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RETHINKING PLATFORM RESPONSIBILITY IN INDIA'S GIG ECONOMY

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Abstract

The rapid expansion of platform-based work in India has necessitated a reconfiguration of labour and social security law to account for non-traditional work arrangements. The Code on Social Security, 2020 (hereinafter "Social Security Code") [1] represents the first comprehensive statutory recognition of gig workers and platform workers at the central level. Building upon this framework, several Indian States including Rajasthan, Karnataka, Jharkhand, Bihar, and Telangana have enacted or proposed specialised legislations to operationalise registration, welfare delivery, and funding mechanisms for gig and platform workers. While these developments mark a significant shift in labour regulation, they also introduce doctrinal ambiguities, fragmented compliance regimes, and inconsistent regulatory thresholds.

This paper undertakes a doctrinal and comparative analysis of the central and state-level legal frameworks governing gig and platform work in India. It examines the common architecture of registration and welfare funding, the divergent definitions of gig workers, platforms, and aggregators, and the procedural and compliance burdens imposed on aggregators and platforms. It further analyses interpretational issues relating to technological control, the concept of the 'primary employer', and enforcement mechanisms. Finally, the paper draws comparative lessons from other jurisdictions and proposes pathways for harmonisation and regulatory clarity.

I. Introduction: The Expansion of the Gig Economy

India has witnessed a rapid and sustained expansion of platform-based and gig work over the last decade. Estimates by NITI Aayog project an increase in the gig workforce from approximately 7.7 million workers in 2020–21 to 23.5 million workers by 2029–30, representing a growth of nearly 305 percent. [2] This expansion has fundamentally altered the

[1] The Code on Social Security, 2020, No. 36, Acts of Parliament, 2020 (India) [Social Security Code].
[2] NITI Aayog, India's Booming Gig and Platform Economy: Perspectives and Recommendations on the Future of Work 26 (2022), https://www.niti.gov.in/sites/default/files/2022-06/25th_June_Final_Report_27062022.pdf.

structure of labour markets, with a growing segment of workers deriving their income through digital and platform-mediated arrangements rather than through conventional employer–employee relationships.

The structural features of gig work, including task-based engagement, absence of long-term employment contracts, algorithmic management, and multi-platform participation, place gig workers outside the traditional boundaries of labour law. At the same time, aggregators and platforms function as central coordination points for onboarding, pricing, allocation of work, ratings, and payments. This functional centrality, coupled with the economic dependence of workers on platforms, has prompted regulators to shift welfare and compliance obligations onto aggregators, even in the absence of a formal employment relationship.

This regulatory shift reflects a broader transition from status-based labour regulation to function-based social security regulation. Instead of focusing on the existence of an employer–employee relationship, contemporary frameworks increasingly seek to ensure access to welfare through platform-linked obligations. However, this transition also raises significant questions regarding legal coherence, regulatory certainty, and the allocation of responsibilities among multiple actors in the platform economy.

The Social Security Code provides the central template for this regulatory approach. State legislations enacted thereafter reflect both an attempt to operationalise this framework and a divergence in doctrinal choices. This paper examines these developments in detail.

II. The Central Template: The Code on Social Security, 2020

[A.] Statutory Recognition of Gig and Platform Workers

The Social Security Code marks a foundational shift in Indian labour law by formally recognising gig workers[3] and platform workers [4] within the statutory social security framework. Unlike earlier labour statutes, which were premised on the existence of a conventional employment relationship, the Code expressly extends social security coverage [5]to categories of workers who operate outside the traditional employer–employee paradigm [6].

Section 2(35) and related provisions define gig workers and platform workers as distinct

[3] Social Security Code, *supra* note 1, § 2 (35).
[4] *Id.* § 2(60).
[5] *Id.* § 114.
[6] *Id.* § 2(61).

categories, thereby acknowledging the economic realities of platform-mediated work. This recognition enables the extension of social security benefits to workers who would otherwise fall outside the scope of labour welfare legislation.

[B.] Aggregator-Linked Contribution Model (Section 114)

A central feature of the Code is the aggregator-linked contribution model under Section 114. [7] This model reflects a functional approach to regulation. Aggregators are treated as economically central actors in the platform ecosystem and are therefore made responsible for contributing to welfare funds. The Code thus shifts from a contract-based to a coordination-based allocation of responsibility.

[C.] Delegation to States and Federal Architecture

The Code sets out a broad enabling framework while delegating substantial responsibility for implementation to the States. Key functions such as registration, contribution collection, and welfare delivery are primarily administered at the State level. This federal design allows States to tailor welfare mechanisms to local conditions, but it also creates scope for regulatory divergence and uneven implementation across jurisdictions.

III. State-Level Legislations

Five States have enacted or proposed specialised laws governing gig and platform workers, representing the most comprehensive approach to this regulatory challenge. The Rajasthan Platform Based Gig Workers (Registration and Welfare) Act, 2023[8] (hereinafter "Rajasthan Act") established the foundational architecture by mandating the creation of a welfare board[9], a social security fund [10]financed through platform-based transaction fees[11], and a comprehensive registration system for both workers and aggregators[12]. Subsequently, the Karnataka Platform Based Gig Workers (Social Security and Welfare) Act, 2025 [13](hereinafter "Karnataka Act") the Jharkhand Platform Based Gig Workers (Registration and Welfare) Act,

[7] *Id.* § 114.
[8] Rajasthan Platform Based Gig Workers (Registration and Welfare) Act, 2023, No. 29, Acts of Rajasthan State Legislature, 2023 (India) [hereinafter Rajasthan Act].
[9] *Id.* § 3.
[10] *Id.* § 8.
[11] *Id.* § 9.
[12] *Id.* § 10.
[13] The Karnataka Platform Based Gig Workers (Social Security and Welfare) Act, 2025, No. 72, Acts of Karnataka State Legislature, 2025 (India) [hereinafter Karnataka Act].

2025[14], (hereinafter "Jharkhand Act") the Telangana Gig and Platform Workers (Registration, Social Security and Welfare) Bill, 2025 [15](hereinafter "Telangana Bill"), and the Bihar Platform Based Gig Workers (Registration, Safety and Welfare) Act, 2025[16] (hereinafter "Bihar Act") built upon this model. While these frameworks share a common conceptual foundation, centred on registration, welfare boards, transaction-linked funding, and grievance redressal, they diverge in important respects relating to scope, definitions, technological thresholds, enforcement mechanisms, and compliance burdens.

Beyond these five States with dedicated legislation, several other jurisdictions have taken alternative approaches to addressing gig worker welfare, reflecting a more fragmented but nonetheless significant regulatory landscape. Tamil Nadu represents a notable example of this alternative pathway. Rather than enacting standalone comprehensive legislation, Tamil Nadu established the Tamil Nadu Platform Based Gig Workers Welfare Board through Government Order No. 187 dated 26 December 2023.[17] This administrative mechanism enables the State to provide social security benefits, including health insurance, accident coverage, and pension schemes to gig workers without the immediate enactment of a detailed legislative framework. Tamil Nadu has further demonstrated its commitment through budgetary allocations, including subsidies for gig workers and a group insurance scheme covering approximately 1.5 lakh workers to provide compensation for accidental death and disability. This approach reflects a pragmatic strategy of leveraging executive action and fiscal policy to extend protections ahead of formalised statutory frameworks.

Maharashtra has historically employed welfare board structures for informal and unorganised workers through legislation such as the Maharashtra Mathadi, Hamal and Other Manual Workers (Regulation of Employment and Welfare) Act, 1974,[18] which established a tripartite welfare board model for headload workers. This precedent has informed the broader discourse on gig worker regulation and may provide a foundation for extending similar mechanisms to

[14] Jharkhand Platform Based Gig Workers (Registration and Welfare) Act, 2025, No. 9, Acts of Jharkhand State Legislature, 2025 (India) [hereinafter Jharkhand Act].
[15] Telangana Gig and Platform Workers (Registration, Social Security and Welfare) Bill, 2025 (India) [hereinafter Telangana Bill].
[16] The Bihar Platform Based Gig Workers (Registration, Safety and Welfare) Act, 2025, No. 8, Acts of Bihar State Legislature, 2025 (India) [hereinafter Bihar Act].
[17] Gov't of Tamil Nadu, Labour Welfare & Skill Dev. Dep't, G.O. Ms. No. 187, Establishment of Tamil Nadu Platform Based Gig Workers' Welfare Board, Tamil Nadu Gov't Gazette, Extraordinary, pt. II, § 2 (Dec. 26, 2023) (India) https://www.stationeryprinting.tn.gov.in/extraordinary/2023/417_Ex_II_2_2023.pdf.
[18] Maharashtra Mathadi, Hamal and Other Manual Workers (Regulation of Employment and Welfare) Act, 1974, Act No. 30 of 1969 (India).

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platform-based workers, although Maharashtra has not yet enacted gig-specific legislation. Similarly, States such as Delhi have not enacted dedicated gig worker legislation but continue to rely on general social security frameworks and voluntary schemes initiated by platforms themselves. These States' approaches underscore the uneven regulatory geography of gig worker protection in India. While some States have pursued comprehensive legislative solutions, others have adopted administrative, budgetary, or incremental approaches.

IV. Applicability and Scope of State Acts

[A.] Aggregator- and Platform-Centric Framework

All State gig worker enactments place aggregators and platforms at the centre of the regulatory framework. In particular, the Rajasthan and Karnataka Acts confine the allocation of statutory obligations primarily to aggregators and platforms that intermediate work through digital or platform-based systems, without introducing additional categories of responsible entities.

[B.] Extension to 'Primary Employers'

In contrast, the Telangana Bill, along with the Bihar and Jharkhand Acts, extends the scope of applicability beyond aggregators and platforms by introducing the concept of a 'primary employer'. This approach broadens the regulatory net to potentially include entities that directly engage gig workers for specific tasks, even where such entities do not operate digital platforms themselves. This divergence in statutory design has important implications for the allocation of welfare responsibilities and the identification of liable entities within multi-layered platform ecosystems, particularly where work is organised through a combination of platforms, intermediaries, and end-users.

V. Uniform Core Statutory Framework Across State Acts

[A.] Mandatory Registration

Section 113 of the Code on Social Security, 2020 mandates the registration of unorganised workers, gig workers, and platform workers as a foundational requirement for access to social security benefits.[19] All five State enactments operationalise this central mandate by prescribing detailed statutory procedures for registration at the state level. In particular, the Rajasthan Act

[19] Social Security Code, *supra* note 1, § 113.

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(s. 8)[20], the Bihar Act (s. 10) [21], the Jharkhand Act (s. 11) [22], the Karnataka Act (s. 10) [23] and the Telangana Bill (s.10) [24] expressly require the registration of gig workers, lay down the procedural framework for such registration, and provide for the maintenance and updating of worker records. Through these provisions, registration functions not merely as an administrative formality but as a condition precedent for the identification of beneficiaries and for the effective delivery of welfare entitlements under the respective State welfare schemes.

[B.] Welfare Boards

All five State legislations establish Welfare Boards under Section 3, which function as the primary institutional mechanisms for the administration of the gig worker welfare framework. These Boards are entrusted with key responsibilities including the administration of worker registration, the implementation and supervision of welfare schemes, and the facilitation of grievance redressal mechanisms. The establishment of Welfare Boards reflects a legislative intent to centralise welfare administration at the state level and to create a dedicated institutional interface between gig and platform workers, aggregators and platforms, and the State, thereby enabling coordinated governance and delivery of social security benefits.

[C.] Welfare Funding Mechanisms

All State Acts impose a transaction-linked welfare fee on aggregators and platforms as a central mechanism for financing gig and platform worker welfare. This fee is calculated as a prescribed percentage of each transaction or of the payout made to gig workers and is credited to State welfare funds established under the respective legislations. The relevant statutory provisions include Section 11 of the Rajasthan Act,[25] Section 22 of the Bihar Act,[26] Section 19 of the Telangana Bill,[27] Section 14 of the Jharkhand Act,[28] and Section 20 of the Karnataka Act.[29] This funding architecture reinforces the aggregator-linked contribution model introduced under the Code on Social Security, 2020, and embeds it within state-level welfare regimes, thereby institutionalising a platform-centric approach to the financing of social security for gig and

[20] Rajasthan Act, *supra* note 8, § 8.
[21] Bihar Act, *supra* note 16, § 10.
[22] Jharkhand Act, *supra* note 14, § 11.
[23] Karnataka Act, *supra* note 13, § 10.
[24] Telangana Bill, *supra* note 15, § 10.
[25] Rajasthan Act, *supra* note 8, § 11.
[26] Bihar Act, *supra* note 16, § 22.
[27] Telangana Bill, *supra* note 15, § 19.
[28] Jharkhand Act, *supra* note 14, § 14.
[29] Karnataka Act, *supra* note 13, § 20.

platform workers.

VI. Interpretational Issues across State Acts

[A.] Who Qualifies as a "Gig Worker"?

A key interpretational issue across the State legislations concerns whether work must be sourced through a digital platform in order to qualify as gig work for the purposes of statutory welfare coverage. This question goes to the heart of the scope of protection under the emerging regulatory framework and determines whether welfare entitlements are limited strictly to platform-mediated labour or extend more broadly to other forms of task-based and non-standard work arrangements. The Rajasthan Act (s. 2(e)),[30] the Bihar Act (s. 2(g)),[31] and the Telangana Bill (s. 2(g))[32] adopt a broader conception of gig work by defining a gig worker without requiring that the work be sourced through a digital platform. Instead, these provisions emphasise the nature of the work performed and the payment arrangement, thereby potentially extending statutory coverage to non-platform-based gig work. In contrast, the Karnataka Act (s. 2(e))[33] and the Jharkhand Act (s. 2(f))[34] expressly require that the work be sourced through a digital platform, thereby limiting welfare coverage to platform-based work and excluding other forms of task-based or freelance labour. This divergence creates significant uncertainty regarding the scope of statutory protection and is likely to result in uneven welfare coverage across States, undermining the objective of a coherent and uniform framework for gig worker social security.

A further structural weakness in several State enactments arises from the reliance on undefined Schedules that include activities such as "professional activity service providers" within the scope of platform-based services, as reflected in the Karnataka Act, the Bihar Act, the Jharkhand Act, and the Telangana Bill. By failing to prescribe any income threshold, economic dependency test, or vulnerability-based criteria, these Schedules permit the inclusion of highly paid and economically independent professionals such as consultants, chartered accountants, architects, lawyers, or specialised technical service providers within the same statutory category as low-income and economically dependent gig workers. This over-inclusive definitional approach dilutes the redistributive and protective rationale of the legislation, which is ostensibly aimed at addressing precarity and lack of bargaining power among platform-

[30] Rajasthan Act, *supra* note 8, § 2(e).
[31] Bihar Act, *supra* note 16, § 2(g).
[32] Telangana Bill, *supra* note 15, § 2(g).
[33] Karnataka Act, *supra* note 13, § 2(e).
[34] Jharkhand Act, *supra* note 14, § 2(f).

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dependent workers. In the absence of an income ceiling or functional test of economic dependence, the inclusion of professional activity service providers risks transforming welfare-oriented statutes into administratively diffuse regulatory instruments, thereby undermining the core objective of targeting social security protections towards vulnerable and marginalised segments of the gig workforce.

[B.] Over-Inclusive Definition of "Aggregator"

Section 2(2) of the Code on Social Security, 2020 defines an 'aggregator' as a "*digital intermediary or a marketplace for a buyer or user of a service to connect with the seller or service provider*."[35] However, the definition does not clarify the nature or degree of facilitation required to attract regulatory responsibility.

State gig worker enactments further broaden this definition by including any entity that "coordinates with one or more aggregators for providing services." The absence of statutory guidance on the meaning of "coordination" renders the scope of this extension unclear and raises significant interpretational concerns.

In particular, it remains uncertain whether entities such as software-as-a-service (SaaS) providers, whose role may be limited to technical or operational support, could be characterised as aggregators despite having no direct interface with gig workers or end-users. This definitional over-breadth creates the risk of regulatory spillover and exposes peripheral service providers to uncertain compliance obligations.

[C.] Divergent Technological Thresholds in Platform Definitions

1. TECHNOLOGY-NEUTRAL APPROACH: CENTRAL CODE AND RAJASTHAN

   Under Section 2(60) of the Central Code, platform work is defined without any technological qualifier, focusing only on online service delivery and payment.[36] Similarly, under Rajasthan Act, s. 2(f), a platform is defined as an online transaction-based arrangement without reference to automated or data-driven control.[37]

2. HYBRID TECHNOLOGY THRESHOLD: KARNATAKA, BIHAR, AND TELANGANA

   Under the Karnataka Act (s. 2(g)),[38] the Bihar Act (s. 2(k)),[39] and the Telangana Bill (s. 2(k)),[40] the legal status of a "platform" is conditioned on the use of automated

[35] Social Security Code, *supra* note 1, § 2 (2).
[36] Social Security Code, *supra* note 1, § 2 (60).
[37] Rajasthan Act, *supra* note 8, § 2(f).
[38] Karnataka Act, *supra* note 13, § 2(g).
[39] Bihar Act, *supra* note 16, § 2(k).
[40] Telangana Bill, *supra* note 15, § 2(k).

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monitoring and decision-making systems, or on human decision-making processes that rely substantially on data. These provisions expressly recognise hybrid models of control in which algorithmic systems and human managerial discretion operate in combination to govern work allocation, performance evaluation, and disciplinary or access-related decisions. By incorporating both automated and data-assisted human decision-making within the definitional threshold, these enactments adopt a technologically responsive approach that reflects the operational realities of contemporary platform governance, while simultaneously expanding the regulatory net beyond purely automated systems to capture mixed or semi-algorithmic modes of labour control.

3. AUTONOMOUS-ONLY THRESHOLD: JHARKHAND

   Under Jharkhand Act, s. 2(g),[41] platform status is limited to arrangements involving automated monitoring and automated decision-making systems. Data-assisted human decision-making is not recognised. This represents the narrowest approach among the States.

   These inconsistent thresholds create regulatory uncertainty and may encourage jurisdictional arbitrage.

[D.] Introduction of the "Primary Employer" Concept

The concept of 'primary employer' is absent from the Central Code and is inconsistently treated across State Acts. It is not recognised in the Rajasthan and Karnataka Acts, used without definition in the Jharkhand Act, and expressly defined only in the Bihar Act (s. 2(n))[42] and the Telangana Bill (s. 2(n)).[43]

This uneven recognition creates uncertainty regarding the allocation of welfare responsibilities. It remains unclear whether obligations lie exclusively with aggregators or are shared with entities directly engaging gig workers. This fragmented approach undermines legal certainty and complicates compliance planning.

VII. Procedural and Compliance Framework across State Acts

[A.] Registration as a Condition Precedent

Platforms are held responsible for worker registration, updates, and compliance, despite

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[41] Jharkhand Act, *supra* note 14, § 2(g).
[42] Bihar Act, *supra* note 16, § 2(n).
[43] Telangana Bill, *supra* note 15, § 2(n).

lacking control over worker continuity, exclusivity, multi-platform participation, and inter-state mobility. This creates a statutory liability without corresponding managerial control. All States impose onboarding-triggered registration and change-based updates. Telangana additionally mandates periodic (quarterly) reporting on registration, thereby intensifying the procedural compliance burden.

This state-fragmented compliance regime imposes ongoing and potentially duplicative obligations on platforms operating across multiple jurisdictions.

[B.] Welfare Contribution and Enforcement Mechanisms

1. CRIMINAL LIABILITY

   Under Section 29 of the Bihar Act, 2025[44] and Section 25 of the Telangana Bill, 2025[45], criminal liability may be imposed in cases where any aggregator, platform, primary employer, or company fails to pay the prescribed welfare fund contribution. These provisions mark a significant escalation in the enforcement architecture by attaching penal consequences to non-compliance with welfare funding obligations. In contrast, the other State enactments do not contemplate criminal liability for such defaults, relying instead on civil recovery mechanisms and administrative enforcement. This divergence in enforcement approaches contributes to regulatory asymmetry across States and exposes platforms operating in multiple jurisdictions to uneven and heightened compliance risk, thereby further fragmenting the national regulatory landscape governing gig and platform worker welfare

2. RECOVERY AS ARREARS OF LAND REVENUE

   Rajasthan (s. 15)[46] and Jharkhand (s. 19)[47] mandate recovery of welfare contributions as arrears of land revenue. Other States do not stipulate this recovery mechanism.

   These divergent enforcement approaches further contribute to regulatory fragmentation and uneven risk exposure.

VIII. Comparative Perspectives: Lessons from Other Jurisdictions

[A.] The Netherlands

In the Netherlands, the regulatory landscape for platform work underwent a significant shift following the Amsterdam Court of Appeal’s decision on January 27, 2026, in *Federatie*

[44] Bihar Act, *supra* note 16, § 29.
[45] Telangana Bill, *supra* note 15, § 25.
[46] Rajasthan Act, *supra* note 8, § 15.
[47] Jharkhand Act, *supra* note 14, § 19.

Nederlandse Vakbeweging (FNV) v. Uber B.V. [48] Overturning a 2021 lower court ruling that had classified all Uber drivers as employees, the Court of Appeal rejected a blanket approach and held that drivers may be treated as independent entrepreneurs based on individual circumstances. The Court identified "entrepreneurship" as the decisive factor, emphasising drivers' substantial investment in their own vehicles, their genuine freedom to determine working hours, and their ability to accept or reject rides as indicia of self-employed status. [49]While this represents a significant judicial endorsement of the platform contractor model, the Court simultaneously preserved the possibility for individual drivers to claim employee status where entrepreneurial freedom is lacking in their specific factual context.

At the same time, the Dutch legislative and administrative framework is moving toward stricter controls on false self-employment. From January 1, 2026, the Dutch Tax Authorities (Belastingdienst) resumed [50] full enforcement of worker classification rules, ending a prolonged period of regulatory forbearance. In parallel, the proposed *Wet verduidelijking beoordeling arbeidsrelaties en rechtsvermoeden (Wet VBAR)* is expected to enter into force in July 2026[51], seeking to codify existing case law and introduce a legal presumption of an employment contract for workers earning below a specified hourly threshold, currently discussed at €36 per hour. [52] These developments indicate a dual-track approach in the Netherlands, whereby courts protect the contractor model for high-autonomy workers, while legislative reforms simultaneously strengthen safeguards against misclassification for more economically vulnerable gig workers.

[B.] United States and Spain

In the United States and Spain, contrasting regulatory strategies further illustrate this divergence. In California, the Transportation Network Company (TNC) Drivers Labor Relations Act (Assembly Bill 1340) took effect [53] on January 1, 2026, creating a sectoral collective bargaining framework for app-based drivers who remain classified as independent

[48] Hof Amsterdam 27 January 2026, ECLI:NL:GHAMS:2026:163 (Federatie Nederlandse Vakbeweging (FNV)/Uber B.V.) (Neth.).
[49] *FNV v. Uber B.V.*, ECLI:NL:GHAMS:2026:163, ¶¶ 5.14, 5.15.
[50] Belastingdienst [Tax and Customs Administration], Handhavingsplan Arbeidsrelaties 2026 [Enforcement Plan for Employment Relationships 2026] (Neth.) (Dec. 2025), https://vnpf.nl/content/uploads/2025/12/handhavingsplan-arbeidsrelaties-lh0021z61fd.pdf.
[51] Ministry of Social Affairs and Employment, *Legislative Proposal for More Clarity for the Self-Employed and a Stronger Position for Low-Paid Vulnerable Workers to Parliament*, RIJKSOVERHEID (July 7, 2025), https://www.rijksoverheid.nl/actueel/nieuws/2025/07/07/wetsvoorstel-voor-meer-duidelijkheid-zzpers-en-sterkere-positie-laagbetaalde-schijnzelfstandigen-naar-de-kamer.
[52] *Id.*
[53] Transportation Network Company Drivers Labor Relations Act, ch. 335, 2025 Cal. Stat. (codified at CAL. BUS. & PROF. CODE §§ 7470–7470.19 and CAL. GOV'T CODE § 7927.710).

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contractors under Proposition 22[54], as upheld by the California Supreme Court in *Castellanos v. State of California* (2024). [55] This hybrid model allows union representation and negotiations over compensation and safety without formal employee reclassification. By contrast, Spain continues to operate under the Royal Decree-Law 9/2021 (Ley Rider)[56], which establishes a presumption of employment and mandates algorithmic transparency. Following significant enforcement action by the Spanish Labor and Social Security Inspectorate, including fines exceeding €450 million against Glovo [57], major platforms have increasingly shifted toward direct employment models, reflecting a regulatory environment that prioritises formal employment status and strong labour inspection mechanisms.

[C.] New Zealand

In New Zealand, a decisive judicial shift occurred with the Supreme Court of New Zealand's unanimous decision in *Rasier Operations BV & Ors v. E Tū Incorporated & Anor* [2025] NZSC[58], which confirmed that Uber drivers were employees under Section 6 of the Employment Relations Act 2000. Applying the "real nature of the relationship" test, the Court held that Uber's control over fares, trip assignments, and driver conduct outweighed contractual labels designating drivers as independent contractors. [59] The ruling enables unions to pursue back pay and collective bargaining, effectively dismantling the pure contractor model for rideshare platforms. However, this judicial development faces legislative resistance through the Employment Relations Amendment Bill 2025[60], which proposes a new "gateway test" that would limit challenges to contractor status where written agreements and certain flexibility criteria are satisfied.[61] This legislative response underscores an ongoing global tension between judicial, reality-based classification tests and legislative efforts to preserve platform flexibility through formal contractual designations.

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[54] CAL. BUS. & PROF. CODE § 7451.
[55] Castellanos v. State of California, 16 Cal. 5th 588 (2024).
[56] Real Decreto-ley 9/2021, de 11 de mayo, por el que se modifica el texto refundido de la Ley del Estatuto de los Trabajadores [Royal Decree-Law 9/2021 of May 11, amending the Workers' Statute] (B.O.E. 2021, 113) (Spain).
[57] Molly Grace, *Glovo Reaffirms Commitment to Spain*, **Euro Weekly News** (Aug. 29, 2025), https://euroweeklynews.com/2025/08/28/glovo-considers-exiting-spanish-market/.
[58] *Rasier Operations BV v. E Tū Inc.* [2025] NZSC 162 (N.Z.).
[59] Rasier Operations BV v. E Tū Inc. [2025] NZSC 162, [142] - [144] (N.Z.).
[60] Employment Relations Amendment Bill 2025 (175-2) (N.Z.).
[61] Employment Relations Amendment Bill 2025 (175-2), cl 4 (N.Z.).

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IX. Burden on Aggregators and Platforms

[A.] Current Obligations

Current obligations include:

I. Mandatory registration with State Welfare Boards within 45–60 days.
II. In Karnataka, registration within 45 days following constitution of the Welfare Board on 27 January 2026.[62]
III. Registration on the e-Shram portal under the Aggregator Module.
IV. Minimum seven days' written notice and valid reasons before blocking a worker's ID, with a right to appeal.

[B.] Near-Future Obligations

Near-future obligations include:

I. Triggering of transaction-linked welfare fees upon functionalisation of Welfare Boards.
II. Cross-state compliance fragmentation, requiring management of multiple welfare funds.
III. Possible central fund contributions of 1–2 percent of total turnover, in addition to state-level fees.
IV. Absence of reconciliation provisions in most Acts.
V. Absence of a closed list of social security benefits, allowing for potential expansion of obligations.

X. Conclusion and Way Forward

India's emerging regulatory framework for gig and platform work reflects a significant evolution in labour and social security law. The Social Security Code and subsequent State enactments collectively establish a new architecture for welfare delivery that is functionally linked to aggregators and platforms rather than to traditional employment relationships. This shift represents an important doctrinal move away from status-based labour regulation toward a coordination- and function-based model of social security coverage.

However, this framework is characterised by significant doctrinal ambiguities and regulatory fragmentation. Divergent definitions of gig workers, inconsistent technological thresholds for

[62] *Karnataka Notifies Gig Workers' Welfare Board, Sets Levy on Aggregator Platforms*, **The Quint** (Jan. 27, 2026, 8:43 PM IST), https://www.thequint.com/news/breaking-news/karnataka-notifies-gig-workers-welfare-board-structure.

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platform status, vague and uneven treatment of the concept of the primary employer, and fragmented enforcement and recovery mechanisms undermine legal certainty and impose substantial and uneven compliance burdens on aggregators and platforms operating across multiple jurisdictions.

Going forward, greater harmonisation between central and State frameworks is essential. Clearer statutory definitions, uniform technological thresholds, and consistent treatment of enforcement and recovery mechanisms would enhance regulatory predictability and administrative coherence. In this context, comparative developments such as the proposed "gateway test" under the Employment Relations Amendment Bill 2025 (New Zealand)[63], which conditions challenges to contractor status on specified statutory criteria including the existence of a written independent contractor agreement, the worker's genuine freedom to work for others, the absence of substantial control over working hours, and the ability to bear entrepreneurial risk offer a potential model for introducing structured and objective classification thresholds within Indian law.

While India need not replicate such an approach, a carefully calibrated statutory test at the central level could help reduce litigation uncertainty by providing clearer criteria for determining when platform-based work should attract heightened regulatory and welfare obligations.

[63] Employment Relations Amendment Bill 2025 (175-2), cl 4 (N.Z.).