

## ***Informal Sector in India***

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### **Abstract**

The importance of household enterprises in the Indian economy well recognized and given importance in the development planning and the concept of self-sufficient villages was given emphasis in various policy prescriptions which led to the emergence of household enterprises throughout the country. These enterprises are generally recognized as unorganised sector in place of the international concept of informal sector. Though the term 'informal sector' sector came into existence in 1972 and ILO evolved a conceptual framework and guidelines for the collection of statistics on informal sector, there has not been any single definition of informal/unorganised sector in India. The Different organizations of India like National Sample Survey Organisation (NSSO), Directorate General of Employment and Training (DGET) etc using varying definitions of informal/unorganised sector depending on the specific requirements of each organisation. The National Commission for Enterprises in the Unorganised Sector (NCEUS) set up by Govt. of India evolved a set of harmonizing definition consistent with conditions prevailing in India and international recommendations. As per NCEUS informal sector is defined as *"The informal sector consists of all unincorporated private enterprises owned by individuals or households engaged in the sale and production of goods and services operated on a proprietary or partnership basis and with less than ten total workers"* and informal worker is defined as *"Informal workers consists of those working in the informal sector or households, excluding regular workers with social security benefits provided by the employers and the workers in the formal sector without any employment and social security benefits provided by the employers"*. Using this definition of informal sector this paper will study the employment scenario across sectors, states, Industry group etc in India. A detail analysis of different socio-economic characteristics by gender, social group and economic class of the informal sector workers will be studied based on the NSSO employment-unemployment survey.

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