



Informal enterprise as harbinger of women empowerment in India

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Accepted: 3 October 2023

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Abstract

The prevailing economic theory of development has traditionally linked the informal sector businesses with backwardness, under-development, and adherence to traditional practices. According to this theoretical framework, in order to foster development and modernization, it is believed that the informal sector should gradually disappear over time. However, the present research challenges this structuralist perspective specifically in relation to women-led enterprises operating in the informal sector in India. By analyzing data from two rounds of the National Sample Survey Organization (NSSO) conducted five years apart, the study reveals that not only have women-led enterprises in the informal sector experienced significant growth over time, but their level of technical efficiency has also increased. The research paper identifies the main factors contributing to both efficiency and inefficiency within these women-led enterprises. Furthermore, empirical investigations conducted in conjunction with this study validate the potential of the informal sector as a catalyst for women's empowerment in India. In conclusion, the study offers practical policy recommendations that support the growth and development of the informal sector in India.

Keywords Women enterprises · India · Informal sector · Technical efficiency

JEL Classification D61 · E26 · L26