

Ways Forward for Karnataka's Bike Taxis: Roundtable Discussion

Date: May 7, 2025 | Time: 1:00 PM - 4:00 PM | Venue: Kabini Hall, Shangri La Hotel, Bangalore

Policy Brief

Context for the discussion

In April 2025, the Karnataka High Court **ordered** all bike taxi services to **cease operations** until the State government develops guidelines under the Motor Vehicles Act of 1988 to permit their aggregation and operation through platforms

In response to this significant development and its far-reaching implications for urban mobility, employment, and transportation policy in Karnataka, Aapti Institute convened a multi-stakeholder roundtable discussion. The event started with a brief context setting, followed by an open discussion amongst the participants. This forum brought together diverse perspectives from industry, civil society, and worker representatives to facilitate constructive dialogue on potential regulatory approaches, identify key concerns across stakeholder groups, and develop recommendations to help inform the government's policymaking process.

While participants presented evidence-based perspectives drawn from research and practical experience, the discussions revealed both key concerns and areas that might benefit from future deliberation. The insights captured here reflect the complexity of interests of multiple stakeholders and considerations that must be balanced in developing a sustainable regulatory framework for bike taxi services within the State.

Participating stakeholders

Entity Type	Organization	Entity Description
Research and advocacy	Vidhi Centre for Legal Policy	Legal research think tank
	World Resources Institute (WRI)	Sustainability and mobility research
	OMI Foundation	Public policy think tank
	Takshashila Institute	Public policy school and think tank
	Transit Intelligence LLP	Transport consulting firm
	Indian Council for Research on International Economic Relations (ICRIER)	Economic policy think tank
Aggregator Platforms	Rapido	Multi-modal ride hailing platform
	Uber India	Multi-modal ride-hailing platform
Worker Representatives	Bike Taxi Association (BTA)	Bike taxi operators and representatives

Background

Nature and summary of expert contributions

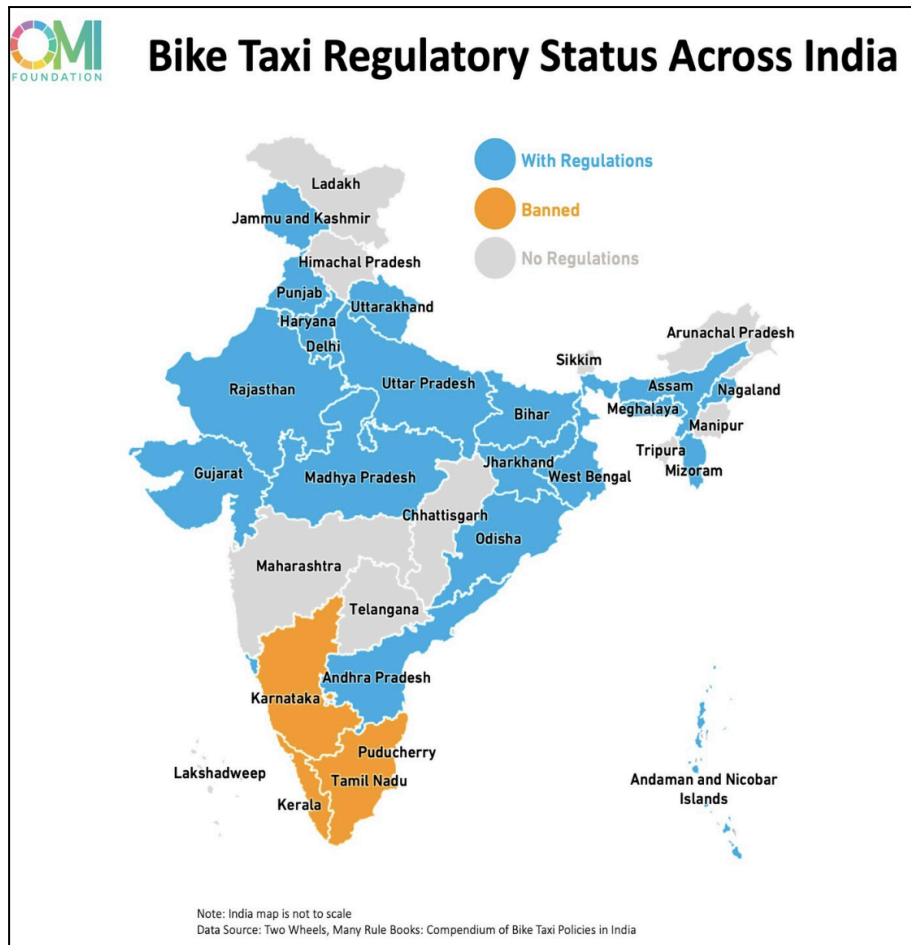
This policy brief incorporates insights from a diverse range of stakeholders who participated in the roundtable discussion on bike taxi regulation in Karnataka. Research and Academic Institutions including Vidhi Centre for Legal Policy, WRI, OMI Foundation, Takshashila Institute, and ICRIER contributed evidence-based perspectives on urban mobility patterns, comparative regulatory approaches across states, socio-economic impacts, and potential policy frameworks that balance innovation with public interest.

Aggregator platforms including Rapido and Uber India presented operational insights on addressing transportation gaps, implementing safety protocols, and creating flexible economic opportunities through their digital infrastructure - while also providing information on operator demographics, trip patterns, and comparative regulatory models from other jurisdictions.

Worker representatives from the Bike Taxi Association articulated the practical concerns of the approximately 1.5 lakh drivers across Karnataka, highlighting issues of livelihood security, operational flexibility, safety, harassment prevention, and the importance of maintaining accessible pathways to economic participation, particularly for marginalized workers.

Operational and regulatory landscape for bike taxis in India

The regulation of mobility aggregators in India operates through a dual framework involving both the Union and State Governments where primacy is accorded to the latter, producing a tricky policy ecosystem. Currently, the **eight States of West Bengal, Jammu & Kashmir, Meghalaya, Assam, Rajasthan, Gujarat, Odisha, Uttarakhand, and Union Territory of Delhi have documented guidelines allowing bike taxis to operate; six States have policies in their draft stages; and eighteen States and Union Territories have no framework, creating regulatory variability across jurisdictions.** Government of Karnataka's Transport Department has been opposed to bike taxis stating safety and security as major reasons. The state's previous attempt at regulation - the "Karnataka Electric Bike Scheme" (2021-2024) was discontinued due to resistance from auto-rickshaw unions, operational violations, and enforcement challenges. At this critical juncture, a more consistent and comprehensive regulatory approach could benefit all stakeholders, which this brief hopes to support.



Source: Two Wheels, Many Rule Books: Compendium of Bike Taxi Policies in India, [OMI Foundation](#), 2024*¹

Need of the hour

Notably, bike taxis deliver various benefits including cost-effective mobility, first and last-mile connectivity solutions, efficient manoeuvring through congested roadways, and creation of valuable opportunities for supplementary income for workers. Additionally, the statutory clarification provided via the advisory of the Ministry of Road Transport and Highways stating that motorcycles fall within the definition of 'contract carriage' under the Motor Vehicles Act, 1988 validates that motorcycles with contract carriage permits are statutorily recognised, and hence can be aggregated. Owing to the above, the June deadline now presents Karnataka with a necessary impetus to develop a balanced, feasible regulatory framework that preserves the aforementioned benefits while addressing legitimate concerns related to safety, working conditions, and integration into the transportation system.







¹ Note - At the time of this roundtable discussion (May 2025), the subject of regulatory approval for bike taxis in Tamil Nadu is sub-judice. This means that there is a pending petition at the Madras High Court with regard to Roppen Transportation Services Pvt. Ltd. v. State of Tamil Nadu & Others (Writ Appeal No. 2423 of 2019)

Key areas of concern

The suspension of bike-taxi services in Karnataka reveals complex challenges spanning urban mobility, worker welfare, and regulatory effectiveness.

Gaps in urban mobility and public infrastructure

- ❖ **Essential role in first-/last-mile connectivity:** In Bangalore, bike taxis bridge critical transportation gaps where conventional modes of public transit fall short. Their absence is felt across the ecosystem. As micromobility services, especially bike taxis, create vital transportation capillaries that extend from major transit arteries into residential neighbourhoods with narrow streets and other such transit deserts, effectively irrigating the transportation ecosystem. Beyond convenience, these services provide resilience during peak congestion, service disruptions and adverse weather conditions - precisely when alternative options are limited.

	Vehicle type	Affordability	Journey Time	Ease of Hailing	Doorstep pick-up	Comfort
		(Higher the better)	(Faster the better)	(Higher the better)	(Higher the better)	(Higher the better)
Shared Mobility	 4W Cabs	○	●	●	●	●
	 4W Cabs (Shared Taxi)	○	●	●	●	●
	 Auto Rickshaw	○	●	●	●	●
	 Auto Rickshaw (Shared)	●	●	○	○	○
	 Shared e-rickshaw	●	○	○	○	○
	 Bike-taxis	●	●	●	●	○
Bike-taxis offers the best of all shared mobility modes		Legend ● High/Fast ○ Low/Slow				

Source: Unlocking the potential of Bike Taxis in India, [KPMG](#), 2024

- ❖ **Affordability for low-income operators:** Bike taxis offer cost-effective transportation options for budget-conscious commuters. These services fill a crucial lacuna in the mobility ecosystem that neither traditional public transport nor more expensive alternatives like auto-rickshaws or cabs adequately are always able to address. It also fulfills the transportation requirement for solitary commute.

Worker welfare and economic justice

- ❖ **Vulnerable workforce:** There are approximately 1.5 lakh bike taxi operators throughout the state. This workforce comprises a diverse demographic including migrants, students, single parents, and recently displaced workers and individuals with limited access to formal modes of employment or seeking supplementary income. For these individuals, bike taxi operations serve as either a crucial source of primary income or an essential financial supplement to household incomes. Any regulatory prohibition or continued policy uncertainty therefore poses an immediate threat to their economic livelihood, right to employment, and financial stability.
- ❖ **Safety in the shadows:** The absence of formal regulatory recognition leaves bike taxi operators without fundamental labour protections and safety precautions, creating a precarious working environment that not only compromises the security of drivers but also exposes passengers and the broader public to unmitigated risks. With the lack of legal standing afforded to these workers, operators face potential harassment from enforcement authorities. Most critically, without formal recognition, drivers have limited channels for addressing grievances or seeking resolution for work-related disputes.
- ❖ **Loss of autonomy and gendered impact:** Bike taxi work offers essential flexibility for women, students, and part-time workers. For many women in particular, the ability to work on their own schedules is key to balancing other responsibilities. The relatively low cost of entry and flexible working hours are what make this form of work accessible, especially in contexts where traditional employment options remain limited or incompatible with caregiving or other obligations. However, the requirement to convert vehicles to yellow-board registration presents a significant barrier—both due to the administrative burden and because many women engage in the work only part-time.

Regulatory Fragmentation and Missed Opportunities

- ❖ **Loss of revenue and data:** The current state of ambiguity results in significant loss of revenue-generating opportunities for the government through foregone permit fees, taxes, and registration charges. The bike taxi sector reportedly conducts over one million rides, representing substantial untapped revenue potential that might be strategically allocated toward transportation sector development initiatives, including welfare programs for a broad network of transport workers. Additionally, policy certainty will enable more aggregators to look at Karnataka as a viable market and consequently receive GST contributions to the State exchequer.
- ❖ **Lagging behind other states:** While states like Assam, Bihar and Madhya Pradesh have implemented regulatory frameworks for bike taxis, Karnataka remains wary to adopt similar approaches. This regulatory approach creates an inconsistency that positions Karnataka at a strategic disadvantage in terms of innovation in the space of urban mobility. The state's cautious stance may inadvertently stifle the development of flexible transportation solutions that other regions have successfully integrated into their transport systems, something that the Hon'ble Court has also observed in its order.

- ❖ **Aggregator accountability:** Without official recognition and regulatory guidelines, aggregator platforms operate without standardized responsibility frameworks for driver verification, vehicle safety, insurance coverage, and data protection – creating potential risks for all stakeholders.

Recommendations

Drawing from successful models across India and globally, desk research, and consolidated stakeholder insights, the following recommendations aim to provide a balanced approach to integrating bike taxis into Karnataka's transportation ecosystem while addressing legitimate concerns about safety, congestion, and regulatory oversight:

1. Provision of Legal Recognition and Structured Permits

- ❖ **Implement flexible permit systems** based on usage patterns distinguishing between part-time (fewer than 4 rides daily) and full-time operators and accordingly specify compliances geared to both such operators.
- ❖ **Develop usage-based fees** through flexible digital permit options—daily, weekly, or monthly—available via aggregator platforms. This approach builds on local learning from amendments proposed by MoRTH to the Motor Vehicles Aggregator Guidelines, 2020 in 2024 (“2024 Aggregator Guidelines”), as well as the framework developed by West Bengal following stakeholder consultations that began in November 2023. The model centers on daily permits tied to the number of rides that platforms distribute to workers, with participating aggregators providing implementation insights from these early policy experiments.

2. Propose Pathways for Urban Integration and Phased Implementation

- ❖ **Fastrack policy framing for bike taxis** - Following the precedents from other state governments (Assam, Goa and West Bengal) and MoRTH 2024 Aggregator Guidelines, there is substantial regulation on the status of bike taxis and permits to operate them as contract carriage. The Karnataka HC order also calls on the TD to frame appropriate guidelines. In the absence of timely consultation and drafting of rules, the lacuna threatens the livelihoods of lakhs of workers in the state, as well as hold disconcerting implications for urban mobility in big cities like Bengaluru, Mysore, among others.
- ❖ **Create transition periods** allowing current bike taxi drivers to gradually comply with new regulations without immediate operational cessation. This phased approach is particularly crucial for the transition to electric vehicles, which the government actively promotes as a clean mobility solution to address urban air pollution, but presents significant affordability challenges for operators working with limited capital. A successful transition requires coordinated public sector support through subsidized loans, financial assistance for low-income operators, and strategic charging infrastructure investment to prevent disruptions that could undermine both environmental goals and worker livelihoods.

3. Encode Guidelines for Aggregator Accountability

- ❖ **Mandate comprehensive insurance coverage** for passengers, drivers, and third parties as a condition for aggregator operation.
- ❖ **Establish safety standards** including regular vehicle inspections, safety equipment requirements, and driver verification processes.
- ❖ **Require data sharing protocols** that balance privacy concerns with the need for effective planning and monitoring of transportation patterns.
- ❖ **Institute welfare provisions** aligned with the Code on Social Security 2020, including accident coverage and healthcare access for operators.

Closing reflections

The evolving discourse around bike taxi regulation in Karnataka reinforces the need for a responsive, inclusive and forward-looking policy framework. The roundtable discussion emphasised the role that bike taxis play in the state's transportation landscape both as a practical mobility solution and as an economic lifeline for thousands of informal workers. A regulatory vacuum in this context not only exacerbates uncertainty and socio-economic vulnerability for these workers but also represents a missed opportunity for the state to harness an emerging mode of transportation that addresses critical urban challenges such as congestion, first and last mile connectivity, and access to affordable modes of transport.

As Karnataka nears the deadline set by the High Court, it has the chance to lead with an approach that is pragmatic, data-informed and equitable. By leveraging successful regulatory models and local experimentation, the state can craft a regulatory architecture that caters to public interest, ensures commuter and operator safety, and promotes innovation within the broader urban mobility ecosystem. Thus, a phased and empirically-grounded approach that is cemented in stakeholder engagement and policy adaptability can position Karnataka not only to resolve the current impasse but also to set a standard for urban mobility governance across the country.