Introduction:

Trade union movement in India has a rich and diverse history with multiple unions working in different sectors. While looking as an outsider, the trade union movement may look like a very concentrated movement with 12 central trade unions in the country, the fact is the very nature of trade unionism is so diverse it is close to impossible to look at it in totality and not miss details of the picture.

In an attempt to both understand the diversity of the movement and be able to describe and define scope of work and possibilities of expansion for trade unions, the movement has been categorised into 5 sectors viz.

1) Government
2) Public
3) Private
4) Unorganised and
5) Social Security Sector.

This paper attempts to enrich the understanding of the activists to help them work better in their respective domains. It attempts to acquaint them with the existing laws, how they function and how they can be used for betterment of workers and protection of activists.

1) Government Sector: A trade union perspective

Understanding the government structure:

While the common understanding of the government for the population has been that the elected representatives are responsible for one and all, it's not completely true. Governance has been envisaged as a system of checks and balances in the form of three parallel structures that are the:

1) Executive Prime Minister/President and Chief Ministers/Governors, Mukhiya, Mayor
2) Legislature The Lok Sabha, Rajya Sabha, Vidhan Sabha, Vidhan Parishads, Gram Panchayat, Municipality, Jila Parishad
3) Judiciary Supreme Court, High Courts, District Courts

Further to this India has a federal polity with strong unitary biases, which doesn't only reflect in the political structure but also staffing patterns. The federal polity manifests in the form of single citizenship but dual polity at center and state levels. Further to this in an attempt to decentralise governance and increase both accessibility and feedback the three tier system has been established vide constitutional amendments 72 and 74.

1. Structure of the Government

1a. Horizontal Structure of Governance: Executive, Legislature, and Judiciary

India follows the separation of powers principle, where the government is divided into three distinct branches:

Executive
The executive has been made responsible for implementing and enforcing laws passed by the legislature and interpreting them based on judicial review. At the Centre, it is headed by the President (as the nominal executive) and Prime Minister (as the real executive). At the state level, it is headed by the Governor (as the nominal head) and the Chief Minister (as the real executive).

 Key Bodies:
 Union Government: The Cabinet, PMO, Ministries, Civil Services
 State Government: Chief Minister, Council of Ministers, and State Civil Services
Local Bodies: Municipalities, Panchayats, and their respective administrative machinery

Legislature
The legislature enacts laws, controls finances, and ensures that the executive's powers are not misused. The legislature consists of:

Parliament (at the Centre): Lok Sabha (Lower House), Rajya Sabha (Upper House)
State Legislative Assemblies (Vidhan Sabha) at the state level and Legislative Councils (Vidhan Parishad) in certain states.
Municipalities/Panchayats: Local legislative bodies ensuring governance at the grassroots level.

Judiciary
The judiciary is tasked to interpret laws and ensure their implementation in line with the Constitution. It ensures that laws and executive actions are in harmony with constitutional principles, safeguarding individual rights and liberties.

Supreme Court: Head of the Indian Judiciary
High Courts: At the state level
District Courts and Lower Courts: Ensuring justice at the grassroots level.

1b. Vertical Structure of Governance: Centre, State, and Local Bodies

India follows a federal structure of governance, meaning that powers are divided between the Union Government and State Governments, with the local bodies playing a significant role in decentralised administration.

1. Union (Central) Government

   The Union Government is responsible for national defense, foreign policy, and other issues of national importance. The Parliament of India passes laws related to subjects in the Union List.

2. State Governments

   Each state has its own government with a Chief Minister and a Governor. States are responsible for local governance and the enforcement of laws related to the State List in the Constitution, such as public health, police, and agriculture.

3. Union territory Governments

   The Lieutenant Governor appointed by the President on advice of the council of central ministers heads a union territory.SOme have their own legislative bodies but the LG is the real executive.

4. Local Self - Government Bodies:

   Panchayati Raj Institutions (PRIs): This system comprises the Gram Panchayat, Panchayat Samiti, and Zila Parishad at the village, block, and district levels, respectively.

   A. Gram Panchayat (Village Level): Local governance is conducted through the Gram Sabha and Gram Panchayat.

   B. Panchayat Samiti (Block Level): Oversees development activities at the block level.

   C. Zila Parishad (District Level): Coordinates the district-level developmental activities.

5. Urban Local Bodies (ULBs):

   These include Municipalities, Municipal Corporations, Notified area committee, Town area committee, Cantonment board, Township, Port Trust, Special purpose agency responsible for urban planning, waste management, and public health in cities.

This decentralized system allows for better decision-making, resource distribution, and implementation of policies at the local level.

Additionally three different kinds of bodies exist viz.

1) Constitutional Bodies: Bodies formed by provisions in the constitution - EC, UPSC, SPSC, Finance Commission, GST Council, National Commission for SCs, National Commission for STs, National commission for BCs, National Commission for Linguistic minorities, CAG, AG, AG - states

2) Non-Constitutional Bodies: Bodies not mentioned in constitution but established by law/ executive order - NITI Aayog, NHRC, SHRC, NCW, National Commission for protection of child rights, National Commission for Minorities, CIC, SIC, CVC, CBI,

Lokpal & Lokayukta, NIA, NDMA, BCI, Law Commission of India, Delimitation commission of India

3) Autonomous Bodies: An autonomous body (AB) is established by ministries/departments to perform a set of specific tasks and are independent in its day-to-day operations. The government funds ABs through revenue or capital expenditure and has limited control over them.

These bodies perform important governance functions but are not directly part of the government. Every institution mentioned in the paper until now has its own structure, set of rules and staffing pattern. Hence the union activist finds her/himself caught in a web of laws and rules when negotiating on behalf of workers. This paper is an attempt to assemble all the rules in one place and deliberate on how and where they work. But before that let's also look at how the government bodies are staffed, who is considered a government employee and

The Process of Staffing in Government

Recruitment and Selection

The staffing process at all levels of government involves a mix of permanent civil servants, contractual staff, and scheme based workers. Recruitment to government positions follows these general guidelines:

A. Central Government Staffing
1. Union Public Service Commission (UPSC): The UPSC conducts examinations like the Civil Services Examination (for IAS, IPS, IFS, and other allied services) and the Engineering Services Examination.
2. Staff Selection Commission (SSC): Recruits staff for Group B, C, and MTS posts across various ministries.
3. Other Recruitment Agencies: For specific positions (like RBI, public sector banks, etc.).

B. State Government Staffing
1. Officers Borrowed from centre
2. State Public Service Commissions (SPSC): Each state has its own recruitment body to select candidates for state administrative services, such as the State Administrative Service (SAS) or State Police Services.
3. StateLevel Examinations: Similar to the UPSC, states hold examinations for filling Group A, B, and C vacancies.

C. Local Government Staffing
1. Municipalities/Panchayats: These bodies typically employ staff at the local level, including engineers, clerks, sanitation workers, and field inspectors. Staffing often involves recruitment by the State Government or Local Recruitment Boards.
2. Contractual Workers: In urban areas, the demand for sanitation workers, sweepers, and other service-related staff is often met through contractual staffing by local bodies.
3. Panchayat Staff: At the village and block levels, positions such as Gram Sevaks or Panchayat Secretaries are key administrative roles, often filled by state level recruitment.

Contractual and SchemeBased Staffing:
Many government schemes (e.g., MGNREGA, PMAY, Swachh Bharat, etc.) are implemented by hiring contractual workers. These positions often lack job security, pension benefits, and other perks that permanent government employees enjoy.

Key Examples:
1. ASHA Workers: Community health workers recruited under the Ministry of Health and Family Welfare.
2. Anganwadi Workers: Integral to India's child and mother welfare programs under the Ministry of Women and Child Development.
3. Rozgar Sevaks: Employed in rural areas under MGNREGA to manage employment programs.

Structure and Staffing of Ministries

Central Ministries
Each central ministry is headed by a Cabinet Minister, who is responsible for overall policy formulation and decision making within their domain. Minister of State (MoS) and Minister of State (Independent Charge) assist in specific areas within the ministry.

Bureaucratic Structure
1. The administrative functioning of ministries is overseen by Indian Administrative Service (IAS) officers, with each ministry having its own set of civil servants. The key bureaucratic hierarchy within a ministry is as follows:
2. Secretary: Senior Most civil servant, coordinates the ministry's work, and ensures policies are implemented effectively.
3. Additional Secretary/Joint Secretary: Responsible for specific areas or divisions within the ministry, often dealing with policymaking and interdepartmental coordination.

4. Director/Deputy Secretary: Involved in midlevel administration and daytoday functioning.
5. Under Secretary/Section Officer: The lowest level of permanent civil servants, handling the clerical work.
6. Clerical staff

Each ministry also recruits domain experts, consultants, and contractual staff for specialized projects, schemes, and tasks. For example, the Ministry of Labour and Employment recruits specialists to monitor labour laws, worker safety, and social security schemes like ESIC and EPFO.

Types of Government employees:

Central Level	State Level	Local Level
All India services Central Civil Services Central Secretariat Services Ministerial Staff Departmental Staff Industrial Staff Armed Forces	Bureaucratic staff: Borrowed from Centre/Hired through SPSC Departmental Staff Industrial Staff Police Services	Staff provided by state government Directly hired staff - by individual municipalities or through unified/integrated municipalities personnel systems. Contractual staff

All these employees are governed by different rules but most of the rules conform to norms of the central government, not without significant variation though. So for the purpose of this paper we shall stick with rules and regulations for central government employees:

Rules that govern these employees:

1. CCS Conduct Rules 1964
2. CCS CCA Rules 1965
3. CCS (Pension) Rules   (Contains Pension, DCRG, CGEGIS, Leave Encashment and GPF)   applicable to those joined before 31 December 2003
4. National Pension Scheme tier I and tier II, DCRG, CGEGIS and Leave encashment   for those appointed on/after 01/01/2004
5. Industrial disputes Act 1947
6. Factories Act (manufacturing and services)
7. Manual of Office Procedure
8. AIS Manuals; AIS Performance Appraisal Report Rules 2007
9. Payment of Gratuity Act 1972
10. Workmen Compensation act, 1923;
11. Grade Pay (Scale) and
12. Pay Commission Reports
13. CCS rules
14. CSS rule 1962, 2009;
15. Central Secretariat Clerical Services Rules;
16. CSSS rules 1969

How is salaries decided and paid:

While the Pay commission of India is set up every 10 years to decide the original pay etc. of government employees, the Dearness allowance is revised twice every year to offset inflation. Service conditions are decided as per service rules of the departments/ministries or concerned authority. ABs can decide their own salaries but more often than not they coincide with CPCs. Salaries etc. of some important offices, especially constitutional bodies and courts are charged on the consolidated fund of India, most of the govt. Employees are paid directly from their ministries/departments. Each ministry raises a demand at the beginning of the budget year which may be passed by the parliament the said amount is given to the ministry for the said year from where payments are made. Autonomous bodies tend to adopt the government's pay structures. Given the fact that most of these bodies receive their functional capital from the Government in form of Grant-in-aids they are very much within administrative control of the government machinery.

Understanding the salary components:

Component	Factors that impact it	Remarks
Basic	Grade/scale	
House Renting Allowance	Grade/Scale; Place of posting	
Transport allowance	Grade/Scale; Place of posting	
DA on TA		
Dearness Allowance	Grade; Place of posting	
NPS Contribution Employer	Fixed rate on Basic + DA (upto 10%)	
NPS contribution Employee	Fixed rate on Basic + DA (upto 14%) 10% is mandatory and 4% is optional	Also possible to make voluntary contributions - with no lockin periods
Allowances		As may be determined by the government for specific posts

Calculating Gratuity:

Salary = Basic Pay + DA
Gratuity = Salary * 15/26 * years of service

Calculating DCRG: (Capped at 25 lakhs)
Salary = Basic Pay + DA
DCRG = Salary *½ * Total Qualifying Service

Qualifying service = total years of service - (**Extraordinary Leave** (EOL) without medical certificate or beyond permissible limits +**Dies non** days without pay due to disciplinary action +**Suspension period**, if not regularized as qualifying service + **Unauthorised absence** without proper leave sanction.)

Pensions:

Pension(s) has been one of the most debated issues in contemporary times in the labour domain in India.

Feature	OPS (Old Pension Scheme)	NPS (National Pension System)	UPS (Unified Pension Scheme)*(Proposed)*
Target Group	Govt employees (joined before 2004)	Central & most State govt employees (joined after 1 Jan 2004)	All govt employees, possibly even PSU & semi-govt employees
Nature of Scheme	Defined Benefit	Defined Contribution	Hybrid: Defined Minimum benefit + Market-based growth
Employee Contribution	Nil	10% of Basic + DA	Expected: 10% of Basic + DA
Employer (Govt) Contribution	Full pension paid by Govt	14% (Central Govt); 10% (States)	Proposed: Matching or partial contribution from Govt
Deduction from Salary	Nil	10% of Basic + DA	Likely similar to NPS or slightly lower
Pension Guarantee	50% of last drawn basic pay + DA	Depends on corpus and annuity	Proposed: Minimum assured pension + flexible top-up
Tax Treatment	Pension is taxable	Tier I: Tax benefits under 80CCD(1) and 80CCD(1B)	Likely similar tax benefits as NPS
Portability	No	Yes – across states/departments	Expected to be portable within all participating entities
Withdrawals	Not applicable	Partial withdrawals allowed for specific purposes	Likely to permit partial withdrawals with some safeguards
Family Pension	Yes	Corpus transferred or annuity for spouse	minimum assured family pension provision expected
Fund Management	Govt funded via	Managed by PFRDA	Likely a mix of

	budget	through fund managers	PFRDA-managed + Govt backstop for base pension
Risk	No risk – guaranteed returns	Market risk present	Expected to minimise risk via floor guarantee and hybrid investment
Gratuity Eligibility	Yes	Yes	Yes
Loan/Advance Option	No	No (partial withdrawals instead)	Likely to retain partial withdrawal features
Minimum Service for Pension	10 years	No minimum for withdrawal; annuity starts at 60	Likely 10 years or more for guaranteed pension eligibility
Retirement Age	60 years	60 years	60 years

CCS- CCA Rules:

- Provides clear classification of Services and Posts
- Governs Appointment and Suspensions
- Outlines Penalties names and describes disciplinary authorities and procedure thereof
- Contains the procedure and conditions of appeals
- Clearly states that if any confusion arises whether these rules apply to a person or not - President will decide.

CCS Conduct Rules:
- Contains important definitions like : Government, Government employee and family member of government employee
- Outlines general conduct rules: For all including supervisors,
- Outlines Manner in which orders can be given/taken by govt. Officials,
- Defines what workplace includes
- Outlines the limits for government employees taking part in politics and elections
- Clarifies the process and validity of Joining of associations (Subject to Sovereignty and integrity of India; Public order and Morality)

- Clearly notes how and when government employees can interact with the press and bars them from criticising the government. And its policies

Additionally There are some large departments and hence have their own set of rules. Eg.

1) Railways:
   a) Indian Railways Act 1890 - Railways act 1989
   b) Indian Railways Establishment code:
   c) Railway Services Conduct rules - 1966
   d) Railway Servant rules 2005
   e) Industrial disputes act & Factories Act for industrial establishments of Railways
   f) Indian Merchant Shipping At, Mines Act etc.

2) Defence:
   a) The Defence of India Act - 1952
   b) Defence Services regulation - 2000
   c) CCS - CCA Rules 1965 - not subject to the:
      i) Army Act, 1950 (46 of 1950),
      ii) The Navy Act, 1957 (62 of 1957) and
      iii) The Air Force Act, 1950 (45 of 1950)

3) Banking:
   a) The Banking Regulation Act, 1949
   b) Code of Conduct for Bank Employees
   c) Other rules applicable to government employees

Promotions:

Promotions of government employees are based on different factors that include:

•Seniority Based Promotions

•Merit Based Promotions

•Time Bound Promotions - MACP (7th CPC)

•Departmental Promotions

•In- situ promotion

•Minimum Residency Period rule

•Training and qualification requirement

•Annual Confidential Reports

•Departmental Exams

•Availability of vacancies

•Reservation Policies

Understanding the Grievance redressal mechanism:

1) Joint Consultative Machinery: This is the highest bipartite council for all negotiations for government employees with Government as the employer. It functions at three levels i.e. National, regional and departmental and is headed by the Cabinet Secretary at the national level. A meeting every four months is mandated by rules.If settlement is not reached in the JCM, Case may be referred to Board of arbitration whose award is binding subject to overriding authority of parliament (only on grounds of social justice and national economy)

2) Central Administrative Tribunal

3) State Administrative Tribunal (323A)

4) UPSC/SPSCs

5) Ombudsman: Largely unfunctional

6) Labour Courts and Civil Courts - Lok Adalats can also hear labour cases

7) Other tribunals can be set up to look at labour issues (323B)

8) Armed Forces Tribunal

Public Sector: A Trade Union Perspective

The public sector is another large scale employer in the country with more than 14 lakhs personnel. Public Sector Undertakings (PSUs) have been at the heart of India's nation-building project ever since independence. They were envisioned as the engines that would drive economic growth, secure strategic interests, ensure social justice, and provide employment opportunities on a large scale. PSUs are companies or enterprises where the government — whether central, state, or jointly — owns a controlling share of 51% or more. These enterprises are not just commercial entities; they are reflections of the country's economic priorities, political philosophy, and commitment to inclusive development.

From a societal perspective, PSUs have symbolized the aspirations of a new India, self-reliant, industrialized, and equitable. For the government, they served as critical instruments to correct market failures, secure economic sovereignty, and invest in sectors too risky or unprofitable for private players. For workers, PSUs opened the doors to stable, dignified employment, often accompanied by better working conditions, social security, and collective bargaining rights.

Over time, PSUs were classified into different categories based on their performance, size, and strategic importance. The most prestigious among them are the **Maharatnas**, enterprises like ONGC, Indian Oil Corporation, and SAIL — that enjoy substantial autonomy to compete globally and undertake large investments without prior government approval. Below them are the **Navratnas**, followed by **Miniratna Category I and II** companies. There are also a significant number of **State PSUs**, operating under the jurisdiction of state governments. This classification reflects not only administrative convenience but also an attempt to instill a culture of performance, efficiency, and accountability. However, from the worker welfare angle, these classifications sometimes lead to disparities in working conditions and promotional avenues, particularly between central and state-level PSUs. As of date all Central PSUs have been classified into 04 schedules i.e. Schedule A, B, C & D based on different parameters as listed below. The Public Enterprises Selection Board or another high level committee is mandated to recommend this classification.

Sr. No.	Parameter	Description
1	**Investment (Paid-up Capital + Reserves)**	Size and financial strength of the PSU. Higher investment suggests a bigger role.

2	**Turnover / Revenue**	Annual sales volume; reflects business size and market influence.
3	**Number of Employees**	A large workforce reflects social responsibility and operational scale.
4	**Geographical Spread**	Presence across the country or globally adds weightage.
5	**Role in National Economy and Strategic Importance**	Sectors like defense, energy, steel, and mining are given higher priority.
6	**Degree of Complexity of Operations**	Technical sophistication, multi-plant operations, overseas projects, etc.
7	**Contribution to Government Revenues**	Through taxes, dividends, and duties paid.
8	**Profitability and Financial Health**	Net profits, return on capital employed, etc.

The Journey of PSUs

The story of Public Sector Undertakings (PSUs) in India is deeply linked to the country's journey from a colonial economy to an emerging global power. Interestingly, even before independence, a blueprint for state-led industrialization was set by some of India's leading industrialists through the **Bombay Plan of 1944**.

The Bombay Plan, authored by stalwarts like J.R.D. Tata, G.D. Birla, and others, recognized that the private sector alone would not have sufficient capital to build the heavy industries and infrastructure needed for national development. These industrialists surprisingly advocated for a strong role of the state in setting up basic industries, creating economic infrastructure, and ensuring equitable distribution of wealth. This early acknowledgment laid intellectual foundations for a mixed economy where PSUs would have a major role.

After independence, the Government of India formalized this thinking through the **Industrial Policy Resolution (IPR) of 1948**. It recognized the public sector as a vital player in industries of strategic importance such as defense production, atomic energy, and transport. This was India's first official statement endorsing a dual economy: both private and public sectors coexisting but with the public sector leading in core industries.

The real push for PSUs came with the **Industrial Policy Resolution of 1956**, which became the bedrock of India's planned economic development. It divided industries into three categories:

1. Exclusive responsibility of the state.
2. Primary responsibility of the state with private participation allowed.

3. Industries left to the private sector but with regulatory oversight. This policy firmly established PSUs at the heart of India's industrialization strategy, especially in core sectors like steel, mining, power, heavy machinery, and transport.

The **Five-Year Plans** further cemented the role of PSUs. The **Second Five Year Plan (1956-61)**, inspired by the Mahalanobis model, stressed rapid industrialization through massive public investment in heavy industries. PSUs like Hindustan Steel (Now SAIL), Bharat Heavy Electricals Limited (BHEL), and Oil and Natural Gas Commission (ONGC) were born in this era. PSUs were not just economic units; As envisaged, they became agents of social change — building townships, schools, hospitals, and creating new employment hubs across backward regions.

However, by the late 1960s, concerns about monopolistic tendencies in the private sector prompted a shift. The **Industrial Policy Statement of 1969** introduced greater control over private enterprise and reiterated the dominant role of the public sector. Similarly, the **1973 Industrial Policy Statement** emphasized the need to restrict the size and growth of large private business houses (through MRTP Act) and reinforced public ownership in key sectors.

Moving into the 1980s, with global winds of liberalization starting to blow, India too began rethinking its rigid industrial policies. The **Industrial Policy of 1980** emphasized improving the efficiency and productivity of PSUs. It encouraged modernization, joint ventures, and select liberalization for the private sector.
The **Policy of 1985** under Prime Minister Rajiv Gandhi furthered this by advocating for greater autonomy to PSUs, emphasizing technological upgradation, and opening up some non-strategic areas to private investment.
The **1986 Policy Measures for Promoting PSU Autonomy** introduced concepts like the Memorandum of Understanding (MoU) system to make PSUs more accountable for their performance without direct bureaucratic control.

A major turning point came with the **Liberalization, Privatization, and Globalization (LPG) Reforms of 1991**. The economic crisis forced India to move away from a predominantly state-led economy. The **New Industrial Policy of 1991 reduced** the number of industries reserved for the public sector, initiated disinvestment of PSU equity, and opened up several sectors to private and foreign investment. Many PSUs were asked to compete, improve efficiency, and become profit-oriented.

In the post-1991 era, while PSUs continued to exist and even thrive in strategic sectors like defense, oil and gas, and infrastructure, the environment became increasingly competitive. Efficiency, professionalism, and strategic partnerships became the keywords for PSU survival and growth.

Today, policies like **Make in India**, launched in 2014, aim to boost domestic manufacturing and encourage PSUs to play a leading role in sectors such as defense production, renewable energy, and heavy industries. However, there is a clear trend of **strategic disinvestment** — where the government is exiting non-strategic PSUs while retaining ownership in critical sectors.

The **PSE (Public Sector Enterprises) Policy of 2021** further lays down that even in strategic sectors, the government will maintain only a "bare minimum presence," signaling a shift toward a more market-driven economy.

From being the prime engines of growth to becoming efficient players in a competitive market, the journey of PSUs reflects the evolving priorities of the Indian state.

PSUs in Numbers:

Today, some important numbers underline the significance of PSUs: there are more than 500 Public Sector Enterprises and subsidiaries including Central and state level PSUs, employing over fourteen lakh people directly. They contribute significantly to India's GDP and also play crucial roles in sectors like defense production, energy security, and infrastructure development. For FY 2024-25 the listed PSUs generated a combined revenue of 61.2 lakh crore and paid a record dividend of 74,106 Crore, well above the estimated budget of 55,000 crores (FY 2024-25). The data for CPSEs is available with SCOPE and elaborated through an image below.

PSUs of Central Government in different schedules:

1)   Schedule A: 66
2)   Schedule B: 65
3)   Schedule C: 44
4)   Schedule D: 05

Central Public Sector Enterprises at a Glance

As on 31st March, 2023*
(amount in ₹ Lakh Crore)

Capital Employed (all CPSEs)
38.16

Total Financial Investment
25.35

Total paid up capital
5.05

Total gross revenue from operation (operating CPSEs)
37.90

Net Profit of profit making CPSEs
2.41

Overall net profit of operating CPSEs
2.12

Reserves & Surplus
12.81

Net Worth
14.97

Dividend declared / paid by operating CPSEs (117) **1.05**

Total CPSEs 402
Total Operating CPSEs 254

Contribution of all CPSEs to Central Exchequer
4.58

Foreign Exchange earnings of CPSEs
1.58

R&D Expenditure
7,233 Cr.

Total Market Capitalization of 63 CPSEs
16.69

CSR Expenditure of Eligible CPSEs (166)
4,128 Cr.

Governance of the PSUs

Every PSU works under a department of a ministry that is finally responsible towards the PSUs but the PSUs enjoy a lot of autonomy as compared to the government sector itself. Governance structures in PSUs reflect a blend of corporate and government's administrative models. The ultimate employer remains the government, but day-to-day management is handled by Boards of Directors, many of whom are appointed based on merit, seniority, and political considerations. Workers are classified into officers (executives), non-executives (workers and clerical staff), and increasingly, a large segment of contractual and outsourced employees. This new category of employment has raised concerns among trade unions about a two-tier workforce, where the rights and benefits of contract workers often fall short of those enjoyed by permanent employees.

The administration of PSUs is coordinated by respective administrative ministries, such as the Ministry of Steel for SAIL or the Ministry of Petroleum for ONGC. The Department of Public Enterprises (DPE) plays a vital role in framing policy, monitoring performance, and promoting best practices. Recruitment is carried out through open competitive examinations, campus placements, and specialized recruitment drives. The emphasis is on merit, while maintaining social justice through reservations for SC, ST, OBC, and EWS candidates.

Service Conditions:

Service conditions in PSUs have traditionally been more favorable compared to the private sector. Permanent employees enjoy defined pay scales (based on IDA or CDA patterns), social security benefits like Provident Fund, Gratuity, Health Insurance, and often Post-Retirement Medical Benefits. Housing, education, and recreation facilities in PSU townships set benchmarks for worker welfare. However, reforms in the past two decades have seen a gradual shift towards performance-linked incentives, mobility, and limited tenure contracts, aligning with global best practices but sometimes at the cost of long-term employment security.

The regulatory framework for PSUs is shaped by key legislations like the

1. Factories Act 1948
2. Industrial Disputes Act 1947,
3. Trade Union Act 1926,
4. CCS Pension Rules,
5. EPF,
6. EDLI scheme,
7. Gratuity Act,
8. Health and Safety Laws,
9. Companies Act (for listed entities) etc..

10. Specific Conduct, Discipline, and Appeal Rules govern employee behavior, disciplinary procedures, and grievance redressal mechanisms. **The consolidated model conduct discipline and appeal rules - 2017 function as a model for all PSUs.**

These rules ensure that workers have a clear understanding of their rights and duties, while management retains mechanisms for enforcing discipline and efficiency.

Trade unions in PSUs have been a powerful voice for workers' rights. They function under the ambit of Trade Union Act of 1926 and the Code of Discipline of 1961. Organizations like BMS, INTUC, AITUC, CITU, and HMS have consistently championed causes such as job security, better wages, industrial democracy, and opposition to indiscriminate privatization. They are governed by laws like the Trade Unions Act, 1926, and the Industrial Disputes Act, 1947, which protect the right to organize, bargain collectively, and undertake industrial action within legal limits. Standing Orders and Model Conduct Rules frame the relationship between unions and management at the enterprise level. Collective Bargaining is one of the key functions of the trade unions in PSUs.

The societal perception of PSUs remains complex. While they continue to be viewed as prestigious and reliable institutions, particularly in smaller towns and among middle-class families, concerns about inefficiency, bureaucratic inertia, and political interference persist. The government perceives PSUs as assets that must now compete on a global stage or otherwise face rationalization. For workers, PSUs still represent stability, dignity, and upward mobility, a legacy that they fear may be eroded under the pressures of market reform.

Today, trade unions maintain a consistent stand: while they are not opposed to efficiency improvements, they oppose privatization that displaces workers without adequate protection, compromises national interests, or reduces strategic control over key sectors. They advocate for greater worker participation in management, stronger social security nets, and a policy dialogue that respects the voice of labor.

Understanding India's Private Sector

The private sector plays a central role in India's economy, contributing significantly to growth, employment, and innovation. However, it is often misunderstood as solely consisting of large corporations like Tata, Reliance, or Aditya Birla Group. In reality, the private sector encompasses a diverse range of enterprises, including Micro, Small, and Medium Enterprises (MSMEs), small businesses, service providers, and artisans. While big corporate houses receive attention, it is these small and medium businesses that form the backbone of India's economy. With 17,18,622 registered private companies in India as of November 2024 employing millions of people, the private sector is a major driver of economic activity. However the numbers stated above are highly conservative given the fact that India had no less than 6.3 crore MSMEs in FY 2015-16 and it most likely has gone up given the proactive measures of the Government of India.

However, a closer look at the private sector reveals several complexities. From the employer's goals of profit maximization to workers' aspirations for fair wages and job security, the dynamics between the management, employees, and employers are shaped by various laws, policies, and workplace cultures. This paper explores the functioning of India's private sector, its challenges, and the role of law and unions, while suggesting a path forward toward a more balanced, worker-friendly environment.

What is the Private Sector?

The private sector refers to the part of the economy that operates independently of the government. This sector is driven by profit maximization and market competitiveness, as opposed to the public sector, which is government-controlled. It is a broad and diverse sector, including everything from large corporations and multinational companies to small businesses, service providers, and artisans.

While large businesses like Tata, Reliance, and Aditya Birla Group are prominent in the private sector, they form only a small part of the overall landscape. The Micro, Small, and Medium

Enterprises (MSMEs) sector is often overlooked, though it accounts for a significant portion of India's private economy. According to estimates, around 14 crore people work in the private sector in India, though the number could be much higher when considering the informal workforce.

Goals of the Private Sector

In the private sector, the goals of employers and employees are often at odds. For employers, the primary objective is profit maximization — to increase the bottom line and expand their customer base. On the other hand, employees seek fair wages, benefits, and opportunities for career growth. As companies pursue profit, workers strive for job security, fair compensation, and social benefits, such as healthcare and pension schemes.

Employers typically focus on increasing efficiency, reducing costs, and expanding market share. Employees, however, hope to secure better wages, career advancement, and work-life balance. These differing goals often lead to tensions within the sector.

Structure of the Private Sector

The private sector is composed of several layers:

1. Employers: These are entities that own and manage businesses. Employers in the private sector include individuals, partnerships, corporations, and limited liability companies (LLPs). Large employers like Tata, Reliance, and Aditya Birla Group dominate key industries, including manufacturing, technology, and services.
2. Management: The management structure in private companies varies. In small firms, the owner may serve as the sole decision-maker. In larger firms, decision-making is handled by a Board of Directors. Management structures typically consist of:
   - Top management: Including the CEO, MD, and other senior executives.
   - Middle management: Such as general managers, area managers, and branch managers.
   - Lower management: Including supervisors, team leads, and section heads.

3. Workers: Workers in the private sector include permanent, contractual, daily wage, and outsourced employees. The definition of a "worker" under the Industrial Disputes Act includes anyone performing work under a contract, but in practice, the term is often used to refer to manual or lower-level employees.

   ○ Permanent workers enjoy higher job security and benefits.
   ○ Contractual workers may receive some benefits, but their tenure is limited.
   ○ Daily wage and casual workers often face exploitative conditions, with little or no benefits.
   ○ Outsourced workers are hired through third-party agencies, making them technically invisible to the company.

Legal Framework Governing the Private Sector

Private sector businesses must comply with a range of laws and regulations. These include:

- The Companies Act, 2013, which governs the formation and operation of companies.
- The Societies Registration Act
- Various Labour Laws, such as the Industrial Disputes Act, the Factories Act, and the Maternity Benefits Act, which provide protections for workers, especially when firms cross certain thresholds of employment.
- Standing Orders on industrial empoyment regulate service conditions and dispute resolution processes.

These laws set the framework within which companies must operate, though private firms often customize their internal policies. Importantly, these internal policies must not contradict national or state labour laws.

Employment Practices: Hiring, Pay, and Firing

In larger firms, Human Resources (HR) departments handle hiring, salary negotiations, and termination. A formal employment letter, outlining the terms of employment, is the norm. These companies typically provide benefits like healthcare, paid leaves, and retirement plans.

However, smaller firms often have fewer formal employment procedures, and workers may face

greater insecurity. Additionally, many employees are hired on fixed-term contracts, which offer limited protection and benefits.

In terms of pay, the private sector exhibits significant disparities. Top-tier employees in management positions often receive high salaries, bonuses, and stock options, while lower-tier workers may receive minimal wages and no benefits. The introduction of pension schemes such as the Employees' Pension Scheme (EPS 1995) provides some security, but only to those who meet the minimum service requirement.

EPS is a contributory scheme with 12% employee and 12% employer contribution. Of the employer's contribution of 12%, 8.33% goes to pensions and the rest 3.6% goes to EPF. The retirement age is considered to be 58 even though people tend to continue to work until 60 and beyond.

Challenges in the Private Sector

Despite its significant role in the economy, the private sector faces several challenges:

- Exploitation of Workers: Casual, daily-wage, and outsourced workers often face exploitative conditions with little job security or benefits.
- Undercounting Workers: Many private companies under-report the number of workers to avoid complying with labour laws.
- Wage Disparity: A significant pay gap exists between top management and lower-level employees.
- Informality: The informal sector remains large, especially in MSMEs, where workers often lack basic protections and benefits.

Grievance Redressal and Union Activities

The private sector faces challenges in terms of grievance redressal. While larger firms often have formal processes, smaller companies may lack systems for addressing worker complaints. Many workers turn to labour commissioners or industrial tribunals to resolve disputes. The Human Resource Department is largely responsible for grievance redressals. Firms have started internal PoSH committees to address sexual harassment related activities. They are also

The presence of trade unions in the private sector is limited, especially in MSMEs. Although Article 19 of the Indian Constitution guarantees the right to form unions, many companies suppress or restrict union activities. Bogus unions, often created by management to control worker movements, are common in the private sector. In contrast, larger firms that engage in manufacturing often have stronger, more active unions. Collective bargaining is largely missing but not completely absent. Red Tapism is common in the sector.

New Developments in the sector:

A key segment that unions must address is the supply chain based on the notion of extended workmanship. We have new global framework agreements signed between transnational unions and Multinational firms. This new prospect should give us a lot of hope for the supply chain workers.

Conclusion:

The private sector in India has contributed significantly to the nation's economic growth, but it is not without its flaws. Issues such as worker exploitation, poor grievance redressal systems, and wage disparity remain persistent challenges. To create a more balanced and sustainable economic environment, India needs to adopt a "Third Way" — one that blends enterprise growth with worker dignity.

The future of India's private sector should focus on ensuring that economic success does not come at the expense of workers' rights. Achieving this balance will require reforms that empower workers, promote union activities, and ensure compliance with labour laws while fostering entrepreneurship and business growth.

In the end, a robust, fair, and just private sector is essential for India to achieve its economic and social goals, where both businesses and workers thrive together.

Social Security Sector: A New Paradigm

1) Before We Begin: The Four Stages of Life in Indian Thought

Indian civilization's moral imagination has always looked at human life through the lens of *Chaturashrama*—the four progressive stages of life. Unlike the contemporary Western paradigm which measures life through material productivity, *Chaturashrama* envisions a purpose-driven, value-centered progression:

- **Brahmacharya (Student Life):** Focused on learning, physical discipline, and character formation. A phase to absorb knowledge, morality (*dharma*), and skills for the future.
- **Grihastha (Householder Life):** The most active phase, where one contributes to economic life, raises a family, and engages with society through duty and service.
- **Vanaprastha (Withdrawal Life):** Post-responsibility phase—where the individual detaches from daily struggles, mentors younger generations, and actively engages in social, spiritual, or moral leadership.
- **Sannyasa (Renunciation):** Complete withdrawal from worldly matters, devoted to spiritual liberation and self-realization.

In modern urban societies, retirement often represents a sudden rupture, an abrupt end to the perceived usefulness. The Indian model, however, integrates each life stage into a harmonious whole, emphasizing dignity, meaning, and continuity of contribution. It is the *Vanaprastha Ashram* that offers a civilizational answer to the current vacuum of both dignity and inclusion in old age as well as passage of stories and skills from the old to the young. For the purpose of this paper we will be looking at the Vanprastha Ashram that closely related to the post retirement life - specially due to the fact that sanyasa has become widely irrelevant in the mainstream of society

2) Understanding Vanaprastha Ashram in Contemporary Society

The word *Vanaprastha* means "retreat to the forest", signifying detachment from material pursuits, but not from responsibility. It symbolized a social transition, one not of isolation, but of conscious reintegration into society with a new role: *a guide, mentor, and moral compass*.

Relevance Today

In today's context, Vanaprastha should be viewed as:

- **A phase of societal mentorship:** Retired persons possess deep domain knowledge. They can guide professionals, startups, workers' groups, and even youth entering employment.

- **A pillar of community service:** From temple administration to school mentoring, retired individuals can contribute to the moral and civic fabric of their localities.
- **A voice of balance in policymaking:** With age comes perspective. Their involvement in RWA groups, SHGs, and local civic councils brings seasoned wisdom to governance.
- **A counter to loneliness:** Society should actively engage and network its senior citizens, not abandon them to isolation. This is where Vanaprastha becomes a community principle.

India's Demographic Shift

- India currently has over **13.8 crore** elderly citizens, expected to rise to **18 crore by 2026**.
- This group includes **retired government employees, private sector professionals, artisans, unorganised workers**, and **homemakers**.
- Most remain physically able, mentally alert, and socially well-connected making them **a latent national resource**.

3) The Concept of Social Security: What It Is and What It Is Not

Social Security in most discourse refers to **financial protections** given by the state—pensions, health insurance, and subsidies. However, the deeper Indian understanding calls for **social embeddedness**—emotional support, identity, dignity, and a place within community structures.

Globally accepted Definition:

According to the ILO, social security has been defined as the **protection that a society provides** to individuals and households to ensure access to health care and to guarantee income security, particularly in cases of old age, unemployment, sickness, invalidity, work injury, maternity or loss of a breadwinner. - It includes the following protections.

- **Medical care**
- **Sickness benefits**
- **Unemployment benefits**
- **Old-age benefits**
- **Employment injury benefits**
- **Family benefits**
- **Maternity benefits**
- **Invalidity benefits, and**
- **Survivors' benefits**

4) India's Social Security Architecture: Legislations and Schemes

A. Social Insurance (Contributory, Employment-linked)

1. Employees' Provident Fund Organisation (EPFO, 1952)

- Mandatory for establishments with 20+ workers.
- Employee and employer contribute ~12% of wages.
- Ensures retirement savings, partially withdrawable for housing, medical needs.

2. Employees' State Insurance Corporation (ESIC, 1948)

- Health and maternity cover for employees earning ≤ ₹21,000/month.
- Includes free hospitalization, sickness benefits, and funeral assistance.

3. Employees' Pension Scheme (EPS 1995)

- Monthly pension on retirement/disability for EPFO subscribers.
- Widow, children, and orphan pensions also included.

4. Employees' Deposit Linked Insurance Scheme (EDLI)

- Lump sum benefit to nominee in case of employee's death during service.

5. National Pension System (NPS)

- Market-linked pension plan open to all.
- Mandatory for most central/state government recruits post-2004.

B. Social Assistance (Non-contributory, Tax-funded)

1. Indira Gandhi National Old Age Pension Scheme (IGNOAPS)

- For senior citizens (60+), BPL category.
- ₹200–₹500/month depending on age and state top-up.

2. Indira Gandhi Widow Pension Scheme (IGNWPS)

- For widows aged 40–59 years from BPL households.

3. Indira Gandhi Disability Pension Scheme (IGNDPS)

- For persons with disability aged 18–59 years, BPL category.

4. Pradhan Mantri Shram Yogi Maan-Dhan (PM-SYM)

- Voluntary pension for unorganised workers aged 18–40.
- Monthly pension of ₹3,000 after age 60.
- Government co-contribution for eligible workers.
-

C. Sectoral Welfare Boards & Unorganised Sector

1. Construction Workers Welfare Board (BoCW)

- State boards under Building and Other Construction Workers Act.
- Offer pensions, maternity benefits, toolkits, education aid.

2. Mathadi Boards (Maharashtra)

- Unique model offering social protection to head-load workers.

3. Beedi Workers Welfare Fund

- Administers education, health, and housing for workers in the beedi industry.

4. Unorganised Workers' Social Security Act (2008)

- Framework for identifying unorganised workers and extending benefits.
- Implementation has remained fragmented.

Other General Schemes

- **Ayushman Bharat – PMJAY:** ₹5 lakh family health insurance for the poor.
- **PDS (Food Security Act):** 5 kg foodgrain per month per person at subsidised rates.
- **PM-KISAN:** ₹6,000/year income support to small/marginal farmers.
- **MGNREGA:** 100 days of wage employment annually to rural households.
- **APY**: Contributory Pension scheme
- **PMJJBY:** Contributory insurance scheme

One look at the list above makes it clear that what we are talking about here is not social security but financial protection. While necessary, this **limited framing ignores the social ecosystem**—kinship networks, local institutions, intergenerational engagement, and community care.

True Social Security in Indian Thought

In Indian culture and society, that we are all living and walking parts of, **social security begins at the level of society**, not the state. A few key pillars:

- **Belonging:** Emotional and cultural identity in family and society.
- **Trust & Reciprocity:** Mutual support in times of need.
- **Community Institutions:** Temples, Panchayats, SHGs, Kalyan Mandals.
- **Moral Responsibility:** Elderly are not dependents, but *guides*.

5) BMS's Perspective: Social Security Through Society

BMS upholds a distinct and human-centric philosophy that forms the foundation of its approach to labour welfare and social justice. At its core lies the principle of **"Human First"**, which asserts that labour must never be reduced to a mere economic commodity. Instead, workers are viewed as **co-creators of society**, whose efforts are not just transactional but deeply transformative. Their contribution is not limited to physical output but extends to the building of families, communities, and the nation itself.

With this thought at centre, BMS has created its social security sector rooted in *Bharatiyata*, social ethics, and responsibility-driven unionism. It challenges both capitalist alienation and welfare-state dependency. In line with this thinking, BMS emphasizes the **social responsibility** of every worker. A worker is not simply a wage earner, but a **social being**, bound by a sense of duty toward family, society, and future generations. Labour is seen as a sacred act, rooted in Dharma, where productivity is not just measured in monetary gains but in how it uplifts others and sustains collective well-being. Workers must not only fight for fair wages and safe conditions but also uphold ethical conduct, environmental sensitivity, and intergenerational responsibility.

Furthermore, BMS believes that **true security** cannot be ensured through pensions and savings alone. **Security comes from belonging**—from being treated with dignity, included in decision-making, and supported through networks of solidarity and mentorship. Social inclusion and emotional well-being are integral to a worker's holistic security. Institutions, employers, and unions must therefore create environments where workers feel heard, valued, and cared for—not just as employees but as human beings with aspirations, values, and potential for growth.

BMS's Conception of Social Security Sector

- **Raise rightful demands, responsibly:** Without harming national productivity or societal balance.
- **Post-retirement activism:** Retirees to form **social resource clusters**—knowledge hubs, community volunteers, grievance advisors.
- **Organise, not just agitate:** Create networks of elderly for peer learning, wellness, and societal mentoring.
- **Cultural Reorientation:** Promote *Vanaprastha* as a national movement—redefine success in terms of giving back, not withdrawing.

The Call: "Santosh se Samriddhi"

Instead of unchecked materialism, BMS urges contentment-driven prosperity where **social value creation, not just GDP**, defines development.

Conclusion

India stands at a historic crossroads—an ageing population, a vibrant youth, and a rich civilizational heritage. To bridge the growing distance between state schemes and social needs, we must shift our gaze:

- From **beneficiaries** to **contributors**
- From **pensioners** to **mentors**
- From **passive recipients** to **active elders**

The *Vanaprastha* model is regenerative. By combining civilizational ethics with modern social policy, India can build a **Social Security Sector** that is not only financial but truly social, rooted in duty, dignity, and *Dharma*.

Unorganised Sector: An Overview

Introduction

The unorganised sector in India encompasses a vast and diverse workforce that operates outside the formal structures of employment. This sector includes self-employed individuals, casual laborers, and workers in small-scale industries, among others. Despite its significant contribution to the economy, estimated to be nearly 50% of India's GDP and employing over 90% of the total workforce, the unorganised sector often lacks adequate social security, legal protection, and representation. From a societal point of view, the condition of workers in this sector reflects the structural inequalities in access to education, skills, and opportunities. Government intervention and worker-centric advocacy are crucial to protect their interests.

Defining the Unorganised Sector

The Second National Commission on Labour highlighted the challenges in defining the unorganised sector due to its heterogeneity. It encompasses various forms of employment, including self-employment, home-based work, and casual labor, across multiple industries and regions. Key characteristics include:

- **Lack of Formal Contracts**: Many workers operate without written agreements, leading to job insecurity and arbitrary termination. This makes them vulnerable to exploitation and limits their access to legal recourse.
- **Absence of Social Security**: Limited access to benefits like health insurance, pensions, and provident funds means workers are exposed to financial instability during emergencies and old age.
- **Low Wages and Poor Working Conditions**: Workers often receive minimal compensation and work in unsafe environments, without access to clean drinking water, sanitation, or protective gear. Women workers face additional challenges such as wage discrimination and harassment.
- **Fragmentation**: The workforce is dispersed across urban and rural regions, making collective organization challenging. The lack of employer-employee relationships in many settings adds to the complexity.

From the government's standpoint, addressing these issues requires tailored policy frameworks that recognize the diversity within this sector. From the perspective of worker welfare, formalizing employment relationships and ensuring basic protections is paramount.

Understanding the Unorganised Sector

After a prolonged and concentrated effort the Indian unorganised seems to be composed of two large factions - each with its own peculiar traits:

1. Vishwakarma Sector

This segment includes traditional artisans and craftsmen such as carpenters, blacksmiths, weavers, potters, cobblers, and masons. These individuals often possess specialized skills passed down through generations but lack formal recognition, access to finance, and institutional support. They also tend to have some capital in the form of tools/machines.

2. Gig Sector

More often than not Gig has been confused with platform in academia, policy making and by the masses. Gig is a far broader term that must be understood accordingly. All work done as part of short-term informal contracts must be seen as gigs.
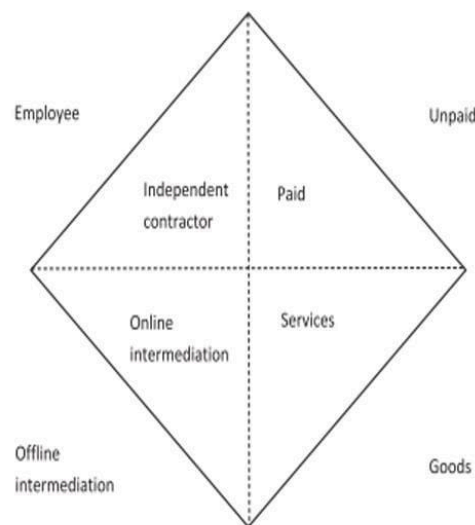

Figure 1: What makes up the gig economy (Koutsimpogirgos et al.)

A pictorial representation of the gig sector.

This is also in line with the government of India's definition for gig economy along similar lines in its social security code 2020 - Any work that is done outside the traditional employer - employee relationship.

Government Initiatives

The indian government as well as state governments launched multiple and sometimes even overlapping schemes to ease the lives of workers in the Unorgnaised sector. Below is a list of key schemes for the sector

Scheme Name	Year of Launch	Proposed Benefits	Target Population / Section Covered
E-Shram Portal	2021	National database for unorganised workers; facilitates linkage with social security schemes.	All unorganised workers including migrant, gig, platform, construction, domestic workers
Pradhan Mantri Shram Yogi Maandhan (PMSYM)	2019	Voluntary contributory pension of ₹3,000/month post 60 years.	Unorganised workers aged 18–40 years with income < ₹15,000/month
Atal Pension Yojana (APY)	2015	Fixed pension between ₹1,000–₹5,000/month after 60 years; partial government co-contribution.	All citizens (mainly informal sector workers not under EPFO/ESIC)
Ayushman Bharat - PM-JAY	2018	₹5 lakh per family per year for secondary and tertiary hospitalization.	Vulnerable populations; includes unorganised workers like street vendors, domestic workers
Pradhan Mantri Suraksha Bima Yojana (PMSBY)	2015	Accidental death/disability insurance up to ₹2 lakh at ₹12/year premium.	Anyone aged 18–70; large enrolment from informal sector workers
Pradhan Mantri Jeevan Jyoti Bima	2015	Life insurance of ₹2 lakh at ₹330/year	Workers in unorganised and

Scheme Name	Year of Launch	Proposed Benefits	Target Population / Section Covered
Yojana (PMJJBY)		premium.	low-income groups
PM Vishwakarma Yojana	2023	Toolkit incentive, skill training, ₹1–2 lakh collateral-free credit, marketing support.	Traditional artisans: 18 caste-based trades (carpenter, blacksmith, potter, weaver, etc.)
Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)	2006	Guaranteed 100 days wage employment in rural areas.	Rural unorganised workers (mainly SC/ST, women, small farmers, migrants)
National Rural Livelihood Mission (NRLM)	2011	SHG promotion, credit linkage, skilling, livelihood diversification.	Rural poor (especially women, SC/ST, minorities)
National Urban Livelihoods Mission (NULM)	2013 (revamped 2014)	Skill training, shelter for urban homeless, financial inclusion, urban self-employment.	Urban informal workers, street vendors, homeless
MUDRA Scheme (Pradhan Mantri Mudra Yojana)	2015	Micro-credit up to ₹10 lakh without collateral (Shishu, Kishor, Tarun loans).	Small entrepreneurs, artisans, self-employed workers
Construction Workers Welfare Boards (under BOCW Act)	1996 (BOCW Act)	Welfare benefits: health, education, pension, maternity, skill training, insurance.	Registered construction workers under Building and Other Construction Workers Welfare Boards
Social Security Code – Gig & Platform Provisions	2020 (yet to be fully operationalised)	Mandatory creation of welfare fund by aggregators, social security for gig workers.	Gig/platform workers (Ola, Uber, Zomato, Swiggy, etc.)
Digital Saksharta	2016	Basic digital literacy	Rural and semi-urban

Scheme Name	Year of Launch	Proposed Benefits	Target Population / Section Covered
Abhiyan (DISHA)		training to rural citizens.	informal sector workers
National SC/ST Hub	2016	Capacity building, vendor development, credit facilitation for SC/ST entrepreneurs.	SC/ST workers, artisans, and entrepreneurs
Deendayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY)	2014	Market-linked skill training with placement support.	Rural youth aged 15–35 from poor families (including SC/ST)
Jan Dhan Yojana	2014	Financial inclusion via zero-balance bank accounts with insurance and pension benefits.	Unbanked poor, including unorganised workers
Unorganised Workers' Social Security Act (UWSSA)	2008 (now subsumed under Labour Codes)	Framework for unorganised worker identification and benefit delivery.	All unorganised sector workers
National Health Miss ASHA/ANM worker benefits	**National Health Miss ASHA/ANM worker benefits**	**National Health Miss ASHA/ANM worker benefits**	**National Health Miss ASHA/ANM worker benefits**
Domestic Workers Welfare Schemes (State-specific)	**Domestic Workers Welfare Schemes (State-specific)**	**Domestic Workers Welfare Schemes (State-specific)**	**Domestic Workers Welfare Schemes (State-specific)**

Scheme Name	Year of Launch	Proposed Benefits	Target Population / Section Covered
Rajasthan Platform-Based Gig Workers Act	Rajasthan Platform-Based Gig Workers Act	Rajasthan Platform-Based Gig Workers Act	Rajasthan Platform-Based Gig Workers Act
Beedi workers welfare board			
Plantation workers board			

Challenges and Issues

Despite progressive schemes, several structural and operational challenges hinder the full inclusion of unorganised workers:

- **Implementation Gaps**: Many schemes suffer from inadequate outreach, bureaucratic hurdles, and low awareness. Integration with local governance and streamlined digital processes are needed.
- **Lack of Data Accuracy**: Maintaining an up-to-date and accurate database is difficult due to seasonal migration, informal hiring, and the multiplicity of occupations. Trade unions have demanded periodic enumeration and GIS-based workforce mapping.
- **Legal Ambiguities**: Definitions of "unorganised," "gig," and "platform" workers vary across states and statutes. Uniformity and clarity in legal definitions are crucial for enforceability.
- **Digital Divide**: Lack of access to smartphones, digital literacy, and language barriers restrict the ability of many workers to benefit from e-portals and online schemes. Women, elderly, and tribal populations are disproportionately affected.

Role of Trade Unions

Trade unions continue to play a transformative role in protecting and empowering unorganised workers:

- **Organizing Workers**: Unions have mobilised informal sector workers into collectives. Examples include domestic worker federations in Kerala, construction worker unions in Odisha, and gig worker unions in Bengaluru and Delhi.
- **Policy Advocacy**: Trade unions like BMS, SEWA, and AITUC participate in consultations with the Ministry of Labour, State Welfare Boards, and Social Security Committees to draft and amend labour laws.
- **Awareness Campaigns**: Through grassroots outreach, unions educate workers about their entitlements, assist in E-Shram registration, and enable access to insurance and pension schemes.
- **Capacity Building**: Many unions have started digital training centres, legal aid camps, and vocational courses to increase employability and resilience among workers.

Recommendations

To enhance the welfare of unorganised workers:

- **Legal Reforms**: Establish clear definitions and protective legislations for unorganised workers. Promote state-level legislation specific to Vishwakarma artisans and gig workers with enforceable minimum standards.
- **Strengthen Implementation**: Improve scheme delivery through mobile-based services, multilingual helplines, and partnerships with panchayats and cooperatives.
- **Promote Skill Development**: Develop regional skill clusters, link skill development to local markets, and empower trade unions to act as training providers.
- **Encourage Unionization**: Recognise informal sector unions officially, ensure representation in tripartite bodies, and support registration of collectives under labour boards.
- **Localised Welfare Boards**: Establish sector- and caste-specific welfare boards tied to regional crafts and occupations, such as bamboo workers in Assam or embroidery workers in Gujarat.
- **Worker Education**: Expand the reach of lifelong learning programs through Workers' Education Boards, Jan Shikshan Sansthans, and digital platforms.

Conclusion

The unorganised sector remains a vital component of India's economy, yet its workers often operate in precarious and exploitative conditions. A concerted effort involving legal reforms, inclusive welfare delivery, skill enhancement, and union-led empowerment is essential to achieve equitable growth. The road ahead must enshrine dignity of labour, uphold the spirit of constitutional social justice, and foster a participatory labour governance model that includes even the most marginalised voices.