

WEE Monitor – Q1FY 2026–27

A quarterly, data-driven snapshot tracking the state of women's economic participation – Key Quantitative Indicators, Recent Research Developments, and Policy Shifts at a glance

Women are entering the workforce faster, but not on equal terms.

This quarter in four key findings

- Female LFPR stagnated at 35.2% (Dec '25–Feb '26), over 42 percentage points below men's 77.6%.
- Women's MSME registrations grew slightly slower than men's (2.5% vs 3% per month), yet 83 million women are now employed by MSMEs, up from 76 million in December.
- Quality gaps remain stark: women in salaried roles earn 25% less than men; in self-employment, the gap widens to 65%. Over half have no written contract (PLFS 2024–25).
- Emerging signals: young graduates are shifting toward IT and services, and women hold 40–50% of AI data-labelling roles, though upward mobility remains limited.

Udaiti's take?

All data on women's economic participation shows a clear trend: women are active in India's economy, but not on equal terms. Access to quality formal jobs remains limited. The PLFS 2024–25 report shows women's share in regular wage employment rising from 16.4% in 2022 to 18.2% in 2025, yet 57% lack written contracts & earn 32% less than men. Closing this gap requires coordinated action from the government & the private sector. Udaiti is working with the Governments of Uttar Pradesh & Odisha, & private employers, to enable more women to access formal entry-level roles.

Key Metrics on Women's Workforce Engagement

Women's Participation

Labour Force Participation Rate (Dec-25 to Feb-26)

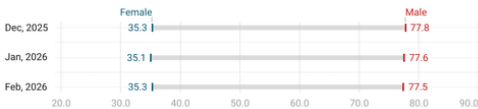


Chart: The Udaiti Foundation • Created with Datawrapper

The 42-Point Divide in the Indian Labour Force

The latest PLFS monthly data for individuals aged 15 and above, by Current Weekly Status (CWS)*, reveal a persistently wide gender gap in labour force participation. Between December 2025 and February 2026, male LFPR averaged 77.6%, while female LFPR stagnated at 35.2%. The gap of over 42 percentage points underscores a structural divide where nearly two-thirds of working-age women remain out of the labour force.

Source: PLFS Monthly Bulletin (Feb 2026)



Where LFPR shows how many women are working or actively seeking work, MSME registration data reveals who is creating jobs: women's new registrations grew 0.5 percentage points slower than men's every month, suggesting that even as women enter the workforce, the role of employer and entrepreneur is accumulating unevenly.

MSME Registration

Women are opening businesses, but men are opening more

Over the last three months, both women and men registered new businesses at a steady pace. But men pulled slightly ahead as their business registrations grew at 3% a month, and women's at 2.5%. That half-percentage-point difference, compounded monthly, means the gap in who owns and runs businesses in India keeps quietly widening.

Source: [MSME Dashboard](#) (March 2026)

Month Over Month % Change in MSME Registrations

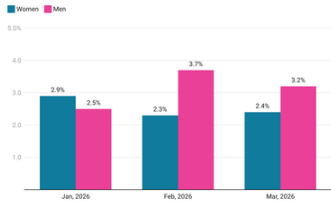


Chart: The Udaali Foundation - Created with Datawrapper

Month Over Month % Change in the Number of Persons Employed by Indian MSMEs

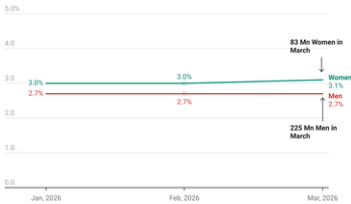


Chart: The Udaali Foundation - Created with Datawrapper



Women Employed in MSMEs

83 million women were employed by MSMEs in March 2026, making up 27% of the total employment generated

Source: [Udyam Registration](#) (March 2026)

Between Dec '25 and Mar '26, the number of women employed by MSMEs increased at an average of 3% (from 76 Mn to 83 Mn), while men's employment increased at an average of 2.7% (208 Mn to 225 Mn). Though the growth rate remained almost similar, the gap in absolute employment numbers between men and women in MSMEs remains significant.

Spotlight: Periodic Labour Force Survey Annual Report, 2024-25

Labour Force Participation Rate (in usual status) - women

40%

38 pp below men (79%)

Income gap - regular wage/salaried (women)

₹18,353

25% below men (₹24,217)

No access to social security - women in regular salaried roles

55.2%

~5 pp worse than men

No written job contract - women in regular salaried roles

57.2%

roughly on par with men (58.5%)

Female Labour Force Participation Rate in Usual Status

For persons aged 15 years and above

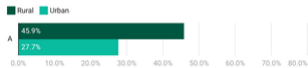


Chart: The Udaali Foundation - Created with Datawrapper

Distribution of Women and Men by Status of Employment

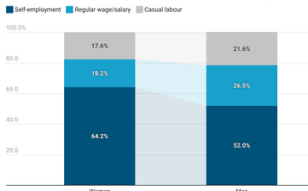


Chart: The Udaali Foundation - Created with Datawrapper

India's FLFPR continues to hover around the 40% mark in 2025, however, participation is sharply uneven: 45.9% in rural India vs just 27.7% in urban areas. And more importantly, the nature of this work raises critical questions. Nearly two-thirds of working women (64.2%) are self-employed, compared to 52% of men. Only 18.2% are in regular salaried roles. A majority, almost 60%, are concentrated in agriculture, with limited presence in higher-value sectors like manufacturing or services.

The precarity deepens: women in salaried roles earn 25% less than men; in self-employment, the gap widens to a staggering 65%. More than half have no written contract (57.2%) and no access to social security (55.2%). Women aren't just underrepresented in India's workforce, they are systematically undervalued within it.

Note: [Click here to access the PLFS 2024-25 Report](#)

Centre for Sustainable Employment – State of Working India Report:

The industries that once defined women's work in India are quietly losing their grip. Education still leads non-agricultural employment at 23.1%, followed by computer and information services at 18.1% and health and social work at 13.5%, but the more interesting story is what's happening at the edges. Young female graduates are turning away from the sectors their mothers and grandmothers entered, and moving instead into IT, motor vehicle manufacturing, and business support services, the three sectors that saw the largest employment gains for women between 1983 and 2023.

Read more: [State of Working India, March 2026](#)

LEAD – Women's Work and AI:

India's data-labelling market is projected to exceed **\$7 billion and employ nearly one million** people by 2030, with **women accounting for 40–50%** of entry-level roles in AI-based BPOs. But participation drops sharply as tasks become more complex and better paid. Women are twice as likely to engage in remote digital work compared to similar in-office roles, yet remain **concentrated in low-value, repetitive tasks with limited pathways upward**.

Read more: [LEAD, January 2026](#)

Mobility gets a digital upgrade: Delhi's Pink Saheli Smart Card

Delhi launched the Pink Saheli Smart Card in March 2026, replacing the paper pink ticket system that had offered women free bus travel since 2019. The scale of uptake is telling: nearly 2 crore women availed the benefit every month in 2025. The new card, linked to Aadhaar and mobile numbers, enables tracking of journey data to optimise bus routes and manage demand. It is also National Common Mobility Card (NCMC) compliant, making it usable across metro and Regional Rapid Transit System (RRTS) networks.

The upgrade matters beyond convenience. Free bus travel has been one of the more concrete enablers of women's workforce participation in Indian cities. Digitising the scheme unlocks route-level data on where women travel and when, a tool for closing the infrastructure gaps that keep women from reaching work in the first place.

Read more: [Pink Saheli Card Delhi, Times of India](#)

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