© June 2026 | IJIRT | Volume 13 Issue 1 | ISSN: 2349-6002

Bharat Taxi: Can a Cooperative Platform Disrupt India's Ride-Hailing Giants?

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***Abstract*—The Indian ride-hailing industry has been dominated by private technology platforms such as Ola and Uber, which have leveraged venture capital, data analytics, and aggressive pricing to build market leadership. However, their commission-based model has generated widespread criticism regarding driver exploitation, surge pricing, and weak social protection for gig workers.**

In February 2026, the Government of India, in collaboration with leading cooperatives Amul and IFFCO, launched Bharat Taxi, India's first cooperative-led ride-hailing platform. Unlike traditional platforms, Bharat Taxi operates on a zero-commission, driver-owned cooperative model with welfare benefits and democratic governance.

This case examines whether Bharat Taxi can compete with established players, scale nationally, and remain financially sustainable while staying true to its social mission. It presents strategic, operational, marketing, and policy dilemmas for MBA students to analyze in the context of platform economics, cooperative governance, and inclusive digital transformation.

***Index Terms*—Cooperative Ride-Hailing, Platform Economy, Driver-Owned Model, Inclusive Mobility, Gig Governance.**

I. THE INDIAN RIDE-HAILING LANDSCAPE

Over the past decade, ride-hailing platforms have become central to urban mobility in India. Ola and Uber not only replaced traditional taxis but also created a new gig economy workforce. Their app-based model improved convenience, transparency, and payment systems for millions of consumers.

However, this success came at a cost. Drivers increasingly complained about shrinking incomes, unpredictable fares, and lack of job security. Regulators, labor unions, and civil society began questioning whether technology platforms were truly inclusive or simply extractive business models. To summarize these concerns, the following table highlights the core criticisms faced by private ride-hailing firms.

Exhibit 1: Key Issues in the Traditional Ride-Hailing Model

Issue	Impact on Stakeholders
High commissions (15–30%)	Reduced driver earnings
Surge pricing	Unpredictable fares for riders
Limited benefits for drivers	No pensions, weak insurance
Algorithmic control	Drivers feel disempowered
Profit-first model	Social concerns overlooked

This environment created fertile ground for an alternative model that could balance efficiency with equity. The Indian government and cooperative institutions saw an opportunity to redesign platform mobility around worker ownership rather than investor returns — leading to the birth of Bharat Taxi.

II. BHARAT TAXI: COOPERATIVE MOBILITY IN A PLATFORM ECONOMY - PLATFORM GOVERNANCE AND INSTITUTIONAL BACKING

Bharat Taxi is operated and governed by Sahakar Taxi Cooperative Ltd., India's first government-backed, driver-owned mobility cooperative. Unlike investor-led ride-hailing firms, the platform is structured around collective ownership, democratic decision-making, and shared prosperity.

The cooperative is jointly supported by major national institutions including NCDC, IFFCO, GCMMF (Amul), KRIBHCO, NAFED, NDDB, NCEL, and NABARD, signalling unprecedented institutional legitimacy for a digital mobility platform. This backing differentiates Bharat Taxi from private competitors by embedding it within India's broader cooperative and rural development ecosystem.

The cooperative structure ensures that drivers (called Sarathis) are not merely gig workers but co-owners with voting rights, financial participation, and social security entitlements.

Bharat Taxi was conceived not merely as another ride-hailing app but as a structural reform in the gig economy. Instead of treating drivers as contractors, it treats them as co-owners. Instead of maximizing platform profit, it prioritizes fair earnings and social security. The table below summarizes the design philosophy of Bharat Taxi.

Exhibit 2: Core Design Principles of Bharat Taxi

Principle	Bharat Taxi Approach
Ownership	Driver-owned cooperative
Commission	0% (drivers keep full fare)
Pricing	Surge-free, transparent rates
Governance	Democratic voting by drivers
Social Security	Health, accident, and retirement benefits
Safety	Background checks, SOS, live tracking

This model represents a sharp departure from venture-capital-driven platforms. While Ola and Uber rely on external investors, Bharat Taxi relies on collective ownership, government facilitation, and cooperative governance.

III. MISSION, VISION, AND SOCIAL PURPOSE

Bharat Taxi's Mission: Bharat Taxi defines its mission across four strategic pillars:

a) Delight Riders – Deliver reliable, transparent, and secure mobility with no hidden charges or exploitative surge pricing.
b) Empower Drivers – Ensure zero commission, instant payouts, and collective ownership through Sahakar Taxi Cooperative Ltd.
c) Strengthen Communities – Provide medical, legal, accidental, and financial support to Sarathis, embedding welfare into platform design.
d) Lead with Digital Innovation – Integrate cooperative values with cutting-edge technology aligned with India's ONDC framework.

Bharat Taxi's Vision The vision is to create "Bharat's most trusted, cooperative-driven mobility ecosystem where drivers lead with dignity, riders experience safe and transparent journeys, and communities grow together."

This vision explicitly aligns with national narratives such as Atmanirbhar Bharat and Sahakar se Samriddhi, positioning Bharat Taxi not merely as a transport provider but as a socio-economic institution.

IV. SERVICES AND PRODUCT PORTFOLIO

Bharat Taxi offers a multi-modal mobility portfolio including: 2W (Bike Taxi), Auto Rickshaw, Economy Cab, Premium Sedan, XL/SUV Cab, Rentals, Outstation Travel, Scheduled Rides. This diversified service range enables Bharat Taxi to compete across different price segments while strengthening last-mile connectivity.

V. PRICING, SAFETY, AND INCLUSION

a) Transparent & Fair Pricing: Bharat Taxi guarantees surge-free pricing, positioning transparency as a core differentiator against Ola and Uber.
b) Safety by Design: The platform integrates police verification, control room monitoring, real-time tracking, and SOS mechanisms to enhance commuter safety.
c) Inclusive Mobility – Mahila Shakti Initiative: Bharat Taxi enables female riders to choose female drivers, reinforcing gender safety and economic participation.

VI. COOPERATIVE MODEL

Bharat Taxi is framed as a movement rather than a market. Key elements include:

- Zero-Commission Model – Drivers retain 100% of fare, paying only a minimal subscription.
- Collective Ownership – Every driver is a co-owner with rights and responsibilities.
- Financial Security – Instant payouts, legal aid, and access to low-interest vehicle loans.
- Driver Upskilling – Free soft skills, language training, and child education support.
- Digital Inclusion – Multilingual app and 24/7 support.

This transforms the gig worker relationship from transactional to institutional.

VII. GOVERNANCE & DEMOCRATIC STRUCTURE

Sahakar Taxi Cooperative Ltd. operates under a formal democratic structure:

- Membership includes drivers, vehicle owners, cooperative societies, and institutional partners.
- Elections are conducted for the Board of Directors and Office Bearers.
- An Interim Board includes representatives from NCDC, GCMMF, KRIBHCO, IFFCO, NDDB, NABARD, and NCEL.

This governance model reinforces legitimacy, accountability, and participatory leadership—unlike algorithm-driven corporate platforms.

VIII. STRATEGIC PARTNERSHIP WITH DMRC

Bharat Taxi signed an MoU with Delhi Metro Rail Corporation (DMRC) on 14 January 2026 to provide integrated last-mile connectivity across 10 metro stations, effective from 31 January 2026. Under this partnership, Bharat Taxi provides:

- Bike taxis, E-autos, CNG autos, and cabs
- Marketplace-based last-mile services
- Integrated booking via the DMRC Sarathi App
- Real-time tracking, cashless payments, and digital receipts

This alliance strengthens Bharat Taxi's positioning as a smart, green, and inclusive mobility platform, reducing congestion while improving commuter experience.

IX. BRAND POSITIONING

Bharat Taxi positions itself as: "Not just mobility, but community, every ride is framed as contributing to driver dignity, family welfare, and community development.

X. INDUSTRY CONTEXT: OLA, UBER, AND EMERGING COMPETITORS

India's mobility market is not homogeneous. It includes premium EV taxis, low-cost bike taxis, and traditional app-based cabs. Bharat Taxi enters a crowded market where consumers already have multiple choices. To help students understand competitive positioning, the case compares Bharat Taxi with dominant players.

Exhibit 3: Business Model Comparison

Dimension	Ola & Uber	Bharat Taxi
Ownership	Investor-led	Driver-owned
Commission	15–30%	0%
Pricing	Surge	Surge-free
Decision-making	Centralized	Democratic
Profit motive	High	Balanced with social impact
Driver welfare	Limited	Strong

This comparison illustrates that Bharat Taxi is not competing merely on price or technology but on governance ideology. It positions itself as a morally differentiated alternative rather than a price war competitor.

Apart from Ola and Uber, Bharat Taxi faces indirect competitive pressure from micro-mobility operators such as Rapido, Yulu, and Bounce, as well as traditional aggregators like Meru and Jugnoo. While these players do not directly replicate Bharat Taxi's cooperative business model, they significantly influence customer expectations regarding price, convenience, and speed — particularly for short trips and last-mile connectivity. Public transit systems, including metro and city buses, also act as functional substitutes in major urban markets, shaping platform strategy, service design, and positioning. Thus, Ola and Uber represent direct competitors, while micro-mobility players and public transport function as indirect substitutes that shape customer expectations and competitive dynamics.

XI. ROLE OF COOPERATIVES IN BHARAT TAXI

Before Bharat Taxi's launch, two of India's most respected cooperatives — Amul and IFFCO — played a behind-the-scenes role in shaping strategy, governance, and credibility.

Amul: A Model of Cooperative Success Amul (Gujarat Cooperative Milk Marketing Federation – GCMMF) was founded in 1946 and played a central role in India's White Revolution, transforming the country into the world's largest milk producer. Key contributions of Amul relevant to Bharat Taxi include:

- Demonstrating that millions of small producers can collectively compete with large corporations
- Ensuring fair income distribution among farmer-members
- Building a trusted national brand based on cooperative values

Amul's involvement in Bharat Taxi symbolises the possibility of extending cooperative principles beyond agriculture into digital and gig-based services.

IFFCO: Strengthening Cooperative Governance: The Indian Farmers Fertiliser Cooperative Limited (IFFCO), established in 1967, is one of the largest farmer cooperatives in the world. It represents millions of farmers and plays a crucial role in agricultural productivity. IFFCO's contribution to Bharat Taxi lies in:

- Expertise in democratic cooperative governance
- Emphasis on worker welfare and social security
- Experience in integrating grassroots stakeholders into formal economic systems

Their involvement was critical because cooperative businesses often struggle with scaling, professional management, and technology adoption. Amul and IFFCO provided both legitimacy and operational expertise.

NCDC (National Cooperative Development Corporation): Architect of Cooperative Ecosystem

Established in 1963, NCDC is India's apex body for promoting and financing cooperatives. Its role in Bharat Taxi has been foundational and catalytic. Key contributions include: • Designing the legal and institutional structure of Sahakar Taxi Cooperative Ltd.• Providing policy guidance on democratic governance and member ownership. • Facilitating inter-cooperative collaboration among Amul, IFFCO, KRIBHCO, and others, • Aligning Bharat Taxi with India's broader cooperative development agenda. NCDC's involvement positioned Bharat Taxi as a national cooperative initiative rather than a regional experiment.

KRIBHCO (Krishak Bharati Cooperative Limited): Technology and Farmer-Linkage Support

Founded in 1980, KRIBHCO is one of India's largest fertilizer cooperatives with a strong focus on technology adoption and farmer welfare. Its relevance to Bharat Taxi lies in: Demonstrating how cooperatives can leverage digital tools for efficiency, bringing operational discipline and data-driven decision-making, • Strengthening trust among driver-members through proven cooperative success. KRIBHCO's participation signaled that Bharat Taxi would combine cooperative values with modern management practices.

NAFED (National Agricultural Cooperative Marketing Federation of India): Market Access and Distribution Expertise

NAFED has long played a critical role in agricultural marketing, procurement, and supply chain coordination across India. For Bharat Taxi, NAFED contributed by: Sharing insights on cooperative branding and member engagement, advising on market outreach strategies, especially in semi-urban and rural regions, Helping design incentives that balance economic viability with social equity. NAFED's experience reinforced Bharat Taxi's ability to scale beyond metropolitan markets.

NDDB (National Dairy Development Board): Governance and Institution-Building

NDDB has been the backbone of India's dairy cooperative movement and the architect behind Amul's success. Its contributions to Bharat Taxi include: • Advising on long-term institutional sustainability, • Ensuring transparency, accountability, and member participation, Helping structure welfare benefits for driver-members similar to farmer cooperatives. NDDB's involvement ensured that Bharat Taxi was built as a durable institution, not a short-lived platform.

NCEL (National Cooperative Exports Limited): Economic Integration and Future Scaling
NCEL brings a forward-looking perspective on cooperative-based economic growth. Its role in Bharat Taxi involved: • Exploring future integration with logistics, mobility, and supply chains, • Identifying opportunities for Bharat Taxi beyond ride-hailing (e.g., parcel delivery, last-mile logistics), • Positioning the platform within India's cooperative-led digital economy. NCEL helped frame Bharat Taxi as part of a larger cooperative innovation ecosystem.

NABARD (National Bank for Agriculture and Rural Development): Financial and Developmental Backbone
NABARD has been a key institution in rural finance and cooperative banking in India. Its support to Bharat Taxi focused on: • Facilitating access to low-interest vehicle loans for drivers, strengthening financial inclusion for gig workers turned cooperative members, • Ensuring that Bharat Taxi aligns with rural development and livelihood goals. NABARD's backing made Bharat Taxi financially inclusive and socially responsible.

XII. WHY THEIR COLLECTIVE BACKING MATTERED BEFORE LAUNCH

Together, these institutions provided Bharat Taxi with three strategic advantages:
1. Institutional Legitimacy – Drivers, riders, and policymakers perceived Bharat Taxi as trustworthy and credible.
2. Governance Strength – The cooperative was designed with democratic checks and balances.
3. Scalability Potential – Their combined networks enabled rapid expansion into both urban and rural markets.

Their involvement ensured that Bharat Taxi was not merely a transport app, but a cooperative mobility ecosystem embedded in India's development architecture.

Exhibit 4: Cooperative Ecosystem Support

Institution	Role in Bharat Taxi
Amul	Governance, branding, scaling
IFFCO	Finance, rural outreach, welfare
NCDC	Institutional architecture, policy alignment, cooperative legal structuring, inter-agency coordination
KRIBHCO	Technology orientation, operational discipline, data-driven cooperative management
NAFED	Market access strategy, outreach in semi-urban/rural areas, cooperative marketing support
NDDB	Long-term institution-building, transparency, accountability, and member participation systems
NABARD	Rural finance linkage, low-interest vehicle loans, financial inclusion for drivers
Government	Regulatory facilitation, policy backing, public trust, and cooperative ecosystem support
Driver unions	Membership mobilisation, grassroots recruitment, grievance redressal, collective bargaining

By anchoring Bharat Taxi within this cooperative ecosystem, the initiative was framed not as a government project but as a people-driven economic reform movement.

XIII. MARKET LAUNCH AND EARLY PERFORMANCE

Bharat Taxi was launched in two strategic regions — Delhi-NCR and Gujarat — chosen for their high ride demand and strong cooperative presence.
The initial performance metrics were closely watched by policymakers, competitors, and investors.

Exhibit 5: Early Adoption Metrics (First Phase)

Metric	Figure
Registered drivers	3,00,000+
Registered users	1,00,000+
Daily rides	10,000+
Cities covered	2 major regions

While driver enrolment was impressive, consumer adoption was more cautious. Bharat Taxi represents a bold experiment in reimagining platform capitalism. It challenges the assumption that digital platforms must be investor-driven and profit-maximizing. Its success will depend on three factors: Technological capability, Consumer trust, Financial sustainability. This suggests that while drivers welcomed the model, riders were still evaluating service reliability, availability, and app experience.

XIV. STRATEGIC RATIONALE

Bharat Taxi's strategy rests on three pillars: Economic Empowerment of Drivers, Social Equity and Worker Rights, Competitive Differentiation. To capture this positioning clearly, the case again contrasts Bharat Taxi with private platforms.

Exhibit 6: Value Proposition Comparison

Feature	Bharat Taxi	Ola/Uber
Commission	0%	15–30%*
Pricing	Surge-free	Dynamic pricing
Driver ownership	Yes	No
Insurance & benefits	Yes	Limited

* Commission rates vary by city and incentives.

This reinforces that Bharat Taxi is competing not just in mobility but in ethical capitalism, attempting to redefine how digital platforms distribute value.

XV. KEY OPERATIONAL CHALLENGES

Despite its promise, Bharat Taxi faces serious hurdles.

- Technology Gap: Ola and Uber use advanced AI, predictive analytics, and real-time demand management. Bharat Taxi must invest heavily in similar capabilities. Bharat Taxi must match Ola and Uber's technological depth while maintaining cooperative values. `
- Customer Experience: If wait times are longer or ride availability is lower, riders may revert to private platforms despite preferring Bharat Taxi's mission. Service reliability must be equal to or better than private competitors.
- Financial Sustainability: With no commission revenue, Bharat Taxi must explore alternatives such as subscriptions, partnerships, or advertising.
- Competitive Pressure: Ola and Uber may respond with aggressive pricing incentives.

These dilemmas are summarized in the table below.

Exhibit 7: Risk Matrix for Bharat Taxi

Risk Area	Potential Impact	Mitigation Strategy
Technology lag	Poor service reliability	Invest in AI & analytics
Low rider adoption	Revenue instability	Improve UX and incentives
Funding constraints	Limited scaling	Explore partnerships
Competitive retaliation	Price wars	Government policy support

This matrix frames Bharat Taxi as a high-potential but high-risk innovation in the mobility ecosystem. Keeping in mind the realities of platform competition, cooperative governance, digital innovation, and social impact, students, learners, and practitioners are invited to critically reflect on the following questions.

XVI. QUESTIONS

A. Evaluate the long-term financial sustainability of Bharat Taxi's zero-commission model.
B. Analyse the competitive advantages of Bharat Taxi's cooperative governance model compared to Ola and Uber.
C. Critically examine the potential disadvantages of a driver-owned cooperative platform.
D. Justify whether Bharat Taxi should primarily position itself as ethical, affordable, or socially responsible.
E. Select and defend the priority customer segment Bharat Taxi should target first (students, women riders, daily commuters, or metro users).
F. Assess whether Bharat Taxi's social mission alone can retain customers if wait times are longer than Ola and Uber.
G. Evaluate the need for Bharat Taxi to invest in AI-driven demand forecasting and analytics.
H. Design the three most critical operational capabilities Bharat Taxi must build in its first year.

I. Recommend whether Bharat Taxi should prioritise urban or rural expansion, with justification.
J. Analyse and propose the role government policy should play in supporting cooperative platforms like Bharat Taxi.
K. Evaluate and design appropriate government support mechanisms (finance, data access, infrastructure, or regulation) for Bharat Taxi.
L. Compare and contrast Bharat Taxi with Ola and Uber as employment models for gig workers.
M. Evaluate the feasibility of replicating Bharat Taxi's cooperative model in food delivery or logistics.
N. Propose alternative revenue streams for Bharat Taxi to ensure financial viability.
O. Formulate a competitive response strategy if Ola and Uber launch aggressive discount wars.
P. Recommend whether Bharat Taxi should compete head-to-head with Ola and Uber or focus on niche markets.
Q. Analyse whether democratic decision-making in cooperatives strengthens or slows innovation.
R. Evaluate whether institutional partners (NCDC, NABARD, Amul, IFFCO, etc.) should have voting power in Bharat Taxi's governance.
S. Assess the strategic importance of the DMRC partnership to Bharat Taxi's success.
T. Synthesize and argue whether digital platforms can be both highly profitable and deeply socially just, using Bharat Taxi as a case.

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