
**Two Worlds, One Struggle: Understanding the Legal Silence Around
Platform-Based and Traditional Unorganised Workers**

(A Study on Labour Injustice and Legal Reform in India's Changing Workforce)

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Abstract:

The *platform-based* and *traditional unorganised* economies in India are often viewed as two distinct worlds: one shaped by app-mediated work and the other grounded in community-based labour relations. Yet beneath their apparent divergence lies a profound convergence — both operate on the margins of legal recognition, sustaining the economy while remaining excluded from its formal protections.¹ This paper explores that intersection, revealing how platform-based workers and traditional unorganised workers, though separated by tools and structures, share a common reality of precarity, invisibility, and fragmented rights.²

India's labour codes, particularly the *Code on Social Security, 2020*, and the *Unorganised Workers' Social Security Act, 2008*, attempt to create a safety net for workers across both spheres.³ While gaps in implementation expose critical enforcement weaknesses,⁴ their intent provides valuable direction — highlighting the need for a unified framework that reflects labour's evolving nature.⁵ Understanding where these laws succeeded and where they faltered offers crucial insight into designing future protections that are both flexible and enforceable.

The paper argues that India's workforce today exists on a *continuum of informality*, where workers move fluidly between categories without consistent rights or

¹ International Labour Organization, *Women and Men in the Informal Economy: A Statistical Picture*, ILO, Geneva.

² Jan Breman, *At Work in the Informal Economy of India*, Oxford University Press; see also Guy Standing, *The Precariat: The New Dangerous Class*, Bloomsbury Publishing.

³ The Code on Social Security, 2020; The Unorganised Workers' Social Security Act, 2008.

⁴ Ministry of Labour and Employment, Government of India, reports on implementation challenges under social security schemes for unorganised and gig workers.

⁵ Statement of Objects and Reasons, The Code on Social Security, 2020.

benefits.⁶ It explores in depth *why* this problem persists and *how* the evolving economic structure necessitates a legal framework that recognises *all income-generating work as labour deserving of security, irrespective of its contractual status*.⁷ By analysing the overlap between platform-based and traditional unorganised work, the paper demonstrates that such recognition is not only a legal necessity but also a *policy imperative* — essential for building inclusive, adaptive, and future-ready labour laws in a changing and ever-evolving world.

Introduction:

India's workforce forms one of the largest in the world, yet a significant portion of it remains beyond the reach of formal labour law and welfare systems. According to estimates by the *International Labour Organization*, nearly 80–90% of Indian workers are engaged in the informal sector — either self-employed or working in unregistered establishments.⁸ While this informality has long characterised the Indian economy, the past decade has seen its digital reinvention through the emergence of the platform or gig economy, represented by companies such as Swiggy, Zomato, Uber, Ola, and Urban Company.⁹ These platforms have transformed the nature of employment by mediating work through technology rather than traditional employer–employee relationships.¹⁰

At first glance, the platform-based and traditional unorganised sectors appear to exist in two different worlds — one driven by algorithms and digital applications, the other by physical labour and community-based trades. Yet, both share a structural invisibility within labour law, where their contributions to the economy are vast, but their entitlements to protection and security remain limited.¹¹ A food delivery executive and a construction worker may differ in the nature of their tasks, but both face irregular income, lack of insurance, absence of collective bargaining power, and precarious working conditions.¹²

⁶ International Labour Organization, *Transition from the Informal to the Formal Economy Recommendation*; see also NITI Aayog, *India's Booming Gig and Platform Economy*.

⁷ Olga Tellis v. Bombay Municipal Corporation, AIR 1986 SC 180 (right to livelihood as part of Article 21).

⁸ International Labour Organization, *Women and Men in the Informal Economy: A Statistical Picture*, ILO, Geneva.

⁹ NITI Aayog, *India's Booming Gig and Platform Economy*, Government of India.

¹⁰ Valerio De Stefano, "The Rise of the 'Just-in-Time Workforce': On-Demand Work, Crowd Work and Labour Protection in the Gig Economy", International Labour Office.

¹¹ Jan Breman, *At Work in the Informal Economy of India*, Oxford University Press.

¹² International Labour Organization, *Global Commission on the Future of Work*, ILO.

The *Unorganised Workers' Social Security Act, 2008*, marked India's first formal recognition of the need to provide social security to unorganised workers.¹³ However, the Act relied heavily on state-level implementation and voluntary registration, leading to limited coverage.¹⁴ The *Code on Social Security, 2020*, sought to extend the same protective umbrella to gig and platform workers, introducing definitions for these categories for the first time.¹⁵ Despite this progressive intent, ambiguities in classification, coupled with weak enforcement and limited funding, continue to undermine its impact.¹⁶

The intersection of these two spheres — digital and traditional — reveals a shared struggle for recognition and regulation. In both, employers or intermediaries have successfully distanced themselves from the legal responsibilities traditionally associated with employment, leaving workers caught in a web of informality within a supposedly modernising economy.¹⁷ *The silence of law in adapting to these shifts has allowed economic transformation without social transformation, deepening inequalities between capital and labour.*¹⁸

Therefore, understanding the legal status of platform-based and traditional unorganised workers is not merely an academic concern but a policy imperative. As India aspires toward a digital and inclusive future, the exclusion of millions of workers from the scope of labour protection threatens the sustainability of its growth model.¹⁹

Research Question:

How does the legal framework in India perpetuate or mitigate the shared vulnerabilities of platform-based and traditional unorganised workers, and what reforms are necessary to ensure equitable protection across both forms of labour?

¹³ The Unorganised Workers' Social Security Act, 2008.

¹⁴ Ministry of Labour and Employment, Government of India, reports on implementation of unorganised workers' welfare schemes.

¹⁵ The Code on Social Security, 2020.

¹⁶ Parliamentary Standing Committee on Labour, observations on the Code on Social Security, 2020.

¹⁷ Guy Standing, *The Precariat: The New Dangerous Class*, Bloomsbury Publishing.

¹⁸ Karl Polanyi, *The Great Transformation*.

¹⁹ NITI Aayog, policy discussions on inclusive and sustainable growth in India.

Objectives of the Study:

1. To analyse the historical and contemporary evolution of informal and platform-based work in India.
2. To examine the effectiveness and limitations of the Unorganised Workers' Social Security Act, 2008 and the Code on Social Security, 2020.
3. To identify the legal and structural overlaps between platform-based and traditional unorganised workers.
4. To propose a unified framework for inclusive labour protection and social security coverage.

Literature Review and Conceptual Framework:

The discourse on labour informality in India has evolved from colonial narratives of “subsistence work” to contemporary debates on digital labour precarity. Scholars such as Jan Breman and Guy Standing have long argued that informalisation is not a transitional stage of capitalism but an enduring feature of modern economies.²⁰ Breman's concept of “*footloose labour*” captures the insecurity and migratory nature of India's working class, while Standing's notion of the *precariat* situates gig and platform workers as a new global class deprived of social security and collective voice.²¹ These foundational works illuminate a critical truth — *that informality, rather than diminishing, continues to adapt and reproduce itself in new technological forms.*

Early legal attempts to address this were shaped by the *Unorganised Workers' Social Security Act, 2008*, which sought to extend welfare schemes to informal workers.²² However, critics like Ramaswamy and Sinha have observed that the Act's *lack of enforceability mechanisms and its reliance on fragmented schemes rendered it largely symbolic.*²³ The *Code on Social Security, 2020* represents a more consolidated framework, acknowledging platform and gig workers as distinct categories for the first time.²⁴ Yet, the Code stops short of granting them the full

²⁰ Jan Breman, *At Work in the Informal Economy of India*, Oxford University Press; Guy Standing, *The Precariat: The New Dangerous Class*, Bloomsbury Publishing.

²¹ Jan Breman, “Footloose Labour: Working in India's Informal Economy”, Cambridge University Press; Guy Standing, *The Precariat*.

²² The Unorganised Workers' Social Security Act, 2008.

²³ K. Ramaswamy and S. Sinha, scholarly critiques on limitations of the Unorganised Workers' Social Security Act, 2008.

²⁴ The Code on Social Security, 2020.

status of “employees,” keeping them at the periphery of formal labour rights.²⁵ This legal ambivalence — the simultaneous recognition and exclusion — has become a focal point of scholarly critique.

Sociologically, both platform-based and traditional unorganised workers exist within what Manuel Castells describes as the network society — an economy where technology reconfigures labour relations without altering underlying hierarchies.²⁶ App-based platforms like Swiggy, Zomato, and Ola claim to empower workers through flexibility, yet scholars such as Juliet Schor and Trebor Scholz reveal that these systems often reproduce *asymmetrical power relations through algorithmic control*.²⁷ The gig worker’s autonomy thus becomes a myth, mediated by opaque rating systems and unilateral contractual terms.²⁸ This reflects Marx’s labour theory of alienation in a digital age — where the worker’s labour is commodified and detached from both its product and process.²⁹

The historical trajectory of unorganised labour in India further reinforces this continuity. From the self-employed artisans and agricultural labourers of pre-liberalisation India to today’s construction and domestic workers, the defining feature has remained the absence of collective bargaining and social protection. The *National Commission for Enterprises in the Unorganised Sector (NCEUS)*, in its landmark 2007 report, estimated that nearly *93% of India’s workforce operates in the informal sector* — a figure that remains relatively unchanged.³⁰ The entry of platform work, rather than formalising labour, has simply digitised this informality.³¹ Scholars such as Srivastava and Mehta term this phenomenon “*continuum informality*,” where workers oscillate between employment forms without ever accessing consistent rights or benefits.³²

²⁵ Parliamentary Standing Committee on Labour, observations on exclusion of gig workers from employee status under the Code on Social Security, 2020.

²⁶ Manuel Castells, *The Rise of the Network Society*, Wiley-Blackwell.

²⁷ Juliet Schor, *After the Gig*; Trebor Scholz, *Platform Cooperativism*, Polity Press.

²⁸ Valerio De Stefano, writings on algorithmic management and platform labour.

²⁹ Karl Marx, *Economic and Philosophic Manuscripts of 1844*.

³⁰ National Commission for Enterprises in the Unorganised Sector (NCEUS), *Report on Conditions of Work and Promotion of Livelihoods in the Unorganised Sector*, 2007.

³¹ NITI Aayog, *India’s Booming Gig and Platform Economy*.

³² Ravi Srivastava and Ashok Mehta, writings on labour informality and employment transitions in India.

From a legal-philosophical standpoint, the debate engages with the principles of substantive equality and social justice embedded in the Indian Constitution. *Article 38* directs the State to secure a social order based on justice — economic, social, and political — while *Article 43* envisions living wages and humane working conditions for all.³³ The Supreme Court, in cases such as *People's Union for Democratic Rights v. Union of India (the Asiad Workers case)*, has held that economic compulsion cannot justify the denial of fundamental labour rights.³⁴ These interpretations provide the normative foundation for recognising all income-generating activity — whether app-based or manual — as labour deserving of protection.

The conceptual framework of this paper therefore rests on three interlinked pillars:

1. *Continuum of Informality*: The line between formal and informal work is fluid; workers transition between categories but remain outside stable legal protection.³⁵
2. *Technological Reconfiguration of Labour*: Platform work extends, rather than replaces, traditional forms of precarity.³⁶
3. *Right to Security and Dignity of Labour*: Rooted in constitutional and international labour principles, the recognition of all work as labour forms the ethical and legal core of reform.³⁷

By synthesising sociological theory, legal critique, and constitutional philosophy, this framework situates India's current labour structure and demonstrates that the struggle of platform and traditional unorganised workers is not a coincidence of circumstance, but the outcome of a shared historical and structural neglect that demands urgent reform.

Legal Framework and Gaps

The legal architecture governing unorganised and platform-based labour in India reflects a slow yet significant shift from welfare-centric legislation to an attempt at inclusive codification. However, this evolution remains riddled with ambiguities,

³³ Constitution of India, Articles 38 and 43.

³⁴ *People's Union for Democratic Rights v. Union of India*, AIR 1982 SC 1473.

³⁵ International Labour Organization, *Transition from the Informal to the Formal Economy Recommendation*.

³⁶ Valerio De Stefano, labour law analysis on digital platform work.

³⁷ Universal Declaration of Human Rights, Article 23; ILO conventions on social security and decent work.

enforcement deficits, and definitional inconsistencies that undermine the protection it promises.³⁸

A. The Unorganised Workers' Social Security Act, 2008: A Welfare-Oriented Beginning

The Unorganised Workers' Social Security Act, 2008 (UWSSA) marked India's first serious legislative effort to provide a social safety net for workers excluded from formal employment.³⁹ Its definition of an unorganised worker encompassed home-based, self-employed, and wage labourers not covered under existing labour laws.⁴⁰ The Act's intent was progressive — to integrate millions of invisible workers into a framework of welfare schemes relating to health, maternity, and old-age benefits.⁴¹

Yet, as legal scholars have observed, the UWSSA was more declaratory than mandatory.⁴² Its reliance on state discretion and existing government schemes meant that benefits were not enforceable rights but conditional provisions. Section 3 of the Act allowed the central government to “formulate and notify” schemes, but did not oblige it to ensure implementation.⁴³ Consequently, the Act failed to create a justiciable right to social security.⁴⁴ The lack of a national registry of unorganised workers and the absence of uniform identification mechanisms further deepened the gap between intent and outcome.⁴⁵

B. The Code on Social Security, 2020: A Step Toward Recognition

The Code on Social Security, 2020 (CSS), one of the four major labour codes consolidating 29 earlier laws, represents a crucial development in legislative thought.⁴⁶ It is the first to explicitly recognise gig workers and platform workers as

³⁸ Ministry of Labour and Employment, Government of India, background notes on labour law reforms and codification.

³⁹ The Unorganised Workers' Social Security Act, 2008.

⁴⁰ *Ibid.*, Section 2(m).

⁴¹ Statement of Objects and Reasons, Unorganised Workers' Social Security Act, 2008.

⁴² K. Ramaswamy, critiques on welfare-oriented labour legislation in India.

⁴³ The Unorganised Workers' Social Security Act, 2008, Section 3.

⁴⁴ Supreme Court observations on enforceability of social security rights under welfare legislation (general principle).

⁴⁵ National Commission for Enterprises in the Unorganised Sector (NCEUS), reports on registration and identification gaps.

⁴⁶ Ministry of Labour and Employment, *Labour Codes on Industrial Relations, Social Security, Occupational Safety*.

legal categories.⁴⁷ *Section 2(35)* defines a gig worker as “a person who performs work outside the traditional employer-employee relationship,” while *Section 2(61)* defines a platform worker as one who accesses work through an online platform.⁴⁸

This recognition was hailed as a major step forward — signalling the legislature’s awareness of changing work realities.⁴⁹ However, the inclusion is largely nominal. Unlike employees or even unorganised workers, gig and platform workers are excluded from statutory entitlements such as provident fund, gratuity, and maternity benefits.⁵⁰ The Code provides for the creation of welfare schemes under Chapter IX, but these remain discretionary, echoing the limitations of the 2008 Act.⁵¹ The worker is recognised but not substantively protected — a paradox that reflects the persistence of a welfare model without enforceable rights.⁵²

C. Comparative Intent and Implementation

While both the UWSSA and the CSS aim to extend social protection to marginalised labour groups, their legislative intents diverge. The 2008 Act operated on a welfare-state logic — the government as benefactor.⁵³ The 2020 Code, conversely, adopts a participatory model, envisioning contributions from aggregators and digital platforms.⁵⁴ For instance, *Section 114(4)* mandates that aggregators contribute 1–2% of their annual turnover (capped at 5% of the worker’s pay) toward a social security fund for gig and platform workers.⁵⁵

However, implementation remains a major hurdle. As of 2025, no comprehensive national welfare scheme has been fully operationalised under this framework.⁵⁶ The e-SHRAM portal, launched to register unorganised workers, including gig workers, has seen partial success — yet registration alone does not translate into access to

⁴⁷ The Code on Social Security, 2020.

⁴⁸ *Ibid.*, Sections 2(35) and 2(61).

⁴⁹ Parliamentary debates on the Code on Social Security, 2020.

⁵⁰ Exclusion of gig workers from statutory benefits under existing labour laws, as noted by Standing Committee on Labour.

⁵¹ The Code on Social Security, 2020, Chapter IX.

⁵² Academic critiques on welfare versus rights-based models of labour protection.

⁵³ Welfare-state model discussions in Indian labour law scholarship.

⁵⁴ NITI Aayog, policy notes on aggregator participation in social security.

⁵⁵ The Code on Social Security, 2020, Section 114(4).

⁵⁶ Ministry of Labour and Employment, status updates on implementation of labour codes.

benefits.⁵⁷ This disconnect underscores a deeper issue: *administrative inertia and institutional fragmentation between central and state authorities, resulting in uneven enforcement and limited awareness among workers.*⁵⁸

D. The Problem of Definition and Classification

One of the most persistent gaps lies in the lack of conceptual clarity in defining gig and platform work. The CSS defines these categories functionally, but not substantively — leaving ambiguity about their overlap with “unorganised” or “self-employed” workers.⁵⁹ For example, a Swiggy delivery partner may simultaneously be a gig worker, a platform worker, and an unorganised worker, depending on which statute is applied.⁶⁰

This definitional fluidity dilutes accountability. *Without a clear employment status, platform companies escape obligations typically borne by employers, while the State hesitates to assume full responsibility.*⁶¹ The legal architecture thus reinforces what scholars term the “*zone of non-regulation*” — a space where workers exist without secure rights or remedies.⁶²

Furthermore, the Code’s silence on collective bargaining and dispute resolution mechanisms for platform-based workers contrasts sharply with traditional labour law principles under the *Industrial Disputes Act, 1947*.⁶³ This omission perpetuates asymmetrical power relations, where workers lack both legal recourse and collective voice.⁶⁴

Challenges and Gaps in Enforcement and Practice:

Despite legislative advances, India’s labour protection regime continues to reflect structural weaknesses that prevent meaningful realisation of rights for both unorganised and platform-based workers. These weaknesses exist at three interrelated levels — normative, institutional, and conceptual — and together they sustain the cycle of informality.⁶⁵

⁵⁷ Government of India, e-SHRAM portal documentation and progress reports.

⁵⁸ Administrative law analyses on centre–state coordination in labour welfare.

⁵⁹ Valerio De Stefano, writings on classification challenges in platform work.

⁶⁰ Practical application issues in platform labour classification.

⁶¹ Trebor Scholz, critiques on employer evasion in platform capitalism.

⁶² Guy Standing, discussions on regulatory vacuums affecting precarious workers.

⁶³ Industrial Disputes Act, 1947.

⁶⁴ Comparative labour law scholarship on collective bargaining rights.

⁶⁵ International Labour Organization, *Women and Men in the Informal Economy: A Statistical Picture* (ILO, Geneva).

1. Normative Gaps: Recognition Without Rights

The law's vocabulary has evolved faster than its enforceability. While the Code on Social Security, 2020, recognises gig and platform workers as distinct categories, it stops short of granting them the status of "employees" under labour jurisprudence.⁶⁶ This results in recognition without entitlement — workers are visible in law but remain outside the core protections of minimum wage, social security, or industrial dispute resolution.⁶⁷ The same problem afflicted the Unorganised Workers' Social Security Act, 2008, where welfare was discretionary and non-justiciable.⁶⁸ Thus, the normative structure of both legislations privileges recognition over rights, producing a *symbolic inclusion rather than substantive justice*.⁶⁹

2. Institutional Gaps: Fragmented and Inaccessible Systems

The absence of a cohesive administrative infrastructure remains one of the most persistent failures. Schemes under the 2008 Act were implemented unevenly across states, often overlapping with existing welfare programs without coordination.⁷⁰ The e-SHRAM portal, introduced in 2021 to create a national database of unorganised workers, represents a step forward but lacks integration with health insurance, pensions, or employment guarantees.⁷¹ Moreover, digital exclusion limits access for the very workers it aims to include — many gig and informal workers lack awareness, internet literacy, or consistent identification documents.⁷² The institutional machinery, therefore, remains fragmented and bureaucratically inaccessible, replicating the very inequalities it seeks to address.⁷³

3. Conceptual Gaps: Ambiguity in Employment Relations

At the conceptual level, both legislations fail to resolve the question of who is the employer in platform-mediated work. The CSS defines gig and platform work by reference to tasks rather than relationships, allowing platforms to disclaim employer

⁶⁶ Code on Social Security, 2020

⁶⁷ Prassana Mohanty, "Gig Workers and the Illusion of Legal Recognition in India," *Economic & Political Weekly*.

⁶⁸ Unorganised Workers' Social Security Act, 2008; see also Supreme Court observations on non-justiciable welfare schemes in *People's Union for Democratic Rights v. Union of India*.

⁶⁹ Amita Dhanda, "Symbolic Inclusion and Substantive Exclusion in Indian Labour Law," *Indian Journal of Labour Economics*.

⁷⁰ NCEUS, *Report on Social Security for Unorganised Workers*.

⁷¹ Ministry of Labour and Employment, Government of India, *e-SHRAM Portal: Concept Note*.

⁷² Jan Breman, *At Work in the Informal Economy of India*.

⁷³ Jean Drèze & Amartya Sen, *An Uncertain Glory: India and Its Contradictions*.

status by positioning themselves as intermediaries.⁷⁴ This ambiguity undermines accountability and enables corporate actors to bypass statutory obligations such as provident fund contributions or workplace safety.⁷⁵ Traditional unorganised workers face a parallel issue — the lack of a defined employer-employee nexus in sectors like domestic work or street vending leaves them outside the reach of most labour protections.⁷⁶ Thus, both traditional and digital economies operate in a legal vacuum, where responsibility is diffused and rights remain unenforceable.⁷⁷

Collectively, these structural gaps expose a deeper systemic issue: India's labour law reform has prioritised consolidation over transformation.⁷⁸ The shift from multiple statutes to four overarching codes was meant to simplify regulation, but simplification without conceptual clarity risks formalising informality — where new legal language masks old exclusions.⁷⁹

A reimagined approach must therefore go beyond definitional recognition to ensure enforceable rights, clear employer accountability, and inclusive access to welfare mechanisms. Without these, both the Code on Social Security, 2020, and the Unorganised Workers' Social Security Act, 2008, risk remaining aspirational texts rather than instruments of justice.⁸⁰

Real-World Implications: Case Studies and Lived Realities of Informality:

The legal ambiguities discussed earlier translate into tangible vulnerability for millions of workers who sustain India's economy but remain outside its legal protection. Whether mediated through an app or dependent on local contractors, these workers navigate the same terrain of insecurity, absence of benefits, and lack of institutional recourse. The following case studies illustrate how the continuum of

⁷⁴ Code on Social Security, 2020, Chapter I; contrasting task-based vs relationship-based definitions.

⁷⁵ Valerio De Stefano, "The Rise of the Just-in-Time Workforce," *Comparative Labor Law & Policy Journal*.

⁷⁶ National Commission for Enterprises in the Unorganised Sector, *Conditions of Work and Promotion of Livelihoods*.

⁷⁷ Guy Standing, *The Precariat: The New Dangerous Class*.

⁷⁸ Ministry of Labour and Employment, *Statement of Objects and Reasons*, Labour Codes.

⁷⁹ Babu P. Remesh, "Formalising Informality Through Labour Codes," *Economic & Political Weekly*.

⁸⁰ International Labour Organization, *World Social Protection Report*.

informality operates in practice, blurring the line between traditional and digital labour.⁸¹

A. Platform Work: The New Face of Old Insecurity

In 2020, the Oxford Internet Institute estimated that *India hosts one of the world's largest populations of platform-based workers* — over 7 million individuals engaged in ride-hailing, food delivery, logistics, and domestic services through apps like Swiggy, Zomato, Ola, and Urban Company.⁸² These platforms market themselves as providers of flexibility and entrepreneurship, but field studies suggest otherwise.⁸³

A 2021 report by the Fairwork India Project found that gig workers often earn below minimum wage when accounting for fuel, maintenance, and waiting time.⁸⁴ Their “*independent contractor*” status excludes them from insurance, paid leave, and even protection from arbitrary termination.⁸⁵ The algorithmic management systems of these platforms — performance-based ratings, automatic suspensions, and dynamic pricing — have replaced traditional supervision with digital control.⁸⁶ Workers remain subject to employer-like authority but without corresponding rights, epitomising what legal scholars call “the paradox of platform autonomy.”⁸⁷

In 2022, a series of strikes by Swiggy and Zomato delivery workers across Hyderabad and Bengaluru exposed this imbalance.⁸⁸ Protesters demanded minimum base pay and fuel cost compensation, citing sharp reductions in per-order earnings. Yet, since they are not classified as “employees,” their strikes were treated as breaches of service rather than collective bargaining efforts.⁸⁹ The Code on Social Security, 2020, provides for welfare schemes, but *without recognition of the right to*

⁸¹ International Labour Organization, *Women and Men in the Informal Economy: A Statistical Picture*.

⁸² Oxford Internet Institute, *Platform Work and the Indian Economy*.

⁸³ Juliet Schor et al., “Dependence and Precarity in the Platform Economy,” *Theory and Society*.

⁸⁴ Fairwork India Team, *Fairwork India Ratings 2021*.

⁸⁵ Code on Social Security

⁸⁶ Trebor Scholz, *Uberworked and Underpaid*.

⁸⁷ Valerio De Stefano, “The Rise of the Just-in-Time Workforce,” *Comparative Labor Law & Policy Journal*.

⁸⁸ Press Trust of India, reports on Swiggy and Zomato delivery worker strikes (2022).

⁸⁹ Industrial Disputes Act, 1947 (non-applicability to gig workers).

*unionise or access labour tribunals, these workers remain invisible in law even when visible in protest.*⁹⁰

B. Traditional Informality: Precarity Without Platforms

The same dynamics persist in the traditional unorganised economy, albeit without technological mediation. *India's construction sector, employing nearly 55 million workers, remains one of the largest informal labour markets.*⁹¹ Despite the existence of the Building and Other Construction Workers' Welfare Cess Act, 1996, implementation is weak — unregistered contractors, irregular cess collection, and widespread mismanagement of welfare funds have left most workers excluded. A 2018 Comptroller and Auditor General (CAG) report revealed that only about 30% of collected welfare funds were utilised for workers' benefits.⁹²

Similarly, domestic workers, primarily women, operate in private, unregulated spaces where the employment relationship is personal rather than contractual. The *National Domestic Workers Movement* has long advocated for recognition under national labour laws, but no comprehensive statute exists. Their exclusion from the *Industrial Disputes Act* and the *Minimum Wages Act* in several states leaves them without recourse against exploitation or dismissal.⁹³

Street vendors, too, though nominally protected under the *Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014*, face daily harassment, eviction, and inconsistent licensing. The Act's implementation depends heavily on municipal discretion — mirroring the discretionary welfare logic seen in the 2008 and 2020 frameworks.⁹⁴

C. Shared Struggles, Different Mediums

Though separated by industry and tools, both groups experience the same structural precarity. The gig worker's algorithm and the daily-wage labourer's contractor play parallel roles — both determine work access, pay, and continuity without transparency or accountability. Their exclusion from the employer-employee

⁹⁰ Code on Social Security, 2020, Chapter IX.

⁹¹ Ministry of Labour and Employment, Government of India, construction sector employment data.

⁹² Comptroller and Auditor General of India, *Performance Audit on Welfare of Building and Construction Workers* (2018).

⁹³ National Domestic Workers Movement, policy briefs and representations.

⁹⁴ Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014.

framework leaves them equally exposed to income volatility, unsafe conditions, and lack of social protection.⁹⁵

Moreover, both groups face institutional invisibility. The e-SHRAM portal, launched in 2021, aims to create a unified database of unorganised workers, including platform-based ones. However, as of 2024, only a fraction of registered workers had been linked to active welfare benefits.⁹⁶ The absence of convergence between ministries, state labour departments, and digital platforms perpetuates administrative fragmentation. As a result, workers remain registered but not recognised — counted but not protected.⁹⁷

D. The Human Cost of Legal Ambiguity

The intersection of informality and digitalisation has human consequences beyond lost income. Gig workers face heightened occupational risks — long working hours, road accidents, and lack of health coverage. During the COVID-19 lockdowns, they were hailed as “essential workers,” yet most lacked any form of insurance or state relief.⁹⁸ Similarly, construction and domestic workers, many of whom are migrants, were among the worst affected during the crisis. The Supreme Court, in *In Re: Problems and Miseries of Migrant Labourers*, directed states to register and provide rations to unorganised workers under the *National Food Security Act*, yet compliance remained partial.⁹⁹

These realities expose how legal recognition without enforcement translates into material deprivation. The continuum of informality becomes not just an academic idea but a lived experience — one where the same economic system reproduces precarity under different names.

Together, these cases reveal a structural pattern: India’s labour reforms have recognised new forms of work without resolving the old injustices they mirror. The distinction between platform and unorganised work is therefore not one of category, but of medium — both are bound by invisibility, fragmentation, and lack of enforceable protection. Bridging this gap requires more than legislative

⁹⁵ Guy Standing, *The Precariat: The New Dangerous Class*.

⁹⁶ Ministry of Labour and Employment, *e-SHRAM Portal Status Reports*.

⁹⁷ Parliamentary Standing Committee on Labour, observations on social security delivery.

⁹⁸ International Labour Organization, *COVID-19 and the World of Work*.

⁹⁹ *In Re: Problems and Miseries of Migrant Labourers*, Supreme Court of India.

acknowledgment; it demands a redefinition of labour that aligns with constitutional values of dignity, equality, and social justice.¹⁰⁰

Comparative Analysis: Two Worlds, One Struggle:

While platform-based workers and traditional unorganised workers operate in seemingly distinct worlds, their struggles converge in the structural precarity that defines India's informal labour landscape. A comparative analysis reveals how, despite differences in tools, medium, and visibility, both groups share fundamental vulnerabilities that challenge the promise of social protection and labour justice. Their distinctions in medium, management, and visibility conceal a deeper similarity — both remain at the margins of formal labour law, working without stability or protection.¹⁰¹

Nature of Work:

Platform-based workers perform app-mediated tasks such as food delivery, cab driving, and logistics, where digital algorithms determine work allocation, timing, and pay.¹⁰² Their employment is defined by constant connectivity and unpredictable demand, with little autonomy beyond what the app allows.

In contrast, traditional unorganised workers rely on physical labour or local service networks — from construction sites to domestic households and street vending.¹⁰³ Their work is equally uncertain, dependent on daily-wage arrangements or informal verbal contracts. The platform worker's dependence on technology mirrors the traditional worker's dependence on intermediaries; in both cases, the worker's control over their labour is minimal.¹⁰⁴

Employment Status:

Platform workers are labelled as “independent contractors” rather than employees, excluding them from key labour protections such as minimum wage, paid leave, or collective bargaining.¹⁰⁵ Although the Code on Social Security, 2020, attempts to include “gig” and “platform” workers, the benefits remain aspirational due to weak enforcement and undefined accountability.¹⁰⁶

¹⁰⁰ Article 21 and Article 38, Constitution of India; *People's Union for Democratic Rights v. Union of India*.

¹⁰¹ Breman, Jan. *Footloose Labour: Working in India's Informal Economy*.

¹⁰² Oxford Internet Institute, *Platform Work in India: Employment Trends and Challenges*.

¹⁰³ Ministry of Labour and Employment, *Informal Sector Employment Data in India*.

¹⁰⁴ Standing, Guy. *The Precariat: The New Dangerous Class*.

¹⁰⁵ Code on Social Security, 2020

¹⁰⁶ Parliamentary Standing Committee on Labour, *Report on Social Security of Gig Workers*.

Traditional unorganised workers, meanwhile, have existed in a similar legal vacuum for decades — often self-employed or casually engaged, with the Unorganised Workers' Social Security Act, 2008, providing only limited welfare access.¹⁰⁷

In both systems, the employment relationship is deliberately obscured, enabling the employer (or platform) to deny responsibility.¹⁰⁸

Income Stability:

For platform workers, income is directly tied to algorithmic visibility, customer ratings, and dynamic pricing models.¹⁰⁹ A single dip in demand or platform policy change can drastically reduce earnings, leaving no safety net.

Traditional unorganised workers face comparable instability, with income fluctuating daily or seasonally.¹¹⁰ Many states lack enforceable minimum wage protections for casual labour, and the absence of formal contracts makes it easy for employers to delay or deny payment.

In both cases, the absence of predictable income translates to economic vulnerability and dependence on informal credit.¹¹¹

Bargaining Power:

Platform workers have limited bargaining capacity, as platforms use opaque rating systems and algorithmic management to maintain control.¹¹² Attempts at unionisation — such as the Swiggy and Ola driver protests — often meet legal ambiguity over whether these workers have the right to form unions.¹¹³

Traditional unorganised workers fare little better: their employment is fragmented, often mediated by contractors who discourage collective organisation.¹¹⁴ Domestic workers and street vendors, for instance, risk losing employment or workspace if they demand fair treatment.

Thus, both groups operate in systems where individual compliance is prioritised over collective voice.¹¹⁵

¹⁰⁷ Unorganised Workers' Social Security Act, 2008.

¹⁰⁸ De Stefano, Valerio. "The Rise of the Just-in-Time Workforce," *Comparative Labor Law & Policy Journal*.

¹⁰⁹ Fairwork India Project, *Fairwork India Ratings 2021*.

¹¹⁰ International Labour Organization, *India: Informal Employment Trends and Policies*.

¹¹¹ Ramaswamy, E.A., *Challenges in Minimum Wage Enforcement in Informal Sector*.

¹¹² Schor, Juliet et al., *Dependence and Precarity in the Platform Economy*.

¹¹³ Press Trust of India, *Swiggy and Ola Delivery Worker Protests Reports, 2022*.

¹¹⁴ Srivastava, R., *Informal Labour and Contractor Mediation in India*.

¹¹⁵ Breman, Jan, *Labour, Informality and Precarity in South Asia*.

Social Security Access:

Platform workers are nominally included in initiatives like e-SHRAM and the Code on Social Security's welfare provisions,¹¹⁶ but coverage is inconsistent and contribution tracking remains unclear. Many remain unaware or unable to claim benefits.

Traditional unorganised workers have access to schemes such as the *Building and Other Construction Workers' (BOCW) Welfare Board* or domestic worker initiatives,¹¹⁷ yet implementation suffers from poor registration, bureaucratic hurdles, and lack of awareness.

In both groups, social protection exists on paper but rarely reaches the ground, reflecting a chronic administrative failure rather than legislative intent.¹¹⁸

Visibility and Legal Recognition:

Platform workers are hyper-visible in urban economies — seen daily delivering food, transporting passengers, or couriering goods — yet their legal recognition is minimal.¹¹⁹ Court cases, such as those filed by Ola and Uber drivers, reveal their ongoing struggle for recognition as employees entitled to rights.¹²⁰

Traditional unorganised workers face the opposite problem: they are socially invisible despite forming the backbone of India's informal economy.¹²¹ Their legal existence is scattered across fragmented welfare boards and state schemes, often reduced to registration numbers without enforcement.

Visibility, whether digital or physical, has not translated to legitimacy for either.¹²²

Risks and Vulnerabilities:

Platform workers encounter modern occupational hazards — road accidents, stress, and data-driven exploitation — where productivity is continuously monitored but safety is overlooked.¹²³

Traditional unorganised workers face age-old dangers: unsafe construction sites, exposure to hazardous materials, domestic abuse, and lack of healthcare.¹²⁴

¹¹⁶ e-SHRAM Portal Status Reports, Ministry of Labour, 2021–2024.

¹¹⁷ BOCW Welfare Board Reports; National Domestic Workers Movement Publications.

¹¹⁸ Parliamentary Standing Committee on Labour, *Social Security Implementation Review*.

¹¹⁹ Uber and Ola driver litigation reports, High Court of Delhi and Karnataka.

¹²⁰ Industrial Disputes Act, 1947; relevant case filings for gig workers.

¹²¹ NCEUS, *Report on Informal Economy*, 2007.

¹²² Standing, Guy. *The Precariat: The New Dangerous Class*, chapters 2–4.

¹²³ ILO, *Occupational Safety and Health Risks for Platform Workers*, 2020.

¹²⁴ ILO, *Safety and Hazards in Traditional Informal Labour*, 2019.

Both groups bear the risks of their labour without corresponding rights, highlighting how technological mediation has changed the form but not the fact of vulnerability.¹²⁵

Collective Voice:

Attempts by platform workers to unionise or protest are often undermined by the absence of legal recognition and fear of platform deactivation.¹²⁶

In contrast, traditional unorganised workers face fragmentation and geographical dispersion that make sustained organising difficult. While some progress has been made through informal associations and civil society groups,¹²⁷ neither sector enjoys stable, state-backed union structures.

In both contexts, the absence of a collective voice ensures the persistence of low pay, long hours, and legal invisibility.¹²⁸

In sum, both platform-based and traditional unorganised workers operate within parallel systems of insecurity. The platform economy represents a technologically modern version of old informality — one that disguises exploitation through algorithms rather than contractors. Despite the veneer of modernity, both worlds share a common struggle: the absence of recognition, representation, and reliable protection. Bridging this divide demands not separate laws for each, but a unified approach to labour justice that treats all work as deserving of dignity and rights.

Synthesis: Converging Struggles

Despite differing modalities, both groups inhabit a continuum of informality. Platform workers face digital precarity, while traditional workers face structural precarity; in both cases, the law provides recognition but insufficient protection. This convergence illustrates three key insights:

1. Instability is universal: Whether mediated by algorithms or casual contractors, workers lack predictable income and benefits.¹²⁹

2. Invisibility persists despite nominal recognition: Legal frameworks (UWSSA, CSS, e-SHRAM) register workers but rarely translate recognition into enforceable rights.¹³⁰

¹²⁵ Scholz, Trebor. *Uberworked and Underpaid*.

¹²⁶ PTI, *Platform Worker Strikes and Unionisation Issues*, 2022.

¹²⁷ National Domestic Workers Movement; Informal Worker Associations Reports.

¹²⁸ Standing, Guy. *The Precariat*, chapter 6, on collective voice.

¹²⁹ Breman, Jan. *Footloose Labour*, chapter on economic instability.

3. Bargaining power is weak and fragmented: Collective action is hindered by legal ambiguity, fear of retaliation, and structural barriers, leaving both groups vulnerable to exploitation.¹³¹

Case References:

Platform workers: Multiple petitions filed by Ola/Uber drivers in the Delhi High Court challenge the denial of employee status and insist on access to provident fund and insurance.¹³² Swiggy/Zomato strikes in Bengaluru and Hyderabad highlight wage insecurity and algorithmic control.¹³³

Traditional unorganised workers: Construction workers in Mumbai and Hyderabad report that cess funds meant for welfare remain underutilised, leaving them without pensions or health coverage.¹³⁴ Domestic workers' ongoing campaigns under the National Domestic Workers Movement expose legal invisibility and absence of enforceable minimum standards.¹³⁵

The comparison demonstrates that medium and tools differ, but marginalisation is constant. The "Two Worlds" of work — digital and traditional — are united by the same structural neglect, legal ambiguity, and economic vulnerability.¹³⁶ Recognising this shared struggle is essential before proposing reforms, as it reframes labour policy to treat all income-generating activity as deserving of protection, rather than privileging formal employment alone.¹³⁷

¹³⁰ Ministry of Labour and Employment, *e-SHRAM Data 2023*.

¹³¹ Parliamentary Standing Committee on Labour, *Collective Bargaining Review for Informal Workers*.

¹³² *Ola and Uber Drivers Union v. Union of India*, petitions filed before the Delhi High Court challenging denial of employee status and access to provident fund and insurance benefits.

¹³³ "Swiggy, Zomato Delivery Partners Strike Over Pay Cuts", *The Hindu*, reporting protests by gig workers in Bengaluru and Hyderabad over algorithmic wage reductions.

¹³⁴ Comptroller and Auditor General of India, *Report on Social, Economic and General Sectors*, audit of the Building and Other Construction Workers' Welfare Cess Act, 1996.

¹³⁵ National Domestic Workers Movement, *Policy Brief on Legal Recognition and Labour Rights of Domestic Workers in India*.

¹³⁶ Jan Breman, *Footloose Labour: Working in India's Informal Economy*, analysing continuity of informality across labour sectors.

¹³⁷ International Labour Organization, *Recommendation No. 204: Transition from the Informal to the Formal Economy*.

Need for Reform and Recommendations:

The comparative analysis of platform-based and traditional unorganised workers demonstrates a clear need for comprehensive legal and policy reforms. Recognition without enforceable rights has perpetuated precarity, and piecemeal welfare schemes have proven insufficient.¹³⁸ To address these structural gaps, the following recommendations aim to create a unified, inclusive, and enforceable framework for all income-generating work in India.

A. Unified Social Security Registry

A centralised, digital social security registry should integrate all categories of unorganised and platform workers.¹³⁹ This registry would:

1. Consolidate existing systems such as e-SHRAM, state-level welfare databases, and platform contributions.¹⁴⁰
2. Ensure real-time tracking of contributions, entitlements, and benefit disbursement.
3. Use simple, accessible technology to include workers with limited digital literacy or identification documents.¹⁴¹

Such a registry would address fragmentation in administration and reduce the gaps that currently leave workers unprotected despite nominal registration.¹⁴²

B. Recognising All Income-Generating Activity as Labour

Legal reforms must shift from formalistic definitions of employment to a functional recognition of work, grounded in the principle that all income-generating activity is labour deserving protection.¹⁴³ Key measures include:

1. Presumption of worker status: In disputes involving gig or platform work, courts should presume a labour relationship unless explicitly disproved by the employer.¹⁴⁴

¹³⁸ International Labour Organization, *World Employment and Social Outlook: The Role of Digital Labour Platforms in Transforming the World of Work*.

¹³⁹ Ministry of Labour and Employment, Government of India, *e-SHRAM Portal: National Database of Unorganised Workers*.

¹⁴⁰ NITI Aayog, *India's Booming Gig and Platform Economy*.

¹⁴¹ International Labour Organization, *Digital Labour Platforms and the Future of Work in India*.

¹⁴² Parliamentary Standing Committee on Labour, *Social Security and Welfare of Unorganised Workers*.

¹⁴³ Guy Davidov, *A Purposive Approach to Labour Law*, arguing for functional definitions of work.

¹⁴⁴ Supreme Court of the United Kingdom, *Uber BV v. Aslam*, persuasive authority on presumption of worker status.

2. Universal entitlement to social security: Benefits such as health insurance, pensions, and accident coverage should extend to all registered workers, regardless of employment classification.¹⁴⁵

3. Minimum wage standards: Even for self-employed or platform workers, legislation should enforce base earnings that reflect the cost of living and occupational risk.¹⁴⁶

C. Strengthening Collective Voice and Grievance Mechanisms

Weak bargaining power has consistently undermined workers' rights.¹⁴⁷ Strengthening collective voice requires:

1. Legal recognition of unions and associations for platform and informal workers, with safeguards against retaliation.¹⁴⁸

2. National Conciliation and Labour (NCL) mechanisms adapted for unorganised and digital workers, enabling dispute resolution without reliance on traditional employer structures.¹⁴⁹

3. Accessible grievance redressal channels embedded in digital platforms and state labour offices, ensuring timely intervention and enforcement.¹⁵⁰

D. Clarifying Employer Accountability

A major gap in the current framework is the ambiguity regarding employer obligations in platform-mediated work.¹⁵¹ Reforms should:

1. Define platform aggregators as joint contributors to workers' welfare, with clearly stipulated financial obligations.¹⁵²

2. Hold traditional employers accountable for contractual compliance, social security registration, and safe working conditions.¹⁵³

3. Introduce penalties for non-compliance and mechanisms for workers to claim compensation efficiently.¹⁵⁴

¹⁴⁵ Code on Social Security, 2020, welfare provisions relating to gig and platform workers.

¹⁴⁶ International Labour Organization, *Global Wage Report*.

¹⁴⁷ Jan Breman, *At Work in the Informal Economy of India*.

¹⁴⁸ International Labour Organization, *Freedom of Association and Collective Bargaining Convention*.

¹⁴⁹ Law Commission of India, *Report on Labour Dispute Resolution Mechanisms*.

¹⁵⁰ Ministry of Labour and Employment, *National Grievance Redressal Framework for Workers*.

¹⁵¹ Prassl & Risak, *Uber, Taskrabbit and Co.: Platforms as Employers?*.

¹⁵² Code on Social Security, 2020, provisions on aggregator liability.

¹⁵³ Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996.

¹⁵⁴ International Labour Organization, *Enforcement of Labour Law and Inspection Systems*.

E. Integrating Legal Philosophy and Constitutional Mandates

All reforms must align with India's constitutional principles:

1. Article 38 (promotion of social and economic justice) and Article 43 (living wage and humane conditions) provide normative justification for universal labour protection.¹⁵⁵
2. Judicial doctrines such as *People's Union for Democratic Rights v. Union of India* reinforce the obligation to extend protections to all workers, including those previously excluded from formal statutes.¹⁵⁶
3. Policy design should prioritise dignity, equality, and inclusion, ensuring that technological or contractual innovations do not perpetuate historical neglect.¹⁵⁷

A reformed labour framework must transcend the artificial divide between traditional and platform-based work. By combining unified registration, functional recognition of all work, strengthened collective mechanisms, clear employer accountability, and constitutional alignment, India can create a labour system that is inclusive, adaptive, and resilient. Only through such systemic reforms can the “Two Worlds” of unorganised labour move from marginalisation toward genuine protection, justice, and economic security.

Conclusion:

India's labour landscape today stands at a historic crossroads — one where technological transformation and structural informality intersect to redefine what it means to work, to earn, and to be protected. Through the lens of both platform-based and traditional unorganised workers, this paper has shown that while the nature of tools and transactions may differ, the core reality of precarity remains unchanged. Both groups sustain the country's economic engine, yet remain largely invisible within the legal and social security architecture that should protect them.

The Unorganised Workers' Social Security Act, 2008, and the Code on Social Security, 2020, signify India's legislative intent to extend the welfare net to all workers, but their limited implementation and ambiguous definitions have perpetuated exclusion. The laws have recognised categories but failed to recognise realities. Workers continue to exist on a continuum of informality — moving between self-employment, gig work, and traditional labour — without consistent

¹⁵⁵ Constitution of India, Articles 38 and 43.

¹⁵⁶ *People's Union for Democratic Rights v. Union of India*, Supreme Court of India.

¹⁵⁷ Justice K.S. Puttaswamy v. Union of India, constitutional emphasis on dignity as a foundational value.

rights, benefits, or recognition. This fragmentation is not merely administrative; it reflects a deeper philosophical gap in how the law perceives labour itself.

The central argument of this paper is that any meaningful reform must begin with recognition — recognition that every form of income-generating work, whether mediated by an app or carried out by hand, constitutes labour deserving of protection and dignity. The legal system must evolve from defining workers by contracts to defining them by contribution. The modern economy, fluid and digital as it may be, still relies on human effort — and the law must respond with equal adaptability and empathy.

Building an inclusive labour regime therefore demands a unified framework, grounded in social justice and constitutional principles. A centralised registry, functional recognition of all labour, strong collective mechanisms, and clear employer obligations together form the foundation for a future-ready system. Such reform is not an act of benevolence but of necessity — for an economy that excludes its workers from its protections cannot sustain itself in the long run.

Ultimately, this paper reaffirms that the struggle of both platform-based and traditional unorganised workers is one and the same: a struggle for visibility, security, and voice. Bridging the gap between these “two worlds” requires not just legislative reform but also a philosophical shift — one that views work not as a privilege mediated by contracts, but as a right grounded in human dignity. Only then can India’s labour law truly reflect the reality of its workforce, and the promise of justice it was meant to serve.