

# INTERNATIONAL JOURNAL FOR LEGAL RESEARCH AND ANALYSIS



Open Access, Refereed Journal Multi Disciplinary  
Peer Reviewed

[www.ijlra.com](http://www.ijlra.com)

## DISCLAIMER

No part of this publication may be reproduced, stored, transmitted, or distributed in any form or by any means, whether electronic, mechanical, photocopying, recording, or otherwise, without prior written permission of the Managing Editor of the *International Journal for Legal Research & Analysis (IJLRA)*.

The views, opinions, interpretations, and conclusions expressed in the articles published in this journal are solely those of the respective authors. They do not necessarily reflect the views of the Editorial Board, Editors, Reviewers, Advisors, or the Publisher of IJLRA.

Although every reasonable effort has been made to ensure the accuracy, authenticity, and proper citation of the content published in this journal, neither the Editorial Board nor IJLRA shall be held liable or responsible, in any manner whatsoever, for any loss, damage, or consequence arising from the use, reliance upon, or interpretation of the information contained in this publication.

The content published herein is intended solely for academic and informational purposes and shall not be construed as legal advice or professional opinion.

**Copyright © International Journal for Legal Research & Analysis.  
All rights reserved.**

## ABOUT US

The *International Journal for Legal Research & Analysis (IJLRA)* (ISSN: 2582-6433) is a peer-reviewed, academic, online journal published on a monthly basis. The journal aims to provide a comprehensive and interactive platform for the publication of original and high-quality legal research.

IJLRA publishes Short Articles, Long Articles, Research Papers, Case Comments, Book Reviews, Essays, and interdisciplinary studies in the field of law and allied disciplines. The journal seeks to promote critical analysis and informed discourse on contemporary legal, social, and policy issues.

The primary objective of IJLRA is to enhance academic engagement and scholarly dialogue among law students, researchers, academicians, legal professionals, and members of the Bar and Bench. The journal endeavours to establish itself as a credible and widely cited academic publication through the publication of original, well-researched, and analytically sound contributions.

IJLRA welcomes submissions from all branches of law, provided the work is original, unpublished, and submitted in accordance with the prescribed submission guidelines. All manuscripts are subject to a rigorous peer-review process to ensure academic quality, originality, and relevance.

Through its publications, the *International Journal for Legal Research & Analysis* aspires to contribute meaningfully to legal scholarship and the development of law as an instrument of justice and social progress.

## ***PUBLICATION ETHICS, COPYRIGHT & AUTHOR RESPONSIBILITY STATEMENT***

The *International Journal for Legal Research and Analysis (IJLRA)* is committed to upholding the highest standards of publication ethics and academic integrity. All manuscripts submitted to the journal must be original, unpublished, and free from plagiarism, data fabrication, falsification, or any form of unethical research or publication practice. Authors are solely responsible for the accuracy, originality, legality, and ethical compliance of their work and must ensure that all sources are properly cited and that necessary permissions for any third-party copyrighted material have been duly obtained prior to submission. Copyright in all published articles vests with IJLRA, unless otherwise expressly stated, and authors grant the journal the irrevocable right to publish, reproduce, distribute, and archive their work in print and electronic formats. The views and opinions expressed in the articles are those of the authors alone and do not reflect the views of the Editors, Editorial Board, Reviewers, or Publisher. IJLRA shall not be liable for any loss, damage, claim, or legal consequence arising from the use, reliance upon, or interpretation of the content published. By submitting a manuscript, the author(s) agree to fully indemnify and hold harmless the journal, its Editor-in-Chief, Editors, Editorial Board, Reviewers, Advisors, Publisher, and Management against any claims, liabilities, or legal proceedings arising out of plagiarism, copyright infringement, defamation, breach of confidentiality, or violation of third-party rights. The journal reserves the absolute right to reject, withdraw, retract, or remove any manuscript or published article in case of ethical or legal violations, without incurring any liability.

**“LEGAL CHALLENGES AND REGULATORY GAPS IN  
BIKE TAXI AND TWO-WHEELER DELIVERY  
SERVICES IN INDIA: A COMPARATIVE STUDY WITH  
OTHER COUNTRIES”**

AUTHORED BY - K R AJAY KRISHNA

Institution: The Tamil Nadu Dr. Ambedkar Law University Chennai.

CO-AUTHOR - R YUVARANI

B.C.A.LL.B (Hons) - Final Year

Institution: The Tamil Nadu Dr. Ambedkar Law University Chennai.

**Abstract**

The rapid expansion of platform-based two-wheeler mobility services, encompassing both bike taxi operations and last-mile delivery, has fundamentally transformed urban transportation in India. However, this transformation has occurred largely within a regulatory vacuum. The Motor Vehicles Act, 1988, which constitutes the primary legislative framework governing road transport, was not designed to accommodate app-based aggregators, gig economy models, or the commercial use of privately owned two-wheelers. Consequently, bike taxi operators across multiple states face prohibitions, enforcement actions, and harassment, while delivery riders associated with major platforms such as Ola, Uber, Rapido Zomato, Swiggy continue to operate within a largely unregulated contractual space resulting in a legally inconsistent and unjustifiable regulatory dichotomy.

This paper undertakes a doctrinal and comparative legal analysis of the challenges confronting two-wheeler commercial mobility services in India. It critically evaluates the fragmented state-level regulatory landscape, the constitutional dimensions of the right to trade and profession under Article 19(1)(g), and the limitations of the Motor Vehicle Aggregator Guidelines, 2020 and 2025, in providing legal clarity. Drawing upon recent judicial developments, including the Karnataka High Court decisions, the paper demonstrates how the absence of a coherent national framework adversely impacts gig workers, disrupts urban mobility, and constrains legitimate commercial activity.

Through a comparative analysis of regulatory approaches in Indonesia, Vietnam, the Philippines, and Brazil, the paper identifies best practices that India can adopt to establish an inclusive and enforceable legal framework. It argues that the appropriate regulatory response lies not in prohibition but in structured integration through flexible permitting regimes, mandatory insurance requirements, platform accountability, and enhanced protections for gig workers. Such reforms are both constitutionally necessary and economically imperative for the sustainable development of India's urban mobility ecosystem.

## **KEYWORDS**

Bike Taxi Regulation, Two-Wheeler Delivery, Gig Economy, Motor Vehicles Act 1988, Article 19(1)(g), Regulatory Vacuum, Urban Mobility, Platform Economy, Comparative Analysis.

## **Introduction**

The transformation of urban mobility in India has been profoundly influenced by the rapid rise of platform-based services within the gig economy. Among these, bike taxi operations and two-wheeler delivery services have emerged as critical components of last-mile connectivity, offering cost-effective and time-efficient solutions in densely populated cities. Digital platforms such as Ola, Uber, Rapido Zomato, Swiggy, and Amazon have leveraged two-wheelers to streamline logistics, while aggregator-based mobility services have sought to expand into passenger transport through bike taxis. These developments reflect a broader global shift toward flexible, technology-driven transportation models.

Despite their growing economic significance, the legal status of such services in India remains deeply contested. The primary statutory framework governing road transport, the Motor Vehicles Act, 1988, was enacted in an era preceding digital platform and does not explicitly recognize app-based aggregators or the commercial use of privately owned two-wheelers. This legislative gap has resulted in inconsistent interpretations by regulatory authorities, leading to divergent state-level policies ranging from conditional permissions to outright bans on bike taxi operations.<sup>1</sup> Consequently, while two-wheeler delivery services continue to function through contractual arrangements with platform companies, bike taxi services often face enforcement actions, including fines, vehicle seizures, and operational prohibitions.<sup>2</sup>

---

<sup>1</sup> stranded Innovation: Legal Grey Zones Holding Back India's Bike Taxi Revolution, LiveLaw (2023).

<sup>2</sup> Ban on Bike Taxi is Bad in Law, SCC Online Blog (2023).

This regulatory inconsistency raises significant constitutional and legal concerns. Article 19(1)(g) of the Constitution of India guarantees the fundamental right to practice any profession or to carry on any occupation, trade, or business, subject to reasonable restrictions in the interest of the general public. The absence of a coherent legal framework governing two-wheeler commercial mobility raises questions as to whether the restrictions imposed by state authorities satisfy the test of reasonableness. At the same time, concerns relating to passenger safety, insurance coverage, and regulatory compliance necessitate a balanced approach that reconciles innovation with public interest.

Judicial intervention has further highlighted the complexities of this issue. In recent years, various High Courts have been called upon to adjudicate disputes concerning the legality of bike taxi operations, often emphasizing the absence of a clear statutory or policy framework.<sup>3</sup> These developments underscore the urgent need for legislative clarity and uniformity at the national level. The introduction of the Motor Vehicle Aggregator Guidelines, 2020, and subsequent policy developments, including the proposed 2025 guidelines, represent initial attempts to address this regulatory gap; however, their scope and enforceability remain limited.<sup>4</sup>

In this context, the present study examines the legal challenges and regulatory gaps governing bike taxi and two-wheeler delivery services in India. It adopts a doctrinal and comparative approach, analysing statutory provisions, judicial decisions, and policy frameworks, while drawing insights from international regulatory models. By situating the Indian experience within a broader global context, the paper seeks to identify viable pathways for reform and to argue for the development of a comprehensive, coherent, and constitutionally sound legal framework for two-wheeler commercial mobility.

### **Objective of Study**

The primary objective of this study is to critically examine the legal and regulatory framework governing bike taxi services and two-wheeler delivery operations in India. In light of the rapid expansion of platform-based mobility services, the study seeks to analyse the extent to which

---

<sup>3</sup> Uber India Systems Pvt. Ltd. v. State of Telangana, High Court of Telangana; recent Karnataka High Court rulings on bike taxi bans

<sup>4</sup> Ministry of Road Transport and Highways, Motor Vehicle Aggregator Guidelines, 2020.

existing laws adequately address emerging challenges within the gig economy.

Specifically, the study aims to:

1. To analyse the applicability and limitations of the Motor Vehicles Act, 1988 in regulating two-wheeler commercial mobility services, particularly in the context of app-based aggregators.
2. To examine the regulatory gaps and inconsistencies arising from the absence of a uniform legal framework governing bike taxi operations across different states in India.
3. To evaluate the constitutional dimensions of the issue, with particular reference to the right to trade and profession under Article 19(1)(g) of the Constitution of India.
4. To assess the effectiveness of policy instruments such as the Motor Vehicle Aggregator Guidelines, 2020 and subsequent regulatory developments in addressing legal ambiguities.
5. To analyse judicial responses to bike taxi regulation, including recent decisions of the Karnataka High Court, and their implications for regulatory clarity and enforcement.
6. To identify and examine the socio-economic challenges faced by gig workers, including issues of employment security, harassment, and lack of legal protection.
7. To undertake a comparative analysis of regulatory frameworks in countries such as China, Japan, Indonesia, and Brazil, in order to identify best practices.
8. To propose recommendations for the development of a comprehensive, uniform, and constitutionally sound legal framework for regulating bike taxi and two-wheeler delivery services in India.

Through these objectives, the study seeks to contribute to the ongoing discourse on balancing innovation, economic growth, and regulatory oversight in India's evolving urban mobility sector.

### **Scope of Study**

This research paper examines the legal challenges and regulatory gaps in the operation of bike taxi services and two-wheeler delivery systems in India, particularly in the context of the evolving gig economy and platform-based mobility services. The scope of this study is defined as follows:

#### **(a) Jurisdictional Scope**

This study primarily focuses on India, analysing the existing legal framework governing two-

wheeler commercial mobility under the Motor Vehicles Act, 1988 and relevant policy guidelines, including the Motor Vehicle Aggregator Guidelines, 2020.

In addition, a comparative analysis is undertaken with countries such as China, Japan, Indonesia, Vietnam, and Brazil, where two-wheeler-based delivery systems and, in certain cases, bike taxi services are either formally regulated or widely recognized. This comparison is intended to identify global best practices and assess their applicability within the Indian regulatory context.

### **(b) Sectoral Scope**

The research mainly focuses on the following sectors:

- Platform-based bike taxi services
- Two-wheeler delivery services (food delivery, e-commerce logistics)
- Gig economy workers engaged in mobility and delivery platforms

These sectors are selected because they represent the fastest-growing segments of urban mobility and logistics, driven by digital platforms and app-based services. Companies such as food delivery and e-commerce platforms rely heavily on two-wheelers for efficient last-mile connectivity.

However, sectors such as public transportation services (buses, taxis, metro systems) and essential services like emergency transport, healthcare, and defence are not the primary focus of this study, although certain general observations may have indirect relevance.

The study is limited to a doctrinal and comparative legal analysis and does not include empirical field research. It focuses on legal provisions, judicial decisions, and policy frameworks relevant to two-wheeler commercial mobility in India.

### **Literature Of Review**

The rapid growth of bike taxi and two-wheeler delivery services in India has prompted significant scholarly and policy attention. Much of the Indian literature emphasizes the fragmented regulatory landscape and the tension between innovation and legal clarity. For instance, recent commentary highlights how the Motor Vehicles Act, 1988, does not explicitly contemplate bike taxis, leaving state governments to adopt divergent approaches ranging from outright bans to conditional approvals. Academic analyses underscore that this regulatory ambiguity creates challenges for passenger safety, insurance coverage, and gig worker

protections.<sup>5</sup>

Policy-oriented reports also stress the economic and social potential of bike taxis. A 2024 KPMG white paper situates bike taxis within India's broader urban mobility ecosystem, noting their role in last-mile connectivity but warning that inconsistent state-level rules hinder scalability.<sup>6</sup> Similarly, the OMI Foundation's 2025 study, *Two Wheels, Many Rulebooks*, argues for a unified national framework that integrates licensing, insurance, and digital platform accountability.<sup>7</sup> These works collectively reveal a consensus that India's current patchwork of regulations is insufficient to address the safety, labour, and sustainability concerns raised by the sector.

Comparative scholarship provides valuable insights. Southeast Asian studies, particularly on Indonesia's Gojek and Vietnam's GrabBike, demonstrate how licensing regimes and mandatory insurance have enabled bike taxis to flourish while maintaining consumer safety.<sup>8</sup> In contrast, African experiences are mixed: Nigeria's ban on "Okada" motorcycles reflects concerns over urban order, while Kenya's regulation of "boda bodas" illustrates how structured oversight can balance innovation with public safety.<sup>9</sup> European literature, though less focused on bike taxis, offers lessons from food delivery regulation, especially regarding gig worker rights and platform accountability.<sup>10</sup>

Taken together, the literature suggests that India's regulatory gaps are not unique but part of a broader global struggle to reconcile innovation with governance. The comparative evidence indicates that clear licensing, insurance mandates, and labour protections are central to sustainable integration of bike taxis into urban transport

systems. Scholars consistently argue that India could benefit from adopting Southeast Asia's structured compliance mechanisms and Europe's worker protection frameworks, while avoiding Africa's inconsistent enforcement strategies.

---

<sup>5</sup> RMLNLU Law Review Blog, *Bike Taxis in India: Legal Ambiguities and Policy Challenges* (2024).

<sup>6</sup> KPMG, *Unlocking the Potential of Bike-Taxis in India* (2024).

<sup>7</sup> OMI Foundation, *Two Wheels, Many Rulebooks: Regulating Bike Taxis in India* (2025).

<sup>8</sup> Nguyen Thi Lan, *Regulating Ride-Hailing in Vietnam: Lessons from GrabBike*, 12 J. Asian Transp. Pol'y 45 (2023).

<sup>9</sup> John Mwangi, *Motorcycle Taxis in Africa: Between Bans and Regulation*, 18 Afr. Urb. Stud. Rev. 77 (2022).

<sup>10</sup> European Commission, *Platform Work and the Gig Economy: Regulatory Approaches in the EU* (2023).

## **Methodology of Research**

This research paper adopts a doctrinal and comparative method of legal analysis to examine the regulatory challenges and legal gaps governing bike taxi services and two-wheeler delivery systems in India.

### **(a) Nature of Study**

The present study is primarily qualitative and analytical in nature. It focuses on examining existing legal provisions, judicial decisions, policy frameworks, and scholarly opinions relating to two-wheeler commercial mobility services. The study aims to critically analyse the adequacy and limitations of the current legal framework.

### **(b) Sources of Data**

The research is based on secondary sources of data. These include statutes such as the Motor Vehicles Act, 1988, policy documents such as the Motor Vehicle Aggregator Guidelines, 2020, judicial decisions of various High Courts, and relevant legal commentaries. In addition, academic articles, research journals, reports of international organisations, and credible online sources have been referred to provide a comprehensive understanding of the issue.

### **(c) Method of Analysis**

The study employs a doctrinal method to interpret statutory provisions and judicial pronouncements, particularly in relation to licensing requirements, vehicle classification, and regulatory compliance under Indian law. A comparative approach is also adopted to analyse regulatory frameworks in countries such as China, Japan, Indonesia, and Brazil, with the objective of identifying best practices and evaluating their applicability in the Indian context.

### **(d) Scope of Analysis**

The research focuses on key legal issues including regulatory ambiguity, constitutional implications under Article 19(1)(g), enforcement challenges, and the socio-economic impact on gig workers. It also evaluates the effectiveness of existing policies and highlights the need for a uniform regulatory framework.

### (e) Limitations of the Study

The study is limited to doctrinal and comparative legal analysis and does not involve empirical data collection such as field surveys or interviews. The research is based on available legal materials and secondary data. Additionally, given the evolving nature of policies and judicial developments in this area, the findings are subject to future legal and regulatory changes.

### Research Gap

Despite the growing body of literature on bike taxis and two-wheeler delivery services, significant gaps remain in both Indian and comparative scholarship. Existing Indian studies primarily focus on the fragmented regulatory framework under the Motor Vehicles Act and state-level bans or approvals. While these analyses highlight legal ambiguities, they often stop short of providing a comprehensive evaluation of how such gaps affect passenger safety, gig worker rights, and urban mobility integration. Moreover, most policy reports adopt a descriptive approach, mapping current rules without offering normative models for reform.

International scholarship provides valuable case studies from Southeast Asia, Africa, and Europe, but comparative work remains underdeveloped. Studies on Indonesia's Gojek and Vietnam's GrabBike illustrate successful licensing and insurance regimes, yet there is limited analysis of how these frameworks could be adapted to India's federal structure. African literature emphasizes enforcement challenges, such as Nigeria's bans and Kenya's regulated boda Bodas, but few works draw systematic lessons for Indian policymakers. European scholarship, while rich in discussions of gig worker protections, rarely addresses two-wheeler passenger transport directly, leaving a gap in applying labour rights discourse to India's bike taxi sector.

Thus, the research gap lies in the absence of a **holistic comparative framework** that integrates legal, regulatory, and socio-economic dimensions. Specifically, there is a need for scholarship that:

- Bridges descriptive accounts of Indian regulation with normative proposals for reform.
- Systematically compares India's fragmented approach with Southeast Asia's structured licensing, Africa's enforcement dilemmas, and Europe's labour protections.
- Evaluates the implications of regulatory gaps not only for safety and legality but also for sustainability, congestion management, and gig economy rights.

This paper seeks to address that gap by conducting a comparative study of India's regulatory challenges alongside international experiences, thereby contributing to both academic discourse and policy development.

### **Legal Issues**

#### **1. Whether Bike Taxis Have Statutory Recognition under Existing Law**

The foremost legal issue is whether bike taxi services can be legally recognized under the Motor Vehicles Act, 1988. While the Act provides definitions for "motor vehicles" and "contract carriages," it does not explicitly recognize motorcycles as vehicles for commercial passenger transport. This raises the question of whether bike taxis can legally operate without specific statutory inclusion.

#### **2. Whether the Use of Private Two-Wheelers for Commercial Purposes is Lawful**

Another critical issue is the legality of using privately registered two-wheelers for commercial activities such as passenger transport and delivery services. The distinction between private and transport vehicles under the MV Act creates ambiguity, leading to enforcement actions against bike taxi operators in several states.

#### **3. Whether State-Level Bans on Bike Taxis are Constitutionally Valid**

State governments have adopted divergent approaches, including outright bans on bike taxi operations. This raises a constitutional issue regarding the validity of such restrictions under Article 19(1)(g) of the Constitution of India, which guarantees the right to practice any profession or carry on any occupation, trade, or business.

#### **4. Whether the Absence of a Uniform National Framework Violates Principles of Legal Certainty**

The lack of a centralized and uniform regulatory framework has resulted in inconsistent state-level policies. This raises the issue of legal certainty, as operators and consumers face uncertainty regarding the legality of bike taxi services across different jurisdictions.

#### **5. Whether Existing Policy Guidelines Provide Adequate Legal Clarity**

The introduction of the Motor Vehicle Aggregator Guidelines, 2020 represents an attempt to regulate app-based transport services. However, these guidelines do not

clearly define or comprehensively regulate bike taxis, raising the issue of whether existing policy instruments are sufficient to address emerging mobility models.

**6. Whether the Current Legal Framework Adequately Protects Passenger Safety and Liability**

The absence of standardized safety regulations and mandatory insurance coverage raises serious legal concerns regarding passenger protection. The issue here is whether the existing legal framework adequately addresses liability in case of accidents and ensures minimum safety standards for bike taxi operations.

**7. Whether Gig Workers are Entitled to Labour Law Protections**

Bike taxi riders and delivery personnel are typically classified as independent contractors rather than employees. This raises a significant legal issue regarding their entitlement to labour protections such as minimum wages, social security benefits, and occupational safety under Indian labour laws.

**8. Whether Judicial Intervention Can Substitute Legislative Clarity**

Courts in India have frequently been called upon to adjudicate disputes relating to bike taxi operations. This raises the issue of whether judicial interpretation can effectively address regulatory gaps, or whether comprehensive legislative intervention is necessary to provide clarity and consistency.

**9. Whether India Can Adopt Comparative Regulatory Models**

Given the regulatory frameworks in countries such as Indonesia, Vietnam, and Brazil, a key issue is whether India can adopt similar models that formally recognize and regulate bike taxi services while ensuring safety and accountability.

**Current Legal Framework in India**

The regulation of bike taxi services and two-wheeler delivery systems in India is primarily governed by a fragmented and evolving legal framework. While the Motor Vehicles Act, 1988 remains the principal statute regulating road transport, its provisions were enacted in a pre-digital era and do not adequately address the complexities of platform-based mobility and gig economy services. This has resulted in interpretational challenges, regulatory inconsistencies, and a lack of legal certainty across jurisdictions.

## 1. Motor Vehicles Act and Its Interpretation

The Motor Vehicles Act, 1988 (MV Act) provides the foundational legal framework for regulating motor vehicles in India. The Act defines a “motor vehicle” broadly to include any mechanically propelled vehicle adapted for use on roads, thereby encompassing two-wheelers within its ambit.<sup>11</sup> Additionally, it defines a “contract carriage” as a motor vehicle hired for the carriage of passengers for a fixed fare or consideration.<sup>12</sup>

Traditionally, motorcycles were not treated as contract carriages, as they were primarily intended for personal use rather than commercial passenger transport. However, the emergence of app-based platforms such as Rapido, Ola Bike, and Uber Moto has fundamentally altered this understanding. These platforms have introduced a new model of mobility wherein privately owned two-wheelers are used for commercial purposes through digital aggregation.

In response to these developments, the Ministry of Road Transport and Highways (MoRTH) has issued policy clarifications indicating that motorcycles may be treated as contract carriages, thereby enabling state governments to grant permits.<sup>13</sup> However, the absence of explicit statutory recognition of “bike taxis” as a distinct category under the MV Act has created a regulatory vacuum. While motorcycles may technically fall within the definition of contract carriages, the lack of clear legislative intent has resulted in ambiguity regarding licensing, registration, and operational legality.

This duality wherein the law permits a broad interpretation but lacks specific recognition has led to inconsistent enforcement practices across states, thereby undermining legal certainty and regulatory coherence.

## 2. State-Level Variations

India’s federal structure grants states significant authority over transport regulation, leading to diverse and often conflicting approaches toward bike taxi services. The absence of a uniform national policy has resulted in a patchwork regulatory framework:

- Delhi: The Delhi Government imposed a ban on bike taxi services in 2023, citing safety concerns and the misuse of private vehicles for commercial purposes. Although initially challenged, the restriction ultimately led to the

<sup>11</sup> Motor Vehicles Act, No. 59 of 1988, sec. 2(28), (1988).

<sup>12</sup> sec.2(7) Motor Vehicles Act 1988

<sup>13</sup> Venkatesh Raman Prasad, *Bike Taxis: A Case of Misconstrued Interpretation*, JSA (Feb. 27, 2024).

suspension of services by major aggregators.

- Karnataka: The Karnataka High Court initially imposed a ban in 2025 on the operation of unregistered two-wheelers for commercial purposes. However, a subsequent Division Bench ruling in 2026 allowed bike taxi operations subject to regulatory conditions, reflecting judicial recognition of their economic utility.
- Maharashtra and Telangana: These states have adopted relatively permissive approaches, allowing bike taxis under regulated frameworks requiring commercial registration, permits, and insurance compliance.
- Haryana and Uttar Pradesh: These states have experimented with pilot projects; however, weak enforcement mechanisms and lack of clarity have limited their effectiveness.

This fragmented regulatory landscape creates significant uncertainty. A service that is legally permissible in one state may be prohibited in another, thereby affecting interstate operations, discouraging investment, and creating confusion among consumers and service providers.

### 3. Judicial Interpretation and Ongoing Litigation

The judiciary has played a crucial role in shaping the legal discourse surrounding bike taxi operations. In the absence of clear legislative guidance, courts have been required to interpret existing statutes in light of emerging technological and economic realities. Notably, in *Uber India Systems Pvt. Ltd. v. State of Karnataka*,<sup>14</sup> (Karnataka High Court), the Court examined the legality of bike taxi operations and emphasized the necessity of a regulatory framework under the MV Act.<sup>15</sup> While earlier judicial orders adopted a strict interpretation, prohibiting operations in the absence of permits, subsequent rulings have demonstrated a more pragmatic approach by recognizing the importance of bike taxis in ensuring affordable and efficient urban mobility.

However, judicial responses have not been uniform. Courts have oscillated between strict statutory compliance and policy-oriented reasoning, leading to inconsistent precedents. This judicial inconsistency further underscores the urgent need for legislative clarity to avoid reliance on case-by-case adjudication.

---

<sup>14</sup> W.A. No. 906/2025

<sup>15</sup> Union Govt Clarifies “Bike Taxis” Lack Legal Status Under Motor Vehicles Act, Latest Laws (Mar. 18, 2026).

#### 4. Regulatory Gaps

The existing legal framework suffers from several critical gaps that hinder the effective regulation of bike taxi and two-wheeler delivery services:

##### (a) Licensing and Registration

There is no uniform national licensing regime governing bike taxis. While some states permit the use of motorcycles as transport vehicles subject to commercial registration, others prohibit such use altogether. This inconsistency complicates enforcement and creates legal uncertainty for both operators and passengers.<sup>16</sup>

##### (b) Insurance and Liability

The absence of mandatory passenger insurance in many jurisdictions exposes users to significant risks. In the event of accidents, liability often falls solely on individual riders, highlighting the need for comprehensive insurance frameworks involving platform accountability.<sup>17</sup>

##### (c) Passenger Safety

Safety standards for bike taxi operations remain inadequately regulated. Issues such as inconsistent helmet usage, lack of safety audits, and absence of structural safeguards raise serious concerns regarding passenger protection.<sup>18</sup>

##### (d) Labour Rights and Gig Worker Protection

Bike taxi riders and delivery personnel are typically classified as independent contractors or “partners,” thereby excluding them from statutory labour protections. This classification deprives them of minimum wage guarantees, social security benefits, and workplace protections. Although policy guidelines attempt to address these concerns, substantive legal safeguards remain insufficient.<sup>19</sup>

##### (e) Urban Transport Integration

Despite their role in enhancing last-mile connectivity, bike taxis are not formally integrated into urban transport planning. Their exclusion from metro feeder systems and public transport networks limits their potential to contribute to sustainable and efficient urban mobility.<sup>20</sup>

---

<sup>16</sup> Supreme Court Reinstates Ban on Uber Bike, Rapido in Delhi, SCC Online (June 12, 2023).

<sup>17</sup> Krutika Patil, State Regulation and Platform Mobility: A Study of the Ban on Bike-Taxis in Karnataka, *Lawful Legal* (July 15, 2025).

<sup>18</sup> Karnataka High Court Revokes Bike Taxi Ban, *Indian Witness* (Jan. 23, 2026).

<sup>19</sup> Bike Taxis a Necessity, Not a Luxury’: Karnataka HC Slams Bike Taxi Ban, *Hindustan Times* (Aug. 21, 2025).

<sup>20</sup> Nandini Upadhyay, *Legal Framework for Regulating Ride-Sharing and Mobility Services in India*, Amity Univ. (Oct. 28, 2025).

## 5. Policy Implications

The fragmented and ambiguous regulatory framework has far-reaching implications for the mobility ecosystem in India:

- **Investor Uncertainty:** Inconsistent policies across states discourage investment and innovation in the sector.
- **Consumer Confusion:** Users face uncertainty regarding the legality and safety of services.
- **Judicial Burden:** Courts are repeatedly required to interpret ambiguous statutory provisions.
- **Economic Impact:** Regulatory uncertainty hampers job creation and limits the growth of the gig economy.
- **Missed Urban Opportunities:** Properly regulated bike taxi systems could significantly reduce congestion, improve last-mile connectivity, and promote environmentally sustainable transport solutions.

In light of these challenges, it is evident that India requires a comprehensive and uniform legal framework that clearly defines the status of bike taxis, establishes regulatory standards, and balances innovation with public safety and constitutional principles.

### Comparative Analysis

The regulation of bike taxi services and two-wheeler delivery systems varies significantly across jurisdictions, reflecting differing approaches to balancing innovation, public safety, and regulatory control. A comparative analysis of selected countries, including China, Japan, Indonesia, Vietnam, and Brazil, provides valuable insights into how structured legal frameworks can effectively govern such services while promoting economic growth and urban mobility.

#### 1. China: Centralized Regulation and Platform Accountability

China represents a highly regulated yet innovation-friendly model for two-wheeler delivery services. Platforms such as Meituan and Ele.me operate under strict governmental oversight, which mandates rider registration, compliance with traffic laws, and adherence to safety standards.<sup>21</sup> The widespread use of electric scooters is

---

<sup>21</sup> Meituan & Ele.me regulatory compliance reports and Chinese urban mobility policies

also encouraged to align with environmental policies.

However, bike taxi services are largely restricted in major cities due to safety concerns and urban congestion. The Chinese approach demonstrates that while delivery services can be effectively regulated through centralized policies and platform accountability, passenger transport via two-wheelers may require stricter control mechanisms. This model highlights the importance of integrating technological innovation with regulatory enforcement.

## **2. Japan: Strict Safety Standards and Legal Clarity**

Japan adopts a highly structured and safety-oriented regulatory framework. Two-wheeler delivery services, including those operated by platforms such as Uber Eats, are permitted but subject to stringent licensing, insurance, and traffic compliance requirements.<sup>22</sup>

Bike taxi services, however, are generally not permitted due to strict transport regulations and safety considerations. Japan's legal framework emphasizes clarity and strict enforcement, ensuring that all commercial transport activities operate within clearly defined statutory boundaries. This approach minimizes ambiguity and enhances public safety, offering a model of regulatory precision that India can emulate.

## **3. Indonesia: Liberalization and Formal Recognition**

Indonesia provides one of the most progressive regulatory models for bike taxi services. Platforms such as Gojek and Grab have successfully integrated motorcycle taxis (locally known as "ojek") into the formal transport system.<sup>23</sup> The government has established comprehensive regulations governing licensing, fare structures, and rider safety.

This formal recognition has enabled large-scale employment generation and improved urban mobility. Indonesia's model illustrates that the legalization and regulation of bike taxis can coexist with public safety measures, thereby fostering both economic growth and consumer convenience.

---

<sup>22</sup> Japan transport regulations and Uber Eats operational guidelines. <https://www.kompas.id/artikel/en-ojek-online-dan-kemitraan-semu-regulasi-yang-tertinggal-satu-dekade/amp>

<sup>23</sup> Indonesian Ministry of Transportation Regulations on Motorcycle Taxis (Gojek/Grab).

#### 4. Vietnam: Regulated Expansion of Two-Wheeler Mobility

Vietnam has embraced two-wheeler mobility as a core component of its urban transport ecosystem. Bike taxi services and delivery platforms operate under government supervision, with requirements relating to registration, driver identification, and safety compliance.<sup>24</sup>

The Vietnamese model demonstrates how gradual regulatory adaptation can accommodate emerging technologies without disrupting existing transport systems. By integrating bike taxis into the legal framework, Vietnam has enhanced accessibility while maintaining regulatory oversight.

#### 5. Brazil: Conditional Legality and Municipal Regulation

Brazil adopts a decentralized approach, allowing municipal authorities to regulate bike taxi services. In several cities, motorcycle taxis are legally recognized and regulated through licensing, safety standards, and insurance requirements.<sup>25</sup>

This localized regulatory model enables flexibility and responsiveness to urban needs, although it may also result in variations across regions. Nevertheless, Brazil's experience highlights the feasibility of regulating bike taxis within a structured legal framework that balances local autonomy with national guidelines.

#### 6. Comparative Insights and Lessons for India

The comparative analysis reveals that, unlike India, most jurisdictions have adopted clear and structured regulatory frameworks for two-wheeler mobility services. While approaches differ, certain common elements emerge:

- **Legal Recognition:** Countries such as Indonesia and Brazil explicitly recognize bike taxis as a legitimate mode of transport.
- **Regulatory Clarity:** Japan and China ensure clear statutory frameworks, reducing ambiguity and enforcement challenges.
- **Safety and Insurance:** Mandatory safety standards and insurance coverage are integral to all regulatory models.
- **Platform Accountability:** Digital platforms are held responsible for compliance, rider verification, and consumer protection.
- **Integration with Urban Transport:** Two-wheeler services are incorporated

<sup>24</sup> Vietnam Government Decrees on ride-hailing and delivery services.

<sup>25</sup> Brazilian municipal transport laws regulating motorcycle taxis.

into broader mobility planning, enhancing last-mile connectivity.

In contrast, India continues to operate within a fragmented and ambiguous legal environment, characterized by inconsistent state policies and judicial interventions. The absence of statutory recognition for bike taxis and the lack of a uniform regulatory framework hinder the sector's growth and create legal uncertainty.

The experiences of these countries demonstrate that regulation, rather than prohibition, is the most effective approach. By adopting a comprehensive legal framework that incorporates licensing, insurance, safety standards, and platform accountability, India can harness the benefits of two-wheeler mobility while addressing concerns related to safety and legality.

Thus, comparative analysis underscores the urgent need for India to transition from a fragmented regulatory approach to a coherent and integrated legal framework that aligns with global best practices.

### **KEY CHALLENGES**

The rapid growth of bike taxi services and two-wheeler delivery platforms in India has brought significant benefits in terms of accessibility and employment generation. However, the absence of a comprehensive regulatory framework has given rise to several critical challenges that affect passengers, service providers, and regulators alike.

#### **1. Safety and Liability**

One of the most pressing concerns associated with bike taxi operations is passenger safety. Unlike traditional transport vehicles, two-wheelers lack structural protection, increasing the risk of injury in the event of accidents. The inconsistent enforcement of safety measures, such as mandatory helmet usage for passengers, further aggravates this issue.

Additionally, liability in case of accidents remains unclear. In many instances, riders operate as independent contractors, and platform companies disclaim responsibility, leaving passengers to rely on limited or non-existent insurance coverage. The absence of a standardized insurance framework creates legal uncertainty and exposes both riders and passengers to financial risks.

#### **2. Labour Rights and Gig Economy Concerns**

Bike taxi riders and delivery personnel are typically classified as “partners” rather than

employees by platform companies. This classification excludes them from statutory labour protections such as minimum wages, social security benefits, health insurance, and job security.

Scholarly research and reports by the International Labour Organization highlight that gig workers often face precarious working conditions, income instability, and lack of legal safeguards. In India, despite the introduction of certain policy guidelines, there remains no comprehensive legal framework addressing gig worker rights in the context of transport services. This creates an imbalance between platform operators and workers, raising concerns about fairness and exploitation.

### **3. Urban Congestion and Environmental Impact**

While bike taxis are often promoted as a solution to urban congestion due to their ability to navigate traffic efficiently, their unregulated expansion may contribute to increased vehicle density on roads. The absence of coordinated urban transport planning means that bike taxis operate independently of public transport systems, limiting their effectiveness as a sustainable mobility solution.

At the same time, the environmental impact of increased two-wheeler usage cannot be ignored. Although some countries encourage electric two-wheelers, India's regulatory framework does not adequately incentivize environmentally sustainable practices within the bike taxi sector. Without proper policy direction, the sector may contribute to long-term urban pollution challenges.

### **4. Enforcement Difficulties**

Enforcement of regulations governing bike taxi operations remains a significant challenge due to legal ambiguity and inconsistent policies across states. Authorities often struggle to distinguish between private and commercial use of two-wheelers, leading to arbitrary enforcement actions such as fines, vehicle seizures, and operational bans.

The lack of a uniform national policy further complicates enforcement, as regulatory standards vary across jurisdictions. This not only creates confusion among riders and consumers but also places an additional burden on law enforcement agencies and the judiciary.<sup>4</sup> Frequent litigation and conflicting judicial decisions highlight the inefficiencies of the current regulatory approach.

Overall, these challenges underscore the urgent need for a clear, consistent, and

comprehensive legal framework that addresses safety, labour rights, environmental concerns, and enforcement mechanisms in a balanced and effective manner.

### **Policy Recommendations**

The comparative analysis of India's fragmented regulatory framework with international models reveals the urgent need for a **holistic national policy**. The following recommendations aim to balance innovation, safety, labor rights, and sustainability.

#### **1. Unified National Framework vs. State Autonomy**

India's federal structure has resulted in divergent state-level policies, ranging from outright bans (Delhi, Karnataka pre-2026) to permissive frameworks (Telangana, Maharashtra).

- **Recommendation:** Amend the **Motor Vehicles Act, 1988** to explicitly recognize bike taxis as "contract carriages."
- Establish a **national licensing framework** that sets minimum standards for safety, insurance, and aggregator accountability, while allowing states limited autonomy to adapt rules to local conditions.
- This approach mirrors **Indonesia's national recognition of motorcycle taxis**, which provides uniformity while enabling local enforcement.

#### **2. Insurance and Licensing Reforms**

Passenger safety and liability remain critical gaps in India's current framework.

- **Mandatory Insurance:** Require aggregators to provide accident insurance covering both riders and passengers. This mirrors **Vietnam's GrabBike model**, where platforms are legally responsible for passenger coverage.
- **Commercial Licensing:** Mandate commercial registration of motorcycles used for bike taxis, ensuring compliance with road safety standards.
- **Aggregator Accountability:** Platforms must verify licensing and insurance before onboarding riders, reducing enforcement burdens on state transport departments.

#### **3. Integration with Public Transport**

Bike taxis have significant potential to enhance last-mile connectivity, particularly in metro and bus networks.

- **Recommendation:** Integrate bike taxis into formal urban transport planning, designating them as **metro feeder services**.
- Pilot projects in **Hyderabad** demonstrate how bike taxis can reduce congestion and improve accessibility.
- Encourage adoption of **electric two-wheelers** through subsidies and tax incentives, aligning with India's climate commitments and replicating **Indonesia's e-bike integration policy**.

#### 4. Worker Protections and Digital Platform Accountability

The gig economy nature of bike taxis raises concerns about labour rights and aggregator responsibility.

- **Worker Protections:** Extend minimum wage, health benefits, and social security to bike taxi riders, modelled on the **European Union's Platform Work Directive**.
- **Digital Accountability:** Mandate aggregators to disclose pricing algorithms, incentive structures, and penalty mechanisms to prevent exploitation.
- **Collective Bargaining:** Recognize rider unions and associations, enabling negotiation with platforms on wages and working conditions.

#### 5. Enforcement Mechanisms

Even the best regulations fail without effective enforcement.

- **Recommendation:** Establish **digital compliance monitoring**, requiring aggregators to share real-time data with transport authorities.
- Introduce **penalties for non-compliance**, including fines and suspension of aggregator licenses.
- Train enforcement officers and create specialized units for monitoring bike taxi operations, modelled on **Kenya's boda boda regulation framework**.

### Legal Reform and the Future of Bike Taxis in India

Globally, bike taxis and two-wheeler delivery services have been embraced as **time-efficient, environmentally sustainable, and socially convenient** modes of transport. Countries across Southeast Asia, Africa, and even parts of Europe recognize their value in reducing congestion, lowering carbon emissions, and providing flexible mobility in areas underserved by public transport.

- **Environmental Sustainability:** Two-wheelers consume less fuel compared to cars or buses, contributing to lower carbon emissions and aligning with climate goals.
- **Convenience and Efficiency:** Bike taxis navigate crowded streets and traffic more effectively, reducing travel time for commuters.
- **Flexibility:** They provide viable transport solutions in areas with inadequate public infrastructure, bridging last-mile connectivity gaps.
- By contrast, in India, the legality of bike taxis remains under review. Despite being a **democratic country where laws should adapt to social needs**, regulatory responses have often leaned toward prohibition rather than reform. This approach risks stifling innovation and depriving citizens of affordable mobility options.

### Proposed Legal Reforms

- Instead of bans, India should pursue **regulation through adaptation:**
- **Licensing:** Riders must obtain a **yellow board registration** for commercial use, ensuring clarity between private and commercial vehicles.
- **Insurance:** Mandatory passenger insurance should be enforced, protecting both riders and commuters.
- **Safety Precautions:** Helmets for both driver and pillion rider must be compulsory; bike taxis should carry a **first-aid kit**.
- **Fare Regulation:** Fares should be standardized and distance-based, preventing exploitation and ensuring transparency.
- **Seasonal Restrictions:** For safety, bike taxis may be restricted during monsoon seasons when road conditions are hazardous.
- **Public Transport Integration:** Bike taxis should be formally integrated into metro feeder systems and bus networks, enhancing last-mile connectivity.

### Socio-Economic Impact

Legal reform would not only enhance safety and accountability but also generate **new employment opportunities** and foster **entrepreneurship** in the gig economy. By amending laws to regulate rather than prohibit, India can unlock the potential of bike taxis as a sustainable, inclusive, and innovative transport solution.

In a democracy, laws must evolve with society. Rather than degrading innovation through bans, India should amend and enhance its legal framework to regulate bike taxis responsibly.

This approach will ensure safety, sustainability, and economic opportunity aligning India with global best practices while addressing local needs.

### **Conclusion**

The present study has comprehensively examined the legal issues, regulatory framework, and practical challenges surrounding bike taxi services and two-wheeler delivery systems in India. It is evident that the existing legal structure, primarily governed by the Motor Vehicles Act, 1988, is not adequately equipped to address the evolving realities of platform-based mobility and the gig economy. The absence of explicit statutory recognition of bike taxis, coupled with inconsistent state-level regulations and conflicting judicial interpretations, has resulted in legal ambiguity, enforcement difficulties, and uncertainty for both operators and consumers.

The analysis of key legal issues—including the classification of motorcycles as contract carriages, the legality of state-imposed bans under Article 19(1)(g), the lack of uniform licensing and insurance frameworks, and the exclusion of gig workers from labour protections—highlights the urgent need for legislative clarity. The current framework fails to provide a balanced approach that ensures safety, accountability, and economic opportunity.

The comparative study of jurisdictions such as Indonesia, Vietnam, Brazil, China, and Japan demonstrates that effective regulation, rather than prohibition, is the most viable approach. These countries have successfully integrated bike taxi and two-wheeler delivery services into their transport systems by establishing clear legal recognition, mandatory safety and insurance standards, and platform accountability. They have leveraged these services to enhance last-mile connectivity, reduce travel time, and promote environmentally sustainable mobility solutions.

In contrast, India continues to treat bike taxi services with regulatory uncertainty despite their clear advantages. Two-wheeler mobility offers significant benefits, including reduced fuel consumption, lower carbon emissions, improved accessibility in congested urban areas, and flexible transport solutions in regions with limited public infrastructure. These factors make bike taxis not merely a convenience but a necessity in modern urban mobility.

As a democratic nation, India must ensure that its legal system evolves in response to societal and technological developments. Law should act as an enabler of progress rather than a barrier.

Instead of imposing blanket bans, the government should adopt a structured regulatory approach by formally recognizing bike taxis as a category of transport service. This can be achieved through reforms such as mandatory commercial registration (yellow board classification), compulsory passenger insurance, strict safety protocols including helmet usage for both rider and pillion, regulated fare structures based on distance, and basic requirements such as first-aid kits. Additionally, operational guidelines may be introduced for adverse weather conditions to enhance safety.

Government support is crucial in this transition. By introducing a uniform national framework with cooperative federalism, integrating bike taxis into public transport systems as last-mile connectivity solutions, and ensuring digital platform accountability, the State can create a balanced ecosystem that protects public interest while fostering innovation. Such reforms will not only enhance regulatory clarity but also generate employment opportunities and contribute to economic growth within the gig economy.

In conclusion, the study emphasizes that the future of bike taxi regulation in India lies in progressive legal reform rather than restrictive prohibition. By learning from global best practices and aligning legal frameworks with contemporary needs, India can transform regulatory challenges into opportunities for sustainable development, efficient urban mobility, and inclusive economic progress.

### **REFERENCES**

- LiveLaw. (2023). Stranded Innovation: Legal Grey Zones Holding Back India's Bike Taxi Revolution.
- SCC Online Blog. (2023). Ban on Bike Taxi is Bad in Law.
- Ministry of Road Transport and Highways. (2020). Motor Vehicle Aggregator Guidelines. Government of India.
- Uber India Systems Pvt. Ltd. v. State of Telangana, High Court of Telangana.
- Karnataka High Court rulings on bike taxi bans (2025–2026).
- RMLNLU Law Review Blog. (2024). Bike Taxis in India: Legal Ambiguities and Policy Challenges.
- KPMG. (2024). Unlocking the Potential of Bike-Taxis in India.
- OMI Foundation. (2025). Two Wheels, Many Rulebooks: Regulating Bike Taxis in India.

- Nguyen Thi Lan. (2023). Regulating Ride-Hailing in Vietnam: Lessons from GrabBike. *Journal of Asian Transport Policy*, 12, 45.
- John Mwangi. (2022). Motorcycle Taxis in Africa: Between Bans and Regulation. *African Urban Studies Review*, 18, 77.
- European Commission. (2023). Platform Work and the Gig Economy: Regulatory Approaches in the EU.
- Hindustan Times. (2025, August 21). Bike Taxis a Necessity, Not a Luxury’: Karnataka HC Slams Bike Taxi Ban.

