PANJ Newsletter

31 JULY 2026 | EDITION #18

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LATEST WRITING

PLACING THE UNINCORPORATED SECTOR IN INDIA'S GROWTH STORY

by Anmoldeep Singh

The latest Annual Survey of Unincorporated Sector Enterprises (ASUSE) 2025 reported that India has nearly eight crore unincorporated establishments and employs roughly a fifth of India's total workforce. Yet this vast sector contributes a meagre six per cent, or around Rs 20 lakh crore, to India's total gross value added and offers the majority of its workers less than the minimum wage (ASUSE, *2025*; EPW, *2026*). This is the dichotomy central to India's growth story where a sector that employs many, enriches very few of them.

Though the ASUSE 2025 paints a fairly optimistic picture of the sector, a longer, decade-long view tells a different story. The sector entered a sustained decline after 2016; while the exact causal weight of each factor is difficult to establish, demonetisation, the introduction of the Goods and Services Tax, and the Covid-19 pandemic are widely cited as contributing causes (EPW, 2024). Between 2015-16 and 2021-22, the number of establishments fell by 12 per cent and number of workers by 5.7 per cent. Growth in per-establishment GVA slowed sharply over the same period, to just 25 per cent, compared with 78 per cent in the preceding five years (2010-11 to 2015-16). Average daily earnings in the sector as per ASUSE 2025 — roughly Rs 385 in manufacturing, Rs 395 in trade, and Rs 414 in other services — remain below India's minimum-wage benchmark of Rs 478 a day for unskilled non-farm work (Ministry of Labour and Employment, 2026). Only in the past two to three years has the sector regained momentum. The latest survey counts 7.92 crore establishments, up 8 per cent on the previous year, with gross value added rising by nearly 11 per cent.

The recovery has not been shared equally. The unincorporated sector comprises two broad categories of establishment: Own Account Enterprises (OAEs), which operate without any hired worker, and Hired Worker Enterprises (HWEs), which do. An overwhelming majority of establishments fall into the first category — solo operations with no hired help at all.

Read full article on our website

LATEST OPPORTUNITIES

RESEARCH ASSOCIATE

For project 'The Elder Care Ecosystem in Punjab' funded by ACT Centre, TIET. Six month engagement (extendable), travel across Punjab. More details here. Apply here.

ASSISTANT PROFESSOR IN POLITICAL SCIENCE

By PW Digital University (PWDU) in Punjab. Academic content development and curriculum delivery for its BA Political Science programme. PG degree with NET qualification. Apply here.

RESEARCH OFFICER

By Indian Institute of Public Administration, for the Study of Manpower in Municipal Corporation Chandigarh. Engagement of four months, extendable. MBA, candidates must be under the age of 35 years. More information here.

MUST READS

The paper *"Reforming Agricultural Land Conversion Laws in Indian States"* by Rajagopalan et al. (2026) argues that agricultural land conversion laws in India are a major barrier to the country's structural transformation. The authors highlight that even as agriculture constitutes approximately 16 percent of India's GDP (FY 2024-25), yet it employs half the workforce. This difference stands out to the authors as a grave spatial misallocation. They trace this concern to the approval system governing agricultural land conversion. Across the 20 states studied in the paper, the procedure related to the conversion rests on more than 50 primary statutes and state rules, and is implemented through over 70 offices and committees. The authors consider this approval regime not just a complex administrative structure, but a binding constraint on economic sectoral growth in India.

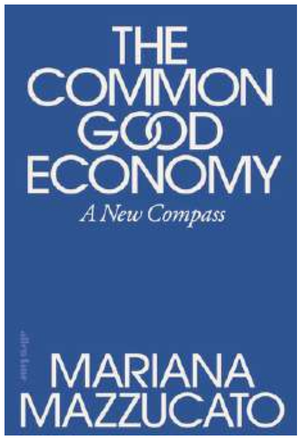
The paper's major contribution is its 20 state regulatory mapping, which is unrivaled by any previous study on Indian conversion land law. For each of the mapped states, the authors document the entire process, covering applications, pre-scrutiny, site inspection, interdepartmental clearances, timelines, fees, penalties, and exemptions. The paper supports this with examples like the case of conversions in Kerala, where farmers face a multi-committee process for building a house on their paddy land. Another example is that of the farmers in Nagpur in Maharashtra, who face an eight-step procedures and premiums up to 75 percent of market value before they could lease land for non-agricultural uses, especially for solar leasing.

The paper's second insight is its difference-in-differences approach of comparative analysis of the border districts in Telangana and Andhra Pradesh, two states that shared the same regulatory framework until their bifurcation in 2014. The regions taken into consideration showed a similar pace of urban expansion up till 2014 but diverged over the next decade. Telangana's post-2010 reforms accelerated land conversion and built-up area growth rate at roughly 1.3 times the pace observed in comparable Andhra Pradesh districts, which is accredited to its TG-iPASS single-window system of 2015 by the authors.

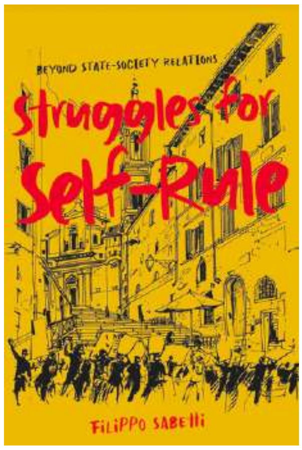
In their conclusive recommendation, the authors recommend Andhra Pradesh's decision of repealing its conversion law as a nation-wide model. The concern that arises here is that the evidence that the authors present supports Telangana's regulatory reform, which did not follow an abolitionist approach but rather streamlined the process. Telangana's reform was backed by a decade worth of conversion evidence unlike the repeal administered by Andhra Pradesh passed only in 2025. The authors mention that the repeal's impact 'remains to be seen', yet prescribe it as a model to be pedestaled and adopted at a national stage. Overall, the paper is a well-organised contribution with the 20-state mapping, a distinct and valuable addition to existing literature along with a highlighted reference to the close-border Telangana-Andhra case study that provides a credible analysis in regard to simpler conversions by way of streamlined regulatory procedures. The case for full repeal should be understood more as a hypothesis in its experimental stage rather than an outright prescription due to its lack of temporal evidentiary basis yet the paper serves as a diagnostic of the arduous agricultural land conversion problem in the Indian regulatory landscape.

Read the complete publication here

BOOK RECOMMENDATIONS



The Common Good Economy: A New Compass by Mariana Mazzucato published by Penguin Allen Lane in 2026



Struggles for Self-Rule: Beyond State-Society Relations by Filippo Sabetti published by McGill Queen's University Press in 2025

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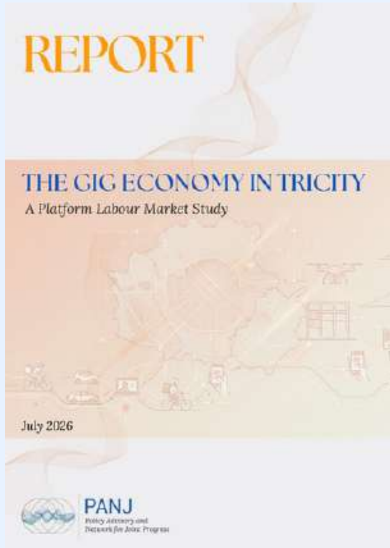
Report

THE GIG ECONOMY IN TRICITY
A PLATFORM LABOUR MARKET STUDY



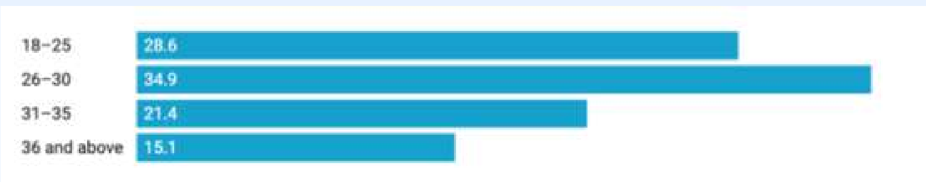
Gig work defined as 'labour markets that are characterised by independent contracting that happens **through, via, and on** digital platforms (Woodcock and Graham, 2018).

Work characterised as: **contingent, casual, and non-permanent**
NITI Aayog estimates that gig economy's number in India is to triple to 23.5 mn by 2029-30 (from 7.7 mn workers in 2020)
GoI estimates suggest that the platform economy has potential to create up to 90 million jobs and add up to 1.25% to India's GDP

REGULATORY OVERVIEW

First formal recognition of gig workers in regulation came with the **Code on Social Security, 2020.** The Code defines gig workers as those participating outside traditional employer-employee relations; and also extends social security benefits, and social security fund
Haryana has proposed creating **'Haryana Gig Workers Welfare Board',** and introduced amendments for better regulation over aggregators. Punjab yet to adopt any separate regulation particularly for gig workers. Chandigarh UT has adopted rules under Code on Social Security, 2020

FINDINGS



Nearly 2/3rd of respondents are under the age of 30 years (consistent with international evidence)

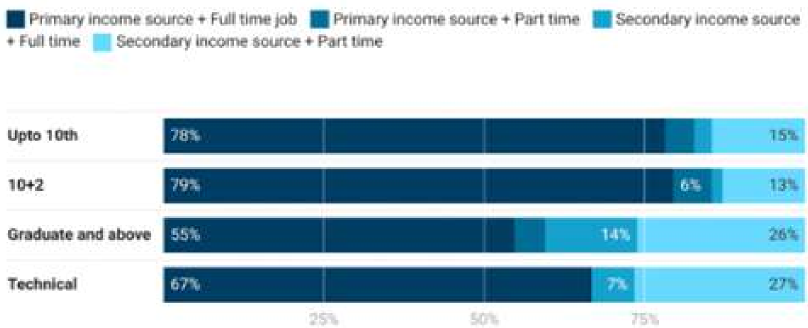
5%

Women engaged in gig work in Tricity

58%

Workers interviewed were migrants

AN INCREASING NUMBER OF GRADUATES ENGAGING IN GIG WORK



Respondents with lower education levels are more dependent on gig work as their primary income source, and engage in it full time

Up to 10th: 78%
Up to 12th: 79%
Graduates: 55%

9.1 hrs

Average working hours

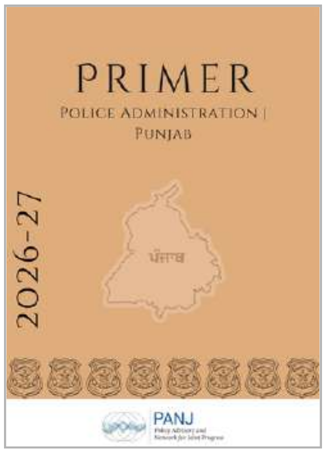
21.6%

Average platform cut. Platform keeps ~1/5th of workers' earnings (avg)

₹682/day

Average gig worker earning in the tricity, with a Std Deviation of Rs 214

READ OUR LATEST PRIMER

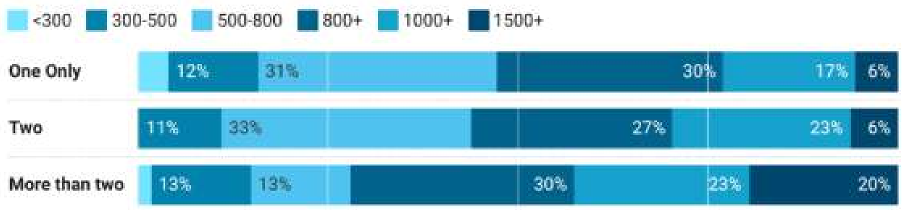


This edition presents insights into state's initiatives regarding police administration, regulatory overview, and comparison with other states.

Read our previous editions here

73% (Panchkula), 61% (Chandigarh), and 56% (Mohali) of the surveyed workers, work 10 hours+ a day

THE GIG ECONOMY DOES NOT FIT THE TRADITIONAL EMPLOYMENT STRUCTURE



61% of surveyed workers engaged in 'multi-homing': simultaneously operating on two or more platforms

23% of the surveyed workers who engaged in multi-homing reported income of **Rs 1,500/day**