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REPORT

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STUDY ON STATUS OF PLATFORM BASED GIG WORKERS IN TAMIL NADU

Study on the Status of Platform-Based Gig Workers in Tamil Nadu

State Planning Commission

Government of Tamil Nadu, Chennai

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Foreword

The platform-based gig economy has emerged as a significant and rapidly expanding component of Tamil Nadu's labour landscape. From mobility and delivery services to home-based and community driven tasks, gig work has redefined what employment means for lakhs of workers across our cities.

While these digital platforms have widened livelihood opportunities and enabled many, particularly youth and first-generation workers, to access flexible and Immediate forms of income, they have also brought forth new challenges that demand urgent policy attention.

This study on the Status of Platform-Based Gig Workers in Tamil Nadu, undertaken by the Centre for Social Justice and Equity (CSJE), Madras School of Social Work with the support of the Tamil Nadu State Planning Commission, is both timely and essential. It provides a comprehensive understanding of the socio-economic conditions, recruitment processes, working arrangements, contractual frameworks, and lived realities of gig workers in Chennai, Coimbatore, and Madurai. By drawing upon rigorous field research with 255 workers and examining national and international policy developments, the report offers a grounded and nuanced assessment of an evolving sector.

Tamil Nadu has always championed welfare-oriented governance, prioritising social justice, inclusivity, and dignity of labour. Extending the Tamil Nadu Manual Workers Act, 1982, to platform-based gig workers and establishing the Tamil Nadu Platform-Based Gig Workers Welfare Board in 2023 reflect the Government's commitment to ensuring that workers in emerging forms of employment are not left behind. As the gig economy grows, it is imperative that policies evolve to guarantee fair contracts, transparent algorithms, safe working conditions, and robust social security protections.

This report's insights arrive at an important juncture, as states across India and countries around the world explore regulatory and welfare frameworks for gig and platform workers. The recommendations offered, including universal registration, structured social security funds, transparent on-boarding, grievance redressal mechanisms, worker consultation, and skill development provide a strong foundation for the next phase of policy formulation in Tamil Nadu.

I commend the CSJE-MSSW research team for their thorough and thoughtful work, and I express my gratitude to all the gig workers who shared their experiences for this study. Their voices form the core of this report and should shape our policy decisions in the future.

It is my sincere hope that this study will support the Government of Tamil Nadu in strengthening a rights-based, inclusive, and equitable framework for platform workers, ensuring that technological progress translates into social progress for all.

Executive Vice-Chairman
State Planning Commission

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This report is the outcome of a collaborative research initiative undertaken by the Centre for Social Justice and Equity (CSJE) at the Madras School of Social Work (MSSW), supported by the Tamil Nadu State Planning Commission (TNSPC). We are sincerely grateful to the TNSPC for commissioning this timely and critical study on platform-based gig work in Tamil Nadu.

We are thankful to Dr J. Jeyaranjan, Vice Chairperson of the Tamil Nadu State Planning Commission, for his steadfast support. Our sincere appreciation also goes to Thirumigu S. Sudha, I.F.S., Member-Secretary of the Commission, for her unwavering support.

We gratefully acknowledge Dr M. Vijayabaskar, Part-time Member of the Planning Commission and Professor at the Madras Institute of Development Studies, and Thirumigu Abirami, Present Head and Thiru. S. Mithun Ratnakar, IP&TAFS, Former Head of the Department of Planning and Coordination Division, for their scholarly insights and mentorship, which enriched the study's analytical framework.

The CSJE acknowledges the contributions of Dr. S. Raja Samuel, Principal of the Madras School of Social Work, Chennai, for his institutional support and intellectual involvement. We also extend our sincere thanks to the management of the Madras School of Social Work for providing the essential infrastructure and academic environment.

We sincerely thank Ms. Nilavalazhi and Mr. Ajithkumar, Research Assistants. This study wouldn't have been possible without the relentless efforts of our field team: Mr. Vetriselvam, Mr. Sampaul, Mr. Ajiththan, Mr. Mohankumar, Mr. Riswan, Ms. Subhashini, Mr. Sreenath, and Mr. Janaranjan, who showed remarkable dedication during data collection.

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Our gratitude goes to Dr Murali Shanmugavelan, Consultant, and Mr K. Sankara Pandi, Principal Investigator at the Centre for Social Justice and Equity, for their strategic contributions to developing methodologies and analyses, and to authoring this report. We also sincerely thank all CSJE staff members for their administrative and logistical support.

Above all, our sincere appreciation goes to the 255 gig workers across Tamil Nadu who generously shared their time, experiences, and trust. Their resilience and voices lie at the heart of this study, and we remain steadfast in our mission to translate these findings into actionable policies that uplift their livelihoods.

Director

CSJE-MSSW

EXECUTIVE SUMMARY

The gig economy has fundamentally transformed the labour landscape in Tamil Nadu, creating unprecedented opportunities for digital platform-based employment while simultaneously introducing complex challenges related to job security, social protection, and the recognition of worker rights. This comprehensive report examines the evolution and current state of platform-based gig work in Tamil Nadu, analysing the intricate dynamics between workers, platforms, and regulatory frameworks through rigorous empirical research and critical policy analysis.

Methodology

This study adopts a comprehensive mixed-methods approach designed to capture the multifaceted nature of gig work experiences across Tamil Nadu's urban centres. Primary field research was conducted with 255 gig workers across three major cities – Chennai, Madurai, and Coimbatore – selected for their diverse economic profiles and varying degrees of platform penetration. The platforms examined were strategically chosen to represent the full spectrum of platform-based gig work currently operating in Tamil Nadu, including Uber, Ola, and Rapido for ride-hailing services; Zomato, Swiggy, Blinkit, Zepto, and Dunzo for food delivery and quick commerce; Porter and Amazon Flex for goods delivery; and Urban Company for home services. This selection encompasses five distinct categories of platform work, each characterised by unique labour processes, skill requirements, and economic structures.

Demographic profile of the study

The demographic analysis reveals that Tamil Nadu's gig workforce is predominantly young, with the majority of respondents aged between 18-38. This concentration reflects the physical demands inherent in platform work, the digital literacy required to navigate platform interfaces, and the limited formal employment opportunities available to young people in an economy undergoing structural transformation. Only 18% of respondents are aged 39-48, with a mere 7% in the 49-60 age range, indicating that platform work may not be sustainable across the full working life span. The occupational backgrounds demonstrate remarkable diversity, with representation from transportation, agriculture, retail trade, construction, manufacturing, and various service sectors. This diversity suggests that platform work serves multiple functions: a transition pathway for those leaving agriculture or declining industries, supplementary income for those in unstable employment, and a primary employment option for those unable to secure formal-sector positions.

Working hours

The analysis of working patterns reveals the extent to which platform work dominates workers' lives. A striking 37% of respondents reported working all seven days of the week, with this proportion reaching particularly high levels in Madurai. An additional 33% workers work six days per week, meaning that approximately 70% of the surveyed workforce is engaged in platform work on a near-full-time or full-time basis. These findings fundamentally challenge the narrative that gig work offers flexibility and work-life balance. For the vast majority of workers, platform work is not a flexible arrangement but an all-consuming necessity driven by economic imperatives and algorithmic pressures.

The intensity of platform work becomes even more apparent when examining daily working hours. More than 45% of respondents reported working 10-12 hours per day, with Chennai showing particularly high concentration in this range. Beyond this already intensive workday, 33 workers reported working 13-15 hours daily, while 23 workers regularly work 16-18 hours per day. These extreme working hours raise serious concerns about worker safety, health outcomes, and sustainability. The extended hours reflect structural features of the platform economy: earnings insufficient to meet basic needs within standard working hours, algorithmic management systems creating pressure to remain available during peak demand periods, and the absence of guaranteed minimum wages.

Earnings

The income data present a sobering picture of economic reality. Among the 145 respondents using two-wheelers, 69% earn between ₹400 and ₹1,000 per day. Auto-rickshaw drivers show similar patterns, while car users demonstrate somewhat higher earnings. However, the concentration of earnings in lower ranges across all vehicle categories is the defining feature. These figures represent gross income before deducting platform commissions, fuel costs, vehicle maintenance, smartphone expenses, and other operational costs borne by workers. Furthermore, 109 Respondents (47.7%) reported that their vehicles were financed through a combination of sources: 48 by banks, 41 by private individuals, 8 by money lenders, and 10 by microfinance institutions. When these unavoidable expenses are factored in, net daily earnings often fall substantially below reported gross figures. The income instability inherent in platform work further compounds these challenges, with significant day-to-day variability based on factors largely beyond workers' control. Moreover, the research documents virtually no pathways for income progression or skill-based advancement within platform work.

Working conditions

Perhaps the most alarming findings concern the lack of access to basic amenities. An overwhelming 78.8% of respondents reported having no access to clean and hygienic toilet facilities during their working hours–a serious health and dignity issue, particularly for workers spending 10-15 hours per day on the road. Similarly, 74.5% of workers lack access to clean drinking water, creating significant health risks. These infrastructure gaps reflect a fundamental failure in the platform business model's consideration of worker welfare. Platform companies, by classifying workers as independent contractors, have largely absolved themselves of these responsibilities while still exercising significant control over workers' labour processes, time allocation, and earning potential.

Contracts

The contractual relationships between platforms and workers are characterised by opacity, non-negotiability, and profound power imbalances. Workers enter platform work by accepting terms and conditions on a take-it-or-leave-it basis, with no opportunity for negotiation. Platform algorithms determine work allocation, set effective rates of pay, evaluate worker performance through rating systems, and impose disciplinary measures–all with minimal transparency. This algorithmic management creates a form of control that is simultaneously pervasive and difficult to challenge. The classification of workers as independent contractors is central to maintaining this power structure, allowing platforms to avoid legal obligations related to minimum wages, working hour limits, social security contributions, and other protections. Yet workers' actual experiences often diverge significantly from genuine independent contractor status.

Policy and Regulation

The regulatory response to platform work in India has been fragmented and inconsistent. At the central level, the Code on Social Security, 2020, represents the most significant attempt to address gig work, but implementation has been slow. Several states, including Rajasthan, Karnataka, Jharkhand, and Telangana, have taken more proactive approaches through welfare schemes and registration systems. However, these state-level initiatives often lack strong enforcement mechanisms, provide modest benefits, and struggle with practical challenges of reaching a dispersed workforce. Internationally, the European Union, Spain, France, and California have experimented with various regulatory approaches, offering potential lessons about employment classification, portable benefits, collective representation, and algorithmic transparency.

Summary of recommendations

Drawing on empirical findings and international best practices, this report proposes a comprehensive and worker-centric policy framework for regulating platform-based gig work in Tamil Nadu, with a focus on social security, fair working conditions, transparency, and inclusive governance. However, the recommendations presented here do not constitute the complete list. These are a few key priority recommendations, while detailed and section-wise recommendations are provided at the end of each section of the report.

- Establish a dedicated State Social Security Fund for platform workers to provide health insurance, maternity support, pensions, disability coverage, and accidental death benefits, while optimally leveraging existing welfare schemes.
- Ensure universal registration of gig workers and platforms through the Tamil Nadu Gig Workers Welfare Board portal, integrated with the E-Shram UID system to enable portability and seamless access to state and central benefits.
- Implement a Central Transaction Monitoring System (CTIMS) to ensure transparency and accountability in cess collection, fund management, and welfare disbursements.

- Require platforms to bear recruitment-related costs or provide subsidised starter kits, including uniforms, bags, and ID cards, to reduce the financial burden on workers.
- Cap working hours at 12 hours per day and 60 hours per week to prevent overwork driven by incentive-based task and time regimes.
- Mandate monthly digital payslips or standardised earnings certificates to support access to credit and financial services.
- Require a minimum 72-hour advance notice, in Tamil, for any changes in commissions, pay structures, or platform policies affecting workers' earnings.
- Extend eligibility for welfare schemes such as ESI to gig workers who meet minimum working-hour thresholds.
- Develop opt-in, low-premium social protection schemes for part-time and flexible gig workers, including accident insurance and emergency income support.
- Ensure full transparency in commission structures and platform communications, with all information provided in the local language and explained clearly.
- Establish women-only lounges and strengthen safety measures for female gig workers.
- Extend health coverage to gig workers through inclusion under CMCHIS, integration with AB-PMJAY by recognising them as a vulnerable workforce, or expanded access to ESI or similar schemes.
- Develop government-platform partnerships to provide affordable, decent accommodation for platform workers in major urban centres, beginning with Chennai.

Moving forward:

The gig economy in Tamil Nadu stands at a critical juncture. The rapid expansion of platform work has created employment opportunities for hundreds of thousands of workers, but this expansion has occurred largely without adequate regulatory oversight, worker protections, or consideration of long-term social implications. The evidence presented demonstrates that the current trajectory is unsustainable and unjust, with workers bearing full costs and risks while capturing only a small share of the value they create. However, this situation is not inevitable. Platform work can be restructured to better balance the interests of workers, platforms, consumers, and society. What is required is strong decision, regulatory courage, and a commitment to placing worker wellbeing at the centre of policy development. The Government of Tamil Nadu has an opportunity to establish a regulatory framework that ensures platform work contributes to inclusive and sustainable development rather than reinforcing precarity and inequality. This report calls for that fundamental reorientation–a shift from an unregulated platform economy that extracts value from workers to a governed platform ecosystem that respects rights, ensures dignity, and shares prosperity.

TABLE OF CONTENTS

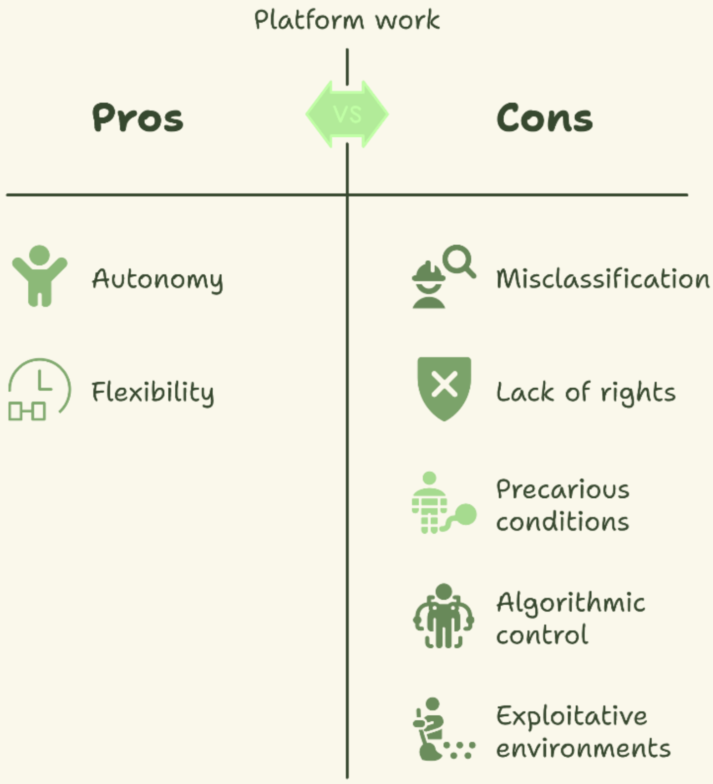
CHAPTER - 1

INTRODUCTION

1.1. Background

The study on the status of platform-based gig workers in Tamil Nadu aims to enhance their working conditions. These workers have employment characterised by flexible, short-term, and freelance arrangements facilitated through digital platforms, which have experienced rapid growth. In Tamil Nadu, as in other parts of India, the gig economy provides work flexibility and income opportunities. However, it also raises concerns about job security, fair wages, and worker welfare. Understanding the situation of gig workers in Tamil Nadu, particularly regarding recruitment, terms, and working conditions, is therefore essential for identifying their challenges and developing policies and frameworks that ensure fair and equitable treatment for gig workers.

As illustrated in the diagram below, despite claims that platform work provides autonomy and flexibility, numerous studies, including those by Fairwork at the University of Oxford, highlight that many digital platforms misclassify workers as independent contractors. This misclassification deprives them of basic labour rights, social protections, and collective bargaining power. In reality, many platform workers face precarious conditions, are subject to algorithmic control, earn low wages, and work in unsafe environments. These issues are worsened by a lack of labour protections, income instability, and the externalisation of risks onto workers.



The International Labour Organisation (ILO)[1] has highlighted that digital labour platforms have transformed work organisations, resulting in challenges such as the misclassification of workers and limited access to social protection. Additionally, the ILO[2] emphasises that many platform workers face unpredictable working hours and low wages. The ILO policy projects[3] have extended policy support to improve social protection for gig and platform workers in India, recognising the need for policy measures that ensure decent work within the digital economy.

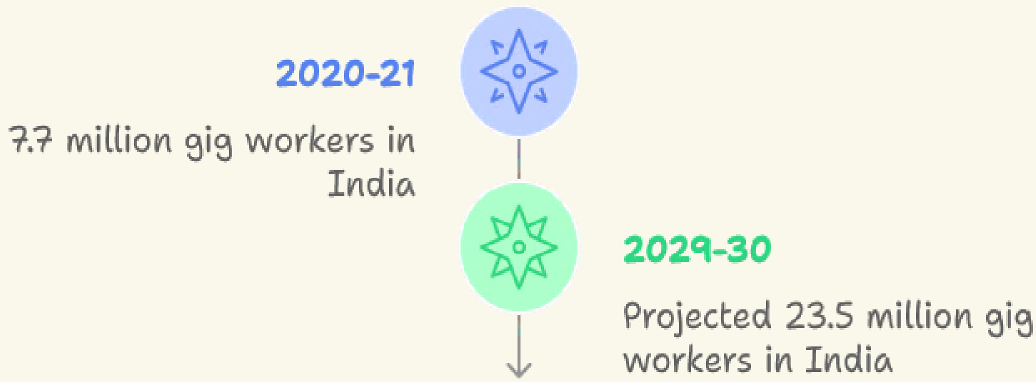
One key initiative is the project titled "Extension of Social Protection to Gig and Platform Workers in India, supported by the Japan Ministry of Health, Labour and Welfare[4]. This proposed

[1] *Realizing decent work in the platform economy*. (2024, December 9). International Labour Organization. https://www.ilo.org/resource/conference-paper/ilc/113/realizing-decent-work-platform-economy
[2] Ibid
[3] The International Labour Organization (ILO) has produced numerous reports on gig and platform work; here, only a few key publications are mentioned. These include *World Employment and Social Outlook* (2021), *Digital Labour Platforms and the Future of Work* (2018), and *Working on Digital Labour Platforms* (2023), which address critical issues such as working conditions, pay, and algorithmic management. Another notable report is *Working Anytime, Anywhere* (2017), which discusses the broader implications of gig work for labour rights and social security.
[4] https://www.ilo.org/projects-and-partnerships/projects/extension-social-protection-gig-and-platform-workers-india

project focuses on designing inclusive social security schemes, facilitating stakeholder dialogue, and supporting national efforts to address the vulnerabilities of platform-based workers.

Furthermore, the World Bank, in its 2023 report *"Working Without Borders: The Promise and Peril of Online Gig Work[5]"* highlights that while gig work creates income-generating opportunities, especially for women and youth in developing countries, it often comes with significant drawbacks such as irregular income, weak job security, and limited access to benefits.

The state of platform economy in India is growing quickly, involving 7.7 million workers in 2020-21 (1.5% of the total workforce), and this number is expected to increase to 23.5 million by 2029-30[6]. Despite their vital contribution in stimulating economic activity, many gig workers lack formal recognition, fair wages, and employment protections. The mobility and delivery sectors alone employ over 3.3 million workers, with companies such as Ola, Uber, Swiggy, Zomato, and others employing hundreds of thousands of workers in major Indian cities.



The 2024 Fairwork India report analysed eleven platforms, namely Amazon Flex, BigBasket, BluSmart, Flipkart, Ola, Porter, Swiggy, Uber, Urban Company, Zepto, and Zomato, in Bengaluru, Chennai, Delhi, Kochi, and Thiruvananthapuram. It explains how digital labour platforms are assessed in terms of working conditions. The evaluation is based on five core principles: Fair Pay, Fair Conditions, Fair Contracts, Fair Management, and Fair Representation, as depicted in the given table.

[5] https://www.s4ye.org/sites/default/files/2023-05/Online%20Gig%20economy_Pages.pdf

[6] NITI Aayog. (2022, June). *India's booming gig and platform economy: Platform economy perspectives and recommendations on the future of work*. Government of India. https://www.niti.gov.in/sites/default/files/2022-06/Report_Booming_Gig_Economy_06062022.pdf

Each principle can earn a platform up to two points. The first point is awarded when a basic standard is met, such as ensuring workers are paid at least the local minimum wage. The second point is granted only if the first is achieved and reflects a stronger commitment, such as paying a local living wage. Altogether, a platform can receive a maximum score of ten points.

Table: Fairwork India Scoring Principles - 2024

Principles	Fair Pay		Fair Conditions		Fair Contracts		Fair Management		Fair Representation		Total
Platform	1.1	1.2	2.1	2.2	3.1	3.2	4.1	4.2	5.1	5.2	
Bigbasket	✓		✓	✓	✓	✓	✓				6
Swiggy			✓	✓	✓	✓	✓	✓			6
Urban Company	✓		✓	✓	✓		✓	✓			6
Zomato			✓	✓	✓	✓	✓	✓			6
BluSmart			✓		✓	✓	✓	✓			5
Zepto			✓	✓	✓	✓					4
Amazon Flex			✓				✓				2
Flipkart							✓				1
Ola											
Porter											
Uber											

Source: Table reproduced from Fairwork India Report 2024: Labour Standards in the Platform Economy.

Recognising both the opportunities and vulnerabilities of gig work, NITI Aayog's reports emphasise the urgent need for policy measures that strike a balance between flexibility and social protection. State governments in Rajasthan, Jharkhand, Telangana and Karnataka have begun to explore regulatory measures, including social security schemes, accident insurance, and minimum wage protections for gig workers.

1.2. Gig Economy in Tamil Nadu

Tamil Nadu, home to one of India's most urbanised and industrially developed states, has seen a notable rise in gig and platform-based employment. From food delivery to cab services, freelance IT support to domestic help apps, the gig economy has become a vital part of Tamil Nadu's urban landscape, particularly in cities such as Chennai, Coimbatore, Madurai, and Tiruchirappalli.

Of the total gig workforce in Tamil Nadu, 35%-40% are in e-commerce and last-mile delivery, 20%-25% in ride sharing and transportation, 10%-15% in logistics and warehousing, 10%-15% in retail and quick service restaurant (QSR) sector, 8%-10% in manufacturing and industrials, and 10% in other sectors[7].

According to the Code on Social Security, 2020, enacted by the Union government, a 'gig worker' is any individual who performs work or participates in a work arrangement and earns income from such activities outside the traditional employer-employee relationship. "According to staffing firm TeamLease, India has between 80 lakh and 1 crore gig workers, with Tamil Nadu's share in this estimated to be around 7 to 8 lakh[8].

However, this rapid growth has occurred without regulatory frameworks at the national and state levels. Gig workers often operate in legal grey zones, neither fully employed nor truly independent. They lack minimum wage guarantees, occupational health and safety, accident insurance, transparent terms and conditions, contracts or access to grievance redressal mechanisms. This scenario reflects the early challenges faced by informal sector workers, urging the need for policy innovation and government-led intervention.

1.3. Socio-political Context:

This report builds on Tamil Nadu's longstanding tradition of social welfare programmes as strategic investments and entitlements, rather than merely costs. This study and its policy recommendations come at a time when the current Tamil Nadu government has introduced zero-

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[7] Vijayakumar, S. (2024, October 20). *T.N. to see a robust demand for gig workers this festive season, say experts*. The Hindu. https://www.thehindu.com/news/national/tamil-nadu/tn-to-see-a-robust-demand-for-gig-workers-this-festive-season-say-experts/article68776096.ece

[8] ibid

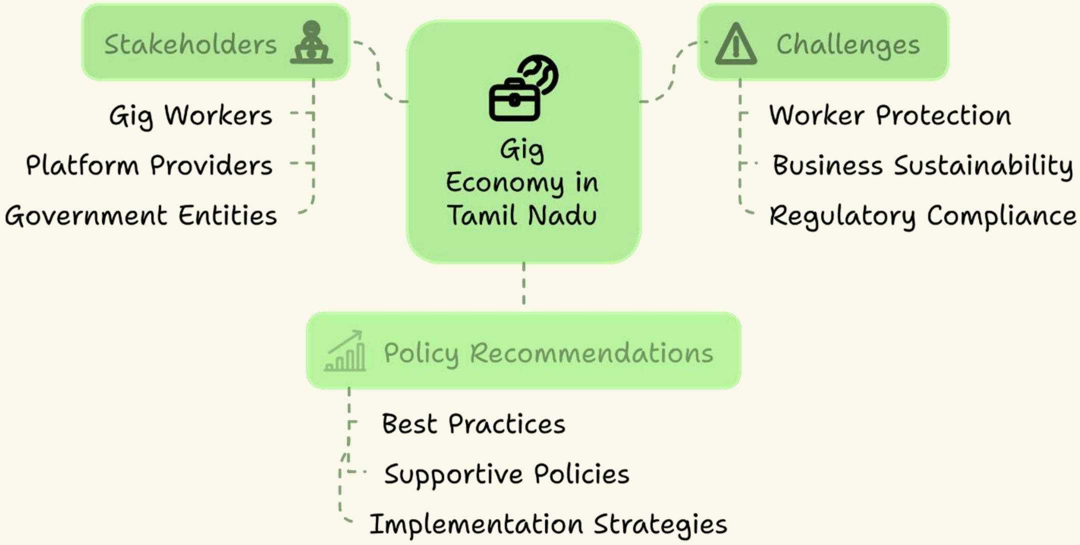
ticket bus travel for women, a monthly entitlement of 1,000 rupees for women, and the Chief Minister's Breakfast Scheme[9]. As a pioneer in social welfare schemes, the Tamil Nadu government has established a welfare board[10] for online-based gig and platform workers in 2023. Most recently (June 2025), the State government inaugurated a series of air-conditioned lounges for platform workers in Chennai to rest and escape the summer heat. Furthermore, the State has instructed the civic authority to ensure the safety and security of women gig workers who visit the lounges across the city. However, a systematic and holistic approach to ensuring fair wages, a transparent recruitment process, fair contracts, safe working conditions, and overall transparency and accountability of platform managers has to be developed.

This study, therefore, aims to examine the status, needs, and aspirations of gig workers in Tamil Nadu and to develop policy frameworks that align with global fair work standards. With an emphasis on welfare and quality of platform workers' lives, this study seeks to:

- Map and assess the landscape of gig workers and platform providers in Tamil Nadu, focusing on the workers' recruitment process, Terms and Conditions, contracts, their conditions, including safety and ability to negotiate with platform management.
- Identify the key challenges faced by all stakeholders in the gig economy.
- Develop policy recommendations that incorporate best practices from other regions to foster a supportive environment, ensuring worker protection and business sustainability.

[9] Krishnamurthy, Prabhakar, Dravidian Model: The Art of How We can Achieve Big Change with Small Acts (May 25, 2025). Available at SSRN: https://ssrn.com/abstract=5268271

[10] Establishment of Tamil Nadu Platform based Gig Workers' Welfare Board under the Tamil Nadu Manual Workers (Regulation of Employment and Conditions of Work) Act, 1982. Notification No. II(2)/LWSD/1070(b)/2023.-- G.O. Ms. No. 187, Labour Welfare and Skill Development (I1), 26th December 2023



The chart above visually encapsulates the core components of this study. It highlights the primary stakeholders: gig workers, platform providers, and government entities, alongside the key challenges such as worker protection, business sustainability, and regulatory compliance. By addressing these issues, the study seeks to render the platform economy more equitable, sustainable, and inclusive, ensuring that platform work does not undermine fundamental labour rights. The findings and recommendations may provide a basis for drafting future policies/frameworks that would enhance gig workers' welfare while promoting the platform economy's growth and stability in Tamil Nadu. It is hoped this will lead to practical implementation strategies in the next phase.

CHAPTER - 2

METHODOLOGY

2.1. Data and Method

The study used four methodological approaches (see Table 2.1) for data collection and analysis: Secondary data from desktop research and literature reviews helped to examine and recommend effective welfare initiatives for gig workers in the state. The methodology builds on established methods of Fairwork[11] and the ILO's research approach on decent work[12], and it has been localised to consider Tamil Nadu's socio-political context.

Table 2.1: Data and Information Sources

Data Source	**Objective**	**Analysis Type**
In-depth structured interviews/survey	Systematic analysis of 255 gig workers' experiences	Quantitative and qualitative/content analysis
Focus Group Discussions	Detailed qualitative insights based on worker experiences	Qualitative/content analysis
In-country policy reviews (Union & State level)	Identify best practices for policy recommendations	Desktop research; qualitative inferences
International policy recommendations	Review global best practices for integration into policy frameworks	Desktop research; qualitative inferences

[11] *Methodology*. (n.d.). https://fair.work/en/fw/methodology/
[12] *The role of digital labour platforms in transforming the world of work*. (2025, July 24). International Labour Organization. https://www.ilo.org/publications/flagship-reports/role-digital-labour-platforms-transforming-world-work

For primary data collection, platform workers in Chennai, Madurai, and Coimbatore were chosen to reflect regional diversity and the differing maturity of the gig economy across Tamil Nadu. Chennai, as the state capital and a major urban centre, exemplifies a mature and saturated platform market. Meanwhile, Coimbatore and Madurai illustrate the growing presence of gig work in tier-2 cities. Focus group discussions were held with various platform workers during this study to gain a deeper understanding of the challenges faced by gig workers.

For the study, the following platforms were selected: Uber, Ola, Rapido, Zomato, Swiggy, Blinkit, Zepto, Dunzo, Porter, Amazon Flex, and Urban Company. These platforms have been classified into five categories: ride-hailing, Food Delivery, Quick Commerce/Grocery Delivery, Goods Delivery, and Home Services. These platforms were selected for their strong operational presence across the target cities and their representation of the diversity within gig work, encompassing logistics, mobility, and home delivery services.

2.1.1. Structured Interviews:

Structured in-depth interviews were conducted with 255 platform workers across Chennai, Madurai, and Coimbatore using a structured questionnaire.

Table 2.2 presents the distribution of the 255 platform workers surveyed across three major cities in Tamil Nadu-Chennai, Coimbatore, and Madurai-and across various types of gig platforms. Given the absence of a database of platform workers, it was not possible to develop a proper sampling frame. The sampling was therefore convenient but aimed to ensure representation from key sectors of the gig economy, namely ride-hailing, food delivery, quick commerce/grocery delivery, goods delivery, and home services. The study placed greater emphasis on Chennai, with 154 of 255 respondents (approximately 60%), reflecting its role as a mature, densely populated urban hub with a well-established platform economy. Madurai and Coimbatore contributed 58 (23%) and 43 (17%) respondents, respectively, representing growing gig economies in Tier-2 cities. Ride-hailing platforms, such as Ola, Uber, and Rapido, collectively account for a significant portion of the sample (87 respondents), with representation relatively evenly spread across all three cities. However, Uber appears to be less familiar in Madurai, leading to a lack of respondents from that location.

Table 2.2: Respondent Distribution by City and Platform

Type of Platform	Name of Platform	Name of the City			Total
		Chennai	Coimbatore	Madurai	
Ride-hailing	Uber	17 (11.0%)	5 (11.6%)	0 (0.0%)	22 (8.6%)
	Ola	20 (13.0%)	5 (11.6%)	9 (15.5%)	34 (13.3%)
	Rapido	15 (9.7%)	6 (14.0%)	10 (17.2%)	31 (12.2%)
Food Delivery	Zomato	18 (11.7%)	5 (11.6%)	13 (22.4%)	36 (14.1%)
	Swiggy	19 (12.3%)	5 (11.6%)	9 (15.5%)	33 (12.9%)
Quick Commerce/ Grocery Delivery	Blinkit	15 (9.7%)	2 (4.7%)	0 (0.0%)	17 (6.7%)
	Zepto	16 (10.4%)	6 (14.0%)	10 (17.2%)	32 (12.6%)
Goods Delivery	Dunzo	20 (13.0%)	0 (0.0%)	0 (0.0%)	20 (7.8%)
	Porter	8 (5.2%)	9 (20.9%)	0 (0.0%)	17 (6.6%)
	Amazon Flex	0 (0.0%)	0 (0.0%)	7 (12.1%)	7 (2.7%)
Service	Urban Company	6 (3.9%)	0 (0.0%)	0 (0.0%)	6 (2.3%)
	Total	**154** (100%)	**43** (100%)	**58** (100%)	**255** (100%)

Note: Percentages reflect column totals.

Source: *Field Survey, undertaken during February-March 2025. Unless otherwise stated, the source for all tables in the rest of the report remains the same.*

Food delivery platforms Zomato and Swiggy accounted for 69 respondents, with a significant presence in all three cities. "Quick commerce" (guaranteed rapid delivery of goods in a short period) and grocery delivery platforms (Blinkit and Zepto) exhibit greater penetration in Chennai. Goods delivery platforms (Dunzo, Porter, and Amazon Flex) were mainly represented in Chennai. Dunzo did not operate in Madurai and Coimbatore, limiting sample collection to Chennai. The home service platform Urban Company had exclusive representation in Chennai, reflecting a metro-centric concentration of service-based gig work. Similarly, Urban Company was not widely popular in Madurai and Coimbatore, further restricting sample collection to Chennai.

With the respondents' informed consent, the auto-recording feature was enabled to monitor data quality and capture qualitative aspects of the survey. Each interview included four audio recordings, each lasting up to 8 minutes. In total, 1,020 audio clips (4 recordings per respondent) were collected, transcribed, and translated, with these transcripts forming a vital part of the study's qualitative analysis.

2.1.2. Focus Group Discussions (FGDs):

Three FGDs were organised, each involving up to eight participants. Discussions covered topics such as wages, contract terms, algorithm-based job assignments, security, deactivation procedures, safety, and labour-management interactions. Each session lasted up to 90 minutes.

2.1.3. Policy Review:

The study examined policy documents from the Union Government, the Tamil Nadu State Government, as well as policies and frameworks from other Indian states and global organisations, including the ILO and Fairwork. The review focused on identifying effective welfare initiatives for gig workers in various countries, such as the United Kingdom and South Africa, that could serve as lessons for the Tamil Nadu Government.

2.2. Content and Qualitative Analysis:

Data collected from interviews, FGDs, and policy documents were systematically analysed to derive key insights and formulate policy recommendations.

The purpose of this methodological design and smaller sample is to qualitatively analyse the structural challenges and lived realities of platform workers in Tamil Nadu. Rather than focusing solely on quantitative metrics or significance testing, the study combines structured interviews, focus group discussions, and rigorous policy analysis, both domestic and international, to capture the multifaceted realities of platform workers. Together, these approaches provide a robust evidence base for assessing current working conditions and formulating actionable recommendations to improve pay, contracts, platform accountability, and worker protections in Tamil Nadu's gig economy.

The report aims to analyse the overall landscape of platform workers' rights across various platforms in Tamil Nadu. This report's purpose is not to evaluate platforms by name, but to offer recommendations that are relevant to each platform. For example, the safety of workers varies across different platforms. The report has adopted an approach to recognise this as a serious concern among platform workers without creating a ranking system to name or evaluate each platform. The intent is not to single out individual platforms - or types of services - but to provide constructive recommendations to the government of Tamil Nadu.

2.3. A note on the use of terms gig and platform workers

Academically[13] gig work refers to short-term, on-demand work that often involves independent contractors or freelancers. Examples include drivers, delivery workers, and freelancers in various fields. A high-paid management consultant and a seaport worker can be called gig workers if they are paid on a project-based, temporary work. However, a subset of the gig economy involves work facilitated through online platforms, such as Uber, Instamart and Blinkit connect workers with clients or customers. In everyday use, these two words are used interchangeably - an approach this report has adopted.

2.4. A note on Tamil Lexicon

During the study period, our ability to explain these English terms in Tamil has improved. This report proposes "தளப்பணியாளர்கள்" as the Tamil translation for platform workers.

[13] Woodcock, J., & Graham, M. (2020). *The Gig Economy: A Critical Introduction*. http://oro.open.ac.uk/68716/

2.5. Limitations of the study

Engagement with platform managers or representatives is limited. Many platforms, such as Uber, operate without physical offices, making it difficult not only for researchers but also for workers to access management when seeking support (as discussed in the transparency and accountability section). As a result, direct input from platform management is limited. The study therefore strongly recommends convening a stakeholder meeting involving platform representatives to discuss the study's findings and explore ways to improve worker conditions.

CHAPTER - 3

GIG ECONOMY POLICY LANDSCAPE

The platform economy is transforming labour markets worldwide, presenting both opportunities and risks for workers. As gig work rapidly expands across India and in urban areas like Tamil Nadu, it is crucial to establish robust policies that guarantee fair employment, social protections, and economic security for platform workers.

This chapter provides a comprehensive analysis of the global, national, and state policy frameworks that have emerged in response to challenges posed by the gig economy. It examines how different countries, including developed ones like the United Kingdom and developing economies such as South Africa and Malaysia, are addressing key issues such as legal classification, employment benefits, worker protections, and social security for gig workers. Simultaneously, it evaluates initiatives by the Indian Union Government and certain states, with a particular focus on Tamil Nadu's current policy environment.

3.1. Global Policy Responses to Platform Work

Countries worldwide have started establishing regulatory measures to tackle the emerging vulnerabilities of platform workers. What follows in this section is not a comprehensive analysis but offers insights into various efforts in different nations. These policies differ in ambition and approach, ranging from redefining employment status to requiring social protection and regulating algorithmic management. This section emphasises key developments in both developed and developing countries, providing guidance on potential policy directions for Tamil Nadu.

3.1.1. United Kingdom:

The UK has been at the forefront of legal debates on gig worker classification. In 2021, the UK Supreme Court ruled that Uber drivers must be classified as "workers," rather than self-employed contractors. This entitles them to minimum wage, holiday pay, and rest breaks under UK labour law.[14] The Supreme Court in the UK held that (Uber) drivers were not independent contractors, "as on the facts there was no written contract between the drivers and Uber London[15]". It emphasised the platform's control over workers, challenging the idea of autonomy often used to deny employment rights.

In response, Uber started offering basic benefits to its drivers in the UK, and in 2024, Bolt drivers gained their rights to be classified as workers, meaning they are not entitled to minimum wage, but other platforms continue to face scrutiny. These changes were made possible by the strong unionisation of workers and the power of their collective representation during negotiations with platform management and in the courts.

3.1.2. South Africa:

In South Africa, gig workers are entitled to the National Minimum Wage (NMW), currently set at ZAR 28.79 (141 rupees) per hour, effective from 1 March 2025. However, platform workers often do not receive this minimum wage, with notable exceptions such as Home+ and Sweep. Both platforms claim that their policies have helped improve their reputations among the public and workers. Fairwork's analysis shows that there remains room for improvement in the working conditions of platform workers in South Africa. South Africa has initiated efforts to bring gig workers under social protection schemes. The country's Green Paper on Comprehensive Social Security (2021)[16] proposes integrating informal and gig workers into a universal social security system that covers unemployment, disability, and retirement. While the implementation is still under consideration, this policy signals a progressive move toward universal protection irrespective of employment status, offering lessons for other developing countries grappling with large informal sectors.

[14] https://www.supremecourt.uk/cases/uksc-2019-0029
[15] Ibid

[16] https://www.gov.za/sites/default/files/gcis_document/202108/45006gon741.pdf

3.1.3. Malaysia:

Malaysia offers a voluntary protection scheme for gig workers under the Social Security Organisation (SOCSO). Introduced in 2020, the Self-Employment Social Security Scheme enables platform workers to contribute toward accident and disability insurance voluntarily. Platforms such as Grab have partnered with the government to co-finance drivers' SOCSO contributions (SOCSO, 2020).

In 2024, Malaysia initiated a consultation process to establish a Gig Economy Commission in 2025 under the Prime Minister's Department to oversee and regulate the gig economy. This commission will be tasked with implementing and coordinating policies, monitoring compliance, and promoting self-regulation among platforms. It will also create a Gig Workers Tribunal, making workers' representation and platform accountability mandatory to resolve disputes, as well as an advisory council to recommend standards on minimum income and working conditions. The proposed Gig Workers Bill aims to enhance legal and social protections for more than 1.12 million gig workers nationwide.

3.2. India - National Level

Labour falls under the Concurrent List of the Indian Constitution, allowing both Union and State governments to legislate on it. While the Union establishes broad frameworks, states can design and implement region-specific laws and welfare schemes, facilitating tailored policy responses for gig and platform workers across different jurisdictions. This constitutional arrangement allows specific policy measures for gig and platform workers across states. In this context, the Code on Social Security, 2020 proposed extending social protection to gig and platform workers.

3.2.1. Code on Social Security 2020

The Code on Social Security, 2020, acknowledges the rise of digital platforms and aims to cover workers outside traditional employment structures.

The Code requires registration of such workers (with unique IDs for individuals aged 16 and above) and allows the Union Government to create and execute suitable social security schemes. Under

Section 114(1), these schemes can include life and disability cover, accident insurance, health and maternity benefits, old age support, and crèche facilities, among others. Funding for these schemes comes from various sources, including the Central and State Governments, public-private partnerships, and, notably, contributions from aggregators.

Section 114(6) grants the central government the authority to set the methods and rates of contribution by aggregators, the actual contribution, ranging from 1% to 2% of annual turnover, excluding taxes and levies, with a cap of 5% of the amount payable to workers, must be prescribed accordingly. The authority to impose such a welfare contribution (cess) is vested solely in the Union Government under Section 113 of the Code on Social Security, 2020. Section 109(4) of the Code permits both Union and State Governments to establish social security schemes for gig and platform workers, utilising government funds or public-private partnerships.

3.2.2. E-Shram Portal and Gig Workers

The E-Shram Portal, launched by the Ministry of Labour and Employment, serves as a comprehensive national database for registering unorganised sector workers, including those in the gig economy and on platforms. It aims to provide social security benefits by enabling eligible individuals aged 16-59 with Aadhaar and a bank account to register free of charge and receive a lifelong 12-digit Unique Identification Number (UAN).

3.2.3. State Policies in India: Rajasthan, Karnataka, Jharkhand and Telangana

3.2.3.1. Rajasthan Platform-Based Gig Workers (Registration and Welfare) Act, 2023:

The Rajasthan State Social Security Act for Gig and Platform Workers[17] establishes a welfare framework through the creation of a dedicated Welfare Board and Fund. Applicable across sectors like ride-sharing, food delivery, e-marketplaces, logistics, and healthcare, the Act mandates the registration of aggregators and gig workers, who are issued a unique ID to access benefits. The Welfare Board, comprising representatives from aggregators, workers, and key departments, oversees registration, cess monitoring, welfare schemes, grievance redressal, and consultations. A Central Transaction Information and Management System (CTIMS) ensures transparency in cess

[17] https://prsindia.org/files/bills_acts/acts_states/rajasthan/2023/Act29of2023Rajasthan.pdf

payments and transactions. The Welfare Fund is supported by government allocations and contributions. Notably, the Act includes a provision for collecting a welfare cess from aggregators-

The Act provides gig and platform workers with enforceable rights to social security benefits, grievance redressal, participation in governance, and legal representation. Non-compliance attracts penalties, including 12% annual interest on delayed payments and fines up to ₹50 lakh, recoverable under the Rajasthan Land Revenue Act, 1956.

3.2.3.2. Karnataka

The Karnataka Draft Bill, 2024, proposes significant measures to improve the working conditions of gig workers. It builds on the Rajasthan Platform-Based Gig Workers (Registration and Welfare) Act, 2023, and further aims to address the rights and welfare of gig workers.

The bill proposes establishing a Welfare Board to extend social security measures to gig workers. Aggregators are required to register workers and contribute welfare fees (different from cess as proposed in the Code of Social Security), which will fund welfare schemes. The bill mandates comprehensible contracts, provides advance notice of changes (14 days), and includes provisions allowing workers to terminate contracts or reject gigs without adverse consequences. It also empowers the state to review contract templates for fairness and equity.

Two mechanisms are introduced to address workers' grievances: a Grievance Redressal Officer to address complaints related to entitlements, payments, and benefits, and an Internal Dispute Resolution Committee within aggregators to settle disputes within 30 days. Aggregators must ensure a safe working environment and prompt payments, providing clear reasons for any deductions.

The Karnataka Draft Bill requires platforms to disclose how algorithms categorise workers, allocate work, and determine pay, addressing concerns about opaque management practices. It introduces Internal Dispute Resolution Committees within aggregators to address worker grievances.

The bill mandates that workers are not penalised for taking breaks or facing unforeseen circumstances, thereby safeguarding their standing on platforms.

3.2.3.3. Jharkhand

The Jharkhand Platform-Based Gig Workers (Registration and Welfare) Bill, 2024, closely resembles the Karnataka Draft Bill in many aspects. The bill adopts the definition of gig workers from the Code on Social Security (CoSS), 2020, which describes them as individuals earning income outside traditional employer-employee relationships.

Similar to the Karnataka Draft Bill, it establishes a Welfare Board to provide social security measures for gig workers. Aggregators are mandated to register workers and contribute welfare fees. The bill proposes mechanisms for collecting these fees, such as providing all gig workers with a Unique Identification Number (UID) to ensure portability across platforms.

3.2.3.4. Telangana

A dedicated Telangana Gig and Platform Workers Welfare Board[18] will be set up to manage worker registration, enforce compliance among aggregators, and implement social security schemes. The legislation will create a Social Security and Welfare Fund, financed through a 1-2% welfare fee on each transaction by aggregators, along with contributions from workers, government grants, and CSR allocations.

Key provisions also include protections for fair working conditions, timely and transparent payments, and safeguards against arbitrary termination. Aggregators are required to register within 45 days and submit comprehensive worker databases to the Board. The Act emphasises algorithmic transparency, requiring platforms to disclose how ratings, fares, and assignments are determined. Additionally, a two-tier grievance redressal mechanism has been introduced, including an Internal Dispute Resolution Committee for larger platforms.

3.3. Tamil Nadu's Initiatives for Gig Workers

In response to the growing gig economy, the Tamil Nadu government has taken various steps to safeguard the rights of gig workers. Recognising challenges such as job insecurity and a lack of benefits, the state has extended the Tamil Nadu Manual Workers (Regulation of Employment and

[18] https://www.telangana.gov.in/news/whats-new/2025/04/the-telangana-gig-and-platform-workers-registration-social-security-and-welfare-act-2025/

Conditions of Work) Act, 1982, to include gig workers and established the Tamil Nadu Platform-Based Gig Workers Welfare Board. These measures aim to provide social security, financial support, and improved working conditions for this crucial workforce.

The Tamil Nadu government's decision to extend the Tamil Nadu Manual Workers (Regulation of Employment and Conditions of Work) Act, 1982, to gig workers is a significant step towards recognising and safeguarding their rights within the gig economy. On 30 November 2023, a government notification expanded the Act's provisions to include platform-based gig workers, classifying them as "manual workers" and making them eligible for various social security benefits previously available only to traditional labourers.

3.3.2. Tamil Nadu Platform-Based Gig Workers Welfare Board

The Tamil Nadu Platform-Based Gig Workers Welfare Board, established on 27 December 2023, aims to provide social security and welfare benefits to gig workers engaged in platform-based services, including food delivery and ride-hailing. The board aims to support these workers by providing financial assistance, improving working conditions, and ensuring their social and economic well-being. Its objectives include registering gig workers for welfare schemes, providing financial aid, and safeguarding their rights. Gig workers can register via the Tamil Nadu Unorganised Workers Welfare Board's online portal (tnuwwb.tn.gov.in). Despite its establishment, enrollment remains low, and efforts to raise awareness are ongoing. One key benefit is Accidental Death Assistance, which provides 2,00,000 rupees to the dependents of workers who die in an accident, along with 5,000 rupees for funeral expenses. To qualify, workers must have contributed to the Labour Welfare Fund, and their monthly salary (basic pay + dearness allowance) must not exceed 25,000 rupees. The Welfare Board's initiative marks an important step in supporting gig workers in Tamil Nadu.

3.3.3. Welfare Schemes in Tamil Nadu: Key Initiatives from the Budget 2025-2026

Tamil Nadu has launched targeted measures for gig and platform workers in the Budget 2025-2026, reaffirming the state's dedication to inclusive labour policies. The key measures are as follows

- E-Scooter Subsidy: A subsidy of 20,000 rupees is available for 2,000 registered gig workers to purchase new electric vehicle scooters.
- Insurance Coverage: A group insurance scheme will be introduced to offer compensation for accidental death and disability, benefiting roughly 1.5 lakh internet-based service workers.
- Worker Lounges: Lounges equipped with essential facilities are established in Chennai to provide convenience for these workers.

3.4. Recommendations

a. **Establish the State Social Security Fund for Platform Workers:** The State may establish specially designed Social Security Funds and strategically utilise existing resource allocations for welfare schemes where applicable to cover a wider range of benefits, including health insurance, maternity support, pensions, disability coverage, and accidental death benefits.

b. **Platform Contribution Fund**: Develop a framework for a Platform Contribution Fund that requires platforms to contribute to the social security of gig workers in accordance with the Social Security Code, 2020. A voluntary co-contribution model, similar to Malaysia's Social Security Organisation (SOCSO), could be encouraged until formal collection systems are established.

c. **Universal Registration:** Mandate registration for gig workers and platforms through the Tamil Nadu Gig Workers Welfare Board's online portal, connected to the E-Shram UID system. This will establish a seamless, integrated welfare framework, ensuring gig workers can access both state and central benefits, while fostering portability and straightforward access to social security schemes.

d. Central Transaction Monitoring System (CTIMS): Implementing a system similar to Rajasthan's CTIMS would ensure transparency in cess collections and disbursements. This system will guarantee that funds designated for workers' welfare are properly managed and overseen.

e. **Establish a Two-Tier Dispute Resolution Mechanism:** Platforms with over 50 workers should be required to set up internal dispute resolution committees, with an independent state-appointed ombudsman to handle unresolved grievances. This system would enable workers to resolve conflicts more effectively, promoting fairness across the sector.

f. **Consultation with Gig Workers:** The Tamil Nadu Gig Workers Welfare Board may consult with worker representatives to ensure that gig workers' perspectives are represented during the drafting of the bill and other relevant policy-making processes.

g. **Unionisation of workers**: The Tamil Nadu government may introduce legal protections to enable workers to form unions for collective bargaining and representation. These unionised spaces can also serve to raise workers' awareness of their rights.

h. **Upskilling Programmes:** The Tamil Nadu government might collaborate with aggregators to offer subsidised training programmes in areas such as digital literacy, financial management, and specific sector skills. This initiative, inspired by Jharkhand's model, can improve the capabilities of gig workers and bolster their economic resilience in a swiftly changing labour market.

i. **Establish a Gig Economy Task Force:** It is recommended to create a task force that will regularly review gig economy policies, collecting feedback from workers, platforms, and civil society organisations. This will help tackle issues such as algorithmic bias and data privacy. Such a mechanism will ensure policies remain relevant and effective.

CHAPTER - 4

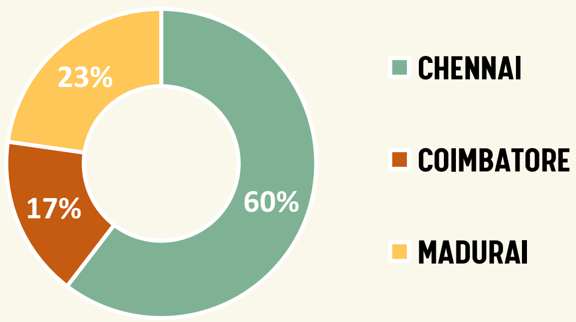
SOCIO-DEMOGRAPHIC PROFILE OF GIG WORKERS

Understanding the socio-demographic characteristics of gig workers is crucial for assessing their vulnerabilities, opportunities, and the broader impact on workforce dynamics. This chapter explores the socio-demographic profiles of gig workers across three major cities in Tamil Nadu: Chennai, Madurai, and Coimbatore, based on a survey of 255 respondents. By analysing factors such as age, religion, educational attainment, migration status, and caste, the chapter seeks to reveal the diverse backgrounds of individuals involved in gig work. Workers were approached in their natural work settings during idle or rest periods to minimise disruption and facilitate effective engagement. Food delivery workers were identified near popular restaurants, while quick commerce workers were approached near cloud stores. Ride-hailing drivers were located around railway stations, major bus terminals, and busy public areas. Porter drivers were mainly found in Broadway, Chennai, where they typically park and rest their vehicles. Other workers from Amazon Flex and Urban Company were contacted through visits to their respective offices. This targeted, location-specific sampling method ensured that the study captured a representative and diverse cross-section of platform-based gig workers across different service categories and urban regions.

4.1. Urban Gig Work and Movement of Workers

The study defines "Migrant" and "Non-Migrant" status by focusing solely on the mobility of platform workers within the state in search of employment. Individuals whose families had previously moved to the city and had since settled there were classified as non-migrants. Only respondents who had moved to the city for work themselves were considered migrants. This distinction is intended to avoid confusion and ensure that the analysis reflects recent mobility patterns driven by the platform economy.

Figure 4.1 Distribution of Respondents by City



The study took place in three major cities of Tamil Nadu: Chennai, Madurai, and Coimbatore. Among the respondents, 154 (60%) were from Chennai, 58 (23%) from Madurai, and 43 (17%) from Coimbatore (see figure 4.1).

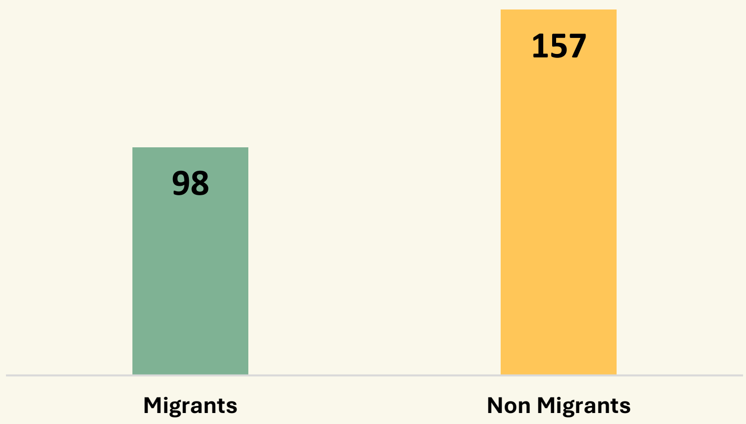
Table 4.1: Urban Gig Work and Movement of Workers

Migration Status	Chennai	Coimbatore	Madurai	Total
Migrant	69 (44.8%)	26 (60.5%)	3 (5.2%)	98 (38.4%)
Non-Migrant	85 (55.2%)	17 (39.5%)	55 (94.8%)	157 (61.6%)
Total	154 (100%)	43 (100%)	58 (100%)	255 (100%)

Note: Percentages reflect column totals.

The geographical movement patterns of platform-based gig workers in Tamil Nadu reveal critical insights into the links among urbanisation, employment opportunities, and living arrangements. Refer to Table 4.1 and Figure 4.2. Among the 255 respondents surveyed across Chennai, Coimbatore, and Madurai, 38% (98 workers) identified as migrants meaning they were not originally from the city where they currently work. Chennai has the highest proportion of migrant gig workers (69 out of 154, or about 45%), underscoring its role as a metropolitan hub that attracts workers from other regions.

Figure 4.2: Migration Status



In Chennai, migrants were often young men who had migrated for work opportunities, with many relying on peer networks or partial family relocation. Data on living arrangements (see Table 4.2) among these 98 workers show significant city-level differences. In Chennai, the most common arrangement was living with friends (35 workers), followed by living with family (29 workers).

Table 4.2: Living Arrangements of Migrant Gig Workers

Living Arrangements	City-wise Non-Native			
	Chennai	**Coimbatore**	**Madurai**	**Total**
Colleagues	2 (2.9%)	2 (7.7%)	0 (0.0%)	4 (4.1%)
Family	29 (42.0%)	9 (34.6%)	2 (66.7%)	40 (40.8%)
Friends	35 (50.7%)	12 (46.2%)	0 (0.0%)	47 (48.0%)
Others	3 (4.3%)	3 (11.5%)	1 (33.3%)	7 (7.1%)
Total	**69 (100%)**	**26 (100%)**	**3 (100%)**	**98 (100%)**

Note: Percentages reflect column totals.

These findings emphasise that platform workers prefer living with their friends, particularly in Chennai (57.9%) and Coimbatore (77.4%), and show a lesser inclination to relocate with their families. The flexibility of gig work, coupled with low entry barriers, attracts workers to cities where app-based platforms operate. Chennai, with its dense market for delivery, mobility, and service platforms, provides a high concentration of such opportunities, making it a key destination. These insights highlight the importance of policy focus on urban worker welfare, including safe and affordable housing, access to social security, and inclusive infrastructure that supports the growing gig workforce.

4.2. Youth and Education in the Gig Economy

The age distribution of gig workers, as illustrated in Figure 4.3, shows a dominant presence of young people in platform work. Most respondents fall within the 18-28 and 29-38 age brackets, underscoring the fact that the younger workforce is increasingly taking up platform work. While a small segment (18%) comprises individuals aged 39-48, and only 7% are in the 49-60 range, the data indicates that gig platforms mainly depend on younger workers, likely due to the physical demands and digital skills required for such work.

Figure 4.3: Age-wise Distribution of Respondents

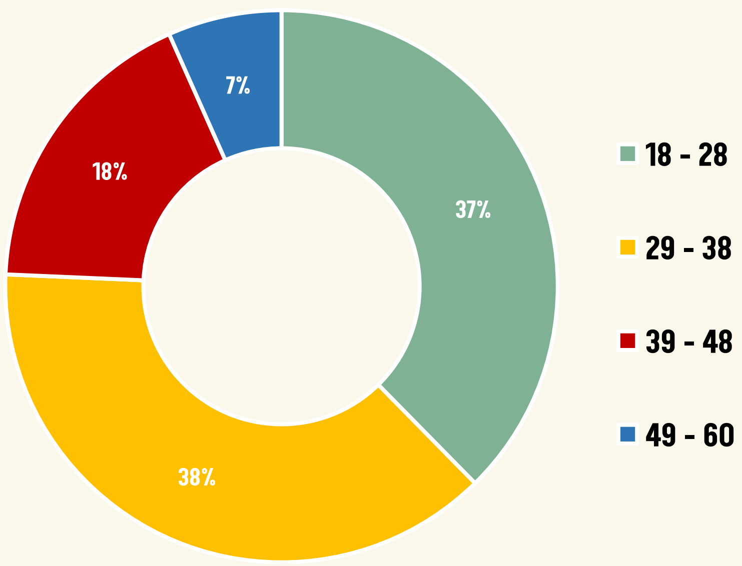
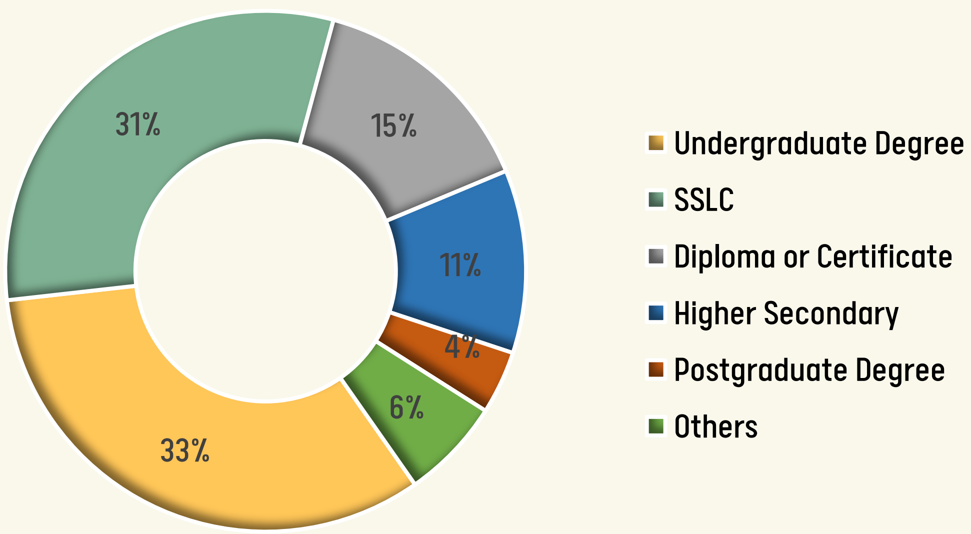


Table 4.3: City-wise Educational Qualification of Gig Worker Respondents

Educational Level	Chennai	Coimbatore	Madurai	Total
Undergraduate Degree	48 (31.2%)	21 (48.8%)	15 (25.9%)	84 (32.9%)
SSLC	55 (35.7%)	5 (11.6%)	19 (32.8%)	79 (31.0%)
Diploma/Certificate	18 (11.7%)	10 (23.3%)	9 (15.5%)	37 (14.5%)
Higher Secondary	21 (13.6%)	2 (4.7%)	6 (10.3%)	29 (11.4%)
Postgraduate Degree	3 (1.9%)	3 (7.0%)	4 (6.9%)	10 (3.9%)
Others	9 (5.8%)	2 (4.7%)	5 (8.6%)	16 (6.3%)
Total	**154 (100%)**	**43 (100%)**	**58 (100%)**	**255 (100%)**

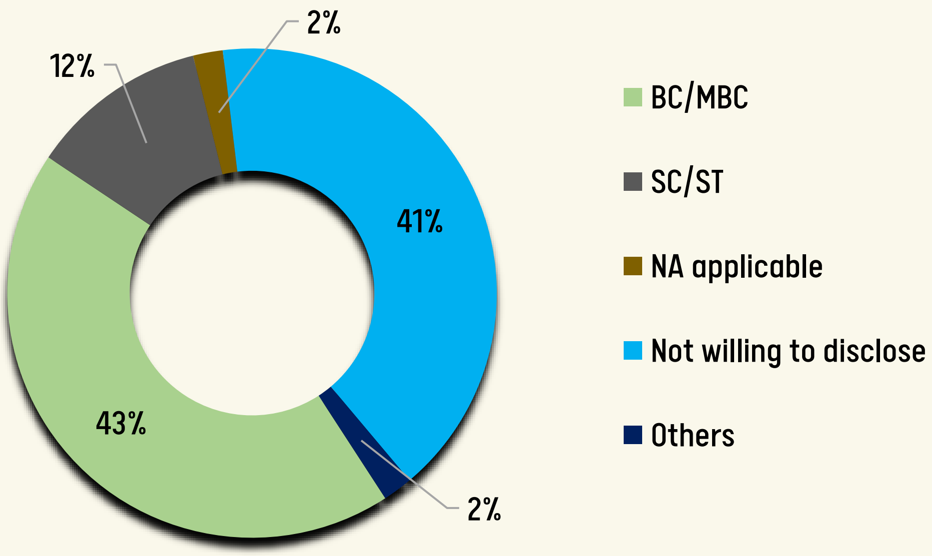
Note: Percentages reflect column totals.

Figure 4.4: Educational Qualification of Respondents



Regarding caste background (Figure 4.5), 43% of respondents identified as belonging to the Backwards Classes (BC) or Most Backwards Classes (MBC), while 12% were from the Scheduled Castes (SC) or the Scheduled Tribes (ST). A small proportion of respondents marked their caste as 'Not Applicable' (2%) or selected 'Others' (2%). Notably, 41% of respondents chose not to disclose their caste identity. The scope and methodology of the study limited researchers from conducting an in-depth qualitative analysis of the connection between caste dynamics among platform workers. The relationship between workers' caste positionalities, everyday gig work experience, and workers' solidarity remains unclear. The study recognises this is an important area that remains to be explored.

Figure 4.5: Community-wise Distribution of Respondents



4.3. Summary:

A summary of the socio-economic characteristics of the sampled gig workers is provided below:

1. Among the 255 gig workers surveyed across Chennai, Madurai, and Coimbatore, most were from Chennai, with 154 respondents (60%), followed by 58 respondents (23%) from Madurai and 43 respondents (17%) from Coimbatore.
2. Regarding migration status, 98 respondents (38%) identified as migrants, while 157 respondents (62%) were non-migrants. Among the migrant workers, 41% live with their families, and the remaining 59% reside with friends, colleagues, or in other shared living arrangements.
3. A total of 67% of respondents were aged between 18 and 38 years, reflecting the sector's increasing appeal among younger people seeking flexible or immediate livelihood opportunities.
4. With respect to caste background, out of 59% of sample respondents who provided information, 43% of respondents identified as belonging to the Backward Classes and Most Backward Classes, while 12% belonged to the Scheduled Castes and Scheduled Tribes.

CHAPTER - 5

RECRUITMENT PROCESS, WORKING HOURS AND EARNINGS

This chapter examines the workers' recruitment process, working hours, earning patterns, and vehicle types as key factors affecting their incomes. It explores how digital platforms have created new income-generating opportunities for a diverse range of workers, providing both full-time and part-time employment across urban and peri-urban areas. It also outlines challenges such as long working hours, unstable incomes, and the absence of a guaranteed minimum wage. Based on the findings, suggestions are offered to improve pay structures and uphold decent work standards for platform workers in Tamil Nadu.

5.1. Platform Work as Primary Livelihood and Supplementary Source

The rise of platform-based work reflects the growing diversity in how people engage with digital labour markets. For many, especially those who own three- or four-wheelers or have trade skills such as electricians or plumbers, gig work has become an important career option. Some workers said they viewed platform jobs as a reliable, long-term source of income. This was especially true for two-wheeler riders. However, these workers usually worked five or more days a week, depended heavily on platform earnings, and often invested in better vehicles or equipment to support their work, sometimes at the cost of their physical and mental health.

Nevertheless, the platform economy also includes a fluctuating group of part-time workers, such as students, underemployed youth, and individuals with other primary careers. For these workers, platform work acts as a flexible, supplementary source of income rather than a main profession. During our field survey, a common pattern emerged among 'two-wheeler-based gig workers': many activate their ride-hailing or delivery apps like Rapido after finishing their regular jobs to earn extra income. This dual-use pattern emphasises the role of gig platforms in supporting a diverse workforce–those seeking stable livelihoods and those using the platforms for short-term financial needs. **The coexistence of full-time and part-time work presents unique challenges when designing policies that effectively address the different needs of each group.**

5.1.1. Flexible Work:

The rise of platform-based gig work in Tamil Nadu has introduced a new era of flexible. These platforms offer individuals the freedom to select their working hours, making them especially appealing to students and those managing multiple responsibilities. The low barrier to entry ensures that people without formal education or professional backgrounds can still access meaningful livelihood opportunities. With income structures that reward performance through bonuses, incentives, and customer tips, gig work has become a viable means of financial support for many workers.

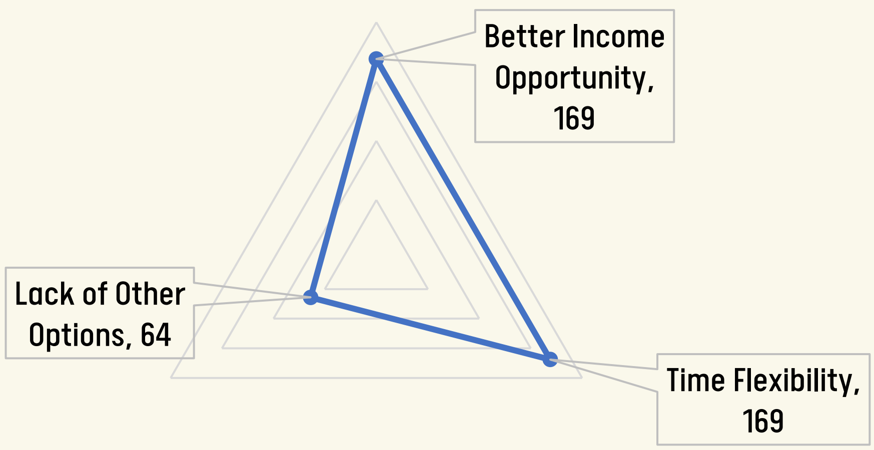
Platforms not only generate income but also enhance skill recognition, allowing workers with informal or vocational skills to establish trust through customer ratings and reviews, which primarily happens in platforms in which skill is the basis of selection. Furthermore, these platforms enable financial and technological literacy, connecting workers to cashless transactions, GPS navigation, and online communication.

Significantly, platforms have bridged the urban-rural divide, enabling workers from smaller towns and peri-urban areas to connect with broader markets. Tamil language interfaces and regional customisations ensure accessibility for native speakers, reinforcing local inclusion in the digital economy, despite 96% of respondents holding an SSLC or higher (see Figure 4.4). For women, persons with disabilities, and other marginalised communities, gig work offers safer, more flexible alternatives to traditional employment.

5.1.2. Motivations to become Platform workers

As illustrated in Figure 5.1, many gig workers cited improved income prospects and flexibility in work hours as key motivations. At the same time, a considerable proportion of respondents reported entering platform-based work due to a lack of alternative employment options, highlighting how platform work often becomes the default choice amid high urban underemployment.

Figure 5.1: Reasons to Join Online Platform Based Gig Work by Respondents



5.2. Worker Backgrounds and Employment History

The previous employment status of gig workers in Chennai, Coimbatore, and Madurai, as shown in Table 5.1, reveals diverse occupational backgrounds before they entered platform-based work. A significant portion–138 out of 255 respondents (54%)–were already employed in non-platform-related jobs before transitioning to gig work, with this trend being most prominent in Chennai, where 88 of the 154 respondents (57%) reported prior employment. This suggests that gig work is increasingly viewed not only as a fallback option but also as an alternative to other employment, especially in urban areas. Another 41 workers (16%) were involved in similar roles but outside platform structures, such as ride-hailing or transport services, indicating that gig platforms are formalising parts of the informal economy.

Interestingly, 38 respondents (15%) were students before joining these platforms, especially in Coimbatore, where they made up 30% of the respondents, highlighting the increasing appeal of gig work among young people seeking flexible income while studying. Additionally, 38 participants reported being unemployed before joining platforms, with this category being more significant in Madurai (33% of respondents), indicating that platform work is an important entry point into the labour market in smaller urban centres. The data highlights the diversity of platform workers' backgrounds and emphasises the role of platform-based work in supporting both the underemployed and those transitioning from other economic sectors.

Table 5.1: Previous Employment of Gig Workers by City

Previous Employment Status	Name of the City			
	Chennai	**Coimbatore**	**Madurai**	**Total**
Employed in another job	88 (57.1%)	24 (55.8%)	26 (44.8%)	138 (54.1%)
Same work but not platform-based	27 (17.5%)	5 (11.6%)	9 (15.5%)	41 (16.1%)
Student	21 (13.6%)	13 (30.2%)	4 (6.9%)	38 (14.9%)
Unemployed	18 (11.7%)	1 (2.3%)	19 (32.8%)	38 (14.9%)
Total	**154 (100%)**	**43 (100%)**	**58 (100%)**	**255 (100%)**

Note: Percentages reflect column totals.

5.2.1. Nature of Previous Employment

Table 5.2 provides valuable insights into the occupational diversity of gig workers, showing that platform-based work attracts people from a wide range of employment backgrounds. The largest group of respondents comes from the Transportation and Driving sector, which is expected, given the overlap with ride-hailing and delivery services. The shift from traditional driving roles (such as auto-rickshaw or lorry drivers) to app-based work demonstrates both the ease of joining digital platforms and the potential for stagnation or insecurity of earnings in traditional transport jobs. However, beyond this sector, respondents from Retail & Sales, Food & Hospitality, and Construction indicate a trend of workers moving away from low-paying or unstable informal jobs towards the flexibility offered by gig work.

Notably, the inclusion of workers from white-collar professions-such as IT developers, auditors, accountants, medical coders, and lecturers-challenges the standard view of the gig economy as a refuge for the unskilled or informal labour force. This suggests that platform work could also serve as an economic buffer for underemployed professionals or those facing job displacement. The presence of entrepreneurs and small business owners highlights that self-employment no longer guarantees a stable income, prompting many to consider gig work as either a temporary or permanent option.

Table 5.2: Previous Employment Classification of the Respondent

Category	Example Job Roles
Transportation & Driving	Car driver, Lorry driver, Auto-rickshaw driver, Ambulance driver, Load truck driver, Tourist car driver, Courier driver, Travels driver
Retail & Sales	Departmental store worker, Grocery shop staff, Vegetable shop worker, Showroom sales, Credit card collection agent, Market sales
Food & Hospitality	Restaurant staff, Catering worker, Cafe worker
Construction & Skilled Trades	Electrician, Welder, Carpenter, Plumber, Civil work professional, AC mechanic, Blue Star supervisor (service)
Manufacturing & Industrial Work	Machine operator, Garment worker, Steel company supervisor, Power loom administrator
IT & Corporate Sector	IT developer, BPO employee, Marketing professional, Auditor, Office administrator, Collection field worker
Medical & Healthcare	Medical coder, Medical representative, Healthcare-related administration
Finance & Administrative Roles	Accountant, Finance officer, University administration
Education & Training	Lecturer, Teacher, Administration Section
Entrepreneurship & Small Businesses	Real estate broker, small business owner, Food sales entrepreneur, Porter, Engineering business owner

5.3.1. Recruitment Process

The recruitment process for gig and platform-based work in Tamil Nadu across platforms such as Zomato, Ola, Swiggy, Zepto, Rapido, Uber, Dunzo, Blinkit, Porter, Amazon Flex, and Urban Company, is mainly informal and driven by peer networks and digital media outreach (see Table 5.3).

The most common way to enter such work is through referrals from friends and relatives who are already working with these platforms. These platforms actively encourage such peer recruitment through referral programmes, offering incentives to existing workers who successfully onboard recruits.

Table 5.3: How Workers Learned About the Job (City-wise)

Source of Information	Chennai	Coimbatore	Madurai	Total
Applied directly through the platform	39 (25.3%)	14 (32.6%)	23 (39.7%)	76 (29.8%)
Others	12 (7.8%)	0 (0.0%)	0 (0.0%)	12 (4.7%)
Recruitment agent	10 (6.5%)	0 (0.0%)	0 (0.0%)	10 (3.9%)
Referred by friends/family	93 (60.4%)	29 (67.4%)	35 (60.3%)	157 (61.6%)
Total	**154 (100%)**	**43 (100%)**	**58 (100%)**	**255 (100%)**

Note: Percentages reflect column totals.

Self-registration through mobile applications is the main method for joining digital platforms. Prospective workers are usually informed about terms and conditions, onboarding steps, and incentive schemes via the app interface, often through videos available in Tamil and English. Instructional videos are compulsory for new users and typically cover basic platform policies, safety guidelines, and operational procedures. However, workers reported that most learning is informal and experiential, occurring only after they start working on the platform. Other recruitment channels include social media advertisements, banners in public spaces, auto-rickshaw ads, and agents who assist with onboarding in exchange for a share of the platform's joining bonus. The use of agents as intermediaries is especially notable among workers with limited digital literacy, highlighting the layered and unequal access to gig work opportunities.

An important yet often overlooked aspect of recruitment is the involvement of intermediaries or third-party agents. Many platforms, especially in ride-hailing and delivery services, rely on these intermediaries to enrol workers. For example, Rapido has been observed setting up temporary recruitment stalls in busy city locations, resembling mobile SIM card kiosks, complete with branded umbrellas and promotional banners. In an effort to recruit more women two-wheeler drivers, the platform places advertisements at local grocery stores and tea shops, promoting flexible work options with attractive pay, such as 400 rupees for two hours and 800 rupees for four hours. While these efforts increase visibility and expand access to gig work, the financial arrangements between platforms and intermediaries remain opaque.

This decentralised, app-based recruitment structure, while effective for platforms, lacks sufficient safeguards to guarantee informed consent, fair onboarding, and thorough training. It also reflects the platforms' limited commitment to worker safety and readiness, shifting much of the responsibility and related risks onto the workers themselves.

5.3.2. Recruitment and Rejection Processes on Digital Platforms

The recruitment process for gig workers varies by platform and service category, but generally involves document verification, skill assessments, and basic digital requirements. Most platforms require a minimum educational qualification of Class 10 and a working knowledge of smartphones, especially navigation apps, which is considered essential across mobility and delivery platforms. For services based on two-wheelers, such as food delivery, quick commerce, and courier services, workers must have a valid two-wheeler driving licence, third-party vehicle insurance, and a registered vehicle. In cases where the applicant does not own the vehicle, a no-objection certificate (NOC) from the owner was previously accepted. However, recently, platforms have started to require that only vehicle owners can register. For ride-hailing platforms, workers operate cars or auto-rickshaws; a commercial licence is mandatory, often colloquially called a "batch licence," which typically indicates at least two years' driving experience. Additionally, it is informally expected that workers maintain a functioning mobile phone with adequate battery life or a power backup, as this directly impacts task acceptance and performance.

Urban Company takes a slightly different approach. Workers are recruited based on their relevant skills, such as air conditioning repair, plumbing, or electrical work, and receive platform-led training and orientation. Although formal certification is not usually necessary, the platform assesses the worker's skill level during these sessions and reserves the right to approve or reject their enrolment based on their performance. A mandatory background check is also conducted before final approval.

Most digital platforms aim to accommodate all willing workers, reflecting their need to maintain a large, flexible workforce. However, rejections do occur in some cases, mainly due to mismatched documentation, unsuccessful background checks, or the absence of required licences and digital literacy.

The recruitment process for gig work in Tamil Nadu highlights both opportunities and inequalities. While platforms have utilised peer networks and mobile technology to establish efficient onboarding systems, the absence of formal support structures, training investments, and worker protections poses serious challenges. As the sector expands, it becomes essential to standardise and regulate recruitment practices, ensuring that all platform workers, regardless of their background, can have equal and fair opportunities.

5.3.3. Recommendations

a. **Multilingual Onboarding:** Platforms should provide onboarding materials in Tamil that clearly explain work conditions, income structure, incentives, and policies using simple language. Live human support should be available to clarify terms when needed.

b. **Transparency:** Practices involving exaggerated earnings promises or hidden fees should be explicitly discouraged, along with other false promises. A transparent recruitment process should be established and conducted in Tamil.

c. **Standardised Pre-Contract Disclosure:** A pre-contract information form, approved by the Tamil Nadu Gig Workers Welfare Board, could be developed for consistent use across platforms. Many workers remain unaware of contract details and often accept terms by clicking "Okay" without fully understanding them.

d. **Recruitment Costs and Starter Kits:** Our study suggests that workers currently bear the expenses for recruitment-related items such as platform-branded T-shirts, bags, and ID cards. The government might need to intervene by requiring platforms to cover these initial costs or provide subsidised starter kits.

5.4. Working Days and Hours:

Recent research[19] on gig work platforms highlights the increasing normalisation of long and irregular working hours among gig workers. Workers often experience blurred work-life boundaries and financial insecurity, leading them to extend their online availability to maximise earnings. This section presents the working patterns in terms of days per week and hours per day of respondents engaged in online platform-based gig work, based on survey data and focus group discussions.

Table 5.4: Number of Days Worked per Week by Respondents Across Cities

Number of Days/ Week	Name of the City			Total
	Chennai	Coimbatore	Madurai	
2	0 (0.0%)	0 (0.0%)	1 (1.7%)	1 (0.4%)
3	1 (0.6%)	0 (0.0%)	2 (3.4%)	3 (1.2%)
4	15 (9.7%)	7 (16.3%)	3 (5.2%)	25 (9.8%)
5	30 (19.5%)	10 (23.3%)	7 (12.1%)	47 (18.4%)
6	57 (37.0%)	15 (34.9%)	13 (22.4%)	85 (33.3%)
7	51 (33.1%)	11 (25.6%)	32 (55.2%)	94 (36.9%)
Total	**154 (100%)**	**43 (100%)**	**58 (100%)**	**255 (100%)**

Note: Percentages reflect column totals.

In Table 5.4, the distribution of gig workers by the number of days they work per week shows that a majority are engaged in platform-based work on a near-full-time or full-time basis. Notably, 94 out of 255 respondents (37%) reported working all seven days a week, with Madurai showing the highest proportion in this category (32 out of 58 respondents). Another 85 workers (33%) reported working six days a week, indicating that for most workers, platform work is a primary source of income, demanding significant time commitment. Chennai had the largest number of respondents working six or seven days (108 out of 154), reinforcing the intensity of gig work in urban areas with

[19] Wood, A. J., Graham, M., Lehdonvirta, V., & Hjorth, I. (2019). Good gig, bad gig: Autonomy and algorithmic control in the global gig economy. *Work, Employment and Society, 33*(1), 56-75. https://doi.org/10.1177/0950017018785616

high demand. In contrast, only a small fraction of workers reported working fewer than five days a week, indicating limited engagement in gig work as a purely supplementary or part-time activity. This data emphasises the heavy workloads gig workers usually undertake, highlighting the economic need behind their participation and the limited flexibility in reality, despite the common belief in flexible gig work.

Table 5.5: Respondents' Daily Work Hours by City

Hours of Work/Day	Name of the City			Total
	Chennai	**Coimbatore**	**Madurai**	
16 - 18	16 (10.4%)	5 (11.6%)	2 (3.4%)	23 (9.0%)
13 - 15	25 (16.2%)	2 (4.7%)	6 (10.3%)	33 (12.9%)
10 - 12	85 (55.2%)	13 (30.2%)	17 (29.3%)	115 (45.1%)
7 - 9	18 (11.7%)	6 (14.0%)	23 (39.7%)	47 (18.4%)
4 - 6	8 (5.2%)	15 (34.9%)	8 (13.8%)	31 (12.2%)
1 - 3	2 (1.3%)	2 (4.7%)	2 (3.4%)	6 (2.4%)
Total	**154 (100%)**	**43 (100%)**	**58 (100%)**	**255 (100%)**

Note: Percentages reflect column totals.

In Table 5.5, the distribution of gig workers by hours worked per day across cities shows that most work long hours, with over 45% (115 of 255) working 10-12 hours per day. Chennai exhibits a particularly high concentration in this range (85 out of 154), indicating intensive workdays typical of urban gig economies. A significant portion (33 workers) reported working even longer hours-13 to 15 hours per day-while 23 workers reported working 16 to 18 hours per day, highlighting the demanding nature of gig work when income targets must be met. In contrast, only 6 workers reported working fewer than 3 hours per day, suggesting that part-time or genuinely flexible gig work is relatively rare. Interestingly, Coimbatore had the highest proportion of workers in the 4- to 6-hour range, suggesting regional variation in gig work patterns. The data suggests that long working hours are the norm for most gig workers, challenging the perception of gig work as merely a flexible or supplementary income option.

As shown in Table 5.6, 179 workers (70.2%) worked more than five days a week, with 85 reporting six-day workweeks and 94 working all seven days. Regarding daily work hours, 151 workers (60.8%) reported working 10-15 hours per day, and 226 workers (88.6%) worked at least 5 days per week. During focus group discussions, workers pointed out that there were no official limits on how long they could remain logged in. Many reported that, to qualify for bonuses or meet incentive targets, they needed to remain logged in and available for 10 to 12 hours daily, even when their tasks were intermittent.

Table 5.6: Work Intensity of Online Platform Workers by Days and Hours

Days	Hours/Day						
	1 - 3	**4 - 6**	**7 - 9**	**10 - 12**	**13 - 15**	**16 - 18**	**Total**
2	1 (16.7%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	1 (0.4%)
3	0 (0.0%)	2 (6.5%)	1 (2.1%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	3 (1.2%)
4	1 (16.7%)	7 (22.6%)	3 (6.4%)	10 (8.7%)	2 (6.1%)	2 (8.7%)	25 (9.8%)
5	1 (16.7%)	3 (9.7%)	10 (21.3%)	21 (18.3%)	9 (27.3%)	3 (13.0%)	47 (18.4%)
6	0 (0.0%)	8 (25.8%)	15 (31.9%)	42 (36.5%)	12 (36.4%)	8 (34.8%)	85 (33.3%)
7	3 (50.0%)	11 (35.5%)	18 (38.3%)	42 (36.5%)	10 (30.3%)	10 (43.5%)	94 (36.9%)
Total	**6 (100%)**	**31 (100%)**	**47 (100%)**	**115 (100%)**	**33 (100%)**	**23 (100%)**	**255 (100%)**

Note: Percentages reflect column totals.

232 respondents reported working on weekends, while only 23 did not. The high weekend participation rate, as shown in Figure 5.2, indicates limited flexibility for workers to choose rest days. This reflects the underlying pressures, such as income instability and platform-imposed performance metrics, including incentive eligibility, customer ratings, and order acceptance rates, and higher demand during weekends often influences workers to remain continuously active on weekends.

Figure 5.2: Workers who work on weekends

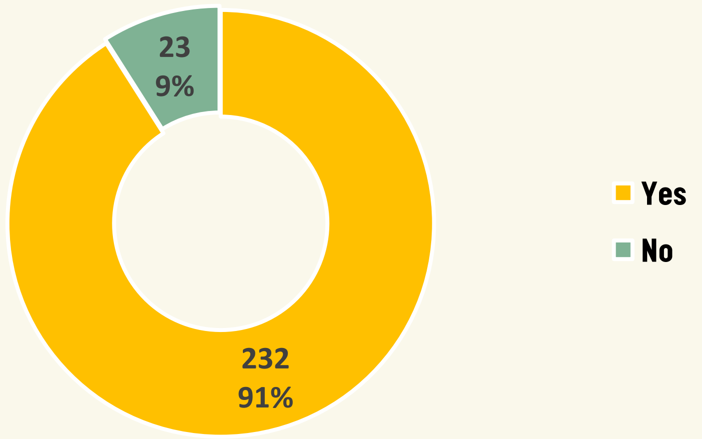


Table 5.6 provides a clear overview of work intensity across various gig platforms in Tamil Nadu, organised by sector and daily working hours. Most gig workers (115 out of 255) report working between 10 and 12 hours per day, indicating that this is the typical work duration across most platforms. Ride-hailing companies such as Ola, Uber, and Rapido dominate this category, with Ola employing the highest number of workers (17) within this range. Food delivery services, particularly Zomato and Swiggy, also have a substantial number of workers logging 10-12 hours daily.

Table 5.7: Distribution of Respondents by Daily Work Hours and Platform

Platform Category	Name of the platform	Number of Hours Per Week						
		1 - 3	4 - 6	7 - 9	10 - 12	13 - 15	16 - 18	Total
Ride-hailing	Uber	2	5	0	12	0	3	22
	Ola	0	4	6	17	3	4	34
	Rapido	2	6	5	11	4	3	31
Food Delivery	Zomato	0	5	9	18	3	1	36
	Swiggy	1	1	5	12	10	4	33
Quick Commerce/ Grocery Delivery	Blinkit	0	0	3	10	2	2	17
	Zepto	0	0	12	11	5	4	32
Goods Delivery	Dunzo	0	2	2	10	5	1	20
	Porter	0	4	3	9	1	0	17
	Amazon Flex	1	3	2	1	0	0	7
Service	Urban Company	0	1	0	4	0	1	6
	Total	6	31	47	115	33	23	255

Notably, a considerable number of workers undertake long shifts exceeding 13 hours per day: 33 workers reported working 13-15 hours, and 23 reported working 16-18 hours. Swiggy, Zepto, and Dunzo have comparatively higher figures in these extended work categories, indicating potentially high work demands in food and quick commerce delivery.

On the other end of the spectrum, a smaller segment worked shorter shifts: 6 workers reported working only 1-3 hours per day, and 31 worked 4-6 hours. These shorter durations are most common among workers for Amazon Flex, Porter, and Urban Company.

Finally, Zepto and Zomato have the highest number of workers in the 7-9-hour range, indicating a greater prevalence of moderate work durations in the quick commerce and food delivery sectors.

The data shows that while gig work can provide flexibility, a significant proportion of workers, particularly those in ride-hailing and food delivery, are engaged in long and demanding work hours, often exceeding the standard 8-hour workday.

Table 5.8: Limit on Maximum Work Hours Imposed by Platforms

Response	**Number of Respondents**
There is a limit	23
There is no limit	232
Total	**255**

Table 5.8 shows that most gig workers operate without any formal restrictions on the number of hours they can work, regardless of the platform. Only 9% (23 workers) reported that their platform imposed a maximum working-hour limit. Conversely, 91% (232 workers) reported that their platform did not impose any such limit.

This lack of restrictions raises serious concerns regarding worker health, safety, and fair labour standards. Unlimited working hours can lead to physical and mental exhaustion, increased accident risks (for both workers and passengers), and long-term health issues.

Table 5.9: Distribution of Respondents by Number of Workdays per Week and Platform

Platform Category	Name of the platform	Number of Day per Week						
		2	3	4	5	6	7	Total
Ride-hailing	Uber	0	0	4	9	4	5	22
	Ola	0	0	6	7	9	12	34
	Rapido	1	1	2	7	9	11	31
Food Delivery	Zomato	0	1	3	5	12	15	36
	Swiggy	0	1	1	8	16	7	33
Quick Commerce/Grocery Delivery	Blinkit	0	0	3	3	6	5	17
	Zepto	0	0	1	5	12	14	32
Goods Delivery	Dunzo	0	0	1	0	7	12	20
	Porter	0	0	3	2	7	5	17
	Amazon Flex	0	0	1	0	1	5	7
Service	Urban Company	0	0	0	1	2	3	6
	Total	**1**	**3**	**25**	**47**	**85**	**94**	**255**

Table 5.9 presents the frequency with which gig workers across various platforms in Tamil Nadu work during the week. The table indicates that gig work is typically a full-time commitment rather than a supplementary or part-time pursuit.

Across different platform categories, food delivery and quick commerce services exhibit notably high levels of engagement. For example, Zomato and Zepto have 15 and 14 workers, respectively, working every day of the week. Similarly, ride-hailing platforms like Ola and Rapido have a substantial proportion of workers (12 and 11, respectively) active daily. This intense participation reflects both the earning needs of workers and the demand patterns of the platform economy.

More than 80% of gig workers work five or more days per week, indicating that the platform-based earning system discourages them from working longer hours to maintain a steady income, particularly in the absence of fixed salaries or employment benefits. The evidence highlights the precarious nature of platform-based gig work, where pressures for excessive availability often accompany the flexibility, it offers.

5.4.1 Recommendations:

a) **Cap Working Hours:** Recommend 12 hours per day and 60 hours per week, in line with decent work standards. The reason for this suggestion is that, to address short-term labour shortages, platforms offer attractive incentive schemes; however, the task- and time-based approach often results in overwork.

b) **Mandatory Rest Periods:** Platforms should encourage workers to plan a minimum number of rest breaks, especially those on night shifts or working long hours.

5.5. Earnings

Table 5.10 shows the distribution of average daily earnings reported by gig workers across various platforms. The data indicate that the vast majority of respondents, 177 out of 255 (approximately 69.4%), earn between 400 and 1000 rupees per day, implying that gig work provides a modest, subsistence-level income for most. This trend is particularly evident among workers affiliated with Zepto (28 out of 32), Zomato (26 out of 36), Swiggy (23 out of 33), and Dunzo (13 out of 20), which are primarily food and quick-commerce delivery platforms.

Table 5.10: Respondents' Average Income (In Rupees) Per Day by Platform

Platform Category	Name of the platform	400 - 1000	1001 - 1500	1501 - 2000	2001 - 2500	2501 - 3000	3001 - 3500	Total
Ride-hailing	Uber	15	5	0	1	1	0	22
	Ola	18	10	5	0	0	1	34
	Rapido	19	7	4	0	1	0	31
Food Delivery	Zomato	26	5	4	1	0	0	36
	Swiggy	23	10	0	0	0	0	33
Quick Commerce/Grocery Delivery	Blinkit	11	5	1	0	0	0	17
	Zepto	28	3	1	0	0	0	32
Goods Delivery	Dunzo	13	7	0	0	0	0	20
	Porter	13	2	2	0	0	0	17
	Amazon Flex	6	1	0	0	0	0	7
Service	Urban Company	5	0	1	0	0	0	6
	Total	177	55	18	2	2	1	255

Only a small proportion of workers reported earnings in the higher income brackets. For example, only 23 workers (9%) earn between 1,501 and 3,000 rupees per day, and only 5 respondents (2%) fall within the 2,501 rupees and above range, with Ola and Uber drivers appearing most frequently in these higher-income bands. This suggests that ride-hailing platforms offer greater earning potential than food and goods delivery platforms. However, the income variation is also influenced by factors such as hours worked, surge pricing, vehicle ownership, and city-specific demand.

5.5.1 Vehicle Ownership as a Key Determinant of Platform Access, Earnings, and Expense

Existing research[20] highlights that gig workers' access to income opportunities is heavily influenced by their ownership of assets, especially, vehicles. In the platform economy, a worker's vehicle type not only determines which platforms they can join but also affects their earning potential, operating costs, and financial stability. This section explores how vehicle ownership shapes the income distribution among platform-based gig workers surveyed for this study.

The analysis showed that grouping gig workers based on the type of vehicle they use offers more meaningful insights than grouping them by platform. The vehicle an individual owns or operates often determines the type of platform they can access, which in turn influences both their earning potential and expenditure patterns. For instance, while platforms like Uber, Ola, and Swiggy inherently require specific types of vehicles, even platforms such as Urban Company–which may seem skill-based–still require workers to own a vehicle to join.

Table 5.11 Distribution of Respondents by Average Daily Income (In Rupees) and Type of Vehicle Used

Income Category	Auto-Rickshaw	Car	Two-wheeler	Total
1001 - 1500	22 (52.4%)	10 (40.0%)	145 (77.1%)	177 (69.4%)
1501 - 2000	16 (38.1%)	5 (20.0%)	34 (18.1%)	55 (21.6%)
2001 - 2500	3 (7.1%)	7 (28.0%)	8 (4.3%)	18 (7.1%)
2501 - 3000	1	0	1	2

[20] Rani, U., & Furrer, M. (2020b). Digital labour platforms and new forms of flexible work in developing countries: Algorithmic management of work and workers. *Competition & Change*, *25*(2), 212-236. https://doi.org/10.1177/1024529420905187

Table 5.11 Distribution of Respondents by Average Daily Income (In Rupees) and Type of Vehicle Used

Income Category	Auto-Rickshaw	Car	Two-wheeler	Total
	(2.4%)	(0.0%)	(0.5%)	(0.8%)
3001 - 3500	0 (0.0%)	2 (8.0%)	0 (0.0%)	2 (0.8%)
400 - 1000	0 (0.0%)	1 (4.0%)	0 (0.0%)	1 (0.4%)
Total	**42 (100%)**	**25 (100%)**	**188 (100%)**	**255 (100%)**

Note: Percentages reflect column totals.

Table 5.11 shows the average daily income of respondents engaged in online gig work, categorised by the type of vehicle they use. Among respondents using two-wheelers (145 individuals), 177 (69%) earn between 400 and 1000 rupees per day, representing a significant share of the total sample (255). Auto-rickshaw drivers tend to earn in a similar range, with 22 respondents reporting earnings between 400 and 1000 rupees. However, car users are fewer, and their incomes are more evenly spread across higher income brackets, with 7 respondents earning between 1501 and 2000 rupees daily and 2 respondents earning between 2501 and 3000 rupees. While some auto-rickshaw and car drivers earn higher incomes, the largest proportion across all vehicle categories falls within the 400-1000 rupees range, emphasising that most gig workers earn modest daily incomes. This table highlights income differences between various vehicle types used for gig work, with two-wheeler users generally earning less than those using cars or auto-rickshaws.

5.5.2. Recommendations - Earnings

a. **Transparent Earnings Disclosure:** Clearly explain earnings calculations in Tamil, including base pay, commissions, incentives, deductions, and penalties–along with a weekly or monthly balance sheet. Workers lose access to their data and app once they are deactivated or blocked. Platforms should retain all electronic communications, especially since most apps do not allow screenshots.

b. **Monthly Earnings Documentation:** Ensure workers receive monthly digital payslips or standardised earnings certificates. Since their earnings are subject to TDS, but do not receive formal salary documentation, many are excluded from accessing credit and financial services.

c. **Advance Notice for Pay and Policy Changes:** Provide at least 72 hours' notice in Tamil to inform workers of any changes to commissions, earnings, or policies that affect their pay.

d. **Comprehensive support for gig workers:** Gig workers who meet the minimum working hours mandated by Tamil Nadu state law may qualify for welfare schemes, such as the Employees' State Insurance.

e. **Social Protection for Part-Time and Flexible Workers:** Enabling provisions for part-time or flexible workers may include enrolment in opt-in, low-premium schemes that provide accident insurance or emergency income support.

5.6. The Incentive Illusion

Digital labour platforms increasingly depend on incentive schemes as strategic tools to manage labour supply in response to volatile consumer demand. These incentives–such as bonuses, surge pricing, or performance-based rewards play a central role in influencing worker behaviour, especially regarding working hours. Although the income reported by platform workers includes such incentives, it remains difficult to determine their exact contribution. This challenge primarily stems from a lack of transparency and from diverse incentive structures applied not only across platforms but also among workers within the same platform.

Workers interviewed in this study noted that incentive schemes are highly variable and driven by algorithms. Platforms may apply different criteria, such as the number of completed tasks, working during peak hours, or high customer ratings, to determine bonuses. These schemes are not standardised; instead, they are customised to manage workers' availability for extended hours during busy periods at specific locations.

This control over workers conflicts with the 'independent contractor' ethos promoted by platforms. Workers reported having to stay logged in for long periods to meet bonus thresholds. In focus group discussions, food delivery workers shared experiences of how algorithms supposedly would stop assigning tasks just before reaching the incentive target. One worker remarked:

"To earn the bonus, I need to complete 40 deliveries. But even if I reach 38, the app stops sending orders. I stay logged in, waiting for those last two, but they never come."

Ride-hailing workers voiced similar feelings, believing they are being manipulated as the algorithm seems to deliberately withhold opportunities. Since platforms are required to pay incentives once the worker reaches the target, workers suspect that the system may intentionally limit orders near the threshold to avoid payouts. As a result, they often push themselves too hard, working long hours online without any guaranteed rewards.

Although marketed as tools to increase earnings, platform incentive schemes primarily serve as mechanisms to regulate supply and demand. However, in doing so, they transfer operational volatility onto workers, forcing them to work excessive hours in pursuit of uncertain rewards. This is evident from the various tables on working hours and the number of working days presented in this chapter, which demonstrate that incentive structures are associated with longer log-in times and increased weekly engagement. The result is a work environment governed not by worker autonomy, but by algorithmic control and economic pressures.

5.7. Everyday Commission and Monthly Subscription Models

Platforms collect their dues from drivers through two methods. The first is the commission model, which is common in most other contexts, in which the driver shares a percentage with the platform management. It can reach up to 25 per cent, and drivers reported that the calculations behind these figures were not transparent. The subscription model, by contrast, charges drivers a fixed upfront fee (e.g., 29 rupees per day or 300 rupees per month) to receive orders.

A key reason for this change is to discourage multi-apping, the practice of drivers using multiple platforms simultaneously to maximise earnings, by enforcing platform loyalty and preventing inconsistent availability. The subscription model subtly controls workers and creates a more stable and exclusive driver base. For drivers, the apparent guarantee is that there will be no variation regarding their payouts (commission) to platforms. Nonetheless, this shift has caused concerns among drivers.

For example, some respondents from Madurai reported that when they opt for a monthly subscription to platforms, their ride offers decrease significantly. In contrast, those paying the daily commission generally receive more frequent orders. Although the exact mechanism remains unclear, drivers perceive it as yet another form of algorithmic penalisation or prioritisation, highlighting broader issues of platform transparency and fairness. Swiggy, Zomato, Dunzo, Blinkit, and Zepto do not operate a commission-based model for their delivery workers. These workers are paid per delivery order. For example, Dunzo charges a delivery fee of 25 rupees, and Blinkit offers a minimum fee of 25 rupees for a 5 km delivery.

Similarly, Urban Company does not have a fixed commission; it ranges from 8% to 25%, depending on the service type. Porter, by contrast, applies a flat 10% fee to each delivery or ride. Uber has announced their subscription model to their cab drivers (Rupees 128 per day)

Workers reported that calculating commission was too complicated to understand. They are unaware of the commission model and how it functions. In most cases, information about commissions, including terms, conditions, and contracts, was written in legalese and inaccessible to workers.

Recommendations:

a) **Transparency:** Platforms should ensure that all correspondence related to commission is in the local language. Also, The Platform should make reasonable efforts to clarify how the commission works.

b) **Access to income and commission statements**: Workers should be able to review and compare their gross and net incomes before and after commission. They should also be able to download these statements and should not rely solely on platform apps.

5.8. Expenses:

The cost structure for platform-based gig workers shows that a significant portion of their earnings is spent on vehicle-related costs, effectively shifting b usiness risks onto individual workers[21] [22]). In this study, ride-hailing and delivery workers reported spending approximately 30-40% of their daily wages on fuel alone, irrespective of the type of vehicle they owned.

Table 5.12 presents a classification of gig work-related expenses by vehicle category, highlighting cost differences among two-wheelers, three-wheelers, and four-wheelers. Fixed costs,

[21] Woodcock, J., & Graham, M. (2019). *The Gig Economy: A Critical Introduction*. Polity Press.
[22] Dubal, V. B. (2017). *The Drive to Precarity: A Political History of Work, Regulation, and Labor Advocacy in San Francisco's Taxi and Uber Economies*. Berkeley Journal of Employment and Labor Law, 38(1), 73-135.

such as vehicle purchase, range from 90,000 to 2 lakhs rupees for 2-wheelers, 2 to 6 lakhs rupees for 3-wheelers, and 9 to 20 lakhs rupees for 4-wheelers, indicating a steep rise in entry-level investment as vehicle size increases. Additionally, all workers typically invest in a smartphone, costing around 12,000-15,000 rupees every two years, a common and essential tool across platforms.

Annual expenses, particularly insurance, also rise with vehicle type– 1,500-2,000 rupees for 2-wheelers, 4,000-6,000 rupees for 3-wheelers, and 12,000-15,000 rupees for 4-wheelers– reflecting higher risk and coverage needs for larger vehicles. Accessory costs (power bank, charger, mobile holder, etc.) are around 2,000 rupees across all categories. Monthly expenses follow a similar pattern, with respondents reporting maintenance costs ranging from 1,000 to 2,000 rupees for 2-wheelers and from 3,000 to 5,000 rupees for 4-wheelers, indicating greater upkeep requirements for more complex vehicles. Some monthly expenses, such as mobile phone bills (300-350 rupees), remain fairly consistent across vehicle types. Additionally, workers mentioned that they usually have to pay at least one RTO check fine per month for traffic rule violations.

Table 5.12 shows that while 2-wheelers offer a more affordable entry into gig work, 3- and 4-wheelers involve significantly higher financial commitments, which may only be justified by proportionally higher or more stable earnings. This cost structure is essential in shaping the accessibility, sustainability, and profitability of gig work across different vehicle segments.

Table 5.12: Classification of Gig Work-Related Expenses (In Rupees) by Vehicle Category

Category	Item	2 Wheelers	3 Wheelers	4 Wheelers
Fixed Costs	Vehicle Cost	90,000 - 2 Lakhs	2 - 6 Lakhs	9 - 20 Lakhs
	Smartphone (Once in 2 years)	12000-15000		
Annual Expenses	Insurance	1,500 - 2,000	4,000 - 6,000	12,000 - 15,000
	Accessories	2,000		
Monthly Expenses	Maintenance	1000- 2000	2,000 - 3,000	3,000 - 5,000
	Mobile Phone Bill	300 - 350		
	RTO Checks	1,000		

Table 5.13: Daily Average Fuel Expenditure (In Rupees) by Vehicle Type

Fuel Expenditure (INR)	Autorickshaw	Car	Two-Wheeler	Total
Less than 300	13 (31.0%)	0 (0.0%)	118 (62.8%)	131 (51.4%)
301 - 600	28 (66.7%)	6 (24.0%)	70 (37.2%)	104 (40.8%)
601 - 900	1 (2.4%)	8 (32.0%)	0 (0.0%)	9 (3.5%)
901 - 1200	0 (0.0%)	11 (44.0%)	0 (0.0%)	11 (4.3%)
Total	**42**	**25**	**188**	**255**

The comparison of fuel expenditure and average daily income across vehicle types reveals a clear link between vehicle ownership, operational costs, and earnings. Table 5.13 shows the variation in monthly fuel expenditure among different types of vehicle users–Auto Rickshaws, Cars, and Two Wheelers. Most two-wheeler users (118 out of 188) spend less than 300 rupees on fuel. In contrast, auto rickshaw drivers tend to spend slightly more, with the majority (28 out of 42) falling within the 301-600 rupees range. Car owners, however, are mostly in the higher expenditure brackets; 8 of them spend 601-900 rupees, while 11 spend 901-1200 rupees.

Table 5.13 highlights that car users tend to have the highest fuel costs, with 44% spending 901-1200 rupees and another 32% spending 601-900 rupees. In contrast, auto-rickshaw drivers predominantly spend 301- 600 (66.7%) rupees, while two-wheeler users mostly spend less than 300 (62.8%) rupees, indicating significantly lower operating costs.

The income distribution table supports this pattern. Most two-wheeler users (77.1%) fall within the 1001-1500 rupees daily income bracket, indicating modest but steady earnings that correlate with their low fuel costs. Auto-rickshaw drivers, who are mainly in the 1001-1500 rupees group (52.4%), display a more varied income, with 38.1% earning between 1501 and 2000 rupees. Overall, the data suggests that two-wheeler users have low income paired with low expenses. Auto-rickshaw drivers operate with moderate costs and income, whereas car users tend to have higher operational costs and potentially higher or more fluctuating income.

Table 5.14 presents the distribution of vehicle loans among respondents. Of the 255 workers surveyed, 109 (42.74%) reported having a vehicle loan, while 146 (57.26%) did not. By vehicle type, 24 of 42 autorickshaw drivers (57.14%) have vehicle loans, whereas 18 (42.9%) do not, indicating that many autorickshaw drivers rely on loans to finance their vehicles. Among car owners, 12 out of 25 (48%) have vehicle loans, and 13 (52%) do not, reflecting a fairly even split. In contrast, two-wheeler owners constitute the largest group, with 73 out of 188 (38.8%) reporting a vehicle loan and 115 (61.2%) not. This suggests that a substantial proportion of two-wheeler owners rely on loans, likely because two-wheelers are more affordable than autorickshaws or cars.

Table 5.14: Respondents who have Vehicle Loan

Loan Status	Autorickshaw	Car	Two-Wheeler	Total
No	18 (42.9%)	13 (52.0%)	115 (61.2%)	146 (57.3%)
Yes	24 (57.1%)	12 (48.0%)	73 (38.8%)	109 (42.7%)
Total	42 (100.0%)	25 (100.0%)	188 (100.0%)	255 (100.0%)

Note: Percentages reflect column totals.

The data shown in Tables 5.15 and 5.16 offer important insights into the sources of lending and interest rates linked to vehicle loans among respondents. Table 5.16 reveals that while banks are the most frequently accessed lenders, making up 44.04% of loans, a notable portion of respondents–37.61%–depend on private individuals, indicating restricted access to formal financial institutions for many. It must also be noted that non-banking private finances (moneylenders and private individuals) account for 44.95%. Other sources include microfinance institutions (9.17%) and moneylenders (7.34%), with little reliance on platform owners.

Table 5.16 also shows that most respondents (75.23%) secured loans at a fairly moderate interest rate, between 10.1% and 12%. However, 16.51% paid higher rates, from 12.1% to 18%, and 8.26% encountered rates above 18%, suggesting that borrowers from informal sources, such as private individuals or moneylenders, may face more costly credit. Overall, these tables highlight differences in access to affordable credit and the potential financial risks for borrowers engaged in gig work or informal employment.

Table 5.15: Type of Lender Accessed by Respondents for Vehicle Loans

Type of Lender	Number	Percent
Bank	48	44.04
Employer	1	0.92
Microfinance institution	10	9.17
Moneylender	8	7.34
Others	1	0.92
Private individual	41	37.61
Total	109	100

Table 5.16: Distribution of Respondents by Rate of Interest on Vehicle Loan

Rate of Interest	Number	Percent
10.1-12	82	75.23
12.1-18	18	16.51
>18	9	8.26
Total	109	100

5.8.1. Recommendations

a) **Subsidised Vehicle Ownership for Ride-hailing Workers:** Recommend that the government consider subsidising two- or three-wheelers through welfare-linked lending programmes or partnerships with banks and manufacturers. These subsidised assets would reduce long-term indebtedness and improve work sustainability (A 20,000 rupee subsidy for purchasing e-two-wheelers was announced in the 2024-25 Budget).

b) **Provide Insurance Subsidies for Road Safety and Financial Relief:** The government might consider subsidising vehicle and third-party insurance premiums for full-time gig workers to lessen their financial burden and enhance road safety compliance.

5.9. The Status of Platform Intermediaries in Tamil Nadu

The growth of ride-hailing platforms in Tamil Nadu, especially in urban centres like Chennai, has led to the rise of Fleet Management Services (FMS)–third-party car rental companies that own and operate large fleets of vehicles, "ridesource"[23] to platform drivers. While ridesourcing offers opportunities for drivers without their own vehicles to find work, the ecosystem is marred by structural inequalities and exploitative practices. Historically, in India, car drivers and owners are from two different classes. The fleet owner model is an extension of this socio-historical phenomenon. In fact, in north India private fleet owners are called as "Taxidars", bearing a resemblance to zamindars.[24]

During the survey, the study found that workers who rent cars in Chennai usually operate under rental agreements with fleet owners, who often hold exclusive contracts with major ride-hailing platforms such as Uber.

The terms of hiring under Fleet Management System (FMS) agreements are usually informal, arranged through referrals, and lack formal contracts. Drivers are engaged as independent contractors, which means they are not protected by key labour rights such as fixed wages, paid leave, or social security benefits. This setup leaves workers vulnerable to unstable incomes and heavy workloads. Under these agreements, drivers are often expected to work 15 to 18 hours a day to cover rental costs and fuel. Fleet operators offer sliding rental scales, where lower daily fees are provided if the driver completes a specified number of trips. However, this model encourages overwork, which often jeopardises drivers' health and safety. Drivers who fail to meet targets not only earn less but also incur financial losses. This structure reflects broader trends in platform-based work, in which drivers linked to aggregators report longer working hours and greater insecurity than those in direct employment. For instance, a driver reported needing to complete 30 trips to earn 5,000-6,000 rupees, but after fuel and fleet deductions, was left with only 1,500 rupees.

[23] Wadud, Z., & Namala, J. (2022). The effects of ride sourcing services on vehicle ownership in large Indian cities. *Transportation Research Interdisciplinary Perspectives*, *15*, 100631. https://doi.org/10.1016/j.trip.2022.100631
[24] Kashyap, R., & Bhatia, A. (2018). Taxi Drivers and Taxidars: A Case Study of Uber and Ola in Delhi. *Journal of Developing Societies*, *34*(2), 169-194. https://doi.org/10.1177/0169796X18757144 (Original work published 2018)

Drivers renting through fleets are usually restricted to one platform, such as Uber. They are not allowed to multi-app (i.e., use other ride-hailing services like Ola or Rapido), which greatly limits their earning potential and independence. This monopolistic setup benefits the platforms and fleet operators but confines drivers' options to work for multiple platforms. Fleet companies require non-refundable deposits or subscriptions as advances, ranging from 13,500 to 36,500 rupees. In basic rental schemes, drivers must pay a deposit and agree to daily or weekly rental charges.

Fleet drivers do not receive fixed salaries, social security benefits, or regulated working hours. Instead, they are subject to arbitrary rules set by fleet managers. Missing a trip or taking a day off can result in penalties or even the loss of vehicle access, despite assured ownership. Although the arrangement appears to be a lessor-lessee relationship, drivers are treated as daily workers, not entitled to leave of absence. Some fleets authorise only two days off per month, and taking more days off results in an extension of their contract period. Contracts provided by fleet operators are typically written in complex legal language, leaving most drivers unable to understand the terms fully.

5.9.1. Three Standard Earning Models Under Fleet Services.

Trip-Based Rental Reduction:

A higher number of trips results in lower rent but demands excessive effort. The implicit condition here is that drivers cannot refuse a particular job and are expected to complete all trips regardless of distance or fare. This condition benefits the fleet owner in negotiating better terms, including financial incentives, which are not transparent with the respective platform. 60-40 **Revenue Sharing:**

The driver receives 60% of revenue but also bears fuel costs, thereby reducing their net income.

Driver-to-Owner (DTO)

The DTO scheme involves drivers making significant upfront payments and committing to 2-4 years of exclusive service to the fleet owner in exchange for vehicle ownership. However, they often receive high-mileage vehicles at the end of the term, which usually have decreased resale value and more maintenance issues. These schemes frequently exploit drivers' ambitions for ownership but offer limited financial progress.

While Fleet Management Services offer an entry point into the gig economy for vehicle-less drivers, they reinforce a cycle of overwork, financial insecurity, and limited autonomy. Instead of closing opportunity gaps, these services often benefit intermediaries, leaving low-income workers behind.

5.9.2. Recommendations: Fleet Management

a. **App Access**: Ensure workers can choose to work across multiple apps so platforms cannot enforce exclusivity clauses for set hours to qualify for incentives.

b. **Audit Driver-to-Owner (DTO) Schemes:** Regularly reviewing DTO models can help ensure fairness in ownership agreements and vehicle condition standards.

c. **Legal status:** Drivers appointed by Fleet management should not be classified as platform workers. They are to be regarded as worker-drivers employed by a private company. Consequently, they are entitled to all benefits, rights, and allowances, including fixed working hours, fair pay, and guaranteed holidays as specified in a contract.

CHAPTER - 6

CONTRACT

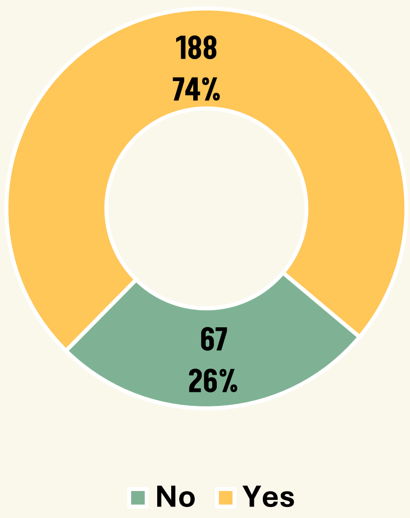
A fair contract requires that platforms provide accessible, clear, fair, and transparent agreements to their workers. These agreements, often called Terms and Conditions (T&Cs), Contracts, or Agreements, aim to set out the rules and expectations for both the platform and the workers. Although these terms have slightly different legal meanings, this study examined whether platforms had established any of these agreements with their workers – and how well the workers understood them.

6.1. Platform Workers and Contracts

Most workers who participated in the study were unaware of the type of contract (or any form of legally binding agreement) they had entered into. Whether it was a written contract or simply a digital click-through agreement, workers generally did not understand the legal aspects of their contractual relationship with the platform.

Recruitment mainly occurs through self-registration on mobile applications. Most workers – 188 out of 255 respondents (Figure 6.1) – said they accepted the terms and conditions via the app during registration.

Figure 6.1: Workers' Awareness of Terms and Conditions



Most workers reported that they clicked a "YES" button to join the workforce. For them, accepting the terms and conditions felt like just another step in the registration process, not like signing a crucial legal agreement. As a result, terms and conditions held very little significance for workers in their daily understanding of their job.

6.1.1. Challenges in Understanding Contracts

Formal explanations of the terms and conditions were almost non-existent. Occasionally, agents or senior staff members offered informal explanations, but these were often brief and frequently omitted important details. Workers also observed that contract terms-especially those related to payment-usually change over time. However, these modifications were not communicated.

6.2. Deactivation

Drivers also stated that the contract should clearly specify the procedures for deactivating workers and the steps necessary to reactivate them. Most workers interviewed reported that they did not know how to negotiate with platform management to restore their status.

6.3. Recommendations - Contract:

a. **Local language:** Ensure platforms provide all work-related contracts, terms, and conditions, and ensure updates are provided in Tamil. Contracts should be read or explained clearly to workers at the time of onboarding, where necessary.

b. **Notifying workers about contract changes:** The government may consider requiring that all contract modifications or policy updates be communicated to workers at least 72 hours in advance via accessible digital channels such as the mobile app.

c. **Representation and consultation:** Develop a system that obliges platforms to consult workers before making significant changes. For example, platform management might publish proposed contract amendments and initiate a feedback process involving gig worker unions, collectives, or welfare boards.

d. **Algorithmic Transparency:** Platforms may disclose their rating and work allocation principles and rationale to workers. This transparency will help workers understand management's reasoning and enable better negotiation when necessary.

CHAPTER - 7

ASSESSING THE WORKING CONDITIONS

The everyday working conditions of gig and platform workers in Tamil Nadu reveal significant gaps in access to basic infrastructure, workplace dignity, and occupational safety. Studies[25] have documented how the lack of access to toilets, drinking water, safe waiting areas, limits on working hours, and insurance exposes platform workers to health, safety, and financial vulnerabilities. These conditions directly impact not only the well-being of workers but also the sustainability and fairness of the platform economy. The findings from the present survey highlight the urgent need for regulatory interventions and platform accountability to ensure decent working conditions.

7.1. Access to Toilets, drinking water and basic amenities:

Table 7.1 highlights a lack of access to basic amenities among gig workers in Tamil Nadu. A large majority–78.8% (201 workers) reported having no access to clean and hygienic toilets. Similarly, 74.5% (190 workers) lacked access to clean drinking water, raising serious concerns about worker welfare and health.

[25] Barratt, T., Goods, C., & Veen, A. (2020). 'I'm my own boss…': Active intermediation and 'entrepreneurial' worker agency in the Australian gig economy. *Environment and Planning A: Economy and Space, 52*(8), 1643-1661.

Table 7.1: Availability of Basic Amenities for Gig Workers

Facility	No	Yes	Total
Access to clean and hygienic toilets	201 (78.8%)	54 (21.2%)	255
Access to clean drinking water	190 (74.5%)	65 (25.5%)	255
Designated parking	194 (76.1%)	61 (23.9%)	255

Note: Percentages reflect row totals.

Access to designated parking spaces was also inadequate, as 76.1% (194 workers) indicated that it put workers at risk of parking violations, vehicle theft, and damage.

7.2. Women and Gig Work

This study identified six female workers during data collection because the study team faced significant challenges in locating these women and securing their participation. Many were reluctant to share data, leading to several incomplete surveys. This reluctance is attributable to privacy concerns, fear of repercussions, or a lack of trust in the research process. Despite these difficulties, the responses from the focus group discussion (FGD) provided valuable insights into the experiences of female gig workers within Tamil Nadu, highlighting both the advantages and challenges of working in the gig economy.

An important benefit of women's participation in the gig economy is the flexible schedule it offers, allowing them to balance work with other responsibilities, especially caregiving. This flexibility makes platform-based work appealing to many women, as it provides control over their timetables and the opportunity to earn income while attending to family duties. One participant mentioned, "As female workers, we do not feel any threats or harassment in this job. We often receive compliments from the public. Compared with previous jobs, this work environment is more favourable, and we receive equal pay and recognition to that of men. In past employment, we did not receive equal salaries or wages." This feedback shows that platform-based work not only offers a safer and more equitable environment but also empowers women by providing better pay and acknowledgement, which they might not have received in traditional employment. Nonetheless, despite these benefits, the gig economy still faces challenges that must be addressed to ensure long-term security and fairness for female workers.

The Tamil Nadu government has proposed amending the Tamil Nadu Motor Vehicles Rules, 1989, to introduce 'pink autos'-auto rickshaws owned and operated by women under the Pink Auto Scheme of the Social Welfare and Women Empowerment Department. These autos are painted pink, and drivers required to wear pink uniforms. A subsidy of 1 lakh rupees per person will be provided to 200 women auto drivers, thereby enabling them to enter the transport sector. This initiative, alongside platform-based measures such as safety features offered by Swiggy, Zomato, and Rapido, represents a step toward promoting gender inclusivity.

Gendered constraints like caregiving responsibilities continue to restrict women's participation in paid work. The absence of comprehensive labour laws for gig workers worsens these issues, as platforms lack policies to manage disputes involving female workers. Specifically, women face problems related to menstruation, pregnancy, and caregiving, with no provisions for menstrual or maternity leave. Addressing these gender-specific challenges through policy measures, such as paid leave for menstruation and maternity, would improve working conditions for female gig workers and ensure they receive equal rights and protections.

Recommendations:

a) Lounge access: Women-only lounges should be established.

b) Access to premises: Women collecting goods should be permitted to sit within the vendor's premises. They should also be able to charge their mobile phones and utilise rest rooms.

c) Safety: Platforms should take additional measures to safeguard their female gig workers by providing a human- a) interfaced helpline in emergencies.

7.3. Access to premises:

Table 7.2 shows that a significant number of gig workers lack even basic entitlements, such as the right to sit while waiting to collect goods for delivery. Only 19.2% (49 workers) reported being allowed to sit during waiting periods, whereas 34.1% (87 workers) reported not being permitted to do so, indicating poor working conditions and a disregard for worker comfort in establishments such as restaurants, stores, and warehouses. Furthermore, 46.7% (119 workers) reported that the issue was "not applicable" to their work, which may indicate instant pickups or a lack of awareness about such entitlements. Notably, in 2021, Tamil Nadu amended its Shops and Establishments Act to introduce the "Right to Sit[26] [27]," requiring seating for employees during non-active periods. The low awareness and enforcement of such rights among gig workers highlight broader gaps in labour protections within the platform economy.

Table 7.2: Permission to Sit While Waiting to Collect Goods for Delivery

Permission to Sit	Number of Respondents
Yes	49
No	87
Not Applicable	119
Total	**255**

7.4. Insurance

Insurance coverage is a vital element of worker protection, especially in the gig economy, where workers face increased risks due to the nature of their jobs. Our survey examined the level of accident insurance coverage among gig workers and evaluated their awareness of available schemes and related insurance obligations.

[26] Government of Tamil Nadu. (2021, September 6). Government Gazette Extraordinary No.399.
[27] Correspondent, S. (2021, September 7). *'Right to sit': Tamil Nadu tables Bill mandating establishments to provide seating for employees.* The Hindu. https://www.thehindu.com/news/national/tamil-nadu/tn-tables-bill-mandating-establishments-to-provide-seating-for-employees/article36317057.ece

Table 7.3: Accident Insurance Coverage

Accident Insurance	Number of Respondents
No	148 (58%)
Yes	107 (42%)
Total	255

As shown in Table 7.3, a significant proportion of gig workers lack accident insurance. Of the 255 respondents, 148 (about 58%) reported not having accident cover, while 107 (42%) stated they were insured. This emphasises a considerable gap in occupational safety measures for gig workers, who often face high-risk working environments, especially in sectors such as delivery and transportation.

It is important to recognise that nearly all major platforms claim to provide group accident insurance for their employees. Furthermore, under the Motor Vehicles Act, 1988, it is compulsory for all vehicles in India to be insured, including a Compulsory Personal Accident (CPA) Cover for the owner-driver, as specified in General Regulation (GR) 36 of the India Motor Tariff, 2002, issued by the Insurance Regulatory and Development Authority of India (IRDAI). Despite these legal requirements and platform policies, the findings indicated that many workers are either unaware of their accident insurance rights or are not properly enrolled. While discussions often centre around accident coverage, none of the workers reported having or being aware of any health insurance coverage. This is particularly concerning, given the frequent health risks associated with gig work, including long working hours, exposure to harsh weather, and physical strain.

There is an urgent need for platforms not only to provide comprehensive accident and health insurance but also to actively inform, educate, and enrol their workers in these safety nets. Regulatory oversight must ensure transparency and accountability in insurance coverage to strengthen the overall well-being and security of gig workers.

7.5 Living conditions of migrant workers

A significant number of ride-hailing workers do not have residences in Chennai, having moved from outside to pursue platform-based livelihoods. They often sleep in closed cars and use public restrooms. This creates unpleasant conditions (such as body odour) for drivers and customers. Workers reported being bullied and threatened by strangers. In Chennai, workers often sleep at airports or railway stations (which offer an early-morning client base) or park in Koyambedu, where bathing and toilet facilities are readily available in the morning.

7.5. Recommendations - Working Conditions:

a) **Resting Room:** Ensure platforms provide access to basic safety and hygiene facilities or collaborate with local businesses and councils to offer these amenities to gig workers. The recent initiative by the Chennai Corporation to establish an air-conditioned resting room for delivery workers is a positive step. It could serve as a scalable model for other cities in Tamil Nadu.

b) **Right to sit:** Expand and enforce the State government's gazette that requires employers to provide a proper space for employees to sit and rest while waiting, especially for platform workers.

c) **Access to Client's Business Premises**: Platforms and the government may ensure that business premises (such as restaurants, food outlets, or private hosts) provide seating or rest areas for gig workers. Where direct access is not feasible, the government may consider issuing rules that mandate such provisions.

d) **Inclusion under CMCHIS:** The government may consider extending the Chief Minister's Comprehensive Health Insurance Scheme (CMCHIS) to full-time gig workers by relaxing income criteria or establishing a separate beneficiary category.

e) **Integration with AB-PMJAY**: Gig workers, especially those in delivery and mobility sectors, may be brought under the Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) by designating them as part of the "vulnerable workforce" to ensure financial resilience during health emergencies.

f) **Access to ESI or Similar Schemes:** ESI hospitals already provide free medical treatment, specialist services, and cash benefits for sickness and disability to insured employees. The government may explore extending the scheme for gig workers as well.

g) **Accommodation:** Establish a government-platform joint initiative, similar to The Thozhi Scheme, to provide decent accommodation at a reasonable rate for platform workers in major cities in Tamil Nadu, beginning in Chennai.

CHAPTER - 8

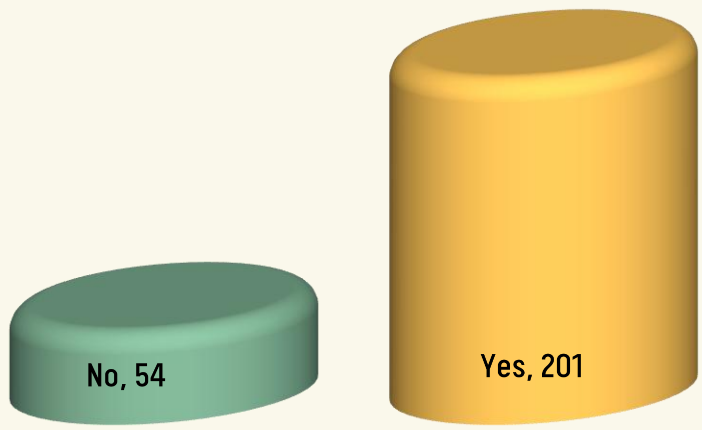
TRANSPARENCY AND ACCOUNTABLITY

Transparency and accountability are essential for fair and respectful platform work. Without clear rules, gig workers often face opaque systems-particularly related to ratings, penalties, and communication with platform management. This chapter explores two main concerns: the lack of clarity around performance rating systems and the limited options for collective representation among workers. Based on the voices of 255 gig workers in Tamil Nadu, the study highlights how structural inequalities between platforms and workers are maintained through algorithmic opacity and inadequate representation mechanisms.

8.1. On Rating and Reputation

Based on extensive interviews with gig workers across various platforms, it is clear that the rating system, although widespread, is poorly understood and often viewed with uncertainty and mistrust. Of the 255 workers interviewed (see Figure 8.1), 201 reported awareness of the rating system, yet their understanding of how it functioned remained vague. A majority of workers identified the system as "customer-based," meaning that customer satisfaction, delivery speed, and professionalism primarily determine ratings. However, many also admitted they "don't know how it works" or feel that ratings are not directly linked to tangible benefits or penalties. Some respondents believed ratings were insignificant and that they still received a considerable amount of work regardless. Others expressed that their voices went unheard and that customers held the ultimate authority over workers' ratings, which they regarded as unfair and one-sided.

Figure 8.1: Understanding of Rating system of Platform



Most workers reported understanding the rationale behind the rating system of the respective platforms. Several believed that speed and efficiency, especially quicker delivery or ride completion, were crucial for achieving higher ratings. Although there is no concrete evidence to support this, it aligns with platform behaviour, as companies often emphasise faster service. However, workers lacked a clear understanding of how ratings were actually calculated or why they affected work opportunities. They had a rough idea of how the app functioned on the surface, but were largely uncertain about the platform's algorithm, which could influence their earnings. Their understanding of the rating system was limited to faster services, the quantity of jobs, and star ratings, without knowing the mechanics behind these ratings.

Some workers reported that higher ratings (e.g., above 4.5) may lead to more ride or order offers, whereas lower ratings may result in fewer tasks or increased cancellations. Others stated that "ratings don't matter," noting that they still received orders despite having average scores. A few even reported that customers sometimes gave poor ratings for reasons beyond the workers' control, such as traffic delays or vague delivery addresses, highlighting the lack of fairness in the system.

Despite this uncertainty, the psychological pressure of maintaining a good rating persists. Workers often stated that they needed to "attend orders on time" or "log in correctly" to sustain their performance and avoid penalties. Some admitted they had gradually become accustomed to the system's stress, while others reported that even with consistent high performance, the flow of orders could be unpredictable. This uncertainty reinforces platform control while limiting workers' autonomy and their ability to make informed decisions. Ultimately, while ratings are presented as performance tools, they primarily function as opaque instruments of discipline, offering little recourse or clarity for workers.

8.2. Regarding collective representation:

Among the 255 workers surveyed, only 22 were members of the workers' union. Of these, just 15 took part in protests supporting workers' rights. As a result, there was limited workers' representation to claim their entitlements from platform management. Swiggy saw spikes in workers' protests; however, they were disorganised and led by external unions like CITU, lacking an internal presence.

Recommendations:

a) **Fostering transparency and accountability:** Platforms should volunteer their workings of ratings and discuss their process with platform workers to create a consensual method.

b) **Collective representation:** Platforms should not be averse to the unionisation of platform workers.

CHAPTER - 9

CONCLUSION

The emergence of the gig economy in Tamil Nadu, as well as globally, represents a fundamental shift in the structure of labour markets-bringing with it both new opportunities and unprecedented challenges. This study, rooted in detailed field research and comparative policy analysis, reveals that gig and platform-based workers in Tamil Nadu form a diverse, predominantly young, and highly mobile workforce. Many of these workers have migrated from other regions in search of flexible income opportunities, often under conditions that are far from secure, dignified, or fairly compensated.

Across the cities of Chennai, Madurai, and Coimbatore, the study found that although gig work offers autonomy in theory, in practice it often involves long hours, low and unstable earnings, limited legal protections, and high personal costs, especially related to vehicle ownership and platform commissions. Algorithmic management systems, lack of transparency, and the absence of collective bargaining mechanisms exacerbate these issues. Young graduates and underemployed youth, in particular, are turning to gig work not out of choice but because of systemic employment gaps-highlighted by high underemployment and skill-job mismatches in urban labour markets.

Tamil Nadu has taken commendable early steps to formalise welfare provisions for gig workers. The extension of the Tamil Nadu Manual Workers Act to platform workers, and the creation of the Tamil Nadu Platform-Based Gig Workers Welfare Board, highlight the state's commitment to progressive labour governance. Initiatives such as e-scooter subsidies, group insurance, and rest lounges outlined in the 2025-26 state budget further demonstrate this intent.

Yet, this policy momentum must be matched by stronger implementation mechanisms, clearer legal frameworks, and inclusive worker participation. Key issues such as lack of awareness about existing schemes, ambiguous platform accountability, and commission structures remain barriers to worker empowerment.

Comparative insights from other Indian states like Rajasthan, Jharkhand, and Telangana–as well as international practices from the UK, South Africa, Brazil and Malaysia–demonstrate the value of legal recognition, transparent contracting, mandatory platform contributions, and centralised grievance systems.

As Tamil Nadu positions itself as a leader in fair gig economy reform, the way forward must focus on providing decent work, as defined by the ILO: work that is productive and provides fair income, security, social protection, and dignity. Policymakers need to recognise that the gig economy is not a passing anomaly but a fundamental aspect of modern employment. It requires a labour system that safeguards worker rights whilst supporting platform innovation and growth.

In conclusion, this study provides a foundational evidence base to guide Tamil Nadu's gig economy policy. It advocates for comprehensive legislation, enhanced institutional support, equitable remuneration systems, and the full inclusion of gig workers in the state's broader vision for inclusive economic development. By acting now, Tamil Nadu can establish a national and global benchmark for ethical, sustainable, and just regulation of the digital labour economy.

Study on Status of Platform Based Gig Workers in Tamil Nadu

The rapid expansion of the gig economy has significantly reshaped the labour landscape in Tamil Nadu, offering new forms of work through digital platforms while simultaneously posing challenges around job security, social protection, and worker rights. This report presents a comprehensive examination of the evolving gig economy in Tamil Nadu, with a specific focus on online platform-based gig work. It explores the legislative responses at the state level, critically analyses domestic and international policy frameworks, and offers insights from primary field research conducted with 255 gig workers across the cities of Chennai, Madurai, and Coimbatore. While the sample size of 255 workers does not allow for statistical generalisation or significance testing, it serves as a valuable qualitative dataset that provides nuanced insights into how platform work operates on the ground. The study's primary aim is to understand platform dynamics, labour processes, and worker experiences across representative sectors of the gig economy. The study adopts a mixed-methods approach to capture the diversity of worker experiences in a rapidly expanding and complex sector.

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