



BBIMUN XI STAKEHOLDERS MEET

Ensuring social security and fair
working
conditions for gig and platform
workers in India

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Letter from the Executive Board

Greetings Delegates!

It gives us immense pleasure to welcome you all to this simulation of Stakeholders Meet at “BBI MUN’26”. We look forward to an enriching and rewarding experience.

The agenda for the session is “Ensuring Social Security and Fair Working Conditions for Gig and Platform Workers in India”

This study guide is by no means the end of the research, we would very much appreciate it if the members are able to find new realms in the agenda and bring it forth to the committee. Such research combined with good argumentation and a solid representation of facts is what makes an excellent performance.

In the session, the executive board will encourage you to speak as much as possible, as fluency, diction, or oratory skills have very little importance as opposed to the content you deliver. So, just research and speak and you are bound to make a lot of sense.

The Executive Board looks forward to an efficient & progressive committee as the issue is very sensitive. We therefore expect you all to play your roles with responsibility. Hopefully we, as members of the Executive Board, do also have a chance to gain from this committee. We regret any error that may have inadvertently crept into this guide and would appreciate it if you could bring it to our notice. Please do not hesitate to contact us regarding any doubts that you may have.

All the best!

Regards,

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I. Committee Overview

In a nation as vast and diverse as India, policy-making and governance often extend beyond the political realm. The voices of stakeholders – civil society, industry leaders, subject experts, media representatives, pressure groups, and grassroots activists – play a pivotal role in shaping national policies and influencing government decision-making. Stakeholder Meets are informal yet impactful forums where diverse interests converge, offering policymakers a broader and more practical understanding of public needs, expectations, and concerns.

The Stakeholders Meet (SHM) in MUN seeks to replicate this reality by bringing together individuals and groups who hold a stake in India's socio-political, economic, and cultural development. Unlike parliamentary forums restricted to elected representatives, the SHM provides a platform for those outside the legislature – NGOs, student unions, business chambers, social reformers, advocacy groups, and the media – to engage in dynamic discussions. The purpose of this committee is to deliberate on national issues from multiple perspectives, allowing delegates to step into the shoes of real-world actors who influence, lobby, and negotiate with governments.

In this committee, representatives are expected to embody the interests, objectives, and ideological orientations of their allocated portfolios – whether it be a business conglomerate, a farmers' union, a human rights NGO, or a media house. This allows participants to experience the complexity of balancing diverse, and often conflicting, demands in a democratic policy process. The SHM, unlike conventional MUN committees, thrives on advocacy, lobbying, coalition-building, and persuasion, as stakeholders compete and collaborate to ensure their voices shape the policy agenda.

The SHM echoes the essence of participatory democracy – ensuring that governance is not just the monopoly of politicians but also reflects the aspirations of the people they govern.

Note – Representatives are expected to be well acquainted with their stakeholder's history, ideology, key objectives, and current policy stances. Strong role-play, negotiation skills, and the ability to simulate real-world advocacy is essential for meaningful participation.

II. Agenda

“Ensuring Social Security and Fair Working Conditions for Gig and Platform Workers in India”

III. Introduction to the Gig and Platform Economy

The foundational architecture of labor and employment in India is undergoing a profound structural metamorphosis. The traditional bipartite paradigm of employer and employee is increasingly being supplanted by a highly decentralized, digitally mediated framework universally recognized as the gig and platform economy. The International Labour Organization (ILO) characterizes this macroeconomic shift as the ascendancy of "digital labour platforms," which algorithmically orchestrate the deployment of workers across a diverse array of sectors—encompassing ride-hailing, hyperlocal delivery, domestic services, and professional freelance work. In India, this paradigm shift has been radically accelerated by rapid digital penetration, the ubiquitous adoption of smartphones, inexpensive internet connectivity facilitated by the Digital India campaign, and the economic aftershocks catalyzed by the COVID-19 pandemic.



For the purposes of statutory regulation and policy formulation, a critical taxonomic distinction must be drawn between "platform workers" and "non-platform gig workers." Platform workers utilize algorithmic matchmaking systems—digital applications and web portals—to connect

directly with consumers, functioning within the strict operational parameters dictated by aggregators like Swiggy, Zomato, Uber, and Urban Company. Conversely, non-platform gig workers operate as casual wage earners or independent contractors in conventional sectors, relying on offline networks and temporary contracts without the mediation of algorithmic technology.

The prevailing socio-political narrative surrounding gig work in India presents a stark and polarizing dichotomy. Proponents of the model, including platform aggregators and free-market economists, champion the gig economy as a vital engine of entrepreneurship, financial inclusion, and unprecedented flexibility. They argue it offers millions of individuals the autonomy to dictate their own schedules, serving as a critical buffer against unemployment and offering an alternative to stagnant formal employment. Conversely, labor rights advocates, trade unions, and empirical sociological analyses reveal a deeply precarious landscape. In this alternative reality, gig workers endure extreme income volatility, intense algorithmic surveillance, grueling working hours, severe occupational health hazards, and an absolute void of statutory social security benefits.

As the Stakeholders Meet convenes, delegates are tasked with the highly complex mandate of reconciling these divergent realities. The primary objective is to architect a comprehensive, sustainable, and equitable regulatory framework. This framework must protect the fundamental human and labor rights of platform workers while simultaneously preserving the technological innovation, operational agility, and macroeconomic benefits generated by India's digital economy.

IV. The Macroeconomic Scope and Demographic Scale

The sheer scale and rapid expansion of India's platform economy necessitate urgent, nuanced legislative attention. The sector demonstrates a staggering capacity to absorb the nation's surplus labor and harness its youth demographic dividend.

Projections and Skill Distribution

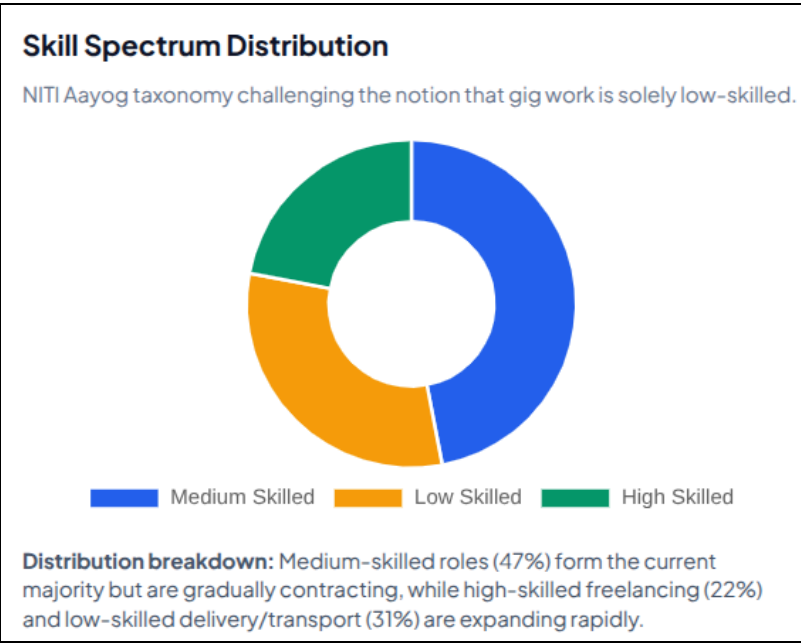
Comprehensive data from NITI Aayog's landmark 2022 policy brief, India's Booming Gig and Platform Economy, alongside the Economic Survey 2025-26, illustrate the explosive growth trajectory of this sector. NITI Aayog estimated that the gig workforce stood at approximately 7.7 million individuals in the 2020-21 fiscal year, projecting an exponential expansion to 23.5 million workers by the 2029-30 fiscal year. By the end of this decade, gig workers are expected to constitute roughly 6.7% of India's total non-agricultural workforce.



Recent governmental data confirms this aggressive expansion. The Economic Survey 2025-26, cited in a January 2026 Ministry of Finance press release, estimated the presence of 1.2 crore (12 million) gig and platform workers by FY25. This represents a

55% increase over four years and constitutes over 2% of the nation's total workforce.

Fiscal Year	Estimated Workforce	Gig Percentage of Workforce	Source
2020-2021	7.7 million	2.6% (Non-Agricultural)	NITI Aayog (2022)
2024-2025	12.0 million	> 2.0% (Total Workforce)	Economic Survey 2025-26
2029-2030 (Projected)	23.5 million	6.7% (Non-Agricultural)	NITI Aayog (2022)



The skill composition within the sector effectively challenges the pervasive assumption that gig work is exclusively comprised of low-skilled, manual labor. NITI Aayog's analysis indicates that 47% of gig jobs are currently classified as medium-skilled, 31% as low-skilled, and 22% as high-skilled. While the medium-skilled segment is experiencing a gradual relative decline, both the high-skilled sector (e.g., freelance software

development, digital consulting) and the low-skilled sector (e.g., hyperlocal delivery, ride-hailing) are expanding rapidly.

Demographic Inclusion, Agency, and Systemic Vulnerabilities

Platform work has emerged as a highly debated vector for the labor market participation of marginalized demographics, most notably women and Persons with Disabilities (PwD). The flexibility inherent in the gig model theoretically aligns with the disproportionate caregiving and domestic burdens placed on women, allowing them to balance household responsibilities with independent income generation. Current reports indicate that women constitute nearly 28% of India's gig economy, heavily concentrated in home-based wellness and beauty services platforms such as Urban Company.

The political and economic discourse surrounding this inclusion is divided. From an empowerment perspective, proponents argue that platform work imparts a profound sense of dignity and agency. For instance, women operating under the institutional backing of a platform like Urban Company, wearing standardized uniforms, often experience a heightened sense of safety and professional legitimacy compared to traditional, informal freelance work, where the risk of exploitation by individual clients is high.

However, this inclusion is marred by systemic gender-based vulnerabilities that are exacerbated by the digital medium. Female gig workers report severe safety concerns, algorithmic discrimination, and a persistent wage gap. The idealized promise of flexibility frequently collapses under the weight of stringent platform regulations. Women are forced into hyper-surveilled environments where rejecting a gig due to safety concerns or domestic emergencies results in immediate algorithmic penalization, severely restricting their future earning potential. These conditions culminated in significant labor militancy, such as the courageous mass strikes organized by women workers of Urban Company in New Delhi, demanding 8-hour work limits, fair compensation, and protection against arbitrary algorithmic deactivations.

V. Algorithmic Management and the Erosion of Worker Autonomy

The most defining and controversial feature of platform work is "algorithmic management"—the delegation of core managerial functions, including work allocation, performance evaluation, discipline, and termination, to automated, data-driven systems with minimal or zero human intervention.

While digital platforms strictly classify gig workers as "independent contractors" or "partners" to avoid traditional labor obligations, the operational reality of algorithmic management actively subverts this classification. Through mechanisms such as mandatory customer rating systems, dynamic surge pricing, acceptance-rate metrics, and constant geo-spatial tracking (often referred to as "bossware"), algorithms exert a level of granular, panoptic control over the workforce that rivals, and often exceeds, traditional corporate management.

Academic literature analyzing this dynamic highlights a profound "efficiency-wellbeing trade-off". Based on social information processing theory, while gamified algorithmic environments can stimulate initial engagement, the relentless surveillance, opaque task assignment logic, and stringent performance metrics ultimately erode perceived job autonomy, leading to severe psychological stress and burnout. Workers are systematically kept unaware of

the specific parameters dictating task allocation or dynamic pricing, resulting in extreme income volatility.

The most severe manifestation of this power asymmetry is "algorithmic deactivation"—the abrupt termination or suspension of a worker's account without prior notice, human review, or a fair appeals process. Surveys indicate that 83% of app-based taxi drivers and 87% of delivery personnel report suffering severe economic shocks and psychological distress due to sudden deactivations, often triggered by minor customer complaints or algorithmic errors.

Occupational Health and Safety Hazards

The operational logic of rapid-delivery platforms, particularly the "quick commerce" sector promising 10-minute grocery deliveries, has triggered an acute occupational health and safety crisis. The gamification of work, coupled with stringent time constraints, financially incentivizes dangerous driving. This daily hustle transforms public roads into high-stakes racing environments, leading to alarming rates of road traffic accidents among delivery partners.

Furthermore, gig workers are exceptionally vulnerable to severe environmental hazards. During extreme weather conditions, including intense heatwaves and monsoon flooding, workers bear the brunt of the climate crisis. They are required to maintain high delivery volumes without adequate personal protective equipment (PPE), designated rest areas, or compensation for weather-related illnesses. A report titled "Prisoners on Wheels" highlights that 78% of gig workers labor for over 10 hours a day, leading to chronic physical exhaustion, sleep deprivation (with many reporting less than 6 hours of sleep), and severe long-term health issues.

Occupational Safety & Work Hours

78% Labor Over 10 Hours Daily

"Prisoners on Wheels" study reveals drivers work 12–14 hour shifts to hit daily platform bonus thresholds, leading to chronic physical exhaustion and sleep deprivation (<6 hours/night).

10–Minute Delivery Risks

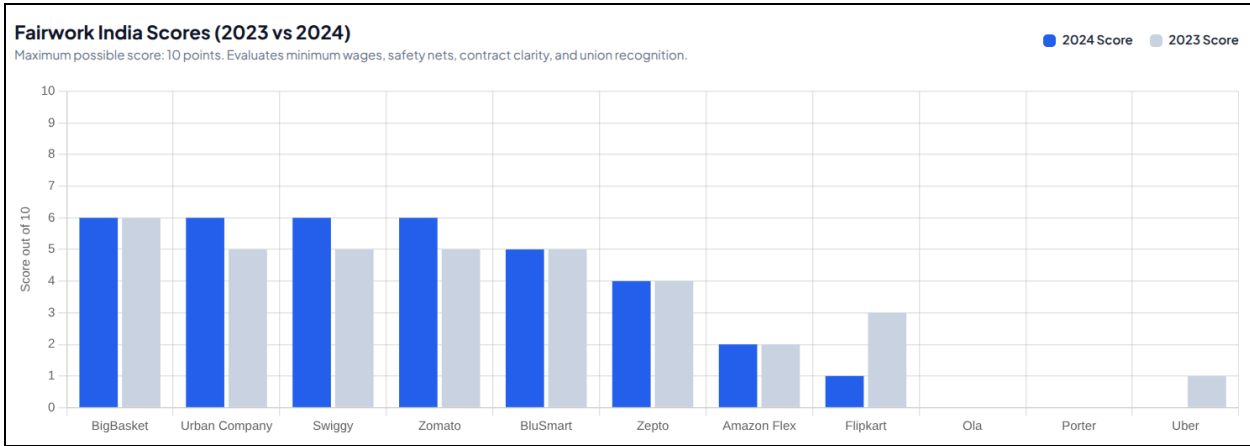
Quick-commerce logistics create intense pressure on two-wheeler riders, converting public roads into high-stakes environments with elevated traffic accident rates.

Climate Extremes Vulnerability

Riders bear 100% of the climate burden during severe heatwaves and monsoon flooding without designated rest centers or extreme-weather hazard payouts.

Independent Assessments: The Fairwork India Ratings

To empirically evaluate the working conditions within the digital economy, the Fairwork India project—spearheaded by the Centre for IT and Public Policy (CITAPP) at IIIT-Bangalore in collaboration with the University of Oxford—assesses major aggregators against five core principles: Fair Pay, Fair Conditions, Fair Contracts, Fair Management, and Fair Representation. The 2024 Fairwork India Ratings illuminate systemic deficiencies across the sector. Out of a maximum possible score of 10 points, no single platform scored higher than 6, underscoring the deep-rooted precarity inherent in the industry.



Platform	2024 Score (out of 10)	2023 Score (out of 10)
BigBasket	6	6
Urban Company	6	5
Swiggy	6	5
Zomato	6	5
BluSmart	5	5

Zepto	4	4
Amazon Flex	2	2
Flipkart	1	3
Ola	0	0
Porter	0	0
Uber	0	1

Source: Fairwork India Ratings 2023 & 2024.

Crucially, the 2024 report highlights profound failures in fundamental economic justice. Only BigBasket and Urban Company met the criteria for the first point under "Fair Pay" (ensuring workers earn the local minimum wage after costs). Shockingly, not a single platform among the 11 evaluated met the criteria for the second point under "Fair Pay," meaning zero platforms provided sufficient evidence that their workers earn a local living wage after accounting for work-related costs like fuel, vehicle maintenance, and platform commissions.

The ratings also highlight an absolute failure in "Fair Representation." Despite growing unrest, localized protests, and nationwide strikes, there remains insufficient evidence from any aggregator indicating a willingness to formally recognize or negotiate with collective worker bodies or trade unions, thereby denying workers any institutional voice.

VI. Evolution of Labor Jurisprudence: The "Workman" Conundrum

The core legal debate surrounding gig workers in India centers on their statutory classification. By classifying them as "independent contractors," "freelancers," or "partners," platforms systematically circumvent obligations under traditional Indian labor laws, including the Minimum Wages Act, the Factories Act, and the Industrial Disputes Act.

1957 PRECEDENT Dharangadhra Chemical Works Ltd. v. State of Saurashtra Supreme Court of India (1957) The Control Test: Established that the core test for employment is supervision over the <i>manner</i> of work. Ruled that piece-rate payment, seasonal work, or lack of fixed hours do not negate employment if the worker is economically integrated into the business. Agarias Salt Workers Basis	1973 PRECEDENT Silver Jubilee Tailoring House v. Chief Inspector Supreme Court of India (1973) Economic Dependence: Expanded the control test for modern distributed industries. Held that right to reject substandard work, equipment provision, and total economic reliance create a master-servant relationship even without physical supervision. Tailors & Bidi Workers Doctrine	SUB JUDICE (PIL) IFAT v. Union of India W.P. No. 1068 of 2021 (Supreme Court) Demands recognition of gig workers as "unorganised workers" under UWSSA 2008. SC Bench (Justice Dipankar Datta & Justice Manmohan) demanded Union Govt accountability regarding extreme delays in framing welfare schemes. Articles 14, 21, 23 Invoked
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The Control Test Jurisprudence

The determination of an employer-employee relationship in Indian labor jurisprudence relies heavily on the "Control Test," established in historical Supreme Court judgments such as *Dharangadhra Chemical Works Ltd. v. State of Saurashtra* (1957) and *Silver Jubilee Tailoring House v. Chief Inspector of Shops and Establishments* (1973).

In *Dharangadhra*, the Supreme Court ruled on the status of Agarias (salt pan workers). The Court held that the *prima facie* test for an employment relationship is the existence of the right in the employer to supervise and control not just what work is to be done, but the manner in which it is done. The Court established a vital precedent for the modern gig economy: payment by piece-rate (similar to per-task payment on apps), seasonal work, and the absence of fixed hours do not negate an employment relationship if the worker is economically integrated into the business and subject to the company's quality standards.

In *Silver Jubilee*, the Court expanded this doctrine while examining the status of bidi workers. Recognizing that in modern, distributed industries, strict visible supervision is not always possible, the Court held that the right to reject substandard work, the provision of specific equipment, and the economic dependence of the worker on the principal employer are sufficient to establish a master-servant relationship. Labor rights advocates argue that algorithmic management—through real-time tracking, rating systems, and the ultimate threat of account deactivation—exerts a level of control far exceeding the threshold established in these historical

precedents, thereby making digital platforms de facto employers.

The Trade Unions Act, 1926

The Trade Unions Act, 1926, provides the statutory framework for the registration and protection of trade unions in India. It requires a minimum of seven members (or 10% of the workforce) to form a union and grants critical civil and criminal immunities to office-bearers during bona fide trade disputes, protecting them from charges of criminal conspiracy or tortious interference.

However, this legislation was designed explicitly for traditional employer-employee relationships within localized industrial establishments. Because gig workers lack the recognized legal status of "workmen," and operate in highly dispersed digital environments, platform aggregators routinely refuse to recognize gig worker unions. Consequently, federations like the All India Gig and Platform Workers Union (AIGPWU) struggle to leverage the protections of the 1926 Act to force platforms to the collective bargaining table.

The Constitutional Challenge: *IFAT v. Union of India*

The precarious legal status of gig workers has culminated in a landmark Public Interest Litigation (PIL) currently sub judice before the Supreme Court of India: The Indian Federation of App-Based Transport Workers (IFAT) v. Union of India (W.P. No. 1068 of 2021).

IFAT, representing thousands of transport and delivery workers, argues that gig workers must be recognized as "unorganised workers" or "wage workers" under the Unorganised Workers' Social Security Act, 2008 (UWSSA). The petitioners assert severe constitutional violations:

1. Article 14 (Right to Equality): Excluding gig workers from statutory social security protections granted to similarly situated unorganized workers is arbitrary, discriminatory, and lacks a rational nexus.
2. Article 21 (Right to Life and Livelihood): The denial of social security, coupled with sub-minimum wages and hazardous working conditions, strips gig workers of their right to live with human dignity.
3. Article 23 (Prohibition of Forced Labour): The petition asserts a novel and highly consequential legal theory: that algorithmic compulsion—whereby workers are forced to accept unprofitable or dangerous tasks, or work exhausting 14-hour shifts due to the threat of deactivation or the loss of daily incentives—amounts to economic coercion, rendering gig work a modern form of forced labor under Article 23.

In recent hearings before the bench comprising Justice Dipankar Datta and Justice Manmohan (as of early 2025), the Supreme Court demanded accountability from the Union Government regarding the delay in formulating the necessary schemes to operationalize gig worker social

security, indicating deep judicial impatience with executive inaction.

VII. The Union Legislative Framework: Promises and Implementation Deficits

The Code on Social Security, 2020

In an attempt to modernize labor laws, the Parliament of India passed the Code on Social Security, 2020 (CoSS). This legislation represents a watershed moment in global labor jurisprudence by providing the first statutory definitions of "gig worker," "platform worker," and "aggregator". The Code defines a gig worker as a person performing work or participating in a work arrangement outside a traditional employer-employee relationship, while a platform worker specifically utilizes online digital platforms to access such work.

The CoSS empowers the Central Government to frame comprehensive welfare schemes for gig and platform workers covering life and disability cover, accident insurance, health and maternity benefits, and old-age protection. Crucially, Section 141 of the Code establishes a Social Security Fund, financed by a mandatory contribution from aggregators ranging from 1% to 2% of their annual turnover, capped at a maximum of 5% of the total amount paid or payable to gig workers. The Code also mandates the creation of a National Social Security Board, inclusive of representatives from both aggregators and platform workers, to recommend and monitor these welfare schemes.

Despite receiving Presidential assent in September 2020, the substantive provisions of the CoSS regarding gig workers have faced severe implementation delays. The necessary subordinate rules have languished in the draft stage, leaving the promised social security fund entirely inoperative for years.

E-Shram Portal and Union Budget Inclusions

To facilitate the eventual delivery of welfare schemes, the Ministry of Labour and Employment launched the e-Shram portal to create a comprehensive national database of unorganized workers. Celebrating its five-year milestone in August 2026, the portal has registered a staggering 31.89 crore (318.9 million) unorganized workers. Registered workers receive a Universal Account Number (UAN) to ensure the portability of social security benefits, and aggregators are mandated to register their fleets on this database.

In a significant policy expansion, the Union Budget 2025-26 extended the Ayushman Bharat

Pradhan Mantri Jan Arogya Yojana (PM-JAY) to formally cover 1 crore (10 million) gig and platform workers. This initiative provides a critical health insurance cover of ₹5 lakh per beneficiary family per year for secondary and tertiary hospitalization, bridging a massive gap in healthcare access.

Taxation, TDS, and Financial Formalization

The integration of gig workers into the formal financial ecosystem is further mediated by the Income Tax Act. Under Section 194-O, e-commerce operators and platform aggregators are mandated to deduct 1% Tax Deducted at Source (TDS) on the gross amount of sales or services facilitated through their platforms.

While this deduction initially impacts the daily cash flow of gig workers who operate on razor-thin margins, it has inadvertently catalyzed financial formalization. Platforms and financial intermediaries have launched massive initiatives to assist workers in filing Income Tax Returns (ITR-4). For instance, Swiggy recently assisted over 50,000 workers in filing returns, while platforms like ClearTax helped over 400,000 delivery workers unlock ₹50 crore in tax refunds. Filing returns allows workers whose total annual income falls below the taxable threshold to claim full TDS refunds. More importantly, the systematic filing of tax returns generates a formal credit history for gig workers, transitioning them from the informal economy and enabling access to institutional credit, loans, and formal financial products—a core recommendation of the NITI Aayog's Platform India initiative.

Motor Vehicles Aggregator Guidelines, 2025

Moving away from a purely hands-off approach, the Ministry of Road Transport & Highways (MoRTH) introduced the updated Motor Vehicles Aggregator Guidelines in 2025 to heavily regulate the ride-hailing and logistics sectors. These guidelines enforce strict operational parameters aimed at curbing exploitation:

- **Fare Regulation:** Aggregators are capped at taking a maximum 20% commission, ensuring drivers retain at least 80% of the fare. Surge pricing is strictly capped at 2x the base fare, and cancellation penalties are capped at 10% (maximum ₹100).
- **Occupational Safety:** To combat fatigue and the 14-hour workdays common in the sector, algorithms must now forcibly log out drivers after 12 hours of aggregate driving across platforms, mandating a 10-hour continuous rest period.
- **Insurance & Training:** Aggregators must provide baseline health insurance (₹5 lakh) and term life insurance (₹10 lakh) for each driver, featuring mandated 5% annual increments. Furthermore, a 40-hour induction program is required, covering road safety, gender sensitization, and first responder protocols.

VIII. The Ascendancy of State-Level Legislation

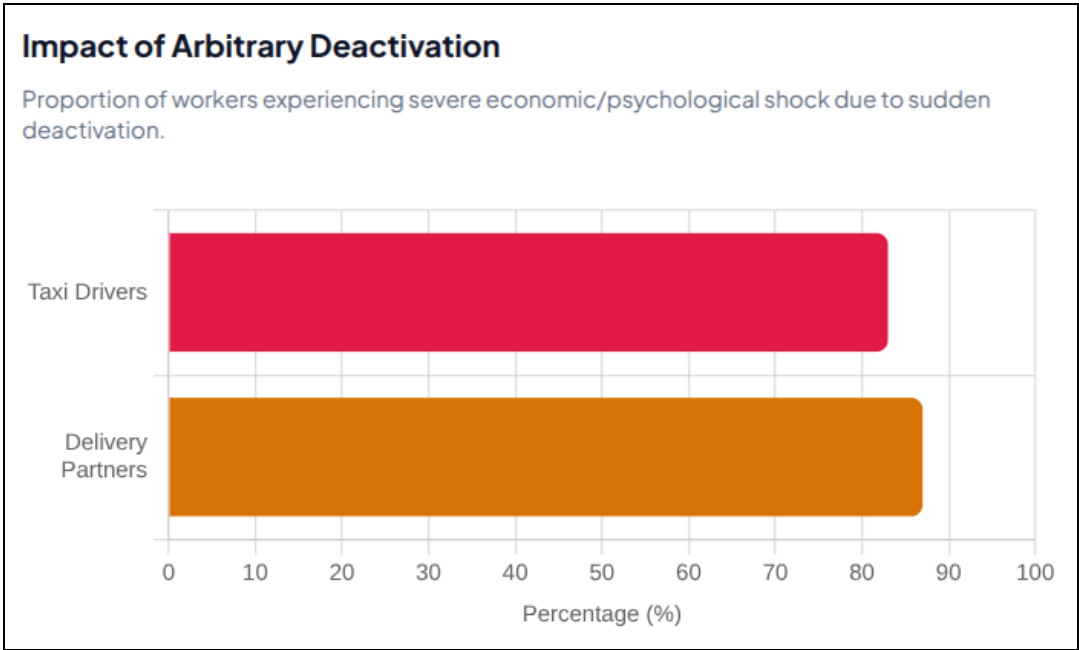
Profoundly frustrated by the slow implementation of the Central Code on Social Security, several Indian state legislatures have bypassed the Union Government by enacting robust, localized legislation tailored specifically to platform-based gig workers. These state laws represent a radical shift from the Central Government's welfare-centric models to aggressive, rights-based frameworks.

State & Legislation	Funding Mechanism	Key Provisions & Protections
Rajasthan (Platform-Based Gig Workers Act, 2023)	Welfare Cess (1% to 2% of transaction value)	The pioneer legislation. Establishes a State Welfare Board; mandates registration of workers/aggregators; utilizes a Central Transaction Information and Management System (CTIMS) for real-time tracking of platform transactions.
Karnataka (Platform Based Gig Workers Bill, 2024/25)	Gig Worker's Welfare Fee (1% to 5% of payout, or per-ride fixed rate)	Groundbreaking algorithmic transparency mandates; strictly prohibits arbitrary deactivation, requiring a 14-day prior notice and valid written reasons; mandates Internal Dispute Resolution Committees (IDRC).
Jharkhand (Platform-Based Gig Workers Act, 2025)	Welfare Contribution (1% to 2% of annual turnover)	Includes a sunset clause stipulating fee collection ceases once Central CoSS Sec 141 is operational; establishes toll-free helplines and comprehensive grievance

		redressal mechanisms.
Bihar (Platform Based Gig Workers Act, 2025)	Welfare Fund Fee (1% to 5% of payout)	Enacted following severe labor strikes in Patna. Guarantees 90 days of maternity benefits; ₹4 lakh ex-gratia for accidental death; restricts payout gaps to a maximum of 7 days; 7-day termination notice.

The Karnataka Model: Reining in the Algorithm

The Karnataka Platform Based Gig Workers Act is globally significant because it goes beyond mere social security to directly attack the opacity of algorithmic management. The Act mandates that platforms provide workers with granular details regarding work allocation logic, performance assessment criteria, and personal data usage. Crucially, it is the first Indian law to prohibit arbitrary algorithmic deactivation, requiring aggregators to provide valid written reasons and a 14-day notice period prior to terminating a worker, allowing them recourse through an Internal Dispute Resolution Committee (IDRC).



The Bihar Model: Labor Militancy Yielding Results

The Bihar Platform Based Gig Workers Act, 2025, is notable for emerging directly from intense grassroots labor militancy. Following mass strikes by the Gig Workers Association (GIGWA) and Amazon India Workers Union (AIWU) that successfully paralyzed logistics across Patna, the

state government capitulated to worker demands. The legislation explicitly addresses gender parity by guaranteeing 90 days of maternity leave for female gig workers and mandates severe penalties, including potential imprisonment for aggregator executives failing to remit the welfare fee.

Policy & Statutory Framework Comparison Matrix			
How Central mandates compare against aggressive, rights-based state legislation.			
Legislation / Regulation	Funding Model	Key Welfare & Regulatory Mandates	Status & Implementation
Union: Code on Social Security (CoSS), 2020	1% - 2% Aggregator Annual Turnover (Cap: 5% payout)	First statutory definition of "gig" and "platform" workers. Establishes National Social Security Board, life/disability cover, and e-Shram registration.	Subordinate Rules Delayed
Union: MoRTH Aggregator Guidelines 2025	20% Aggregator Commission Cap (Driver retains ≥80%)	Surge capped at 2x; mandatory logout after 12 hrs driving (10 hr rest); ₹5L health & ₹10L term life insurance; 40-hr safety induction.	Notified / Operational
Rajasthan Platform-Based Gig Workers Act, 2023	1% - 2% Transaction Cess per ride/order	Pioneer law. State Welfare Board; mandatory registration; CTIMS real-time transaction tracking; penalty for non-compliance.	Enacted / Pioneer
Karnataka Platform Based Gig Workers Act	1% - 5% Payout Welfare Fee / Fixed ride fee	Algorithmic transparency mandate; prohibits arbitrary deactivation (requires 14-day notice + written cause); Internal Dispute Resolution Committees (IDRC).	Sub Judice in High Court
Bihar Platform Based Gig Workers Act, 2025	1% - 5% Payout Welfare Fund Fee	Enacted post Patna logistics strikes (GIGWA/AIWU). Guarantees 90 days maternity benefit; ₹4L ex-gratia death benefit; max 7-day payout gaps.	Enacted Post-Strike

IX. Industry Pushback, Political Discourse, and The Repugnancy Debate

The aggressive proliferation of state-level laws has triggered a massive constitutional and legal standoff between technology conglomerates and state governments, highlighting deep ideological divides regarding the regulation of the digital economy.

The Ideological Divide

The political discourse is sharply polarized. Critics of aggressive regulation, frequently articulated in mainstream economic editorials, argue that "bleeding heart" labor activists fundamentally misunderstand the gig economy. They argue that over-regulation threatens to destroy the very flexibility and agency that draws workers to platforms in the first place, asserting that platform work provides a vital, scalable alternative to stagnant government jobs and traditional informal labor.

Industry associations, primarily the Internet and Mobile Association of India (IAMAI) and NASSCOM (representing giants like Swiggy, Zomato, Zepto, and Urban Company), have actively pushed back against state interventions. NASSCOM argues that state mandates attempting to enforce "minimum remuneration" fundamentally distort market-driven pricing models. Furthermore, they argue that hard caps on working hours (e.g., maximum 8-hour days) destroy the operational flexibility that allows gig workers to maximize earnings during peak surge periods.

The Argument of Repugnancy and Constitutional Litigation

This ideological clash has moved from the legislature to the judiciary. In mid-2026, IMAI and major aggregators filed comprehensive writ petitions in the Karnataka High Court, challenging the constitutional validity of the Karnataka state legislation.

The core legal argument deployed by the aggregators rests on the "Doctrine of Repugnancy" under Article 254 of the Constitution of India. Labor falls under the Concurrent List (Entries 22, 23, and 24) of the Seventh Schedule, meaning both the Union Parliament and State Legislatures possess legislative competence over the subject. However, Article 254(1) dictates that if a state law is repugnant (in direct conflict) with a central law on the same subject, the central law prevails, and the state law becomes void to the extent of the repugnancy.

The aggregators argue that the Union Parliament has already "occupied the field" of gig worker welfare by enacting the Code on Social Security, 2020. They contend that the Karnataka Act creates a parallel, contradictory regulatory regime that imposes an unconstitutional "dual levy" (requiring contributions to both state and central funds) and fractures the unified national framework intended by the CoSS.

The Turnover vs. Transaction Fee Conflict

A specific point of friction is the mechanism of funding social security. The Central CoSS assesses the welfare contribution based on 1-2% of an aggregator's total turnover. NASSCOM argues this is inequitable, as a platform with multiple business verticals (e.g., a company that operates both a massive e-commerce retail arm and a smaller gig-delivery arm) would pay a tax on revenues entirely unrelated to gig labor. Conversely, state laws (like Karnataka's and Rajasthan's) favor a per-transaction cess (e.g., 50 paise per 2-wheeler ride, or 1% of a food delivery bill), which is directly tied to the actual utilization of gig labor.

Judicial Posture

During preliminary hearings in July 2026, the Karnataka High Court (presided over by Justice M. Nagaprasanna) refused to stay the implementation of the Karnataka Act, poignantly observing that both Central and State legislations "were born from the womb of social justice" to aid vulnerable workers. However, to protect platforms from coercive state action during the protracted litigation, the Court ordered aggregators to deposit the disputed state welfare fees directly into the Court Registry rather than with the State Board, creating a high-stakes financial escrow pending final constitutional adjudication.

X. Conclusion

The fundamental tension lies in the statutory classification of platform workers. Continuing to label them purely as independent contractors enables platforms to bypass traditional labor responsibilities, yet imposing standard, rigid employee classifications risks destroying the flexibility that initially drew 1.2 crore workers to the sector. A potential resolution lies in formalizing a recognized "third category" of worker—one that maintains operational flexibility but guarantees irreducible baseline rights, including a minimum wage floor and formal collective bargaining mechanisms under the Trade Unions Act.

Second, the constitutional conflict between Central and State legislation must be harmonized. The current trajectory risks subjecting pan-India technology platforms to a fractured, 28-state patchwork of contradictory welfare levies and algorithmic transparency mandates. A unified, cooperative federalist approach is required to integrate the transaction-based tracking systems of state boards (like Rajasthan's CTIMS) with the centralized repository of the e-Shram portal and the CoSS framework.

Finally, addressing the "black box" of algorithmic management is non-negotiable for ensuring fair working conditions. The psychological and economic harm caused by opaque task allocation, gamified incentives, and arbitrary deactivation must be mitigated. Regulatory solutions must balance the protection of a corporation's proprietary intellectual property (the algorithm) with the worker's fundamental right to data portability, transparent performance metrics, and human-led grievance redressal.

The trajectory of India's gig economy represents the frontier of modern labor rights. Formulating a sustainable ecosystem requires moving beyond the false dichotomy of technological innovation versus worker protection, and instead architecting an inclusive digital economy where efficiency and growth do not rely on the precarity of its foundational workforce.

XI. Focus Questions

1. Legal Classification & Labor Status

How can the committee define and statutorily classify gig and platform workers in India to guarantee baseline social security and minimum wage protection without destroying the schedule flexibility valued by workers?

- *Key Considerations:* Should India create a formal "Third Category Worker" (dependent contractor) in labor law, or amend the Industrial Relations Code/CoSS 2020 to redefine "workman"?

2. Constitutional Federalism & Conflict of Laws (Article 254)

How can Parliament and State Legislatures reconcile the constitutional tension between the Union Code on Social Security (2020) and State-level acts (e.g., Rajasthan, Karnataka, Bihar) to prevent "dual-levy" disputes and market fragmentation?

- *Key Considerations:* Doctrine of Occupied Field, Article 254(1) repugnancy arguments raised by aggregators in High Courts, and standardizing state welfare fees into an escrow mechanism.

3. Sustainable Funding & Welfare Cess Models

What is the most equitable and financially viable funding mechanism for the Gig Workers Welfare Fund—a turnover-based levy on aggregators (1-2%), a per-transaction cess on rides/orders, or a co-contributory model?

- *Key Considerations:* Consumer price sensitivity, aggregator operational margins, avoiding double taxation, and guaranteeing fund solvency.

4. Algorithmic Control & Black-Box Deactivations

What statutory regulations should be imposed on automated dispatch and management algorithms to eliminate arbitrary account deactivations, biased dynamic pricing, and unannounced payout cuts?

- *Key Considerations:* Independent annual algorithmic audits, mandatory 14-day notice prior to termination, and human-in-the-loop dispute redressal committees (IDRC).

5. Occupational Health & Safety (OHS) in Quick-Commerce

How can platform aggregators and municipal authorities mitigate the severe physical risks associated with 10-minute quick-commerce deliveries and long driving hours (12–14 hours daily)?

- *Key Considerations:* Enforcing mandatory log-outs, capping surge multipliers, road safety infrastructure, rest stop hubs, and extreme weather hazard pay.

6. Portable Benefits & Interoperability (e-Shram Integration)

How can state-level transaction tracking databases (e.g., Rajasthan's CTIMS) be seamlessly integrated with the Central e-Shram portal to ensure full benefit portability for migrant gig workers?

- *Key Considerations:* Unique worker identification numbers, multi-homing across platforms, and cross-state benefit delivery without administrative friction.

7. Collective Bargaining & Union Recognition

What legal mechanisms should be established to grant app-based gig workers formal collective bargaining rights under the Trade Unions Act, 1926?

- *Key Considerations:* Digital registration of gig unions, preventing aggregator retaliation, and establishing mandatory quarterly bilateral negotiation forums.

8. Gender Inclusion & Targeted Safeguards

What targeted policy interventions are required to address gender-specific vulnerabilities faced by female gig workers, particularly in beauty, home care, and ride-hailing services?

- *Key Considerations:* Maternity benefits (e.g., Bihar Act's 90-day coverage), SOS/safety protocols, protection against arbitrary rating penalties due to safety cancellations, and pay transparency.

9. Formal Credit Access & Financial Inclusion

How can compliance with tax deduction mechanisms (Section 194-O TDS) and e-Shram registration be leveraged to transition gig workers into formal credit markets?

- *Key Considerations:* Facilitating ITR filing for low-income workers, building formal credit scores, and replacing high-interest informal loans with institutional banking products.

10. Multi-Homing & Platform Liability Allocation

How should social security liabilities and accident compensation be allocated among multiple aggregators when a worker operates across several competing applications simultaneously?

- *Key Considerations:* Time-stamped active order tracking, proportioning contributions based on active session hours, and standardizing baseline insurance cover.

XII. Suggested Pattern for Researching

To begin preparing for the Stakeholders Meet, delegates are advised to follow a structured approach while researching their assigned portfolio and the agenda at hand:

- Begin by researching your respective stakeholder, its history, objectives, and area of influence. Since no single document may outline their exact stand on the agenda, delegates must go through official reports, press releases, news articles, interviews, social media handles, and other reliable sources to understand their position.
- Develop an understanding of the ideology and core interests of the stakeholder, as well as the community or group it represents. This will help in realistic role-play during the committee.
- After gaining knowledge about your portfolio, move on to the agenda itself. Use the background guide as a base, and supplement it with academic papers, policy reports, government publications, and credible media sources to build a well-rounded perspective.
- Break down the agenda into sub-topics and prepare speeches, statements, and advocacy points for each. Delegates should also draft possible solutions and recommendations their stakeholder would realistically push for.
- Collect evidence and supporting material for all important arguments, demands, or allegations you intend to make. Ensure your information is backed by reliable data, reports, or case studies.
- Research other stakeholders as well, to anticipate their priorities, contradictions, or controversial positions. This will help you in building alliances or countering them effectively during discussions.
- Keep your research updated using recent developments, news coverage, and official releases, since stakeholder positions can shift with changing contexts.

Lastly, we expect delegates to put in genuine effort in preparation and research, so that the SHM becomes a constructive and engaging simulation for all.

Note: This guide is not meant to be exhaustive or authoritative. The brief is meant only to provide the participants with a modicum of information upon which further research can be built and does not in any manner whatsoever reflect the views or political leanings of the Executive Board. The Executive Board shall maintain neutrality at all points in time and do not have any political affiliations.

Happy Researching !!

XIII. List of Valid Sources

1. Government Reports
2. PTI, PIB
3. Government Websites
4. Government-run news channels i.e., Sansad TV, DD News
5. Standing Committee Reports/ Commission Reports
6. RTI Proofs
7. Parliamentary Standing Committee Reports
8. Questions and Answers of the Parliament

XIV. Important Links

Constitution of India - <https://www.india.gov.in/my-government/constitution-india>

Ministry of Law & Justice - <https://lawmin.gov.in/>

Ministry of Information and Broadcasting - <https://mib.gov.in/>

Supreme Court Judgement Archives - <https://main.sci.gov.in/judgments>

Law Commission of India - <https://lawcommissionofindia.nic.in/>

Government Bill Archives - <https://sansad.in/ls/knowledge-centre/government-bills>

Lok Sabha Q/A's - <https://sansad.in/ls/questions/questions-and-answers>

Rajya Sabha Q/A's - <https://sansad.in/rs/questions/questions-and-answers>

Press Trust of India - <https://www.ptinews.com/>

Press Information Bureau - <https://pib.gov.in/indexd.aspx>

RTI Archives - <https://rtionline.gov.in/>