

HR Law Hotline

October 08, 2024

REGISTRATION OF GIG WORKERS AND PLATFORM AGGREGATORS ON E-SHRAM PORTAL

- The Ministry of Labour and Employment emphasizes on formal registration of aggregators and the platform workers engaged in specified service lines, on the e-Shram portal.
- The notification highlights the importance of collaboration between the government and platform aggregators in ensuring adoption of fair labour practices in the gig economy.
- Onboarding both aggregators and their associated platform workers onto the e-Shram portal is aimed at extending social security protections to the platform workers.

INTRODUCTION

In an era marked by rapid technological advancements and the rise of the gig economy, the nature of work is evolving at an unprecedented pace. As millions of individuals engage in platform-based employment, ranging from ride sharing to food delivery, governments worldwide are grappling with the challenge of ensuring fair labor practices and adequate social security for these workers. Recognizing this pressing need, the Ministry of Labour and Employment ("MOL&E") in India has taken a proactive approach by releasing a notification dated September 16, 2024 ("Notification")¹ wherein a Standard Operating Procedure ("SOP") has been provided, aimed at integrating aggregators and their platform workers into the e-Shram portal. Additionally, in furtherance of this notification, on September 18, 2024, the Union Minister of Labour and Employment chaired a meeting with platform aggregators emphasizing the need for registering the platform workers on e-shram portal. In the said meeting, the Union Minister of Labour and Employment has set a target for onboarding workers on the said portal within the next 3 months. This meeting was attended by couple of aggregators including, inter alia, Urban Company, Swiggy & Instamart, Zomato & Blinkit, Porter, Even Cargo, Amazon, Uber. A directive by the press bureau of India has also been released in this regard.²

BACKGROUND

Under the Notification, MOL&E has issued advisory to aggregators (*as defined therein*) inviting them to on-board themselves as well as the platform workers engaged by them on e-shram portal of MOL&E. The MOL&E had initially launched the e-shram portal on August 26, 2021 to register and support workers pertaining to the unorganized sector, by providing them with a universal account number ("UAN") that helps them in skilling, finding jobs, and checking eligibility for different social sector schemes being administered by the Central Government as well as various state governments. As on July 16, 2024, more than 29.79 Crore unorganized workers, including migrant workers, have been registered on this portal and have been issued e-Shram card.³ The manner of compliance required to be undertaken by the aggregators as per the aforementioned SOP is set out below.

MANNER OF COMPLIANCE REQUIRED TO BE UNDERTAKEN BY THE AGGREGATORS

This notification defines an "aggregator" as a digital intermediary or a marketplace for a buyer or a user of a service, to connect with the seller or service providers. It is applicable to platform-based gig workers, engaged in platform work and aggregators (*as listed in Table 1 of Annexure 1 of the Notification*) engaged inter-alia in the following services: ride sharing services, food and grocery delivery services, logistics services, health care services, travel and hospitality, content and media services, any other goods and services provider platform. The SOP also defines "platform work" to mean work arrangement outside of a traditional employer-employee relationship in which organizations or individuals use an online platform to access other organizations or individuals to solve specific problems or provide specific services as may be notified by the Central Government in exchange of payment.

The aggregators are required to register in the e-shram portal at (<https://aggregator.eshram.gov.in>). Upon visiting this portal, the aggregator is required to undertake the authentication as prescribed. The authorized signatory of the aggregator is required to fill in the registration form using mobile number and OTP verification. As part of the registration process, the aggregator is also required to upload PAN card, GSTN registration, MCA-21(RoC) registration of the aggregator, PAN card and Aadhaar Card of authorized signatory on the portal.

Post completion of this step, the aggregator is required to undertake Aadhaar eKYC of the authorized signatory, once this eKYC form is submitted, an acknowledgement ID would be generated, and an email would be sent to the registered email address of the authorized signatory of the aggregator. The user can track the status of application at the portal through the log in credentials generated in relation to the aggregator as part of the registration process. Upon approval and onboarding. The aggregators are required to complete testing of application programming interface ("API") for uploading details of the platform workers. The aggregators would be required to verify the

Research Papers

Little International Guide (India) 2024

November 08, 2024

Unmasking Deepfakes

October 25, 2024

Are we ready for Designer Babies

October 24, 2024

Research Articles

The Bitcoin Effect

November 14, 2024

Acquirers Beware: Indian Merger Control Regime Revamped!

September 15, 2024

Navigating the Boom: Rise of M&A in Healthcare

August 23, 2024

Audio

Digital Lending - Part 1 - What's New with NBFC P2Ps

November 19, 2024

Renewable Roadmap: Budget 2024 and Beyond - Part I

August 26, 2024

Renewable Roadmap: Budget 2024 and Beyond - Part II

August 26, 2024

NDA Connect

Connect with us at events, conferences and seminars.

NDA Hotline

Click here to view Hotline archives.

Video

"Investment return is not enough" Nishith Desai with Nikunj Dalmia (ET Now) at FIH event in Riyadh

October 31, 2024

Analysing SEBI's Consultation Paper on Simplification of registration for FPIs

September 26, 2024

universal account number (“UAN”) as per the e-Shram portal of the platform workers and submit details of the platform workers engaged with the aggregator through API. As per the Notification, the platforms are required to provide data on turnover, number of platform workers engaged, etc.

CONCLUSION

As per the Economic Survey 2023-24, the gig workforce is expected to expand to 2.35 crore (23.5 million) and form 6.7 per cent per cent of the non-agricultural workforce or 4.1 per cent of the total livelihood in India by 2029–30. The survey mentions that the significant contribution in the Indian context and globally has been the creation of effective social security initiatives for gig and platform workers.⁴ In this context, the Notification is a significant step and represents more than just a procedural guideline. It symbolizes a step towards greater equity and social security for platform workers across India. As we move forward, it will be essential to monitor its implementation and impact, ensuring that the aspirations for a fairer labour landscape are realized for all those who contribute to the dynamic gig economy.

On September 28, 2020, the Code on Social Security, 2020 (“Code”) received the Presidential assent and was notified in the Official Gazette. Though, it is yet to be made effective, the Code explicitly includes gig and platform workers, defining them and outlining their rights within the social security framework. The Central Government has frequently spoken about the finalization of the new labour codes being part of their 100-day agenda post the elections and the Notification is a step towards similar social security framework carved out under the Code. In view of these developments, it is interesting to see how the regulatory framework in relation to gig workers and aggregators would evolve in the coming days.

Authors

- Ananya Gandhi, Purbasha Panda and Deepti Thakkar

HR Law Team:

Nishith Desai, HR and Global Business Strategy

Deepti Thakkar, Leader, HR Advisory

Purbasha Panda, Member, HR Advisory

Ananya Gandhi, Member HR Advisory

Ipsita Agarwalla, HR and International Tax

You can direct your queries or comments to the relevant member.

¹No. W-11015/15/2024-RW (gpw), Ministry of Labour and Employment, Government of India

²<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2056138>

³More than 29.79 Crore Unorganized Workers have been registered on eShram Portal
(Link- <https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2035283>)

⁴Indian Economy Needs to generate nearly 78.5 lakh jobs annually in the non-farm sector until 2030 to cater to the rising workforce
(Link: <https://pib.gov.in/PressReleasePage.aspx?PRID=2034952>)

DISCLAIMER

The contents of this hotline should not be construed as legal opinion. View detailed disclaimer.

This Hotline provides general information existing at the time of preparation. The Hotline is intended as a news update and Nishith Desai Associates neither assumes nor accepts any responsibility for any loss arising to any person acting or refraining from acting as a result of any material contained in this Hotline. It is recommended that professional advice be taken based on the specific facts and circumstances. This Hotline does not substitute the need to refer to the original pronouncements.

This is not a Spam mail. You have received this mail because you have either requested for it or someone must have suggested your name. Since India has no anti-spamming law, we refer to the US directive, which states that a mail cannot be considered Spam if it contains the sender's contact information, which this mail does. In case this mail doesn't concern you, please unsubscribe from mailing list.