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# **SOCIAL SECURITY FOR PLATFORM WORKERS IN INDIA: EVALUATING THE IMPLEMENTATION GAP UNDER THE CODE ON SOCIAL SECURITY, 2020**

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## **ABSTRACT**

The enactment of the four Labour Codes between 2019 and 2020 marks a significant shift in the labour law regime in India. Aimed at consolidating and rationalising the existing fragmented legislation of more than 29 central legislations, the proposed codes are intended to be a simplified, modern and efficient system that will balance the ease of doing business with appropriate safeguards and protection to workers. This paper analyses the challenges in the implementation of the provisions related to the social security of platform workers in India through the Code on Social Security, 2020 as part of a wider reform of the labour laws. The paper argues that despite the progressive and inclusive objectives of the Code on Social Security, 2020, which formally recognises gig and platform workers and includes them in the ambit of social security, the implementation of these provisions shows a large gap between the legal promises and ground realities. The paper discusses some of the provisions related to the registration of platforms, the implementation of welfare schemes and the contribution of aggregators towards social security benefits. It furthermore examines the challenges in implementing these provisions and argues that due to delayed rule-making, inefficiencies in implementing agencies and the lack of clarity on the funding of social welfare schemes, the provision for universal social security is unlikely to be achieved without a robust implementation mechanism. The paper also discusses the lack of coordination between the Centre and state governments, which further hampers efficient implementation, it also discusses other challenges, faced by platform workers, which the code does not address. Therefore, this paper situates the discussions on contemporary labour law reforms and the future of work in the Indian context.

**Keywords:** Platform Workers, Gig Economy, Code on Social Security 2020, Implementation Gap, Labour Law Reform.

## Introduction

The nature of work is changing in the digital age, with the transition from 'stable' long-term employment to flexible, platform-mediated labour. Digital platforms such as Uber, Ola, Swiggy, and Zomato have transformed the labour market by facilitating efficient consumer-provider interactions and using algorithmic systems to assign work, set wages, and monitor work performance.<sup>1</sup> This model has been rapidly expanding, with the global gig economy expected to reach USD 556.7 billion in 2024, and India being one of its fastest-growing markets.<sup>2</sup> NITI Aayog estimates that the number of gig and platform workers will grow from 7.7 million to 23.5 million by 2029–30.<sup>3</sup> However, platform-mediated work differs fundamentally from traditional employment relationships, with workers categorised as independent contractors and excluded from labour protections such as minimum wage, social security and collective bargaining rights.<sup>4</sup> The Code on Social Security, 2020, acknowledges 'gig' and 'platform' workers as separate categories, but stops short of recognising them as employees, and thereby denying them access to statutory protections. Platform work, while flexible, is associated with income insecurity, lack of benefits and algorithmic control, leading to a power imbalance between platforms and workers. These challenges were further amplified by the COVID-19 pandemic, underlining the need for social protection.<sup>5</sup> This paper analyses the implementation gap in the social security of platform workers under the Code on Social Security, 2020 and assesses whether legal recognition has borne fruit in the form of effective protection in practice, in the areas of enforcement, scheme formulation and institutional capacity.

## Research Questions-

How effectively does the Code on Social Security, 2020 meet the social security requirements

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<sup>1</sup> Pawan Kumar, "How Zomato, Swiggy & Uber Built India's Gig Economy | Business Model Explained", *Arthneeti Global*, Jan. 5, 2026, available at: <https://arthneetiglobal.com/how-zomato-swiggy-uber-gig-economy-business-model/> (last visited on Apr. 2, 2026).

<sup>2</sup> Jack Thorogood, "Gig Economy in 2025: Regulatory Shifts and Tech-Driven Opportunities", *Forbes*, July 16, 2025, available at: <https://www.forbes.com/councils/forbesbusinesscouncil/2025/07/16/gig-economy-in-2025-regulatory-shifts-and-tech-driven-opportunities/> (last visited on Apr. 2, 2026).

<sup>3</sup> NITI Aayog, India's Booming Gig and Platform Economy: Perspectives and Recommendations on the Future of Work, Niti Aayog, available at: [https://www.niti.gov.in/sites/default/files/2022-06/Policy\\_Brief\\_India%27s\\_Booming\\_Gig\\_and\\_Platform\\_Economy\\_27062022.pdf](https://www.niti.gov.in/sites/default/files/2022-06/Policy_Brief_India%27s_Booming_Gig_and_Platform_Economy_27062022.pdf) (last visited Apr. 4, 2026).

<sup>4</sup> R. Remeikienė and L. Gasparėnienė, "The Specifics and Types of Platform Work," in R. Remeikienė and L. Gasparėnienė (eds.), *Work and Legal Guidelines in the Age of Digitalisation and Green Transition* 71 (Springer, Cham, 2026).

<sup>5</sup> *Ibid.*

of Platform workers in India?

What are the main challenges in the implementation of the Code that are impeding the proper delivery of social security benefits to the Platform workers?

What structural and regulatory reforms are required to bridge the gap between legislative intent and practical enforcement?

### **Research Methodology**

This study uses a doctrinal and analytical approach to interpret the Code on Social Security, 2020, as applied to the platform workers in India. The study is based on statutes, case laws, policy reports and academic literature. It critically examines the existing legal framework to assess the implementation gaps and the effectiveness of social security provisions for platform workers. It analyses reports of the International Labour Organisation and NITI Aayog to describe the growth of platform work in India, and is based on a qualitative enquiry on how the gaps between intended legislation and measurable enforcement can be bridged.

### **Work Without Security: Platform Labour in Digital India**

The rapid growth of the gig economy has had a profound impact on labour markets in many parts of the world, including in India.<sup>6</sup> In its broadest sense, the gig economy refers to a set of predominantly short-term task-based work arrangements facilitated by digital platforms, where individuals are hired to deliver services on demand without a long-term employment contract.<sup>7</sup> Within this broader context, platform-based work is the most organised and fastest-growing form of gig work. Ride-hailing, food delivery, home services, and digital freelancing have all seen rapid growth as on-demand labour markets facilitated by digital platforms. Uber, Ola, Swiggy, and Zomato are examples of digital platforms that employ millions of workers across the country. Under the Code on Social Security, 2020, workers who are hired through such platforms are recognised as platform workers. Since they are not in formal employment relationships with the platforms, their status does not easily fit into existing rules on labour law.<sup>8</sup> This is a key structural

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<sup>6</sup> Dr Jyotirmoy Koley, "The Gig Economy in India: Growth, Challenges, and Policy Implications" 10 *International Journal of Research and Innovation in Applied Science* 1826 (2025).

<sup>7</sup> Fahin Faras, Balwant Singh Mehta et al., "Platform-based Gig Work in India's Labour Statistics" 68 *Indian Journal of Labour Economics* 323 (Mar. 2025).

<sup>8</sup> Press Information Bureau, Government of India, "Social Security for Gig and Platform Workers", *Press Information Bureau*, Jan. 29, 2026, available at: <https://www.pib.gov.in/FactsheetDetails.aspx?Id=150473&reg=3&lang=2> (last visited on Apr. 2, 2026).

problem, since existing labour law and social security regulations have evolved in a context where such fundamental assumptions about employment relationships were clear. Typically, the platforms classify such workers as independent contractors to avoid statutory requirements for wages, welfare benefits, and social security contributions.<sup>9</sup> However, platforms exercise a degree of control over workers through algorithmic management that determines task allocation, pricing, and performance measurements.<sup>10</sup> The result is a novel hybrid relationship where platform workers enjoy flexibility but are also economically dependent on the platform. Certain features characterise platform work. First, it is flexible, enabling the worker to decide when and to what extent he will work. Second, the worker is responsible for the cost of production (vehicles, fuel, equipment, etc.) Third, work is coordinated by algorithmic systems, which often lack transparency and procedural safeguards.<sup>11</sup> These features have implications for both income stability and access to future work.

While work on the platform has increased access to employment, it has also triggered serious concerns about social security. Social security, understood as protection against risks such as poor health, disability and old age, is recognised as a fundamental right by the International Labour Organisation.<sup>12</sup> However, India has traditionally organised social security benefits for formal, long-term employment, leaving platform workers largely excluded from health insurance, pensions and maternity protection.<sup>13</sup> As a result, platform workers often bear the full economic burden of uncertainty, including income volatility, lack of insurance coverage, and absence of institutional support mechanisms. Their earnings are highly unpredictable, influenced by fluctuating demand and algorithmic allocation of work. Changes in platform policies or algorithms can directly impact income and work opportunities, often without prior notice.<sup>14</sup>

These issues have been exposed especially during the COVID-19 pandemic, when platform

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<sup>9</sup> Jefrin Johny, "Gig Workers Under Social Security Code: Employer Obligations, Benefits & Legal Framework in India", *Corrida Legal*, Aug. 1, 2025, available at: <https://corridalegal.com/gig-workers-under-social-security-code-employer-obligations-benefits-legal-framework-in-india/> (last visited on Apr. 1, 2026).

<sup>10</sup> Alexander Benlian, Michael Wiener et al., "Algorithmic Management" 64 *Business & Information Systems Engineering* 825 (2022).

<sup>11</sup> Ashok Kumar, "Gig Economy and Gig Workers in India: Issues and Challenges Workers with Alternative Work Arrangements" 10 *International Journal of Novel Research and Development* b798 (June 2025).

<sup>12</sup> International Labour Organization, "ILO Social Security and Other Labour Standards", *Social Protection and Human Rights*, available at: <https://socialprotection-humanrights.org/legal-depository/legal-instruments/ilo-social-security-and-other-labour-standards/> (last visited on Apr. 1, 2026).

<sup>13</sup> "The Invisible Workforce: Legal Recognition of Gig Workers in India's Labour Framework", *Jus Corpus*, May 19, 2025, available at: <https://www.juscorpus.com/the-invisible-workforce-legal-recognition-of-gig-workers-in-indias-labour-framework/> (last visited on Apr. 1, 2026).

<sup>14</sup> *Ibid.*

workers continued to deliver essential services without sufficient social protection or income security.<sup>15</sup> Despite the rapid expansion of platform labour in India, a large share of workers remain outside formal labour protection, exposing critical gaps in the existing welfare provisions. The expansion of platform labour has therefore prompted significant legal and policy discussions on the necessity of amending labour laws to fit the new ways of work. While digital platforms have created new avenues for flexible employment, the absence of robust social security mechanisms continues to expose platform workers to economic precarity.<sup>16</sup> Addressing these challenges requires a re-evaluation of existing legal frameworks to ensure that platform workers are effectively integrated into social protection systems.

### **Platform Workers under the Code on Social Security, 2020**

The Code on Social Security, 2020, is a major step forward in India's labour law reforms. It seeks to bring cohesion in India's social security laws, which were previously scattered across different legislations.<sup>17</sup> It also seeks to bring into the fold all categories of workers, including those in new-age sectors like platform work. Previously, India's social security laws were fragmented and limited in scope, leading to a complex regulatory regime with limited coverage.<sup>18</sup> The Code thus marks an important shift from the labour framework based on the traditional employer–employee relationship to a more inclusive framework that recognises non-traditional forms of work. Importantly, the Code recognises platform workers as a separate category. Section 2(61) defines a platform worker as a person engaging in platform work.<sup>19</sup> Section 2(35) defines gig workers broadly as those who do not work under traditional employment relationships.<sup>20</sup> However, unlike gig workers, platform work is mediated through digital platforms that allocate work, set prices, and track work performance through algorithmic systems. In this regard, platform workers are not considered 'employees' and are thus not entitled to statutory benefits. Chapter IX of the Code deals with unorganised, gig, and platform workers. The Code is collaborative in nature, under which both the Central and

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<sup>15</sup> Ulka Bhattacharyya and Soumya Jha, "Understanding Social Security for Gig Workers: Analyzing Recent Developments" 11 *NLIU Law Review* 107 (2021).

<sup>16</sup> Ruwen Pei, "Labor Rights Protection under Platform Economy: Legal Challenges and Innovative Explorations" 2 *Science of Law Journal* 131 (2023).

<sup>17</sup> Press Information Bureau, Government of India, "Social Security for Gig and Platform Workers", *Press Information Bureau*, Jan. 29, 2026, available at: <https://www.pib.gov.in/FactsheetDetails.aspx?Id=150473&reg=3&lang=2> (last visited on Apr. 2, 2026).

<sup>18</sup> M.R. Harinivetha, "Social Security and Labour Legislation in India" 5 *Indian Journal of Legal Review* 656 (2025).

<sup>19</sup> The Code on Social Security, 2020 (Act 36 of 2020), s. 2(61).

<sup>20</sup> The Code on Social Security, 2020 (Act 36 of 2020), s. 2(35).

State Governments are responsible for designing and implementing social security schemes for workers. Digital platforms (aggregators) are also responsible for contributing to the welfare schemes made.

Section 113 of the Code makes provision for the registration of platform workers. Eligible workers must submit a self-declaration along with prescribed documents, including Aadhaar, to receive a unique identification number enabling access to welfare schemes.<sup>21</sup>

Section 114 empowers the Central Government to frame social security schemes for platform workers, including benefits such as life and disability cover, accident insurance, health and maternity benefits, and old-age protection. It also outlines funding mechanisms and the role of aggregators. Under Section 114(4), aggregators may be required to contribute between 1%-2% of their annual turnover towards welfare schemes. Although the provision acknowledges the economic position of the platforms, its effectiveness will depend on strict implementation.<sup>22</sup>

The Code further envisages setting up a National Social Security Board consisting of representatives of the government, aggregators and workers to provide guidance on planning and implementation of welfare schemes. The Government, in this regard, has launched the e-Shram Portal as a national digital platform for the registration of unorganised workers, including platform workers. The portal allows for self-registration, providing a Universal Account Number (UAN) and developing a national database for targeted delivery of welfare schemes.<sup>23</sup> For platform workers, it enhances visibility and supports the implementation of registration requirements under Section 113. However, its effectiveness remains limited by challenges, including low awareness, digital illiteracy, and the lack of mandatory integration with digital platforms. As a result, a significant number of platform workers remain outside the formal social security framework.

### **“From Policy to Practice: Implementation Gaps in The Code on Social Security, 2020”**

The Code on Social Security, 2020, recognises platform workers as a special class of workers

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<sup>21</sup> The Code on Social Security, 2020 (Act 36 of 2020), s. 113.

<sup>22</sup> The Code on Social Security, 2020 (Act 36 of 2020), s. 114.

<sup>23</sup> Press Information Bureau, Government of India, "Code on Social Security, 2020: Towards Universal and Inclusive Social Protection", *Press Information Bureau*, available at: <https://www.pib.gov.in/FactsheetDetails.aspx?Id=150473&reg=3&lang=2> (last visited on Apr. 1, 2026).

under the emerging labour framework in India. As previously mentioned, Chapter IX of the Code covers provisions applicable to unorganised workers, including platform workers. Although a formal legal framework is laid down, the implementation of these provisions shows a wide gap between statutory recognition and actual service delivery. The International Labour Organization has noted that while many countries have recognised platform workers, their regulatory framework has failed to provide social protection to the workers, due to gaps in enforcement and classification.<sup>24</sup> However, despite the legal framework, challenges continue to impede its objectives, and there is a significant gap that exists between the legislative vision and enforcement.

A major factor contributing to this gap is the nature of the federal structure in which the Code's implementation is entrusted. While the Central Government has notified the Code, its implementation is largely left to the States, resulting in a patchy implementation across different jurisdictions. Some States have been proactive on this front; for instance, Rajasthan has enacted the Platform-Based Gig Workers (Registration and Welfare) Act, 2023, and Karnataka has enacted the Karnataka Platform-Based Gig Workers (Social Security and Welfare) Act. Other states are yet to frame the rules and implement them.

Even though the Code envisions the Central and State Governments working together on the basis of welfare boards, there exists a lack of coordination with no clarity in terms of roles and responsibilities, accountability, which has further created gaps in the implementation of the Code at the Central and State levels.

Secondly, the registration provision under Section 113 of the Code makes the registration of platform workers mandatory for access to social security benefits. While registration is necessary for the smooth delivery of welfare schemes, it poses a pragmatic challenge. Platform workers are highly flexible and informal, working on multiple platforms, have no stable employment history and may not be part of any formal payroll. Hence identification and documentation become difficult. Moreover, a large segment of platform workers, especially in the categories of delivery, transport or home-based work, may have issues of lack of identity documents, migration-based mobility or lack of consistent digital

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<sup>24</sup> Naveen Kumar, "Regulatory Framework and the Protection of Basic Rights of Gig Workers", *Bar and Bench* (May 16, 2024), available at: <https://www.barandbench.com/view-point/regulatory-framework-and-the-protection-of-basic-rights-of-gig-workers> (last visited on Apr. 2, 2026).

connectivity.<sup>25</sup>

This issue is further compounded by a lack of awareness and accessibility. Registration is made available through the e-Shram Portal and hence is dependent upon digital connectivity and digital literacy. Hence, access to the portal and registration is difficult for a large segment of platform workers, especially those from rural areas and economically weaker sections. Further, the lack of any mandatory linkage between the digital platforms and government registration systems also means that aggregators have no obligation to facilitate or ensure registration of workers. Hence, a large number of platform workers are left out of the social security net, resulting in the loss of the primary objective of inclusive welfare.

Thirdly, Section 114 of the Code, which mandates the formulation of social security schemes for platform workers, is essentially enabling in nature and not mandatory, as it authorises the Central Government to formulate social security schemes for platform workers. This considerably reduces the enforceability of the provision, as the real benefit is largely dependent on executive discretion rather than statutory entitlement. Similarly, the Code requires aggregators to contribute to welfare schemes in the range of 1% and 2% of their annual turnover. The real impact of this provision is difficult to ascertain. Since aggregators are for-profit organisations, they may try to recover the cost of this contribution by reducing the workers' incentives, payments or benefits through indirect means, which would reduce the protective benefits of this provision.<sup>26</sup>

A further limited point is the lack of an enforceable right for platform workers under the Code. The Code does not create a justiciable right to social security. Instead, it relies on the creation and implementation of executive schemes.<sup>27</sup> This reduces accountability, as the workers cannot claim these benefits as a matter of legal right. Beyond the structural lacunae, the Code also fails to address several platform-specific issues. Platform workers are often made to bear arbitrary account deactivation, opaque algorithmic rating, no redressal mechanism for complaints and erratic earnings. These are matters of their economic security, but not regulated well under the pre-existing legal regime. Moreover, there is an absence of reliable, robust data on platform workers to make effective policy and targeted welfare delivery.

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<sup>25</sup> Jefrin Johny, "Gig Workers Under Social Security Code: Employer Obligations, Benefits & Legal Framework in India", *Corrida Legal*, Aug. 1, 2025, available at: <https://corridalegal.com/gig-workers-under-social-security-code-employer-obligations-benefits-legal-framework-in-india/> (last visited on Apr. 2, 2026).

<sup>26</sup> *Ibid.*

<sup>27</sup> The Code on Social Security, 2020 (Act 36 of 2020), s. 113.

Combined, these lacunae aggravate the diluting impact of the Code on Social Security, 2020. While the legislative instrument is a significant step forward in comprehending the place of platform workers in the labour regime of India, at present, it is a legislative artefact that reflects the legislative intent that does not necessarily translate the desired socio-economic outcome in practice.

### **Unaddressed Challenges and Contemporary Developments**

Although “gig” and “platform” workers are recognised, the Code on Social Security, 2020, falls short of addressing some important challenges. Hence, it is inherently limited in its capacity to offer meaningful labour protection, especially to platform workers. Although they are formally recognised, the legal framework does not deal with the structural aspects of platform work.

The most glaring issue is probably the ambiguity about the legal status of platform workers. The Code defines “platform workers” but consciously refrains from treating them as employees or even as workers who are entitled to basic labour protections like minimum wages, employment security and a comprehensive social security package.<sup>28</sup> The ambiguity allows platform companies to continue classifying workers as contractors, evading employer responsibilities and deflecting risks onto workers.<sup>29</sup> This issue has been brought before the Supreme Court in the *Indian Federation of App-Based Transport Workers v. Union of India*<sup>30</sup> wherein it has been argued that the denial of employee status and social security protections is a violation of fundamental rights under Articles 14 and 21 of the Constitution; however, the matter remains pending.

The second challenge, which is closely linked to the issue of classification, is the concern about algorithmic management and rating systems. Platform work is governed by an opaque algorithmic system that determines task allocation, pricing, incentives, and worker ratings. The lack of transparency in these systems contributes to a substantial power imbalance

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<sup>28</sup> Aaditya Bhatt, "Gig and Platform Workers: Social Security Coverage for the New-Age Workforce", Bhatt & Joshi Associates, Nov. 30, 2025, available at: <https://bhattandjoshiassociates.com/gig-and-platform-workers-social-security-coverage-for-the-new-age-workforce/> (last visited on Apr. 2, 2026)."

<sup>29</sup> Hitesh, "Gig Economy and Labour Rights in India: Legal Recognition of Platform Workers", *Lawful Legal*, 12 Jul. 2025, available at: <https://lawfullegal.in/gig-economy-and-labour-rights-in-india-legal-recognition-of-platform-workers/> (last visited on Apr. 2, 2026).

<sup>30</sup> *Indian Federation of App-Based Transport Workers v. Union of India*, W.P. (C) No. 1068 of 2021, (2021) (Supreme Court of India).

between platform operators and workers. Platform workers are not able to know or contest the reasons for their low ratings, low visibility or abrupt deactivation from the platform. The rating systems play a direct role in future work allocation and income generation, but are arbitrary and prone to bias.<sup>31</sup> Although “algorithmic control” has increasingly been recognised as a labour rights issue across the globe, the Code does not set out any requirements for algorithmic transparency, accountability or fairness.<sup>32</sup> It does not set out any procedural safeguards, grievance redressal mechanisms or appeal processes to counter the problems resulting from automated decision-making.<sup>33</sup>

The Code also does not address the issue of income volatility for platform workers. Earnings in platform work are task-based and are subject to changes due to algorithmic pricing and changing incentive schemes. Infrequent per-task payments and increasing costs of working (fuel, maintenance and commissioning by the platform) pose a significant threat. A lack of statutory provisions for minimum earnings or income security also contributes to economic insecurity and a lack of security. More than 60% of drivers reported working over 12 hours a day to compensate for their lower earnings, raising concerns about driver fatigue and safety.<sup>34</sup>

The lack of an independent and effective grievance redressal mechanism further exacerbates this situation. The Code does not set up any institutional mechanism through which platform workers can lodge complaints about wages, ratings and deactivation. In reality, workers have to depend on internal grievance mechanisms set up by platforms, which are neither independent, nor transparent, nor accountable.

This structural colossus has led to a rise in labour mobilisation among platform workers across India. Worker collectives and unions have begun to organise these activities, pointing to a growing unrest in the platform economy.<sup>35</sup> Recent protests and strikes by app-based workers

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<sup>31</sup> Abhijith K, "A Study on Problems and Working Conditions of Gig Workers in the Present Market Scenario" 11 *International Journal of Research and Analytical Reviews* 301 (2024).

<sup>32</sup> “Legal Status of Gig Workers in India: Labour Protections in the Platform Economy”, *The Legal Quorum*, Sept. 28, 2025, available at: <https://thelegalquorum.com/legal-status-of-gig-workers-in-india-labour-protections-in-the-platform-economy/> (last visited on Apr. 2, 2026).

<sup>33</sup> "The Long Road Ahead for Gig and Platform Workers in India", *India Development Review*, Sept. 9, 2025, available at: <https://idronline.org/article/rights/the-long-road-ahead-for-gig-and-platform-workers-in-india/> (last visited on Apr. 2, 2026).

<sup>34</sup> Jigeesh A.M., "Gig Workers Suffer from Lack of Social Security, Regulation: Study", *The Hindu*, Mar. 10, 2024, available at: <https://www.thehindu.com/news/national/gig-workers-suffer-from-lack-of-social-security-regulations-study/article67936093.ece> (last visited on Apr. 5, 2026).

<sup>35</sup> “Hyderabad: Gig Workers Join Nationwide Protest”, *Telangana Today*, Dec. 25, 2025, available at: <https://telanganatoday.com/hyderabad-gig-workers-join-nationwide-protest> (last visited on Apr. 2, 2026).

in places like Hyderabad and Telangana have demanded better wages, social security, safe and decent working conditions, and protection against deactivation. On the other hand, some state-level policy developments are also an indication of progress. In that regard, some emergent legislative moves in states like Telangana have proposed for algorithmic transparency and a welfare fund, as well as protection against arbitrary deactivation. However, such developments have limited scope in the absence of a coherent, uniform national framework to protect platform workers.<sup>36</sup>

The Code on Social Security, 2020, is thus an important step towards the recognition of platform workers in the Indian labour law regime. However, the Code does not adequately address the structural challenges of platform work, such as misclassification, opacity of algorithms, volatility of earnings, lack of job security and absence of effective grievance redressal mechanisms. The fact that labour protests are becoming more and more frequent and that the courts are scrutinising such measures highlights the limits of the legal framework.

### **Towards an Inclusive Social Security Framework for Platform Workers**

To mitigate the gap between the legislative intent and its real-life implementation vis-à-vis the structural inadequacies of the Code on Social Security, 2020, a comprehensive reform agenda is needed to provide effective protection for platform workers.

Firstly, there is an immediate need to reconceptualise and codify the status of platform workers. Classification of such workers as independent contractors needs to be re-examined. Some alternative models (hybrid or “dependent contractor” categories) can be considered to extend minimum wages, social security, and other insurance benefits while preserving the flexibility of platform-based work. Judicially, the Indian Federation of App-Based Transport Workers v. Union of India<sup>37</sup> and its developments emphasise the need to avoid the classification of workers in a manner that is inconsistent with constitutional rights under Articles 14 and 21. A similar approach has been adopted in the United Kingdom in *Uber BV v Aslam*<sup>38</sup>, where the court recognised Uber drivers as “workers” rather than independent contractors, thereby extending

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<sup>36</sup> “Telangana to Mandate Transparency in Gig Work”, *Deccan Chronicle*, Oct. 30, 2025, available at: <https://www.deccanchronicle.com/southern-states/telangana/tg-to-mandate-transparency-in-gig-work-1913528> (last visited on Apr. 2, 2026).

<sup>37</sup> Indian Federation of App-Based Transport Workers v. Union of India, W.P. (C) No. 1068 of 2021, (2021) (Supreme Court of India).

<sup>38</sup> *Uber BV v. Aslam*, [2021] UKSC 5 (U.K.).

to them basic labour protections such as minimum wage and paid leave.

Secondly, the Code must create mandatory obligations for the Central and State Governments beyond providing an enabling framework. As an example, Section 114, which currently makes it discretionary to frame welfare schemes for platform workers, should be construed to make it mandatory for the respective Governments to enact and implement such schemes within a prescribed time-frame, under well-defined financial provisions and accountability measures. Secondly, the Code must introduce a new category of ‘dependent contractors’ in the legal framework. Such a category will fill the lacuna between the existing concepts of “employee” and “independent contractor”, and will be more aligned with the reality of platform work. The category of ‘dependent contractor’ should be decided against a clear legal test of two factors: the level of control exercised by the platform including algorithmic decision on the allocation of work, control over pricing, and disciplinary penalties based on ratings; and the economic dependency of the worker, especially where the worker derives most of its income from a single platform. This will help courts and regulators to look beyond form and focus on the substance of employment. Thirdly, the existing Centre-State coordination framework should guide the creation of a unified national framework. This may also include interoperable databases linking the e-Shram portal, state welfare boards, and platform databases to facilitate the identification, registration, and delivery of benefits to platform workers.

Thirdly, there is a pressing need for better regulation of algorithmic management and platform governance. Digital platforms should be required to provide necessary information on rating systems, dispatch mechanisms and wage determination mechanisms. A Mandatory Algorithmic Audit Mechanism should be introduced to make the platform algorithms independently audited to ensure that they are transparent, fair and non-discriminatory.

Also, the platforms should be required to contribute towards and adhere to a statutory minimum earnings floor that will ensure a minimum income for workers regardless of fluctuations in demand, incentives and algorithmic allocation of work.

In addition, institutional mechanisms should be introduced to strengthen governance of platforms. A Platform Workers’ Welfare Board with binding powers should be established at the national or state level. Such a Board should have the power to issue binding directions, monitor and enforce the administration of the welfare fund, and to ensure that platform owners adhere to their statutory duties. Unlike an advisory body, this would provide a strong

enforcement institution.

The Code should also introduce a statutory grievance redressal time period and a Digital Tribunal mechanism. The Code should require platforms to resolve grievances within a specified time period and if there is failure to do so, the grievance should be automatically transferred to an independent digital tribunal. This tribunal should be accessible online, with procedural simplicity, and should be empowered to issue binding orders for the effective and affordable access to justice for platform labour.

A social security fund for platform workers that is operationalised through mandatory contributions from the platform aggregator, the worker and the State should be established. In this way, a tripartite funding model would be funded and benefits such as health insurance, accident insurance and retirement benefits would be delivered.

The rights of platform workers, such as the right to bargain collectively, also need to be recognised. Given the significant bargaining power of platforms, unionisation and worker collectives would allow workers to negotiate wages, conditions of work and the operations of the platforms.

The Code should also include procedural safeguards against arbitrary deactivations from digital platforms. Platforms would need to provide workers with prior notice and reasons for deactivation, as well as an effective appellate mechanism that is independent of the platform.

Likewise, income insecurity must also be addressed through enforceable minimum earnings and standardised payment mechanisms to mitigate earnings volatility resulting from algorithmic pricing and variable incentive structures.

There also needs to be an emphasis on improving accessibility, inclusivity and awareness. Registration should be made easier and offline, assisted registration should also be available so that digitally excluded workers are not excluded from registration. Awareness campaigns should be implemented in tandem with trade unions, worker collectives and civil society organisations to raise awareness of workers' rights and entitlements.

Finally, there is a need to strengthen data governance and institutional capacity around platform work. A comprehensive, regularly updated national database of platform workers should be developed to enable evidence-based policymaking. Platforms should also be mandated to share

anonymised workforce data with regulatory authorities, subject to robust data protection safeguards, to enhance transparency and improve policy implementation.

## **Conclusion**

The Code on Social Security, 2020 is a landmark legislative effort to bring the gig and platform workers under the ambit of Indian labour law. Yet, despite its formal recognition and protection, the Code does not address the structural challenges that platform workers still confront such as misclassification, algorithmic opacity, income volatility, and lack of an effective grievance redressal mechanism. Further, the largely enabling and not mandatory nature of the provisions in the Code weakens the protective impact, leaving most of the platform workforce exposed and without meaningful protection. Thus, while the Code is an important first step, it does not go far enough to ensure meaningful labour protection in the platform economy. In this context, it is necessary to promote a regulatory framework that is more stringent and enforceable in defining employment relationships, requires minimum standards of protection, and holds platform companies accountable. Without such reforms, the promise of social security for platform workers is likely to remain largely aspirational rather than real.