
GIG WORK AND LABOUR LAW IN INDIA: FROM RECOGNITION TO PROTECTION

Bhavanya E K & Divyasri P, Dhanalakshmi Srinivasan University

ABSTRACT

The gig economy has reshaped labour relations in India by creating flexible, platform-based work in sectors such as ride-hailing, food delivery, and quick commerce. While these platforms describe workers as independent contractors or “partners” they exercise significant control through algorithms that determine task allocation, ratings, incentives, earnings, and deactivation. This creates a serious legal contradiction: workers remain outside traditional employment protection, even though platforms control the essential conditions of their work.

The Code on Social Security, 2020¹ formally recognises gig workers and platform workers, but this recognition has not yet translated into enforceable rights such as minimum wages, occupational safety, accident compensation, or protection from arbitrary termination. The risks are especially visible in fast-delivery models, where time-bound incentives can expose workers to unsafe road conditions. This paper argues that India must move beyond a welfare-based approach and adopt a rights-based framework grounded in worker classification, algorithmic accountability, safety protection, and meaningful social security.

Keywords: Gig workers • Platform work • Labour law • Code on Social Security, 2020 • Algorithmic management • Fast delivery • Occupational safety • Social security • Worker classification.

¹ Code on Social Security, No. 36 of 2020, §§ 2(35), 2(61), (2020).

Introduction

The gig economy is celebrated as a symbol of speed, and modern work. In India, platforms such as *Uber*, *Ola*, *Swiggy*, *Zomato*, *Blinkit*, and *Zepto* have created new income opportunities by connecting workers with customers through digital apps. This model has changed the structure of labour by replacing stable, long-term employment with short-term, task-based work. However, beneath the flexibility lies a serious labour law concern: many gig workers remain outside the protection of traditional employment laws, even though their work is closely controlled by the platforms they serve.

The central legal problem is classification. Platforms usually describe gig workers as “*partners*” or independent contractors rather than employees. This allows them to avoid obligations relating to minimum wages, social security, occupational safety, compensation, and collective bargaining. Yet, in practice, gig workers are not fully independent. Their orders, ratings, incentives, earnings, and even access to work are often determined by platform-controlled algorithms. The worker may appear free to log in and log out, but the terms of earning, visibility, and survival on the platform are controlled by the app.

Indian law has taken a first step by recognising gig workers and platform workers under the *Code on Social Security, 2020*.² However, this recognition remains incomplete because it does not automatically grant enforceable labour rights. The result is a gap between legal recognition and actual protection. This gap becomes especially serious in fast-delivery sectors, where time-bound delivery promises and incentive systems can place workers under unsafe pressure.

When platforms exercise economic and algorithmic control over workers, they must also bear corresponding legal responsibility. The future of gig labour law must therefore move beyond recognition and towards a rights-based framework that protects worker dignity, safety, income security, and accountability in the platform economy

Growth of Gig Work and Algorithmic Control in India

The growth of gig work in India has been rapid and visible, especially in urban sectors such as transport, food delivery, logistics, and quick commerce. According to **NITI Aayog**, India had about **7.7 million gig workers in 2020–21**, and this number is projected to rise to nearly **23.5**

² *ibid*

*million by 2029–30*³. This shows that gig work has become an important part of India's changing labour market.

This expansion has been closely linked to the rise of app-based services. Food delivery and quick-commerce platforms have made platform labour central to everyday urban life. Consumers now expect food, groceries, medicines, and other essentials to reach them within minutes. Behind this convenience is a large workforce of riders and drivers who perform time-sensitive work, usually without the stability and legal safeguards attached to regular employment.

A major feature of this work is *algorithmic management*⁴. Unlike a traditional workplace where a human supervisor gives instructions, gig workers are managed through apps. These systems decide who receives an order, how much a worker earns, what route is suggested, how performance is rated, and whether the worker remains visible on the platform. The app therefore becomes a digital manager, silently controlling the worker's opportunities and income.

A worker may choose when to log in, but once logged in, their earnings and continuity of work depend heavily on ratings, acceptance rates, incentives, penalties, and the threat of account deactivation⁵. In other words, the manager is not absent in the gig economy; the manager is coded into the app.

If platforms can shape worker behaviour, monitor performance, and indirectly discipline workers, then they cannot completely deny responsibility by calling them independent contractors.

Safety Risks and the Fast-Delivery Model

The most visible harm of gig work appears in the fast-delivery sector, where the promise of speed is built into the business model itself. Quick-commerce and food-delivery platforms often compete by offering extremely short delivery timelines, sometimes framed around “10-

³ NITI Aayog, *India's Booming Gig and Platform Economy* 45–47 (2022)

⁴ Data & Society Research Institute, *Algorithmic Management: The Role of Technology in Managing Workers Without Managers* 1–4 (2019) (defining algorithmic management as the use of data-driven systems to monitor, evaluate, and direct workers).

⁵ Fairwork India Team, *Fairwork India Ratings 2024: Labour Standards in the Platform Economy* 22–25 (2024)

minute delivery.⁶ While this appears attractive to consumers, it creates serious labour and safety concerns for the workers who must complete these deliveries on congested Indian roads.

Delivery workers usually operate on two-wheelers, often during peak traffic, bad weather, late hours, and under constant app-based tracking. Their work is not simply to deliver goods, but to deliver them within time limits that affect ratings, incentives and future earning opportunities. When speed is rewarded and delay is punished, unsafe driving cannot be treated as merely individual negligence. It becomes a structural risk created by the design of the platform economy.

This concern becomes sharper in India's road safety context. *Official road accident data*⁷ already shows that India has a high-risk traffic environment, with **overspeeding** being one of the major causes of accidents and deaths. For delivery riders, this general risk is intensified by occupational pressure. They are not ordinary road users travelling for personal purposes; they are workers whose income depends on completing repeated trips quickly. Therefore, delivery-related accidents should be understood as an occupational safety issue, not merely as a traffic violation problem.

Available studies and reports also show the seriousness of the problem. A *Chennai-based study*⁸ found that a significant proportion of food delivery workers had experienced road accidents. Worker surveys have also recorded high levels of accidents and *near-miss incidents* among platform workers⁹, indicating that the danger is frequent and predictable. Police and transport authorities in several cities have similarly linked delivery-related road violations to time pressure, mobile phone use, overspeeding, and the need to meet delivery targets.

The legal problem is that these risks are presently pushed onto the worker. Since delivery riders are usually treated as independent contractors, platforms can distance themselves from accident liability, medical costs, disability compensation, and family support in the event of death. This creates an unfair system where the platform controls the pace of work, the customer receives the convenience, but the worker bears the physical risk.

⁶ Financial Times, *India Tells Delivery Companies to Stop Promising 10-Minute Service* (Jan. 2026)

⁷ Ministry of Road Transport and Highways, *Road Accidents in India 2023* 1–12 (2025).

⁸ Indra S. et al., *Prevalence of Road Traffic Accidents Among Food Delivery Workers in Southern Chennai* (2023).

⁹ Janpahal & Gig Workers Association, *Survey on Working Conditions of Platform Workers* (2026).

Labour law cannot ignore this reality. If a platform's incentive structure, delivery promise, or algorithmic pressure makes unsafe riding more likely, the resulting harm should not be seen as a private misfortune of the worker. It should attract platform accountability. Fast delivery may be a business innovation, but it cannot be allowed to operate by converting worker safety into a hidden cost of consumer convenience.

Indian Legal Framework and Its Gaps

India's legal response to gig work is still developing. The most important central legislation is the **Code on Social Security, 2020**, which formally recognises “gig workers” and “platform workers.” *Section 2(35)*¹⁰ defines a gig worker as a person engaged in work outside the traditional employer–employee relationship, while *Section 2(61)*¹¹ recognises platform workers who access organisations or individuals through online platforms to provide services.

However, recognition is not the same as protection. The Code mainly adopts a *welfare-based approach*¹² by allowing the government to frame schemes for life and disability cover, health benefits, maternity benefits, old-age protection, and other forms of social security. It does not clearly grant gig workers core labour rights such as minimum wages, regulated working hours, protection against arbitrary deactivation, collective bargaining, or guaranteed compensation for workplace injuries. As a result, the law identifies gig workers but does not fully secure them.

The implementation gap makes the problem more serious. Platforms continue to describe workers as independent contractors while exercising significant control through apps, ratings, pricing systems, and penalties. This allows them to enjoy the benefits of an organised workforce without accepting the responsibilities usually attached to employment.

State governments have started responding to this gap. The *Rajasthan Platform Based Gig Workers Act, 2023*¹³ created a welfare board and proposed platform contributions through a transaction-based welfare fund. More recently, the *Karnataka Platform-Based Gig Workers Act, 2025*¹⁴ has gone further by addressing social security, occupational safety, and transparency in automated monitoring and decision-making systems. These state laws are

¹⁰ Code on Social Security, No. 36 of 2020, §§ 2(35), (2020).

¹¹ Code on Social Security, No. 36 of 2020, §§ 2(61), (2020).

¹² Code on Social Security, No. 36 of 2020, §§ 109–114, (2020).

¹³ Rajasthan Platform Based Gig Workers (Registration and Welfare) Act, 2023.

¹⁴ Karnataka Platform Based Gig Workers (Social Security and Welfare) Act, 2025.

important because they recognise that platform control creates regulatory responsibility. At the same time, a purely state-wise approach can create uneven protection, where the rights of gig workers differ depending on where they work.

Other existing laws also remain inadequate. The *Employees' Compensation Act, 1923*¹⁵ provides compensation for workplace injuries, but its application depends on whether the worker falls within a recognised employment relationship. The *Motor Vehicles Act, 1988*¹⁶ deals with road safety and accident liability, but it does not address the labour dimension of delivery work. The *Occupational Safety, Health and Working Conditions Code, 2020*¹⁷ is relevant in principle, but gig workers are not effectively brought within its protective framework. This leaves delivery riders in a difficult position: their work is risky enough to need occupational safety protection, but their legal status prevents them from accessing it clearly.

Thus, the Indian framework presently suffers from a gap between **legal visibility** and **legal enforceability**. Gig workers are visible in legislation, but they are still not fully protected as workers.

Judicial and Comparative Developments

Indian courts have only begun to engage with the legal status of gig workers, but the issue has already reached a constitutional level. In *Indian Federation of App-Based Transport Workers v. Union of India*¹⁸, a petition was filed before the Supreme Court seeking social security protection for app-based transport and delivery workers. The case is important because it frames gig worker protection not merely as a welfare issue, but as a question connected to dignity, livelihood, and safe working conditions under *Article 21*¹⁹ of the Constitution.

This constitutional argument is supported by earlier Indian labour jurisprudence. In *Consumer Education & Research Centre v. Union of India*²⁰, the Supreme Court recognised that the right to health and medical care of workers is part of Article 21. Similarly, in *Bandhua Mukti Morcha v. Union of India*²¹, the Court linked the right to life with dignity, humane working

¹⁵ Employees' Compensation Act, No. 8 of 1923.

¹⁶ Motor Vehicles Act, No. 59 of 1988

¹⁷ Occupational Safety, Health and Working Conditions Code, No. 37 of 2020

¹⁸ Indian Federation of App-Based Transport Workers v. Union of India, W.P. (C) No. 1068/2021 (India)

¹⁹ INDIA CONST. art. 21.

²⁰ Consumer Education & Research Centre v. Union of India, (1995) 3 SCC 42

²¹ Bandhua Mukti Morcha v. Union of India, (1984) 3 SCC 161

conditions, and protection of vulnerable labour. Although these cases did not directly involve gig workers, their principles are highly relevant. If traditional workers are entitled to safe and dignified conditions, platform workers performing high-risk delivery and transport work cannot be excluded merely because the platform calls them “*partners*.”

Comparative law also shows that courts and regulators are moving beyond rigid contractual labels. In *Uber BV v. Aslam*²², the United Kingdom Supreme Court held that Uber drivers were “workers” and not independent contractors. The Court looked at the real degree of control exercised by Uber, including fare-setting, contractual terms, rating systems, and restrictions on driver autonomy. This decision is useful for India because it shows that the true test should not be what the contract calls the worker, but how the work is actually controlled.

The United States has also developed useful approaches through the *ABC test*, particularly in *Dynamex Operations West v. Superior Court*²³. Under this test, a worker is presumed to be an employee unless the company proves that the worker is free from control, performs work outside the usual course of the company’s business, and is independently engaged in that trade. Applied to delivery and ride-hailing platforms, this test raises difficult questions because riders and drivers perform the very service on which the platform’s business depends.

At the regulatory level, the *European Union’s platform work reforms*²⁴ focus on correct worker classification and transparency in algorithmic management. Singapore has taken a more cautious but practical route by retaining the independent-contractor model while introducing targeted protections such as “*social security contributions and workplace injury compensation*”²⁵. These models show that India need not copy any one jurisdiction entirely. Instead, it can design its own intermediate model, balancing flexibility and protection.

The comparative lesson is clear: the central question is no longer whether gig workers deserve legal protection. The real question is how labour law should recognise the economic dependence and algorithmic control that define platform work. Indian law must therefore move from formal labels to functional realities. Where platforms control the conditions of work, the

²² Uber BV v. Aslam, [2021] UKSC 5

²³ Dynamex Operations W. v. Superior Court, 416 P.3d 1 (Cal. 2018).

²⁴ Proposal for a Directive of the European Parliament and of the Council on Improving Working Conditions in Platform Work, COM (2021) 762 final (Dec. 9, 2021).

²⁵ Advisory Committee on Platform Workers, *Recommendations of the Advisory Committee on Platform Workers* (2022)

law must impose corresponding duties.

Suggestions

The regulation of gig work in India must move towards a rights-based framework. A key reform would be the introduction of an intermediate worker category, such as a “*dependent contractor*,” which acknowledges the economic dependence of gig workers while preserving the flexibility of platform work. Such a model would allow workers to access essential protections, including minimum earnings, social security, accident compensation, and safeguards against arbitrary deactivation.

Given the growing use of algorithmic management, transparency must become a legal requirement. Platforms should disclose how wages are calculated, how orders are assigned, and the reasons behind penalties or account suspensions. Workers should also have access to fair grievance and appeal mechanisms, ensuring accountability.

Occupational safety must be treated as a core labour concern. Platforms should not be permitted to design incentives or delivery targets that indirectly encourage unsafe driving practices. Mandatory accident insurance, disability compensation, and medical coverage should be provided for all workers engaged in on-duty platform activities.

Further, social security benefits should be universal, independent of ratings, targets, or performance thresholds. Existing welfare models can be strengthened through national framework funded by platform contributions, ensuring consistent protection across states.

Finally, the establishment of a national gig worker database, welfare board, and accident-reporting mechanism would improve enforcement, data collection, and policy formulation. These reforms would help transform gig work from a framework based enforceable rights.

Conclusion

The gig economy has created new employment opportunities and changed the way work is organised in India, but it has also exposed major gaps in labour law. Although gig workers are recognised under the law, they still lack many of the protections available to traditional employees.

The main issue is that platforms exercise significant control over workers while avoiding many of the responsibilities of employers. As a result, workers face uncertainty in relation to earnings, social security, and workplace safety.

The future of gig work in India should be based on a simple principle: where there is control, there must be responsibility. Labour laws must evolve to ensure that innovation and flexibility are accompanied by fairness, dignity, and protection. A stronger legal framework will help create a gig economy that benefits both businesses and workers in the long run.