

Chapter 88

Sustainable Gig Economy Finance Towards GDP Growth of India Through “Aatmanirbhar Bharat”

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ABSTRACT

In recent years, India has become the world's fastest-growing major economy. Its development has been fuelled mostly by the services sector, which accounts for over 55% of GDP, as contrasting to the industrial sector, which has remained stable at roughly 16%. To facilitate 'Aatmanirbhar Bharat', the government has brought in the product-linked incentive (PLI) scheme to encourage several sectors to increase their local manufacturing and supply chain base, among other things, to help India become self-reliant for high end products. These efforts will aid in the creation of jobs, the alleviation of stressed sectors, the assurance of liquidity, the boost of manufacturing, the energization of the real estate industry, and the assistance of farmers. The chapter aims to evaluate the Balance of Payment of India as structural growth country wise and sector wise growth of FDI in India as well as the 'Aatmanirbhar Bharat' status and stimulus packages, which have been announced for sustainable growth of GDP during this pandemic situation.

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INTRODUCTION

Covid-19 disrupted employment for millions of people and forced them to go into the gig economy practically immediately. Despite the turmoil created by the government's suspension of operations, there is still a lack of knowledge about the extent of India's gig economy and how it impacts the labor market. Thus, largest online gig work aggregators and job-tech start-ups in India point to several interesting trends that could potentially shape the future on India's employment landscape. During the pandemic, the maximum demand for gig workers was for jobs such as last mile delivery of essential goods, creation, moderation and cataloguing of digital content, telesales and operations management. In the past eight months since the Covid-19 epidemic broke out, 78 percent of micro-small and medium-sized enterprises (MSMEs) and start-ups in India have decreased staff. According to the results of a study conducted by Local Circles, just 22 percent of start-ups and micro-enterprises have an expanded staff or a match with pre-Covid levels. Due to the Covid-19 epidemic and the ensuing shutdown, India's start up and MSME environment has had a very difficult period, although India's outstanding performance in the worldwide fight against COVID-19 has been extensively acknowledged and praised. Most companies reduced expenses to weather the storm, leading to others to go out of business temporarily or permanently. CMIE estimates that 6 million white-collar jobs have been lost in India over the March-August timeframe. A study was performed on start-ups and small and medium-sized enterprises (SMEs) to identify any effect that Covid may have on their workers. The study got over 7,000 answers from start-ups, micro and small- and medium-sized enterprises, and entrepreneurs that are based in 104 different high-traffic commercial areas in the nation. Throughout the Covid-19 epidemic, start up and micro business firms were questioned about the changes to their personnel that had occurred during the pandemic. Of those surveyed, 15 percent said that they had a 50 percent or more staff reduction, while 25 percent stated that their company had shut down and all personnel had been let go. Additionally, about 19 percent of respondents said that their staff has been cut by as much as 25 percent to 50 percent. Further, around six percent claimed their staff has grown, while another sixteen percent indicated their employment is the same as prior to the period before to Covid-19. Moreover, 78 percent of the MSMEs and start-ups in India have decreased employment as a result of the Covid-19 epidemic, whereas 22 percent of start-ups and MSMEs have an expanded headcount. The government launched a program to assist small companies, the Aatmanirbhar Bharat programme, but businesses' responses in July this year indicate that the benefits of the program have been modest. Indian Prime Minister Narendra Modi approved a bill increasing the amount of paid maternity leave to six months in 2017, putting India at the third highest in the world. Kapoor, Mohit (2020)

Indians are one of the three biggest startup ecosystems in the world. The NASSCOM figures indicate that till 2016, India has gained a total of 1,400 new companies, bringing the number to over 4,750. Inefficiencies in logistics, healthcare, education, and financial services start-ups in India are being solved using machine learning and artificial intelligence. Start-up technology companies are considered crucial in regards to invention, production, growth, and employment, with their introduction aiding in a Country's Competition. The emergence of a unique entrepreneur's ecosystem, which supports and promotes technology start-ups is an essential factor for a city to harbor-technology start-ups. Microsoft has introduced "Microsoft's startup engagement was driven by a "Catch them Young Approach". Further, Microsoft's "Cloud platform Azure" will come for B2B startups. India's Unicorn Club or list of start-ups valued more than \$1 billion i.e., Byju's (March 2018 Rs. 5.4 billion), Swiggy (June 2018) Rs. 3.3 billion), Big Basket (March 2019 Rs. 2.3 billion), Paytm Mall (April 2018 Rs. 2.0 billion), Bill Desk

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