided the employe headcount is below 10 (ten) and 20 (twenty) employees, respectively. However, it is interesting to note that unlike Maharashtra Haryana Government has gone a step ahead in relaxing intimation requirement also under the HSEA, in respect of establishments employing less than 20 (twenty) employees (as is the threshold in HSEA).

Conclusion

The Circular and Notification mark a significant step towards easing the compliance burden on employers in the States of Maharashtra and Haryana by removing parallel registration requirement. At the same time, it carefully preserves the continued applicability of worker-protective provisions under the State law, thereby maintaining the balance envisaged under India’s constitutional framework. Employers would, however, be well-advised not to construe this clarification as a blanket exemption from the MSEA and HSEA. The OSH Code establishes a consolidated compliance baseline, but State law obligations may continue to operate alongside it wherever they are not inconsistent and where they provide enhanced employee protections.

In an evolving labour law landscape, regulatory simplification does not dispense with the need for careful legal assessment, and compliance strategy must be informed by both legislative hierarchy and substantive employee welfare considerations.

³ Notification bearing number 02/26/2026-2Lab

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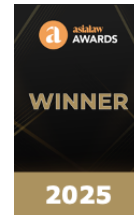
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