

## A Vision towards Viksit Bharat through Development of Unorganized Sector

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### ABSTRACT

*This initiative aims to bridge the gap between the workers and the Government schemes designed to support their well being and uplift their lives and reduction in poverty by making contribution in the vision towards Viksit Bharat through development of unorganized sector. The research focuses on the fact that while ninety two percent of the total population comes under the unorganized sector, with fifty percent of those workers originating from the construction sector, there remains a significant lack of awareness regarding the various Government Schemes available to them. By identifying the problem statements such as workers not being satisfied with wages and their lives not being insured, this study seeks to take a step towards Viksit Bharat by reducing poverty in the unorganized construction sector. The abstract emphasizes creating awareness among the workers and labors regarding various government schemes available and recommending strategies for enhancing their quality of life. Through the development of an app for construction workers, this project aims to provide relevant information regarding existing and upcoming schemes of the Government to foster economic growth by empowering the unorganized sector.*

**Keywords:** *Unorganized Sector, Construction Workers, Government Schemes, Poverty Alleviation, Worker Empowerment.*

### Introduction

The pursuit of the ambitious goals set forth under the vision of Viksit Bharat 2047 requires a profound transformation of India's economic landscape, specifically regarding the unorganized construction sector. This sector represents a critical yet profoundly vulnerable pillar of the national economy. Statistics indicate that India's informal sector encompasses approximately ninety two percent of the total working population, with the construction industry acting as the primary engine of employment for half of these individuals. These workers are the architects of the physical infrastructure in the roads, smart cities, and transit hubs that form the backbone of a developed nation. However, a stark paradox remains. While their labor drives the national gross domestic product toward a thirty trillion-dollar target, the workers themselves often exist in a state of economic precariousness, characterized by stagnant wages, high occupational risks, and a persistent exclusion from the digital and financial progress sweeping through other sectors of the Indian economy.

The current landscape of the construction industry is defined by high mobility and a transient workforce, which inherently complicates the delivery of social safety nets. Most construction laborers are migratory, moving from rural heartlands to urban construction sites based on seasonal demand and project availability. This fluidity leads to a breakdown in traditional administrative monitoring, making it difficult for

workers to maintain the consistent documentation required for enrollment in welfare programs. Even with the introduction of initiatives like the eShram portal and the Building and Other Construction Workers Act, which aim to create a comprehensive national database, the transition from an invisible labor force to a recognized workforce remains incomplete due to the significant gap in last mile delivery.

Central to this issue is the profound information asymmetry that exists between policy design and ground level execution. Research indicates that a significant majority of workers remain unaware of their eligibility for schemes like the Pradhan Mantri Shram Yogi Maandhan or state-specific health insurance programs. This lack of awareness is compounded by a digital divide. Although smartphone penetration has increased across India, the ability to navigate complex government portals remains a luxury. For an illiterate or semi-literate laborer, a digital application that is not intuitive or available in a localized, voice assisted format serves as a barrier rather than a bridge. Consequently, workers often fall back on exploitative middlemen for information and credit, further entrenching them in a cycle of debt and dependency.

Wage dissatisfaction and the absence of comprehensive insurance coverage represent significant threats to the long-term stability of this sector. Construction sites are hazardous environments where a single accident can permanently incapacitate a breadwinner, leading to immediate family destitution. The irony of a developed India is that while it seeks to eradicate poverty, the very people building its foundations are frequently one health crisis away from falling deeper into financial ruin. The integration of the Reserve Bank of India through innovative financial inclusion models—such as micro insurance and daily wage linked pension systems—is no longer just a policy recommendation but a structural necessity for sustainable growth.

The vision for the year 2047 necessitates a radical shift from a paternalistic welfare model to one of proactive empowerment through technology. This requires the development of localized, artificial intelligence-driven platforms that transcend language and literacy barriers, allowing workers to access their benefits as easily as they might use a social media application. By aligning digital literacy with financial autonomy, India can transform its unorganized construction force into a formalized, skilled, and secure segment of the population. This research aims to analyze these systemic gaps and propose a framework where the prosperity of the nation is directly reflected in the quality of life and the financial security of its builders.

#### **Problem Statements**

- **A large portion of construction workers belongs to unorganized sector**

The construction industry is the second largest employer in India, yet it remains overwhelmingly informal. Being part of the unorganized sector means that these workers operate without formal appointment letters, regulated working hours, or employer-funded social security. This lack of formalization makes the workforce "invisible" to standard regulatory frameworks. Because most construction work is project-based and handled by sub-contractors or middlemen, the relationship between the worker and the ultimate employer is fragmented. This structural informality is the root cause of job insecurity, as workers have no legal recourse or job stability once a specific project is completed.

- **Workers are not aware about existing government schemes and policies**

There is a massive disconnect between the legislative intent of the government and the ground-level awareness of the laborers. While the government has launched numerous initiatives—such as the eShram portal for a national database, the Pradhan Mantri Shram Yogi Maandhan for pensions, and specific welfare boards for construction workers—the information rarely reaches the actual sites. This lack of awareness is often due to low literacy levels and the digital divide. Many workers do not know that they are entitled to financial assistance for their children's education, maternity benefits, or old-age pensions. Without this knowledge, the schemes remain underutilized, and the "last mile delivery" of welfare remains a significant challenge in the vision of Viksit Bharat.

- **Workers are not satisfied with the wages and their lives are not insured**

The dual crisis of low income and high physical risk. Construction labor is physically demanding and inherently dangerous, involving heights, heavy machinery, and hazardous materials. Despite these risks, the study finds a high level of dissatisfaction regarding daily wages, which often do not keep pace with the rising cost of living. Furthermore, the absence of life and accident

insurance is a critical failure in the current system. Since most workers are the sole breadwinners for their families, a single workplace injury or fatality without insurance coverage results in immediate and long-term poverty for their dependents. This lack of a safety net is a major roadblock to true economic empowerment.

#### **Objectives**

- **To take a step towards Viksit Bharat by reducing poverty in unorganized construction sector**

Reducing poverty in the construction sector requires moving beyond temporary aid and focusing on sustainable financial stability. Since a massive portion of the population relies on this sector, any significant reduction in national poverty levels must begin with the laborers who build the country's infrastructure. By ensuring that workers have access to consistent work, fair compensation, and social safety nets, this research seeks to elevate their standard of living, thereby contributing to the overarching goal of an inclusive and prosperous India.

- **To create awareness among the workers and labors regarding various government schemes available**

The secondary hurdle in uplifting the workforce is the significant information gap. While the government has introduced numerous policies such as the eShram portal, the Pradhan Mantri Shram Yogi Maandhan, and specific welfare boards the benefits often fail to reach the intended recipients because of a lack of awareness. This objective focuses on identifying the barriers to communication, whether they be literacy levels or a lack of digital access. By developing strategies to educate workers about their rights, insurance eligibility, and pension benefits, the research aims to ensure that existing government resources are fully utilized to protect the vulnerable workforce.

- **To recommend strategies for enhancing quality of life of construction workers**

Improving the quality of life goes beyond just increasing wages it involves ensuring a safe working environment, access to healthcare, and long-term security. This objective involves analyzing current grievances—such as the lack of life insurance and dissatisfaction with current pay scales to propose actionable solutions. Recommendations may include the implementation of specialized mobile applications that simplify the registration process for benefits or the introduction of site-based health and safety monitoring. By focusing on these enhancements, the study aims to provide a blueprint for a life of dignity for those in the unorganized sector.

- **To foster the economic growth by empowering unorganized sector**

Economic growth is directly linked to the productivity and stability of the workforce. When workers in the unorganized sector are empowered with financial literacy, digital tools, and legal protections, they become more efficient and stable contributors to the economy. This objective posits that by formalizing the unorganized construction sector and integrating it into the digital economy, India can unlock significant untapped potential. Empowering these workers ensures that the benefits of a thirty trillion-dollar economy are shared by those at the grassroots level, creating a more resilient and balanced economic structure for the future.

#### **Future Scope**

The roadmap for this research extends far beyond the initial identification of socio-economic gaps within the unorganized construction sector. As India marches toward the milestone of becoming a developed nation by the year twenty forty seven, the future scope of this study is strategically designed to transform theoretical observations into actionable technological and social interventions. The primary objective for future development is the creation and deployment of a dedicated mobile application specifically engineered for the construction workforce. This application will serve as a centralized digital portal, providing laborers with real-time, localized information regarding both existing and upcoming government welfare schemes. By bypassing traditional bureaucratic hurdles and eliminating the reliance on exploitative middlemen, this digital tool aims to ensure that the vision of Viksit Bharat is realized at the grassroots level through direct information empowerment.

In addition to the technological development of a dedicated app, the future scope involves a significant academic and collaborative dimension. The empirical data and insights gathered during this study particularly from the survey of four hundred eighty six respondents are intended to be a resource for

the broader academic community. Students specializing in commerce, management, and law can utilize this project's data to complete their own research requirements, thereby fostering a culture of evidence-based policy analysis. This collaborative approach ensures that the project benefits both the individual students and society at large, as the data provides a reliable foundation for further studies into poverty reduction and labor rights. By making this information accessible, the research creates a ripple effect of awareness that extends into university classrooms and eventually into policy-making circles.

The future trajectory of this study seeks to refine the "last-mile delivery" of financial services through institutional partnerships. Building on the suggestions of involving the Reserve Bank of India and various Non-Governmental Organizations, future research will focus on the practical implementation of automatic enrollment systems. This involves creating a seamless pipeline where a worker's registration on a mobile platform automatically triggers a Know Your Customer process for a bank account and insurance coverage at concessional rates. The goal is to move from a system where workers must actively seek out benefits they are unaware of, to a proactive model where the system identifies and protects them. This shift toward "proactive welfare" is essential for supporting a workforce that is often mobile and transient, ensuring that their social security remains intact regardless of their geographic location.

**Research Methodology**

The study utilizes a dual-pronged approach to data collection, ensuring that ground-level insights are balanced with institutional data.

- **Primary Data Collection:** This is the core of the research, gathered directly from the source to ensure authenticity. The primary data was collected through a Questionnaire and a Survey, complemented by direct conversations with labourers at various construction sites. A substantial sample size of 486 respondents was utilized for the questionnaire. This large sample size is critical for achieving statistical significance and capturing a diverse range of perspectives across different age groups, migration backgrounds, and skill levels within the construction sector. Direct conversations were particularly valuable as they allowed for a deeper understanding of the workers' grievances regarding wages and insurance that a standard form might miss.
- **Secondary Data Collection:** To provide a contextual framework for the primary findings, secondary data was meticulously gathered from Government websites and journals. These sources provided the necessary statistical background on the unorganized sector's contribution to the national economy and the official details of existing government schemes. By cross-referencing primary survey results with official government records, the research can pinpoint exactly where the breakdown in communication and benefit delivery occurs.

**Research Framework**

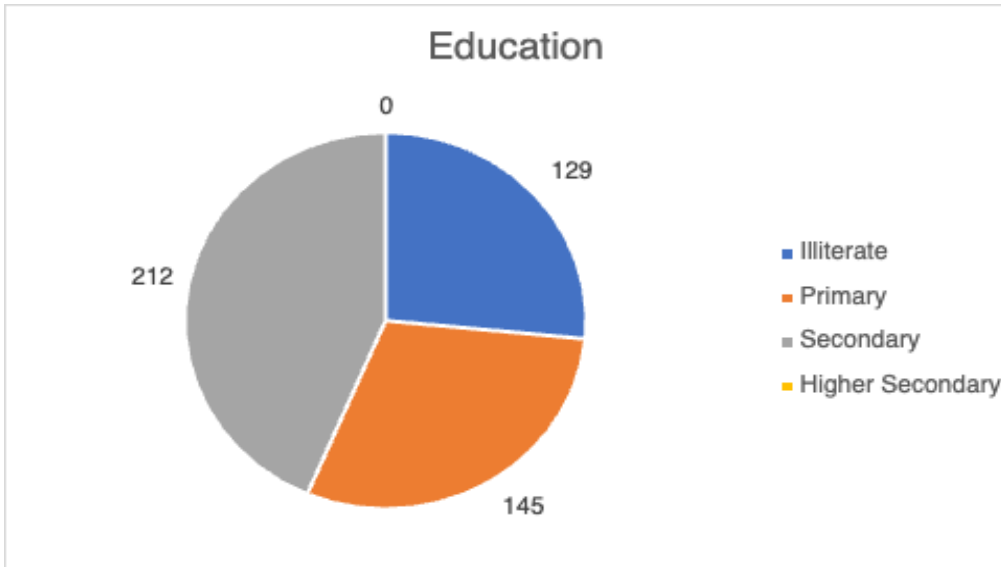
The methodology follows a structured path of inquiry, moving from data gathering to problem identification and eventual strategic recommendation.

The process begins with the identification of the target demographic unorganized construction laborers followed by the deployment of the survey tool to the 486 participants. Once the data from the questionnaires and direct conversations were aggregated, it was analyzed against the objectives of Viksit Bharat 2047. This empirical analysis allows for a clear correlation to be drawn between the lack of awareness and the resulting poverty levels. By grounding up the study in these specific primary and secondary sources, the research provides a reliable foundation for recommending the development of digital tools and institutional interventions intended to foster inclusive economic growth.

**Data Analysis & Interpretation**

- **Education**

Sr No	Category	Number of Workers
1	Illiterate	129
2	Primary	145
3	Secondary	212
4	Higher Secondary	0

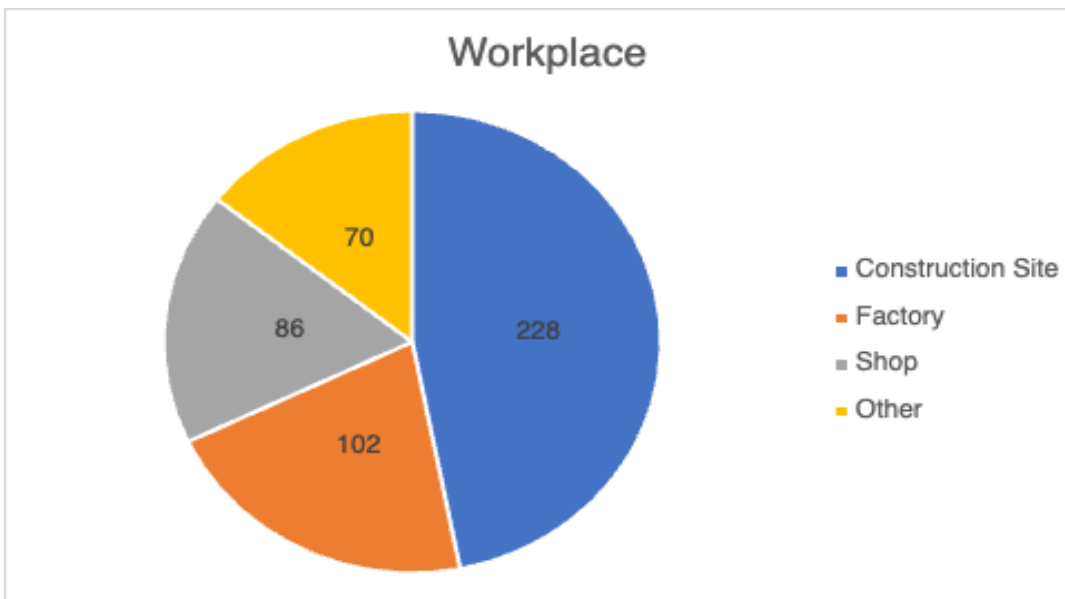


**Interpretation**

Over 56% of the workforce has only primary education or is illiterate. This demographic reality necessitates that any future digital tools or government communications must use simple, visual, or audio-based interfaces rather than complex text.

• **Workplace**

Sr No	Category	Number of Workers
1	Construction Site	228
2	Factory	102
3	Shop	86
4	Other	70

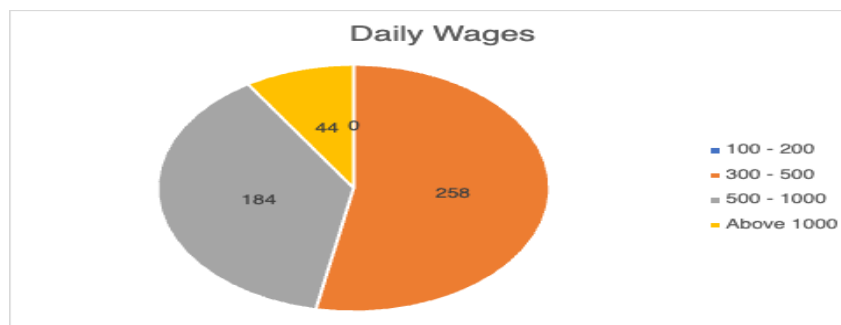


**Interpretation**

The survey data indicates that the unorganized workforce is distributed across several key environments, with a heavy concentration in high-risk manual labor. Nearly half of the total respondents are employed on construction sites, confirming that the construction industry remains the primary employer and the most critical area for policy intervention

• **What is your daily wage?**

Sr No	Category	Number of Workers
1	100 - 200	0
2	300 - 500	258
3	500 - 1000	184
4	Above 1000	44

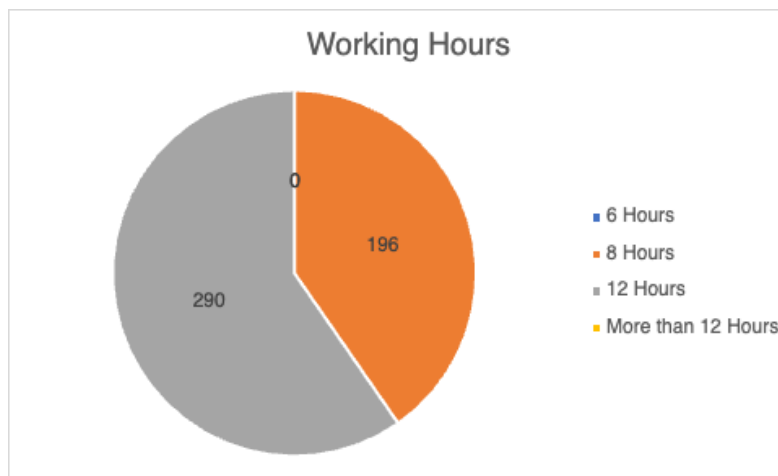


**Interpretation**

The majority of workers feel their daily earnings (largely in the Rs. 300-500 bracket) do not compensate for the intense physical labor and 12-hour workdays common in this sector.

• **How many hours do you work?**

Sr No	Category	Number of Workers
1	6 Hours	0
2	8 Hours	196
3	12 Hours	290
4	More than 12 Hours	0

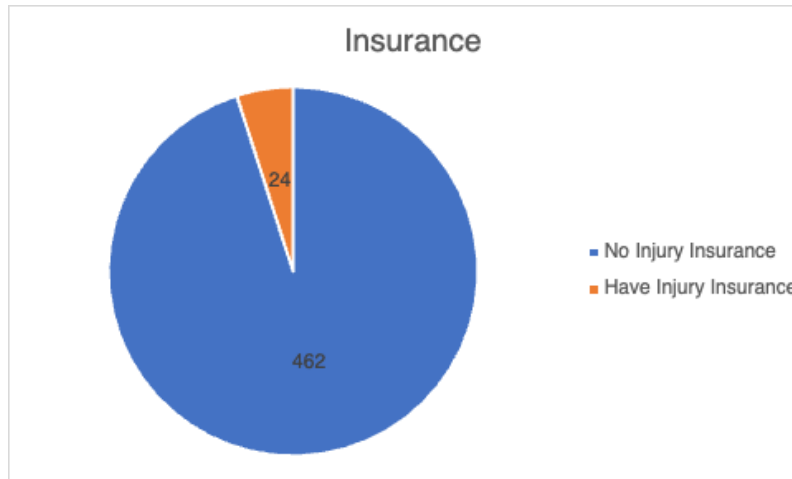


**Interpretation**

Majority of workers have to work more than 8 hours.

• **Do you have insurance for injuries?**

Sr No	Category	Number of Workers
1	No Injury Insurance	462
2	Have Injury Insurance	24

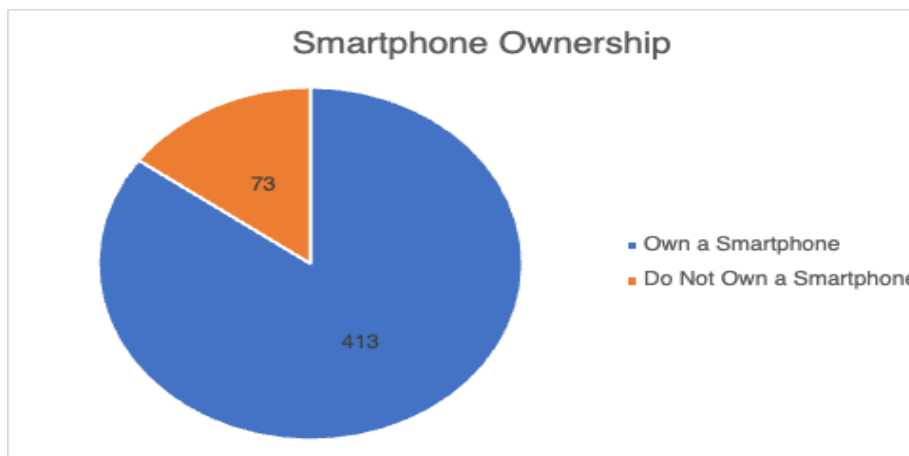


**Interpretation**

In an industry prone to accidents, 19 out of 20 workers have no financial protection against workplace injuries. This lack of coverage leaves entire families vulnerable to total economic collapse in the event of a mishap.

• **Do you have a smart phone?**

Sr No	Category	Number of Workers
1	Own a Smartphone	413
2	Do Not Own a Smartphone	73

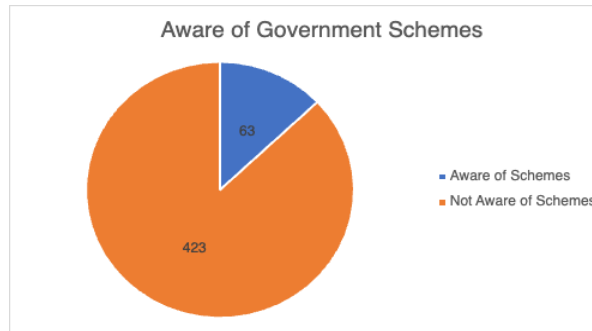


**Interpretation**

There is a massive opportunity for digital intervention. While workers lack awareness, they do possess the hardware needed to access information if it is delivered through a user-friendly, localized platform.

- **Are you aware of any government schemes?**

Sr No	Category	Number of Workers
1	Aware of Schemes	63
2	Not Aware of Schemes	423

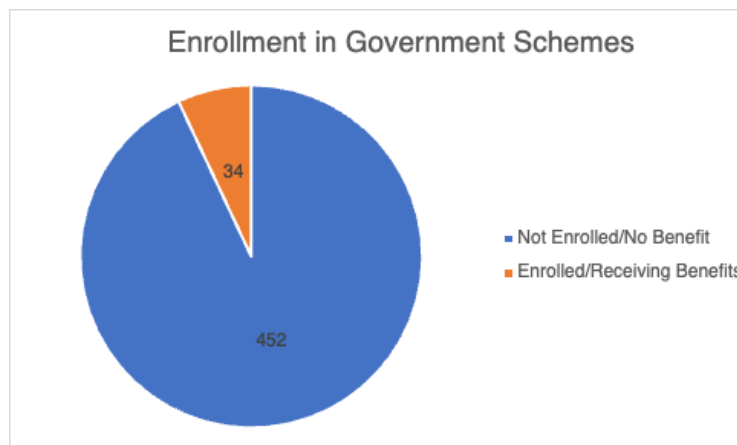


**Interpretation**

Despite the existence of numerous protective policies, most of the workforce is completely disconnected from government support systems. This "information poverty" is a primary barrier to achieving the goals of Viksit Bharat 2047.

- **Enrollment in government schemes?**

Sr No	Enrollment Status	Number of Workers
1	Not Enrolled/No Benefit	452
2	Enrolled/Receiving Benefits	34



**Interpretation**

Awareness is only half the battle; the actual registration process is so complex or inaccessible that nearly the entire workforce remains officially invisible to the welfare system.

## Findings

- **Awareness and Digital Accessibility**

A primary finding of the study is the overwhelming gap in awareness regarding social security. Despite the existence of various government schemes designed to uplift the unorganized sector, only 13% of the surveyed workers are aware of these opportunities. Interestingly, this lack of awareness exists alongside a high rate of technology penetration. The data shows that 85% of construction workers own and use smartphones. This indicates that while the physical infrastructure for digital communication is present, it is not being effectively utilized for administrative or welfare purposes. The 15% who do not use smartphones remain the most vulnerable, lacking even the basic hardware required for digital integration.

- **Enrollment and Social Security Gaps**

The most staggering finding relates to the actual utilization of welfare benefits. An immense 93% of workers are neither enrolled in any government schemes nor covered by any form of insurance. Only a marginal 5% of the workforce is currently insured, and a mere 2% are enrolled in specific government welfare programs. This finding underscores a systemic failure in the "last mile delivery" of policy benefits. For a sector characterized by high physical risk, the near-total absence of life and injury insurance means that most of these workers and their families exist in a state of constant socio-economic precariousness.

- **Wage Satisfaction and Economic Empowerment**

The research further highlights deep-seated economic grievances within the workforce. A significant 91% of construction workers expressed dissatisfaction with their current wages. Only 9% of respondents reported being satisfied with their earnings. This widespread dissatisfaction suggests that the current wage structures do not align with the rising cost of living or the intense physical demands of construction labor. This economic strain is a primary driver of persistent poverty in the sector, directly challenging the objective of fostering inclusive growth.

## Suggestion

- **Institutional Intervention (RBI and Banking)**

The first phase of the suggestion involves an approach by the Reserve Bank of India (RBI) to initiate formal banking for the unorganized sector. The goal is to open bank accounts for all construction workers to ensure they are integrated into the formal financial system. This process would be streamlined by collecting worker data through a standardized Know Your Customer (KYC) protocol. Once these accounts are established, they serve as the primary channel for direct benefit transfers, eliminating middlemen and ensuring financial transparency.

- **Grassroots Mobilization (NGOs and Insurance)**

Parallel to banking efforts, Non-Governmental Organizations (NGOs) play a crucial role in "provoking" or mobilizing construction workers to act regarding their welfare. These organizations act as intermediaries to connect workers with insurance companies, facilitating the process of insuring lives at concessional or subsidized rates. This directly addresses the problem statement regarding the lack of life and injury insurance in high-risk construction environments.

- **Digital and Governmental Integration**

The data collected during the banking and insurance enrollment should be shared with the Ministry of Labour and Employment. This ensures that the government has an accurate, up-to-date database of the workforce to better target future policies. Furthermore, the study suggests the use of AI callers and digital awareness tools to keep workers informed about their rights and available benefits in real-time.

- **Public Awareness Campaigns**

To ensure the information reaches the "last mile," the research suggests a widespread awareness campaign. Since workers are often mobile or stationed at specific transit hubs, the following locations are recommended for information dissemination:

- **Student Campaigns:** Leveraging the youth to educate workers on-site.
- **Mobile Phones:** Sending alerts and information directly to the workers' devices.

- **Public Infrastructure:** Placing hoardings and advertisements at bus stops and railway stations to catch the attention of migratory laborers.
- **Trade Unions:** Partnering with labor unions to spread information through established worker networks.

### Conclusion

This research highlights a significant and persistent gap in awareness among construction workers regarding the various government schemes specifically designed to benefit them. While the vision of Viksit Bharat 2047 aims for a thirty trillion dollar economy and total national development, this study finds that ninety-three percent of the construction workforce remains outside the umbrella of formal government enrollment and insurance coverage. The findings indicate a critical paradox where eighty-five percent of workers possess the technology smartphones required for digital integration, yet only thirteen percent are aware of the welfare policies available to them.

The high level of wage dissatisfaction, reported by ninety-one percent of the respondents, combined with the fact that the vast majority of lives are not insured, underscores the urgent need for structural reform in the unorganized sector. True economic growth cannot be achieved if the builders of the nation's infrastructure remain in a state of financial precariousness and information poverty.

This research concludes that bridging the "last mile delivery" gap through a combination of institutional intervention from the Reserve Bank of India, grassroots mobilization by NGOs, and the development of localized digital tools is essential. By empowering the unorganized construction sector with financial literacy and accessible information, India can ensure that its journey toward 2047 is inclusive, sustainable, and reflective of the prosperity it seeks to build for every citizen.

### Annexure

Name: \_\_

Age: \_\_\_\_

1. Education:  
 Primary  Secondary  Higher Secondary  Illiterate
2. Workplace:  
 Factory  Construction Site  Shop  Other: \_\_\_\_\_
3. How many members are there in your family?
4. What is your daily wage?  
 Rs. 100 - Rs. 200  Rs. 300 - Rs. 500  Rs. 500 - Rs. 1000  Above Rs. 1000
5. How many hours do you work?  
 6 Hours  8 Hours  12 Hours  More than 12 Hours
6. Family members working with you:  
 Parents  Husband/Wife  Children  Other: \_\_\_\_\_
7. Are you satisfied with the employment you received?  
 Yes  No
8. Do you have any other source of income?  
 Yes  No
9. Do you have insurance for injuries?  
 Yes  No
10. Is there a first-aid kit/safety box on site?  
 Yes  No
11. Monthly expenses? \_\_\_\_\_
12. Type of employment frequency:  
 Daily  Monthly  15 Days  Not Fixed

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13. Is a weekly holiday provided?  
 Yes  No
14. Do you have a smartphone?  
 Yes  No
15. Are you registered on any government website?  
 Yes  No
16. Which government schemes do you benefit from?
17. Are you a part of any other organization/union?  
 Yes  No
18. Do you have any expectations?  
 Increase in employment  Regarding safety  Government schemes  Other:.

