

**The Hindu Important News Articles & Editorial For UPSC
CSE**

Friday, 01 May, 2026

Edition : International Table of Contents

<p>Page 01 Syllabus : GS III : Indian Economy / Prelims Exam</p>	<p>States with revenue deficits may face fiscal stress: Centre</p>
<p>Page 06 Syllabus : GS III : Environment / Prelims Exam</p>	<p>India's first green methanol plant to turn Kutch's most invasive weed into marine fuel</p>
<p>Page 07 Syllabus : GS II : Social Justice / Prelims Exam</p>	<p>How residential segregation shapes public health access in India</p>
<p>Page 10 Syllabus : GS II : International Relations / Prelims Exam</p>	<p>How is the next UN chief being chosen?</p>
<p>Page 11 Syllabus : GS II & III : Social Justice and Indian Economy / Prelims Exam</p>	<p>A century after legal recognition, workers still lack real protection</p>
<p>Page 08 : Editorial Analysis Syllabus : GS III : Indian Economy</p>	<p>On May Day, a workforce in India without a floor</p>

The Department of Economic Affairs, in its Monthly Economic Review (April 2026), has raised concerns regarding the fiscal stability of Indian States. The report highlights that states with high revenue deficits and significant debt burdens are poorly positioned to absorb external fiscal shocks, creating potential pressure on the Union Government's own fiscal consolidation targets.

States with revenue deficits may face fiscal stress: Centre

T.C.A. Sharad Raghavan
NEW DELHI

The Union Finance Ministry has warned that States with revenue deficits and high debt burdens will find it harder to deal with fiscal shocks, including from the West Asia crisis, forcing them to either reprioritise expenditure away from productive areas, or approach the Centre for more funds at a time when it is trying to consolidate its own finances.

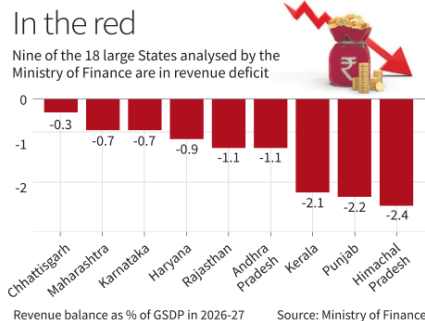
In its Monthly Economic Review for April, the Department of Economic Affairs in the Ministry said nine of the 18 large States analysed were in revenue deficit as per their own projections for 2026-27. Seven are projected to be revenue surplus, while one is

in revenue balance.

A revenue deficit is when expenditure on recurring items such as salaries, pensions, subsidies, and interest payments exceed the revenue earned from sources such as taxes and fees.

The States with projected revenue deficits as a percentage of their gross state domestic products (GSDP) are Himachal Pradesh (-2.4%), Punjab (-2.2%), Kerala (-2.1%), Andhra Pradesh (-1.1%), Rajasthan (-1.1%), Haryana (-0.9%), Karnataka (-0.7%), Maharashtra (-0.7%), and Chhattisgarh (-0.3%).

Tamil Nadu and West Bengal were excluded from the analysis as they have so far presented only interim budgets for 2026-27. "Revenue-deficit States



are constrained by the debt servicing obligations and carry, on average, significantly higher outstanding liabilities than revenue-surplus States, and many of them spend more than 15% of their revenue receipts on interest pay-

ments," the report noted. Of all the States analysed, Punjab has the highest projected ratio of interest payments to revenue receipts of 22.8%.

"States simultaneously running a revenue deficit and high outstanding lia-

bilities have fewer degrees of freedom to respond to fiscal shocks," the report said. "Specifically, they may have to resort to expenditure restructuring or may demand higher central transfers to meet the present unforeseen shocks."

On the other hand, the report highlighted the States that were doing fiscally well. The eight States with projected revenue surpluses as a percentage of their GSDPs are Odisha (3%), Jharkhand (2.5%), Uttar Pradesh (1.6%), Goa (1.3%), Gujarat (0.8%), Uttarakhand (0.6%), Telangana (0.3%), and Bihar (0.1%). "Notably, eight States which have budgeted revenue surpluses for 2026-27, save for Telangana, have their capital out-

lay as a percentage of State GDP higher than their projected fiscal deficit," the report said.

It highlighted the example of Odisha: while the State's 3.5% fiscal deficit is higher than the 3% norm, the fact that it is in revenue surplus and its capital outlay is 6.5% of GSDP "mark it as a case of deliberate investment rather than fiscal stress".

"States that are unable to maintain the golden rule of fiscal financing, that is, zero revenue deficit, will face increased stress as a result of the present crisis," the report said. "Stressed states with compressed fiscal space make demands on the Centre at precisely the moment that the Centre is attempting consolidation."

Key Concepts & Definitions

To understand the analysis, it is essential to distinguish between the fiscal parameters mentioned:

- **Revenue Deficit:** The gap between a government's revenue expenditure (salaries, pensions, subsidies, interest payments) and its revenue receipts (taxes, fees). A persistent revenue deficit implies the state is borrowing to fund day-to-day consumption rather than asset creation.
- **Fiscal Deficit:** The total borrowing requirement of the government.
- **Capital Outlay:** Spending on long-term assets (infrastructure, schools, hospitals) that stimulate future growth.
- **The "Golden Rule" of Fiscal Financing:** The economic principle that the revenue deficit should ideally be zero, meaning borrowings should only be utilized for capital creation, not recurring expenses.

Critical Findings of the Report

The Ministry analyzed 18 large States based on their 2026-27 projections:

Category	States	Observation

Daily News Analysis

Category	States	Observation
Revenue Deficit States	HP, Punjab, Kerala, Andhra, Rajasthan, Haryana, Karnataka, Maharashtra, Chhattisgarh	Limited fiscal flexibility; high debt servicing obligations.
Revenue Surplus/Balance States	Odisha, Jharkhand, UP, Goa, Gujarat, Uttarakhand, Telangana, Bihar	Generally maintain higher capital outlay relative to fiscal deficits.

Key Takeaways:

- **The "Debt Trap":** Revenue-deficit states are often burdened by high debt servicing. Punjab, for instance, spends 22.8% of its revenue receipts solely on interest payments, severely restricting its ability to invest in welfare or development.
- **Vulnerability to Shocks:** With limited "degrees of freedom," these states lack the fiscal space to handle unforeseen global crises (e.g., the West Asia crisis).
- **Expenditure Restructuring:** When stressed, these states are forced to cut back on "productive areas" (Capital Outlay) to keep the state running, which hurts long-term economic growth.
- **The Positive Outlier (Odisha):** The report highlights Odisha as a model. Despite a fiscal deficit higher than the 3% norm, its revenue surplus and high capital outlay (6.5% of GSDP) indicate that the borrowing is being used for deliberate investment rather than consumption.

Analysis: Implications for Fiscal Federalism

The report highlights a growing tension in the dynamics of India's fiscal federalism:

1. **Pressure on Central Consolidation:** When States face fiscal stress, they often approach the Centre for additional funds. This creates a "moral hazard" where the Centre is compelled to provide financial support, making it difficult for the Union government to maintain its own fiscal consolidation path.
2. **Productive vs. Non-Productive Spending:** The crux of the issue is the quality of expenditure. States that fail the "Golden Rule" (running revenue deficits) are essentially borrowing to pay salaries and subsidies. This does not create an asset base for future tax revenue, leading to a vicious cycle of debt.
3. **Macroeconomic Stability:** State finances are a significant component of India's aggregate fiscal health. Widespread fiscal stress at the state level can dampen national GDP growth and affect the sovereign credit outlook.

Conclusion and Way Forward

The analysis indicates that fiscal health is not just about keeping deficits low, but about the **composition of expenditure**. Moving forward, a two-pronged approach is required:

- **For States:** There is an urgent need for structural reforms, including better revenue mobilization (e.g., improved tax administration) and the rationalization of non-merit subsidies. States must prioritize shifting from consumption-based spending to capital-intensive investments to spur long-term growth.
- **For the Centre:** As recommended by various Finance Commissions, the Centre must encourage "incentive-based" fiscal federalism, where extra financial support is tied to specific fiscal reforms and performance benchmarks rather than just addressing the immediate liquidity crisis.

UPSC Prelims Exam Practice Question

Ques: Consider the following statements regarding the "Revenue Deficit" of a State Government:

1. A revenue deficit occurs when total expenditure exceeds total receipts, including capital expenditure.
2. It represents the gap between revenue expenditure (like salaries, pensions, and interest payments) and revenue receipts (like taxes and fees).
3. According to the "Golden Rule" of fiscal financing, a state should aim for a zero revenue deficit.

Which of the statements given above are correct?

- A) 1 and 2 only
- B) 2 and 3 only
- C) 1 and 3 only
- D) 1, 2, and 3

Ans: B)

UPSC Mains Exam Practice Question

Ques: "Persistent revenue deficits in Indian States act as a barrier to long-term capital formation and economic growth." Discuss this statement with reference to the recent trends in State finances. **(150 Words)**

The Deendayal Port Authority (DPA) in Kandla, Gujarat, is setting up India's first green methanol production plant. The project aims to utilize *Prosopis juliflora*—an aggressive invasive weed—as a feedstock to produce green methanol, a sustainable marine fuel. This initiative represents a strategic intersection of ecological restoration, waste-to-wealth, and maritime decarbonization.

India's first green methanol plant to turn Kutch's most invasive weed into marine fuel

Jacob Koshy
NEW DELHI

A plant that has been ranked as one of the “top 100 invasive species in the world” and has for decades threatened biodiversity in Kutch's Banni grasslands, may soon be harnessed for the production of green methanol and fuel for ocean-going ships.

The Mexican-origin shrub called *Prosopis juliflora*, known as *Gando Baval* in the region, *Vilayati Keekar* in North India and *Seemai Karuvelam* in Tamil, has crowded out native grasses over thousands of kilometres in Kutch. The plant was first introduced by the British in the 1920s to ‘green’ Delhi and by the Gujarat Forest Department in 1961 to halt the encroaching salt desert in the Rann. This weed is to become the feedstock for In-



Prosopis juliflora has crowded out native grasses over thousands of kilometres in Kutch. FILE PHOTO

dia's first green methanol production plant.

Methanol is used as a fuel in shipping often as a replacement to what is called ‘bunker oil’. Conventional methanol is produced from fossil fuels such as gas or coal gasification. Green methanol uses biomass from agricultural residue as source material as in the case with the *juli-*

flora.

The project, sited at the Deendayal Port Authority (DPA) in Kandla, will produce five tonnes of methanol a day and is being built by Pune-based Thermax Energy with gasification technology from Vadodara's Ankur Scientific, and will be owned by the port authority. Both companies are betting that the Go-

vernment of India's policy to convert ports along the western coast into “green ports” will create demand for a fuel that the global shipping industry is being obliged to adopt under International Maritime Organization (IMO) rules.

Greenhouse gas cuts

Methanol made from renewable feedstocks can cut a vessel's CO₂ emissions by up to 95% and NO_x (nitrogen oxides) by up to 80%, according to the Methanol Institute, while eliminating sulphur oxides and particulate matter.

Ankur Jain, who heads Ankur Scientific, said his company's role lies in the first stage of a two-step process. “The starting point for most fuels and chemicals is going to be syngas because syngas typically has hydrogen, CO and CO₂,” he told *The Hin-*

du. Gasification, he explained, sits between combustion and pyrolysis. “You are heating it in the absence of oxygen, taking it out, improving its quality, burning them a bit and then breaking them down into hydrogen and CO (carbon monoxide) or syngas,” he said. Thermax will handle the second step, converting that syngas into methanol.

“It [*juliflora*] is one of the best feedstocks because it is hardwood, dense, has a good energy profile, and low in acids,” Mr Jain said, adding Gujarat already wants the species cleared. The plant will be certified to run on other agricultural residues such as bagasse and cotton stalk, which Mr. Jain estimates could, at their maximum potential, displace up to a third of India's oil imports.

The Feedstock: *Prosopis juliflora* (Gando Baval)

- **Background:** Introduced by the British in the 1920s to “green” the landscape and later by the Gujarat Forest Department in 1961 to halt desert encroachment, the shrub has become highly invasive.
- **Ecological Impact:** It has aggressively outcompeted native grasses in the Banni grasslands of Kutch, leading to biodiversity loss, land degradation, and groundwater depletion.
- **Potential as Fuel:** Being a hardwood with high carbon content, it serves as an excellent, dense feedstock for gasification. Harvesting this weed serves a dual purpose: ecological restoration and industrial utility.

Technological Process: Gasification

The conversion process involves **gasification**, which is thermally more efficient than traditional burning.

1. **Gasification:** Biomass (like Prosopis) is heated in a controlled environment with limited oxygen.
2. **Syngas Creation:** This process breaks the organic material down into "syngas"—a mixture primarily composed of hydrogen, carbon monoxide (CO), and carbon dioxide (CO₂).
3. **Synthesis:** The syngas is then purified and converted into methanol using catalytic processes.

Strategic Analysis for UPSC

1. Economic and Strategic Dimensions

- **Reducing Import Dependence:** India is heavily dependent on energy imports. The use of agricultural and wild biomass residues as feedstock has the potential to displace a significant portion of crude oil imports.
- **Green Port Initiatives:** The project aligns with the Government of India's push to convert major ports into "Green Ports," fostering infrastructure that supports alternative fuels.
- **Circular Economy:** By treating an invasive environmental menace as an industrial resource, the project exemplifies the "Waste-to-Wealth" model, turning an ecological liability into a high-value commodity.

2. Maritime Decarbonization and IMO Regulations

- **International Standards:** The global shipping industry is under strict pressure from the International Maritime Organization (IMO) to achieve net-zero emissions by 2050.
- **Green Methanol:** It is a low-carbon fuel that can cut a vessel's CO₂ emissions by up to 95% and nitrogen oxides (NO_x) by 80%. It is increasingly favored over conventional bunker oil (heavy fuel oil) because it can be used with existing ship engines with only minor retrofitting, unlike liquid hydrogen or ammonia which require specialized, expensive cryogenic storage.

3. Challenges to Implementation

- **Cost Efficiency:** While green methanol is a cleaner alternative, its production costs currently remain higher than fossil-based fuels. Global demand is largely being driven by strict environmental penalties (e.g., EU regulations) rather than pure market parity.
- **Logistics:** While the feedstock (Prosopis) is abundant, the logistical challenge lies in the decentralized collection, processing, and transportation of this biomass from arid, uneven terrains to the port for large-scale production.

Conclusion

The Kandla project is a pivotal pilot for India's "Methanol Economy." It demonstrates a localized solution to a global challenge: the need to decarbonize heavy industries while simultaneously addressing ecological imbalances. By aligning technological innovation with the National Green Hydrogen Mission and broader maritime sustainability goals, this project provides a

scalable template for other regions in India to tackle invasive species and enhance energy security. Successful scaling of this model will be essential for India to transition into a global green shipping hub in the path toward Viksit Bharat 2047.

UPSC Prelims Exam Practice Question

Ques: Why is the shipping industry focusing on 'Green Methanol' as a potential fuel source?

- A) It can be produced only from marine algae, reducing pressure on terrestrial land.
- B) It helps in cutting CO₂ emissions significantly and can be used in existing engines with minor modifications.
- C) It is the only fuel that completely eliminates the need for any kind of engine retrofitting in ships.
- D) It is cheaper to produce than conventional bunker oil due to its abundant availability in oceans.

Ans: B)

UPSC Mains Exam Practice Question

Ques:"The transition to a 'Methanol Economy' is crucial for India's energy security and maritime sustainability." In light of the Kandla Green Methanol project, analyze the role of alternative fuels in decarbonizing India's shipping sector and reducing dependence on energy imports.(150 Words)



In the discourse of Indian public policy, inequality is frequently assessed using aggregate data at the district or state level. However, recent scholarly research—most notably the work by Sam Asher et al. (2026)—reveals a critical, "invisible" dimension of this inequality: **residential segregation**. In India, urban growth, often hailed as an engine of upward mobility, is systematically replicating caste and religious disparities at the micro-neighborhood level. This spatial organization of society effectively acts as a barrier to basic services, including healthcare, thereby transforming geography into a determinant of health outcomes.

How residential segregation shapes public health access in India

Neighbourhoods with higher concentrations of Dalit and Muslim communities are significantly less likely to have schools, health centres, piped water, sanitation, or electricity; this means limited access to care, as well as higher risks of disease, delayed treatment, and worse health outcomes

Christianez Ratna Kiruba

As a child travelling to her grandparents' home, Nancy Angeline remembers getting off at a bus stop that was never quite her destination. The bus would halt at Valliyur—a village with paved roads, shops, a school, and a health centre. From there, she walked in near darkness, under starlight, past the last row of houses and across an invisible boundary into her grandparents' home. Magazhichipuram, where they lived, was a Dalit Christian settlement—physically separated from the village, neglected, and socially excluded. The line drawn was not geographical; it was caste.

Only decades later, as a community medicine doctor, did she find a name for it: residential segregation. With it came a sharper realisation—this separation shaped not just where people lived, but who could access healthcare.

What Nancy experienced reflects a bigger, largely invisible pattern. A working paper, 'Residential Segregation and Unequal Access to Local Public Services in India', by Sam Asher et al, analysing over 15 lakh neighbourhoods, finds high levels of segregation among Muslims and Scheduled Castes—closely tied to unequal access to basic services.

In urban areas, segregation indices range from 0.52 for Muslims to 0.59 for Scheduled Castes—meaning over half would need to relocate for full integration. Nearly one in four urban Muslims lives in neighbourhoods that are more than 80% Muslim.

Neighbourhoods with higher concentrations of these communities are significantly less likely to have schools, health centres, piped water, sanitation, or electricity. These disparities are often invisible at district or State levels, where policy is made, but stark at the neighbourhood level—clusters of just a few hundred households. Inequality in India is not only widespread; it is spatially organised and hidden in plain sight.

During her community medicine training, Nancy returned to villages as a researcher. "In many places, the Angarwadi, school, and primary health centre would all be in the main village—and inaccessible to those in Dalit settlements," she says.

Healthcare infrastructure is typically placed based on centrality and connectivity—locations with roads, buses, and ambulance access. But in caste-segregated geographies, these "central" points are usually dominant caste areas, leaving Dalit settlements excluded by default.

Health camps, too, are often held in dominant caste spaces—temples, central squares, community halls—where Dalit residents may not be allowed or, feel safe entering. Village health committees, meant to guide local planning, are frequently dominated by upper-caste men, shaping where these services are placed.

Nancy recalls a case that continues to stay with her from her work in a village. A child with severe malnutrition lived in a Dalit settlement. When she urged the mother to take the child to the Angarwadi



Living on the margins: In urban areas, segregation indices range from 0.52 for Muslims to 0.59 for Scheduled Castes—meaning over half would need to relocate for full integration. *Source: Asher et al. (2026)*

to access free meals, the response was not what she expected. "It was not that she did not want care," Nancy says. "She told me it was unsafe for her to go to that part of the village as a Dalit woman. Every time she went, she was humiliated." The mother's refusal, she realised, was not a failure of awareness or intent—but of dignity.

Dynamics across India
These dynamics extend beyond Tamil Nadu. Tanya Tanisha Mohanty, an English literature scholar who has done field work on women in villages in Odisha, describes how social identity continues to shape not just where people live, but also who they can ask for care or support from.

In one cluster of villages near Patia, she recalls, a single clinic served multiple surrounding settlements. Yet since the clinic was located within an upper-caste area, access to it was regulated. Dalit residents could only visit on specific days and within fixed hours and these restrictions were even displayed on the clinic board.

"These timings were set so that upper-caste residents would not be offended," she says. "If you had an emergency outside that window, you simply could not go."

For those needing urgent care—particularly pregnant women or those with acute conditions—this effectively placed healthcare out of reach. Access to medicines, too, followed informal hierarchies. In some cases, intermediaries would procure medicines from nearby towns, but distribution was uneven or came at higher costs.

These patterns are not limited to caste. In urban and peri-urban India, Muslim-majority neighbourhoods often face similar spatial exclusion.

Shakeeb Ahmed Khan, a physiotherapist who has worked extensively in Muslim-majority areas,

Neighbourhoods with fewer services, poorer infrastructure, and limited access to care face higher risks of disease, delayed treatment, and worse health outcomes

recalls supervisors telling him these neighbourhoods would have higher disability due to consanguineous marriages—a reflection of entrenched bias against the Muslim community. But prevalence data did not support these assumptions.

"People who deliver healthcare to these areas also carry their biases and assumptions with them," he says.

In parts of Nagpur, he notes, Muslim-dominated areas had weaker infrastructure, fewer amenities, and limited services. Healthcare access followed similar lines. Health centres in marginalised areas were often understaffed or non-functional, forcing residents to travel farther for care, while centres in more affluent areas were better resourced.

"There was an implicit understanding that if you want better care, you would go to a PHC in a better neighborhood," he says. Over time, he says, many residents adapt. "People focus on work and on earning more to access private facilities. They also try to get what they can, within what is available."

These implications for public health are profound. Neighbourhoods with fewer services, poorer infrastructure, and limited access to care face higher risks of disease, delayed treatment, and worse health outcomes.

Despite decades of welfare programmes, Indian public policy has rarely treated residential segregation as a driver of inequality. Most interventions assume services within a village or district

are equally accessible. In reality, access depends on where services are located—and who can enter those spaces. There have been moments of recognition. The Sachar Committee Report noted that many Muslim communities live in segregated, under-served localities. But such insights have not translated into policy frameworks that account for segregation itself.

Policy in practice

These patterns are also shaped—and at times reinforced—by policy. Laws such as the Gujarat Disturbed Areas Act restrict property transactions in notified areas. Initially introduced to prevent distress sales of property in areas of sectarian violence, it is now used to make it difficult for Muslims to buy homes in Hindu-majority neighbourhoods, thereby deepening segregation.

Rajasthan has seen similar moves through administrative and policy directions. In Assam, although no equivalent legislation exists, a series of eviction drives and administrative controls over land have reshaped settlement patterns, disproportionately affecting minority communities.

Together, these measures risk formalising existing divides, contributing to the ghettoisation of minority communities, a trend that accelerated over the past decade, as noted by many researchers.

Large structural changes are needed to dismantle geography as a barrier for healthcare delivery. In the meantime, however, the public health system must recognise the existence of these barriers at the level of neighbourhoods and work on solutions to actively redistribute care to reach those kept at the margins.

Dr. Christianez Ratna Kiruba is an internal medicine doctor, with a passion for patient rights advocacy. christianedennis@gmail.com

THE GIST

▼ A working paper analysing over 15 lakh neighbourhoods, finds high levels of segregation among Muslims and Scheduled Castes—closely tied to unequal access to basic services.

▼ Healthcare infrastructure is typically placed based on centrality and connectivity—locations with roads, buses, and ambulance access. But in caste-segregated geographies, these "central" points are usually dominant caste areas, leaving Dalit settlements excluded by default.

▼ Large structural changes are needed to dismantle geography as a barrier for healthcare delivery. In the meantime, however, the public health system must recognise the existence of these barriers at the level of neighbourhoods and work on solutions

The Scale of the Issue: Data and Patterns

The research highlights that residential segregation in India is high by global standards, rivaling even the historical patterns seen in the United States.

- **Segregation Indices:** In urban areas, the segregation index stands at **0.52 for Muslims** and **0.59 for Scheduled Castes (SCs)**. These indices indicate that more than half of these populations would need to relocate to achieve full integration.
- **Neighborhood Clustering:** Nearly one in four urban Muslims resides in neighborhoods that are more than 80% Muslim.
- **The Invisibility Trap:** Public facilities (schools, health centers) are often placed based on "centrality" and "connectivity." In a segregated landscape, these "central" points are almost exclusively in dominant-caste or non-minority neighborhoods. Because policy planning often relies on macro-data (district-level averages), these stark micro-neighborhood disparities remain hidden, allowing inequitable allocation of resources to persist under the radar.

Mechanisms of Exclusion

The exclusion of Dalit and Muslim communities from healthcare is rarely a result of chance; it is sustained by several reinforcing mechanisms:

1. **Systemic Allocation Bias:** Infrastructure such as Primary Health Centres (PHCs) and Anganwadis is consistently located in areas with higher social capital and better infrastructure. Marginalized settlements are left to "access" these services from the periphery, facing physical distance, lack of transport, and poor road connectivity.
2. **Social and Psychological Barriers:** Physical geography is compounded by social exclusion. Healthcare centers situated in dominant-caste areas often become spaces where marginalized individuals feel unsafe, unwelcome, or face overt humiliation. This "fear of entry" acts as a non-physical barrier that effectively negates the "right to access."
3. **Institutionalized Restrictions:** In some instances, access is formally regulated. As seen in case studies from Odisha and other regions, clinics may impose "fixed hours" for specific communities to minimize interaction with dominant-caste residents, effectively barring emergency care outside these narrow windows.
4. **Administrative and Legal Reinforcement:** Policies like the **Gujarat Disturbed Areas Act** (and similar administrative directions in other states) exacerbate the issue by restricting property transactions. By preventing minority communities from moving into integrated neighborhoods, these laws formalize and deepen the "ghettoization" of vulnerable groups.

Challenges for Public Health Policy

For UPSC aspirants and policymakers, this analysis underscores a fundamental flaw in the current welfare delivery model:

- **Failure of Macro-Governance:** Indian welfare programs often distribute resources based on district-level needs assessments. If a district appears to have sufficient health centers, it may receive no further infrastructure investment, regardless of the fact that the actual underserved population lives in a segregated, excluded pocket within that district.
- **The "Private vs. Public" Divide:** The study notes that even private healthcare providers are less likely to establish facilities in marginalized neighborhoods, meaning the market does not correct for the state's failure.

- **Normalization of Bias:** Healthcare providers—doctors, field staff, and administrative supervisors—often carry implicit biases. Assumptions about disability prevalence, hygiene, or social habits in minority neighborhoods can lead to under-resourcing and neglect by the very personnel tasked with providing care.

Conclusion

Residential segregation in India is not merely a social or demographic curiosity; it is a structural determinant of health and inequality. For a country striving for "Universal Health Coverage" and "Inclusive Development," ignoring the spatial dimension of exclusion is no longer viable.

To dismantle these barriers, public policy must shift from **macro-level administrative planning** to **micro-level, neighborhood-based service delivery**. This includes spatial auditing of health facilities, decentralized planning that prioritizes the most segregated pockets, and robust anti-discrimination protocols in the delivery of local public services. Unless policy acknowledges that "place" is a primary driver of opportunity, the promise of equitable healthcare will remain out of reach for millions on the margins.

UPSC Prelims Exam Practice Question

Ques: Consider the following statements regarding residential segregation in urban India:

1. Segregation indices are generally higher for Muslim communities compared to Scheduled Castes in urban areas.
2. The current framework of public policy in India, such as district-level planning, effectively captures and addresses neighborhood-level service disparities.
3. Residential segregation often leads to the spatial exclusion of marginalized communities from public healthcare infrastructure.

Which of the statements given above is/are correct?

- A) 1 and 2 only
- B) 2 and 3 only
- C) 3 only
- D) 1, 2, and 3

Ans: C)

UPSC Mains Exam Practice Question

Ques: "Inequality in India is not only widespread; it is spatially organised and hidden in plain sight." In the context of this statement, examine how residential segregation acts as a structural determinant of poor health outcomes in marginalized communities. **(150 Words)**

Page 10 :GS II :International Relations / Prelims Exam

The United Nations is currently undergoing a pivotal leadership transition. With the second term of the incumbent Secretary-General, António Guterres, concluding on **December 31, 2026**, the process to select the 10th Secretary-General (SG) is officially underway. As the world faces a confluence of geopolitical instability, financial constraints, and an existential crisis regarding the efficacy of international institutions, this election is not merely an administrative appointment but a crucial juncture for the future of multilateralism.

How is the next UN chief being chosen?

Why is the role of Secretary-General important? Who are the candidates? What factors shape the choice? Why does this election matter now? What are the candidates' campaign priorities? What happens next?

EXPLAINER

Raja Karthikeya

The story so far:

The election of the next UN Secretary-General is underway. On April 21/22, four candidates – two women and two men – pitched their records of public service and leadership to the UN General Assembly in “informal, interactive dialogues”.

Why is the role of Secretary-General important?

The UN Charter defines the Secretary-General as the UN's Chief Administrative Officer, who oversees the work of the UN Secretariat and fulfils “any other functions and duties entrusted” to them by the organisation's principal organs, including the General Assembly, the Security Council, and the Economic and Social Council. The Secretary-General also has the mandate to bring to the Security Council's attention any issue that threatens global peace and security.

Where needed, the Secretary-General has the authority to appoint “Personal Envoys” (as Antonio Guterres has now done for the current West Asia conflict). Often described as the world's “chief diplomat”, the Secretary-General is the face and voice of the UN, speaking as the world's conscience on issues ranging from the arms race in space and climate change to persistent inequality that hampers economic growth.

How is the Secretary-General elected?

The UN Charter states that the Secretary-General is appointed by the General Assembly on the recommendation of the Security Council. This means that the Permanent Members of the Security Council – China, France, Russia, the U.K., and the U.S. – have a significant say in who gets elected.

What considerations play a role? While the term of a Secretary-General is



Often described as the world's ‘chief diplomat’, the Secretary-General is the voice of the UN. REUTERS

technically “discretionary,” incumbents have, since 1981, voluntarily limited themselves to two terms. By custom, the post rotates among five regions of the world: Africa, Asia, Eastern Europe, Western Europe, and Latin America and the Caribbean. This is the turn of the latter. Within the region, there are dynamics at play, with Spanish-speaking Latin American countries and English-speaking Caribbean nations supporting different candidates.

Who are the candidates?

The four candidates now officially in the race are: Michelle Bachelet, former President of Chile and former UN High Commissioner for Human Rights; Macky Sall, former President of Senegal; Rafael Grossi, Head of the International Atomic Energy Agency; and Rebecca Grynspan, Head of the UN Conference on Trade and Development.

Why is this election crucial?

Eighty years after its founding, the UN is facing a deep financial and political crisis. The Secretariat relies on mandatory “assessed contributions” collected from member states. Still, non-payment, partial payment, and delay in payment of dues by

leading contributors have triggered an unprecedented financial situation. The Security Council is paralysed by acrimony and persistent vetoes by the permanent members. The UN is also struggling to mobilise funds and troops for missions in places such as Haiti, and with host country relations in cases such as in Mali, where the UN mission was forced to withdraw.

Over the past decade, the UN played a key role in responding to the COVID-19 pandemic, advancing climate action through the Paris Agreement, and promoting sustainable development via the 2030 Agenda. However, recent conflicts in Gaza, Lebanon, Sudan, Ukraine, and Iran have raised questions about its ability to prevent war – a central idea of the UN Charter. There are increasing calls for the UN to “return to basics” by focusing more on conflict resolution. The Sustainable Development Goals are now universal markers of developmental progress but there is rising concern that only 18% of the targets are on track to be met by 2030. Meanwhile, the humanitarian system is under severe strain due to multiple conflicts, intensifying disasters, and pressures on international humanitarian law. The next

Secretary-General will have the unenviable task of not just administering, but rejuvenating the organisation.

What are the candidates' campaign priorities?

During their interactions with the General Assembly, Ms. Bachelet, Ms. Grynspan, and Mr. Sall all emphasised preventive diplomacy – the UN term for preventing conflicts through adroit behind-the-scenes parley with the stakeholders to the conflict. However, their approaches differ. Ms. Bachelet prioritised field presence, while Ms. Grynspan focused on merging the UN's work in the prevention of conflict with its work on human rights. Ms. Grynspan was arguably the most vocal on UN reform, proposing restructuring the Secretary-General's office within the first 100 days if elected. Among areas for priority action, Ms. Bachelet highlighted climate, Mr. Sall highlighted migration, and Mr. Grossi highlighted UN World Bank relations. Ms. Grynspan stressed the need to protect least-developed nations from funding cuts.

All candidates committed to gender parity, while Ms. Bachelet emphasised improving geographic diversity within the UN workforce, a longstanding demand of developing countries. On the stasis in the Security Council, Ms. Grynspan and Mr. Sall said they would publicly call out permanent members of the council who violate international law, while Mr. Grossi promised to uphold the UN Charter. Ms. Bachelet said she will use the Secretary-General's office to build political viability for Security Council reform.

What happens next?

In the next phase, the Security Council will hold closed-door deliberations and straw polls before recommending a candidate to the General Assembly around October. Once the latter confirms the choice through a simple majority vote, the new Secretary-General will take office on January 1, 2027. (Raja Karthikeya is a former international civil servant)

THE GIST

The UN is facing a deep financial and political crisis, with Security Council paralysis, funding shortfalls, and rising global conflicts.

The next Secretary-General will have the task of rejuvenating the organisation, focusing on conflict prevention, reform, and advancing sustainable development goals.

The Selection Process: How is the Next UN Chief Chosen?

The selection process is governed by **Article 97 of the UN Charter**, which mandates that the Secretary-General is appointed by the General Assembly upon the recommendation of the Security Council. While the Charter is brief on the procedure, recent decades have seen efforts to increase transparency, including “informal, interactive dialogues” with candidates.

Key Stages in the Election:

- 1. Nomination:** Member states formally nominate candidates.
- 2. Interactive Dialogues:** Candidates present their vision and engage in Q&A sessions with the General Assembly.
- 3. Security Council Deliberations:** The Security Council holds closed-door straw polls to gauge consensus.

Daily News Analysis

4. **Recommendation:** The Security Council recommends a candidate to the General Assembly (subject to the **veto power** of the five permanent members: China, France, Russia, the U.K., and the U.S.).
5. **Appointment:** The General Assembly confirms the choice via a simple majority vote.
6. **Inauguration:** The new Secretary-General assumes office on **January 1, 2027**, for a five-year, renewable term.

Note: By established custom, the position rotates among geographic regions. As it is currently the turn of the Latin American and Caribbean group, the field of candidates largely reflects this rotation.

The Candidates and Campaign Priorities

The following table summarizes the key focus areas of the prominent candidates in the current race:

Candidate	Background	Core Priorities
Michelle Bachelet	Former President of Chile; former UN High Commissioner for Human Rights	Preventive diplomacy, field presence, improving geographic diversity within the UN, and climate action.
Macky Sall	Former President of Senegal	Migration, strengthening UN governance, and revitalizing multilateralism.
Rafael Grossi	Head of the IAEA	Strengthening UN-World Bank relations and upholding the UN Charter.
Rebeca Grynspan	Head of UNCTAD	UN structural reform, merging conflict prevention with human rights, and protecting least-developed nations from funding cuts.

Why the Role Matters & Key Challenges

The Secretary-General serves as the UN's Chief Administrative Officer and the world's "chief diplomat." However, the next leader will inherit an organization facing systemic crises:

- **Financial Instability:** The UN is currently experiencing an unprecedented financial crunch due to late, partial, or non-payment of "assessed contributions" by major member states.
- **Geopolitical Paralysis:** Persistent vetoes in the Security Council have rendered the body ineffective in addressing major conflicts in Ukraine, Gaza, Sudan, and Lebanon.
- **The SDG Crisis:** The 2030 Agenda for Sustainable Development is failing, with reports indicating that only **18% of the targets** are on track to be met.
- **Humanitarian Strain:** The international humanitarian system is struggling to cope with multiple overlapping crises, from climate-induced disasters to regional warfare.

Conclusion

The election of the next Secretary-General is critical for the relevance of the UN in the 21st century. The candidates face the daunting "unviable task" of balancing the demands of powerful permanent members against the urgent needs of the Global South and the vulnerable. Whether the next leader can move beyond "quiet diplomacy" to effectively enforce international law and streamline the UN's fractured administrative structure will determine whether the organization remains a viable arbiter of global peace or continues its current slide toward marginalization.

UPSC Prelims Exam Practice Question

Ques: Regarding the "preventive diplomacy" mandate of the UN Secretary-General, which of the following is true?

- A) It is explicitly defined as a military intervention strategy in the UN Charter.
- B) It involves behind-the-scenes engagement with stakeholders to resolve disputes before they escalate into violence.
- C) It requires a mandatory unanimous vote from the General Assembly before the Secretary-General can act.
- D) It restricts the Secretary-General from appointing Personal Envoys to conflict zones.

Ans: B)

UPSC Mains Exam Practice Question

Ques: Critically examine the demand for UN reform, particularly concerning the functioning of the Security Council and the financial sustainability of the Secretariat. Suggest measures to revitalize the UN for a more multipolar world order. (150 Words)



A century after the passage of the Trade Union Act (1926), India's labour landscape remains defined by a dissonance between the "letter of the law"—which provides formal recognition—and the "spirit of the law," which often restricts the ability of workers to effectively organize. While legal frameworks have transitioned from colonial-era suppression to modern labor codes, the structural challenges faced by workers—specifically regarding the right to strike and the inclusion of informal/gig workers—persist.

FULL CONTEXT

A century after legal recognition, workers still lack real protection

Since the Trade Union Act first gave workers legal recognition and protection, the law has not lived up to its intent; it preserves rights on paper but, through procedural constraints and silence on platform workers, continues to limit the ability of workers to organise and act

Prathmesh Kher

In 1918, Bahman Pestonji Wadia founded the Madras Labour Union, India's first trade union with regular membership and a relief fund, established to address what he called the "mal-treatment of workers" by European officers. The union he helped build was, in the eyes of British common law, a conspiracy to restrain trade.

In 1921, a Madras court put a price on the act of organising workers against unfair working conditions. £2,000 was awarded against Wadia and fellow unionists for leading a strike against the Buckingham and Carnatic Mills. The management agreed to waive the payment on the condition that Wadia sever all associations with the union he had built. There was no law to protect him. The unionists complied.

But even in compliance, the unionists showed defiance. One of the union leaders, Vengal Chakkari Chettiar, told the judge in open court: "I am an evangelical worker for the Wesley Mission. I am getting ₹10 per week, with which I am living. I have only my clothes, which I am wearing, and a few spare clothes at home. If necessary, I will remove my clothes and give them to the court. But the amount of compensation ordered by you cannot be recovered from me. At the same time, I cannot be stopped from working for the trade union of workers. Even if my clothes are removed in execution of a decree, I will continue to work for the trade union by wearing my loincloth. If necessary, we will go for work stoppages to win our demands."

The judgment brought into the open something that had been gnawing at the labouring classes for decades. By 1921, India had hundreds of trade unions, yet not one had legal recognition. N.M. Joshi, co-founder and General Secretary of the All-India Trade Union Congress (AITUC), understood the specific nature of the problem. In March 1921, the same month as the Buckingham and Carnatic Mills judgment, he moved a resolution in the Central Legislative Assembly recommending that the government introduce legislation to register and protect trade unions. Five years of legal and political pressure followed before the Act was finally passed in 1926. The Royal Commission on Labour in India, reporting in 1931, described what the struggle had been for: to give trade unions the necessary protection from civil suits and criminal laws relating to conspiracy to enable them to carry on their legitimate activities.

Letter and spirit
The Trade Union Act of 1926 emerged from five years of sustained pressure from the labour movement, from nationalist leaders who understood that organised workers were essential to the freedom struggle, sharpened by the colonial state's calculation that legal frameworks for managing workers' grievances were safer than the revolutionary alternative.

Section 18 of the Act answered the Buckingham and Carnatic Mills judgment directly: "No suit or other legal proceeding shall be maintainable in any Civil Court against any registered Trade Union or any officer-bearer or member thereof in respect of any act done in contemplation or furtherance of a trade



GETTY IMAGES

dispute" including inducing breach of employment contract, or interfering with the employer's trade or business. The weapon used to silence Wadia was removed from the employer's hands. Section 17 addressed the criminal threat: no office-bearer or member of a registered union shall be liable under the IPC's criminal conspiracy provision, Section 120B, for agreements made to further legitimate union objects, "unless the agreement is an agreement to commit an offence."

An Indian worker now had legal recognition and legally recognised rights. A union was no longer a conspiracy. By 1928, the Gini Kamgar Union in Bombay had over 70,000 members. That year saw 203 strikes involving over five lakh workers. The left wing of the labour movement, strengthened by the Act's protections, was growing fast and fusing with nationalist politics, as it had in 1908, when Bombay's workers struck for six days over Lokmanya Tilak's imprisonment. Two responses came simultaneously from the colonial state.

The Meerut conspiracy case arrested 33 labour organisers, men working openly, in unions the 1926 Act had made legal, and charged them not under Section 120B, where the Act's immunity held, but under sedition provisions the Act had never touched. Then came two bills together. The Trade Disputes Bill banned sympathetic strikes, built in notice periods long enough to make sustained action practically impossible, and made illegal any strike that extended beyond a purely industrial dispute. What had electrified Indian politics since 1908, the joining of workers' grievances to nationalist ones, was now a criminal act. Motilal Nehru named it plainly: "the Slavery of India Bill." The Public Safety Bill went further, giving the executive power to act not on what people did but on what they were deemed to intend, with the Governor General as Judge of Intention.

On October 30, 1928, months before the bills came to a vote, Lala Lajpat Rai, who had presided over the AITUC's founding session in 1920, led a peaceful protest in Lahore against the all-British Simon Commission. Police Superintendent James Scott ordered a

baton charge. Rai was beaten across his chest. That same evening, still standing, he addressed the crowd at Mochi Gate: "I declare that the blows struck at me today will be the last nails in the coffin of British rule in India." He died eighteen days later.

At the Bombay Presidency Youth Conference in December 1928, Jawaharlal Nehru told the students: "All yourself to the masses of the country, the peasantry and the industrial worker... And if you do so, you will automatically avoid the pitfalls of reformism and petty compromise." By July 1929, with both bills passed and the Meerut accused in custody, his analysis of the Public Safety Bill was unapring: "This is dangerous enough at any time and in any country to make the Executive Government the judge of what is in the mind of those opposed to it. It is far more dangerous in India, where there is a foreign government." When the government's spokesman claimed that foreign agitators had caused the country's labour unrest, Nehru was contemptuous. The actual cause was economic distress. "A strike is always unfortunate and deplorable, just as a fever is unfortunate and deplorable, but it is no good cursing the fever. The wise man treats it and tries to remove the causes of it."

Three months before that analysis, on April 8, 1929, Bhagat Singh and Bhanu Singh had thrown smoke bombs and leaflets from the visitors' gallery of the Central Legislative Assembly. The pamphlet named these provocations: the Meerut arrests, the bills, and the death of Lajpat Rai. "The indiscriminate arrests of labour leaders working in the open field clearly indicate whether the wind blows," it read. Then came the sentence that named the whole situation: "It takes a loud voice to make the deaf hear."

Past as prologue
The Trade Union Act survived independence and was absorbed into the

constitutional settlement. Article 190(c) gave every Indian citizen the right to form associations or unions. Registered trade unions increased by 625% between 1951 and 1975. The ideological fire of the early movement cooled, over time, into wage bargaining. Then in 1991, the New Economic Policy arrived with its logic that labour flexibility was the price of growth.

In 2020, during a Monsoon Session of Parliament conducted under pandemic restrictions, with the Opposition protesting procedural irregularities, the government passed four labour codes consolidating 29 existing laws. One of them, the Industrial Relations Code 2020, absorbed the Trade Union Act 1926. It came into force on November 21, 2020.

The new Code preserves Sections 16 and 17, successors to the 1926 Act's immunity provisions, in language almost identical to the original. A century's worth of protective words, freshly reprinted. But the dissonance between the letter and the spirit continues.

To be recognised as such, a negotiating union must now demonstrate 5% support among workers on the muster roll. In industries characterised by high turnover, casual labour, fixed-term contracts, achieving and maintaining this numerical ceiling is high impossible for most unions, and this is precisely in sectors where workers need protection the most. Section 62 requires 60 days' notice before a strike can begin, four times the 15 days the 1929 Trade Disputes Act demanded, the bill Motilal Nehru had already called the "Slavery of India Bill." Workers cannot strike during conciliation proceedings, or for seven days after, during Tribunal proceedings, or for 60 days after those conclude. Between notice periods and cooling-off clauses, an employer can keep a workforce in procedural suspension without end.

Then there is the silence that reveals more than any provision. The words 'gig' and 'platform' do not appear once in the Industrial Relations Code 2020. NITI Aayog estimated 7.7 million platform workers in 2020. Yet a law that came into force five months ago contains not a single word about the workers who run errands across every city in the country. They are legally classified as independent contractors.

The struggle continues
Despite the hurdles thrown their way, workers continue to organise. The Telangana Gig and Platform Workers Union, the Indian Federation of App-Based Transport Workers, and the All-India Gig Workers Union continue to exist, organise meetings on WhatsApp, and occasionally win. In March 2024, platform worker unions forced Zomato to reverse a policy that segregated delivery fleets by food type. This decision was understood to endanger religious minority and lower-caste riders by making their identities visible in a society marked by discrimination.

The Fairwork India Report 2024 assessed 11 major platforms operating in India and found that none recognised a collective body of workers of a trade union. Four States have now passed social security laws for platform workers, welfare benefits designed, with some care, to make the struggle for collective bargaining seem unnecessary. The deaf have not learned to hear. The loud voices are still necessary.

Historical Context: The Struggle for Legitimacy

- **The Pre-1926 Era:** Trade unions were often viewed through the prism of common law as "conspiracies to restrain trade." The Buckingham and Carnatic Mills judgment (1921) served as a catalyst, proving that without statutory protection, union leaders were vulnerable to civil suits and financial ruin.
- **The 1926 Act:** Born out of sustained political and labour pressure (spearheaded by leaders like N.M. Joshi), this Act finally provided immunity to trade union activities from civil and criminal conspiracies (Sections 17 and 18).
- **The Nationalist Nexus:** The struggle for labour rights became inextricably linked with the freedom movement (e.g., the GirniKamgar Union strikes and the Meerut Conspiracy Case), making the labour movement a core pillar of anti-colonial resistance.

The Industrial Relations Code (2020): Continuity vs. Change

The 2020 Code represents a consolidation of 29 existing laws, including the 1926 Act. While it maintains historical immunity provisions, it introduces new procedural barriers:

- **The 51% Threshold:** To be recognized as a "negotiating union," unions must now demonstrate 51% support on the muster roll. In industries with high employee turnover or large casual workforces, this threshold is practically unattainable, thereby disenfranchising the most vulnerable workers.
- **Procedural Suspension:** The Code imposes stringent conditions on strikes. Requirements include 60 days of notice (compared to 15 days in the 1929 Trade Disputes Act) and restrictive "cooling-off" clauses during conciliation and tribunal proceedings. This effectively allows employers to keep a workforce in a state of indefinite procedural limbo.

The Gig Economy: A "Blind Spot" in Legislation

Despite NITI Aayog estimating **7.7 million gig workers in 2020**, the Industrial Relations Code (2020) remains entirely silent on the "gig" and "platform" economy.

- **Classification Issues:** By failing to address these categories, the law keeps gig workers classified as "independent contractors." This strips them of the protections afforded to traditional employees, such as minimum wages, collective bargaining, and, crucially, the right to form trade unions.
- **Current Reality:** While unions like the Indian Federation of App-Based Transport Workers continue to organize (often digitally), they lack formal state recognition. The Fairwork India Report 2024 highlights that major platforms operating in India continue to resist acknowledging collective bodies of workers.

Conclusion: The Way Forward

The evolution of Indian labour law reveals that while the legal status of unions has evolved from criminalized dissent to institutionalized bargaining, the practical ability to organize remains tightly constrained. The transition from the 1926 Act to the 2020 Code highlights a policy shift that prioritizes procedural order over the empowerment of the workforce. For India to truly protect its labour force—especially in the rapidly expanding gig and platform sectors—legislation must move beyond mere welfare benefits and proactively integrate these workers into the formal framework of collective bargaining.

UPSC Prelims Exam Practice Question

Ques: Regarding the "Gig Economy" in the context of Indian labour legislation, consider the following statements:

1. The Industrial Relations Code (2020) provides a clear definition and collective bargaining rights for gig and platform workers.
2. NITI Aayog has estimated that there are millions of platform workers in India, yet they are predominantly classified as "independent contractors."
3. Recent state-level social security laws have been enacted to provide welfare benefits to platform workers, though these do not always equate to union recognition.

Which of the statements given above is/are correct?

- A) 1 and 2 only
- B) 2 and 3 only
- C) 1 and 3 only
- D) 1, 2, and 3

Ans: B)

UPSC Mains Exam Practice Question

Ques: "While the Trade Union Act of 1926 was a product of the colonial era's necessity to manage labour unrest, the Industrial Relations Code of 2020 reflects a contemporary tension between the ease of doing business and the right to collective bargaining." Critically analyze this statement. **(250 Words)**

On May Day, a workforce in India without a floor

This year, May Day arrives not as a commemoration, but as a diagnosis. Within a single fortnight last month, two events clarified the state of Indian labour more sharply than any official review.

On April 10, thousands of garment workers in Noida's Phase 2 Hosiery Complex stepped out of nearly 300 factories and onto the streets, demanding a minimum monthly wage of ₹20,000. On April 14, a high-pressure steam tube ruptured at Vedanta's 1,200 MW Singhitara thermal plant in Chhattisgarh, killing 20 workers and injuring 15. One protest was about the price of labour; the other, about the price of being alive while performing it. Both answer the same question: what has India's labour reform actually produced?

The Noida strike began with a specific arithmetic grievance. On April 9, the Haryana government notified a 35% hike in minimum wages, raising unskilled monthly wages from ₹11,274 to ₹15,220, with effect from April 1, 2026. Across the border in Noida, unskilled workers were earning roughly ₹435 a day, compared to ₹585 in Haryana for identical work. Protesters at the Hosiery Complex – employees of different companies – assembled in B Block, blocked traffic, and refused to disperse without written assurances.

By April 13, the administration had deployed over 1,200 personnel, including the Provincial Armed Constabulary and Rapid Action Force; lathi charges and stone-pelting followed, and nearly 400 people were detained. Under pressure, the Uttar Pradesh government announced an interim 21% hike, setting wages at ₹13,690 for unskilled workers in Gautam Buddha Nagar and ₹16,868 for skilled workers. The workers rejected it; their demand remained ₹20,000.

Between pay and survival

The gap between ₹16,868 and ₹20,000 is not a bargaining position. It is the difference between what a family pays for rent, gas, and school fees in the NCR and what the state is willing to concede as a dignified minimum.

Four days later, the furnace at Singhitara did its own counting. A preliminary report from the Chief Boiler Inspector, backed by the Forensic Science Laboratory in Sakti, Chhattisgarh, attributed the explosion to 'excessive fuel buildup inside the furnace', which produced pressure surges that displaced critical piping. The probe flagged "repeated negligence in equipment upkeep" by Vedanta and its contractor NGSL (NTPC GE Power Services Pvt. Ltd.). A first information report has been registered against Vedanta's Chairman Anil Agarwal, the plant manager, and others under Sections 106(1), 289 and 3(5) of the Bharatiya Nyaya Sanhita.

The dead were not Vedanta's own employees; they worked for a subcontractor. This, too, is a pattern.



Rejimon Kuttappan

A workers' rights expert

Chhattisgarh alone has recorded 296 industrial deaths over three years. Across India, the Directorate General of Factory Advice Service and Labour Institutes recorded 3,331 factory deaths between 2018 and 2020 – three a day – yet only 14 people were imprisoned under the Factories Act during the same period. The global union IndustriALL counted over 400 workplace fatalities in India in 2024, with the chemical sector alone accounting for 220. In July 2025, an explosion at Sigachi Industries in Telangana had killed 44 people, mostly migrant workers, at a plant that the State fire department found lacked basic fire alarms and heat sensors.

A structural shift

These are not disconnected episodes. They are the operating conditions of an economy that, on November 21, 2025, formally adopted the four labour codes. In a single stroke, and without any transition period, the four codes – the Code on Wages, the Industrial Relations Code, the Social Security Code and the Occupational Safety, Health and Working Conditions (OSHC) Code – replaced 29 central labour laws. The Indian Labour Conference, the country's apex tripartite forum, had not been convened since 2015.

The new regime raises the threshold for prior government permission for layoffs, retrenchment, and closure from 100 workers to 300 under the Industrial Relations Code, 2020, enabling firms below that size – an estimated majority of India's factory units – to retrench workers without administrative scrutiny. A peer-reviewed analysis in the National Library of Medicine archive notes that this merely restores the pre-1982 threshold, reversing an Emergency-era protection enacted after a wave of mass layoffs affected over half a million workers.

The OSHC Code, 2020, simultaneously raises the statutory definition of a 'factory' from 10 workers in a factory with power to 20, and from 20 workers in a factory without power to 40, lifting an entire tier of smaller workplaces – where India's textile, garment, metal, hosiery, and food-processing clusters are concentrated – out of mandatory safety oversight. Labour economists warn that this technical reclassification has a profound impact on worker coverage, since a majority of India's small manufacturing units employ fewer than 20 workers.

The inspection architecture has been similarly diluted. The OSHC Code replaces unannounced inspections with an 'Inspector-cum-Facilitator' model, combined with randomised, web-based allocation through the Shram Suvidha portal and employer self-certification – a shift that, as the International Labour Organization's India Labour Inspection Profile notes, may contravene the requirement for independent, unannounced inspections under ILO Convention No. 81.

Procedural hurdles for collective action have also stiffened. Under the IR Code, no worker may

strike without 60 days' prior notice, flash strikes are prohibited outright, and strikes are barred during and for weeks after any conciliation or tribunal proceeding. "Mass casual leave" by more than 50% of a workforce is now deemed a strike. Trade unions argue that, in combination, these provisions make lawful industrial action virtually impossible to organise, completing the regime's pro-employer tilt.

A reform that raises statutory thresholds in almost every operative clause, is not rationalising protection. It is removing it. The enforcement chapters read more like a facilitation framework than a compliance regime.

Ten central trade unions, excluding the Bharatiya Mazdoor Sangh (BMS), observed a "Black Day" on November 26, 2025, calling the codes a "deceptive fraud on the working class". Their objection was not sentimental. When the legal definition of a factory excludes the smallest and most dangerous workplaces; when inspectors announce their visits through a portal; when retrenchment requires no permission below 300 workers; and when strikes are bound by procedural tightropes, the predictable result is the Noida street and the Singhitara shop floor.

The wage stagnation that drove workers from Mother's Sumi and Richa Global into a baton charge, and the deferred maintenance that caused a boiler tube to rupture, are not separate problems. They are two ends of the same system.

Old laws, new realities

There is an honest public case for labour reform. The Factories Act of 1948 is older than most Indian States; the Workmen's Compensation Act of 1923 predates the Constitution. A regulatory architecture built for the industrial economy of late-colonial India – of jute mills, textile mills, and railway workshops – cannot plausibly govern a workforce that today includes gig workers, platform workers, and digital-media workers. No serious observer, and no Indian trade union, disputes that consolidation was overdue. The question is not whether the law should have changed; it is what it changed into.

Consolidation is not dilution, and simplification is not exemption.

On May Day, the test for any labour framework is modest: does it allow a worker to earn enough to live, and to live through the shift? In April 2026, the answer from Noida and Singhitara is the same. In Noida, police fired tear gas at factory workers protesting for a living wage as fuel-driven inflation outpaced wages. In Singhitara, a boiler tube burst at a Vedanta power plant on April 14, releasing 600°C steam onto workers eating lunch; 20 were killed, all contract workers employed through a business partner rather than as direct employees. Neither a wage that sustains life, nor a workplace that preserves it. A regime that cannot deliver the second while pricing out the first has not been rationalised. It has been rewritten against the very people it was meant to protect.

From Noida's streets to furnace rooms in Chhattisgarh, India's new labour regime delivers for employers – and for workers, what it long warned of

GS Paper III: Indian Economy

UPSC Mains Exam Practice Question: "The consolidation of 29 central labour laws into four codes is a necessary step towards formalizing the Indian economy, but the current implementation prioritizes 'Ease of Doing Business' at the cost of the 'Right to Life' of the worker." Critically analyze this statement in the context of recent industrial safety concerns. (250 Words)

Context : May Day 2026 arrives as a critical inflection point for the Indian workforce. The recent integration of 29 central labour laws into four consolidated labour codes (effective November 21, 2025) was envisioned to streamline compliance and boost industrial growth. However, recent events—such as the wage protests in Noida and the industrial tragedy at Vedanta's Singhitarai plant—serve as a harsh diagnostic tool, revealing a widening gap between the intent of "Ease of Doing Business" and the reality of "Ease of Living" for the working class. This analysis evaluates whether the new regulatory architecture is effectively protecting the worker or merely facilitating the employer.

The Structural Shift: A New Labour Regime

The consolidation of labour laws into four distinct codes—**Code on Wages, Industrial Relations Code, Social Security Code, and the Occupational Safety, Health and Working Conditions (OSHC) Code**—represents the most significant overhaul of India's labour governance since Independence.

- **The Intent:** Proponents argued that a fragmented, colonial-era framework created compliance burdens that discouraged formalization and investment.
- **The Pivot:** The new regime attempts to shift from a "command-and-control" inspector model to an "Inspector-cum-Facilitator" model, utilizing digital infrastructure like the Shram Suvidha portal to minimize human interface and corruption.

Critical Analysis: Where the System Struggles

For UPSC aspirants, the discourse lies in the tension between regulatory simplification and the dilution of worker protections. The current situation highlights three systemic issues:

1. The Threshold Reclassification

The OSHC Code has raised the statutory definition of a "factory," effectively moving an entire tier of smaller, high-risk units (textile, hosiery, food processing) outside the ambit of mandatory safety oversight.

- **Implication:** When "small" is defined as units with fewer than 40 workers (without power), it creates a blind spot in the safety architecture. As seen in recent industrial fatalities, the smaller, often informal, units are exactly where safety protocols are most frequently ignored.

2. The Dilution of Inspection

Replacing unannounced, physical inspections with randomized, web-based, "facilitated" visits has been criticized by labour economists.

- **Implication:** Independent labour inspections, as outlined in ILO Convention No. 81, are a safeguard against negligence. If inspectors become "facilitators," the potential for employers to prioritize production speed over worker safety increases, as witnessed in the reported "excessive fuel buildup" and "repeated negligence" at the Singhitarai plant.

3. Collective Bargaining and Procedural Hurdles

Under the new Industrial Relations Code, the barriers to collective action (strikes) have been heightened.

- **Implication:** By mandating 60-day notices and restricting "mass casual leave," the law inadvertently encourages "flash" protests rather than structured negotiations. When workers feel they have no legal avenue to address grievances—such as wage stagnation amidst inflation—they bypass the system, leading to the street-level unrest witnessed in Noida.

Key UPSC Takeaways: The "Missing Middle"

The current crisis highlights what experts call the "Missing Middle":

- **The Wage Gap:** In NCR, the disparity between government-notified wages and a living wage (the cost of rent, school fees, and sustenance) is a structural failure. When statutory thresholds fail to account for inflationary pressures, the law loses its legitimacy in the eyes of the workforce.
- **Accountability of Subcontracting:** The Vedanta incident underscores a recurring pattern where accountability is diffused through subcontractors. The new codes must be robust enough to pin safety and wage responsibilities on the principal employer, not just the temporary contractor.

Conclusion

The rationale for labour reform is sound; a 21st-century economy cannot operate on 1948-era laws. However, the current transition suggests that in the pursuit of "Ease of Doing Business," the essential pillar of "Labour Welfare" has been weakened.

For the state, the challenge ahead is to shift the narrative from deregulation to smart regulation. This requires a tripartite approach (government, industry, and labour) that ensures:

1. **Strict Enforcement:** Digitization should supplement, not replace, onsite safety inspections.
2. **Wage Rationalization:** A living wage mechanism that accounts for regional inflation.
3. **Accountability:** Ensuring that legal safeguards (like the Factories Act) apply to the actual shop-floor reality, regardless of the employment contract structure (direct vs. subcontracted).

Ultimately, a labour framework that prioritizes capital flexibility without ensuring the safety and dignity of the worker will struggle to provide the social stability required for sustained economic growth.

