Comments and Recommendation on the Draft Karnataka Platform based Gig workers (Social Security and Welfare) Rules, 2025 Preliminary Comments and Recommendation on the Draft Karnataka Platform based Gig workers (Social Security and Welfare) Rules, 2025

The following preliminary comments are submitted on the Draft Karnataka Platform based Gig workers (Social security and welfare) Rules, 2025 by the Centre for Labour Studies, National Law School of India University for the consideration of the Working Groups set-up by Government of Karnataka.

S.No	Content of Rule	Objection to Rules	Suggestion for amendment of Rules
1.	**Rule 4:** The time, place and procedure for meetings of the Board.- 1. Every matter which the Board is required to take in to consideration shall be considered at a meeting of the Board, or if the Chairperson so directs, by circulation of resolution among the members and shall be passed by a simple majority of votes, where there is no consensus on a matter and the members of the Board are equally divided, the Chairperson shall have the deciding vote. Explanation.—The expression "Chairperson" for the purpose of the above provision shall include a member nominated or chosen under sub-rule (2) of rule 10	The Rules do not require the Boards to maintain minutes of meeting and make it publicly available.	Minutes of Meeting of the Board must be made publicly available for all to access.

	to preside over a meeting. 2. The Board shall meet at such places and at such times as may be decided by the Chairperson but shall meet at least once in three months. 3. The Chairperson shall preside over every meeting of the Board in which he is present and in his absence he may nominate a member of the Board to preside over such meeting in his place and in the absence of such nomination by the Chairperson, the members of the Board present in such meeting may choose one member from amongst themselves to preside over the meeting. 4. Ordinarily, two weeks' notice shall be given to the members of the Board of a proposed meeting: Provided that the Chairperson, if he is satisfied that it is necessary so to do, may give notice of longer period not exceeding one month for such meeting.		

	5. No business except which is included in the list of business for a meeting of the Board shall be considered at the meeting without the permission of the Chairperson. 6. The Chairperson may at any time call a special meeting of the Board in case of urgency, after informing the members in advance about the subject-matter of discussion and the reason of urgency. 7. The State Government may prohibit any member, other than ex-officio members, from taking part in the Meeting of the Board if,- (a) The member absents himself from three consecutive meetings of the Board without written information and consent of the Chairperson; or (b) The member in the opinion of the State Government has ceased to represent the interest which he purports to represent on the Board.		

8.	**<u>Rule 11:</u>** To seek information regarding automated monitoring and decision-making systems. 1. Every Aggregator or platform shall publish a designated mechanism on its platform to enable platform based Gig workers to reach out to the Aggregator or platform for seeking information regarding fares, earnings and customer feedback which may have an impact on the Gig workers. 2. The Aggregators or platform shall respond to the queries of the Gig worker within thirty working days of receipt of the same: Provided that, disclosure of algorithms, source code, detailed operational logic, system architecture or technical designs are not part of the information that can be sought by the Gig workers. 3. The Aggregator or platform shall only be	1. The right of workers must also not be restricted to merely seeking information with respect to the rights of a gig worker but must also include the right to challenge the fairness of the decisions made by the algorithms. There is no value to accessing information if there is no avenue to challenge or modify the decisions. 2. Additionally, understanding complex algorithmic data often requires technical expertise and significant time which are resources workers typically lack. Unless unions and general citizenry including worker rights organizations, researchers and other groups are not provided access to this information, it is likely that access to the data and its impact are likely to be analyzed and challenged effectively.	1. A sub-clause must be added allowing workers to challenge both the algorithmic data provided to them and the impact it has on working conditions both before the IDRC or the Board. 2. A sub-clause must be added allowing access to algorithmic non-proprietary data that has an impact on workers not just to workers themselves but also their representatives in trade unions, worker bodies and the general citizenry. 3. A sub-clause must be added to the provision that states that platforms must be obligated to ensure that through the algorithmic management systems must not require platform workers to as a quota comply with hours of work, use of washroom facilities etc which go against reasonable working conditions as mentioned in the Rules. 4. Rule 11(1) must be amended to impose an obligation on the aggregator to compulsorily provide information related to automated decision making to the worker and not provide it on a request only basis. Information must be available automatically when a worker enrolls onto the platform including on fares, incentives etc, and every time the platform either introduces new

	required to provide the aforementioned information required herein above to such Gig worker(s) who have completed at least one Gig in the preceding ninety days for the Aggregator.		automated decision-making systems or modifies existing ones. The Rule must further state that the data that is provided to the workers must be accessible in a manner that a reasonable human being can understand.
9.	**<u>Rule 12:</u>** Right to appeal by the Gig worker.- 1. Any Gig worker who is aggrieved by a decision of the Aggregator or platform for termination may appeal to the Internal Dispute Resolution Committee of the Aggregator or platform with supporting documents and information, within a period of seven working days from the receipt of intimation about termination from the Aggregator's platform. 2. The Aggregator or platform shall, through the Internal Dispute Resolution Committee constituted under section 22 of the Ordinance, deal with such appeal and shall make an endeavor to resolve the appeal within fifteen working days from the receipt of appeal.	1. Rule 12(2) states that the Internal Dispute Resolution Committee only has to endeavor to resolve the appeal within fifteen days of receipt of appeal. Such a provision will only provide legal cover for delay in proceedings. 2. Rule 12 does not delineate the procedure to be followed by the IRDC in dispensing its duties of overseeing the appeal.	1. Rule 12(2) has to be amended to state that the Internal Dispute Resolution shall resolve any appeal before it within 15 days from the receipt of appeal. 2. A sub-clause must be added to Rule 12 clearly stating that principles of natural justice must be followed by the IDRC and the Board when it sits over appeal including providing an adequate opportunity for the worker to present their case, list witnesses, extend evidence etc. It is also of importance that the Rule clearly states that any order passed by the IRDC be a reasoned written order. Even cases where the IDRC deigns as frivolous, vexatious or repetitive must be accompanied with reasoning.

	3. The Aggregator or platform shall have the right to dismiss any appeals that are frivolous, vexatious, and repetitive by providing the reason(s) for such dismissal of the Gig worker. 4. Any party aggrieved by the final decision may with all supporting documents prefer an appeal within thirty days to the authorized person of the Board. 5. The Board shall conduct the appeal procedures as per the By-law approved by the Governm**ent.**		
10.	**<u>Rule 13:</u>** Sector specific occupational safety and health standards.- 1. The Board through its approved By-Law specify sector specific occupational safety and health standards and SOPs in consultation with members of the Board and other invited specialists on occupational safety and health standards.	OSH cannot be delegated to by-laws. Proper consultation must be held to distill important OSH requirements to be included within the Rules.	Rule 13 for now can be amended to statutorily codify as legal entitlements to the workers the benefits extended by the Karnataka State State Gig Workers Insurance Scheme. In addition, separate OSH Rules for platform workers must be notified in pursuance of the mandate of Sections 12 and 16 of the Ordinance

	2. Compliances by the aggregators under sub rule (1) shall be within a maximum period of six months from the date of communicating sector specific occupational safety standards.		
11.	**<u>Rule 14:</u>** Publishing of disclosure obligations.- 1. Every Aggregator shall make the information on the grievance redressal mechanism and dispute resolution mechanism accessible to platform based Gig workers on its digital platform. 2. Disclosure obligations under sub rule (1) shall comprise of handling instant grievances, insurance and welfare schemes if any, termination and deactivation procedures, accident relief and reaching out to legal heirs, handling sexual	Rule 14(1) must be revised to provide greater clarity on the accessibility of the grievance redressal and dispute resolution mechanism for workers. It is insufficient to state that the mechanism shall be available on the digital platform "in whichever form." The Rule should explicitly require that the mechanism be user-friendly, easily navigable, available in local languages, and accessible through both mobile and web-based platforms.	1. Rule 14(1) must be amended to clearly state that the Aggregator has a mandatory obligation to ensure that information regarding the grievance redressal and dispute resolution mechanism is not only available on the digital platform but also prominently accessible on the official website of the platform. This is essential to ensure that workers, including those who may have been deactivated or terminated from the platform, retain access to this critical information. These details must all be provided in regional languages in addition to English. 2. The Rule must further require that a direct link to the grievance redressal portal be provided both on the app and the website. Additionally, the Aggregator must provide details of a designated human contact point to assist workers who may face difficulties in navigating the system. It should also be a compulsory component of the worker induction process that all new workers receive training on how to access and effectively use the grievance redressal and dispute resolution mechanisms.
12.	**<u>Rule 16:</u>** Utilization and management of fund.-	The Board cannot be given discretionary power to determine on its whim how the	It is proposed that Rule 16 be amended to state that the workers shall be entitled to health, education, and housing benefits

	1. The Board shall have exclusive powers to determine the specific manner, priorities,' and allocations for the utilization of the Fund towards schemes, welfare measures and its administrative expenses. 2. The Board shall through its resolution and an annual budget, after approval from the Government in each financial year, shall serve as the binding directive for all expenditure incurred from the Fund. 3. The Board shall ensure proper maintenance of accounts and records for the Fund, managed with due financial prudence. 4. The Board shall, for every financial year, submit a report along with audited financial statements to the State Government which shall be laid along with the annual report in the State Legislature	money can be utilised towards welfare schemes and measures. The Rules must clearly state the nature and content of appropriate schemes which shall be rolled out using the welfare fee collected from aggregators. This is essential to ensure that this Ordinance provides entitlements to platform workers	using the welfare fee. The Rule shall further clarify that a comprehensive welfare scheme detailing the nature, extent, eligibility criteria, and implementation mechanisms for these benefits shall be formulated and notified separately by the appropriate authority within a specific time frame.
13.	**<u>Rule 17:</u>** Collection of welfare fee.-	1. The Rules fail to clearly define the precise welfare fee applicable instead retaining the broad 1-5%	1. The Rules must state that a maximum of 5% of workers earning per transaction be calculated for the sake of welfare fees for all platforms. In the case where the

	1. The State Government shall collect the Welfare Fee as prescribed under sub-section (3) of section 20 of the Ordinance in the following manner: 2. The Aggregator shall within thirty working days from the end of each quarter, automatically calculate the Welfare Fee and self declare such welfare fee on a quarterly basis in a simple standardized format pay the welfare fee equivalent to 1-5% of each Payout made to the gig worker to be notified by the Government from time to time.	range. Such an an open-ended provision will not only pose operational hurdles but also is in conflict with the text of section 20. It is further stated that a fee of 1- 2% based on worker earnings per transaction is totally inadequate to fund even a very basic level of social security. If we assume the minimum earnings for platform work to be Rs.10000 for 8 hours work, the fee would work out to Rs.200 per month per worker at 2% fee. This is less than one-seventh of the approximately Rs.1500 per month employer's contribution in the case of formal sector workers at a wage of Rs.10000 per month (3.25% towards ESI and 12% towards EPF). Therefore, it is suggested that the rate of welfare fee should fixed at the rate of 5% of the per transaction worker earnings. At this level, the platform worker earning Rs.10000 per month gets a platform contribution of Rs.500 per month, which may provide a semblance of funding for various social security protection envisaged under the Ordinance. Based on the Zomato Annual Report 2022-23, it appears that the total 'delivery and related	state government feels that the percentage of calculating welfare fee must be reduced for certain platforms, in such cases the state government must provide its justification. This justification can either be based on the sector the platform is involved in or the model of the platform - for instance certain platforms have adopted a subscription model versus others who have adopted commission-based model. 2. A sub-clause must be inserted in Rule 17(2) to designate a specific government authority or the Board with the responsibility to establish a monitoring mechanism to verify the welfare fee contributions made by Aggregators. This authority must be granted access to the Aggregator's relevant accounts and data to enable effective oversight. 3. Additionally, Rule 17(2) must be amended to impose a clear obligation on Aggregators to furnish detailed information on welfare fee deductions and contributions on a monthly basis, rather than quarterly, to ensure transparency and facilitate timely redressal for workers.

		charges' for the year was Rs.2134 crores, which was less than one-thirteenth of the 'gross order value' for the year. The additional 5% on earnings would therefore be less than 0.4% of the gross order value per transaction – even if the platform were to pass on the cost of the fee to the customer, the extra payment on a total transaction value of Rs.100 is only 40 paise. 2. Rule 17(2) must be amended to remove the provision allowing Aggregators to self-declare the welfare fee, as this opens the door to arbitrariness and potential misuse. Instead, there must be an independent verification mechanism to ensure transparency and accountability. Additionally, the current requirement for uploading transaction data and welfare fee deductions on a quarterly basis is inadequate given the transient and fast-paced nature of gig work. This delay can hinder workers—many of whom may have changed jobs in that period—from tracking dues or raising timely challenges.	
14.	**<u>Rule 20:</u>** Payment made to platform based Gig workers and the	1. Rule 20 is currently limited to requiring the Aggregator to furnish information to the Board regarding payouts	1. An additional sub-clause should be incorporated into Rule 20 to mandate that every Aggregator provide real-time information to gig workers regarding

	welfare fee deducted shall be recorded on the Payment and Welfare Fee Verification System (PWFVS) for each transaction.- 1. Every Aggregator shall record specified details of payouts made to Gig workers and associated Welfare Fee deductions on the system designated by the Board by electronically uploading the required data to the Verification System in a machine-readable format every quarter. 2. Transactions data of a particular quarter shall be uploaded as a batch file by the Aggregator on a quarterly basis and within a period of thirty working days from the end of each quarter and shall include the following fields.- (a) Unique ID generated by the Board to the gig worker; (b) e-Shram Universal Account Number (UAN); (c) Pay out amount; (d) Welfare Fee remitted; (e) Date of transaction; and (f) Platform identifier	made to gig workers. It must be amended to also mandate that such information be directly communicated to the concerned worker, ensuring transparency and enabling workers to verify the deductions and amounts disbursed from their earnings.	payouts made by the platform. This information must be made available in the form of a digital pay slip, accessible immediately upon completion of each transaction, and remain continuously available for workers to view and download at any time. This ensures transparency, accountability, and easy access to earnings-related data for all workers. 2. An additional sub-clause must be added to Rule 17(2) granting workers the right to access and verify the information uploaded by their Aggregator to the Payment and Welfare Fee Verification System. This will enable workers to cross-check the welfare fee contributions made on their behalf, similar to how employees can track their provident fund deposits through the official provident fund portal. Such a provision is essential to ensure transparency, empower workers, and provide them with a mechanism to promptly raise disputes in cases of underpayment or non-payment.
15.	**<u>Rule 21:</u>** The composition and procedure of the Internal	1. The Rules fail to specify the composition of the	1. Rule 21 must be amended to reflect the composition of the IDRC. The IDRC must contain 7 members, and at a minimum must include two workers

	Dispute Resolution Committee. Every Aggregator for the purposes of grievance redressal through Internal Dispute Resolution Committee (IDRC) required pursuant to sub-section (2) of section 22 of the Ordinance, ensure that.- (i) Every registered aggregator shall constitute an Internal Dispute Resolution Committee (IDRC) to receive all grievances raised by the gig workers through their official portal and in certain circumstances through human point of contact. . (ii) The Internal Dispute Resolution Committee (IDRC) shall provide details of the procedures of grievance redressal mechanism in their portal and shall regularly hold meetings to resolve grievances of the gig workers. (iii) All decisions of the Internal Dispute Resolution Committee (IDRC) shall be in writing and by following due process of law shall resolve amicably the grievances within the timeline as prescribed under the Ordinance.	Internal Dispute Resolution Committee (IDRC) and the powers of the IDRC. It also doesn't specify the powers that vest with the IDRC. 2. The Rules also fail to indicate how many days the IDRC must be set up from the time of the notification of the Rules and the Ordinance. 3. Rule 21 fail to delineate the procedural requirements that the IDRC needs to follow 4. Rule 21(3) merely states that the decisions must be in writing, and not that they need to be backed by sound reason. This opens space for the IDRC to merely render non-speaking orders or orders with no justification or reasoning. 5. Rule 21(4) indicates that the decision by the Board will be final on cases initiated before the IDRC which violates the constitutional right of workers to access remedy from the Courts. 6. Rule 21 fails to lay down how platform companies are to establish IDRCs across the state , including details regarding their geographical jurisdiction, the number of units to be	representatives and one CSO representative. The worker representatives must either be elected to the IDRC or trade union representatives of a registered trade union with considerable membership in the state. Both the CSO representative and the worker representatives must be provided a sum of money for their services as prescribed by the Government. Gender composition of the IDRC must be proportionate to the gender composition of workers on the platform. 2. The Rules must be amended to reflect that the IDRC has the same powers as vested in a civil court under the Code of Civil Procedure, 1908 (5 of 1908) when trying a suit in respect of the following matters, namely: 3. Summoning and enforcing the attendance of any person and examining him on oath; a. Requiring the discovery and production of documents; and a. Any other matter which may be prescribed. a. The inquiry under sub-section (1) shall be completed within a period of ninety days. 4. The Rules must be amended to state that IDRC and a web portal for the worker to file grievances must be set up by platforms within 30 days from the Ordinance coming into effect. 5. The Rules must specify the procedural requirements to be followed for rendering its decision,

	(iv) Parties aggrieved by the decisions of Internal Dispute Resolution Committee (IDRC) shall prefer reconsideration with the Board whose decision shall be final.	set up, and the number of workers each unit will be responsible for.	including seeking a complaint in writing from the worker, providing adequate opportunity for the worker to present their case, allowing the worker to be represented by a union, providing an opportunity to list their witnesses and present evidence etc. 6. Rule 22(3) must be modified to state that all orders shall be speaking orders and shall be in writing. 7. Rule 22(4) must be amended to state that both the worker and the aggregator have the right to appeal the decision rendered by the Board before the Appellate Authority and thereafter the Writ Courts. 8. An IDRC must be set up at the city/town level across the state. 9. The Rules must also provide for situations under which members of the IDRC can be removed from their position. This must ideally be in the following situations: A. Has been convicted for an offence or an inquiry into an offence under any law for the time being in force is pending against them; B. Has been found guilty in any disciplinary proceedings or a disciplinary proceeding is pending against them; C. Has so abused their position as to render their continuance

			in office prejudicial to the public interest, such Presiding Officer or Member, as the case may be, shall be removed from the IDRC and the vacancy so created or any casual vacancy shall be filled by fresh nomination 10. The Rules must also indicate the period of time that the members of the IDRC will hold office. Ideally, each member must hold office for a period not exceeding 3 years from the date of their nomination. 11. An additional clause must be added providing workers the option to file a petition before the Grievance Redressal Officer either through their legal representative, union, through a family member/relative or friend. The Rules must also state that where the worker is struggling to register a complaint in writing, the IDRC must offer assistance. 12. An additional clause must be added to this provision stating that there must be no change to the conditions of service of the gig worker during the pendency of any proceedings filed before the IDRC.
16.	**<u>Rule 22:</u>** Redressal of grievances.	1. Rule 22(3) is unclear and is of no value and must be dropped.	1. Rule 22(3) should instead state that where the complainant failed to substantiate material in their complaint, the IDRC must render their decisions

	1. The Internal Dispute Resolution Committee shall upon receipt of the grievance petition review the grievance and may call upon the Gig worker for any additional clarification or necessary . documents to analyse and conclude the grievance. 2. Internal Dispute Resolution Committee shall within a fourteen working days provide an action taken report to the Gig worker after following due process of law. Delay in providing any clarification by the Gig worker, the time line of fourteen working days shall be extended and initiated from the day the clarification is provided to the Internal Dispute Resolution Committee. 3. Failure either on the part of Internal Dispute Resolution Committee or Gig worker to reach out each other for any clarification, the Internal Dispute Resolution Committee shall reserve its rights to dismiss such grievance petition.	2. Rule 22(4) provides unmitigated power to dismiss complaints as vexatious, fraudulent, repetitive or non-maintainable, without providing any protective rights to workers.	based on existing material on record. The rule must also explicitly state all all orders of the Board must be 'speaking orders' 2. Rule 22(4) must be amended to state that where the IDRC seeks to dismiss a complaint as vexatious, fraudulent, repetitive or non-maintainable, it can be done so only on the basis of a reasoned and speaking order. 3. Ideally, the Rules must also state that when an order is passed in favour of the worker, the remedy may include providing for adequate compensation, reactivation of account, restoration of personal ratings among others.

	4. The Internal Dispute Resolution Committee shall have the right to dismiss any grievance petitions that are frivolous, vexatious, fraudulent, repetitive, non-maintainable by intimating the Gig worker of the reason for such dismissal. 5. Gig worker aggrieved by the decision of the Internal Dispute Resolution Committee as under sub-rule (4) shall have the right to prefer reconsideration with the Board.		
17.	**<u>Rule 23:</u>** Disposal of petition by the Grievance Redressal Officer.- 1. A Gig worker registered under the Ordinance may file an application in the specified format either in person or through web portal or any other mode before the Grievance Redressal officer in relation to any grievance arising out of entitlements, social security payments and other benefits provided by	1. The Rules do not clarify which authority has been designated as a Grievance Redressal Officer (**GRO**). This specific detail cannot be subject to further delegated legislation. 2. While the Rules require a gig worker to file an application in a specified format, no format for filing a petition before GRO is provided for in the Rules. Moreover, the Rules provide an option for the worker to file an application through a web portal, however the Rules place no corresponding obligation on the state to establish a web	1. The Rules must clarify which authority of the government is being designated as a GRO for the purpose of the Ordinance. GRO appointed must not be less than the rank of a Labour Officer of the Labour Department. 2. The Rules must provide a format which can be used by the gig worker to file an application. However, a protective clause must be added to the provision that states that no application filed by the gig workers can be rejected for failing to comply with any of the requirements of the format provided in the Rules. Ideally, the format for filing such an application must include:

	the Board under-the Ordinance. 2. The grievance redressal officer shall review and grant relief of all grievances arising out of entitlements, social security payments and other benefits that the Gig worker is entitled under the Ordinance and Rules made thereunder which has been referred to him either by the Gig worker himself under sub rule (1) or platforms within the time frame fixed under the Karnataka Sakala Services Act, 2011 (Karnataka Act No. 01 of 2012).	portal, and a timeline for establishing the same. 3. The Rule also must clarify more clearly the procedure to be followed including internal timelines of issuing notice to the opposite party, the time period for their response etc. 4. The Rules state that the time frame for GRO to render their decision must be the same as fixed under the Karnataka Sakala Services Act, 2011. Ideally the time limit of the GRO for providing relief must be provided in the Rules itself for the purpose of clarity.	a. Name of the complainant a. Clear specification of the grievance, including quantum of social security payment due. Further, a sub-clause must be added explicitly seeking for the establishment of a web portal under the ordinance and that the same needs to be operationalised 30 days from the Ordinance coming into effect. 3. The Rules must be modified to state that the GRO must issue a notice to the Board 7 days within a period of 7 days from receiving the application from the gig worker. The Board must respond to the application 10 days from the receipt of the application. 4. The Rules must explicitly state that the time limit for the GRO to provide relief must be 40 days. 5. An additional clause must be added providing workers the option to file a petition before the Grievance Redressal Officer either through their legal representative, union, through a family member/relative or friend
18.	**<u>Rule 24:</u>** The manner of disposal of appeal.-	1. The Rules and the Ordinance mention the institution of an Appellate Authority but provide no	1. A sub-section must be added to Rule 24 elucidating the composition of the Appellate Authority. Ideally, the Appellate Authority under this

	1. The Appellate Authority shall on receiving an appeal under sub section (10) of section 22 of the ordinance shall within ninety days dispose of the appeal petition by following due process of law and observing principles of natural justice and pass appropriate orders. 2. The orders passed by the appellate authority under sub-rule (1), shall be communicated to the Board within seven days and the Board shall implement such orders within sixty days.	information on the constitution, composition or powers of the Appellate Authority. This will once again attract claims of procedural uncertainty and open up the provision for constitutional challenge. 2. The Rules do not mention when the Appellate Authority will be notified as the institution for appeal under the Ordinance.	Ordinance must be the same body which serves as the Appellate Authority under the Industrial Employment (Standing Orders) Act, 1946. 2. A sub-section must also be added obligating the State Government to establish/notify the Appellate Authority as the institution for appeal 30 days from the Ordinance going into effect. 3. An additional sub-section must be inserted to clarify that the Appellate Authority shall have jurisdiction to hear appeals not only against orders passed by the Grievance Officer, but also those issued by the Internal Dispute Resolution Committee (IDRC) and the Board. This ensures a unified appellate mechanism and provides aggrieved parties with a clear and comprehensive avenue for redress.
19.	**<u>Rule 26:</u>** Manner of dealing with non-compliance.- The Board shall be the competent authority to deal with any non compliance under sub-section (3) of section 23 of the Ordinance.	Rule 26 contradicts Section23(2) of the Ordinance. Rule 26 states that the manner of dealing with non-compliance rests with the Board, however Section 23(2) of the Ordinance vests the power with the State Government. 3. There are case laws of the Supreme Court whch state that abody coporate established by the State Government cannot be equated by the State government. Section 3 of the Ordinance states that the "Board shall be a body	4. Section 23(2) of the Bill must be amended to state that the Board is the competent authority to deal with non-compliance or include a phrase in Section 23 (2) after state government to the effect that the relevant clause reads as"... the State Government or such authority as may be specified by the State Government may impose… If an amendment to the Bill is not possible at this belated stage, Rule 26 should be amended to replace the Board with an officer of the Labour Department

		corporate with the name aforesaid." Consequently, the power entrusted by the Ordinance to the State Government cannot be delegated to the Board.	
20.	**<u>Rule 27:</u>** The manner of recovery of fine in case of non-payment.- (1) In the case of any outstanding or non-payment of welfare fee payable by the Aggregator or Platform, a notice to that effect shall be issued to the Aggregator by the Board. (2) The Board shall pass an order imposing a fine as stipulated under sub section (2) of section 23 after extending an opportunity to be heard of the opposite party. (3) The fines so levied under sub-section (2) of section 23 shall be deposited in the account of the Board within thirty days of the passing of the order by the Board.	1. The title of Rule 27 indicates that it is only about recovery of fines, while the content also speaks of recovery of welfare fees. 0. The provision lacks clear timelines for key procedural steps—neither the period within which the Board must issue a notice to the Aggregator nor the time frame for the Aggregator's response is specified. Moreover, there is no overall time limit for the process of issuing notice, conducting hearings, and delivering a decision. In the absence of such temporal safeguards, proceedings are likely to suffer undue delays, frustrating the objective of timely resolution. Without procedural clarity on timelines and enforcement, the provision risks being constitutionally vulnerable, particularly on grounds of	1. The title of Rule 27 must read 'manner of recovery of fine and welfare fee' 0. Rule 27(1) must be amended to state that the Board must issue a notice to the Aggregator 14 days from the due date on which the welfare fee is due to be paid. Rule 27(2) should be amended to expressly provide that the Aggregator shall be given a period of 7 days to respond to the notice issued by the Board. Additionally, the provision must stipulate that the entire proceedings—including issuance of notice, conduct of hearing, and delivery of the final order—shall be concluded within a maximum period of 30 days. Penal interest must be levied for late payment. 0. An additional provision needs to be added to Rule 27 stating that where recovery has not been possible, then the Board or an interested party can make an application to the appropriate Government for the recovery of the welfare fee due from the Aggregator, and if the appropriate Government is satisfied that any money is so due, it shall issue a certificate for that amount to the Collector who shall proceed to

		arbitrariness and violation of due process under Article 14 of the Constitution. 0. Further, the provision is silent on the consequences of non-compliance by the Aggregator, particularly in cases where the platform fails to pay the imposed fine or welfare fee despite an order from the Board. To ensure enforceability, the provision must be amended to include a mechanism for recovery, such as attachment and sale of the Aggregator's assets, treating the dues as arrears of land revenue—akin to the recovery procedure under Section 11 or Section 33C of the Industrial Disputes Act, 1947.	recover the same in the same manner as an arrear of land revenue:
21.	**<u>Rule 28:</u>** The manner for imposition of fines.- (1) In case of any contravention of the provisions of the Ordinance or Rules made thereunder the Aggregator or platform, a notice to that effect shall	1. Rule 28 lies in contradiction to Section 23(2) of the Ordinance. While Rule 28 assigns the right to the Board to issue notice for failure to pay the requisite fees	1. Considering that the Rules and the Ordinance envisage an Appellate Authority, the Rules must allow for any aggregator and platform who is aggrieved with the decision of the

	be issued to the Aggregator or platform by the Board. (2) The Board shall pass an order imposing a fine as stipulated under sub section (2) of section 23 of the ordinance after extending an opportunity to being heard by the opposite party. (3) The fines so levied under sub-section (2) shall be deposited in the account of the Board within thirty days of the passing of the order by the Board. (4) Any aggregator or platform aggrieved by the order passed under rule may prefer reconsideration with the State Government within thirty days of receiving of the order under sub-rule (2)	stipulated under the Ordinance, Section 23(2) on the other hand vests the responsibility on the State Government to impose a fine for failure to pay fees. 0. Rule 28(2) limits the right to be heard in petitions to only the opposite party. However, in disputes between the Board and the Aggregator—particularly those concerning payment of fees under the Ordinance—it is essential that all affected persons, including aggrieved workers, be permitted to intervene and be heard. 0. Rule 28(4) states that if the Aggregator is aggrieved by an order of the Board, they may seek reconsideration from the State Government. However, the Rules do not specify which authority within the State Government is responsible for handling such reconsideration. This lack of clarity renders the provision vague and ambiguous, leaving it open to	Board to appeal the order before the Appellate Authority. 0. It is proposed that Rule 28(2) be modified to state that any gig worker interested in such a case must be permitted to intervene and be heard in petitions filed. 0. It is proposed that Rule 28(4) be modified to state that reconsideration of an order by the Board can be sought before the Appellate Authority instituted under the Ordinance. 0. Typo must be amended. 28(4) must say: 28 instead of 280. 2.

		potential misuse. It also raises concerns about the unchecked scope of executive action. 0. In addition, Rule 28(4) features a typo. It mistakenly alludes to Rule 280 instead of 28. 2.	
22.	**<u>Rule 29:</u>** The manner of submission of quarterly return by aggregator or platform.- The Aggregator or platform shall submit to the Board quarterly return as required under section 24 of the Ordinance in the following manner,- (i) Upload within a maximum of thirty working days from the end of each quarter, quarterly returns electronically in machine-readable format on the portal as developed and designated by the State Government for implementation of this Ordinance; and (ii) The quarterly returns shall include information such as city, UAN number and others as notified by the State Government	Rule 29 requires the Aggregator to submit a quarterly return form to the Board. However, the Rules neither specifies a format for the form nor does it detail the information to be provided through the quarterly form to	The Rules must provide for a format for quarterly return as a schedule to the Rules. Quarterly returns must at a minimum include: (a)total number of workers on the platform. (b)number of workers onboarded onto the platform in the last quarter. (c) numbers of workers who have been deactivated from the platform. (d) number of complaints received from workers before the IDRC in the quarter; (e) number of complaints filed by workers disposed off during the quarter; (f) number of cases pending for more than ninety days; (g) Any new additions or modifications brought to the automated decision making on the platform that impacts workers. (h) Any new policies/rules that have been introduced by the platform that impacts workers.

Additionally, several provisions of the Ordinance, which expressly state that further details shall be set out in the Rules, have not been appropriately addressed or reflected in the Rules. Below, we lay out a couple of these provisions:

Operationalising Section 12 of the Karnataka Platform Based Gig Workers (Social Security and Welfare) Ordinance, 2025

Section 12 of the Ordinance establishes a statutory mandate for fair contracts. More specifically, section 12 (2) states that "All terms of the contracts shall be transparent and comprehensive to the concerned workers and shall comply with fair terms of piece and /or time rate norms including payments, deductions, incentives and calculations of all work done and will explicitly contain the workers right to refuse tasks offered"

This provision creates two distinct obligations: a) a general requirement for fairness and transparency in contractual terms and b) a specific mandate for fair payment terms through piece and time rate norms.

Provision on Fairness and Transparency Contracts

As mentioned above, Section 12 (2) creates a non-discretionary obligation on the State Government to frame rules that flesh out the concepts of transparency and fairness in gig worker contracts. However, the Draft Karnataka Platform based Gig workers (Social security and welfare) Rules, 2025, shared for discussion lack concrete provisions that set forth the specific obligations on the aggregators towards ensuring provision on transparency and fairness in gig worker contracts. Without comprehensive rules defining fair contract terms, Section 12(2) will remain a rope of sand.

Accordingly, it is recommended that the Draft Rules must provide for specific obligations relating to mandatory disclosure requirements beyond those provided in Rule 14, including disclosure on task allocation mechanisms and criteria, payment structure and itemised breakdown of completed tasks' earnings and all potential deductions. Further, standards on prior notice of 21 days for any contract modifications must be provided in the Rules.

Provision Fair Payment as Above Minimum Wages

The explicit inclusion of payment fairness transforms Section 12(2) into a statutory guarantee of fair compensation for platform workers. The content of the mandate of fair payment can be extrapolated from judicial dicta on fair wages.

The Supreme Court in Express Newspapers (P) Ltd. v. Union of India held that "a mean between the living wage and the minimum wage and even the minimum wage." Based thereupon, the Supreme Court also held in that case that fair wage is "the lower limit of the fair wage must obviously be the minimum wage."

The same principle was reiterated in Workmen v Management of Reptakos Brett where the Court held that fair wage is little above the minimum wage. These precedents establish an unambiguous standard: any payment below minimum wage cannot qualify as "fair terms of piece

and/or time rate norms" under Section 12(2). Since Section 3(2) of the Minimum Wages Act empowers
governments to fix minimum time rates and piece rates, platform-based payment structures must align with these statutory minimums. Therefore, piece rate and time rate payments for platform work must meet or exceed the rates notified under the Minimum Wages Act 1948. Admittedly, Minimum Wages Act 1948 applies only to scheduled employment. Even the Code on Wages 2019 which extends the right to minimum wages to all employees and not just scheduled employment, requires a relationship of
employment.

However, it is submitted that the right to minimum wage has evolved from a mere statutory entitlement to a constitutionally protected fundamental right in India available to all workers. The landmark case of People's Union for Democratic Rights (PUDR) v Union of India held that non-payment of minimum wages amounts to forced labour under Article 23 of the Constitution. The Supreme Court's expansive interpretation of Article 23 has established that payment below minimum wage constitutes a form of forced labour, thereby violating the fundamental right against exploitation. Sanjit Roy v State of Rajasthan case further reinforced the constitutional status of minimum wage rights. In this case, the Supreme Court categorically stated that "[e]very person who provides labour or service to another is entitled at the least to the minimum wage and if anything less than the minimum wage is paid to him he can complain of violation of his fundamental right under Article 23."

These two judgments established that the state has a positive obligation to ensure that minimum wages are paid to all workers, regardless of the nature of their employment. The recognition of minimum wage as a fundamental right implies that every worker in India is entitled to the protection of minimum wages, even if their status as employees has not been established.

The mandate of fair payment in Section 12 12 (2) of the Karnataka Platform Based Gig Workers (Social Security and Welfare) Ordinance, 2025 must be interpreted in this light. Consequently, the obligation of the platforms to comply with fair terms of piece and /or time rate norms must imply that the rate of payment must not be less than the rates notified under the Minimum Wages Act.

Accordingly, there is a case for inclusion in the Rules a provision to the effect that all platform-based gig workers engaged in categories of work notified under the Schedule of the Minimum Wages Act shall be paid no less than the rates specified in the applicable Schedule for their respective work category. The Provision must also state that tips31 paid in respect of a platform-based gig work assignment shall not be included in determining compliance with applicable minimum wage rates. Such a provision will operationalise the mandate of Section 12 (2) of the Karnataka Platform Based Gig Workers (Social Security and Welfare) Ordinance, 2025

Operationalising Section 16 of the Karnataka Platform Based Gig Workers (Social Security and Welfare) Ordinance, 2025

Section 16 of the Ordinance places an obligation on the aggregator to provide and maintain “reasonable working conditions” but suffers from two infirmities. One the obligations on the

aggregator are vaguely characterised allowing for it to be manipulated. For instance, the provisions says gig workers must have adequate hours of rest, but does not detail what adequate hours of rest include. Such entitlements cannot be left to subjective determination of each platform. Two, the definition of 'reasonable working conditions' in the Ordinance is restrictive and must be more fully detailed in the Rules.

A rule must therefore be added to operationalise this section. This rule must first state that 'reasonable working conditions' first and foremost involves respecting, promoting and realizing:

a. Freedom of association and the effective recognition of the right to collective bargaining;

a. The elimination of all forms of forced or compulsory labour;
a. The effective abolition of child labour;
a. The elimination of discrimination in respect of employment and occupation;
a. a safe and healthy working environment; and any such principle or right later identified as a fundamental principle and right at work by the International Labour Organization.

In addition, the Rules must include the following:

f. An obligation either on a government authority or the digital platform to construct washroom and rest facilities especially for those workers who habitually work outdoors.
f. Mere reference to no discrimination based on religion, caste etc. is not enough. There must be positive obligations on the digital platform to ensure that such discrimination doesn't occur including having sufficient and effective internal policies on discrimination.
f. Regulation on hours of work must feature as a part of ensuring 'reasonable working conditions' including the number of hours of work considered reasonable working hours and what qualifies as overtime. Accordingly, regulation on overtime work etc. must be included. The period that the worker is logged on to the platform to respond to calls or complete tasks must be regarded as hours of work.
f. Provide a pathway for platform workers to contact and communicate with each other, and to be contacted by representatives of platform workers, through the digital labour platforms' digital infrastructure or similarly effective means, while maintaining confidentiality of these communications.