
PLATFORM WORKERS AND LABOUR PROTECTION: A STUDY OF SWIGGY AND ZOMATO

Sivalaeshwar N P., B.A LL.B. (Hons.), School of Law, Dhanalakshmi Srinivasan University, Tiruchirappalli.

Nethraja R., B.Com LL.B. (Hons.), School of Law, Dhanalakshmi Srinivasan University, Tiruchirappalli.

ABSTRACT

The rapid expansion of the digital economy has transformed traditional employment relationships across the world. In India, online platforms such as Swiggy and Zomato have created new employment opportunities through app-based food delivery services. These workers are commonly referred to as “platform workers” or “gig workers.” While such platforms offer flexible working hours and easy entry into the labour market, they also raise important concerns regarding labour protection, social security, and employment rights. Platform workers are usually classified as independent contractors rather than employees, which excludes them from many labour law protections such as minimum wages, paid leave, insurance benefits, and collective bargaining rights.

This article examines the legal status and labour protection of platform workers in India, with specific reference to food delivery workers employed by Swiggy and Zomato. The study analyses the challenges faced by gig workers within the existing labour law framework and evaluates the reforms introduced through the Code on Social Security, 2020. It also examines important judicial developments and policy debates regarding whether gig workers should be treated as employees or independent contractors.

The research highlights that although the new labour codes recognize gig workers for the first time in Indian labour law, significant gaps remain in ensuring adequate protection. Issues such as algorithmic management, income insecurity, lack of social security benefits, and absence of grievance mechanisms continue to affect platform workers. Through doctrinal analysis of statutes, case law, and policy documents, the article argues for stronger legal safeguards and regulatory frameworks to ensure fairness and dignity for gig workers. The study concludes that the future of labour law must adapt to the digital economy by balancing technological innovation with the fundamental rights and welfare of workers.

Keywords: Gig Economy, Platform Workers, Labour Protection, Swiggy, Zomato, Social Security Code 2020, Labour Law, Digital Platforms.

Introduction

The emergence of the gig economy has significantly changed the nature of employment across the world. Digital platforms such as Swiggy, Zomato, Uber, and Ola connect service providers with customers through mobile applications. These platforms rely on a large workforce of independent workers who perform tasks on a temporary or flexible basis. In India, the gig economy has expanded rapidly in recent years due to technological development, smartphone penetration, and the growth of online services.

Among various sectors of the gig economy, food delivery platforms like Swiggy and Zomato have become extremely popular. These companies employ thousands of delivery partners who use their own vehicles to deliver food to customers. The workers receive payment based on the number of deliveries completed and customer ratings. While this model offers flexibility and employment opportunities, it also raises important legal and social concerns regarding workers' rights.

Traditionally, labour laws in India were designed for factory workers and formal employment relationships. As a result, gig workers do not clearly fall within the categories of "employees" or "independent contractors." This legal ambiguity leaves platform workers without adequate labour protection and social security benefits.¹

The purpose of this article is to analyse the labour protection available to platform workers in India, focusing specifically on the operations of Swiggy and Zomato. The study examines the legal framework governing gig workers, recent legislative reforms, and important judicial developments. It also discusses the challenges faced by platform workers and proposes recommendations for improving labour protection in the gig economy.

Understanding Platform Workers in the Gig Economy

The term "gig economy" refers to a labour market where short-term tasks or projects are performed through digital platforms instead of traditional employment contracts. Platform workers perform services such as ride-hailing, food delivery, and home services through online

¹ Ankit Pawar, *Gig Workers and Employment Laws*, Himachal Pradesh Nat'l L. Univ. (2022).

applications.

Food delivery companies like Swiggy and Zomato rely heavily on such workers to deliver food from restaurants to customers. These workers are commonly called “delivery partners” rather than employees. They are usually paid per delivery and may receive incentives based on performance metrics such as customer ratings and delivery speed.

Although platform work offers flexibility, many workers experience economic insecurity due to irregular income and lack of employment benefits. Studies show that gig workers often work long hours and depend entirely on platform algorithms for task allocation and earnings.²

In India, millions of workers are currently engaged in the gig economy, and this number is expected to grow significantly in the coming years. The rapid growth of digital platforms has therefore raised serious questions about labour regulation and worker protection.

Legal Status of Platform Workers in India

One of the most debated issues in labour law is whether gig workers should be considered employees or independent contractors. Companies such as Swiggy and Zomato generally classify their workers as independent contractors. This classification allows the companies to avoid obligations related to minimum wages, provident fund, and other labour benefits.

However, many scholars argue that the relationship between platforms and workers resembles an employment relationship because companies exercise significant control through algorithms, ratings, and performance monitoring.³

Indian labour laws traditionally recognize only two categories of workers: employees and independent contractors. Gig workers fall somewhere between these categories, creating legal uncertainty. Because of this ambiguity, gig workers often remain outside the scope of labour legislation such as the Industrial Disputes Act and the Minimum Wages Act.

This legal gap has resulted in widespread debates regarding the need for new regulatory frameworks that specifically address platform work.

² Pratyay Suvarnapathaki et al., *Invisible Labour in India’s Gig Economy*, arXiv (2025).

³ *Hustle Culture or Legal Exploitation – Gig Workers in India*, Lawctopus (2026).

The Code on Social Security, 2020

A major development in Indian labour law was the enactment of the Code on Social Security, 2020. For the first time, the law formally recognized “gig workers” and “platform workers” as distinct categories within the labour law framework.

The Code defines gig workers as individuals who perform work outside the traditional employer-employee relationship. Platform workers are those who access organizations or individuals through online platforms to provide specific services.⁴

Under the Code, the government is empowered to formulate social security schemes for gig workers. These schemes may include life and disability insurance, health benefits, maternity benefits, and old-age protection.⁵

Another important provision requires digital platform companies, including Swiggy and Zomato, to contribute a portion of their annual turnover toward a social security fund for gig workers. The contribution is generally between one and two percent of the company’s annual turnover.⁶

Although the Code represents an important step toward recognizing gig workers, many experts argue that the provisions remain limited because they do not guarantee minimum wages, job security, or collective bargaining rights.

Challenges Faced by Swiggy and Zomato Delivery Workers

Despite the growth of the gig economy, platform workers continue to face several challenges related to labour protection.

- **Lack of Social Security**

Most gig workers do not receive benefits such as health insurance, provident fund, or paid leave. The absence of these protections makes workers vulnerable to economic shocks and accidents.

⁴ Gig Workers and the New Code on Social Security, 2020, Taxmann Blog (2025).

⁵ Gig Workers – The Invisible Workforce, Drishti IAS (2025).

⁶ Labour Codes Require Aggregators to Contribute to Social Security Fund, Hindustan Times (2025).

- **Algorithmic Management**

Digital platforms control workers through algorithms that determine order allocation, incentives, and ratings. Workers often have little transparency regarding how these algorithms operate.

- **Income Instability**

Delivery workers' earnings depend on demand, incentives, and customer ratings. As a result, income levels can fluctuate significantly from day to day.

- **Lack of Grievance Mechanisms**

Many workers report difficulties in resolving disputes with platform companies. Account suspensions or penalties may occur without proper explanation or appeal mechanisms.

These issues highlight the urgent need for stronger legal protections and regulatory oversight.

Judicial Developments

Several legal cases have raised questions about the rights of gig workers in India.

- **Indian Federation of App-Based Transport Workers v. Union of India**

In this case, a public interest litigation was filed before the Supreme Court seeking social security benefits for gig workers, including delivery workers and ride-hailing drivers. The petition argued that denying social security protection violates fundamental rights under Article 21 of the Constitution.⁷

The case has significant implications for the future of gig workers' rights because it may determine whether such workers are entitled to social security benefits under existing labour laws.

- **Karnataka High Court Decision on Platform Workers**

In a notable judgment, the Karnataka High Court recognized that platform drivers could be

⁷ Indian Federation of App-Based Transport Workers v. Union of India, Supreme Court Observer (2025).

considered employees for the purpose of certain workplace protections under the POSH Act. This decision reflects a growing judicial willingness to examine the employment status of gig workers more closely.⁸

These judicial developments indicate that courts are increasingly acknowledging the challenges faced by platform workers and may play an important role in shaping labour regulation in the digital economy.

International Perspectives

Many countries have already introduced regulations to protect gig workers. For example, courts in the United Kingdom and Spain have recognized certain platform workers as employees or “workers” entitled to minimum wages and labour benefits.

These developments highlight the global trend toward strengthening labour protection in the gig economy. India may also need to adopt similar regulatory frameworks to ensure fair treatment of platform workers.

Recommendations for Strengthening Labour Protection

To ensure adequate protection for gig workers, several policy measures should be considered.

First, the legal classification of gig workers must be clarified. A new category of workers with partial employment rights may be introduced to address the unique nature of platform work.

Second, social security schemes for gig workers should be effectively implemented and expanded to include health insurance, accident coverage, and retirement benefits.

Third, platforms should establish transparent grievance redressal mechanisms so that workers can challenge unfair penalties or account suspensions.

Fourth, labour laws should ensure minimum income standards and fair working conditions for platform workers.

Finally, the government should encourage collective representation and dialogue between

⁸ Bishen Jeswant et al., Karnataka High Court Ruling on Aggregator Drivers, Cyril Amarchand Mangaldas Blog (2024).

workers and platform companies to promote fair labour practices.

Conclusion

The rise of digital platforms such as Swiggy and Zomato has transformed the nature of work in India. The gig economy has created new employment opportunities and contributed significantly to economic growth. However, the rapid expansion of platform work has also exposed serious gaps in labour protection.

Platform workers often operate in a legal grey area where they are neither recognized as traditional employees nor treated as fully independent entrepreneurs. As a result, they lack access to essential labour rights such as social security, minimum wages, and workplace protection.

The introduction of the Code on Social Security, 2020 represents an important step toward addressing these challenges. By formally recognizing gig and platform workers, the law acknowledges the need to adapt labour regulation to the realities of the digital economy. However, the existing framework still requires further reforms to ensure comprehensive protection for gig workers.

From a broader perspective, labour law must evolve to reflect changing forms of employment. The goal should not only be economic efficiency but also social justice and worker welfare. A balanced regulatory approach that protects workers while supporting innovation will be essential for the sustainable growth of the gig economy in India.

In the future, policymakers, courts, and platform companies must work together to create a fair and inclusive labour system. Ensuring dignity, security, and fairness for platform workers will ultimately strengthen both the workforce and the digital economy.