

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS

**LOK SABHA**  
**UNSTARRED QUESTION NO. 3619**  
TO BE ANSWERED ON 20.12.2021

**INFORMAL SECTOR**

3619. SHRI T.R. BAALU

Will the Minister of FINANCE be pleased to state:

- (a) whether according to a Research Report of State Bank of India the informal sector shrank to 15 per cent of GDP in 2021 from 52 per cent in 2018;
- (b) if so, the details thereof along with its impact on employment and livelihood of vast majority of people employed/engaged in informal sector;
- (c) whether the Government has taken note of this undesirable trend and put in place required remedial measures; and
- (d) if so, the details thereof?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PANKAJ CHAUDHARY)

(a) & (b) State Bank of India (SBI) in its Report titled "ECOWRAP" Issue No. 43, dated 29 October 2021 has estimated that currently the size of informal sector is 15-20 percent of the formal Gross Domestic Product as against the estimate of 52.4 percent made by the National Statistical Commission for 2018. However, the estimates made both by the SBI and the National Statistical Commission could be based on different assumptions and methodologies.

(c) There is no official data supporting the reported shrinkage of the informal sector in the Gross Domestic Product since 2018.

(d) Question does not arise.

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