

Comparative Case Study on the Compliance of Zomato and Swiggy with the Social Security Code, 2020

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Abstract—The rise of platform-based employment has redefined labour relations in India, particularly within the food delivery sector. While the Code on Social Security, 2020 aims to extend welfare and protection to gig and platform workers, its enforcement across major platforms remains inconsistent. This study offers a comparative analysis of Zomato and Swiggy, India's leading food delivery platforms, focusing on their compliance with the Social Security Code, 2020. Drawing upon contemporary academic literature, company disclosures, and policy analysis, the paper evaluates both platforms' efforts in implementing registration, insurance, and welfare mechanisms. The findings reveal that both Zomato and Swiggy exhibit partial and voluntary compliance, highlighting the structural and regulatory challenges that continue to limit gig workers' access to social protection.

Index Terms—Social Security Code 2020, Gig Economy, Zomato, Swiggy, Labour Law, Platform Work, Compliance

I. INTRODUCTION

India's gig economy has rapidly expanded, employing nearly 7.7 million workers across various digital platforms (NITI Aayog, 2022). Among these, food delivery workers form a significant portion, primarily associated with Zomato and Swiggy, two major players in the platform-based delivery ecosystem. Despite their economic contributions, gig workers often operate without formal employment status, leaving them outside the purview of traditional social security systems.

The Code on Social Security, 2020 (SSC 2020) represents a legislative milestone aimed at addressing these gaps by extending benefits such as health insurance, maternity benefits, and provident funds to unorganised and platform-based workers. However, the transition from policy to practice has been complex. This paper compares Zomato and Swiggy's

level of compliance with the SSC 2020, focusing on how each company has interpreted and implemented the provisions relating to gig and platform workers.

II. LITERATURE REVIEW

Beevi (2023), delivery partners in the gig economy face socio-economic vulnerabilities due to precarious employment arrangements and limited legal recognition. Although the Social Security Code acknowledges gig workers, Beevi argues that its implementation remains weak and largely symbolic.

Dungdung and Sharma (2024) highlight that employment structures in digital platforms defy conventional definitions, complicating the enforcement of social security norms. Their analysis suggests that food delivery workers frequently experience job insecurity, lack of insurance, and inconsistent welfare benefits.

Gohil and Jha (2024) point to persistent policy gaps, observing that platforms like Zomato and Swiggy implement voluntary welfare programs, but these are not substitutes for statutory compliance.

Rane (2023) underscores that Indian labour laws continue to overlook the realities of platform-based employment, leaving gig workers as a "blind spot" in the national labour protection system.

Dwivedi and Deepak (2024) argue for the institutionalization of gig worker registration and welfare contributions, emphasizing that the absence of monitoring and enforcement mechanisms undermines the Social Security Code's effectiveness.

Collectively, the literature suggests that while legislative frameworks exist, practical compliance by platform companies remains limited and fragmented.

Bordoloi et al (2020) over 90% of India's workforce remains informal, lacking adequate social protection under existing laws. Despite the introduction of the

Code on Social Security, 2020, challenges like fragmented administration, exclusion errors, and weak enforcement persist. Prior studies emphasize the need for a universal social protection floor and robust institutional mechanisms to ensure coverage and portability of social security benefits for informal and gig workers.

Gift Dafuleya (2020) State-run social protection systems often exclude informal and migrant workers, with non-state and donor-supported programs attempting to fill the gaps. During COVID-19, countries with institutionalized social assistance responded faster, while those dependent on international aid lagged behind, exposing the need to distinguish between social and emergency assistance for equitable protection.

III. METHODOLOGY

This study adopts a comparative case study design, focusing on Zomato and Swiggy. The analysis is based on secondary data, including company sustainability reports, policy papers, media disclosures, and scholarly sources. Four parameters derived from the SSC 2020 are used to assess compliance:

1. Registration of gig workers and platforms under the SSC 2020.
2. Contribution to the social security or welfare fund.
3. Provision of insurance and health benefits.
4. Implementation of grievance redressal and welfare mechanisms.

IV. COMPARATIVE ANALYSIS

Parameter	Zomato	Swiggy
Registration of gig workers	Zomato acknowledges the SSC 2020 framework but lacks full-scale registration of its workers on the national e-Shram portal.	Swiggy has initiated partial registration with select state departments (e.g., Karnataka) but not under the national framework.
Contribution to welfare fund	No formal declaration of contributions to the gig worker welfare fund as per SSC 2020. Existing support is via CSR initiatives.	Swiggy collaborates with private insurers for welfare programs, but statutory contributions are not yet evident.
Insurance and benefits	Accident insurance (₹5–10 lakh) provided through third-party agencies; benefits contingent on active status.	Provides life and accident coverage up to ₹5 lakh, but only to active partners; coverage lacks continuity.
Grievance redressal	Operates an informal helpline and support fund (COVID-19 period), without formal grievance mechanisms.	Runs programs like “Swiggy Suraksha,” offering short-term relief; lacks formal worker representation systems.

V. FINDINGS AND DISCUSSION

The comparative evaluation shows partial and voluntary compliance by both companies. Their welfare programs are primarily corporate social responsibility (CSR) initiatives rather than statutory social security measures. Neither Zomato nor Swiggy has established comprehensive registration or contribution systems as mandated under SSC 2020.

A major challenge stems from the classification of delivery partners as independent contractors, which exempts companies from mandatory employer obligations. This contractual model undermines the

Code’s intent, which is to integrate gig workers into national welfare systems.

The findings resonate with Beevi (2023) and Dwivedi & Deepak (2024), who assert that without enforcement and monitoring, the Code remains largely aspirational. Rane (2023) further critiques the legal ambiguity that allows platforms to bypass worker protection obligations under the guise of flexibility and innovation.

VI. CONCLUSION

The study concludes that both Zomato and Swiggy have recognized the Social Security Code, 2020, but have not fully operationalized its provisions. Their

actions remain confined to voluntary welfare initiatives, lacking institutionalized compliance mechanisms.

For the Code to achieve its objectives, policy enforcement, digital worker registration, and statutory fund contributions must be made mandatory and transparent. The collaboration between government, platform companies, and gig workers is essential to ensure equitable and sustainable labour protections in India's digital economy.

VII. POLICY RECOMMENDATIONS

1. **Mandatory Registration:** Government should ensure all gig platforms register workers under the e-Shram portal.
2. **Social Security Fund:** A dedicated fund jointly financed by platforms and government should be operationalized.
3. **Transparent Reporting:** Platforms must disclose compliance metrics in annual sustainability reports.
4. **Tripartite Framework:** Establish a tripartite dialogue mechanism between government, companies, and worker unions for policy formulation.
5. **Reclassification:** Re-examine the employment status of gig workers to ensure equitable labour rights.

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