

India's trump card in new factory push: women workers

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FARIDABAD, India -- Sadhana left her in-laws' home in the north of India a decade ago, accompanied by her two children and little else, bar some harsh words from her relatives over her determination to move far away to work in a factory where a cousin stitched garments for Western clothing giants Gap and H&M.

Sadhana had argued for months that the job would supplement her day-laborer husband's [meager monthly income](#) of 6,000 rupees (\$66), which is barely enough to get by. In return, she said, she was labeled greedy, and even her husband was skeptical.

"What worried them was who would do the household chores in my absence and what would people say if I left alone -- and not that we didn't have the money to buy the children milk," Sadhana told Nikkei Asia on a crisp January morning.

Declining to be identified by her full name, citing family concerns, the 32-year-old spoke while curled up in a chair in the basement office of a self-help group in Shramik Colony, a low-income neighborhood in the northern Indian city of Faridabad. "Surprisingly, even my husband didn't support me," she said.

Sadhana doesn't regret her rebellion. The 16,000 rupees she earns each month at the [garment factory](#), about 750 kilometers from her in-laws' house in Azamgarh, doesn't give her the leeway to spend freely, but it is enough to put food on the table.

"Money is a great leveler," she said. "My husband relocated as soon as I started earning."



A woman works on the "Pink Line" at a factory operated by auto parts maker Lumax Industries in Ramanagara, Karnataka, on Jan. 18. (Photo by Selvaprakash Lakshmanan)

With impetus from labor-code reforms passed in November, India's efforts to bolster its [manufacturing base](#) by ramping up the number of sprawling factories are creating new job prospects for women.

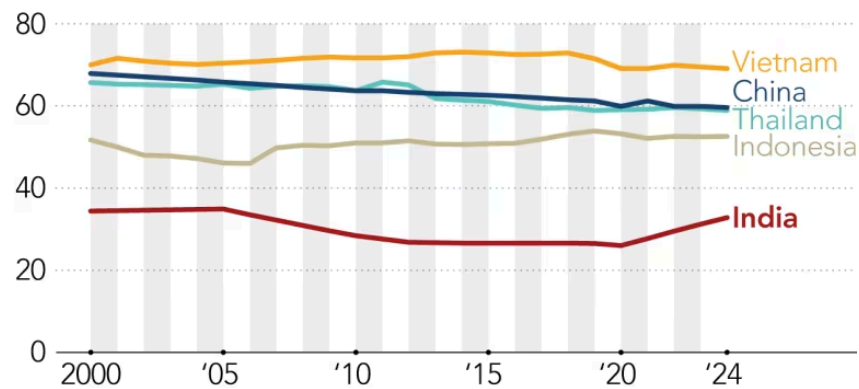
The [new rules](#) make gender-based discrimination in recruitment, wages and working conditions unlawful, and mandate minimum wage and overtime payouts that are double the regular wage. Most importantly, they allow women to work night shifts between 7 p.m. and 6 a.m., removing a major hurdle that deterred factories from considering female candidates.

Though low-paid, these jobs offer a potentially life-altering opportunity to hundreds of millions of women like Sadhana to join the formal workforce, following a playbook seen in other Asian economies such as China, Thailand and Vietnam.

A [spurt in manufacturing](#) in these countries fueled upward mobility, with women taking center stage in that transformation. In China, about 58% of females above the age of 15 either worked or were actively looking for work in 2024, according to estimates from the International Labour Organization and the World Bank. The corresponding numbers for Vietnam and Thailand were 69% and 59%, respectively.

India was strikingly far behind, with only 33% of its female population aged 15-64 -- estimated to be about 477 million -- participating in the labor market, according to World Bank data.

India's female workforce participation far short of peers *(Females aged 15 and over in or seeking jobs, in percent)*



Source: International Labour Organization

India pressed the pedal on manufacturing much later than regional peers, but has set itself an ambitious target to raise the share of manufacturing to 25% of gross domestic product by 2047 from 17% currently. Prime Minister Narendra Modi is seeking to make up for lost time by offering \$22 billion in incentives to woo multinationals -- especially as geopolitical tensions take the sheen off China's appeal as the world's factory. Among companies that have set up new factories in India are [Apple supplier Foxconn](#), U.S. chipmaker Micron and Vietnamese electric vehicle maker [VinFast](#).

Experts caution that artificial intelligence and industrial automation cast a shadow over the future of factory employment for women.

"With AI and automation, it is uncertain if we will see more female participation (in the workforce) because jobs could get pulled back," said Sumit Agarwal, Low Tuck Kwong distinguished professor of finance, economics and real estate at the National University of Singapore.



Female employees at work in a signage maker Vara Ecom unit at the FLO Industrial Park in Hyderabad. (Photo courtesy of FICCI FLO)

Still, the push to increase manufacturing comes at a time when India nears a breakout moment. India itself claims it overtook Japan last year to become the world's fourth-largest economy -- though other estimates still place it fifth -- and harbors the ambition of becoming a developed country by 2047, the centennial of its independence from British rule. Yet, India's per capita GDP of \$2,694 in 2024 was about one-fifth that of China's, one-third of Thailand's and close to half that of Vietnam's and Indonesia's, according to World Bank data.

Compelled by social constructs, women in India have traditionally played the part of caregivers at home. When poverty forced them to look for work, lack of formal education stymied their chances in a fiercely competitive job market, relegating most of them to low-paying jobs in agriculture and construction.

"If we are not able to make women economically productive, they will end up depending on subsidies, either from the men in the family or the state," said Gayathri Vasudevan, chief impact officer at the Sambhav Foundation, a nonprofit that works in skill development for women and youth.

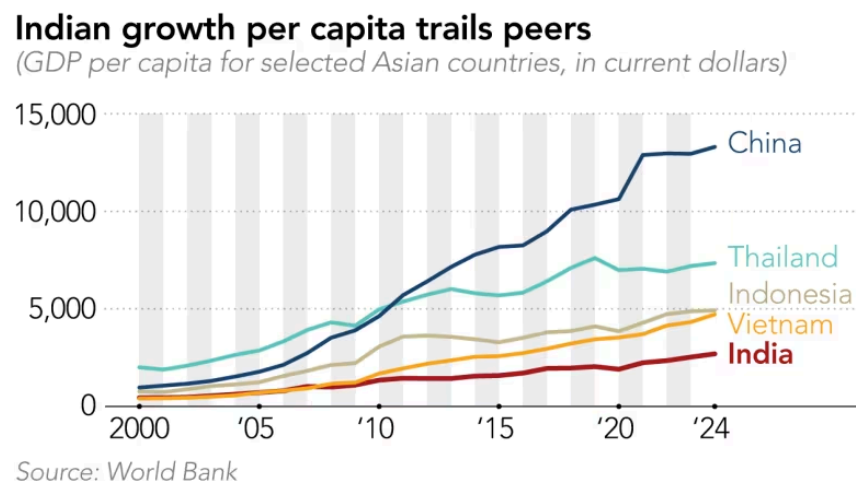


Women work at a Lumax factory in Ramanagara, Karnataka, on Jan. 18. India aims to raise manufacturing's contribution to GDP to 25% by 2047 from 17% currently. (Photo by Selvaprakash Lakshmanan)

"It is a huge negative for the economy because suddenly a perfectly able-bodied individual becomes a burden. And the subsidies will never match what they could actually earn on the job, which significantly curtails consumer spending," she said.

Only 11.6% of India's working women were employed in manufacturing in the year to June 2024, according to government estimates, albeit an improvement from 11.2% two years earlier. Agriculture accounted for 64.4% of these workers, up from 62.9% during the same period.

While formal employment has its financial appeal, and the government hopes its new labor regulations will boost that, many women have been wary of the factory lifestyle, put off by long hours, exhausting work and at times harsh contract terms.



In Faridabad, Reena wakes at 5:30 a.m. every day, makes breakfast for her daughter and husband, washes dishes from the previous night's dinner and, if time permits, does the laundry. By 7:30 a.m., she heads out to a factory that supplies oil filters to some of India's largest automobile companies. After a 10-hour shift, mostly spent standing -- barring a 30-minute lunch break -- she gets home around 8:30 p.m. Then she cooks dinner.

At 36, Reena has made peace with the routine she has been following for 10 years, but what has hurt her the most is the lack of leave. The factory is closed on Sundays and public holidays. A day off costs her a day's earnings. A week's absence would get her fired.

"The days are anyway tiring, and on top of that I have missed so many family gatherings that I have lost count," said Reena, declining to be identified by her last name for fear of reprimands from her employer. "I deserve an occasional break, but can hardly take one ... budgets are tight and I can't afford salary cuts."



Women exit a Lumax Industries factory in Ramanagara, Karnataka, on Jan. 18. Lumax says women make up nearly a fifth of its overall factory workforce. (Photo by Selvaprakash Lakshmanan)

"The only reason I keep going is to secure the future of my daughter. ... I want her to work in an office and never a factory," Reena said.

Such taxing terms have pushed poor women to instead work as domestic helpers or cooks, jobs that bring home less money but also demand fewer hours.

"Women in India are not viewed as primary bread earners, but if there is a need to earn, they are pushed towards domestic work, which is thought to be more conducive because of the flexibility," said Sonal Arora, country manager, India, at staffing firm Gi Group Holdings. "Female employment in India is not just an economic issue, it is as much a social and cultural issue."



"Pink Line" workers hold a meeting at a Lumax factory in Ramanagara, Karnataka, on Jan. 18. (Photo by Selvaprakash Lakshmanan)

Working conditions, however, depend on the size of the employer. Large companies have deep pockets that allow them to create more conducive workspaces for women and offer benefits that smaller firms find hard to match.

Those can include building hostels that offer safe spaces for migrant workers, creches that benefit women with children, and free transportation.

One of India's largest makers of automotive lighting systems, Lumax Industries, offers female employees a monthly "nanny allowance" until their children turn 3, in addition to free creches, said Jagannath Oleti, executive vice president and group chief human resources officer. Oleti noted that nearly a fifth of employees at its factories are women. In some plants, it's as high as 50%.

"If we were recruiting only men, we would essentially let go of a talent pool that's nearly 50% of the country's population, so it was imperative that we expanded our catchment area and got talent from there," Oleti said. "And we have seen in internal studies that the percentage of error-free work is very high in production lines that have women."



A woman checks a component at a Lumax factory in Ramanagara, Karnataka, on Jan. 18. Only 11.6% of India's working women were employed in manufacturing in the year to June 2024, according to government estimates. (Photo by Selvaprakash Lakshmanan)

Lumax also holds regular gender-sensitivity workshops where men are "sensitized about behavior and vocabulary around women," Oleti said.

But companies of Lumax's scale -- the group posted revenue of \$1.1 billion in the fiscal year ended March 2025 -- aren't commonplace in India.

The number of factories in the country grew 7% to 212,990 in the five years to March 2024, according to government estimates. But only 6% of those factories employed more than 500 workers, which means a vast majority of India's factories are tiny setups with little bandwidth for promoting gender diversity.

India's factories by the numbers

(Fiscal years ending March 31)

	FY2020	FY2024
Factories in operation	198,628	212,990
Number of workers (In millions)	13.1	15.5
Total wages paid to workers (In quadrillions of rupees)	22.9	33.6
Gross value added (In quadrillions of rupees)	148.6	245.8

Source: Annual Survey of Industries by the Government of India

"Those manufacturing units will not be able to take additional financial burden, so the easy thing for them is to continue hiring men unless they have to absolutely hire women for specific skills," Gi Group's Arora said. "A lot of Indian manufacturing is small and medium enterprises, and women don't have much access to that large pool."

India's new labor rules "help in equal participation in roles and sectors that were somewhat discouraged," said Rupinder Malik, a partner at JSA Advocates and Solicitors.

But Sultan Ahmad, director of governance at Gram Vaani, a social media platform focused on rural India, said the labor laws need watertight enforcement to create a meaningful impact for women. "Otherwise, small establishments could look for ways to weasel out," he said.

State governments and industry bodies have also joined the Modi government's pursuit of making factories popular among women.



Aerial view of the FLO Industrial Park in Hyderabad. (Photo courtesy of FICCI FLO)

At Sultanpur in the southern city of Hyderabad, about 1,500 people, most of them women, work in a nearly 200,000-sq.-meter compound, roughly the size of 28 standard soccer pitches. Called the FLO Industrial Park, it is India's first

factory complex built exclusively for women entrepreneurs and home to 25 companies that manufacture an array of products including furniture, LED lights, elevators and electrical appliances.

An initiative of FLO, the women's wing of the Federation of Indian Chambers of Commerce and Industry, it started operations in 2022 with the aim of "prioritizing women's employment and skill development," said Heena Shrivastava, a board member at the industrial park.

FLO intends to introduce a bank and a creche to the factory complex this year, as well as rolling out programs on financial literacy and health for women. Plans are afoot to build similar parks in other cities.



Women work in a unit operated by signage maker Vara Ecom in the FLO Industrial Park in Hyderabad. (Photo courtesy of FICCI FLO)

Elsewhere, in the eastern state of Tripura, the government is building an industrial park that will have separate washrooms for women, menstrual hygiene facilities, daycare centers and women-run shuttle services. And in the southern state of Kerala, the government has launched what it calls a "pink park" to promote female entrepreneurs near the capital of Kochi.

"Such infrastructure accelerates women's participation in manufacturing, which contributes to household income stability, local economic growth and social mobility," Shrivastava said.

Back in Faridabad's Shramik Colony neighborhood, women like garment worker Sadhana are busy cherishing the joys of earning.



Lumax workers take their lunch break in Ramanagara, Karnataka, on Jan. 18.

(Photo by Selvaprakash Lakshmanan)

Soniya, who works at a factory that counts large homegrown cosmetics brands as clients, sleeps well through sweltering summers thanks to an air cooler, her first big-ticket purchase. The 40-year-old, who declined to be identified by her full name, citing employer privacy concerns, also now has a refrigerator and a washing machine.

But her first smartphone, bought last year, is her dearest possession. Every once in a while, she pulls it out of her purse to scroll through Instagram. "I just can't get enough of the videos that people post," Soniya said. "I think I am addicted."

Meanwhile, Sadhana herself has gone from not being able to afford a slice of pizza to having binged on it so much that she can no longer stomach it.

"Work has changed my life," she said. "There is freedom, there is respect. ... I can't complain."

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