

A sunset over the ocean with waves in the foreground. The sky is a warm orange and yellow, and the water is a deep blue with white foam on the waves.

Being average means to settle for less than you truly want and are capable of, and to struggle for your entire life.

Hal Elrod

“ quote fancy

Important Issues of the Day

- **Innovation-led economy – PageNo.8,GS 3**
- **Justice for all – Page No. 8, GS 2**
- **Economic Survey promises – Page No.8 , GS 3**
- **Resolution against Iran – Page No. 13, GS 2**
- **The Essential Commodities Act – Prelims**
- **Kavach System – Prelims**

The Essential Commodities Act



- **Amidst the West Asian crisis and supply disruptions in the Strait of Hormuz, the Centre has invoked the Essential Commodities Act to divert natural gas to priority sectors like households (PNG), transport (CNG), and LPG production.**
- **The ECA is a powerful legislative tool that allows the Central Government to regulate the production, supply, distribution, and pricing of specific commodities deemed essential to ensure they are available to the public at fair prices.**
Came into existence in: The Act was enacted in 1955.
- **Implemented by the Central Government with enforcement largely carried out by State Governments.**

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- **Aim:** The primary objective is to protect consumers from artificial scarcities caused by hoarding and black marketing. It ensures the smooth supply of goods that are vital for everyday life, particularly during emergencies or market distortions.

Coverage:

- The Act does not provide a fixed, permanent definition of an essential commodity. Instead, it maintains a list that the Centre can expand or shrink via notified orders. Currently, it includes:
 - **Foodstuffs:** Including edible oils, seeds, pulses, and cereals (regulated under extraordinary conditions).
 - **Fuels:** Coal and its derivatives, Petroleum, and Natural Gas.
 - **Agriculture:** Cattle fodder, Raw Cotton, and Raw Jute.
 - **Healthcare:** Drugs (medicines) and, during emergencies, items like masks and sanitizers.
 - **Industrial:** Iron, steel, and automobile components.
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Key Features:

- **Stock Limits:** The government can impose a ceiling on how much of a commodity a trader or individual can hold to prevent hoarding.
- **Price Control:** The Centre has the power to fix the Maximum Retail Price (MRP) of any packaged essential commodity.
- **Regulatory Flexibility:** The Act was amended in 2020 to allow the regulation of agricultural food items only under extraordinary circumstances (e.g., war, famine, or 100% price rise in perishables).
- **Enforcement:** State governments are usually delegated powers to carry out raids, seizures of excess stock, and legal action against violators.
- **Priority Allocation:** As seen in the 2026 order, it allows the government to rank sectors to receive limited supplies during a crisis.

Kavach



- **Union Railway Minister informed the Lok Sabha that Kavach 4.0 has been successfully commissioned across 1,452 route kilometers on the high-density Delhi-Mumbai and Delhi-Howrah corridors.**
- **Kavach is an indigenous Automatic Train Protection (ATP) It is a state-of-the-art electronic safety system that prevents train collisions by automatically managing speed and braking if the loco pilot fails to do so.**
- **Developed by: It was developed by the Research Design and Standards Organisation (RDSO) in collaboration with the Indian industry.**
- **Aim: The primary goal is to achieve Zero Accidents by preventing Signal Passing at Danger (SPAD), controlling overspeeding, and ensuring safe train operations during adverse weather conditions like dense fog.**

- **The system operates through a network of RFID tags on tracks, on-board equipment in locomotives, and radio towers at stations. These components communicate in real-time to monitor the train's location and speed. If the system detects a potential collision or a violation of speed limits, it automatically triggers the brakes without manual intervention. Contributes to the sharp decline in consequential train accidents (down nearly 90% since 2014) by eliminating human error.**
- **Enables trains to maintain higher speeds safely during low-visibility conditions (fog), reducing delays during winters.**

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India co-sponsors resolution passed by UNSC against Iran

The resolution demands the 'immediate cessation of all attacks by the Islamic Republic of Iran' on GCC countries; India prioritises the safety of 'all civilians', says Ministry in wake of criticism over unbalanced responses on conflict in West Asia

Suhasini Haidar
NEW DELHI

India has prioritised the safety of "all civilians", the government said on Wednesday in an effort to deflect criticism that it had only condemned Iran's actions, and not those by the U.S. and Israel in the ongoing war in West Asia.

On Wednesday, India co-sponsored a Gulf Cooperation Council (GCC) resolution at the United Nations Security Council (UNSC) along with 134 countries that demanded the "immediate cessation of all attacks by the Islamic Republic of Iran" against GCC countries Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, the United Arab Emirates, and Jordan. The resolution was passed with 13 UNSC members voting in favour while Russia and China abstained.

It condemned "any actions or threats by the Islamic Republic of Iran aimed at closing, obstructing, or otherwise interfering with international navigation through the Strait of Hormuz".

"The resolution reflects



several of our positions," said Ministry of External Affairs spokesperson Randhir Jaiswal at a weekly press briefing on Thursday. "We have a large diaspora in the GCC countries, and their well-being and welfare are of utmost importance. The Gulf is also very important for our energy security needs," Mr. Jaiswal added, in references to about 10 million Indians who live and work in West Asia, and India's energy purchases from the region that make up about 50% of its crude oil and 90% of its liquefied petroleum gas (LPG) imports.

In contrast, there are about 9,000 Indians in Iran and India has discontinued its energy imports from Iran since 2019, under threat of U.S. sanc-

tions. The Indian support for the UNSC resolution comes on the heels of a number of statements by the Ministry condemning specific Iranian actions such as the attacks on various countries across the West Asian region, buildings in Dubai, Omani facilities and a Thai ship bound for India.

U.S.-Israeli actions

However, India has not similarly condemned the attacks by the U.S. and Israel on Iran, in which an estimated 1,255 people have been killed, including Iran's Supreme Leader Ayatollah Ali Khamenei, his family and advisors; the sinking of Iranian ship *IRIS Dena* in the Indian Ocean that had been hosted for exercises by India; or the

bombing of a school in Mubin in which 150 schoolgirls are believed to have been killed. Nor has India or the GCC-led resolution spoken about Israel's strikes on Lebanon, where the government said more than 630 people have been killed, and 8,00,000 displaced from their homes.

To a question from *The Hindu* about the seemingly unbalanced responses, Mr. Jaiswal said that the MEA had issued statements, and External Affairs Minister S. Jaishankar had made *suo motu* statements in both Houses of Parliament that regretted the loss of lives.

"As far as the question of the schoolchildren is concerned... we have issued several statements on the ongoing conflict. We have underlined the need for prioritising the safety of all civilians. We regret the precious lives lost, and express our grief in that regard," Mr. Jaiswal said.

In the past few days, India's "silence" on U.S. and Israeli actions has come in for criticism from a number of senior former diplomats speaking to the media and at various public events.

"Diplomacy should recognise complexity, not reduce it to a single culprit," former Indian Foreign Secretary and former Ambassador to the U.S. Nirupama Menon Rao said on Thursday in a post referring to the Ministry of External Affairs statement, suggesting that India's sponsorship of the UN resolution would "endorse a narrative that begins the story with Iranian retaliation rather than the escalation that preceded it".

In an interview to news agency ANI, former Foreign Secretary Kanwal Sibal said India should have issued a statement condoling the death of Ayatollah Khamenei "to recognise that the head of state contrary to norms of international law has been politically assassinated".

Speaking about the March 4 submarine torpedo attack that sank the *IRIS Dena* "very close to India shores", former Foreign Secretary Shyam Saran said that India must assert itself in the face of U.S. actions. "Tactical subterfuge can easily result in strategic irrelevance," he added.

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- **Iran since 2019, under threat of U.S. sanctions.**
- **The Indian support for the UNSC resolution comes on the heels of a number of statements by the Ministry condemning specific Iranian actions such as the attacks on various countries across the West Asian region, buildings in Dubai, Omani facilities and a Thai ship bound for India.**
- **GCC is a union of six countries in the Gulf region — Saudi Arabia, the UAE, Qatar, Kuwait, Oman and Bahrain. The council is the largest trading bloc of India.**

GULF COOPERATION COUNCIL



Q. Which of the following is not a member of 'Gulf Cooperation Council'? (2016)

(a) Iran

(c) Oman

(b) Saudi Arabia

(d) Kuwait

Preparing India for a true innovation-led economy

Page No. 8, GS 3

India today presents a striking paradox in research, development, and innovation. Despite unprecedented government ambition, reflected in major funding commitments, regulatory reforms, and improving global innovation rankings, the country still continues to underperform on the fundamentals that drive innovation strength. Headlines suggest momentum, yet outcomes tell a more sobering story: low research and development (R&D) intensity, limited global technological influence, weak research-to-market translation, and persistently inadequate private-sector participation. While recent policy initiatives are necessary and welcome, India's innovation challenge is no longer one of intent but of execution. An examination of R&D expenditure, patent scale and quality, human capital gaps, and the weak bridge between research and entrepreneurship leads to an inevitable conclusion: meaningful transformation will require far deeper systemic change, particularly from the industry.

A year that holds promise

Following the Government of India's announcement of the ₹1,00,000 crore (approximately \$12 billion) Research, Development, and Innovation (RDI) Fund last year, 2026 has begun with much promise. In her ninth consecutive Union Budget speech, Finance Minister Nirmala Sitharaman reaffirmed the government's commitment to R&D through a ₹20,000 crore corpus for deep-tech startups, extended tax incentives, and investments in digital infrastructure. A near six-fold increase in funding for the flagship programme, Atal Tinkering Labs – from ₹500 crore to ₹3,200 crore – also highlights the focus on nurturing future innovators. The government's intent is clear: a Viksit Bharat powered by Yuva Shakti. But whether this translates into innovation outcomes will depend on how decisively industry responds.

These measures follow closely on the removal of the three-year existence requirement that had limited the access of deep-tech startups to schemes under the Department of Scientific and Industrial Research's Industrial R&D Promotion Programme. Late last year, the government also lifted the blanket ban on patenting inventions related to atomic energy. The Sustainable Harnessing and Advancement of Nuclear Energy for Transforming India (SHANTI) Act, 2025 now allows patents for the "peaceful uses of nuclear energy and radiation", which opens the door for greater private-sector participation. Yet, as with other reforms, the real test will be whether industry invests enough to translate this openness into deployable technologies.

All these developments coincide with a significant improvement in India's ranking in the Global Innovation Index (GII). India now ranks



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Driving India's 'research, development, and innovation' story needs decisive private sector participation

38th among 139 economies in GI 2025, and patent filings have nearly doubled from 59,000 in 2020-21 to over 1,10,000 in 2024-25. While domestic filings now account for about 62% of the total, this shift is both recent and policy-driven, underscoring that the underlying innovation base – particularly industry-led R&D – remains shallow. Although these indicators point in the right direction, there remain systematic and structural issues that keep India from real transformation in research, development, and innovation.

The private sector's shortcomings

R&D expenditure as a share of GDP – especially private-sector spending – is a key indicator of innovation readiness. India invests just 0.65% of its GDP in R&D, far below advanced economies and many peers (lowest among BRICS nations except for South Africa) including Singapore, Japan, and South Korea. In most innovation-leading economies, industry drives the most R&D spending. In India, however, the state still bears a disproportionate share, reflecting the private sector's limited appetite for long-term, high-risk innovation.

Similarly, India's patent filing numbers are impressive in isolation, but are a fraction of the over 1.8 million patent applications filed in China (1.6 million domestic filings) and significantly less than the 600,000 filed in the United States (2,70,000 domestic filings). This reflects the absence of sustained, high-risk R&D investment by India's private sector.

One way to assess innovation impact is by international patent filings, since inventors seek protection abroad only for commercially viable ideas. The number of Patent Cooperation Treaty (PCT) applications show India's global contribution: 4,547 in 2024, up 22% from 2023. While growth is strong, India remains far behind China (over 70,000), the U.S. (over 54,000), and Japan (over 48,000). Even Switzerland, which is a bit larger than Kerala, filed over 5,300 applications. These examples show that scale, and not just growth rate, drives global technological influence.

According to the GI 2025, India performs poorly on key human-capital indicators critical to innovation, ranking 95 in employment in knowledge-intensive sectors and 80 in the number of full-time equivalent researchers. The situation is more acute with respect to gender diversity, where India ranks 101 among 119 economies in the employment of women with advanced degrees, a weakness that matters given the strong correlation between diversity and innovation outcomes. While the government has acknowledged this gap and introduced initiatives such as Women's Instinct for Developing and Ushering in Scientific Heights and Innovations (WIDUSHI) and Women in Science and

Engineering (WISE)-KIRAN to improve women's participation in science and engineering, their impact remains to be seen. For now, the data underscore that India's innovation challenge is as much about talent inclusion and retention as it is about funding or policy intent.

A faultline

An attribute of India's development trajectory that is often quoted is the missing "large-scale, labour-intensive industrialisation" when compared to its east Asian peers leading to over reliance on agriculture and services. Even India's so-called new age unicorns are built on abundance of labour (instant delivery platforms, for example) rather than deep, defensible, genuine R&D-led technological innovation. It is, therefore, reasonable to conclude that the absence of globally significant technologies of Indian origin stems not merely from historical policy choices but also from a sustained reluctance within the private sector to invest in deep, long-gestation R&D.

Innovation reaches its full impact only when research is anchored to enterprise, i.e., when ideas move successfully from laboratory to market. In India, this last step – the absence of industry-led commercialisation mechanisms affecting innovation remains the weakest in the Research, Development, and Innovation (RDI) chain. While universities and public research institutions generate growing scientific output, mechanisms for technology transfer, venture creation, and risk-capital alignment remain underdeveloped. High-technology entrepreneurship is inherently uncertain, capital-intensive, and requires long-gestation, demanding patient funding, strong intellectual property protection, and an ecosystem that tolerates failure. Countries that lead in innovation have built bridges between academia, industry, and finance. India's opportunity lies not just in increasing startup numbers but also in nurturing R&D-driven enterprises capable of creating globally competitive technologies.

India's private sector must now take up the baton and rise to the challenge of driving India's RDI story. There are visible green shoots in the commercial space sector with several successful start-ups demonstrating strong promise. Deep tech is another emerging area where the RDI fund set up by the government can be a game changer, provided industry positively embraces the opportunity and commits long-term capital. When the 6G standard is globally launched in the coming years, it will be telling how many Indian origin patents feature among the standard essential patents (SEP) list. The government has paved the way. But the question now is whether India's private sector R&D will race ahead.

The views expressed are personal

- **Headlines suggest momentum, yet outcomes tell a more sobering story: low research and development (R&D) intensity, limited global technological influence, weak research-to-market translation, and persistently inadequate private-sector participation.**

- An examination of R&D expenditure, patent scale and quality, human capital gaps,**
- **and the weak bridge between research and entrepreneurship leads to an inevitable conclusion: meaningful transformation will require far deeper systemic change, particularly from the industry.**

- All these developments coincide with a significant improvement in India's ranking in the Global Innovation Index (GII). India now ranks 38th among 139 economies in GII**
- **2025, and patent filings have nearly doubled from under 59,000 in 2020-21 to over 1,10,000 in 2024-25.**

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- **India has climbed to the 38th position among 139 economies in the World Intellectual Property Organization's (WIPO) Global Innovation Index (GII) 2025, improving from 48th place in 2020. The Global Innovation Index (GII), introduced in 2007, was developed to provide comprehensive**
- **metrics and methodologies for assessing the wide spectrum of innovations across economies.**
- **Published annually by the World Intellectual Property Organization (WIPO), the GI has become a key**
- **benchmark for evaluating an economy's innovation ecosystem. Recognized by the UN General Assembly as an authoritative reference for shaping Science, Technology, and Innovation (STI) policies.**
- **India Related Findings: India rose from 81st (2015) to 38th (2025), ranking 1st among lower-middle-income economies and in Central & Southern Asia.**
- **Top-Ranked Economies: The top five most innovative economies are Switzerland (1st), Sweden (2nd), USA (3rd), South Korea (4th), and Singapore (5th). China ranked in the top 10 for the first time, securing the 10th position.**

Justice for all

The directives on NCERT show the Court as keen to stave off any criticism

The Supreme Court of India's sense of hurt at references to judicial corruption in a National Council of Educational Research and Training (NCERT) textbook is in danger of resulting in a serious case of miscarriage of justice. According to the Court, the NCERT's textbook development team did not have "reasonable, informed knowledge about the Indian judiciary". The Court went on to direct that persons such as those in the team should not be associated in "any manner with preparation of school curriculum or finalisation of textbooks for the next generation of this country". This sweeping statement has cast a shadow over the entire exercise of textbook writing. While insisting on independent domain experts such as a senior judge to approve the chapters on judiciary before publication, the Court could have initiated a similar process for other chapters as well, especially for those dealing with history where the misrepresentation of facts is sometimes tinged with bigotry.

In the past, the Bharatiya Janata Party (BJP) and its allied organisations had critiqued Indian textbooks saying that they were Macaulay-an and created "westernised" minds that did not hold India's past, its traditions, and the Hindu religion as sacred. When the BJP came to power, it sought

as sacred. When the BJP came to power, it sought to redraft the textbooks along these lines. Now, references to Hindu rituals and beliefs are found across textbooks and subjects. For instance, a discussion on solar energy refers to the ritual of "arghyam", a Vedic salutation to the sun by pouring water. Geography is strictly science, but a geography chapter in a class seven textbook talks about a divine feminine presence pervading the Indian landmass, thereby making it sacred. The Court must apply the same yardsticks it used for the judiciary chapters to history chapters in the textbooks too. Part 1 of the same social science textbook for class eight describes Muslim rulers as uniformly and singularly cruel, despotic and repressive whereas Hindu kingdoms are portrayed as benign and as resisting Muslim rule. Objectivity is given short shrift, leading to genuine fears that the narrative is to instigate bigotry even though the class eight textbook includes a disclaimer that today's generation is not to be blamed for the 'sins' of the past. Textbook writing requires not just subject matter expertise but also skill that would genuinely kindle knowledge and inquiry as well as train minds towards valuing fairness, equality, peace and harmony. The language is important, so is the intent. Any selective targeting of chapters will only reinforce the perception that the judiciary is merely protecting itself. That, ultimately, would undermine any conception of justice.

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Economic Survey promises, impact of new labour codes

India's new labour codes, with draft central rules released in December 2025, have been presented as a reform with transformative potential. The Economic Survey 2025-26 makes an optimistic case: these codes are expected to increase formalisation from 60.4% to 75.5%, generate 77 lakh jobs, reduce unemployment, boost female labour force participation and contribute 1.25% to GDP by 2029-30. These projections assume that simplifying compliance for firms will incentivise formalisation and expand registered employment.

However, over 80% of India's workers are in the informal sector, and they remain outside most of the labour code protections. The scale of informality is increasing. Firms, when given flexibility, tend to respond by shifting away from formal employment. Between 2011 and 2023, direct factory employment fell from 61% to 47%. Contract workers grew to 42% of the factory workforce. Regular employment in central public sector enterprises declined by 30,000 workers in 2024 alone, replaced by casual and contract workers (Public Enterprises Survey 2025). The organised sector, once associated with stable employment, is shrinking in India. And the new codes accelerate this by loosening regulatory definitions and protections, making it easier for firms to avoid permanent employment relationships.

Formalisation illusion

A striking feature of the codes is how they respond to informality by raising the thresholds for protections. The Occupational Safety, Health and Working Conditions Code raises the definition of a "factory" from 10 workers to 20 (with power) and from 20 to 40 (without power), increases the contract labour threshold from 20 to 50 workers and raises the threshold for prior approval for lay-offs from 100 to 300 workers.

At the same time, the government expects these codes to increase formalisation. This rests



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The promises of reform cannot hide the realities in India's informal workforce

largely on expanding "fixed-term employment", that is, letting firms hire on short-term contracts instead of permanent jobs. Formal employment has historically meant job security, regular wages, social security and the ability for collective bargaining. Fixed-term employment offers some benefits under the codes, such as appointment letters and equal gratuity after one year, but undermines the key feature that distinguishes formal work from precarious work: job security.

Grey areas

While the codes require platform companies to contribute 1%-2% of annual turnover for gig worker schemes, rules on how companies must contribute, benefit levels, coverage and claim details are all left to be "notified through subsequent schemes". The reskilling fund for retrenched workers follows the same pattern: employers must deposit 15 days' wages per worker. How to access these funds, who provides training and what skills are taught are unspecified. Like India's many cess and welfare funds, collection may happen, but utilisation may lag perpetually.

The Code on Wages creates a National Floor Wage and a National Minimum Wage but offers no clear methodology for setting either and how they will differ. The new rules make space for greater administrative discretion instead. Defenders of flexible labour markets often argue that minimum wages destroy jobs. The logic is that if you force employers to pay more than market rates, they will hire fewer workers. But decades of empirical research have shown that the job loss predictions consistently fail to materialise (Dube 2019). Higher wages reduce turnover costs for firms. And, when low paid workers get raises, they spend more on food, transport, housing and goods. The increased consumption boosts aggregate demand. In labour markets where employers often have substantial power to set wages below competitive levels,

minimum wages actually improve efficiency by reducing employer exploitation.

Further, the rebranding of labour inspectors as "Inspector-cum-Facilitators" might sound progressive, but when inspectors become facilitators helping employers comply, enforcement weakens. This is made explicit by allowing employers to compound serious violations such as wage theft or unpaid overtime by paying prescribed fines. If penalties are lower than compliance costs, breaking the law can become a rational business decision. This is particularly damaging in the informal sector. In the absence of unions, labour courts or workers' awareness of rights, labour inspectors could have been the only channel for redressal. Converting them to facilitators eliminates even this minimal accountability.

There are many assumptions

The labour codes fail to confront what drives informality in the first place. It is not that regulations are too complex for firms to navigate but that informality is structurally profitable. While technology is automating routine jobs, the new platform jobs it is creating are bypassing employment relationships entirely.

The optimistic projections of the Economic Survey rest on assumptions that contradict many of the labour market realities. Making formal jobs more flexible will not lead to formalisation as long as informality remains cheaper and more profitable.

Lower compliance costs will also not create better jobs if firms respond by replacing permanent workers with contract workers. The numbers may eventually materialise, such as higher formalisation percentages, but they will measure changes in how firms account for workers, not improvements in how workers actually live.

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- **At the same time, the government expects these codes to increase formalisation. While the codes require platform companies to contribute 1%-2% of annual turnover for gig worker schemes, rules on how companies must contribute, benefit levels, coverage and claim details are all left to be “notified through subsequent schemes”. The Code on Wages creates a National Floor Wage and a National Minimum Wage but offers no clear methodology for setting either and how they will differ.**
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