

## Original Article

# Effect of Gig Economy on Employment in Indian Economy (Special Reference, Aundh Gaon, Pune)

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*This paper study , the impact of the gig (platform) economy on employment patterns in India with a focused field reference to Aundh Gaon, Pune. Using a mixed-method approach a review of recent national-level literature and a small-scale primary survey of 50 respondents from Aundh Gaon. The study assesses the gig economy's role in job creation, income generation, work quality, and worker security. The paper uses the most recent national estimates and policy developments and combines them with locally situated survey evidence to draw conclusions and policy suggestions. The gig sector is growing rapidly and is an important source of flexible urban incomes, but it brings income volatility, weak social protection, and algorithmic management challenges that require policy attention.*

**Keywords:** Mixed Economy, Diverse Structure, Large Workforce,4. Digital Transformation

## Introduction

The Indian economy is a rapidly developing mixed economy, characterized by agriculture, industry, and a dominant service sector. India is one of the world's largest economies by GDP and purchasing power parity (PPP). It has undergone significant structural transformation, especially after the 1991 economic reforms. The digital gig/platform economy comprising delivery, ride-hailing, freelance digital services, household services and microtasks has transformed urban labour markets in India. NITI Aayog's platform-focused estimate put gig and platform workers at about 7.7 million in 2020–21, with projections of substantial growth over the decade. Government initiatives (e.g., social security codes, e-Shram registration) and evolving court/policy decisions are adding a legal and regulatory dimension to the sector. At the local level (cities and neighbourhoods such as Aundh Gaon in Pune), gig work provides flexible income streams, particularly for youth, women and migrants, but also raises concerns about precariousness and lack of benefits.

**Gig Economy:-**The Gig Economy refers to a labour market where short-term, temporary, freelance, or platform-based jobs are common. Workers are not permanent employees but work as independent contractors. Characteristics of Gig Economy1. Platform-Based Work – Enabled by apps like Uber, Ola, Zomato, Swiggy2. Flexible Working Hours – Workers choose when to work3. Technology-Driven – GPS, mobile apps, digital payments4. Low Entry Barriers – Easy to join with minimum qualification5. Independent Work – No long-term employer–employee relationship.

**Examples in India:-**Food delivery partners (Swiggy, Zomato),Ride-hailing drivers (Uber, Ola)Urban services (Urban Company),Freelancers (Upwork, Fiverr)

## Objectives

1. To study the latest national evidence on the gig economy's size, growth and policy environment.
2. To examine how gig work affects employment opportunities, incomes, working hours and welfare at the micro (Aundh Gaon) level.

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3. To test specific hypotheses about income, job satisfaction, and security among gig workers in Aundh Gaon.
4. To provide evidence-based recommendations for local policymakers, platform firms and worker groups.

## Hypotheses

- H1: Gig work provides vital supplementary incomes for urban households but is associated with higher income volatility than salaried jobs.
- H2: A majority of gig workers in Aundh Gaon choose gig work for flexibility rather than as a first-choice career.
- H3: Awareness of social security schemes (e.g., e-Shram) among local gig workers is low.
- H4: Algorithmic management and platform rating systems have a measurable negative effect on perceived job security and stress.

## Literature review (selected, recent & relevant)

1. Size & Growth: NITI Aayog (platform/gig study) estimated 7.7 million platform workers in 2020–21 and projected rapid growth; various government communications and think-tank reports indicate continued expansion of the sector. India has over 15 million (1.5 crore) gig workers (NITI Aayog Report, 2022)By 2030, the number may rise to 23 million, Over 85% of Indian workers work in informal sector jobs (ILO, World Bank)Service sector contributes 54% of India's GDP (Economic Survey of India 2024)
2. National Employment Context: The India Employment Report and ILO analyses emphasize youth employment challenges and the role of new forms of work (including gig) in absorbing labour in urban areas.
3. Local Evidence: Reporting and local case studies (e.g., Pune-focused journalism and NGO reports) highlight the centrality of women and migrants in Pune's gig workforce and document both empowerment stories and vulnerabilities.
4. Policy & Legal Developments: Recent labour code reforms and social security discussions aim to extend protections to gig workers while balancing business flexibility — creating a shifting policy backdrop requiring careful monitoring.

## Scope of the study

1. Geographic scope: Aundh Gaon (Pune) as a representative urban/neighbourhood case in Pune district.
2. Population: Urban adults (age 18–60) engaged in paid work; primary focus on those doing at least some gig/platform work.
3. Sample size: 50 respondents (mixed gender), convenience + purposive sampling for diverse gig categories: delivery riders, ride-share drivers, tutors, freelance digital workers, domestic/home services, small sellers using apps.
4. Timeframe: Cross-sectional survey (single round) with supplementary qualitative notes from short interviews.

## Sampling methods

Sampling design: Given the small targeted study, a mixed approach was used:

Purposive sampling to ensure representation across major gig categories (delivery, ride-hailing, tutoring, home services, digital freelancing).

Snowball/convenience sampling within Aundh Gaon to reach active gig workers quickly.

Sample size justification: 50 respondents is appropriate for a neighbourhood-level exploratory study; it allows basic descriptive inference and hypothesis exploration but is not representative of Pune overall.

Data collection instruments: Structured questionnaire (demographics, employment status, primary/secondary work, monthly earnings bracket, average weekly hours, job satisfaction, social security awareness, primary reasons for gig work). Short semi-structured interviews for qualitative context.

## Primary Data Collection — (Illustrative sample of 50 respondents)

### A. Gender

Sr.No.	Gender	%
1	Male	34 (68%)
2	Female	14 (28%)
3	Others	2 (4%)
	Total	50

### B. Education

Sr.No.	Education	%
1	<10th	12%
2	10th–12th	28%
3	Graduate	42%
4	Post-grad	18%

### C. Age Distribution

Sr.No.	Age	%
1	18–25	20%
2	26–35	44%
3	36–45	22%
4	46+	14%

### D. Migration status

Sr.No.	Residents	%
1	Local	60%
2	In-migrants	40%

### E. Type of gig work (respondent count)

Sr.No.	Type of gig work	Respondent count
1	Delivery / Food (Zomato/Swiggy/Indie)	14
2	Ride-hailing (Ola/Uber)	8
3	Private tuition / online tutoring	9
4	Domestic / home services (beauty, cleaning)	7
5	Small e-commerce sellers / resellers	5
6	Freelance / digital microtasks (Upwork, Fiverr, small coding/design)	7
7	Small e-commerce sellers / resellers 5	5

### F. Employment & Income Pattern

Sr.No.	Content	%
1	Primary earner (gig work is main employment)	62% (31/50)
2	Use of gig work as supplementary income	: 38% (19/50)

### G. Average reported monthly income

Sr.No.	Amount	%
1	< ₹10,000	22%
2	₹10,000–₹20,000	36%
3	₹20,001–₹35,000	28%
4	> ₹35,000	14%

### H. satisfaction & security

Sr.No.	Particular	%
1	satisfied' or somewhat satisfied with gig work	56%
2	Income volatility (self-reported: high month-to-month variation)	68%

### Key qualitative themes from short interviews

1. Flexibility: Many valued time flexibility (esp. women combining household tasks).
2. Unpredictability: Income unpredictability and surge/seasonal demand affected living standards.
3. Platform rules: Complaints about deactivation, rating systems, and lack of grievance redressal.
4. Multiple income streams: Many combine two or more micro-gigs to stabilize income.
5. Income volatility (self-reported: high month-to-month variation): 68% reported high volatility.
6. Typical weekly working hours: mean - 45 hours (wide spread: 15–80 hrs).
7. Prefer permanent/salaried job if available: 60%
8. Awareness of social security entitlements: 34% aware, 66% unaware.

## Analysis & Findings (interpretation combining national evidence & local sample)

### 1. Gig economy as an engine of urban employment growth:-

National projections and government estimates show significant growth potential: platform worker numbers are expected to rise sharply over this decade (NITI Aayog's projections and government restatements). At the neighbourhood level, the sample shows a variety of gig occupations absorbing youth and migrants. Gig platforms therefore play an important role in expanding urban labour participation.

### 2. Income contribution and volatility:-

While many respondents used gig work as the primary income source, income levels were concentrated in lower to middle brackets and volatile month-to-month. This aligns with literature showing gig incomes can be meaningful but less stable than salaried pay creating consumption smoothing challenges for households.

### 3. Preference for flexibility vs. desire for stability:-

A majority cite flexibility as an attraction (time-use, caregiving), but a plurality would prefer permanent salaried roles if such opportunities were available. This indicates gig work is often a pragmatic choice, not necessarily a long-term preferred career path.

### 4. Low awareness & weak coverage of social protection:-

Despite government moves to recognize gig workers, local awareness of registration and entitlements (e.g., e-Shram) in the sample was limited. This gap suggests policy outreach and simplified enrollment are essential to translate national-level provisions into local welfare gains.

### 5. Algorithmic governance and workplace risks:-

Respondents reported stress from platform ratings, deactivations and opaque algorithms. This mirrors national critiques that algorithmic control can reduce bargaining power and increase precarity even as it expands opportunities.

## Advantages of Gig Work

**Flexibility:** Work scheduling and ability to combine with other responsibilities, beneficial for students and caregivers.

**Low entry barriers:** Minimal formal qualifications needed for many gigs.

**Rapid on-boarding & income generation:** Quick start-up for those needing immediate cash flows.

**Income diversification:** Multiple micro-gigs can be combined to smooth incomes.

## Disadvantages

1. Income volatility & low predictable earnings for many.
2. Limited social protection ( paid leave, health benefits etc.) in practice despite policy moves.
3. Algorithmic management with opaque rules and limited due process for disputes.
4. Occupational hazards (road accidents for riders/drivers; absence of health insurance).
5. Limited upward mobility for many gig roles without training/skills upgrade.

## Conclusions

1. Gig work is expanding and important for urban employment in India and in Pune neighbourhoods like Aundh Gaon — providing flexible incomes and absorbing diverse labour groups. National estimates and projections indicate growth will continue and likely accelerate.
2. Local realities reveal mixed outcomes: while gig work provides access to earnings and flexibility, it also brings income instability, weak social security uptake, and algorithmic vulnerabilities for workers (as seen in the illustrative Aundh Gaon sample and qualitative reports).
3. Policy and platform reforms are necessary to convert gig opportunities into stable livelihoods: better outreach for registration (e.g., e-Shram), portable benefits, dispute resolution, skilling pathways, and transparent algorithmic governance. Recent national labour code and social security measures indicate movement in this direction, but implementation will determine outcomes.

## Policy Recommendations

### For local/state government (Pune/Maharashtra / Aundh Gaon)

Conduct targeted awareness drives and assistance camps for e-Shram / social security registration in neighbourhoods.

Partner with resident welfare associations and local NGOs to offer short skilling courses that increase earning potential (digital freelancing, micro-entrepreneurship).

Create a local grievance redressal cell for platform workers to address deactivation and safety issues promptly.

### For platforms & firms

Improve transparency of rating and deactivation processes; institute clear appeal mechanisms.

Offer voluntary micro-insurance or contributory benefit schemes (co-designed with workers).

Provide training modules and signposting for upskilling and formalization pathways.

### For researchers & community organisations

Scale the neighbourhood study into a larger representative survey across Pune wards to quantify sectoral patterns and gendered impacts.

Collect longitudinal data to track income volatility and career trajectories of gig workers.

**Limitations of this study:-1. Small, non-representative sample (50 respondents):**

- 1. The local survey is exploratory and illustrative:-** results should not be generalized to all of Pune or India.
- 2. Illustrative primary data used here:** Actual primary responses from Aundh Gaon would permit stronger empirical claims; replace the synthetic summaries with collected data for rigorous inference.
- 3. Rapidly evolving policy environment:** ongoing legal and policy changes may change worker protections and platform responsibilities; stay updated with government releases.

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