DRIVER PRAGATI, VIKSIT BHARAT

More for the driver. Less for the passenger.

A policy case for examining what mobility platforms actually do.

Lower software charges can create room for drivers to retain more and passengers to pay less. The result depends on fees, ride volumes, demand and costs. A label alone proves neither independence nor tax treatment.

One journey. Two household budgets.

Commission illustration

Passenger fare: ₹400

Assumed commission: 20% = ₹80

₹320

Retained by the driver, before other costs

Software-pass illustration

Passenger fare: ₹360

₹100 daily pass ÷ 10 rides = ₹10

₹350

Retained by the driver, before other costs

Passenger pays ₹40 less. Driver retains ₹30 more.

Illustration, not a tariff or earnings promise. Both examples exclude GST, fuel and vehicle costs. The ₹10 allocation assumes ten rides per paid day; fewer rides increase the fee per ride.

If a 5% charge is fully absorbed by the driver

On the supplied assumptions, the annual effect is about 0.8–1 month of income after operating costs.

Vehicle	Monthly ride receipts	Monthly income after costs*	Annual 5% impact	Months of income*
Auto	₹42,250	₹28,669	₹25,350	0.88
Cab	₹65,240	₹41,399	₹39,144	0.95
Bike	₹14,850	₹11,387	₹8,910	0.78

*Illustrative supplied assumptions, not national averages or an earnings survey. Income is before the illustrated charge. Assumes tax-exclusive receipts, full driver absorption, unchanged costs and rides, and 12 identical months. Annual impact = monthly receipts × 12 × 5%; equivalent months = annual impact ÷ monthly income. Actual incidence may differ. This is not a statement that every ride bears a new 5% tax.

AN OPEN, CONDUCT-BASED FRAMEWORK

Uniform rules. Different functions.

Apply the same evidence-based test to every qualifying platform.

Section 9(5) of the CGST Act places tax responsibility on electronic commerce operators for notified services supplied through them. “Zero commission”, direct payment or a software label does not automatically remove that responsibility.

The reform sought is a lawful exclusion from operator ride-tax liability for verified technology-only platforms. Contracts, actual control, payment flows and related-party arrangements must support the classification. The separate software service remains taxable as applicable.

FARE
Who decides the final price?

PAYMENT
Who receives and settles the money?

RESPONSIBILITY
Who undertakes the transport service?

INDEPENDENCE
Can the driver freely accept or decline?

Proposed assessment questions, not an automatic tax-exemption checklist. Safety, KYC, grievance handling, lawful records and checks against disguised intermediation must continue.

Mission 50K

An ambition to expand pathways towards ₹50,000 monthly driver income—not an earnings promise. Demand, hours worked, utilisation and costs will determine outcomes.

The reform we seek

Hear
Drivers, commuters, startups, cooperatives and independent experts.

Test
Actual operations and practical alternatives for simple compliance.

Clarify
A lawful boundary, common eligibility criteria and auditable safeguards.

> This is a policy proposal, not an existing exemption, a legal opinion for an individual business or a claim of government endorsement. Any reform requires the appropriate legal instruments.

Published and sponsored by TLGS Consulting Group | Bharat Pulse. Policy advocacy for a common conduct-based framework for every qualifying technology-only mobility platform.

Sources and method: CGST Act, Section 9(5), and applicable notified-service rules; illustrative supplied assumptions and TLGS calculations used in the 27 November 2026 campaign material. No survey result or independently measured earnings claim is made. www.tlgs.global/bharat-pulse/driver-pragati