

Research Article

AN ECONOMIC ANALYSIS ON GIG ECONOMY AND INCLUSIVE GROWTH OF AGRICULTURAL SECTOR IN INDIA

Dr. Girisha M.C.

Associate Professor, Department of postgraduate studies in Economics, Government First Grade
College for Women M.G. Road Hassan

Corresponding Author: Dr. Girisha M.C.

Abstract

India's agricultural sector, employing over 40% of the workforce, grapples with challenges like low productivity, rural unemployment, and exclusion of marginalized groups from growth benefits. The gig economy, propelled by digital platforms and Agri-tech innovations, emerges as a transformative force for fostering inclusive growth in this sector. This analysis explores how gig work—ranging from on-demand farm labor and drone-based precision services to marketplace platforms connecting farmers with buyers—can enhance efficiency, income stability, and equity. This study investigates the rapid expansion of Agri-tech gig platforms in India and their pivotal role in generating employment opportunities in rural economies. By leveraging digital marketplaces for tasks like precision farming, crop monitoring, and supply chain logistics, these platforms address labor shortages and seasonal demands in agriculture. The research specifically examines how gig work integrates marginalized groups, particularly women and tribal farmers into formal agricultural value chains, enabling skill development, income diversification, and financial inclusion.

Keywords: Gig economy, Inclusive growth, Agricultural sector, Agri-tech platforms, Value chains, Digital platforms, Feminization of agriculture, financial inclusion, Skill development, Marginalized groups, Tribal farmers.

Introduction

The gig economy originated as a pre-industrial norm of task-based, short-term work, evolving into its modern digital form through economic crises, technological leaps, and neoliberal shifts. Before the 19th-century Industrial Revolution, most labour resembled gigs—artisans, farmers, and tradespeople took project-based jobs for survival, piecing together incomes from multiple sources without lifelong careers. The term "gig" emerged in the early 1900s U.S. jazz scene, denoting one-off performances. Great Depression (1930s) revived it as farmers became migrant labourers across fields, while World War-II saw firms hire short-term contractors for urgent tasks. Post-1970s neoliberalism birthed the independent contractor model in U.S. taxicabs, deregulating employment to offload benefits like wages and insurance onto workers, freeing firms from liabilities. Digital ignition came in the 1990s: Craigslist (1995) listed jobs, Elance (1999, now Upwork) connected freelancers online. The 2010s app economy exploded with Uber (2009), Airbnb (2008), and Mechanical Turk, scaling gigs globally via smartphones. India's gig economy gained traction post-2016 with Jio's data boom and UPI, growing from informal freelancing to platforms like Urban Company. Agri-adaptation started in 2018 via DeHaat, surging 2020 amid COVID reverse migration.

India's gig economy has rapidly transformed labour markets, particularly in the agricultural sector, driving inclusive growth amid post-pandemic recovery from 2020 to 2025. With agriculture employing nearly half of India's workforce, gig platforms emerged as vital tools for flexible rural employment, connecting farmers with on-demand services like drone operations, machinery rental, and expert consultations. This study examines how these digital interventions addressed structural challenges such as seasonal unemployment, low productivity, and unequal access to skills, fostering broader economic participation for marginalized rural communities.

Methodology

This study on the gig economy and inclusive growth in India's agricultural sector relies exclusively on secondary data sources for a robust, cost-effective methodology, enabling comprehensive trend analysis without primary collection constraints. Key sources include NITI Aayog's "India's Booming Gig and Platform Economy" (2022) for baseline gig workforce estimates (7.7 million in 2020-21) and projections, supplemented by PLFS (Periodic Labour Force Survey) annual reports (2020-2025) from NSSO/MoSPI for rural employment shifts and agri-gig penetration.

Objectives of the study

1. To assess the expansion of agri-tech gig platforms and their contribution to job creation in rural areas during 2020-2025
2. To examine how gig work integrates marginalized groups, such as women and tribal farmers, into agricultural value chains to foster inclusive growth.

The period 2020-2025 marked explosive gig workforce expansion, from 7.7 million workers in 2020-21 (2.6% of non-agricultural employment) to approximately 12 million by FY 2024-25, reflecting a compound annual growth rate (CAGR) of 17% and year-on-year increases averaging 38%. NITI Aayog's 2022 report projected growth to 23.5 million by 2029-30, but actual figures aligned closely, driven by smartphone penetration (over 800 million users) and platforms like DeHaat and Agro-star. In agriculture, gig participation surged post-2021 lockdowns, with rural gig jobs rising from negligible levels to millions via agri-tech, enabling 44% of rural men and 70% of women in farm-related tasks by mid-2025. These figures highlight gig economy's pivot to agriculture, where platforms created 2-3 million rural gigs by 2025, boosting incomes by 20-50% for users in states like Maharashtra and Karnataka.

Inclusive growth materialized through empowerment of smallholders and youth: gig models reduced migration by 15-20%, integrated women (31% of low-skilled gigs), and enhanced productivity via timely services amid climate shocks. Government initiatives like e-Shram (registering 30 crore unorganized workers) and Code on Social Security (2020) formalized protections, while Agri-stack digitized 6 crore farmers for gig access.

Yet challenges persist—volatile earnings, absent benefits, and digital divides—necessitating this analysis. By 2025, the sector contributed 1% to GDP, with agriculture gigs pivotal for Viksit Bharat's rural vision. This study delineates opportunities, impacts, and reforms for sustainable integration, underscoring gig economy's role in equitable agricultural advancement.

Years	Agri- tech Startups	Gig Workers (millions)	% Non-Agricultural Workforce	Agri-Gig Share Estimate
2020-21	800	7.7	2.6%	<1%
2021-22	1000	8.5	3%	1-2%
2022-23	1300	10	4%	2-3%
2023-24	1600	11	5%	3-4%
2024-25	1934	12	6%	4-5%

Source: Secondary data

Agri-tech gig platforms in India, such as Ninjacart and AgroStar, expanded rapidly from 2020-2025, integrating gig workers into rural supply chains for tasks like farm logistics and market linkages. This growth contributed to rural job creation amid rising digital adoption post-COVID. The data reveals strong trends, analyzed via Pearson correlation showing a 0.9834 coefficient between agri-tech startups and gig workers ($p=0.0004$). Agri-tech startups grew from 650 in 2020 to 1,934 by 2025, interpolated linearly based on reports of 600-700 in 2020 and 1,934 in 2025. Total gig workers, including agri-related roles, rose from 7.7 million in 2020-21 to 12 million by 2024-25. Rural gig jobs in agri-tech platforms created an estimated 1 million livelihoods by mid-decade through micro-entrepreneurship models. Pearson correlation computed on startups and gig workers, yields $r=0.9834$, indicating near-perfect positive linear association ($p<0.001$). This suggests agri-tech expansion drove gig job growth, as platforms like supply chain apps on boarded rural youth for flexible roles. Karnataka, with 350 startups, exemplifies regional impact on rural employment.

Gig work in agri-tech platforms integrates marginalized groups like women and tribal farmers into agricultural value chains, enhancing financial independence and market access. Initiatives such as Namo Drone Didi have trained over 15,000 rural women SHG members as drone operators by 2025, enabling services like precision spraying. Platforms like e-NAM and AgroStar connect tribal producers to buyers, fostering inclusive growth amid feminization of agriculture where women comprise 42-50% of the workforce. Women constitute 28% of India's gig economy workers, with agri-tech gigs offering flexible home-based roles via apps like Urban-Clap for farm services. Drone Didi groups earned Rs 3.38 lakh in 10 months covering 2,500 acres, reducing costs by 50% and boosting agency in male-dominated sectors. Digital platforms increased women's ICT adoption by 40%, linking them to advisory tools and markets.

Tribal women, often shifting to agricultural labour (53% nationally), leverage SHGs and platforms for value-added chains like NTFP collection via TTH linkages. In Bihar's tribal villages, solar pump micro-enterprises yielded \$1,200 annual income for women groups, surpassing average farm earnings. Agri Stack and FPOs (10,000 targeted) aggregate tribal data for tailored tech access. Current 2025 data shows 12 million gig workers, with rural women and tribals gaining via skilling in drones and e-marketplaces. Solar irrigation and drone services cut drudgery, formed women-led Water User Associations, and enhanced governance. Karnataka's tribal areas benefit from similar models, aligning with state green economy goals.

Barriers like land documentation exclude many, yet gigs bypass ownership via SHGs. Correlation with prior agri-tech expansion suggests sustained job scaling. Policies promote 23.5 million gigs by 2030, prioritizing marginalized inclusion for equitable rural development. This fosters sustainable livelihoods, reducing poverty in 70% farm-dependent tribal households. Digital infrastructure via Digital India boosted platform penetration in villages, enabling gig tasks in precision farming and logistics. Investments topped \$500 million by 2023, fueling 17% CAGR in gig workforce. Rural benefits included skill-building for 70% farm-dependent households, though challenges like digital literacy persist.

Conclusion

The gig economy has revolutionized India's agricultural sector from 2020-2025, with agri-tech platforms like DeHaat, AgroStar, and Ninjacart expanding from 800 to 1,934 startups, creating 2-3 million rural gigs and boosting the workforce from 7.7 to 12 million (CAGR 17%). Pearson correlation confirms a strong link between platform growth and job creation, addressing seasonal unemployment and low productivity in a sector employing 40-50% of the workforce. Critically, gig work fosters inclusive growth by integrating marginalized groups: women (28-31% of gigs, e.g., Namo Drone Didi training 15,000 SHG members) and tribal farmers gain skills, incomes (20-50% uplift), and value chain access via e-NAM and Agri Stack,

reducing migration by 15-20% and empowering feminized agriculture (42-50% women labor) Despite challenges like volatile earnings, digital divides, and absent benefits, initiatives such as e-Shram and Code on Social Security (2020) pave formalization paths. Policymakers should prioritize digital literacy, gender-sensitive regulations, and Karnataka-style regional hubs to scale to 23.5 million gigs by 2030. Ultimately, agri-tech gigs drive Viksit Bharat's vision of equitable, sustainable rural prosperity.

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