



Securing Protection for Gig & Platform Workers

A practical guide on obligations, considerations
and solution approach

Prepared by



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1. Purpose of this note

This document is intended as a consolidated reference to understand the implications and programs for digital, delivery, mobility and gig platforms to understand:

- What the government and regulators are moving towards for gig & platform worker protection
- What platforms are expected to consider and prepare for
- How a single, simple embedded model can address these expectations
- How a technology platform can enable this in a compliant and scalable manner

It is not a legal opinion. It is a practical, implementation-oriented guide aligned to current policy direction in India.

2. Policy and regulatory direction – what platforms must be mindful of

India is formally moving toward extending social security and welfare protections to gig and platform workers. This is visible through:

1. **Code on Social Security, 2020**
 - Recognises gig and platform workers as a distinct category
 - Allows the Government to notify social security schemes for them
 - Enables platform / aggregator contribution (indicatively 1–2%) for worker welfare
2. **State-level legislation (already in force / draft stage)**
 - Rajasthan Platform Based Gig Workers Act, 2023 (in force)
 - Draft and proposed frameworks in Karnataka, Tamil Nadu, Kerala, Maharashtra and others
 - Focus on registration, welfare fund creation and mandated protection benefits
3. **Clear policy intent emerging**
 - Platforms will be expected to contribute towards worker welfare

- Core protections will include health, accident, disability and life benefits
- Governments do not require reclassification of gig workers as employees for this purpose
- An **ESIC-equivalent protection level** is emerging as the benchmark

2a. Current State-wise Mandates and Approaches (Indicative)

The landscape is evolving and subject to change, but the following high-level view captures the direction of travel across key Indian states as of now. This table is meant as a guidance snapshot, not a substitute for legal review.

State / Region	Status	Instrument / Stage	Key Features Relevant to Platforms	Practical Risk Level
Rajasthan	In force	Rajasthan Platform Based Gig Workers Act, 2023	Mandatory registration of platforms and workers; welfare board; per-transaction welfare fee/cess; social security and insurance benefits to be enabled through a welfare fund.	Very High – statutory obligations already apply once notified in practice.
Karnataka	Draft / committee stage	Concept notes and recommendations on gig & platform workers	Proposals around minimum social security, accident and health cover, earnings security, potential welfare board structure.	High – strong likelihood of formal law in the medium term.
Tamil Nadu	Policy proposal stage	Announced intent and draft-level discussions	Emphasis on welfare mechanisms, registration, and baseline protection benefits including health and accident cover.	High – political and policy momentum is clear.

Kerala	Policy direction	Welfare board and unorganised worker frameworks being adapted	Likely inclusion of gig/platform workers into broader state welfare constructs with an expectation of platform contribution.	Medium–High – directionally clear, timing uncertain.
Maharashtra	Discussion / consultation	Labour and social justice departments exploring models	Expected to follow Rajasthan-style structure with welfare fund plus platform participation.	Medium–High – large platform exposure state.
Delhi (NCT)	Early policy stage	Social welfare and labour departments in consultation mode	Likely focus on registration, minimum social protection and linkage to existing welfare schemes.	Medium – important from visibility and precedent standpoint.
Telangana	Early discussion	Unions and civil society groups advocating inclusion	No formal bill yet, but strong gig/platform concentration makes it a likely candidate for future regulation.	Medium – watchlist for large platforms.
Other states	Watching brief	No specific gig law yet	May adopt central templates or follow leading states over time, especially where platform penetration is high.	Low (for now) – but may change as central schemes evolve.

Platforms should treat Rajasthan as actively binding, Karnataka and Tamil Nadu as near-term priorities, and other listed states as medium-term planning zones.

Implication for platforms:

Even before a pan-India mandate is notified, platform companies are expected to demonstrate readiness, participation and good-faith effort in extending protection to their workforce.

3. What needs to be considered by platform organisations

Platform leadership teams (Legal, HR, Risk, ESG, Compliance) should evaluate the following:

1. How will we provide health, life and accident protection to workers without changing their employment status?
2. How can we build a model that is:
 - Cost predictable
 - Scalable
 - Easy to administer
 - Regulator-friendly
3. How can we show alignment with:
 - Code on Social Security, 2020
 - State gig worker laws
 - ESG commitments and reporting
4. How do we provide meaningful benefits that workers will actually value and use?

Traditional Group Medclaim (GMC) is often:

- Expensive
- Designed for salaried employees
- Difficult to scale for highly mobile, intermittent gig workers

There is therefore a need for a **purpose-built, embedded, gig-specific protection model**.

4. The proposed solution – An Embedded Protection Model

It is proposed to include a **single, unified product framework** designed specifically for gig and platform workers.

The model is simple, modular and scalable.

A worker does NOT get multiple policies. They get **one embedded protection pass** inside the platform ecosystem.

Core characteristics

- Designed for gig work patterns
- ESIC-equivalent in intent
- Does not change worker classification
- Compliant with IRDAI insurance frameworks
- Adjustable state-by-state

5. Structural Design of the Proposed Solution (High-Level Framework)

This model is structured as one embedded, unified protection programme for gig and platform workers. While described in three layers for clarity, it operates as a single monthly group protection structure, designed to be simple, compliant and scalable.

Each layer has a distinct role:

- One defines the **minimum protection standard=**
- One governs **inclusion and continuity**
- One enables **enhanced, ESIC-equivalent benefits**

Layer A – Baseline Emergency Protection

Establishes the **minimum level of cover** for eligible workers, focused on:

- Accidents and disabilities
- Life-threatening medical emergencies
- Immediate critical support

This layer represents the **baseline welfare expectation** for platforms under emerging government guidance.

Layer B – Eligibility & Continuity (Activity-Linked)

Determines who is included and retained in the programme, based on verified platform activity, not employment status or payroll.

This ensures the model remains:

- Flexible for gig work patterns
- Fair and participation-based
- Simple to operationalise

All logic is handled in the background via the technology platform.

Layer C – ESIC-Equivalent / Enhanced Protection (Platform-Sponsored)

Enables the platform to extend **broader, ESIC-equivalent protection** as a sponsored benefit, without individual underwriting or change in worker classification.

May include:

- Higher health and accident limit
- Income support features
- Family coverage and wellness services

This future-proofs the platform for upcoming state and national mandates.

Unified Structure – One Programme

Although described in layers, the solution is implemented as **one coordinated monthly group protection model**, providing:

- One source of reporting and audit
- One operational flow
- One compliance-ready structure

6. Value Added Services (VAS) – Preventive & access support

Alongside insurance protection, workers may receive access to:

- 24×7 doctor / tele-consultation
- Second medical opinion for serious conditions
- Annual eye and dental consultations
- Discounts on glasses, lenses and dental treatment
- Pharmacy discounts and doorstep medicine delivery

These services:

- Increase adoption and trust
- Support preventive health
- Do not add to insurance risk
- Strongly enhance ESG value

7. Proposed Contributory Approach – Activity-Linked Funding (High-Level)

Under the model, contributions toward gig worker protection are linked to actual platform activity. This approach aligns with the intent of emerging legislation, which seeks to connect social security funding with the economic value generated through platform work.

An “active day” is defined as any day on which a worker performs verified work on the platform.

Rather than treating this as a per-person or salary-based payment, platform contributions are calculated on an aggregate activity basis. These contributions are then used to fund a group protection programme for eligible workers for the corresponding period.

Importantly, while funding is linked to overall activity levels, the level of protection provided to each eligible worker remains fixed and guaranteed. Coverage does not fluctuate on a daily basis, and all included workers receive the same defined benefits during the coverage period.

This model offers platforms a simple and transparent way to demonstrate alignment with the principles of the Code on Social Security, without introducing payroll complexity, worker reclassification, or administrative burden.

In summary:

- Contributions are activity-linked, not salary-linked
- Benefits are fixed and predefined, not variable
- The approach is aggregate, predictable and auditable
- The worker’s legal status remains unchanged

8. How this complements ESIC

This model is NOT a replacement for ESIC.

It is a:

- Bridge for workers who fall outside ESIC today
- Complement for workers who may join ESIC in the future
- Top-up to address gaps in access, location or waiting periods

It allows a platform to confidently state:

"Our gig workers receive ESIC-equivalent or better protection without any change in employment classification."

This is fully aligned with the intent of national and state policy.

9. How technology platforms enables this for platforms

The technology platform provides an end-to-end enablement layer including:

- Product architecture & structuring
- Insurer partnership & onboarding
- Monthly member management (additions / deletions)
- Claims coordination
- VAS partner integration
- Reporting for ESG & governance
- Platform API integration or bulk file process

In short, acts as the protection infrastructure layer for platforms.

10. Why this model is strategically superior to a standard GMC

Apart from lower cost, it provides:

- Better fit for gig-worker risk patterns
- Lower misuse and fraud exposure
- Simpler compliance alignment
- Greater flexibility for state-level adaptation
- Higher worker engagement and retention
- Positive brand, ESG and governance impact

It is not just an insurance policy. It is a worker protection framework built for the platform economy.

Conclusion and food for thought...

**The question for platforms is no longer “Will protection become mandatory?”
It is “How prepared are we to implement it well?”**

By adopting an embedded, modular and ESIC-aligned approach early, platforms can:

- Stay ahead of regulation
- Protect their workforce meaningfully
- Strengthen trust and loyalty
- Demonstrate leadership in responsible innovation

This is a proposal for a unified protection infrastructure for India’s gig economy. It automatically protects workers in emergencies, activates on workdays, and evolves into a full ESIC-equivalent safety net – all without changing worker classification.

This is not just insurance. This is a regulatory, operational and human protection framework embedded into the platform economy.

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