

## FROM TERRITORIALITY TO PORTABILITY: A CRITICAL EVALUATION OF UNIVERSAL REGISTRATION UNDER SOCIAL SECURITY CODE, 2020

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### I. Abstract:

The Code on Social Security, 2020, represents a major reform in India's labour welfare system by consolidating nine existing social security legislations into a single comprehensive framework. The primary objective of the Code is to expand social security coverage to all categories of workers, including those in the organised, unorganised, gig, and platform sectors. By integrating multiple laws into a unified structure, the Code aims to simplify compliance, strengthen institutional mechanisms, and ensure wider access to benefits such as provident fund, insurance, gratuity, pension, and maternity benefits. A key feature of the Code is the introduction of universal registration of workers, particularly those in the unorganised sector. Portability ensures that workers, especially migrant and gig workers who frequently change employment or location, can continue to access their social security entitlements without losing accumulated benefits. This approach reflects the changing nature of labour markets and the increasing mobility of the workforce. However, despite its progressive objectives, the implementation of universal registration raises certain concerns. Therefore, while the Code on Social Security, 2020 marks a significant step toward inclusive and portable social protection, its success ultimately depends on effective implementation, technological accessibility, and strong institutional coordination to ensure that benefits truly reach all segments of the workforce.

### II. Keywords:

Universal Registration, Social Security Coverage, Portability of Benefits, e-shram portal, Aadhaar based identification

### III. Objectives:

- a) to examine the legal framework of universal registration under the code
- b) to analyse the concept of universal registration and its role in expanding social security coverage
- c) to evaluate the shift from territoriality to portability of social security administration
- d) to assess the effectiveness of digital governance tools in implementing universal registration
- e) to identify challenges and limitations

f) to propose policy recommendations

### IV. Introduction:

Labour migration is a significant characteristic of India's economic and social landscape, with millions of workers moving across states in search of employment in sectors such as construction, manufacturing, agriculture, and services. A large proportion of these workers belong to the informal and unorganised sectors, where employment conditions are unstable and access to social security remains limited. Traditionally, India's welfare schemes and labour protection mechanisms have been structured around a territorial framework, where

benefits and entitlements are linked to the worker's place of residence or employment. Such a system often disadvantages migrant workers who frequently relocate for livelihood opportunities. The vulnerabilities of migrant workers became particularly visible during the COVID-19 pandemic in 2020, when a sudden nationwide lockdown triggered an unprecedented humanitarian and labour crisis. The closure of workplaces and disruption of economic activity left millions of migrant workers unemployed, stranded, and without access to food, shelter, or social protection. Many were forced to undertake long journeys back to their native villages due to the absence of adequate institutional support. The crisis highlighted the structural deficiencies in India's social security framework, particularly the exclusion of migrant labourers from welfare schemes due to documentation barriers and location-based eligibility requirements. One of the most critical issues exposed during this period was the lack of portability of social security benefits. Many government welfare schemes, including food distribution and labour welfare programs, were designed around domicile-based systems, preventing migrant workers from accessing benefits outside their home states. Consequently, the absence of portable entitlements significantly increased their socio-economic vulnerability. At the heart of this legislative shift are the twin concepts of territoriality and portability. Historically, social security benefits in India were "territorial", meaning they were tied to a specific state or a specific employer. This created a massive barrier for India's internal migration population. The code aims to dismantle these geographical silos. By mandating a national, Aadhar-linked registration system, the code envisions a "portable" benefit structure where workers' social security identity remains constant regardless of where they work or how many times they change jobs. However, the transition from a fragmented territorial model to a seamless portable one is fraught with challenges. While the code provides the legal

scaffolding for Universal coverage, it faces critical scrutiny regarding the digital divide, the lack of a "right-based" guarantee for informal workers, and the administrative hurdles of interstate coordination. This sets the stage for a critical evaluation of whether Universal registration is a transformative leap towards inclusive growth or merely an aspirational digital database that lacks the fiscal backing to provide security to India's most vulnerable workers.

#### V. Inter-State Migrant Worker:

**Sec 2(1)(zf)** of the Occupational Safety, Health and Working Conditions Code, 2020 defines an inter-state migrant worker and has been significantly expanded compared to previous laws to include anyone who moves between states for work, regardless of whether they were hired through a contractor or moved on their own.

#### VI. Criteria for inter-state migrant worker:

A) Employment Location: They are employed in an establishment in one State (the destination State) but have a connection to another State (the native State).

B) Recruitment Method: They were recruited directly by the employer or indirectly through a contractor in one State for employment in another or they migrated to another State on their own and obtained employment there.

C) Wage Threshold: Their monthly wages do not exceed ₹18,000 (or a higher amount as may be periodically notified by the Central Government).

By including "self-migrated" workers, the OSH Code ensures that individuals who move independently for work are still entitled to specific legal protections and benefits, such as:

1) Journey Allowance: Entitlement to a yearly allowance for traveling to and from their native place.

2) Portability of Benefits: Access to benefits like the Public Distribution System (PDS) and

construction worker funds across different states.

3) Safety & Health: Equal access to the safety, health, and welfare standards mandated by the Code for all workers.

In the case of *Bandhua Mukti Morcha v Union of India* (2021) specifically addressed the hardships of migrant workers during the covid 19 pandemic. This ruling further pushed for the implementation of the OSH CODE's principles such as Registration (e-shram portal) and Portability of benefits.

#### VII. Concept of Universal Registration:

The code mandates that all eligible workers including Unorganised workers, Gig workers and platform workers have been registered on a national database to access social security schemes. Registration is typically carried out through digital platforms such as e-shram portal, where workers submit self declaration details along with Aadhar authentication. Once registered, workers are given a universal account number (UAN) which accesses a unique identification number for accessing welfare benefits across different schemes and locations.

It aims to achieve several objectives:

- A) to integrate various social security schemes
- B) to create a comprehensive national database of workers
- C) to facilitate portability of benefits across states and employers
- D) to improve policy planning through data driven governance

Mere registration does not automatically guarantee benefits, as eligibility depends on the specific schemes implemented under the code. In the *suo moto* case, *In Re Problems and Miseries of Migrant Labourers v Union of India*, Registration of workers was mandated, leading to the creation of the e-shram portal.

VIII. Territoriality in traditional social security system:

Territoriality is a foundational principle in traditional social security systems whereby social security laws apply only within the geographical boundaries of a particular state. Under this principle, workers are covered by and contribute to the social security system of the country or region in which they are employed or reside. Benefits such as pensions, health insurance, and unemployment assistance are generally linked to employment and residence within that territory. This approach reflects the sovereignty of states, as governments can effectively regulate and administer welfare benefits only within their jurisdiction. However, territorial systems often create challenges for migrant and mobile workers. When workers move to another region or country, they may lose access to previously accumulated benefits or face difficulties qualifying for new benefits in the destination area. With increasing labour mobility and globalization, the limitations of territoriality have become evident, leading many modern social security reforms to promote portability of benefits across regions and employment sectors.

#### IX. Limitations of territoriality Approach:

- A) Loss of accumulated benefits when workers migrate
- B) Lack of portability of social security rights across regions or countries
- C) Exclusion of migrants and informal workers who frequently change jobs or locations
- D) Administrative fragmentation between different jurisdictions

#### X. Portability of social security benefits through schemes:

Portability of social security benefits refers to the ability of workers to retain and access welfare benefits even when they change jobs, employers, or geographical locations. To operationalise portability, the government has introduced several national welfare schemes and digital platforms, particularly e-shram portal, which creates a centralised database of

workers and links them to multiple social security schemes.

A) Pension schemes - Pradhan Mantri Shram Yogi Maan-Dhan (PM-SYM) and National Pension Schemes for Traders and Self-employed persons provide old age security to workers in the informal sector.

B) Insurance and Risk Protection Schemes- Pradhan Mantri Jeevan Jyoti Bima Yojana (PMSBY) provides life and accident insurance coverage to workers.

C) Health and Welfare schemes- Ayushman Bharat-Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) eligible migrant families receive health insurance coverage for hospitalisation across India.

D) Food Security and Welfare Programs- The One Nation One Ration Card (ONORC) initiative under the Public Distribution System allows migrant workers and their families to access subsidized food grains from any ration shop in the country.

Since these schemes are linked to bank accounts and Aadhar based identification, the benefits remain accessible regardless of the workers' place of employment.

#### XI.Challenges:

A.Mandatory linking of mobile numbers with Aadhaar is a bottleneck(point of congestion in the system). Many migrants use shared family phones or change numbers frequently, leading to authentication failures.

B.Most unorganised workers lack the skills or high-end Smartphones required for self-registration, making them dependent on intermediaries who may charge fees or exploit them.

C.Transient lifestyle means migrants often lack valid Proof of Address (POA) in host cities. Utility bills or format rental agreements are rarely available in temporary labour camps.

D.Manual labourers often have worn-out fingerprints, leading to high failure rates during

biometric authentication at Common Service Centres (CSC).

E.Registration on e- Shram provides a UAN but does not automatically guarantee specific benefits. Integration between central databases and state-specific schemes remains fragmented.

F.Although the portal supports multiple languages, local enrollment staff and helpline support often lack fluency in regional languages of the source states.

G.Taking a day off to visit an enrollment center means a loss of daily wages, which many workers cannot afford.

#### XII.Recommendations:

A.Policy experts recommend making principal employers responsible for ensuring migrant registration rather than relying on self-registration of worker

B.Establishing Mobile registration vans at major "Labour Chowks" and transit hubs can reduce the travel and wage-loss barriers for workers

C.Bilateral agreements between source and host states are needed to ensure that health and education benefits remain valid during transit.

#### XIII.Conclusion:

The Social Security Code, 2020 represents a landmark reform aimed at achieving universal social security. It is widely regarded as an important step towards establishing a comprehensive social security framework in India. It seeks to promote universal coverage by introducing mechanisms such as universal worker registration and the portability of welfare benefits across sectors and regions. However, the true success of this framework largely depends on its effective implementation. Several practical obstacles—such as the digital divide, limited awareness among workers, documentation requirements, inadequate enforcement mechanisms, and coordination challenges between central and state authorities—continue to restrict its full potential.

These barriers prevent many workers, particularly those in the unorganised sector, from accessing the benefits intended under the Code. Unless these systemic challenges are addressed through stronger administrative structures, inclusive policy measures, and improved technological infrastructure, the goal of universal social security may remain only partially achieved. With consistent policy initiatives and committed governance, universal registration has the potential to serve as a powerful instrument for extending meaningful social protection to India's vast and diverse workforce.

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