

# **An Evaluation of Electronic Wage Transfer under MGNREGA in the Barak Valley Region of Assam**

A thesis submitted to Indian Institute of Technology Guwahati  
in partial fulfilment of the requirements for the degree of  
Doctor of Philosophy



Submitted by

**Harish Chandra Pandit**

Roll No. 166141001

Department of Humanities and Social Sciences  
**Indian Institute of Technology Guwahati**  
Guwahati 781039  
India  
April 2022

## Declaration

I hereby declare that the thesis entitled “**An Evaluation of Electronic Wage Transfer under MGNREGA in the Barak Valley Region of Assam**” is the result of an investigation carried by me in the Department of Humanities and Social Sciences, Indian Institute of Technology Guwahati, India, under the supervision of Dr Rajshree Bedamatta, Professor (Economics), Department of Humanities and Social Sciences, Indian Institute of Technology Guwahati.

In keeping with the general practice of reporting observation, due acknowledgement has been made wherever the work described is based on the findings of other investigations.




Harish Chandra Pandit  
April 2022



## Certificate

This is to certify that the thesis entitled “**An Evaluation of Electronic Wage Transfer under MGNREGA in the Barak Valley Region of Assam**” submitted by Harish Chandra Pandit for the degree of Doctor of Philosophy in Development Studies in the Department of Humanities and Social Sciences, Indian Institute of Technology Guwahati, embodies bonafide record of research work carried out under my supervision. The collection of materials from secondary and primary sources has also been done by Harish Chandra Pandit himself. All assistance received has been duly acknowledged.

The present thesis or any part thereof has not been submitted to any other University for any degree or diploma.



**(Professor Rajshree Bedamatta)**

**Supervisor**

**April 2022**

## Acknowledgements

I want to express my sincere gratitude and admiration to my supervisor Professor Rajshree Bedamatta for her support, efforts, and guidance in completing this thesis. It would have been impossible without her persistent and sincere efforts. Specifically, I want to extend my deep appreciation for guiding me at every point in formulating arguments and providing directions at critical phases of this work. Her simplicity, sincerity, persistence is always admirable.

I want to thank my doctoral committee, Prof. Anamika Barua, Dr Bodhisattva Sengupta and Dr Vasundhara Jairath, for their insightful comments and encouragements. Their suggestions and directions have widened my research from various perspectives and helped immensely shape the work from the beginning. I offer my deep appreciation for all the committee members for their critical comments, encouragement and mentorship.

I am deeply grateful to the Department of Humanities and Social Sciences, Indian Institute of Technology Guwahati, for providing the required space, resources, and support to carry out my work, including the research fellowship. I want to thank Prof. Arupjyoti Saikia, Prof. Mrinal Kanti Dutta and Prof. Sukanya Sharma, Head of the Department, for their support and motivation during their tenure. I also want to thank Dr Sawmya Ray, Dr Sambit Mallick and Dr Ngamjahao Kipgen for their encouragements. I want to thank all the Department of Humanities and Social Sciences office staff, IIT Guwahati- Parag Kalita, K Mala Basumatary, Rubul Gogoi and Durga Sarma for their prompt administrative and technical support as well as their care and encouragement. I want to thank Dr Bandana Khataniar, Academic Affairs section, for her support and encouragement.


I extend my gratitude to Lakshminath Bezbaroa Central Library, IIT Guwahati, for providing me with the resources for the thesis. I want to thank the other libraries- Central Library, Indian Statistical Institute Kolkata and Dr B.R. Ambedkar Central Library, Jawaharlal Nehru University Delhi for providing me access for my thesis work.

I want to thank Shri V B Pyarelal, Additional Chief Secretary of Finance, Government of Assam; Smt. Eva Deka, Director, Institutional Finance, Government of Assam; Office of Comptroller General of Accounts, Ministry of Finance, Government of India; Smt. Indra Murthy, Joint Secretary, DBT Mission, New Delhi; Shri Sudhaker Shukla, Chief Economic Advisor, Department of Rural Development, New Delhi, whom I consulted at different phases of this study for secondary data collection for the thesis. Specifically, I extend my gratitude to the Department of Panchayati Raj & Rural Development, Government of Assam, and UNICEF

Assam Field Office for providing technical and administrative help to carry out my primary survey in the Barak Valley Assam. My deepest thank to Dr Soumen Ray and Chinmoy Nath for their guidance and support. I want to thank the Zilla Panchayat Office (Cachar, Hailakandi, Karimganj), Block Panchayat Office (Sonai, Silchar, Lakhipur, Dullavcherra, South Karimganj and Hailakandi) and Gram Panchayat Offices (29 GPs) from whom I received full cooperation during my primary survey. My deepest gratitude to 313 households who are the residents of the 29 GPs, I visited for the primary survey. All the household heads and present members were very cordial and extended their warm welcome with the pain to sit through a long interview session. I would also like to thank Rajendra Rabidas, Ramdulal Rabidas, Gangadhar Kurmi, Lakhicharan ji and didi, all from Serispore village, Hailakandi for their support and cooperation.

I want to thank my friends Pradeep Bhale, Arijit Nath, Pawan Mishra, Akshay Parekh, Chinmaya Swain and Ujjwal Biswas, who have been companions in this journey from day one. Pronoy, Mizinksa, Jith, Sangay, Rahul, Jitendra, Halim, Ado, Biswajit, Savio, Sumit, Rama, Konkumoni, Tripti, James, Smriti, Tulika, Nayanakhee, Neel-Piyal, Sambashiva were a constant source of support and motivation. Three children – Chaitanyaa, Mithli and Bobin kept me alive and grounded with their smiles. My sincere gratitude to my seniors- Rupan Da, Pankaj Da, Mahsina Rahman and Nirmala Ba for their guidance. I want to thank Maniesh Shankar, Nidhi Aggarwal, Sonika, Aashish, Alok, Arunima, Ziyaul, Navin, Ubaid, Ranjan, Sandeep, Tanmoy, Subhangi, Jyoti, Mudit, Ashutosh, Shalu, Meenakshi, Mukul Bhatnagar, Kushgra, Neeraj and Chinmoy sir for everything.

Finally, I am indebted to my parent - Mr R D Pandit and Mrs Indrapati Devi, for their patience, strength, perseverance and love. My family, Dr Ram Chandra and Dr Pooja Chetry, has always been my pillar of strength and inspiration during the entire period.

  
(Harish Chandra Pandit)

April 2022

# Table of Contents

<b>Declaration .....</b>	<b>ii</b>
<b>Certificate .....</b>	<b>iii</b>
<b>Acknowledgements .....</b>	<b>iv</b>
<b>Table of Contents.....</b>	<b>vi</b>
<b>List of Tables.....</b>	<b>x</b>
<b>List of Figures .....</b>	<b>xiii</b>
<b>List of Abbreviations.....</b>	<b>xiv</b>
<b>Abstract .....</b>	<b>xvi</b>
<b>Chapter 1.....</b>	<b>1</b>
<b>Introduction and Literature Review.....</b>	<b>1</b>
1.1 Social protection is a human right: Theoretical insights.....	2
1.2 Social security in India .....	6
1.3 Debates on delivery mechanism of social security provisions .....	9
1.3.1 Universal transfers versus Targeted transfers.....	10
1.3.2 Broad versus Narrow targeting.....	11
1.3.3 Cash versus In-kind.....	14
1.3.4 Cash transfer (CT) versus Conditional cash transfer (CCT) .....	16
1.4 Delivery issues .....	20
1.5 Role of technology .....	21
1.5.1 Identification of beneficiary .....	21
1.5.2 Payment system.....	23
1.5.3 Financial inclusion .....	26
1.6 Electronic payments and biometric application in India .....	29
1.7 Current debates on intervention of technology in social security delivery.....	35
1.8 MGNREGA .....	37
1.8.1 MGNREGA, rationale for electronic wage transfer and debates .....	40
1.9 Research motivation .....	43
1.10 Research objectives and questions.....	44
1.11 Chapter outline.....	46
<b>Chapter 2.....</b>	<b>47</b>
<b>MGNREGA and Digital Governance in India.....</b>	<b>47</b>
2.1 The Institutional architecture of MGNREGA.....	47
2.1.1 Central government institutions .....	47
2.1.2 State institutions .....	50

2.1.3	District level programme implementation agencies and institutions.....	51
2.1.4	Block agencies.....	54
2.1.5	Village level agencies & agents .....	56
2.2	Entitlements under MGNREGA .....	58
2.3	Work flow under MGNREGA.....	63
2.4	Fund flow under MGNREGA.....	66
2.5	Major Reforms in MGNREGA.....	68
2.5.1	Reform in work/activity flow - NREGASoft .....	68
2.5.2	Reforms in the fund flow/payment system-NeFMS.....	71
2.5.3	NeFMS architecture and the reformed processes .....	75
2.6	Conclusion .....	80
<b>Chapter 3.....</b>		<b>84</b>
<b>Study Location and Sampling Methodology .....</b>		<b>84</b>
3.1	The Location - Barak Valley Region of Assam.....	84
3.2	Methodology of the study .....	85
3.2.1	Sampling procedure.....	87
3.2.2	Duration of field study .....	89
3.2.3	Data sources .....	90
<b>Chapter 4.....</b>		<b>92</b>
<b>The Crisis of Unemployment in Barak Valley Region Assam.....</b>		<b>92</b>
4.1	Characteristics of sample household.....	92
4.2	Occupation and labouring-out .....	103
4.3	Out-migration.....	108
4.4	Household earnings, sources of earnings and per-capita income .....	112
4.4.1	Labouring-out in agriculture & non-agriculture during Agriculture Year 2016-17 (excluding MGNREGA) .....	116
4.4.2	Actual wage-rate in labouring-out during Agriculture Year 2016-17 (excluding MGNREGA) .....	119
4.4.3	Earnings from labouring-out during Agriculture Year 2016-17 (excluding MGNREGA) .....	122
4.4.4	Household income.....	125
4.5	Households amenities .....	127
4.6	Status of health.....	130
4.6.1	Incidences of illness of adult members during the last 12 months of the survey .....	130
4.6.2	Affordability of treatments of reported illness by households .....	132
4.7	Access to social security programmes .....	136
4.7.1	Access to social assistance programmes by farmer category .....	143
4.8	Conclusion .....	148
<b>Chapter 5.....</b>		<b>151</b>

<b>Functioning of MGNREGA in Barak Valley Region Assam.....</b>	<b>151</b>
5.1 Job-card entitlements .....	151
5.2 Targeting errors of exclusion (or inclusion) .....	155
5.3 Registration for Job-card .....	156
5.4 Financial inclusion – workers with bank accounts .....	160
5.4.1 Bank transactions and status of savings .....	163
5.4.2 Welfare payments into the bank accounts .....	164
5.5 Participation in MGNREGA during the Agriculture Year 2016-17 .....	166
5.5.1 Type of MGNREGA works .....	169
5.6 Discrepancy between actual works and MIS data during the survey reference period of 2016-17 .....	172
5.6.1 Households worked, but MGNREGA MIS is blank .....	173
5.6.2 Households did not work, but MGNREGA MIS has entries .....	176
5.6.3 Households worked, but MGNREGA MIS is deflated .....	178
5.6.4 Households worked, but MGNREGA MIS is inflated .....	180
5.7 What do these discrepancies suggest? .....	184
5.7.1 Job card renting .....	184
5.7.2 Wage leakages .....	185
5.8 Conclusion .....	189
<b>Chapter 6.....</b>	<b>191</b>
<b>A Rent-Seeking Petty Bureaucracy and Functionary-Beneficiary Collusion.....</b>	<b>191</b>
6.1 The local implementation agency actors – village level functionaries and block level bureaucracy .....	191
6.2 People's participation and perceptions about local functionaries .....	194
6.3 Twisting of procedures and provisions under MGNREGA in BVR, Assam .....	198
6.3.1 Payment sought for issuing job card .....	201
6.3.2 Delay in issuing job cards .....	202
6.3.3 Ad-hoc system of registering demand for work and failure to provide employment within the stipulated time .....	203
6.3.4 Illegal possession of worker's job cards .....	207
6.3.5 Wage Thefts and wage delays .....	209
6.4 The socio-political context of households in BVR, Assam .....	211
6.4.1 Job card is an essential entitlement for other socio-economic entitlements .....	213
6.5 Functionary-beneficiary collusion .....	214
6.5.1 To cooperate or not- a dilemma .....	218
6.5.2 Why NeFMS is not able to check delays and corruption in BVR, Assam .....	220
6.6 Conclusion .....	224
<b>Chapter 7.....</b>	<b>228</b>
<b>The Role of Social Audit in Digital Governance.....</b>	<b>228</b>
7.1 Social audits under MGNREGA.....	228

7.1.1	Process of social audit .....	229
7.1.2	Progress of social audits in MGNREGA in India .....	230
7.1.3	Findings of social audits in MGNREGA across States .....	234
7.2	Assam Society of Social Audit (ASSA) .....	240
7.2.1	Coverage of social audits in MGNREGA in Assam (FY 2017-22) .....	241
7.2.2	Findings of social audits in Assam (FY 2017-22).....	244
7.3	Social audits under MGNREGA in the BVR Assam (FY 2017-22) .....	251
7.3.1	Finding of social audits in sample Blocks and GPs in BVR Assam .....	256
7.4	The CAG audit findings on social audits in Assam.....	258
7.5	Conclusion .....	261
<b>Chapter 8.....</b>		<b>264</b>
<b>Summary and Conclusions .....</b>		<b>264</b>
8.1	Social security delivery in India .....	264
8.2	Major reforms in MGNREGA .....	266
8.3	The crisis of unemployment in the Barak Valley Region Assam.....	268
8.4	Functioning of MGNREGA in Barak Valley Region Assam.....	270
8.5	A rent-seeking petty bureaucracy and functionary-beneficiary collusion in BVR. 272	
8.5.1	People's participation in the Gram Sabha and perceptions.....	272
8.5.2	Twisting of procedures and provisions under MGNREGA .....	273
8.5.3	Wage delays, thefts and extortions.....	274
8.5.4	The socio-political context of households in BVR.....	275
8.5.5	Job-card is an important entitlement .....	276
8.5.6	Why does collusion take place? .....	278
8.6	Social audits under MGNREGA in Assam.....	280
8.7	Conclusion .....	282
8.8	Limitations of the study .....	284
<b>Appendices .....</b>		<b>285</b>
<b>Bibliography.....</b>		<b>314</b>

## List of Tables

<b>Table 3.1</b>	<i>Total number of households surveyed by district, block and gram panchayat, Barak Valley Region, Assam, 2017</i> .....	89
<b>Table 3.2</b>	<i>Data sources for the study</i> .....	91
<b>Table 4.1</b>	<i>Distribution of sample households by districts and blocks, Barak Valley Region, Assam, 2017</i> .....	93
<b>Table 4.2</b>	<i>Distribution of head of households, by gender and by block, Barak Valley Region, Assam, 2017 (in percent)</i> .....	94
<b>Table 4.3</b>	<i>Distribution of household heads, by age-cohort and by blocks, Barak Valley Region, Assam, 2017 (in percent)</i> .....	95
<b>Table 4.4</b>	<i>Distribution of household heads, by marital status and by block and district, Barak Valley Region, Assam, 2017 (in percent)</i> .....	96
<b>Table 4.5</b>	<i>Distribution of households, by family size and by blocks, Barak Valley Region, Assam, 2017 (in percent)</i> .....	97
<b>Table 4.6</b>	<i>Distribution of households, by religion across blocks and district, Barak Valley Region, Assam, 2017 (in percent)</i> .....	97
<b>Table 4.7</b>	<i>Distribution of households, by social groups across blocks, districts, Barak Valley Region, Assam, 2017 (in percent)</i> .....	98
<b>Table 4.8</b>	<i>Distribution of households, by socio-religion group, by Block and district, Barak Valley Region, Assam, 2017 (in percent)</i> .....	99
<b>Table 4.9</b>	<i>Distribution of household head, by literacy status, by block and district, Barak Valley Region, Assam, 2017 (in percent)</i> .....	100
<b>Table 4.10</b>	<i>Distribution of households by farmer category, by block and district, Barak Valley Region, Assam, 2017 (in percent)</i> .....	102
<b>Table 4.11</b>	<i>Distribution of sample households across farmer category by primary occupation, Barak Valley Region, 2017, Assam</i> .....	104
<b>Table 4.12</b>	<i>Distribution of households, by primary occupation status, across blocks, Barak Valley Region, Assam, 2017 (in percent)</i> .....	106
<b>Table 4.13</b>	<i>Distribution of households, by primary occupations across the socio-religion group, Barak Valley Region, Assam, 2017 (in percent)</i> .....	107
<b>Table 4.14</b>	<i>Distribution of household, by reporting of migration across block and district, Barak Valley Region, 2017, Assam</i> .....	109
<b>Table 4.15</b>	<i>Bivariate distribution of households, by migration status and by various socio-economic categories, Barak Valley Region, Assam, 2017</i> .....	110
<b>Table 4.16</b>	<i>Distribution of annual income of sample households by blocks, districts, Barak Valley Region, 2017 (Agriculture Year 2016-17)</i> .....	113
<b>Table 4.17</b>	<i>Distribution of total income of households by sources of earnings, Barak Valley Region, Assam, 2017 (in percent)</i> .....	115
<b>Table 4.18</b>	<i>Distribution of labour-days employed in labouring-out in agriculture and non-agriculture by blocks, Barak Valley Region, Assam (Agriculture Year 2016-17)</i> .....	117
<b>Table 4.19</b>	<i>Annual average wage rates in Barak Valley Region, Assam during Agriculture Year 2016-17</i> .....	120
<b>Table 4.20</b>	<i>Distribution of actual wage rates in labouring-out in agriculture and non-agriculture by blocks, Barak Valley Region, Assam (Agriculture Year 2016-17)</i> .....	120
<b>Table 4.21</b>	<i>Distribution of household earnings from labouring-out in non-agriculture and agriculture, block-wise, Barak Valley Region, Assam (Agriculture Year 2016-17) (in INR)</i> .....	123
<b>Table 4.22</b>	<i>Distribution of earnings by sources, total income, per capita income, block-wise, Barak Valley Region, Assam 2017 (in INR)</i> .....	126

<b>Table 4.23</b>	<i>Bivariate distribution of households, by farming category and household amenities, Barak Valley Region, 2017, Assam</i> .....	128
<b>Table 4.24</b>	<i>Bivariate distribution of households, by farming category and source of electricity, cooking and drinking water, Barak Valley Region, 2017, Assam</i> .....	129
<b>Table 4.25</b>	<i>Distribution of incidences of illness of adults by block, by Sex, Barak Valley Region, 2017, Assam (in percent)</i> .....	131
<b>Table 4.26</b>	<i>Distribution of households by incidences of treatment and affordability, block-wise, Barak Valley Region, 2017, Assam (in percent)</i> .....	134
<b>Table 4.27</b>	<i>Distribution of access to social security programmes by district, Barak Valley Region, 2017, Assam (in percent)</i> .....	137
<b>Table 4.28</b>	<i>Distribution of access of social security programmes by blocks, Barak Valley Region, Assam, 2017 (in percent)</i> .....	140
<b>Table 4.29</b>	<i>Access to social assistance programme by socio-religious group, Barak Valley Region, Assam, 2017 (in percent)</i> .....	142
<b>Table 4.30</b>	<i>Access to social assistance programmes by farmer category, Barak Valley Region, Assam, 2017 (in percent)</i> .....	144
<b>Table 4.31</b>	<i>Access to social security programmes by primary occupation, Barak Valley Region, Assam, 2017 (in percent)</i> .....	146
<b>Table 5.1</b>	<i>Distribution of households by job-card entitlements across Blocks and Districts, Barak Valley Region, Assam, 2017</i> .....	152
<b>Table 5.2</b>	<i>Bivariate distribution of Households, by primary occupation and job-card entitlements, Barak Valley Region, Assam, 2017</i> .....	153
<b>Table 5.3</b>	<i>Distribution of Households, by farming category and job-card entitlements, Barak Valley Region, Assam, 2017</i> .....	154
<b>Table 5.4</b>	<i>Distribution of household's socio-religion by job-card entitlements, Barak Valley Region, Assam, 2017</i> .....	154
<b>Table 5.5</b>	<i>Distribution of households with job card, block-wise, Barak Valley Region, Assam, 2017</i> .....	156
<b>Table 5.6</b>	<i>Distribution of worker by year of first participation in MGNREGA, Barak Valley Region, Assam 2017 (in percent)</i> .....	159
<b>Table 5.7</b>	<i>Distribution of workers by bank accounts and name of banking institution, Barak Valley Region, Assam, 2017</i> .....	161
<b>Table 5.8</b>	<i>Distribution of welfare payments under different schemes into bank accounts of beneficiaries, Barak Valley Region, Assam, 2017</i> .....	165
<b>Table 5.9</b>	<i>Distribution of welfare payments under different schemes by Blocks, Barak Valley Region, Assam, 2017</i> .....	165
<b>Table 5.10</b>	<i>Household participation, earnings and wage rates under MGNREGA, block-wise, Barak Valley Region, Assam, 2017</i> .....	166
<b>Table 5.11</b>	<i>Description of worker's participation in MGNREGA works by blocks during AY 1617, Barak Valley Region, Assam, 2017</i> .....	171
<b>Table 5.12</b>	<i>Discrepancy in Survey and MIS data during survey reference period 2016-17, Barak Valley Region, Assam, 2017</i> .....	173
<b>Table 5.13</b>	<i>Distribution of households who worked but MIS is blank, by blocks, Barak Valley Region, Assam, 2017</i> .....	175
<b>Table 5.14</b>	<i>Distribution of households who did not work but MIS has entry, by blocks, Barak Valley Region, Assam, 2017</i> .....	177
<b>Table 5.15</b>	<i>Distribution of households who worked but MIS is deflated, by blocks, Barak Valley Region, Assam, 2017</i> .....	179
<b>Table 5.16</b>	<i>Distribution of households who worked but MIS is inflated, by blocks, Barak Valley Region, Assam, 2017</i> .....	181

<b>Table 5.17</b>	<i>Summary of discrepancies between survey data and MIS data across blocks, Barak Valley Region, 2017</i> .....	183
<b>Table 5.18</b>	<i>Distribution of wage leakages across blocks, Barak Valley Region, Assam, 01 January 2016 to 31 July 2017</i> .....	188
<b>Table 6.1</b>	<i>Household responses on Gram Sabha meetings during last one year by block, Barak Valley Region, 2017, Assam</i> .....	196
<b>Table 6.2</b>	<i>Procedures for Job-cards across blocks, Barak Valley Region, Assam, 2017 (in percent)</i> .....	200
<b>Table 6.3</b>	<i>Summary responses of households about job-card possession, by blocks, Barak Valley Region, Assam, 2017 (in percent)</i> .....	208
<b>Table 7.1</b>	<i>Coverage of social audits across Gram panchayats under MGNREGA across States and Union Territories (in percent)</i> .....	233
<b>Table 7.2</b>	<i>Distribution of social audit coverage under MGNREGA and number of issues reported across 34 States and Union Territories in India during FY 2017-22</i> .....	236
<b>Table 7.3</b>	<i>Distribution of social audit coverage under MGNREGA and amount involved in issues reported across 34 States and Union Territories in India during FY 2017-22</i> .....	237
<b>Table 7.4</b>	<i>Distribution of amount involved in issues reported in social audits across 34 States and Union Territories in India during FY 2017-22</i> .....	239
<b>Table 7.5</b>	<i>Status of the workforce in Assam Society of Social Audit (as of December 2021)</i> .....	241
<b>Table 7.6</b>	<i>List of Districts and GPs covered in social audits under MGNREGA in Assam (FY 2017-22)</i> .....	242
<b>Table 7.7</b>	<i>Distribution of social audit coverage under MGNREGA and number of issues reported in Assam during FY 2017-22</i> .....	244
<b>Table 7.8</b>	<i>Distribution of social audit coverage under MGNREGA and amount involved in issues reported in Assam during FY 2017-22</i> .....	245
<b>Table 7.9</b>	<i>Distribution of amount involved in Financial Deviation issues across districts in Assam during FY 2017-22 (in percent)</i> .....	246
<b>Table 7.10</b>	<i>Distribution of amount involved in Process Violation issues across districts in Assam during FY 2017-22 (in percent)</i> .....	248
<b>Table 7.11</b>	<i>Distribution of amount involved in Financial Misappropriation issues across districts in Assam during FY 2017-22 (in percent)</i> .....	249
<b>Table 7.12</b>	<i>Distribution of amount involved in Grievances across districts in Assam during FY 2017-22 (in percent)</i> .....	251
<b>Table 7.13</b>	<i>Distribution of amount involved in various issues in BVR Assam during FY 2017-22 (in percent)</i> .....	252
<b>Table 7.14</b>	<i>Distribution of Issue type, category and sub-category reported in social audits in MGNREGA in BVR, Assam (FY 2017-22)</i> .....	254

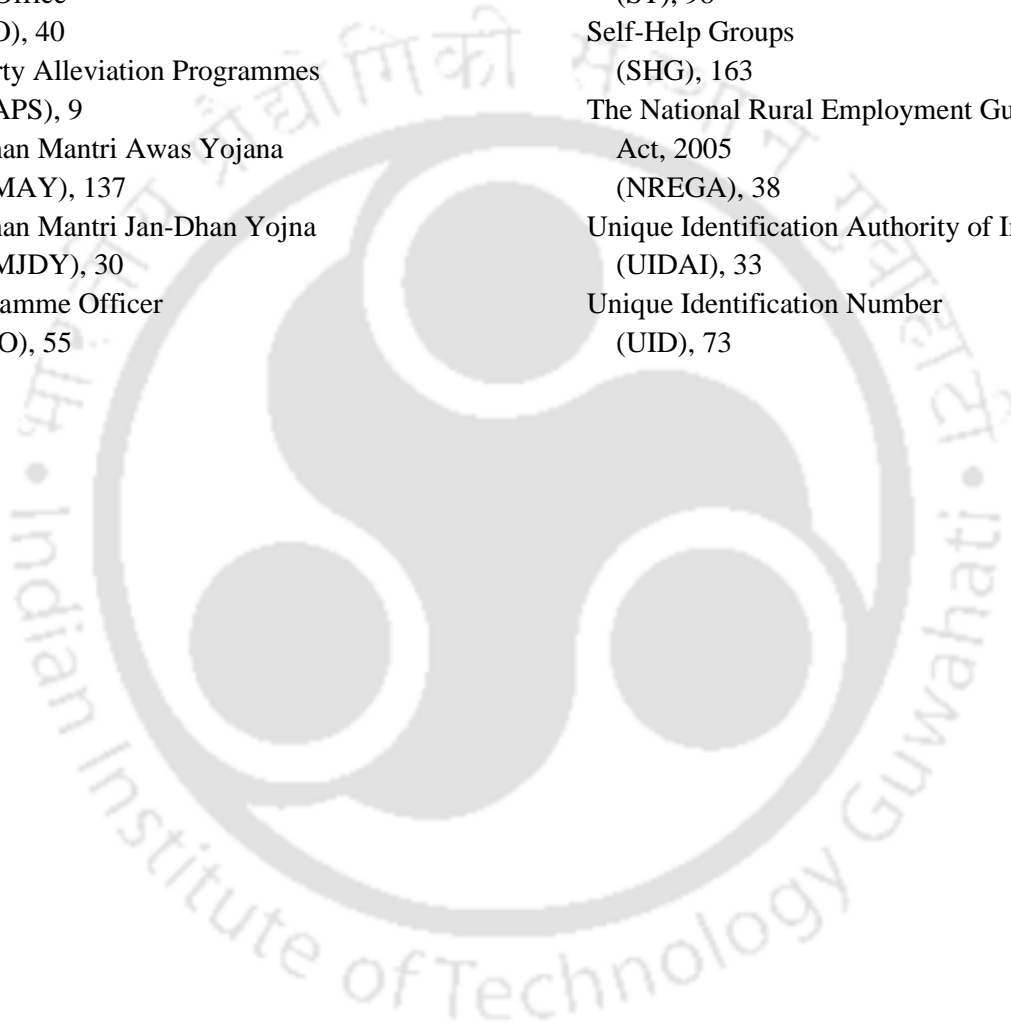
## List of Figures

<b>Figure 2.1</b>	Institutional architecture and human resources in MGNREGA.....	49
<b>Figure 2.2</b>	The workflow under MGNREGA.....	65
<b>Figure 2.3</b>	The Fund flow under MGNREGA.....	66
<b>Figure 2.4</b>	Integration of NREGASoft and NeFMS in MGNREGA under DBT.....	74
<b>Figure 2.5</b>	The workflow till the fund transfer order get authorization under NeFMS .....	76
<b>Figure 2.6</b>	The workflow under NeFMS .....	77
<b>Figure 2.7</b>	The 15 days' timeline for wage payment under NeFMS .....	78
<b>Figure 2.8</b>	Location of delays in work and fund flow under NeFMS .....	79
<b>Figure 3.1</b>	Map of Barak Valley Region, Assam, India .....	85
<b>Figure 3.2</b>	A representative diagram of concurrent triangulation design in mixed method data collection and analysis.....	86
<b>Figure 3.3</b>	Sampling procedure .....	88
<b>Figure 4.1</b>	Distribution of out-migration from households, by location, Barak Valley Region, Assam, 2017 (in percent).....	112
<b>Figure 5.1</b>	Distribution of households by year of job card registration, Barak Valley Region, Assam, 2017 .....	157
<b>Figure 5.2</b>	Distribution of households by purpose of opening a bank account, Barak Valley Region, Assam, 2017.....	160
<b>Figure 5.3</b>	Distribution of actual wage rate of MGNREGA works by blocks, Barak Valley Region, Assam, 2017.....	168
<b>Figure 6.1</b>	Implementing agency- petty bureaucracy, functionary and the beneficiary in MGNREGA.....	193
<b>Figure 6.2</b>	People's participation in Gram Sabha and perceptions, Barak Valley Region Assam, 2017 .....	198
<b>Figure 6.3</b>	The discouraged workers under MGNREGA in Barak Valley Region, Assam, 2017 .....	211
<b>Figure 6.4</b>	Reasons of NeFMS not able to check delays and corruption in MGNREGA, Barak Valley Region, Assam.....	221
<b>Figure 7.1</b>	Classification and descriptions of reported issues in social audits through MGNREGA MIS.....	235
<b>Figure 7.2</b>	Organizational structure of Assam Society of Social Audit .....	241

## List of Abbreviations

Aadhaar Enabled Payment System (AEPS), 43	(GP), 39
Above Poverty Line (APL), 24	Gram Rozgar Sahayak (GRS), 57
Additional District Programme Coordinator (ADPC), 53	Indian Rupee (INR), 1
Antyodaya Anna Yojana (AAY), 137	Information and Communication Technology (ICT), 22
Automated Teller Machine (ATM), 27	Information Technology (IT), 31
Barak Valley Region (BVR), 44	Integrated Child Development Services (ICDS), 137
Below Poverty Line (BPL), 24	International Labour Organization (ILO), 2
Block Development Officer (BDO), 197	<i>Job-Card</i> (JC), 59
Cash Transfer (CT), 17	Know Your Customer (KYC), 30
Central Employment Guarantee Council (CEGC), 48	Liquid Petroleum Gas (LPG), 34
Community Development (CD), 88	Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), xvi
Conditional Cash Transfer (CCT), 18	Ministry of Rural Development (MoRD), 49
Core Banking System (CBS), 73	Muster-Roll (MR), 43
Direct Benefit Transfer (DBT), 32	National Electronic Fund Management System (NeFMS), 76
District Programme Coordinator (DPC), 52	National Informatics Centre (NIC), 70
Electronic Fund Management System (e-FMS), 35	National Level e-Governance Plan (NEGP), 31
Electronic Transfer of Benefits (ETB), 32	National Payment Corporation of India (NPCI), 73
Employment Guarantee Scheme (EGS), 9	National Register of Citizens (NRC), 219
e-Muster rolls (e-MR), 76	National Sample Survey Organization (NSSO), 101
Fund Transfer Order (FTO), 43	National Social Assistance Programme (NSAP), 137
Government to Payment (G2P), 22	National Social Assistance Scheme (NSAS), 8
Gram Panchayats	Net State Domestic Product

(NSDP), 126  
Non-Government Organisations  
(NGOs), 26  
Operational Land Holding  
(OpH), 101  
Other Backward Caste  
(OBC), 98  
Panchayat Secretary  
(PS), 57  
Panchayati Raj Institution  
(PRI), 48  
Post Office  
(PO), 40  
Poverty Alleviation Programmes  
(PAPS), 9  
Pradhan Mantri Awas Yojana  
(PMAY), 137  
Pradhan Mantri Jan-Dhan Yojna  
(PMJDY), 30  
Programme Officer  
(P O), 55  
Public Distribution System  
(PDS), 9, 35  
Public Finance Management System  
(PFMS), 35  
Reserve Bank of India  
(RBI), 34  
Sampoorna Gramin Rozgar Yojana  
(SGRY), 38  
Schedule Caste  
(SC), 98  
Schedule Tribe  
(ST), 98  
Self-Help Groups  
(SHG), 163  
The National Rural Employment Guarantee  
Act, 2005  
(NREGA), 38  
Unique Identification Authority of India  
(UIDAI), 33  
Unique Identification Number  
(UID), 73



## Abstract

India's most ambitious rural employment programme – the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) – is close to two decades now. In the most recent times, conflicting reports have emerged on two counts. One shows that the programme has not made many dents in poverty despite a legal entitlement framework. The non-revision of minimum wage payments, delay in wage payments, and massive corruption are some reasons for its non-performance. Another form of reporting led by the Digital India campaigns of the present government shows that the electronic payment system initiated under the MGNREGA has resulted in indirect benefits to the beneficiaries under the scheme, thereby fulfilling the primary objective of timely wage payments and the secondary aim of financial inclusion. New technologies can control corruption and enhance operational efficiency by shortening payment delays, automatically providing for unemployment allowances, and improving communication with beneficiaries. However, we reiterate that technology alone will not help.

Corruption in the MGNREGA implementation is a severe peril for its stated objectives. Regardless of various inbuilt transparency and accountability mechanisms, it never remained in its desired path. Many safeguards are brought in periodically to improve efficiency and usefulness to its beneficiaries, such as separation of implementing and payment agencies, mandatory bank /postal payments since 2008, Jan-Dhan financial inclusion, Aadhaar based wage disbursements, and more importantly, mandatory social audits once in every six months. Despite all such efforts to curb and control corruption in its implementation, various studies have shown that it thrives in different forms and hurts the programme's primary objectives. Three such corruption methods discussed in the literature are deception, collusion, and extortions. This thesis critically views the over-emphasis on the digital welfare payment system to the complete neglect of planning and lack of accountability at the panchayat level, non-revision of minimum wages, and massive corruption. It also adds to the literature on how corruption thrives in public works programmes despite technology interventions.

Wage leakages in MGNREGA severely limit its effectiveness and impact. While corruption in the MGNREGA has been widely studied, particularly in the case of over reporting of days employed, and under payment of wages, we revisit the site with the question of how exogenously designed technology-enabled policy intervention has impacted the target population. Can technology-enabled electronic wage transfer curb corruption, and what has changed after its roll-out? We evaluated this question in the Barak Valley region (comprising the districts of Cachar, Karimganj, and Hailakandi), remotely located in southern Assam and prone to political and natural adversities.

We found many discrepancies in the programme's functioning, despite the introduction of digital wage transfers. There were systematic divergences of the wages intended for rural workers. Despite heavily secured electronic wage transfer systems, wage theft via 'job-card renting' regularly occurred through functionary-beneficiary collusion. The worker households found themselves trapped in a nexus between a rent-seeking petty bureaucracy (Block and Panchayat officials) and the village level functionaries (ward members and influential locals). Our site of inquiry, the Barak Valley Region of Assam, saw the Citizen Amendment Act roll-out coinciding with the digital transfer of wages policy implementation under the MGNREGA. This study also documents the impact that such major policy implementations had on the everyday social life of the worker population. Nevertheless, an overdrive of technology as the panacea of all evils, to the complete neglect of its basic implementation guidelines, compounded by the fear of citizenship status, resulted in a complex form of moral degeneration in the village economy of our study site.

## Chapter 1

### Introduction and Literature Review

This thesis studies the functioning and delivery of India's largest public employment programme, the Mahatma Gandhi National Rural Employment Guarantee scheme (MGNREGA) in the Barak Valley Region of Assam. The MGNREGA scheme has undergone several structural changes in more than a decade of its existence. The gigantic scale of the programme can be assessed in terms of annual expenditures carried under the programme. During the financial year 2021-22, India's central government transferred more than INR 73000 crore (INR 730000 million) to the states for providing 100 days of livelihood support to the rural households. Assam has 1.07 crore (10.7 million) registered workers (amounting to 4.2 percent of total registered workers across India in FY 2021-22). During the same period, the total person-days generated in Assam was 6.61 crores (66.1 million), benefiting approximately 22.81 lakh (2.9 million) households. Assam received INR 1188 crore (INR 11880 million) during FY 2019-20 from the Centre (PIB, 2020; MoRD, 2020).

The reforms in MGNREGA, primarily technological, have aimed to streamline the work and fund flow processes; thus, focusing on improved delivery capacities, efficiency and transparency. We evaluate the process and impact of technology reforms in the MGNREGA in Assam, particularly the electronic wage transfer component. The backdrop in evaluating technology implementation is that Assam was a late entrant to the Unique Identification Project <sup>1</sup>(Aadhaar) initiated in India. The electronic wage transfer programme started before the enrollment of beneficiaries into the Aadhaar system. Further, the National Register of Citizens (NRC) was in progress simultaneously. Large sections of the population in Assam, such as that in the Barak Valley region, feared being excluded from the process of citizenship enrollment.

---

<sup>1</sup> The Unique Identification Authority of India was created (2009) to issue Unique Identification numbers (UID), named as "Aadhaar", to all residents of India. The UID is claimed robust enough to eliminate duplicate and fake identities; verifiable and authenticable in an easy, cost-effective way. As on 31st October 2021, the Authority has issued 131.7 crore (1317 million) Aadhaar numbers to the residents of India.

However, since availability and access to employment are fundamental to one's sustenance, we evaluated the wage economy of the Barak Valley region, which suffers from multiple deprivations<sup>2</sup>. This chapter carries out an extensive review of literature on social security programmes and the technological reforms carried out for better social security delivery globally and in India.

## 1.1 Social protection is a human right: Theoretical insights

The Declaration of Philadelphia (1944)<sup>3</sup> recognized social security as a fundamental human right. Article 22 of the Universal Declaration of Human Rights (1948)<sup>4</sup> states that everyone who is a member of society has a right to social security, subsequently adopted by the General Assembly of the United Nations. Similarly, Article 9 of the International Covenant on Economic, Social and Cultural Rights (1966)<sup>5</sup> noted that everybody has the right to social security, including social insurance. In 1952, ILO adopted a comprehensive convention No. 102 on social security, defined social security as the measures for protecting the public from the economic distress caused by sickness, unemployment, invalidity, old age, after death, medical care, and subsidizing families bringing young children (ILO, 1952).

An essential reference point for social security issues worldwide is the new series of the ILO's World Social Security Report 2010-11, monitoring social security coverage. It defined social security as all measures providing benefits, whether in cash or in-kind, to secure protection

---

<sup>2</sup> The Assam Human Development Report – 2014 noted that Assam is midway to the desired level of overall human development. One-third of its population is multi-dimensionally deficient; and has massive open unemployment. For more details refer to AHDR (2014).

<sup>3</sup> The Declaration of Philadelphia is a statement of aims adopted by the ILO in 1944 and embodies basic principles of economic justice. It declares that: "that labour is not a commodity; that freedom of expression and of association are essential to progress; that poverty anywhere constitutes a danger to prosperity everywhere; and that all human beings, irrespective of race, creed, or sex, have the right to pursue both their material well-being and their spiritual development in conditions of freedom and dignity, of economic security, and equal opportunity" (Oxford Reference).

<https://www.ilo.org/legacy/english/inwork/cb-policy-guide/declarationofPhiladelphia1944.pdf>

<sup>4</sup> Refer to the document at [https://www.un.org/en/udhrbook/pdf/udhr\\_booklet\\_en\\_web.pdf](https://www.un.org/en/udhrbook/pdf/udhr_booklet_en_web.pdf) (pg.46)

<sup>5</sup> Refer to <https://www.ohchr.org/en/professionalinterest/pages/cescr.aspx>, for more details.

from (i) lack of work-related income (or insufficient income) caused by sickness, disability, maternity, employment, old-age, or death of a family member (ii) lack of access or unaffordable access to health care; (iii) insufficient family support, particularly for children and adult dependents; (iv) general poverty and social exclusion. Further, social protection has aspects interchangeable with social security or protection provided by social security in case of social risks and needs (ILO, 2010, p. 31).

Norton, Conway, and Foster (2001) noted that social security is the most long-established term, still primarily associated with the developed world's comprehensive and sophisticated social insurance and social assistance system. In contrast, safety nets or social safety nets are predominantly associated with developing countries, where higher levels of absolute poverty financially and institutionally weak states present fundamentally different challenges than developed countries. Social safety nets are limited interventions, often short-term, compensatory measures during structural adjustment and national crises.

As compared to social security, the term social protection is of recent origin, and its understanding varies; however, most of these definitions include three dimensions: (i) address vulnerability and risk, (ii) levels of absolute deprivation deemed unacceptable, (iii) through a form of response which is both social and public (Norton, Conway and Foster, 2001). Social protection has varied meanings, often interpreted as having broader character, including protection provided by family or local community, but also used with a narrower sense in some contexts as comprising measures only for poor, most vulnerable, or excluded members of society (ILO, 2010). Many policy instruments provide social protection, including social insurance, social assistance, universal benefits, cash transfers, measures to ensure adequate access to health care, and other benefits aiming to secure social protection (ILO, 2014).

Debates on social protection draw heavily upon a rich tradition of research dealing with the nature of poverty, deprivation, and related policy measures (Norton, Conway, and Foster,

2001). The widely documented “adjustment with a human face” approach emerged in the late 1980s to recognize the limits of market-oriented, trickle-down growth policies and the need to make growth more inclusive and pro-poor (Jolly, 1991; World Bank, 2000). In the wake of the Asian financial crisis in the late 1990s, the safety net agenda rose as an essential component in managing risks and shocks (Gentilini and Omamo, 2011).

Subsequent World Development Reports (World Bank, 1990; 2000; 2009; 2012; 2014) deal with poverty and have shown increasing importance to social protection issues within the debates on poverty reduction. World Bank (1990) included the theme of safety nets as part of the poverty reduction strategy and played an essential role in bringing social protection issues back into the mainstream agenda on international development. World Bank (2000) noted empowerment, security, and opportunity as three legs for the conceptualization of poverty and the measures to tackle it, providing much momentum to the development of policy in social protection, primarily through the theme of security. During the mid-2000s, literature revisited the role of social protection under a holistic and forward-looking perspective instead of its passive and narrow role played in the 1990s (Holzmann and Jorgensen, 2001; Ravallion, 2003; Devereux, 2003; Gentilini and Omamo 2011).

The literature on risk and vulnerability based on participatory and ethnography studies has been influential in bringing issues of vulnerability into mainstream policy debate in the early 1990s and emphasized the fact that poor people’s perceptions of well-being placed considerable importance on matters of security, both of the person and livelihoods (Norton, Conway and Foster, 2001). According to Mauss (1954), forms of mutual insurance that protect against risk and eventualities are fundamental to mutual solidarity; principles of reciprocity and mutual obligation are essential to the values of solidarity and identity that underpin the cohesion of societies. Rights to elements of social protection are well laid out in the Universal Declaration

of Human Rights (1948) as a fundamental human right subsequently adopted by the General Assembly of the United Nations.

The current importance of social protection derives largely from globalization processes and the global reaction to various forms of the economic and financial crisis over the late 1990s (Norton, Conway and Foster, 2001). Global high food prices in 2007-08 further cemented the importance of social protection in high-level agendas (OECD, 2009; Gentilini and Omamo, 2011). The ILO (2010), in its first-ever series on World Social Security Report, concluded reiterating important the role of social security in society in a time of crisis and adjustment. It noted that social security works as an irreplaceable economic, social and political stabilizer in such hard times-both for individual lives and the life of society as a whole. It further emphasized that social security provides mechanisms to alleviate and prevent poverty and other functions such as reducing income disparities and enhancing human capital and productivity; thus, it is one of the conditions for sustainable economic and social development.

The year 2008 onwards, many reports from the international organization have reiterated that lack of access to social protection is a significant obstacle to economic and social development (UN, 2008; ILO, 2010; ILO, 2012); widespread lack of social protection coverage is associated with high and persistent levels of poverty and economics insecurity (World Bank, 2014); high and growing levels of inequality (UNDP, 2014; UNRISD, 2010); and insufficient investments in human capital and human capabilities (ADB, 2014).

The ILO (2014) noted that only 27 percent of the global population have access to comprehensive social security systems, whereas 73 percent are covered partially or not at all. Social security powerfully contributes to reducing poverty, exclusion and inequality while enhancing political stability and social cohesion; to economic growth by supporting household income thus domestic consumptions, particularly important during slow recovery and low global demand; therefore, an important policy tool for the development of nations (ILO, 2014).

The ILO (2017) noted despite significant progress in extending social protection in many parts of the world, the human right to social security is not yet a reality; a large majority (71 percent) of the global population, or 5.2 billion people- are not or are only partially protected. It also noticed that coverage gaps are associated with significant underinvestment in social protection in Africa, Asia and Arab states. It stressed that benefit adequacy must be maintained by extending the coverage gap, as benefits are often insufficient to bring people out of poverty and insecurity. A global partnership for Universal Social Protection, co-led by the ILO and the World Bank, was initiated to extend coverage gaps during the 71<sup>st</sup> UN General Assembly in September 2016, later added by fifteen international organizations.

## **1.2 Social security in India**

Traditionally, the joint family system in India has provided social security for its members; however, with increasing urbanization, migration, and demographic changes, the nuclear family came into prominence with the formal social security system (García & Gruat, 2003). The social security movement in India had been prolonged before the period preceding World War II but witnessed rapid progress later (Agarwala, 1946). The Indian Constitution (adopted in 1951) obliges the states to realize socio-economic rights (Srivastava, 2013). Since independence, India has developed a complex social security system (Asher, 2003). In its broadest sense, social security refers to all types of measures: preventive (Justino, 2003), promotional, and protective (Guhan, 1994). The term encompasses social protection, social safety net, social assistance, social insurance, micro-insurance or insurance of poor and other measures involved (Srivastava, 2013).

Before the 1990s, social security remained a neglected area in policy and primarily confined to the organized sector workers. Series of acts were introduced to cater for the social security requirements of organized workers, namely Workmen's Compensation Act-1923, Industrial Disputes Act-1947, Minimum Wages Act-1948, Employee's State Insurance Act-1948, Coal

Mine Provident Fund and Miscellaneous Provisions Act-1948, Employees Provident Fund and Miscellaneous Provision Act-1952, Assam Tea Plantations Provident Fund Act -1955, Maternity Benefit Act-1961, Building and Other Construction Workers Act-1996. In 1969, the National Commission on Labour recommended the Minimum Wage Act to cover unorganized workers. Subsequently, the National Commission on Rural Labour (1987) recommended old-age pension, life insurance, maternity benefits, disability benefits, minimum healthcare, sickness benefits to cover all rural workers (NCRL, 1991). Despite the recommendations, until Ninth Plan (1997-2002), the Planning Commission of India was silent on the issue of social security for informal sector workers. The subsequent plans attended to the social security requirements of informal sector workers, given their growing size shortly (Rajasekhar et al., 2006).

The National Social Assistance Scheme (NSAS), a centrally funded programme, was launched in 1995 to provide social security to poor and needy people in old age, the death of the prime breadwinner and maternity. The NSAS included five schemes: Indira Gandhi National Old-Age Pension Scheme, Indira Gandhi National Widow Pension Scheme, Indira Gandhi National Disability Pension Scheme, National Family Benefit Scheme, and Annapurna.

India is one of the few countries where all kinds of anti-poverty programmes have been tried out by both Centre and States (Dev S., 2006). Since the early 1970s, the Employment Guarantee Scheme (EGS) and self-employment programmes were introduced; subsequently, Integrated Rural Development Programmes, Drought Prone Area Programmes, Public Distribution System (PDS), and Integrated Child Development Services were rolled out for rural areas poor and informal workers. Some of these Poverty Alleviation Programmes (PAPS) for rural areas were re-evaluated, consolidated and were re-initiated in the country since the 1990s, which includes Employment Assurance Scheme (EAS)-1993, Swarna Jayanti Gram Swarozgar Yojana (SGSY)-1999, Sampoorna Grameen Rozgar Yojana (SGRY)-1999, Mahatma Gandhi

National Rural Employment Guarantee Act (MGNREGA)-2005 and Pradhan Mantri Gram Sadak Yojana (PMGSY)-2000.

For urban areas, Swarna Jayanti Shahari Rozgar Yojana (1997) was introduced to provide gainful employment to urban unemployed and underemployed poor through self-employment or wage employment. In 2005, Jawaharlal Nehru National Urban Renewal Mission (JNNURM) was introduced to develop infrastructure services in cities and essential services to the urban poor. Rajiv Awas Yojana (RAY) in 2009 was raised for slum-free India. Various social insurance schemes for informal workers were also introduced, including Janashree Bima Yojana, Universal Health Insurance Scheme, Rashtriya Swasthya Bima Yojana, Aam Admi Bima Yojana, etc. (Dev S., 2006).

Based on the 2nd National Commission on Labour (2002) recommendations, the Central Government has launched the Unorganized Sector Workers Social Security Scheme (2004)-piloted in 50 districts to provide old-age pension, medical insurance, and accident insurance. The scheme became unviable due to operational problems such as lack of statutory backing, voluntary nature, poor employer support, and the informal sector's immense size (IJHD, 2006). Subsequently, the Unorganized Sector Worker's Social Security Bill- 2008 was introduced to equalize the social security status of formal and informal workers with the severe exclusion of agriculture workers, construction workers, women workers and their working conditions. In March 2018, the Ministry of Labour & Employment (Government of India) had drafted the "Labour Code on Social Security" to simplify, rationalize and consolidate the hitherto fragmented laws to make them less complex for easier comprehension, implementation and enforcement. The fundamental core principle incorporated is- progressive universalization to the entire workforce, integration of fragmented schemes, decentralization of administration, a rights-based approach and single window compliance (Labour Code, 2018).

Even though various schemes are operational for workers, its implementation in developing countries is problematic, provided that capital and insurance markets are usually underdeveloped while the budget restrictions are very high (Justino, 2003); also, the amount spent by the government on the provision of social security benefits is meagre and to some extent highly scattered; more than 90 percent of all workers, especially the unorganized workforce largely left to their own devices (IJHD, 2006).

Dreze and Khera (2017) noted that India's social security system was primarily confined to the formal sector; social benefits did not extend much beyond the public sector. It also states that during the last 15 years, important initiatives have been put in place for more inclusive forms of social security as five major programmes (Integrated Child Development Services, National Rural Employment Guarantee Act, Public Distribution System and Social Security Pensions for widows, elderly and disabled) can be seen as a partial foundation of a possible social security system (Dreze and Khera, 2017).

### **1.3 Debates on delivery mechanism of social security provisions**

The essential test of a social security system is how well it pays benefits to the intended target groups (Ahmad, 1991). Literature on social security is divided over the scope of social security policies and how well it can fulfil its objectives provided the budgetary constraints, informational distortions, and behavioural and political responses to interventions. There are a wide variety of policies worldwide depending on the level of development of economies and socio-economic and political considerations.

For example, adjustment with a human face approach emerged in the late 1980s to recognize the limits of market-oriented, trickle-down growth policies. In the wake of the Asian financial crisis in the late 1990s, the safety-net agenda rose as essential in managing risks and shocks. And during the mid-2000s, the role of social protection was reviewed under a holistic and

forward-looking perspective instead of its passive and narrow role played in the 1990s. The following section discusses the major approaches in formulating and delivering social security policies worldwide.

### ***1.3.1 Universal transfers versus Targeted transfers***

In its considerable history, social policies included universalism or selectivity through targeting as the core principle of social provisioning (Mkandawire, 2005, p. 1). The leaning was toward universalist policies in the 1960s and 1970s; in the 1980s, it radically shifted in support of targeting in both developed (Sunesson et al., 1998; Gilbert, 2001) and developing countries (Mkandawire, 2005, p. 1). The entire population is the beneficiary of social benefits under universalism, while targeting involves means-testing to determine the truly-deserving beneficiary within the population (Mkandawire, 2005). Universal transfers are strongly favoured in the poorer countries because all individuals have certain fundamental rights, including a minimum level of food, education and health; however, policy regimes usually toe a moderate line between the extremes of universalism and targeting (Swaminathan, 1996).

During the 1990s, the rise of the right and neoliberal ideological shifts in the Global North led to eliminating equity concerns central to successful poverty eradication policies, thus bringing setback to universalism and supporting targeted approaches (Mkandawire, 2005, p. 2). Another deciding force behind targeting was the fiscal constraint of the late 1970s. The budgetary crisis provided the required opportunity for the ideological shift towards targeting because it approved the view that targeting was most efficient in the face of limited resources. Thus, it is better to target the scarce resources to the deserving poor, first in the North, followed by the South (Mkandawire, 2005; Besley & Kanbur, 1990) have critically observed that targeting seems to have become the ‘magic bullet’ of poverty alleviation programmes where narrow targeting meant better poverty alleviation with less expenditure. Scholars such as (Mkandawire 2005, p. 4) have argued about the weaknesses of ‘universalism’ grounds, saying that there is a wide gap

between the ‘universalist proclamation’ and the reach of universal policies. Even before the financial crisis and adjustments that eroded the existing policies, such stratified universalism was strongly criticized due to urban bias (Areskoug, 1976).

Universalism has also been criticized for gender and racial bias (Sainsbury, 1996; Mkandawire, 2005). Other scholars (Korpi & Palme, 1998) have argued that while targeted programmes may be more redistributive per unit of money, other factors are likely to make universal programmes more redistributive. Despite fierce contestation and debates between universalist and targeted policies, evidence shows that countries following universalist social policies have experienced less unequal conditions (Mkandawire, 2005).

### **1.3.2 Broad versus Narrow targeting**

Walle van de (1998) categorized two approaches for raising the living standards of the poor through public spending. First, broad targeting, i.e., targeting types of expenditure that are relatively more important to the poor such as spending on essential social services like primary education, primary health care, rural development. Second is narrow targeting- targeting the categories of people, i.e. a deliberate attempt to focus benefits on poor people irrespective of the type of spending, benefits to be targeted directly to the poor such as food stamps to poor mothers, microcredit to rural landless women and development schemes for poor geographical areas. Narrow targeting has been a popular policy in the context of worldwide efforts in reducing fiscal deficits and cutting public spending while protecting the poor. Walle van de (1998) further elaborates that both approaches have their benefits, costs to the poor, and others depending on how much the programme depends on administrative targeting or self-selection. Scholars such as (Besley & Kanbur, 1993; Walle van de, 1998) caution regarding over use of targeting. For example, Walle van de (1998) points to the difficulties targeting the poor due to identification in his study. Similarly, Besley & Kanbur (1993) also discuss identification problems due to ‘probing and policing people’s lives’ (Swaminathan, 1996).

Apart from broad and narrow targeting, categorical (indicator) targeting is also followed, which identifies a characteristic of poor people (an indicator), use it as a proxy for low income to identify and target them. Besley & Kanbur (1993) mention that the indicators such as region of residence, landholding, household size, gender, disability or nutritional status can be observed more easily and administrated more effectively than income. Sen (1992) argues that targeting may lead to 'incentive distortions' in which individuals alter their behaviour in response to targeting, leading to losses in social output. Others have argued that identifying the poor with precision involves high administrative costs, required organizational sophistication and capacities absent in developing countries (Srivastava P., 2004; Mkandawire, 2005).

Another type of narrow targeting is based on 'self-targeting' where beneficiaries self-select themselves because of the inbuilt incentives that only induce the poor and thus non-poor are screened out (Walle van de, 1998). Both types of narrow targeting provide potential to circumvent two common errors in targeting: a leakage of benefits to the non-poor and insufficient coverage to the poor (Grosh M., 1994); while Walle van de (1998) cautions that targeting is often desirable but 'should not be prejudged' as each program requires careful examination for its feasibility; the motivation of narrow targeting over broad targeting is often because that the latter is costly due to leakages, while both types of targeting have costs for the poor. Walle van de (1998) argues that narrow population targeting often has hidden costs. Ravallion (2003) critically observes that targeting is challenging to implement, far from efficient, and simply shifts the problem from one level to another. Thus, the overwhelming evidence is that targeting leads to very high under-coverage and leakages.

The use of targeting involves some mechanism that discriminates between the poor and the non-poor. As such, it always runs the danger of committing either type I errors (Exclusion errors), which occur when someone who deserves the benefits is denied them (underpayment, false positive), or type II errors (Inclusion Errors), which occur when benefits are paid to

someone who does not deserve them (overpayment, leakage). Mkandawire (2005) noted that measuring poverty and identifying the poor is essential for designing a targeted programme. Because it creates a dual structure where one is aimed at the poor but funded by the state while another at well offs who are provided by the private sector thus, targeting itself leads to segmentations and differentiation (*ibid.*). The critical point is not whether a program circumvents targeting errors but how it encounters its objectives provided the budgetary constraints, informational distortions, behavioral and political responses to targeted interventions (Walle van de, 1998). Sen (1992) noted 'benefits meant exclusively for the poor often end up being poor benefit'.

Scholars such as Mkandawire (2005), analyzing Latin America and Caribbean countries, argued that geographical targeting often leads to horizontal inequality. The poor in one area might benefit more than the poor in non-targeted regions. Srivastava (2004) observes that the impacts of targeting have been very disappointing in India due to serious under-coverage and leakages. Many poor's are missed while many better-offs benefited. Conning & Kevane (2000) notes that community-based targeting can exacerbate local differentiation and is often captured by local elites who may traditionally sanction discrimination. The nature of targeting is such that it vests an incredible amount of discretionary power in the hands of bureaucrats, who may use this capacity to manipulate the social and cultural entitlements (Mkandawire, 2005, p. 10). In practice, most targeting measures have been high-cost means of transferring benefits to the poor (Weiss, 2004). Coady, Grosh, & Hoddinott (2004) observe that corruption and theft contribute more to total programme expenses than legitimate administrative expenses.

Scholars such as (see Gelbach & Pritchett, 1995; Korpi & Palme, 1998; Mkandawire, 2005) caution regarding the assumption that amount spent on subsidies remains the same after introducing strict targeting or resulting in more for targeted; instead argues that in most cases, the total allocation to subsidies is reduced which often leads to reduced effort. Mkandawire

(2005) observes that while the international goals are always stated in universalistic terms (such as education for all primary health care for all), the means for reaching them are highly selective and targeted. The optimal policy for the very poor is not necessarily one that targets benefits as narrowly and efficiently as possible (Gelbach & Pritchett, 1995). Sen (1992) observes that as the exercise of targeting requires a person to be identified as poor, it affects their self-respect and respect to the poor by others. The process of means-testing or identifying the ‘deserving poor’ is often invasive and stigmatizing (Mkandawire, 2005, p. 14).

Thus, the literature strongly suggests that both mechanisms have their own merits and demerits. All social policies aspire to be universal. However, the political will, fiscal constraints, and limited resources often push to limit its scope and focus on targeting. Targeting in itself is a complex task, incur high administrative cost and energy, it often leads to high exclusion and inclusion errors.

### ***1.3.3 Cash versus In-kind***

Cash transfers are instruments through which beneficiaries are provided with purchasing power for specific goods rather than the goods themselves. It differs from in-kind transfers as the state directly sale and distributes particular goods and services, usually at a price below market price. Cash transfers and in-kind transfers can substitute one another typically; they complement each other (Narayanan, 2011). In many contexts and conventionally, transfers to the poor have been in-kind in the form of free or subsidized food (Farrington, Harvey, & Slater, 2006). In-kind transfers are less prone than cash transfers of siphoning off, targeted to provide particular benefits to beneficiary groups as in case of market failures; it does not readily permit beneficiaries to spend it inappropriately (Harvey, Rachel, & John, 2005). In the context of health interventions, there are several situations where in-kind transfers are the most appropriate (Das, Do, & Ozler, 2005). Providing insecticides treated bed nets in Western Kenya decreased the incidence of malaria where equivalent cash transfers would have been spent on food and

clothing (Nahlen, Clark, & Alnwick, 2003). Khera (2017) notes that in-kind transfers protect people living on the margins of subsistence, in areas where markets are poorly developed and in patriarchal societies that suffer from other forms of social inequality based on caste and gender than cash transfers may not ensure. She also pointed out that contextual factors - presence and maturity of local markets, preparedness of the financial system, socio-economic status of recipients, cultural norms, and status of current transfer programmes are essential in deciding to replace in-kind (especially food) with cash.

Early theoretical works support the position that pure cash transfers are superior to in-kind transfers (Southworth & Herman, 1945; Thurow, 1974). From short-term emergency relief to long-term development, concerns-cash transfers are recognized as an effective tool and efficient mechanism to deliver directly to the citizens (Alan & Caroline, 2011). Conceptually, the replacement of in-kind by cash can strengthen local demands for goods and services and reduce the disruption to local markets that in-kind may cause (Farrington, Harvey, & Slater, 2006). Cash transfers are less expensive in implementation than in-kind transfers, provides greater flexibility to its recipients in terms of choice of purchase, has multiplier effects that stimulate the local economy (Harvey, Rachel, & John, 2005; Narayanan, 2011); fungibility of cash allow the beneficiary to use it in ways they want, but it may also undermine the objective of transfer; as cash can promote local market development, it can also lead to localised inflation and cash might lead to more household conflict over expenditures (Narayanan, 2011). Studies also suggest that where cash has been specifically targeted at women, it gave them greater intra-household control (Attanasio & Lechene, 2002; Schady & Jose, 2007). And there is the general assumption that providing cash is institutionally simpler and cheaper than providing in-kind such as food (Farrington, Harvey, & Slater, 2006). In India, the main arguments favouring cash transfers are corruption in the functioning of the Public Distribution System (PDS) and its high operational cost (Khera, 2011; Svedberg, 2012).

International and state institutions have also recognized that both cash and in-kind transfers have their merit and demerits; the success of one or the other depends on the goals and context where it is applied (Farrington, Harvey, & Slater, 2006; Gentilini, 2008); “*if the goal is to increase expenditure on food, food stamps might be preferable to cash transfers*” (Breunig, Dasgupta, Gunderson, & Pattanaik, 2004).

#### **1.3.4 Cash transfer (CT) versus Conditional cash transfer (CCT)**

Both cash and in-kind transfers can be conditional or unconditional. Cash Transfer (CT) is a non-contributory scheme providing cash benefits to individuals or households, usually financed through tax and other government revenue collections (ILO, 2017, p. 193). CT are a form of social assistance, given to individual households in the form of cash grants, cash for work and voucher programmes, cash as an alternative to in-kind transfers such as agricultural inputs, shelter, non-food items and food aids; rather than interventions such as microfinance, insurance, budget support and fee waivers (Harvey, Rachel, & John, 2005). CT has no restriction on use, have no conditions attached, and thus beneficiaries are free to use as they wish. It can be universal or targeted to a specific population, such as the poor, elders, disabled. CT includes social assistance transfers such as social pensions for elderly, disabled, widows, allowances to HIV/AIDS orphans (Farrington, Harvey, & Slater, 2006); livelihood support payments targeted to households below poverty also live cash for public work programmes and transfers made in emergency reliefs (Schubert & Goldberg, 2004).

Cash transfer programmes that provide cash to families subject to the conditions required to fulfil specific behavioural requirements are referred to Conditional Cash Transfer (CCT) programme (ILO, 2017, p.193). CCT programmes provide cash to target sub-population, contingent on specific behavioural responses (or conditions) on the part of the beneficiaries (Narayanan, 2011). There are also overlapping categories, described as cash-assisted kind transfers such as vouchers, coupons, stamps, i.e., transfer of cash or purchasing power that

restricts its use to purchase of pre-specified commodities or services, of fixed quantities and may be limited by place of purchase (Narayanan, 2011). CCTs are subgroups of CT programmes that share three standard components – an income benefit, a targeting mechanism, and conditionality (Bastagli, 2011, p. 61). CCTs across countries share the objective of reducing poverty. In Brazil- motivated by the principle of universalism, a targeted CT programme- Bolsa Familia was introduced to guarantee a minimum income; in Mexico- Progresa Oportunidades was started to promote human capital among low-income families; in Chile- Chile Solidario, a CT program was aiming to reach out the extreme poor excluded from existing safety nets whereas in Colombia- Familias en Accion was trying to reach narrowly-defined vulnerable groups affected by specific adverse events (*ibid*).

CCTs across nations vary in terms of benefit amounts, coverage, programme duration, targeting practices, conditionality, and responses to non-compliance with the behavioural requirements (Bastagli, 2011, p.61). Targeted CCTs have successfully reached low-income groups previously excluded from the formal social protection system (*ibid.*, p.62). Compared with other targeted public transfers, CCTs are among the most progressive programmes (Coady, Grosh, & Hoddiinot, 2004). Old-age pensions in India offer considerable scope for poverty reduction, and they reach the vulnerable old aged people (Farrington, Harvey, & Slater, 2006). In Mexico, due to benefit levels and definition of the target population, CCTs have proved to be quite successful at reducing poverty gaps but have limited impact on the headcount ratio (Skoufias, Davis, & Vega, 2001). Beyond income poverty, CCT impact evaluations indicate that such policies have improved service utilization in education and health (Bastagli, 2011).

CCTs are a better instrument than unconditional transfers if the objective is to promote investment in human capital (Mookherjee & Ray, 2008). Narayanan (2011) states that while unconditional CT has positive effects, conditionality is critical to achieving specific objectives in many circumstances. She further noted that evaluations studies suggest that CCTs in Latin

America have had remarkable success on many counts, notable in school enrolment and retention. CCTs positively impact outcomes that contribute to improved nutrition (Leroy, Ruel, & Verhofstadt, 2009).

Narayanan (2011) notes that applying conditionality can be an expensive process vulnerable to manipulation. CCTs and unconditional CTs have become an increasingly common element of social transfer policies in developing and developed economies (Fiszbein, Ariel, & Norbert, 2009). By the end of 2013, 119 developing countries had a cash transfer program in place. One of the most significant achievements of CCTs is their targeting performance and the ability to reach individuals with low incomes and those who are frequently excluded from pre-existing social policies (Bastagli, 2011, p. 64). Das, Do, & Ozler (2005) observes that targeting and identification exercises for CCTs are significant issues, and there might be a trade-off between enhancing efficiency and the redistributive impact.

In many countries, the introduction of CCTs was accompanied by implementing a single national registry collecting information on the socio-economic characteristics of people with low incomes or vulnerable groups (Bastagli, 2011). With efforts to include, enrol, and distribute ID cards and possession of such ID cards mandatory to claim benefits through information campaigns, it becomes an essential tool for reaching the hitherto excluded from the safety net system (*ibid.*). The establishment of social assistance registries has been particularly helpful in improving outreach and coverage where they were set up as part of the reorganization of national social assistance policies more broadly, thus contributing to the reduction of duplication and overlaps (*ibid.*).

The ability of CCTS to reach the poor is also credited to the mechanisms employed in transfer payments; in many countries, CCTs are paid directly to beneficiaries; reforms of existing mechanisms led to the minimization of the numbers of intermediaries and the establishment of the direct transfer from central government to the vulnerable target population (Bastagli, 2011).

In Colombia, dependence on the banking system for CCT payments led to restriction of programme implementation to areas where bank and necessary infrastructure was present; whereas to reach areas with limited infrastructure, special delivery mechanisms were set up; for example, in Brazil, beneficiaries in remote areas without access to banking services can collect payments at other service points, including Post offices (*ibid.*).

In his book, Ferguson (2015) writes: “unfettered, free-market capitalism is regnant and neoliberal- market-based systems of economy and governance are everywhere on march, while the welfare state is embattled, in retreat or barely hanging on. In this context, it has been profoundly surprising to see that recent years, in a host of different sites across the global south, have in fact yielded something quite different: the creation and expansion of extensive social welfare programmes targeting the poor anchored in schemes that directly transfer small amounts of cash to large numbers of low-income people”.

Ferguson (2015) notes that the last two decades have seen the rise of new kinds of welfare regimes all over the world; the most critical element at the centre of this transformation has been “cash transfers”- most of which has very nominal “conditions” attached. These programmes can be traced back to Latin American roots, particularly the Oportunidades in Mexico and the Bolsa Familia program in Brazil, focused principally on children and families. He notes that what was once a Latin American phenomenon has gone global. World Bank (2009) noted that countries have been adopting or considering adopting CCT programmes at a prodigious rate; its review identified no fewer than 123 cash transfer programmes in operation across the continent and identified the spread of cash transfers as a “quiet revolution”. (Barrientos, Hanlon, & Hulme, 2010) have characterized this shift as a “development revolution from the global south” and pointed to “a wave of new thinking” grounded in the conviction that “it is better to give money to the poor people directly so that they can find effective ways to escape from poverty”.

## 1.4 Delivery issues

Delivery capacity limitations constitute a significant challenge to extending social protection in most low-income countries (Armando & David, 2009). The common problems associated with implementing social security programmes are beneficiary identification and targeting, payment systems, monitoring, reporting, evaluation and lack of transparency and accountability mechanisms, which leads to program leakages and higher transaction and administration costs for the government (ADB, 2016).

Government payment programmes refer to government collections or receipts and government disbursements or payments. Due to its scale and nature, government payment programmes act as an effective tool to pursue other public policy objectives. World Bank (2012) notes that any improvement in government payment programmes that lead to higher efficiency, safety, and transparency can significantly impact the economy and significant savings for the government itself due to reduced transaction costs.

Government to Persons (G2P) payments are typically associated with social benefits (e.g. incentives and subsidies) and social security benefits, among others, characterized by a very large number of transactions of relatively small value. Fiszbein, Ariel, & Norbert (2009) observes that social transfers are the most widespread G2P payments and an increasingly important part of poverty reduction policy. More than 60 countries have social transfer programmes (World Bank, 2009), and CCTs have received the most attention. More than 100 million people worldwide receive a G2P payment (Demirguc-Kunt, L, D, & P, 2015), including government wages transfer payments such as unemployment benefits, social benefits, and pensions.

## **1.5 Role of technology**

Over the last decade, the link between e-governance and development has been widely leveraged for policy formulation in India (Masiero, 2015). Around the world, policymakers and international institutions promoting sustainable development and global economic growth have recently embraced e-government models. At the theoretical level, Information and Communication Technology (ICT) are viewed as carriers of efficiency and accountability (Masiero, 2015), e-governance is seen as the digital route to good governance (Heeks, 2001). The use of new technologies enables the removal of discretionary power from street-level bureaucrats (Bovens & Zouridis, 2002) and results in higher transparency of administrative processes (Elbahnasawy, 2014).

Issues in the delivery of social security programmes are varied and complex, as stated in previous sections. Any cash transfer program must include two essential elements – unique personal identification to identify who is genuinely deserving of the benefits and an efficient payment making system (Kapur, 2011).

### **1.5.1 Identification of beneficiary**

Most social security programmes are targeted; thus, targeting ingenious mechanisms is required to identify the genuinely deserving and eliminate the non-deserving beneficiary. Biometric identification is crucial to ensure the distribution of funds to the correct person and record the transaction (Alan & Caroline, 2011). Using biometric technology simultaneously addresses the gaps in existing systems, guarantees an identification document, and expands access to social protection schemes. Aadhaar in India aims to improve social protection by enhancing access to identification documents in a nation where approximately only 40 percent of the population has had their birth registered (Bhatia & Bhabha, 2017); thereby addressing what some have termed India's 'identity gap' (Gelb & Clark, 2013).

Identification of beneficiaries is an arduous task. Identification means finding the truly deserving beneficiary from the whole universe of citizens who fit the criteria/eligibility of particular conditional and unconditional programmes. It may vary from programme to programme. Each has its objectives thus have unique eligibility conditions and fulfilling requirements. Very commonly, major programmes are targeted broadly as well as narrowly. The onus of demonstrating the state of poverty that a beneficiary household is in lies with the families themselves. Specific criteria of selection of beneficiaries guide the administration; a seemingly poor home may or may not qualify as poor; resulting in a conflict of interest.

Identification has two dimensions; one is to identify the new truly-deserving beneficiary according to the programme's mandate and bring them into the fold of the programme through proactive means. Second, to establish the already identified truly-deserving beneficiary and continue to engage with them through the programme to fulfil the objective(s) of the programme. An example of the second dimension would be old-age, disability, widow pension programmes wherein beneficiaries are required to be paid/disbursed their monthly payments/benefits once identified. It is also true for all other existing programmes. Once identified as truly deserving, programme administrators must establish their identity every time they make the payments or disburse the benefits to cease corruption/siphoning the disbursements. The process of re-identifying the truly-deserving beneficiary every time for disbursement is a fact. Thus, beneficiary identification is at two stages, one at the enrollment stage where new/truly deserving need to be identified to bring them into the fold of the programme. Second, to re-identify the identified every time for disbursements. When the programme becomes (more) targeted- cash or in-kind or cash assisted kind, conditional or unconditional; it requires to re-identify to establish the truly-deserving beneficiaries every time at the time of disbursement. The first stage may be a one-time exercise, but the second stage is continuous until the programme runs. Once the first stage is cleared, it is a general practice of any programme to issue a particular form of identity document so that re-identification becomes

easier for both the administrator and beneficiaries. Technology has always been used for the purpose, particularly for the second stage.

Previously, the technology used for identification was of static nature. For example, voter ID, MGNREGA card, Below Poverty Line (BPL)/Above Poverty Line (APL) cards were paper-based. Each beneficiary had a unique number with a photo of the individual, name, and other relevant details printed on it. It can't be verified at the spot with its issuer; however, trusted. Now the technology for identification has become more dynamic; for example, Aadhaar identification system is still paper-based, having also assigned a unique number to each individual with a name and other relevant details printed on it but can be verified on the spot by biometric inputs of the individual with the issuer, proving more authentic validity of the individual. It makes sense to claim that the new dynamic technology helps identify legitimate/bona fide individuals as the beneficiary of a particular scheme/programme without actually helping determine the truly deserving beneficiary according to the prescribed criteria/eligibility of the programme. It merely helps in the identification of the beneficiary as a bona fide individual. At the second stage, it helps re-identify (on the spot) the same individual as a bona fide beneficiary for the disbursement of benefits under the programme. The earlier identification technologies were always doubtful at the second stage, while it seems that the new technology is more purposeful at the second stage. However, it also remains vulnerable and limiting at the same time due to its dynamic nature, which requires various inputs (biometric of an individual, electricity, internet connection etc.) to re-identify the individual as the beneficiary on the spot.

### ***1.5.2 Payment system***

The primary objective of a payment system/delivery mechanism within a social cash transfer programme is to successfully distribute the correct amount of benefits to the right people at the right time and frequency while minimizing costs to both the program and the beneficiary

(Grosh, del Ninno, Tesliue, & Ouerghi, 2007, p. 156). The payment system occupies a high proportion of administrative costs and thus is a crucial determinant of the cost-effectiveness and efficiency of any cash transfer programme (Oberlander & Brossman, 2014). Ensuring effective delivery of cash to the recipients living in remote and inaccessible areas with a lack of infrastructure is full of challenges, and inadequate payment systems can ensure poor performance or even failure of the programme, thus requiring careful planning (Devereux & Vincent, 2010). Barca et al. (2010) note that payment systems have received far less attention in the literature than conditionality or targeting.

Delivery mechanisms are broadly categorized as pull and push systems. Traditionally, the pull system dominates the landscape of social cash transfers, requiring beneficiaries to visit and collect their regular cash transfer at a specified date and location (Oberlander & Brossman, 2014). Cash transfers are typically delivered through state machinery, often collaborating with Banks, Post Offices, Non-Government Organisations (NGOs) and local government institutions (Devereux & Vincent, 2010, p. 370). One of the advantages of the pull system is that as the programme staff contact the beneficiaries at every disbursement, they can assist recipients with problems and questions (Statham, 2012).

Physical delivery of a large amount of cash to remote areas is not only expensive, but it also constitutes security risks, highly staff-intensive but limited infrastructure is needed, prone to siphoning as it passes through many hands thus vulnerable to corruption, fraud, in-transit heists, therefore, add disproportionately to the programme budget (Oberlander & Brossman, 2014). Devereux & Vincent (2010) observes that electronic payment systems considerably decrease transaction costs of social cash transfer programmes by saving expenditures on transport and security staff and reducing staff's vulnerability to ambushes.

Collection of cash benefits physically incurs considerable opportunity costs for the recipients, are also highly inconvenient, especially for elderly, women and sick recipients (*ibid.*). It can

have severe implications on the recipient's personal safety and lead to stigmatization as it requires explicit identification of beneficiaries through queuing on payment days (*ibid.*). The pull system/manual disbursement of cash can neither be easily scaled up nor provide the opportunity for financial inclusion of the recipients (Barca, Hurrell, MacAuslan, Visram, & Willis, 2010).

Many development agencies have recently abandoned the manual pull system due to its inherent weaknesses and started using push systems to push down delivery to individual beneficiaries (Vincent & Cull, 2011, p. 41). As electronic delivery methods have gained attention, almost 50 percent of all social cash transfer programmes implemented in the past decade uses push delivery systems (Smith, MacAuslan, Butters, & Tromme, 2011). Electronic payment systems allow the potential to shift from pulling to pushing the benefits directly to the level of the individual recipients. Electronic cash entitlements can be received through various mechanisms (debit card, smart card, cell phone) and through many financial infrastructures (banks, banking correspondents, Automated Teller Machine (ATM), Point of Sale devices).

Social transfers are vulnerable to leakages. For example, Guhan (1994) estimated that in a budgetary expenditure of INR 100, just INR 21.60 reaches the beneficiary through the Maharashtra Employment Guarantee Scheme; only INR 11.20 under the PDS. Also, the Planning Commission of India (2005) noted that to transfer INR 1 worth of food through PDS, the government was spending INR 3.65 and suggested leakage of about 70 percent. Kapur, Mukhopadhyay, & Subramanian (2008) notes that only a tiny fraction of overall resources in the centrally sponsored scheme in India reaches the intended beneficiaries due to targeting inefficiency and leakages (to non-poor), participation costs; and also points towards waste and ineffectiveness.

Governments worldwide are switching to electronic delivery of G2P payments due to security and transaction cost concerns. In middle and higher-income countries, cash entitlements are

often transferred electronically and disbursed via bank, post offices or prepaid debit instruments. World Bank estimated that 90 percent of the high-income countries make their G2P payments “mostly electronically”, while over half of developing countries do so in the form of cash or paper-based payments (World bank, 2012). In developing countries with limited financial infrastructure and limited financial inclusion, programmes are often required to physically distribute cash entitlement in small amounts, especially to remote rural areas, resulting in substantial costs for both the state and recipients and hidden costs to program recipients, thereby affecting the potential effectiveness of the program.

Shifting from cash to electronic/digital G2P payments has many potential benefits as it improves efficiency by lowering the cost of disbursement and receipt, increase the speed and timely delivery of payments (Klapper & Singer, 2017) increase transparency, thus reducing the leakages (Muralidharan, Niehaus, & Sukhtankar, 2016); enhance the security of payments thus lowering associated crime (Wright, et al., 2014) as well as increase financial inclusion (Demirguc, Klapper, Singer, & Oudheusden, 2015).

### **1.5.3 Financial inclusion**

Any cash transfer program must include two essential elements – unique personal identification to identify who is genuinely deserving of the benefits and an efficient payment making system (Kapur, 2011). For an electronic-based payment mechanism, it is an essential requirement that those beneficiaries are included in the formal financial system. Financial exclusion refers to the segment of the financially excluded population, which means that they do not have accessibility and/or opportunity to use much needed/desired financial services due to their socio-economic, cultural, and geographical factors. Access to a well-functioning financial system enables economically and socially excluded people to integrate better into the economy and actively contribute to development and protection against economic backwardness (Kochhar, Chandrashekhar, & Chakrabarty, 2009). Inclusive finance through secure savings, easy access

to credit and other financial services helps the poor and vulnerable group to earn a profit, create assets and build capital, gradually secure themselves from the vulnerability of economic shocks and work their way out of poverty; further, it enables conditions for inclusive growth and development (Beck & Demirgüç-Kunt, 2008). Financial inclusion is essential in the contemporary Indian context as it is considered an appropriate tool for poverty alleviation and inclusive economic growth. An inclusive financial system has the potential to tackle poverty and indebtedness.

Financial exclusion has various dimensions, and it can be broadly distinguished into two parts. One is voluntary financial exclusion due to lack of income and understanding the importance of formal financial services; second is involuntarily financial exclusion, i.e. despite demanding financial services; they do not have access. The supply-side factors mainly concern physical access, high charges, and conditions attached to financial products, making them inappropriate or complicated (Sarma & Pais, 2011). The physical access is due to the absence of a network of financial services providers, resulting in a lack of access in terms of distance. Large urban neighborhoods and densely populated areas have more access, while rural populations or remote areas have less access. Other important supply-side factors are cumbersome procedures, collateral requirements, high charges and penalties, cost and risk perceptions of the financial institution associated with the poor borrower. However, demand-side factors mainly emerge from socio-economic conditions, including lack of knowledge and awareness, complicated processes, and the like. Lack of assets and inadequate collateral or no collateral, low income and productivity, higher risks and vulnerability of small and marginal farmers, low skill and poor market linkages are other demand-side factors leading to financial exclusion (Dev S. , 2006).

In countries with a large geographical spread and a majority rural population, financial exclusion has a geographic dimension as well. Inaccessibility, distances and lack of proper

infrastructure hinder financial inclusion (Gupta & Singh, 2013). The causes of financial exclusion in various works of literature are broadly concentrated around the problem of poverty, ignorance and environment or lack of awareness, geographical access and suitability of products (Kochhar et al., 2009). Financial illiteracy and lack of knowledge of financial products have grappled the poor, so they do not even dare approach any financial institution. Hence, they have to depend on informal agencies such as money lenders for credit who charge high-interest rates. Dev (2006) affirms that there are supply and demand-side reasons for financial exclusion. Chakravarty & Pal (2013) stated that there are three types of exclusions: (a) people who do not have any access to the regulated financial system; (b) people who have limited access to banks and other financial services; and (c) individuals who have inappropriate products. Mostly low income, unemployed and illiterate people, women and disabled are excluded from the formal financial services. Lack of Banking habits, high transaction cost, lack of banking knowledge, and insufficiency of knowledge on banking products prevent the unbanked people from knocking on the doorstep of banks.

Further, some authors argue that having a bank account is not a good indicator of financial inclusion. For instance, Chakarbarty (2012) stated that even opening a bank account is not a good indicator of financial inclusion. Even where bank accounts claimed to have been opened, few conduct banking transactions and even fewer receive any credit.

Pradhan Mantri Jan-Dhan Yojna (PMJDY) was formally launched on 28<sup>th</sup> August 2014. It envisages universal access to banking facilities with at least one basic banking account for every household implying financial literacy, access to credit, insurance and pension to the beneficiary household. It also relaxed the rule of the previous regime where citizens required furnishing various documents proving the identity and location of users. Aadhaar came in handy for such strict Know Your Customer (KYC) procedures and provided a tool for excluded poor rural folks to get included in the formal financial system. The beneficiary would get RuPay Debit Card

with having an inbuilt accident insurance cover of INR 1 lakh (INR 0.1 million) and a life insurance cover of INR 30000 to those who open their bank account for the first time (between 15<sup>th</sup> August, 2014 to 26<sup>th</sup> January, 2015) and meet other eligibility conditions.

PMJDY is different from the earlier financial inclusion programme (Swabhimaan Scheme) as it seeks to provide universal access to banking services across the country and focuses on coverage of all households – both rural and urban, while the earlier programme was limited to provide an access point to villages with a population greater than 2000. Further, PMJDY provides interoperability of account that was missing earlier, simplifies KYC norms, and involves district and states monitoring and follow-up. Approximately, 21.43 crore (214.3 million) accounts have been opened, of which 13.2 crore (132 million) accounts are in rural areas and 8.3 crore (83 million) in urban areas (as of 31<sup>st</sup> March 2016). Deposits of INR 35672 crore (INR 356720 million) have been mobilized. 17.8 crore (178 million) RuPay Debit Card has been issued, and Aadhaar seeding has been done in 8 crore (80 million) accounts (Government of India, 2016). The coverage of PMJDY has reached to 44.9 crore (449 million) beneficiaries (as of 16<sup>th</sup> March, 2022) of which 29.9 crore (299 million) accounts are in rural/semiurban centre and 14.9 crore (149 million) belong to urban locations while approximately 31.5 crore (315 million) RuPay Debit cards has been issued to the programme's beneficiaries (Government of India, 2022).

## **1.6 Electronic payments and biometric application in India**

Vivshanth (2012) noted that India's technology experience in government started in the 1960s- the pre-internet era, for in-house government applications with a focus on central government requirements in defence, research, economic and monetary planning, specific data-intensive functions related to elections, census and tax administration. He also noted that late in 1990s- the internet era started with pioneering efforts in e-governance which began with the use of Information Technology for broader sector-specific applications with the policy emphasis on

reaching out to the rural areas, taking inputs from NGOs, the private sector, international development organisations. He noted that the birth of e-governance can be located in the Information Technology (IT) Act 2000 and the pilot projects jointly initiated by Government of India and State Government such as Gyandoot- Madhya Pradesh, e-district mission- Tamilnadu; e-Seva in Andhra Pradesh etc. Subsequently, the government has started using 2-3 percent of the annual budget for IT applications. The Aim of the IT Act 2000 is to provide a sound base for e-governance and e-commerce, to facilitate legal cover and boost e-governance. With the internet led by the availability of legal provisions, the eco-system of e-governance applications suddenly expanded focus on citizens and business (Vivshanth, 2012). He noted that in the 10<sup>th</sup> five-year plan (2000-2007) National Level e-Governance Plan (NEGP) was announced to create the proper governance and institutional mechanisms, set up the core infrastructure and policies and started implementing several mission mode projects for National Citizen Database, Pension, banking, Gram Panchayats, Passport, Income Tax etc.

National Committee on Direct Cash Transfers (Circular, 2012; Government of India, Handbook on Direct Benefit Transfer (DBT)) was set up on 26<sup>th</sup> November 2012 to implement a seamless electronic Aadhaar based transfer of cash benefits to beneficiaries. The twin pillars of the Direct Cash Transfer System are Aadhaar and Financial Inclusion. The committee emphasized that using Aadhaar enabled Direct Cash Transfers will ensure better targeting, eliminate duplication, bring externalities and thus the need to identify as many areas as possible for direct cash transfer.

National Committee on Direct Cash Transfers stated that cash benefits are transfers to individuals through existing government schemes, including scholarships, pensions, income supports, wage payments, health benefits, etc. Electronic Transfer of Benefits (ETB) involves a shift from a paper-based, cash-driven system, with or without the use of banking channels, to an electronic direct transfer system/ electronic cash transfer system.

It noted that the short-term advantages of such a system are improvement in targeting of benefits, reducing corruption, eliminating waste due to poor targeting and leakages, and eliminating waste in subsidies. Some of the long-term advantages envisaged could be to consolidate cash transfers to households accruing from multiple sources and forms. It can thus become a consolidated income support programme for the poor, eliminate multiple subsidy sources, and become an essential part of the social safety net. It will have positive institutional externalities and enable robust targeting, delivery, and monitoring mechanisms. This system will free the administrative system to focus on development rather than controls. In the medium term, a Cash Transfer system becomes a potent institutional arrangement as a platform for modifying and transferring benefits to people depending on the needs and circumstances. Prerequisites of a Cash Transfer System are a unique identity for all, universal access to banking, financial inclusion, databases for transfers linked with a unique identity, transfer mechanism with rules, procedures, checks and audits (Circular 2012). In its next meeting (on 19<sup>th</sup> December 2012), the programme changed its name to the Direct Benefit Transfer (DBT) programme. Jan Dhan representing formal banking access, Aadhaar- biometric enabled identification and Mobile- for communication are the enabler of DBT.

During budget for 2011-12, the Government of India proposed substitution of subsidies (Kerosene, Liquefied Petroleum Gas and Fertilizers) by direct cash transfers due to factors namely: increasing fiscal costs, distortions in the subsidies and successful examples of cash transfer programmes around the world namely in Latin America (Kapur, 2011). At home, the shift is marked by institutional and technological changes, particularly the rapid expansion of biometric-based unique identity programmes- the Aadhaar and Swabhiman programme, which aimed to provide access to a bank account to nearly half of its population (Kapur, 2011). The introduction of biometric-based application in Andhra Pradesh showed 12 percent of recipients as non-existent in a state programme considered as one of the best run in India (Johnson D. , 2008). Identification is a complex issue in itself. And in India, various projects have tried

biometric identification (Nair, 2018). Central and local government has actively experimented with projects to monitor attendance in school (Gujarat) and for municipal staff's daily attendance in Delhi. In 2007, Andhra Pradesh was one of the first states to use biometric technology to deliver government payments using smartcards and rural Point of Sale to deliver pensions and employment wages (Gelb & Decker, 2012).

In 2009, the Unique Identification Authority of India (UIDAI) was established to allocate unique identification numbers by capturing biometric information to over 1.2 billion people- to any individual, irrespective of age or gender, who is a resident in India and satisfies the verification process (Sharma R. , 2010). By April 2016, one billion people had been enrolled and received an Aadhaar card. Through the Aadhaar programme, the Indian government has set on the transformation of its national social protection system, a transformation that is not unique to India only and is noted as a global feature of the past several decades (Levitt, Lloyd, Mueller, & Viterna, 2017).

Gelb & Decker (2012) observes that many required ways to secure an identification they have never had because they lack crucial documents such as a birth certificate or ration card; yet many others want it to access previously inaccessible services such as bank accounts; Aadhaar aims to respond to all these needs. Aadhaar's primary impact- it claims that - firstly, it has improved access to the basic human right to identity by providing an identification document. Secondly, it has established a foundational system for identification that can be used across sectors and demonstrated how technology could improve the delivery of social protection. Thirdly, Aadhaar aims to promote economic development by facilitating access to cash transfers and other government schemes.

Aadhaar authenticates identity and offers a platform that can be built on and connected to other uses. It can be used to close the 'identity gap' for both public and private applications: from healthcare to food rations, university grants, banking etc. (Gelb & Decker, 2012). Government

officials have publicly claimed that tackling corruption and ensuring public services reach intended beneficiaries are key justifications of Aadhaar (Bhatia & Bhabha, 2017). In 2014, Prime Minister- Narendra Modi announced a plan to use Aadhaar to provide universal healthcare to check fraudulent insurance claims or ghost beneficiaries (King, 2014). In 2015, Prime Minister linked PMJDY to Aadhaar to improve access to banking, remittance, credit, insurance and pensions (Subramanya, 2015). Aadhaar can make government expenditure more efficient by ensuring welfare schemes reach their recipients (Bhatia & Bhabha, 2017) and improving the performance of development programmes (Gelb & Decker, 2012).

Early information about the functional inclusion delivered by Aadhaar is encouraging and has been adopted across sectors and government ministries and may well form the basis for an integrated approach to social protection that connects and relies on multiple sectors to deliver services (UIDAI, 2012). An Aadhaar card can be used to open bank accounts and is recognized by the Reserve Bank of India (RBI). States have begun to link pension schemes and access to Liquid Petroleum Gas (LPG) for households to Aadhaar (Barnwal, 2014). In 2016, the UIDAI website claimed over 122 million LPG consumers and over 113 ration cards were linked to Aadhaar (UIDAI, 2016). Residents can provide their Aadhaar numbers to verify and authenticate their identity and receive transfers in each case.

An essential contribution of Aadhaar has been to enable direct transfers of money from the government to the beneficiary's bank accounts, thus eliminating the need for intermediary transactions, which have been highly susceptible to fraud. In 2015, with the government of India undergoing reforms in public finance, NREGS also started using a technology-based Electronic Fund Management System (e-FMS) to make electronic payments for wages, material and administrative expenses. It uses payment networks of financial institutions (e.g., NEFT/RTGS/ECS/NACH/Aadhaar Based Payment System), and all the payments (by Fund Transfer Orders) are being routed through Public Finance Management System (PFMS),

Ministry of Finance (MoRD, 2018, p. 48). Studies have estimated leakages of government funds in India of approximately 12 percent on account of ghost workers and manipulated beneficiary rolls (NIPFP, 2012).

In 2012–2013, the national budget allocation for the NREGS programme was equivalent to 0.3 percent of India's GDP (ILO, 2014), where Aadhaar is now being used to deliver. Aadhaar is also be linked to the Public Distribution System (PDS), which is geared towards providing food to 65 million households, addressing the reported problem that 58 percent of the subsidized food grains issued do not reach targeted beneficiaries (Sarkar, 2014). Aadhaar has already shown some success in eliminating leakage of funds in a scheme providing access to Liquid Petroleum Gas (Barnwal, 2014). Arun Jaitley (Finance Minister, Government of India) linked the scale-up of the Aadhaar system to the rationalization of government spending (Bhatia & Bhabha, 2017).

The pace of DBT rollout has been fast. While in 2016-17, 142 DBT applicable schemes in 33 ministries/departments were identified for DBT implementation, in 2017-18, it has increased to 452 schemes in 58 ministries/departments in the government with an estimated outlay of INR 5.1 lakh crore, which is 3.05 percent of nominal GDP (Sharma A. , 2018). In 2017-18, the total DBT expenditure reported was INR 190870.9 crores (INR 1908709 million) comprising INR 170292.2 crore (INR 1702922 million) in electronic cash transfers and INR 20578.7 crores (INR 205787 million) providing in-kind benefits through Aadhaar authenticated transactions (*ibid.*). The estimated savings and gains since the inception of Aadhaar based DBT (from 2014- March 31, 2018) is reported at INR 90000 crore (INR 900000 million), and in FY 2017-18 alone was INR 33000 crore (INR 330000 million) (*ibid.*).

## 1.7 Current debates on intervention of technology in social security delivery

The progress of DBT has been fast and increasing leap and bound, with Aadhaar as a preferred identity document, critics have been vocal about the claims made by Government on savings/gains due to new technological intervention, for rapid rollout of DBT by converting/customizing the existing schemes into DBT applicable scheme and particularly about using and pushing Aadhaar as beneficiary identification tool while ignoring the fundamental inherent constraints within the implantation itself. The current pieces of evidence suggest that the reforms in the NeFMS and other technical aspects such as the use of biometric identifications, smartcards can speed up delivery wage payments with fewer leakages (Banerjee, Duflo, Imbert, Mathew, & Pande, 2014; Muralidharan, Niehaus, & Sukhtankar, 2016) at the same time, another set of studies pointed out that use of technology without inadequate infrastructure can have reverse/opposite effect (Aggarwal A., 2016; Dreze & Khera, 2017).

Drèze and Sen (2013) argued that much waste from government schemes is a result of failures in measuring and targeting households below the poverty line (BPL), a categorization that was used from 1997 onwards in India. The authors highlight the high inclusion and exclusion errors rate because the BPL list has been static for ten years and requires a BPL census. Biometrics cannot eliminate all forms of leakages; they can reduce ghost payments (Kapur, 2011). Aadhaar does not measure eligibility and cannot assist with targeting; it only helps in authenticating (Rao, 2013).

Drèze & Sen (2013) noted whether targeting households, when the BPL measurement system is so flawed, is a desirable public policy choice, especially given that many states have recently moved towards a more inclusive or even 'universal' PDS – such as Andhra Pradesh, Chhattisgarh, Himachal Pradesh, Odisha, Rajasthan and Tamil Nadu, among others. Instead, the authors suggest that redistribution and universal PDS are the most appropriate ways to

address inequities and social protection for low-income families. Although Aadhaar may prevent duplicates and help in authentication, it alone cannot be expected to address the concerns raised about who is entitled to these benefits and the structural inefficiencies in India's social protection system (ibid.).

Khera (2011) concluded that several claims of Aadhaar (one of the components of DBT) are unfounded or exaggerated and reflect a superficial understanding of the problems afflicting the implementation of NREGA and PDS. She noted that Aadhaar is one of several technological innovations that can contribute, but not necessarily for, resolving the existing problems. The claimed proposed technological inputs by Aadhaar can be implemented without a costly Aadhaar. She elaborated other measures for transparency cannot be discounted simply because they do not involve technological inputs and that even technology has its limits (Khera R. , 2011).

Khera (2017) noted that despite early warnings of the limited role in achieving the stated objective of Aadhaar, successive governments have ramped up its use. It found that it is becoming a tool of exclusion far from being inclusive and reducing corruption. Further, she elaborated that the government's savings estimates due to the intervention are misleading and often result from a denial of legal entitlement. Drèze, Khalid, Khera, & Somanchi (2017) raised serious questions about the appropriateness of Aadhaar based biometric authentication for rural Jharkhand and stated that it has failed to reduce fraud and corruption. Khera (2017) argues that Aadhaar integration cannot solve the major forms of corruption that continue in NREGS and PDS. Far from improving the implementation, Aadhaar integration causes severe damages (Khera, 2017).

## 1.8 MGNREGA

The central focus of rural development planning was to absorb surplus labour and under-employed in productive activities. Thus, many programmes<sup>6</sup> implemented primarily as public works were to provide and supplement wage-employment of rural households to absorb the labour forces, create productive assets, and protect in crisis. During FY 2003-04, it was felt that Sampoorna Gramin Rozgar Yojana (SGRY), one of the largest among such programmes which were operational all over the country for some time, has been inadequate to provide an average of 20 days of employment to each Below Poverty Line (BPL) households in rural areas. SGRY was an allocation-based programme that could not guarantee any employment on demand to the rural poor, and in the absence of any social security mechanism, unemployment has been worsening (MGNREGA, The Mahatma Gandhi National Rural Employment Guarantee Act, 2005, 2005).

The next in the queue was The National Rural Employment Guarantee Act, 2005 (NREGA), conceptualized in many senses as a People's Act (Government of India, 2006) was notified on 7<sup>th</sup> September 2005. It provides a work guarantee of 100 days to any rural household whose adults are willing to do unskilled manual work. The work guarantees thus provided is to enhance the livelihood security of the households and empower the rural community, especially women and socially disadvantaged, reducing migration, addressing social inequality, generating productive assets, environmental protection, and strengthening the democratic processes at the grass root. The scale and spread of the programme have been unprecedented since its inception, as found from the fact that in the FY 2006-07 budget, NREGA received about 79 per cent of the total outlays (INR 14300 crore/ INR 143000 million) of the rural employment sector of the Government of India while its senior- SGRY was allocated INR 3000 crore (INR 30000

---

<sup>6</sup> Starting 1980s, Government of India under successive Five Year Plans had implement series of public work programme namely, National Rural Employment Programme (NREP)-1980, Rural Landless Employment Guarantee Programme (RLEGP)- 1983, Jawahar Rozgar Yojana (JRY)-1989, Sampoorna Gramin Rozgar Yojana (SGRY)-2001 (MGNREGA, 2005).

million) (Government of India, 2006). For FY 2021-22, the union government has allocated INR 73000 crore/ INR 730000 million (Government of India, 2021) for the programme, one of the highest allocations under any central government's core schemes. On 2<sup>nd</sup> October 2009, the Act's nomenclature was changed to The Mahatma Gandhi National Rural Employment Guarantee Act, 2009 (henceforth MGNREGA).

Today, starting with the coverage of 200 districts, it is operational in 708 districts (out of 741 districts) and covers 2.69 lakh (0.27 million) Gram Panchayats (GP) across India. The total number of workers enrolled in the programme exceeds 29 crore (290 million), while 14.7 crore (147 million) workers are active. MGNREGA has generated more than 3200 crore (32000 million) person-days of employment since its inception, incurring a total expenditure of INR 645692.63 crore (INR 6456926 million). About 1.63 crore (16.3 million) workers are expected to attend work on more than 12 lakh (1.2 million) worksites on any given day. During FY 2020-21, it has provided 49.4 days of employment on an average per household, paying an average wage rate of INR 200.60 per day per person (MGNREGA, 2021).

Another primary focus of rural development planning has been implementing programmes that require people's participation and institutional mechanisms. During the 1950s, the failure of Community Development projects and other programmes to achieve their full potential was attributed to the absence of desired institutions at the grass-root level. Balwantrai Mehta Committee (1957) recommended that for real progress in rural development, an agency at the village level, which represents the community, should take primary responsibility and implement development programmes, which also reinforced the idea of panchayats as the institution of people at the grass-root. However, the lack of constitutional validity to such an institution affected its growth and implementation of rural development programmes. With the 73<sup>rd</sup> Amendment of the Constitution (1993), Panchayats- a three-tier local government structure (Village, Block and District) come to the forefront as a universal platform for planning and

implementing development programmes. Panchayats are the central planning and implementing authority of MGNREGA as it mandates that at least half of its funds are spent directly by gram panchayats, which results in high visibility of the panchayats (Government of India, 2011). MGNREGA offered the panchayats a more significant opportunity to strengthen themselves, which became instrumental for effective implementation of the programme, thus often complementing each other in the journey.

Due to supply-side constraints of banking services and financial excluded rural population, the wages under the programme were paid in cash by the implementing agency (mostly Gram Panchayat) based on the entries in the muster rolls. In September 2008, it was mandated that payment of wages must be made into workers' accounts through the institutional channel like Bank or Post Office (PO). The move was to speed up financial inclusion, reduce time delays in payment, curb corruption and ensure transparency in the process. It was also to separate the implementing agency from the payment agency, which in earlier times were the same to make embezzlement of funds difficult through unlawful practices by the agencies involved.

Paying into the accounts of workers involved multiple stoppages. The funds are directed from the district to block to the GP's account in a Bank/PO through different channels. Workers were paid their wages via Payment Order/Account Payee Cheque/Bearer's Cheque from the GP's account. On receiving a Cheque, workers visited the Bank/PO premises to deposit it and waited for effective transfer of the wages before getting wages in cash. The GP issued payment Orders to the Bank/PO with the details required for the transfer, which activated the transfer of funds from GP's account to the worker's account. The new system brought multiple issues such as distance and hardship in accessing the account, delays in between transfers such as interbank transfers, infrastructure issues in Bank/PO, fraud and corruption etc. The switch to bank transfer from cash could not fully control the delay of payments, embezzlement and undermined the transparency safeguards (Ravallion, 2003) as envisioned by the policymakers. To make the

payment mechanism speedier and more efficient, the state started (in 2014) using cutting edge technology enabled electronic payment system to transfer the wages directly into the workers' bank accounts.

Starting with the shifts in payment mechanism, many studies (Vanaik & Siddhartha, 2008; Khera & Nayak, 2009; Adhikari & Bhatia, 2010) had repeatedly questioned the haste move, not of its intentions but its mechanism and asked an essential question – Can the payments into the accounts of the workers weed out corruption in the programme?

### ***1.8.1 MGNREGA, rationale for electronic wage transfer and debates***

One of the most difficult challenges accepted by all the programme stakeholders is delays in paying wages to the workers. The delays are attributed to two systemic reasons: delays in the work/activity flow and delays in fund flow. Delays in workflow arise due to manual handling of processes such as work allocation, muster roll generation, the time gap between actual activity and data entry into the system, recording of measurements and calculating wages, wage generation and administrative approvals etc. For effective fund flow from centre to workers in a programme like MGNREGA requires management of a large number of accounts in institutions across the length and breadth of the country. Delays arise due to manual transfer of records and payment orders at various levels accentuated by delays in inter-institution transfers, delays in crediting the worker's accounts and delays in actual disbursement of wages by the Bank/PO.

To address the above bottleneck in the process, the state started using Information and Communication Technology-based solutions in a big way since 2014. Such a system was proposed and rolled out since the programme's inception- the web-enabled Management Information System commonly known as NREGASoft for all stakeholders. However, limited due to the lack of availability of tools and technical workforce, especially at the grassroots. By

the end of 2013, successive governments at the centre took the efforts to reform it and widely facilitate its availability and use it across all processes. The initiative also parallels the centre's Direct Benefit Transfer scheme under which the state started disbursement of entitlements directly to the beneficiaries using sophisticated ICT.

An electronic fund transfer system, commonly known as Electronic Fund Management System (e-FMS), has been integrated into the existing system for all the stakeholders to streamline the fund flow. Henceforth, all the fund flows in the process, including the wage disbursement into the worker's account, are directly done using the system, and manual transfer of funds through Payment Orders/Cheques were stopped, excluding areas where the implementation is not feasible. The system is designed to provide speed, efficiency and transparency in the whole process of fund flow.

Foremost pre-requisites for the e-FMS are the availability of operational computer(s) with internet connectivity at the block level with the desired workforce who are adequately trained for using NREGASoft interface handlings. States are required to bring in key Banks at all levels, connecting them appropriately to NREGASoft, update and freeze bank accounts of all stakeholders, identify and deploy payment levels with authorized signatories using their approved digital signatures and facilitate support for troubleshooting on a day-to-day basis. Once workers' accounts are verified and updated into the system by the GP, the accounts are frozen by the respective Programme Officer/ District Programme Committee so that only an authorized person can modify the details.

Separate wage lists are generated at the block level for the bank branch and sub-post office each after the closing of muster rolls which includes the details of the state's account to be debited. Accountant at the block level generates and authorised the Fund Transfer Order (FTO) for the wage list by verifying the worker's details and adding a digital signature that is pushed automatically to the Programme Officer for approval. The Programme Officer's digitally signed

and approved FTO are sent to nodal Bank/PO through the NREGASoft server. These nodal institution processes the FTO received on a daily basis. If both the creditor and debtor bank is the same, transfers take place using internal Core Banking Solution; in other cases, using National Electronic Funds Transfer system. Banks then share the response (credit/rejection) with prescribed details of each transaction using reverse channel within 24 hours with all stakeholders. The state has also rolled out Aadhaar Enabled Payment System (AEPS), wherein the worker's Aadhaar number is seeded with their bank account, used to verify the identity before making the payments. AEPS is gradually taking centre stage of all welfare payments in a phased manner.

Another pressing issue is MGNREGA's continued vulnerability to fraud and embezzlement of wages; both are important factors for the shifts in payment mechanisms and higher reliance on technology. The transition from cash to bank account and now technology-enabled transfer into the bank accounts is essentially to complete the separation of implementing agency (most cases GP) from the payment agency (a separate set of institutions with predefined functions). It was expected that these initiatives would make corruption difficult and bring more transparency in the whole process, which is not the case<sup>7</sup>.

Corruption in wages starts with inflation and fake entry in the muster-roll, which records the participation of workers in work, a critical record for calculating wages, preparation of wage list. Once the muster-rolls with such entries is successfully entered into the system and passes it, it results in wage leakages. There are transparency measures such as workers checking the muster-rolls, reporting discrepancies to Gram Sabha, public reading of muster-rolls, etc., but they can be easily sidelined (Dreze J., 2007). Under the new mechanism, which is also payment into the accounts, however, through ICT, not manually, requires a recipient account and means to hold the payments.

---

<sup>7</sup> This section builds on the discussion in Khera (2017)

Previous studies (Ravallion, 2003; Khera R., 2011; Bhatti, 2012; Khera R., 2013) have clearly shown that embezzlement of wages is done through three methods: deception (operating workers account without his knowledge), exploitation/extortion (extracting a share of wages through different means) and collusion (workers and implementing agency agreed to help each other in the embezzlement). The above studies have repeatedly noticed that payment of wages into the account has made corruption difficult through deceiving workers; however, extortion of workers and collusion can be widely used unchecked. Khera (2017) shows concrete pieces of evidence of wage thefts and collusion between the functionaries and beneficiaries in MGNREGA.

## **1.9 Research motivation**

My thesis is an attempt to understand the role of technology in delivering social security entitlements in India. It also repeats a decade old enquiry- Can the payments into the workers' accounts weed out corruption in MGNREGA? Wage leakages in MGNREGA severely limit its effectiveness and impact. We, therefore, ask- Can technology-enabled electronic wage transfer curb it, and what has changed after its roll-out? We evaluated this question in the Barak Valley Region (BVR), remotely located in southern Assam - comprising the districts of Cachar, Karimganj and Hailakandi; prone to political and natural adversities.

The Assam Human Development Report (AHDR, 2014) noted that Assam is midway to the desired level of overall human development. One-third of its population is multi-dimensionally deficient; Assam has massive open unemployment. It shows that during FY 2011-12, the total unemployment rate stood at 13.4 percent for persons aged 15-59. The youth unemployment rate is highest at 37.7 percent, followed by female unemployment at 33.9 percent). The per capita annual income (PCAI) and human development index (HDI) values across districts showed a clear positive correlation. Therefore, income and employment continue to be the most significant policy variable for enhancing Assam's overall human development. Socio-economic

achievements disaggregated by spatial classification shows that unemployment is relatively high in flood-prone blocks, tea-garden areas, hills districts, and the Barak valley region (AHDR, 2014).

Cachar's 82 percent population, followed by more than 91 percent in Karimganj and Hailakandi, live in rural areas (Government of India, 2011). AHDR (2014) found that the lowest attainment in overall human development is in Hailakandi, followed by Karimganj and Cachar. It also noted that at birth, life expectancy is lowest in BVR as the border, flood-affected, and tea-garden blocks are disadvantaged in health achievements; the poverty headcount in BVR is among the highest across all districts of Assam. Such a worrisome situation most often leads to out-migration to other states for survival. The BVR thus faces multiple development hurdles. BVR Assam therefore, is a crucial location for social security interventions where MGNREGA is important to raise livelihood securities and prevent out-migration.

A good amount of literature in the current enquiry has also brought important 'what and how' aspects of corruption despite reforms in the world's most extensive state employment programme. This thesis attempts to fulfil the unanswered enquiry, i.e., to bring out the quantity and quality of 'what and how' as well as 'why' such corruption occurs, especially in the remote part of southern Assam.

### **1.10 Research objectives and questions**

1. To study the implementation of electronic wage transfer under MGNREGA in the Barak Valley Region of Assam.

The research questions are:

1. What is the degree of income and livelihood stress faced by beneficiary families of BVR?
2. How significant is an employment guarantee programme for beneficiary families?
3. How are MGNREGA projects implemented in the BVR?

4. Are adult manual workers excluded from job card entitlement?
  5. How are bank accounts of MGNREGA beneficiaries created?
  6. What is the role of Panchayats in the management of MGNREGA projects?
  7. How are muster rolls prepared, and how is the MIS database updated on the MGNREGA website at the block level?
  8. How does the Gram Sabhas conduct meetings related to MGNREGA work, and how does the overall coordination occur?
  9. What is the mechanism of electronic transfer of wages? Is there a screening of beneficiary identity in the PFMS where the fund transfer takes place?
2. To investigate the extent, scale and nature of wage leakage under MGNREGA in the Barak Valley Region of Assam.

The questions are:

1. What is the extent and scale of wage leakage in BVR?
2. Do we have evidence of corruption in the implementation of MGNREGA in BVR? If yes, what are the different ways in which corruption takes place?
3. What are the conditions that give rise to wage leakage despite technology intervention (DBT)?
4. Is there collusion between functionaries and beneficiaries? If yes, how and why does functionary-beneficiary collusion take place in BVR?
5. Are the functionary-beneficiary collusions voluntary in nature?
6. Does functionary-beneficiary collusion result in pecuniary gains or losses, and for whom?
7. What is the scope of social auditing of MGNREGA in BVR?

## 1.11 Chapter outline

### **Chapter 1 Introduction and Literature Review**

**Chapter 2 MGNREGA and Digital Governance in India:** Based on the literature, it outlines the significant reforms in the programme, the overall architecture of MGNREGA, particularly the Digital Governance structures post-technological reforms in the programme.

**Chapter 3 Study Location and Sampling Methodology:** presents the peculiarity of the Barak Valley Region in Assam and describes the research methodology.

**Chapter 4 The Crisis of Unemployment in Barak Valley Region Assam:** discusses the socio-economic characteristics of sample households and the issue of unemployment in the BVR Assam using primary data from the sample survey.

**Chapter 5 Functioning of MGNREGA in Barak Valley Region Assam:** provides the overall operation of MGNREGA in the BVR Assam during the reference period using primary data and MGNREGA-MIS data.

**Chapter 6 A Rent-Seeking Petty Bureaucracy and Functionary-Beneficiary Collusion:** discusses the widespread functionary-beneficiary collusion in the BVR Assam.

**Chapter 7 The Role of Social Audit in Digital Governance:** presents the critical role of social audits in the program's functioning in Assam.

### **Chapter 8 Summary and Conclusions**

## Chapter 2

### MGNREGA and Digital Governance in India

MGNREGA is the world's largest wage employment programme, and has built a structured arrangement aimed at providing guaranteed employment to manual wage seekers in every corner of the country. Therefore, MGNREGA comprises of institutional hierarchies as well as agents of change who are in charge of these institutions. The design of the programme is truly participatory in nature guaranteed to ensure justiciable rights. So, then in spite of such an elaborate arrangement, what are the loopholes through which corruption take place? To be able to understand leakages, we therefore need to understand the institutional architecture of MGNREGA, processes underlying the work and fund flows along with the major reforms in the programme implementation.

The first section describes the institutional architecture of the programme at all levels. Second section discusses the programme's entitlements, work flow and fund flow processes. Major reforms in the programme are presented in the third section wherein reforms in the domain of work and fund flow processes are critically analyzed. The fourth section provides the reformed architecture of work and fund flow under NeFMS and fifth section concludes.

#### **2.1 The Institutional architecture of MGNREGA**

##### **2.1.1 Central government institutions**

The Central Employment Guarantee Council (CEGC) in New Delhi under the Chairmanship of the Minister of Rural Development advises the government on all matters of MGNREGA Act. The CEGC comprises central ministers, members not below the rank of Joint Secretary to Government of India, representative of state governments, Panchayati Raj Institution (PRI) representatives, organizations of workers and disadvantaged groups. The Centre also established the National Employment Guarantee Fund for funding the scheme, from which grants are released directly to the districts.

MGNREGA is run by the Centre's The Ministry of Rural Development (MoRD), Government of India is the policy formulation body as far as the MGNREGA is concerned. The Ministry sets rules and provides operational guidelines for its implementation as per the directives of the Act. It makes budgetary allocations, releases central funds, and periodically monitors and evaluates the programme. The MoRD also facilitates technical support, builds capacity, sets up support teams, and empanels various agencies at different programme levels.

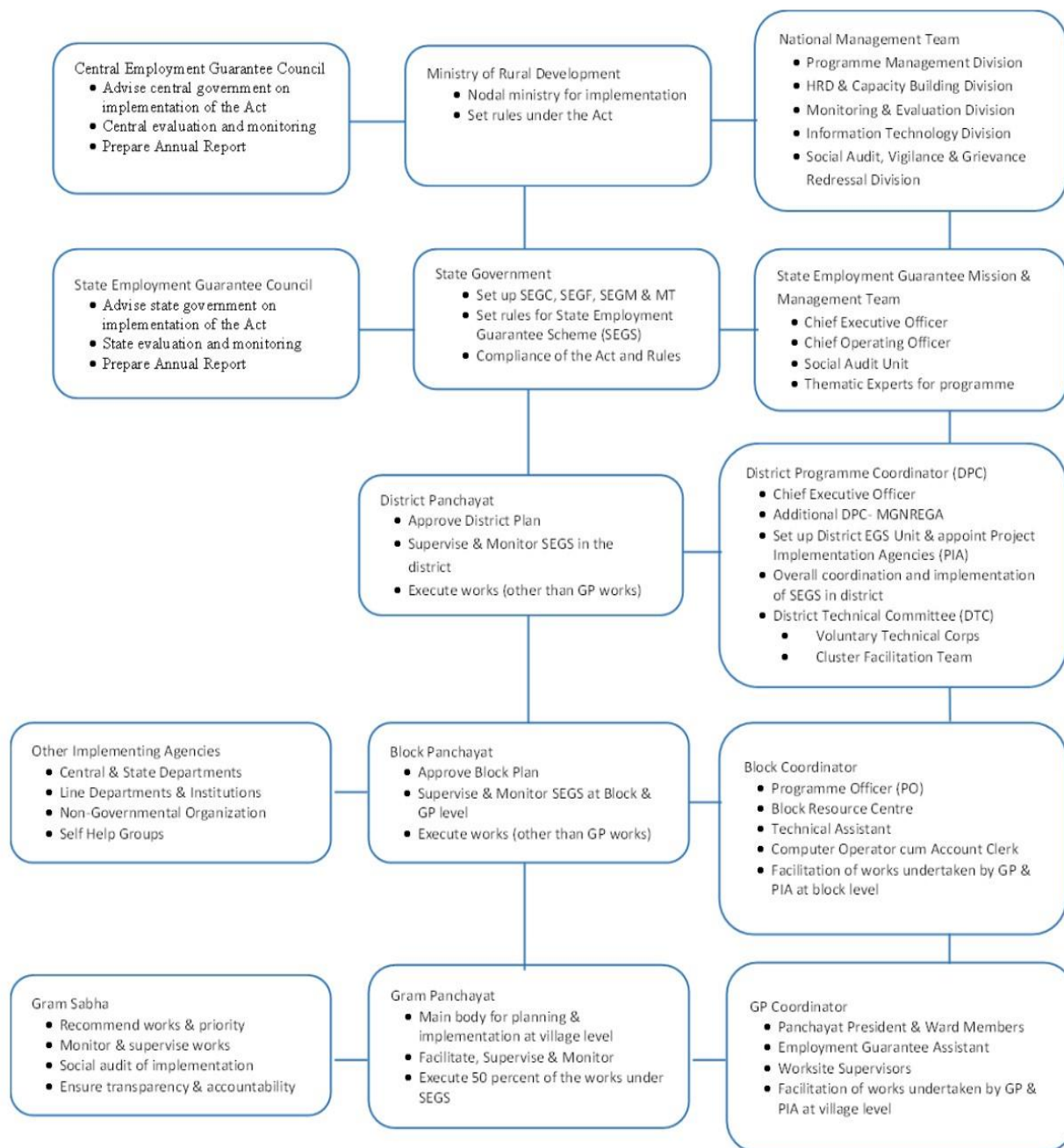
The core functions at the national level are delivered through the National Management Team (NMT) within the Department of Rural Development and headed by Additional Secretary or Joint Secretary (MGNREGA). It consists of five divisions, and each has a team of one senior and two junior programme persons. The institutional architecture and human resources deployment is presented in **Figure 2.1**.

*Programme Management Division* in the MoRD assesses wage employment requirement for each state, provides technical assistance, coordinates with state and district team, follows up advisories issued by the Ministry with states, coordinates with different Ministries for establishing linkages and share good practice models.

*Human Resource Development & Capacity Building Division* focuses on human resource requirements and capacity building initiatives to effectively implement the programme. Assessing gaps in the availability and distribution of human resources across the region ensures that the programme gets steady resources for short to medium and longer terms. It sets standards, formulates recruitment policies, processes and conducts evaluation. The human resource division seeks to create adequate infrastructure for capacity building by identifying and setting standards for training institutions, consulting experts, promoting production and dissemination of quality resource materials, and providing round-the-year training at all levels for the programme implementation.

Monitoring and Evaluation Division promotes monitoring, evaluation and research on the performances of MGNREGA across all verticals. It commissions independent evaluation

**Figure 2.1** Institutional architecture and human resources in MGNREGA



Source: MGNREGA Operational Guidelines, 2013

studies by a panel of experts to establish and refine the systems of monitoring the works under the programme.

*Information Technology (IT) Division* assesses all the IT requirements for the programme and ensures its development and deployment using cutting edge technologies and experts from the field. It coordinates with the state and district team for IT deployment, training, updates, and compliances to increase its implementation efficiency and transparency.

*Social Audit, Vigilance and Grievance Redressal Division* ensures the state follows the provision of audits as laid out in the Act. This division develops social audit formats, guidelines, processes for effective social audit at various levels and monitors the state's compliance for redressal of irregularities. It monitors the outcomes of the vigilance team at state, district and gram panchayats.

### **2.1.2 State institutions**

#### *Policy formulating institutions*

To monitor and review implementation, each state has a State Employment Guarantee Council (SEGC), established under section 12 of the MGNREGA Act. The state government (Department of Rural Development) appoints the chairman, and officials. The non-official members are nominated (not more than 15) from the PRIs, worker's organizations, and disadvantaged groups. At least one-third of non-official members are specified to be women; one-third from the scheduled caste, tribe or other backward community groups. The SEGC advises the state government on all matters of programme implementation and aims to improve the programme outcomes in the state. It recommends work proposals to the central government, coordinates with CEGC, disseminates required policy information, and prepares annual reports for the state legislature.

The SEGC, like the CEGC is an advisory and monitoring agency. The SEGC monitors through implementing agency, a social audit agency and the State Employment Guarantee Fund (SEGF). The state provides the state's share of the MGNREGA budget at the beginning of a financial year in the SEGF, which act as a revolving fund. The state government ensures

compliance of rules and guidelines, accountability and transparency measures as specified in the Act by delegating its administrative and financial powers over the district, block and village officials. The SEGC regularly reviews, monitors, and evaluates the programme's implementation to improve its quality outcomes. The SEGC also ensures dedicated full-time human resources for the programme at State, District, Block, Cluster of Blocks and Village level and regularly spends on capacity building.

### *Policy implementing institutions*

The State Employment Guarantee Mission (SEGM) is the larger implementing body that provides autonomy and operational flexibility to support PRIs and other implementing agencies across all levels. It is headed by the Chief Executive Officer (CEO) - a senior Indian Administrative Service Officer and a Chief Operating Officer (COO). The SEGM comprises the State Management Team (SMT) comprising thematic experts responding to local and evolving requirements, and formulating human resource policies. The thematic areas included are rights and entitlements, participatory planning, natural resources management, IT and Management Information System, planning-monitoring and evaluation, capacity building and training, vigilance, social audit & grievance redressal, technical works, and many more. The appointed professionals provide oversight, build up capacity, resolve issues, monitor the quality of programme implementation at all levels within the state (see **Figure 2.1** above).

#### **2.1.3 District level programme implementation agencies and institutions**

The state government designated District Programme Coordinator (DPC) is responsible for the overall coordination and implementation of MGNREGA in all districts. The District Collector or Chief Executive Officer - District Panchayat or any other district level officer of appropriate rank are usually designated the DPC. The DPC establishes the district's Employment Guarantee

Scheme unit. The District Panchayat (DP)<sup>8</sup> monitors and supervises the programme in the districts. The DPC assists the DP in its functional delivery.

The DPC also receive and consolidate Block Panchayat<sup>9</sup> plans along with projects of other implementing agencies into the district plan and send them to the DP for its approval. The DP regularly reviews new projects added at block and district level for ratification before administrative sanctions; ensures timely sanctions, release and utilization of funds. It periodically inspects work progress, verifies muster rolls, and ensures that workers have their rightful entitlements under the Act. It ensures all official transactions such as job cards, work applications, work allocation, wage generation, delayed wage payments, and unemployment allowances routed through the MGNREGA-MIS system (MIS). It proactively monitors all the official entries of transactions related to works and their implementation, completion, fund flows at all levels and ensures that all such transactions are entered timely into the MIS and by authorized officials only. It ensures social audits in all gram panchayats every six months, follow-up the required actions, and lodge the complaints with appropriate authority if any evidence of corruption, misappropriation, and misconduct is identified. The DPC reviews, monitors, and supervises the programme's performance, programme officials and implementing agencies within the district, develops annual training plan for capacity building, disseminate information campaign, and submit periodic progress reviews to the state government.

To effectively delegate wide range of responsibilities, daily operations and leadership across the district, a full-time Additional District Programme Coordinator (ADPC)- MGNREGA is appointed to head the district EGS unit, with various functional divisions, such as, Works, Finance and Accounts, Social Audit, MIS, Capacity Building, Vigilance, Natural Resource

---

<sup>8</sup> District Panchayat an elected body (the top tier of PRI) is also known as Zilla Parishad, Zilla Panchayat, District Planning & Development Board (in Jammu & Kashmir, Ladakh) and Gorkhaland Territorial Administration in West Bengal's Gorkhaland.

<sup>9</sup> Block Panchayat is an elected intermediate body between district and village panchayats. It is also known as Panchayat Samiti, Mandal Panchayat, Anchal Samiti, Anchalik Panchayat, Janpad Panchayat, Taluka Panchayat, Block Development Council (in Ladakh), Commune Panchayat (in Puducherry), Kshetra Panchayat (in Uttarakhnad and Uttar Pradesh).

Management etc. ADPC-MGNREGA provides technical support from various experts in prerequisite areas such as civil engineering, agriculture, horticulture, social science, technology, capacity building and training. The APDC is responsible for preparing the planning district's shelf of work, labour budget preparation works opening, quality of works, timely wage payments, managing muster rolls, monitoring and inspection of work sites, and managing finance and accounts. One of the critical responsibilities of the APDC is to ensure transparency and accountability processes, social audits, complaints redressal mechanisms, and capacity building processes of the district's programme implementation officials and agencies.

A District Technical Committee (DTC) comprising officers from technical departments, NGO representatives, and academics is set up to examine block and gram panchayat development plans regarding technicalities and the district's development priorities. The committee reviews the shelf of projects and recommends technical grants to DPC. It determines district-specific rates for common tasks, quality parameters, and a list of suppliers for materials used for MGNREGA works and reviews it twice a year. On the revision of wages and material rates, it assists DPC in revising financial estimates of the shelf of projects and fixes standards for quality of assets to be created under the programme.

The DPC may set up a Voluntary Technical Corps (VTC) at the cluster of Blocks and District level to strengthen cluster facilitation teams, block resource centers and DTC. It comprises volunteer specialists from academic institutions, civil society, and citizens; experts in natural resource management, accounting, engineering, social mobilization, or other desired areas identified by the PRIs by a search process. The VTC may be assigned other tasks after building their capacity in different areas by the DPC and motivated to work at cluster or Block Panchayat level (refer to **Figure 2.1**).

#### **2.1.4 Block agencies**

A Programme Officer (PO) acts as coordinator at the block level and is in overall charge of all works in the block. The PO reports to DPC and ADPC of the district and is of the rank of Block Development Officer (BDO). Often block-level executives (Tehsildars/BDO) are designated as PO, which means additional responsibilities of MGNREGA apart from their primary duties. A block with a significant number of SC/ST/Landless households (who are also the target population under the Act) is suggested to have a full-time PO exclusively for MGNREGA.

The PO's primary responsibility is to provide employment within 15 days to anyone who applies for work. The PO receives Gram Panchayat's (GP) plans and after scrutiny, consolidates them into Block Plan and submits it to the Block Panchayat for scrutiny and approval. The Block Panchayat (BP) scrutinizes and approves the Block plans forwarded to the District Panchayat for final acceptance. It monitors and supervises projects implemented at the Block levels.

The PO is the first authority to register, act, and dispose of any objection within the block and refer to higher authority. He/she assesses work demand through baseline surveys, determine employment opportunities from the block plan and matches it with the work demands at each gram panchayat in the block. The PO ensures the rightful and timely payment of wages and unemployment allowances if employment is not provided on time. He/she maintains all accounts of transactions of resources received, released, and utilized; records all information regarding implementing agencies, social audit reports, grievances, and complaints.

The PO provides technical support to GPs; liaison with banks, post-offices, and other institutions as required for the programme; act as mediator/facilitator between GPs and Blocks and between Blocks and District for all communication and linkages. They set up Cluster-Level Facilitation Teams (CFTs) for technical support within clusters of GPs.

At the Block level, a Block Resource Center (BRC) is also established to provide knowledge, resources, capacity building and convergence between MGNREGA and other government

schemes to improve output quality and productivity of the interventions. The BRC provides technical inputs for planning and maintains a database on local natural resources, including sourced through a wide network of experts and institutions. CFTs can access the BRC for quality technical information and knowledge of the local areas, which help them deliver support to GPs. CFT works with GPs to mobilize potential workers to generate awareness about the programme, survey, planning, cost calculation, monitoring, measurements, payments, accounts, and MIS maintenance to facilitate the implementation of the desired plans.

The Programme Office at the Block level also comprises a team of Technical Assistants (TA), Computer Operator cum Account Clerk, Voluntary Technical Corps and Cluster Facilitation Teams. The TA is appointed for a cluster of villages based on estimation of labour demand and reports to the GP of the villages, CFT and the Programme Officer. The TA is trained in MGNREGA processes, works, assessment and measurement of works related to the watershed, natural resource management, agriculture and other related works. The TAs are responsible for identifying works as per Gram Sabha resolutions, estimation of works, measurement of works within three days of muster closing, maintenance of measurement books, work quality, mentoring and capacity building of the GP level workers.

Computer Operators cum Account Clerks, one for each cluster, operate at the GP or the Block for data entry and account maintenance. They are responsible for data entry, generation of job cards, registered work demands, feeding technical estimates, work commencement letters, pay order generations, account and related file maintenance, generation of MIS reports.

Additionally, states are also mandated to deploy two Junior Engineers per 6000 rural households (for hilly and difficult areas per 3000 households) to supervise technical standards, work estimations and layouts, technical and administrative approvals, monitoring executions and timely measurement of works. In certain conflict-prone districts, provisions are made to

deploy one Panchayat Development Officer (PDO) and a Junior Engineer-works from the district cadre with the panchayats accountable to respective GPs (see **Figure 2.1** above).

### **2.1.5 Village level agencies & agents**

The Gram Panchayat<sup>10</sup> is the primary agency for planning and implementing MGNREGA at the village level. Their responsibilities are identifying employment generating and asset creating works, planning, developing a shelf of such works/projects after getting recommendations and approvals from the Gram Sabha. They enroll workers, receive and acknowledge the demand for works, assess demand trends, distribute works to workers, monitor implementation, ensure works quality, timely payments of wages, accounts and records maintenance, coordinate with Block Panchayat and District Panchayat, prepare annual reports, awareness generation, social mobilization, and convenes social audits. The GP is bound and tied by the Act to maintain transparency and accountability at all levels of programme implementation.

An Employment Guarantee Assistant or Gram Rozgar Sahayak (GRS) is appointed in every GP (except where demand for work is non-existent), more if the GP is scattered, tribal areas and with high manual labour potential areas. The remuneration for the GRS comes from the administrative expenses under the programme. In addition, a Mate/Work Supervisor per 50 workers is utilized and paid an equivalent wage of semi-skilled labour per day. The GRS is deployed exclusively for the programme, and their functions are different from the Panchayat Secretary (PS). The sole responsibility of a GRS is to assist the GP in executing MGNREGA works at the village(s) under the jurisdiction of the GP. The GRS looks after the registration of workers job card distribution, acknowledges job demand, work allocations, ensures worksite

---

<sup>10</sup> Village Panchayat/Council also known as Gram/Grama/Gaon/Halqa Panchayat is an elected body (for 5 years) by the members of Gram Sabha comprised of Panchayat President (Sarpanch) and Members of Panchayat (Panch/Ward Member). Anyone above 18 years/adults, who has right to vote, living in the area covered by a panchayat is a member of the Gram Sabha. Each village council has a secretary appointed by government who is responsible for calling meetings of Gram Sabha and Gram Panchayat; keeping records and conducting other official duties. One of the GP's primary tasks is to implement development programmes in all villages under its jurisdiction.

facilities, supervises Mates for workers' attendance in the prescribed muster rolls at worksites, and ensures that rightful workers are provided works. The GRS also updates the job cards regularly, coordinates with the PO office, maintains programme-related registers and documents at the GP level for public scrutiny and assists the Panchayat Secretary or other officials in maintaining MGNREGA accounts.

Panchayats- a three-tier local government structure (Village, Block and District) are at the forefront as a universal platform for planning and implementing development programmes in India. The Gram Sabha recommends developmental works and priority within its jurisdiction which are sent to Block Panchayat and on approval forwarded to the District Panchayat for deliberation, approval and inclusion into the Annual District Plan. These Panchayats also supervises and monitors programme's implementation at their respective levels. Panchayats are also the central planning and implementing authority under MGNREGA. The developmental works are implemented by various agencies depending on the project's technicalities. The District Panchayat, Block Panchayat, other Central and State Departments also acts as the implementing agency. MGNREGA mandates that at least half of its funds are spent directly by Gram Panchayats. Thus, the Gram Panchayats are the major implementing agency under the programme. In cases the Gram Panchayats are directly not the implementing agency, it is duty bound to facilitate, supervise and monitor all the development works carried out in its jurisdiction.

The Act provides a legal guarantee of 100 days of employment in a financial year to any adult wage seeker. Thus, the allocation of work is activated by the demand for work by the worker. The Act also entitles workers to unemployment allowance if the state fails to provide work on demand, on time, and compensation if there are delays in wage payment. Thus, the workers are the primary stakeholders of the MGNREGA, and their rights are to apply for registration, obtain a job card, apply for work, decide the time and duration of employment, obtain a stamped and

dated receipt of the application and get employment within 15 days of application. They are also entitled to worksite facilities, extra wage if the worksite is beyond 5 kilometers of the GP, to check the muster roll, information about their employment and other details, timely payment of wages, job card update and medical treatment in case of injury and compensation in case of disability or death.

## **2.2 Entitlements<sup>11</sup> under MGNREGA**

MGNREGA<sup>12</sup> is different from earlier employment programmes in terms of universality, self-targeting/selection and demand-driven rather than supply-driven. It thus requires that wage seekers are aware of their entitlements, and mechanisms are put in place to facilitate the demand of work, recording and acknowledging the demands.

### *Right to a Job Card*

Every household under the programme is entitled to a job card. The job card is the primary instrument that records a worker's entitlements, provides legality to demand work fraud protection and ensure transparency and accountability. It is an ongoing process as the awareness of the programme increases, and is based on the changing need of the rural households. To facilitate awareness and enrollment, the Programme Officer initiates door to door surveys and ensures that respective GPs, with the help of GRS and Mates, complete it before people have not seasonally migrated out during the year. To allow ease and maximum opportunity, registration is open throughout the year at the GP office, and the applicant can make an oral request for enrollment to the Panchayat Secretary or the GRS.

---

<sup>11</sup> For more details on the entitlement refer to Government of India (2006), MoRD (2018), Government of India (2019).

<sup>12</sup> For detailed accounts of significance of a right based approach to rural employment guarantee in India refer to Mukundan (2009), UNDP( 2010), Dreze (2019).

### *Job card registration process*

The Gram Panchayat, upon receiving such applications, verify the households by ascertaining local residency and identifying the actual availability of adult manual workers, within a fortnight. All such verified applicants are entered in the NREGASoft by the authorized agent (e.g. Panchayat Secretary or Gram Rozgar Sahayak). The applicant requires submitting details about the household, social category, whether beneficiary of other welfare schemes, BPL status, voter card, photographs, bank/post office account details, Aadhaar number if enrolled, and mobile phone number linked to the bank account. In case of incorrect information in any application, the GP refers it to the PO, who independently verifies and instruct the GP to either register, reject or correct and reprocess the application. The list of rejected applications are made public and are to be mandatorily presented to the Gram Sabha for deliberations. If found genuine, such applicants may be instructed to re-apply. Each registered household is assigned a unique registration number that carries five years' validity and can be renewed following prescribed processes.

Upon successful registration, the GP is required to issue a job card, and provide to one of the household members in the presence of other residents as witness. With this job card, registered adult household members are entitled to apply for work at any time and receive other entitlements as prescribed in the Act. The cost of the job card is included in the administrative expenses, borne as a part of programme cost; thus, it comes free of charge to every registered household. A copy of all job cards is required to maintain at the GP.

The rural households are the custodian of their own job cards. Under Section 25 of the MGNREG Act, job cards found in possession of any GPs or functionaries without a valid reason are considered a punishable offence. The implementing agency must return the job cards immediately or on the same day if taken for any reason, such as updating of records. The state government and District Programme Coordinator are entrusted with ensuring that the job cards

remain in their respective holders' custody. The GRS or authorized functionary is duty-bound to update the job cards of the workers who have demanded employment received work and wages within 15 days of such transactions.

Job cards cannot be cancelled on non-demand of work or non-reporting for work. Any cancellation of job card is instructed by the PO to the GPs, after independent verification of grounds valid for cancellation such as household's permanent migration to different GP/urban areas, or if duplicate and registered through forged documents. Any such cancellations must be presented in the Gram Sabha, made public, reported to the block and updated in the MIS. Similarly, fresh job cards can be issued if not fit for usage due to wear and tear, or if new household members are added due to attaining adulthood or marriage.

*Right to demand and receive work within 15 days*

Registered members are entitled to apply for unskilled manual work by applying (including oral demand converted into written form, written application on white paper, telephonic, kiosks and online modes) to the GPs, Block and District office. Each of these applications must be registered and acknowledged with a dated receipt and entered into MIS. Non-provision of dated receipt is a punishable offence under Section 25 of the Act. Proactive registration of work demands is central to the program's implementation, thus, implementing agencies require to ensure that submission of the demand is kept open continuously and through various channels including Programme Officer, Gram Rozgar Sahayak, Gram Panchayat members, Mates, Anganwadi workers, Self Help Groups, and Revenue Officials. Demand for work must be submitted for at least 14 days of continuous work, and households can submit multiple applications for multiple of such continuous periods of employment.

The programme mandates that at least 100 days of wage employment be provided to every rural household during a financial year. Provision for additional 50 days of employment is for

Scheduled Tribes households in forest areas under Forest Right Act 2006 as also for drought or natural calamity notified areas.

*Right to unemployment allowance*

Every worker is entitled to a daily unemployment allowance if employment is not provided within 15 days of the receipt of the application or from the date from which the employment is demanded. State governments specify the minimum wage rates and make budgetary provisions for unemployment allowance. On the part of the households, if the applicant does not accept the employment provided, or does not report for work or remains absent from work without prior permission for a week or entire period, they become ineligible for unemployment allowance. Such allowances are automatically calculated in the NREGASoft based on the entries made into the system, and the Programme Officers are entrusted to make the final decision on the matter.

*Right to plan and prepare a shelf of projects*

Effective implementation of the programme requires prior assessment of the quantum of work likely to be demanded and the timing of such demand before the demands get registered. To meet such demands, a shelf of projects must be ready and prioritized along with convergences with other schemes and approval of technical and administrative sanctions at all levels. Thus, planning under MGNREGA requires matching the demand and supply of work and preparing an annual labour budget.

Every registered worker has a right to participate in the Gram Sabha (held between August to February every year) to identify works/projects, plan projects, and decide the order of priority of MGNREGA project execution . The resulting shelf of projects, preparation of labour budget estimate is an annual work plan document which requires participatory planning including the workers, approval of respective Gram Sabha and higher tiers, funding and execution modalities.

Such planning ensures that the implementing agencies can open works according to anticipated or seasonal demands, in sync with the migration pattern in the locality and when workers are unemployed/underemployed or facing distress situations during the year.

*Right to obtain work within a radius of 5 kilometers*

Under the programme, the worksite has to be allocated within five kilometers of the worker's residence or provided within the block. Any worksite beyond the stipulated radius entitles a worker to get a travel allowance equivalent to ten percent of the wage rate.

*Right to worksite facilities*

Workers are entitled to drinking water, shade (for rest), creche (a person engaged to look after children below five years), and medical aids at the worksite. In case of injury or accident which requires treatment, workers are entitled to hospitalization free of charges, including payment of daily allowance (half of the wage rate). On disability or death, workers are entitled to an ex-gratia payment as notified by the central government.

*Right to notified wage rate and to receive wages within 15 days*

Section 3(2) of the MGNREGA Act provides that wage disbursements should be made weekly or within the fortnight of completion of such work. All delays in wage payments beyond 15 days (or after the closure of muster roll) entitles the worker for compensation. The Central Government notified the wage rate for each financial year, and states can contribute to a higher wage rate in each state. All workers should be paid according to the notified wage rates prevalent in the state without discrimination. The implementing agencies must proactively facilitate opening workers' accounts in the post office/bank for timely credit of wages. There are strict mandates for account payments and cash payments are forbidden unless specifically allowed by the Central Government. In unreachable areas, banking correspondents (also known as business correspondents) are also deployed to ensure wage disbursal through bank accounts.

*Right to time-bound redress of grievances, conduct social audits of all MGNREGA projects*

Workers can register and receive a dated acknowledgement for any grievance related to the programme in the GP, Block and the District office. The concerned authorities should redress such grievances within 15 days of admission. The Act also provides the citizens with the right to social audit all the works and expenditures under the programme, including complete access to all the records at all levels, real-time online information dissemination through MGNREGA MIS, proactive disclosures on public walls and regular social audits by independent agencies. State governments are mandated to establish and empower independent Social Audit Units to facilitate the Gram Sabha in conducting regular social audits of the works completed under the programme.

### **2.3 Work flow under MGNREGA**

#### *Registration*

A potential worker registers with the Gram Panchayat. The purpose of registration is to obtain a job card with a 16-digit unique number used in muster rolls attendance, tracking payments, and administering the limit of 100 days of employment. The lack of registration is not a constraint to starting work. Registration can also be done on-site. If the operations are not decentralized from the Block level to the GPs, there can be significant delays in generating the job card (see **Figure 2.2**).

#### *Demand for employment*

A registered worker can demand work either personally or in a group by orally or submitting the demand to the GRS, GP or BDO and receiving an acknowledgement receipt for the same.

#### *Participating in work*

After demand for works is received, the PO issues a work order instructing the implementing agency to start the work (according to the priority from the approved shelf of works). The

implementing agency issues a work commencement letter to the concerned GPs and workers. Muster-roll (an authorised attendance sheet with unique number having detail of the work and workers for recording attendances of the workers at the worksite) is issued from the Block office to the implementing agency.

#### *Muster-roll, work measurement and evaluation*

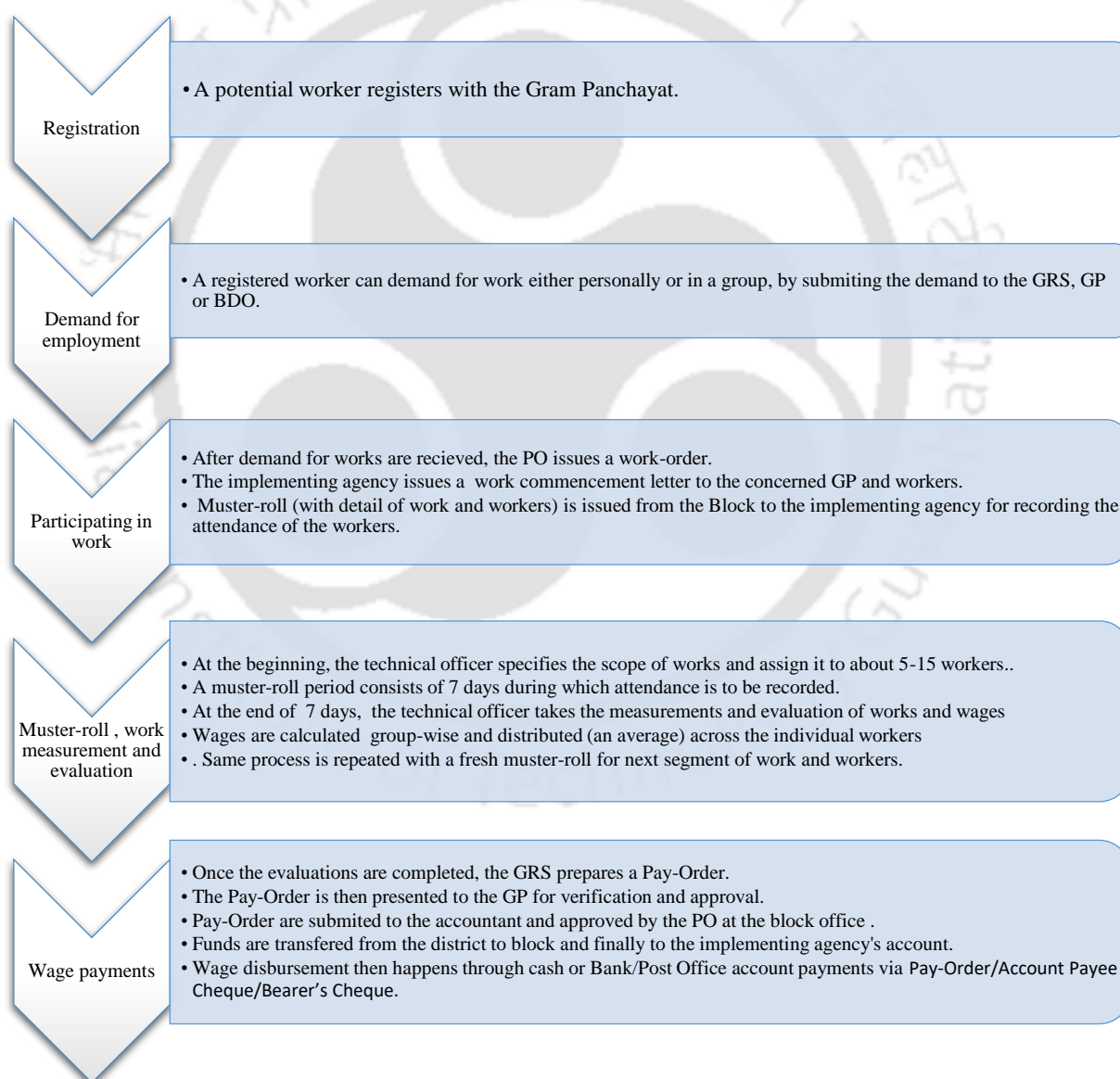
Often payments are based on tasks and the amount of work accomplished. Therefore, wages are on a piece rated basis. Before work commencement, the technical officer specifies the scope of work and assigns it to about 5-15 workers. A muster-roll period consists of seven days during which attendance is recorded. At the end of seven days, the technical officer takes the measurements and evaluation of works and wages. Wages are calculated group-wise and distributed (at an average) across the individual workers. The exact process is repeated with a fresh muster-roll for the next segment of work and workers.

#### *Wage payments*

Once the evaluations of completed work are over, the GRS prepares a list containing workers along with their job-card number, account number and the amount payable- called a Pay-Order. The Pay-Order is then presented to the GP for verification and approval, followed by the Accountant at the Block office before being sanctioned by the PO/BDO. Once approved, the required funds are transferred from the District to Block to concerned implementing agency's Bank/Post Office account. Wage disbursement to workers thus happens through cash payment or Bank/Post Office accounts. In the case of cash payments, the implementing agency directly disburses the workers' wages at a pre-specified location (generally the GP office) and date. Financial instruments such as Pay-Order or Account Payee Cheque or Bearer's Cheque is used for wage transfer into the workers' accounts.

Delays in the workflow usually arise due to manual handling of processes, involvement of various functionaries, and locational attributes at different sanction levels and approvals. For example, work allocations and muster roll generation take place at the Block level, attendance takes place at worksite and requires approval of the GP. There are time lags in approval received from the GP and the data entry into the MIS that takes place at the Block level. There are further delays in manual recording of measurements, evaluations of completed work, calculation of wages, other technical and administrative approvals.

**Figure 2.2** *The workflow under MGNREGA*



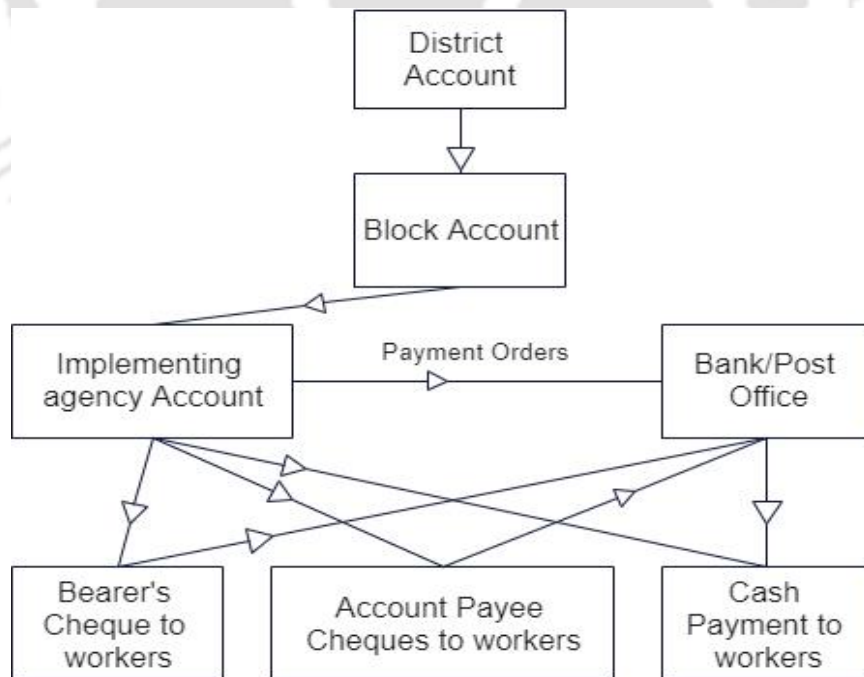
Source: Author's compilation

Until 2012, barring a few states (Himachal Pradesh, Gujarat, West Bengal, Tamil Nadu, Kerala and Karnataka), MGNREGA's entire workflow at the GPs was manual. Due to the lack of required infrastructure, records were periodically carried to the Block/District Offices and updated into the MGNREGA MIS, resulting in delays (an average of one month) in the data entry, leading to inefficient and delayed decision-making and thus processing of the same.

## 2.4 Fund flow under MGNREGA

Due to supply-side constraints of banking services and financially excluded rural population, the wages under the programme were paid in cash by the implementing agency (mostly the GPs) based on the entries in the muster-rolls (before mid-2008). Based on approved muster-rolls at the Block level, funds are transferred from the District to the Block accounts then in the implementing agency's Bank/Post Office accounts. The implementing agency then withdraws the amount to disburse the workers' cash payment as per the muster rolls records. Thus, the implementing agency was also acting as the payment agency under the programme.

**Figure 2.3** *The Fund flow under MGNREGA*



Source: Author's compilation

In September 2008, it was mandated that payment of wages must be made into worker's accounts through an institutional channel like Bank or Post Office. Once the Pay-Orders were generated, the funds were directed from District to Block to the GP's account in a Bank/Post Office through different channels. Workers were paid their wages via Pay-Order or Account Payee Cheque or Bearer's Cheque from the GP's account. On receiving a cheque, workers visited the Bank/Post Office premises to deposit it and waited for effective transfer of the wages before getting wages in cash. The GP also issued Pay-Orders to the Bank/Post Offices with the details required for the transfer, which activated the transfer of funds from GP's account to the worker's account. Wage payments through financial institutions effectively separated (partially) the implementing agency from the payments as the workers are paid in their accounts (see **Figure 2.3**).

Cash payments and paying into workers' accounts involved multiple stoppages due to the involvement of many functionaries at various levels, i.e., the GRS, Data Entry Operator, Engineer, Accountant, PO/BDO, Bank/Post Office and post personnel's in the process. There are also many locational stoppages such as the Computer Centre, Engineer's Office, District Panchayat, PO/BDO office, Bank/Post Offices. Precisely for these locational attributes, multiple functionaries and manual processing, there are numerous delay points in the wage disbursement. For example, there were delays due to manual movement of muster roll's approval from one official to another and due to location from worksite to GP to Block. Even when the location is constant, i.e., both Block office and Bank generally located at the Block level, there could be delays in processing within the Block office or the Bank/Post Offices or in between. Therefore, delays arise due to manual transfer of records and payment orders at various levels accentuated by delays in inter-institution transfers, delays in crediting the worker's accounts and delays in actual disbursement of wages by the Bank/Post Offices.

Thus, the manual nature of both work and fund flow led to inefficient functioning, delayed decision making and delays in the wage payments. The change in the mechanism of wage payments also brought multiple external challenges such as distance and hardship in accessing accounts, fraud and corruption, and internal issues such as delays in between transfers such as interbank transfers and infrastructure issues in Bank/Post Offices etc. The switch to bank transfer from cash could not fully control the delays in wage payments embezzlement of funds and undermined the transparency safeguards (Adhikari & Bhatia, 2010) as envisioned by the policymakers.

## **2.5 Major Reforms in MGNREGA**

Given the spread and scale of operation of MGNREGA across the country, the programme has touched the lives of a majority of the rural household. One of the foremost challenges was the management of scattered funds parked at various levels (State, District, Block, Line department, GPs), disbursement of funds from Centre to State, and management of a large number of Bank and Post Office accounts. The manual transfer of payment orders to financial institutions were another that affected the timely payment of wages. Similarly, delays in the transfer of records from the field to the data entry location, wrong or erroneous entries without any checks into the MIS, inadequate human resources at the field levels were other bottlenecks that affected the programme implementation. Thus, the major roadblocks that hindered its effective implementation were human resources errors, management issues, and delays in work and the fund flow. Reforms in the MGNREGA are in two domains:

- (i) Reforms in work/activity
- (ii) Reforms in the fund flow/payment system.

### ***2.5.1 Reform in work/activity flow - NREGASoft***

From the beginning, for planning and monitoring of a pan India programme like MGNREGA, a web-enabled Management Information System was envisioned. The MoRD, National

Informatics Centre (NIC) and other stakeholders designed the official MGNREGA MIS system called the NREGASoft- a local language web-enabled, workflow-based transaction-level system to capture all activities of all stakeholders across the country. NREGASoft<sup>13</sup> provides a single-window interface for all MGNREGA related activities accessible to all the stakeholders at different levels. It facilitates e-Governance by enabling information technology-based implementation of the programme across the state, districts and all levels of Panchayat. It facilitates speedy information exchange among stakeholders by its network and fulfil the right to information by providing all documents related to the scheme.

NREGASoft provides single-point access to citizens, workers, Technical Teams, Programme Divisions, GPs, Blocks, Districts, States, Ministries, Banks, Post Offices and Social Audit Units. The system consists of core modules such as works, workers, labour budget, and funds, which enables the MoRD to examine proposals and estimate expenditures to release funds to the state. The support modules (social audit, cost estimation, staffing, training and grievance) enable processes and decision making. It has inbuilt checks ensuring compliance with the guidelines. It alerts the implementing agency about various irregularities and important transactions (on job card usage, due unemployment allowance, works, anticipated expenditures, liabilities, labour material ratio violations, delayed payments and muster rolls). Thus, NREGASoft by design can streamline all the manual processes of the work flow and has robust real-time reporting capabilities about all aspects of the programme. However, until 2014, its capabilities were utilized in a very limited way.

Despite its strong inbuilt mechanism, it is limited by its inability to capture real-time data at the source, affecting its true potential. For example, due to the lack of computers and internet at the GP level, there are lags between capturing data on paper at the worksite and feeding into the

---

<sup>13</sup> MIS of MGNREGA or the NREGASoft is a public portal (online and offline), hosted on the programme's official website (<http://nrega.nic.in>) and can be accessed for information and reports by public. All MGNREGA stakeholders log into the system using their official user and password for their respective functions.

system at the Block level or the District level if Blocks have the same issue. The system is available offline and online to overcome this limitation. In online mode, machines are connected to NREGASoft, and thus, data entry is instantaneous and directly into the system without lag. Data entry in an offline version gets uploaded on NREGASoft once connected with the centralized system. It has been proposed that the ground-level workers will be equipped with hand-held devices to capture workers' biometrics, enabling real-time demand registration and attendance at worksites.

It has also proposed using sophisticated technology (Global Positioning System and Geographic Information System) to record the worksites and monitor works. Moreover, mobile phones and social media have been identified to enhance the programme's workflow. Thus, to streamline the workflow, two components were targeted. One is capturing field-level data such as work demands, allocations, attendances, and work measurements electronically with hand-held devices (mobile/ tablet computer). The second is transferring data processing works such as wage calculations, wage-list generation, purchase order of materials, etc., to the NREGASoft.

However, it is important to note that most of the vital data on worker's registration, demand for work, muster rolls, works, measurements, evaluations, GP's approval happen at the GP level; before moving to the Block. Suppose the GPs are not equipped with the required infrastructure, devices, internet connectivity and human resources. In that case, the system remains the same and limited as its exiting manual workflow. In BVR, we found that Block offices are directly connected to the NREGASoft; however, we did not find any computer and dedicated internet connectivity at the GP level in any Block surveyed. In addition, we found that the GPs are distant, lacks basic infrastructure and inaccessible during the rainy season. Not only the GRS who coordinates with the Block office was handling multiple GPs, many times same Panchayat Secretary (*Sachiv*) was handling multiple GPs pointing to shortage of required human resources.

Our field survey showed that most of the GP level works are manual paper-based, including attendance of the workers on the printed muster rolls at the worksite, and then the GRS feed it into NREGASoft at the Block office. The anticipated improvement in the workflow, to an extent, is the same as ever. One cannot deny that it is time consuming, primarily due to the distance involved and lack of human resources. Thus, the practical benefits of deployment of such sophisticated technologies are still negligible, at least in the context of our study site.

### ***2.5.2 Reforms in the fund flow/payment system-NeFMS***

One of the initial reforms in 2008 was the payment of wages into the Bank/Post Office accounts of workers; however, the implementing agency manually processed the payments through cheques/demand drafts/cash deposits into the worker's accounts. To make the payment mechanism speedier and more efficient, the state started using cutting edge technology enabled electronic payment system to transfer the wages directly into the workers' bank accounts. In 2013, a technology-enabled electronic payment system was introduced, and manual processing of wage transfers gradually stopped.

Such reforms in the fund flow were not limited to MGNREGA but across most welfare schemes of the Government of India. The web-based Public Financial Management System (erstwhile CPSMS)<sup>14</sup> was started in 2009 to facilitate an efficient fund flow system and payment cum accounting network. It tracks funds under all plan schemes and real-time reporting of expenditures at all levels of the scheme's implementation. It provides a real-time, reliable management information system to support decision making to various stakeholders as part of the Digital India<sup>15</sup> initiative of the Central Government. The system is linked to all the State's treasury to exchange budget, allocation, and expenditure data in all transfers of central funds

---

<sup>14</sup> The Central Plan Scheme Monitoring System (CPSMS) of Controller General of Accounts, Ministry of Finance, Government of India started (2008-09) as a pilot in four states (Madhya Pradesh, Bihar, Punjab, Mizoram) for four schemes including MGNREGA to link financial networks of Centre, State and other agencies.

<sup>15</sup> Digital India is a flagship programme of the Government of India with a vision to transform India into a digitally empowered society and knowledge economy.

For more details refer to <https://www.digitalindia.gov.in/content/introduction>;  
[https://www.meity.gov.in/sites/upload\\_files/dit/files/Digital%20India.pdf](https://www.meity.gov.in/sites/upload_files/dit/files/Digital%20India.pdf)

for all Centrally Sponsored Schemes. It is noteworthy that MGNREGA has the largest fund allocation.

The PFMS is the backbone of the payment system of the Government of India, integrated with the Core Banking System (CBS)<sup>16</sup>, thus providing validation of accounts before initiating online payments to any beneficiary or account holder. It is also integrated with the National Payment Corporation of India (NPCI)<sup>17</sup> to facilitate validation of Aadhaar based payments. Aadhaar, on the other hand, provides a Unique Identification Number (UID)<sup>18</sup> to individuals by capturing their biometrics, thus providing proof of identity and residency or address.

The Government of India also initiated the Direct Benefit Transfer (DBT) scheme (from 1<sup>st</sup> January 2013) to reform the delivery system of welfare schemes by simplifying and enabling a faster flow of funds and information. It aimed to transfer benefits (cash) directly to the citizens through their Bank/Post Office accounts, reducing delays in payments and bringing efficiency in targeting beneficiaries, thus curbing duplication and leakages across all schemes. The success of DBT required that households have accounts in Bank/Post Offices to receive the transfers directly.

The Pradhan Mantri Jan Dhan Yojana (PMJDY) was launched in August-2014 to financially include all the households across the country. The programmes aimed to provide universal access to basic banking facilities, at least one bank account to each household and access to credit, insurance, and pension, especially to weaker sections and low-income groups. The issue

---

<sup>16</sup> Core Banking System includes all Banks operating in India, including public and private sector banks, Reserve Bank of India, all Regional Rural bank, Post Office and Cooperative Banks.

<sup>17</sup> The NPCI was established (by the Reserve Bank of India and Indian Bank Association in 2007) to build a robust payment and settlement system in India. Since its inception, NPCI as an umbrella organization has operationalized many indigenous retail payment and settlement systems in the country such as RuPay, IMPS (Immediate Payment Services), National Automated Clearing House (NACH), Aadhaar Payment Bridge System (APBS), Aadhaar enabled Payment System (AePS), National Financial Switch (NFS), Unified Payments Interface (UPI), Bharat Bill Payment System and National Electronic Toll Collection.

<sup>18</sup> The Unique Identification Authority of India was created (2009) to issue Unique Identification numbers (UID), named as "Aadhaar", to all residents of India. The UID is claimed robust enough to eliminate duplicate and fake identities; verifiable and authenticable in an easy, cost-effective way. As on 31st October 2021, the Authority has issued 131.7 crore Aadhaar numbers to the residents of India.

of last-mile connectivity due to poor infrastructure, absence of bank branches and internet connectivity was proposed to be overcome by extensive use of mobile transactions through telecom operators, banking correspondents and network of payment banks. Thus, Aadhaar-Jan Dhan accounts and mobile phones were claimed as DBT enablers in rural areas. All of the above policy changes (NeFMS, DBT, Digital India campaigns, PMJDY) aimed at convergence in the form of financial inclusion, delay in wages, and creating digital platforms to plug welfare leakages.

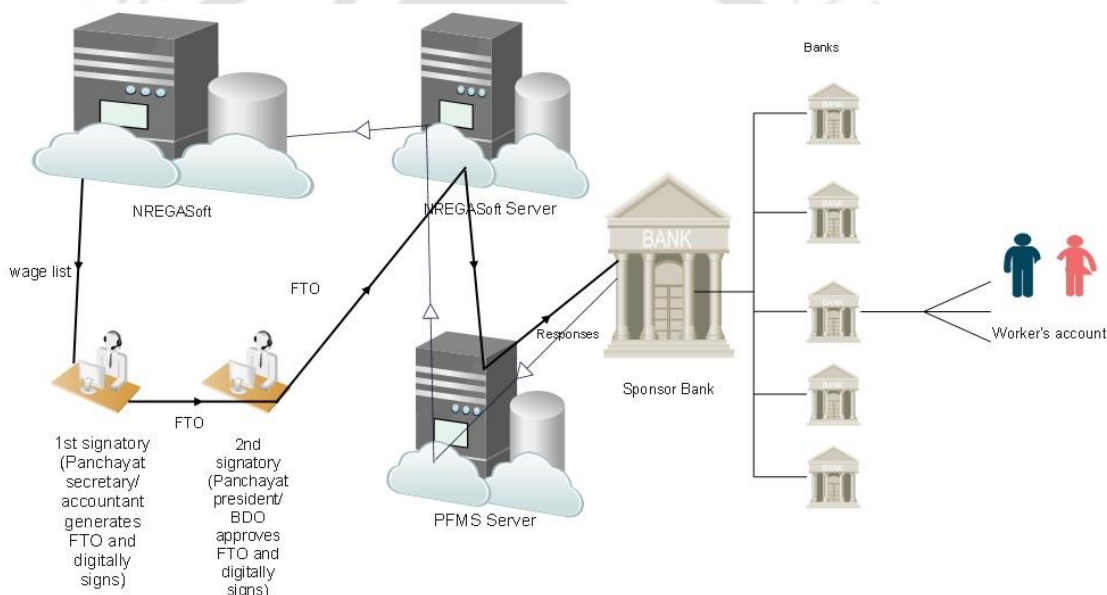
The PFMS became the channel (since 2013) for payment, accounting and reporting under the DBT. All Ministry/Department of the Central and State Government mandatorily transfers the benefits (cash components) electronically to the beneficiary (institution/individual) through the PFMS, linked with NPCI and CBS. Thus, the reforms in the PFMS and technological advancement in the payment-settlement system, identification mechanism, and financial inclusion paved the way for electronic DBT. MGNREGA became one of the first schemes adopted for the DBT implementation in 2013 and rolled out pan India by FY 2015-16.

Under MGNREGA-DBT, all the payments to the workers are credited into the workers' Bank/Post Office accounts unless exempted under exceptional circumstances. The transfers are executed using Bank/Post Office account details or the Aadhaar number of the worker or both linked together. Although Aadhaar was not mandatory under MGNREGA-DBT, the programme has gradually moved towards Aadhaar Based Payment System (ABPS) developed by the NPCI. All the transfers via ABPS are electronic and real-time based on Aadhaar numbers. It requires that workers enrolled under Aadhaar, Aadhaar numbers of all active workers seeded into NREGASoft, seeding of verified Aadhaar number in the worker's Bank/Post Office accounts and storing it on the NPCI system.

To streamline the fund flow, an electronic fund transfer system, commonly known as the electronic-Fund Management System (eFMS), has been integrated into the NREGASoft for all

the stakeholders. Therefore, NREGASoft became a transaction-based Management Information System that effectively, completed the separation of the implementing and payments agencies. In the earlier reform (shift from cash to Bank/Post Office payment), the separation was partial in the sense that most of transfers were initiated manually by the implementing agency themselves. For example, the GP as the implementing agency writing cheques for individual workers or issuing Payment Orders to financial institutions for wage payments to group of workers while the Bank/Post Offices only effectively paid the cash equivalent of instrument issued. This is one of the most critical developments in the MGNREGA under DBT.

**Figure 2.4** *Integration of NREGASoft and NeFMS in MGNREGA under DBT*



Source: Adopted from Government of India (2019)

Whenever Pay-Orders are released, the NREGASoft server shares the files with the PFMS, which in turn shares it with State's Sponsor Banks<sup>19</sup>. These Sponsor Banks process the payments through the NPCI, debiting states' account and crediting the beneficiary accounts, and send the response files back to the PFMS. The PFMS then shares the same response files to NREGASoft server, which are reflected in the system to all MGNREGA stakeholders. Thus, MGNREGA required a reformed work and fund flow system to fully comply with the DBT

<sup>19</sup> Sponsor Banks are banks with the State Employment Guarantee Fund NeFMS account where funds are held in one account at the state level, which is electronically linked to all implementing levels within the state.

scheme, which is a part of the Centre's Digital India mission. In 2016, National Electronic Fund Management System (NeFMS) started in eleven states to streamline the fund flow system and timely disbursement of payments following the revised DBT protocols under MGNREGA.

### ***2.5.3 NeFMS architecture and the reformed processes***

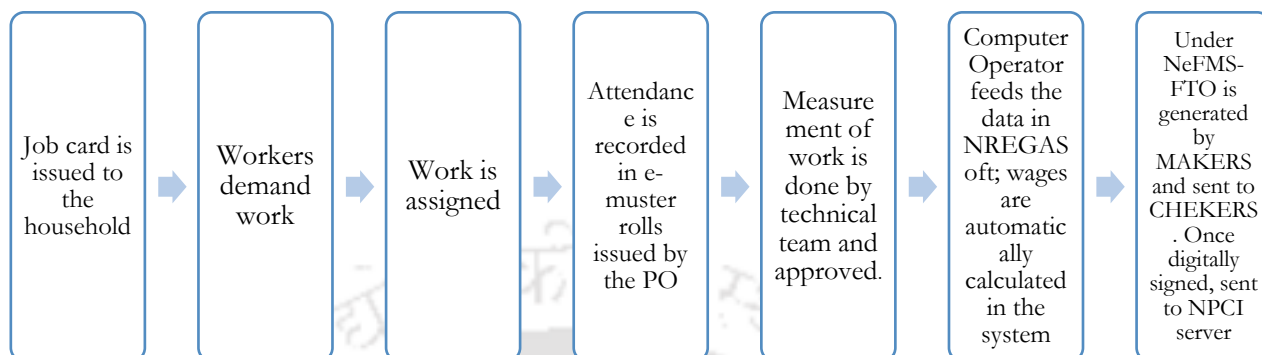
In the NeFMS, funds are held at the State level (in two accounts- one for material and admin expenditures while another for wage component only) electronically linked to all implementation levels. Once the muster rolls, work measurements are verified and approved, the implementing agency generates the e-Pay Order called the Fund Transfer Order (FTO) to initiate the wage transfers directly into the worker's account. Since the Central Government funds 100 percent of the wage component under the programme, the State's account notionally receives the wage share from the Centre's account, from where wages are directly credited to the worker's account. The new system allows the transfers within two working days of generation of FTOs. The key stakeholders involved under the NeFMS are:

- (i) Field functionaries (involved up to the generation of FTO)
- (ii) Ministry of Rural Development and State Governments (engaged in release of fund order)
- (iii) Agencies (PFMS, Accredited Banks, Sponsor Banks, Postal Department, NPCI and National Informatic Centre) involved in the processing of FTOs and crediting the worker's accounts.

Before starting work, the Programme Officer at the Block will issue a work order to the implementing agency (GP/Block/Line Departments) along with the required e-Muster rolls (e-MR). The implementing agency can print the issued e-MRs from the NREGASoft with pre-printed worker's name allocated to the worksite and unique number. Only the certified e-MRs are considered authentic for FTO generations. The GRS, with the help of Mate, will take the attendance of the workers at the worksite on the issued e-MRs. The GRS is required to complete

the data entry of attendance within two days of closing of e-MRs (i.e., last date printed on the e-MR) into the NREGASoft.

**Figure 2.5** *The workflow till the fund transfer order get authorization under NeFMS*



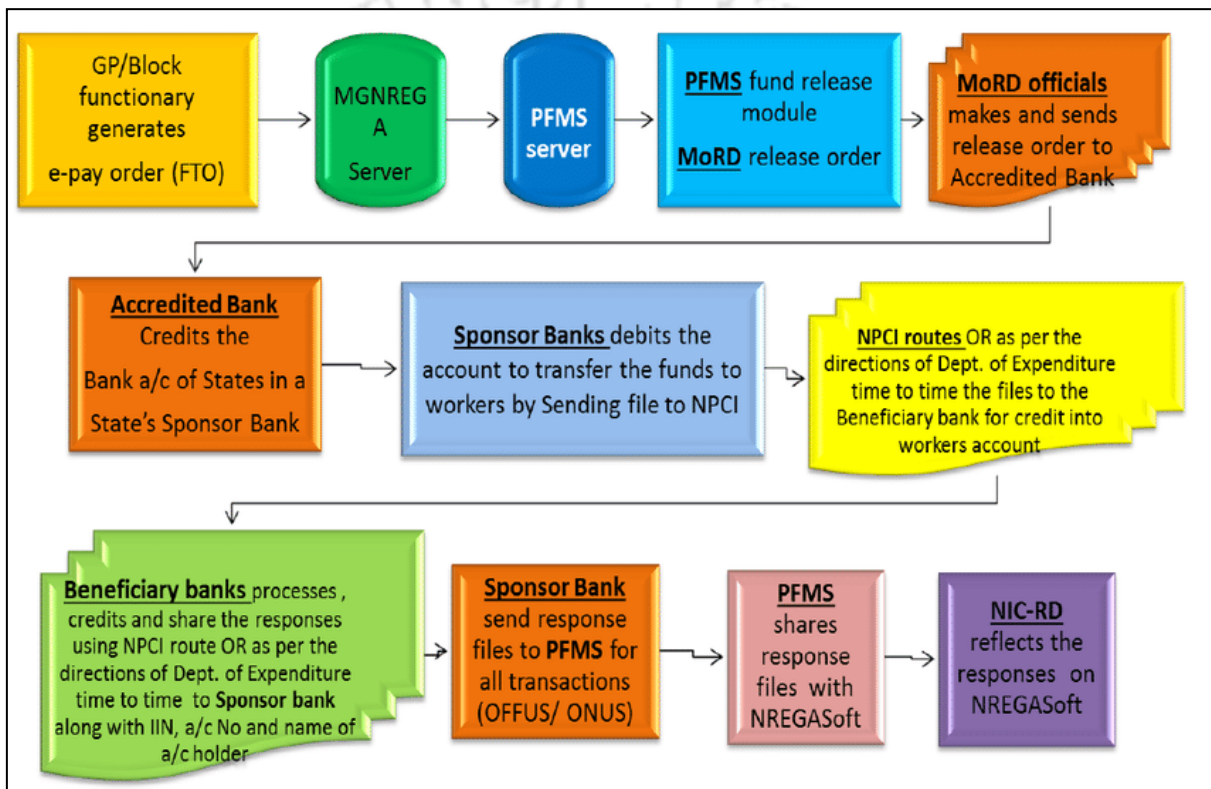
*Source:* Author's compilation

The Technical Assistant or equivalent has to measure the work, record in the measurement book authorized by the competent authority and feed the same in the NREGASoft within five days of closing of e-MR. Once the system calculates the value of the work completed, the wage list can be generated by the PO or any designated person (see **Figure 2.5**). The accountant authorized the wage lists at the Block through digital certificate, verification of workers details, and putting digital signature, which generates the FTO. NREGASoft has built "MAKER" for the first signatory responsible for generating the FTO and "CHECKER" for the second signatory for checking and forwarding it as an e-Pay Order to the NREGASoft. The FTO digitally signed by the accountant is then moved to the PO for the final authorization. Once the PO authorized and digitally signed the FTO, it is pushed to the NREGASoft server. The generation of FTO and approval of the PO should be completed within eight days of closing the e-MR.

The PFMS server pulls the FTO from the NREGASoft server (see **Figure 2.6**). The designated officer in the MoRD processes the fund releases using digital signatures through the PFMS. The PFMS then send an e-Payment file to Accredited Banks (the banks where MoRD's National Employment Guarantee Fund account in maintained) to release funds to the State's account in

the Sponsor Bank along with beneficiary credit details to the Sponsor Banks. Accredited Bank then transfers the funds to the Sponsor Bank. The Sponsor Bank in the States processes the payment using the NPCI system. The Beneficiary banks process the credits and share the responses back to the NPCI system, which in turn share the same responses to Sponsor Banks. The same responses are shared with PFMS to NREGASoft server, which is reflected in the public domain through NREGASoft.

**Figure 2.6** *The workflow under NeFMS*

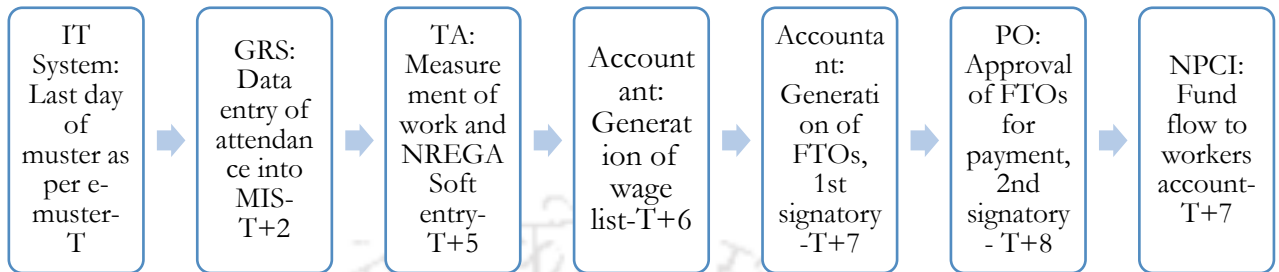


Source: MoRD, Government of India, 2016

The NeFMS ensures timely payment of wages (within 15 days of closure of muster rolls) by assigning a timeline for all the stakeholders for their respective activities. After the closure of e-MRs to the approval of FTOs takes eight days, followed by two days in processing payments into the beneficiary accounts. Under NeFMS, the work and fund flow are streamlined such that effectively it takes ten days for completing the payments, five days in advance of 15-day mandated period (see **Figure 2.7**). The wage disbursements will be credited into the worker's

account without/fewer delays; however, the system cannot ensure doorstep delivery of wages to the workers.

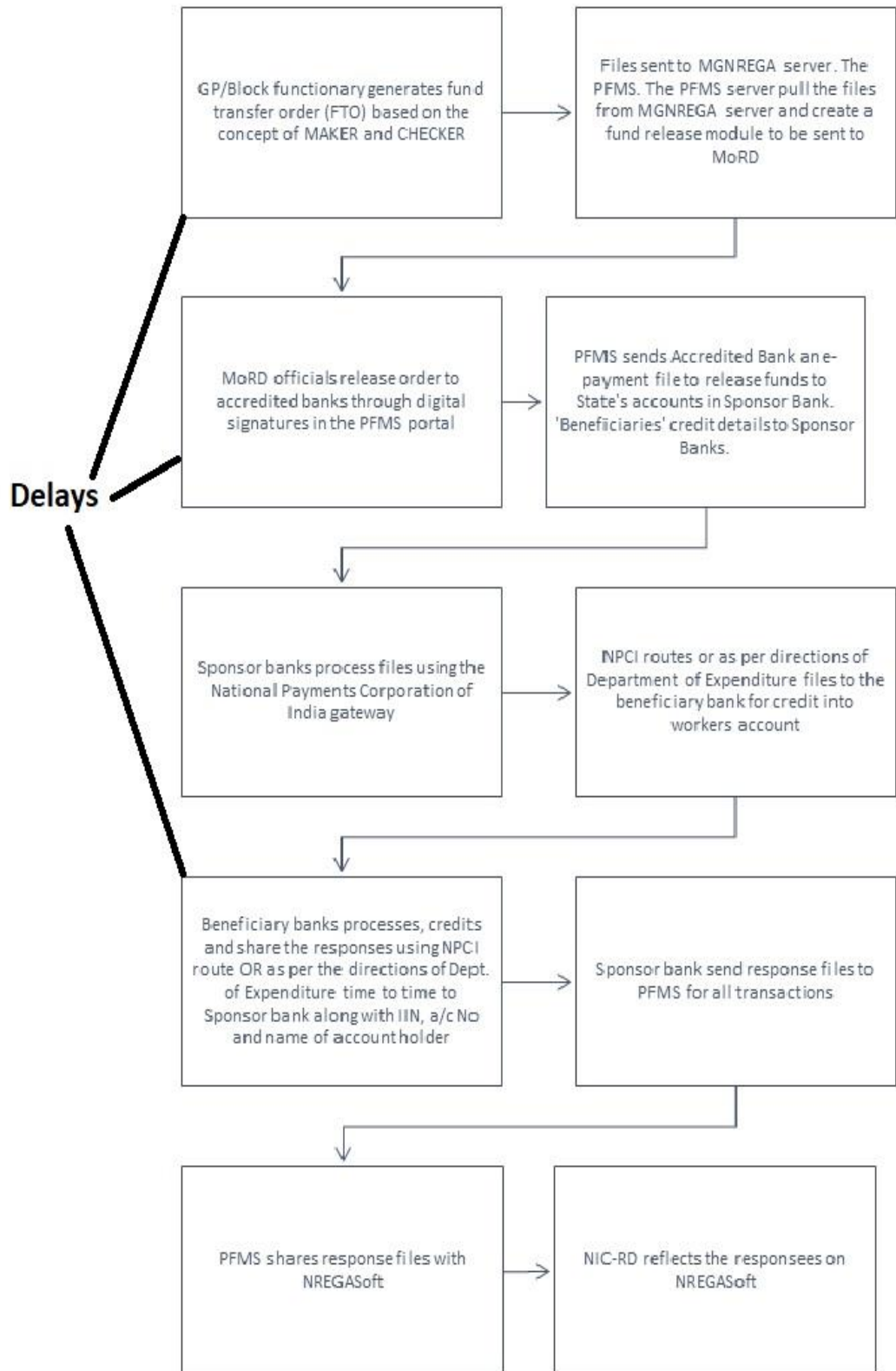
**Figure 2.7** The 15 days' timeline for wage payment under NeFMS



Source: Author's compilation

Thus, under the NeFMS, a manual workflow at the GP level has been shifted to an IT-based dynamic system at the Block level due to a lack of IT resource deployment, internet connectivity and adequate human resources at the GP level. The workflow is still physical and manual at the ground/work sites or GP levels. The absence of computer and internet connection at the GP level entails that for any transactions, mainly the Rojgar Sahayak/GP officials require to visit the Block office. The GP/Block officials manually feed the required details for every transaction (work or payment) into the NREGASoft, from where the technology comes into action. Thus, we can see that there can be delays outside the technology domain in the manual handling of intermittent processes and within the technology domain due to technical issues, data mismatch and non-compliance of timeline by designated officials. In fact, delays in the workflow at any functionary level can accentuate the delay in the payment to the workers.

**Figure 2.8** Location of delays in work and fund flow under NeFMS



Source: Adopted from Government of India (2019)

**Figure 2.8** shows that delays could be located at the data entry, generation and authorization of Fund Transfer Order (at GP and Block level), transfer of authorizations from NREGASoft

server to Public Finance Management System (at the centralized servers) and at Bank transferring payments to workers (at centralized banking servers).

## **2.6 Conclusion**

This chapter discussed the institutional architecture of MGNREGA in India. We highlighted the institutions and the agents who play critical roles within this institutional framework. In keeping with the federal structure of India, we saw that the programme policy formulation and implementation takes place at three levels. The Central Employment Guarantee Council, State Employment Guarantee Council and the District, Block and Gram Panchayat level.

The Central Employment Guarantee Council under the chairmanship of Minister of Rural Development is the advisor for the implementation of MGNREGA Act, its monitoring and evaluation. The National Employment Guarantee Fund is established for funding the programme from which central share of grants are released directly to the districts. The Ministry of Rural Development, Government of India is the nodal agency for MGNREGA's implementation across the country. The core functions are delivered through the Department of Rural Development consisting of National Management Teams with five divisions to look after the operations related to programme management, human resources, monitoring-evaluation, information technology, audits, vigilances and grievances redressal.

Each state governments sets up the State Employment Guarantee Council as an implementing agency and the State Employment Guarantee Funds where it provides the state's share of funds at the beginning of the financial year. The State Employment Guarantee Mission with the help of the State Management Team are responsible to implement the programme in the state. The District Programme Coordinator (DPC) with active support from the District Technical Committee is responsible for overall coordination and implementation of the scheme within the district. The Block Coordinator (comprises of the Programme Officer supported by Accountants, Junior Engineers, Technical Assistants, Computer Operators) is overall incharge

of all the works within the Block. The District and Block Coordinators are actively assisted by other central and state departments, line departments, Non-governmental Organisations and Self-Help Groups in programmes implementation. The Gram Panchayat Coordinator (comprises of Panchayat President, Ward Members, Employment Guarantee Assistant/Gram Rojgar Sahayak, Worksite Supervisor/Mates) which actively coordinates with the Block and District Coordinators to implement the programme at the village level.

Panchayats- a three-tier local government structure (Village, Block and District) come to the forefront as a universal platform for planning and implementing development programmes in India. The Gram Sabha recommends developmental works and priority within its jurisdiction which are sent to Block Panchayat and on approval forwarded to the District Panchayat for deliberation, approval and inclusion into the Annual District Plan. These Panchayats also supervise and monitor programme implementation at their respective levels. Panchayats are the central planning and implementing authority of MGNREGA. The developmental works are implemented by various agencies depending on the project's technicalities. The District Panchayat, Block Panchayat, other Central and State Departments also act as the implementing agency. MGNREGA mandates that at least half of its funds are spent directly by Gram Panchayats. Thus the Gram Panchayats are the final implementing agency under the programme. In cases the Gram Panchayats are directly not the implementing agency, it is duty bound to facilitate, supervise and monitor all the development works carried out in its jurisdiction.

The GP along with Block level officials is the pivotal body of planning and implementation of MGNREGA. They are the institutional interface for the workers and implementing agencies for all transactions and project implementation under the programme. Delays in work and fund flow arise due to manual handling of processes, involvement of various functionaries and locational attributes at different sanction levels and approvals. Until 2012, barring a few states,

MGNREGA's entire workflow at the GPs was manual due to the lack of required infrastructure. resulting in delays (an average of one month) in the data entry, leading to inefficient and delayed decision-making.

Due to supply-side constraints of banking services and financially excluded rural population, the wages under the programme were paid in cash by the implementing agency based on the entries in the muster-rolls (before mid-2008). In September 2008, it was mandated that payment of wages must be made into workers' accounts through an institutional channel like Bank or Post Office. Once the Pay-Orders were generated, the funds were directed from District to Block to the GP's account in a Bank/Post Office through different channels. Cash payments and paying into workers' accounts involved multiple stoppages due to the involvement of many functionaries at various levels and many locational stoppages such as the Computer Centre, Engineer's office, Zilla Parishad, PO/BDO office, Bank/Post Offices. Precisely for these locational attributes, multiple functionaries and manual processing, there are numerous delay points in the wage disbursement. Therefore, delays arise due to manual transfer of records and Pay Orders at various levels accentuated by delays in inter-institution transfers, delays in crediting the worker's accounts and delays in actual disbursement of wages by the Banks/Post Offices.

Thus, the manual nature of both work and fund flow led to inefficient functioning, delayed decision making and delays in the wage payments. The change in the mechanism of wage payments also brought multiple external challenges such as distance and hardship in accessing accounts, fraud and corruption, and internal issues such as delays in between transfers such as interbank transfers and infrastructure issues in Bank/Post Offices etc. The switch to bank transfer from cash could not fully control the delays in wage payments embezzlement of funds and undermined the transparency safeguards as envisioned by the policymakers.

The role of technology in implementation of MGNREGA was limited between 2005 to 2014. Post 2014, some of the major digital reforms took place – in the NREGASoft and the NeFMS. Reforms in the MGNREGA are into two domains, i.e., reforms in work/activity flow and reforms in the fund flow/payment system. The development of MGNREGA MIS or the NREGASoft and scaling it up (during 2014) is the major reform that took place under the programme. It facilitates e-Governance by enabling information technology-based implementation of the programme across the state, districts and all levels of Panchayat; facilitate speedy information exchange among stakeholders by its network. Despite its strong inbuilt mechanism, it is limited by its inability to capture real-time data at the source, affecting its true potential.

We have seen that technology intervention has been mainly in the area of administrative work and fund flow process. However, in our study site, workflow is still physical and manual at the GP level. Delays within the technology domain such as Fund Transfer Order (FTO) generation and payment delays have been minimized over the years with high priority, or at least a dynamic system in the shape of NREGASoft and NeFMS has been placed. Since the implementation of DBT in MGNREGA, the timely payment of wages has reportedly increased from 37 percent in FY 2015-16 to 98 percent in FY 2020-21 (MGNREGA, 2021). However, independent studies show that wage delays are rampant, and compensations are absent/side-lined. We study the Barak Valley Region of Assam and evaluate the functioning of MGNREGA in reference to the NeFMS and the NREGASoft reforms.

## **Chapter 3**

### **Study Location and Sampling Methodology**

This chapter presents the description of the study location- the Barak Valley Region of Assam. The subsequent sections provide the methodology of the enquiry, including the research design, sampling procedure, data sources used and the method of analysis.

#### **3.1 The Location - Barak Valley Region of Assam**

Assam shares 533.3 kilometers (km) of international boundaries, with Bhutan in the north and Bangladesh in the south. It has 33 administrative districts, of which, 24 districts share interstate borders with Meghalaya, Mizoram, Manipur, Nagaland, Arunachal Pradesh, Sikkim and West Bengal, making it a landlocked state. Its 31.2 million population contributes to 2.6 percent of India's total population (Government of India, 2011). Assam's proximity to international borders makes its location unique. Border politics, unending internal political crisis, and limited economic opportunities make the state prone to natural and political adversities, directly affecting its people's wellbeing.

The Barak Valley Region is in the southern part of Assam and comprises three districts— Cachar, Karimganj, and Hailakandi. In terms of geographical spread, Cachar is the largest, while Hailakandi district is about one-third of it. Karimganj is the second largest. All three districts are border areas, flood-affected, and have tea gardens. Cachar shares 70 km of international boundary with Bangladesh, also an inter-state border with Manipur (130.60 km), Mizoram (52.90 km), and Meghalaya (19.50 km). Karimganj has 3 km of international boundary with Bangladesh as well as inter-state borders with Tripura (46.30 km) and Mizoram (12.60 km), and Hailakandi shares 99.10 km of inter-state border with Mizoram (Government of Assam, 2019).

**Figure 3.1** Map of Barak Valley Region, Assam, India



Source: Maps of India, 2020

### 3.2 Methodology of the study

We have used a mixed-method<sup>20</sup> approach for this study, which involves the collection of both qualitative (open-ended) and quantitative (closed-ended) data in response to the research questions. Data collection and analysis are conducted rigorously using the mixed method approach following relevant sampling method, sources of information, and data analysis steps. The two forms of data are integrated into the analysis through merging, connecting and embedding the data.

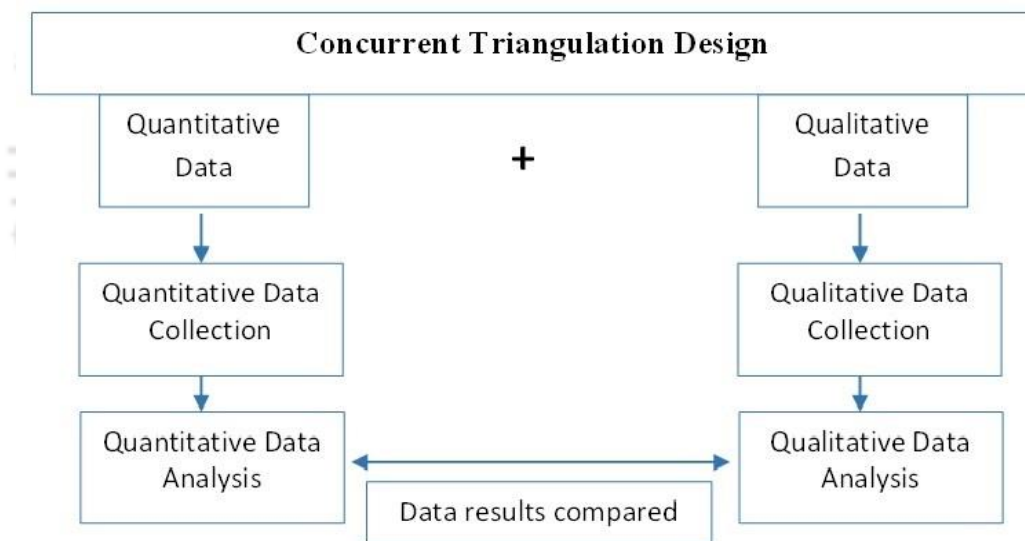
Following Creswell (2009), the mixed-method approach provided two broad designs for data collection - sequential and concurrent design; there are three sub-designs within each. Sequential design is characterized by collecting and analyzing one form of data (quantitative) followed by another set of data (qualitative); typically, the first data analysis informs the second

<sup>20</sup> Mixed-method approach following the method specified in (Creswell (2009) and Johnson, Onwuegbuzie, & Turner (2007).

data collection and analysis or vice-versa. However, in concurrent designs, both quantitative and qualitative data are collected concurrently and analyzed to determine confirmation, disconfirmation, cross-validation, or corroboration. Concurrent designs have three sub-designs: triangulation, embedded or transformative quantitative or qualitative data structure.

We have adopted the concurrent triangulation design of mixed-method approaches as specified in (Creswell, 2009) for this study (see **Figure 3.2**). It involves the collection of both quantitative and qualitative data concurrently, with equal weightage to both data set. As prescribed, the mixing in the design is found in the interpretation section when the data sets are transformed or integrated or compared with results side by side during the discussion.

**Figure 3.2** A representative diagram of concurrent triangulation design in mixed method data collection and analysis



Source: Adopted from Creswell (2009)

We have used structured questionnaire with both qualitative (open-ended) and quantitative (close-ended) questions to gather data from the head of the sample households, providing equal weightage to both data (Refer to **Appendix-2,3** for Questionnaire). We have used both primary and secondary data for the study.

### *3.2.1 Sampling procedure*

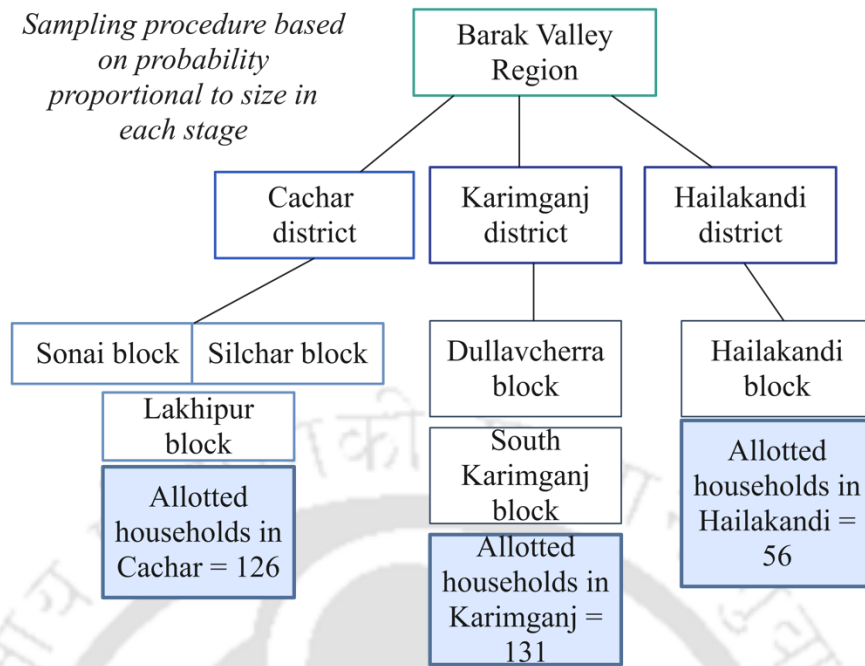
Since BVR is a contiguous region comprising three districts with diverse demography and geographical characteristics, we followed a sampling procedure that can be representative of all three districts. The unit of investigation are the adult workers mapped to rural households. We followed a multi-stage proportional sampling method (*Appendix-1 depicts the sample design*). The District is the first stage unit. Block is the second stage unit, and Gram Panchayat (GP) is the final stage unit. We opportunistically decided on a minimum sample size of 100 worker households from each district due to resource constraint. We enumerated a few extra households expecting response error. The total number of sample households surveyed in the BVR and analyzed are 313.

#### *Selection of blocks*

As discussed in chapter 2, block level functionaries play an important role in implementation of MGNREGA. We therefore considered the blocks as the second stage unit for sampling. The MGNREGA-MIS provides block-wise list of expenditure by financial years. We purposively decided to include at least one highest and one median expenditure blocks in the expectation that the maximum numbers of rural works must be commissioned in these blocks and that demand for employment must have been very high. However, the size of the respective districts also had to be kept in mind, therefore blocks were sampled based on probability proportional to the size of the district.

Cachar, the largest district, has the highest number of Community Development (CD) blocks, followed by Karimganj and Hailakandi. In Cachar, the top two highest expenditure blocks and one median expenditure block is selected. In Karimganj, one highest expenditure and one median expenditure block were selected. Since only one block from Hailakandi was required to be chosen, the highest expenditure block was selected for the study.

**Figure 3.3** *Sampling procedure*



Source: Author's compilation

*Selection of Gram Panchayat & households*

An exhaustive list of gram panchayats (GPs) in the selected blocks was compiled from the MGNREGA-MIS. Similarly, the proportional sampling method was followed to draw the list of sample GPs. Based on the sampling, we allotted 12 GPs to Cachar, 12 GPs to Karimganj, and 5 GPs to Hailakandi. In total 313 surveyed households<sup>21</sup> were spread across 29 Gram Panchayats in the Barak Valley Region of Assam (see **Table 3.1**).

The primary sample frame comprised of adult manual workers from all the 29 GPs collected from the MGNREGS-MIS. We fixed a sample of 10-12 from each GP, keeping in mind that the total sample must add up to a minimum of 300 households. However, in the ultimate count, the number of households interviewed from each GP varied between 6-18. Adult workers were chosen randomly from the MIS list, identified during the field visit, and then mapped to the households they belonged to in each GP.

<sup>21</sup> To maintain anonymity of our respondents and respondent households, we have withdrawn the names of the respondents in this thesis. If requested, respondent names can be shared for academic purpose.

**Table 3.1** Total number of households surveyed by district, block and gram panchayat, Barak Valley Region, Assam, 2017

<i>District</i>	<i>Block</i>	<i>Gram Panchayat</i>	<i>No of households</i>	
Cachar	Sonai	Kochudharam	12	
		Rangirghat	13	
		Swadhin Bazar	11	
		Dakhin Saidpur	11	
		Nutun Ramnagar	8	
	Silchar	Ghungoor	7	
		Bagpur Neairgram	10	
		Kanakpur	12	
		Meherpur	10	
	Lakhipur	Lakhinagar	13	
		Fulertol	13	
		Jirighat	6	
		Cachar sub-total		126
Karimganj	Dullavcherra	Kazirbazar	8	
		Paladhar	12	
		Patakhauri	15	
		Vetarband	8	
		South Karimganj	Suprakandi	11
	South Karimganj	Kaliganj	11	
		Angura	14	
		Bakharsal Nairgram	10	
		Piperchok	10	
		Farampasa	15	
		Fatepur	10	
		Nilambazar	7	
		Karimganj sub-total		131
		Hailakandi	Hailakandi	Serispur
Rangauti	13			
Bahadurpur	6			
Gangpar Dhumkar	6			
Lakshirbond	6			
Sudarshanpur Bandukmara	13			
Hailakandi sub-total		56		
BVR Total	6	29	313	

Source: Survey Data, 2017

### 3.2.2 Duration of field study

The field study was carried in two phases. The first phase was during June-December 2017, which was in the form of a baseline survey covering 313 households from 29 GPs across three districts of BVR, Assam. For a more focused study, we carried out a second phase of field study in Hailakandi block in Hailakandi district, during January - March 2020. During the second

phase of field study, stakeholders' meetings with the District, Block and GP functionaries were also carried out.

We captured details about the household demography, land holdings, housing-amenities, agricultural activities, livestock, business activities, out-migration, work capacity, employment and wages, sickness and inclusion in social assistance programmes. To evaluate participation in Gram Sabhas, procedures and perceptions on functioning of Gram Panchayats, qualitative information (open-ended) was collected from our respondents. Wherever possible, unstructured group discussions were also carried out. Chapter 4 discusses the crisis of unemployment in the study site.

### **3.2.3 Data sources**

Our study is mainly based on primary data collected from the Barak Valley Region. However, we have used MGNREGA-MIS extensively as it is the single most important source of public data on the programme. The MIS carries job cards of all the registered workers. Since our primary sample frame was the list of registered workers in the selected GPS, we downloaded the soft copies of the job cards of the sample households and carried them with us to be able to identify our respondents.

We cross-checked the printed data with the household members and verified the details, including individual workers, relationship, bank details, demand for works, participation in all works listed (particularly during the last one year of the survey), number of days of employment, payments, delays and irregularities that came up during the survey. For data analysis, we have used Microsoft Excel (2019) and IBM's Statistical Package for the Social Science (SPSS 20) to estimate the descriptive statistics from the data. The following are details of secondary and primary data sources used in the study.

**Table 3.2** *Data sources for the study*

<i>Secondary sources, Government of India</i>	
MGNREGA-MIS, various issues MGNREGA published circulars, guidelines and reports, various issues Social Audit, various issues	Ministry of Rural Development
Public Finance Management System, various issues Direct Benefit Transfer, various issues	Ministry of Finance
Agricultural Wages in India 2016-17, various issues	Ministry of Agriculture & Farmers Welfare
<i>Secondary sources, Government of Assam</i>	
Economic Survey 2017-18, various issues	Department of Finance
MGNREGA circular and reports, various issues Social Audit Unit, various issues	Panchayat and Rural Development Department
State and district handbook, various issues	Directorate of Economics and Statistics
<i>Primary sources</i>	
Sample survey of rural households	Based on structured interview schedules

*Source:* Author's compilation

## Chapter 4

### The Crisis of Unemployment in Barak Valley Region Assam

To study the implementation of electronic wage transfer under MGNREGA in the Barak Valley region of Assam, we begin by examining whether or not there is an income and livelihood stress and how acutely the beneficiary households feel the need for an employment guarantee programme. Against this backdrop, this chapter discusses the general socio-economic conditions of the sample households based on our survey data. A *household* is defined here as all members of a family who take food from the same kitchen and are regular residents. If members shared the same house and agricultural land but used the separate kitchen for food, they were considered separate.

The 2014 Assam Human Development Report shows that the Barak Valley Region of Assam faces acute livelihood distress due to their geographical location and socio-political reasons. The region also falls within the lowest attainment in overall human development indicators. We attempted to investigate occupational structures, livelihood options, household amenities, health status, and access to social security programmes to understand the socio-economic context in which the households survive.

The first section of this chapter discusses the socio-economic characteristics of the households followed by occupation and labouring-out activities. In the second section, the distress migration scenario of Barak Valley Region has been discussed, followed by household earnings, income estimates, and per capita income. In the third section we discuss household amenities, followed by the status of health and access to social security programmes.

#### 4.1 Characteristics of sample household

Our primary survey covered 313 sample households across six Community Development blocks from three districts of Barak Valley Region, Assam (**Table 4.1**). Three high expenditure blocks (Sonai, Silchar and Lakhipur) were selected from Cachar district, two blocks (Dullavcherra and South Karimganj) from Karimganj district and one (Hailakandi block) from

Hailakandi district. Using probability proportional to size sampling method, the highest 42 percent of the sample households are allotted to Karimganj district, 40 percent to Cachar followed by 18 percent to Hailakandi.

**Table 4.1** *Distribution of sample households by districts and blocks, Barak Valley Region, Assam, 2017*

<i>District</i>	<i>Block</i>	<i>Count</i>	<i>Percent</i>
Cachar	Sonai	55	17.6
	Silchar	39	12.5
	Lakhipur	32	10.2
	Cachar subtotal	126	40.3
Karimganj	Dullavcherra	43	13.7
	South Karimganj	88	28.1
	Karimganj subtotal	131	41.9
Hailakandi	Hailakandi	56	17.9
Total		313	100.0

*Source: Survey Data, 2017*

Similarly, using probability proportional to size sampling method, 28 percent sample households is allotted to South-Karimganj block, followed by Hailakandi and Sonai blocks (around 18 percent). We allotted 10 percent households to Lakhipur block, 14 percent to Dullavcherra block and Silchar 12.5 percent. The blocks and gram panchayats were selected based on the highest and median expenditures in MGNREGA works during FY 2016-17, which is the reference period for the study.

#### *Gender*

Our sample consisted of 83 percent male-headed and 17 percent female-headed households (**Table 4.2**). Most of the female heads were widows or separated after marriage. District wise distribution showed that in Karimganj district, 89 percent of the household heads were male, followed by Hailakandi (82 percent) and Cachar (77 percent). In four out of six blocks, more than 80 percent of household heads were male. In South Karimganj, where the highest number of sample households are taken, around 90 percent of the reported household heads were male. In Lakhipur, the highest 34 percent of the household heads reported were female, followed by

Silchar (26 percent). The gender distribution of the study location has critical implications with regard to work seeking behavior of manual labour households. Later in the study we also discuss the differentiated behavior of institutional agents (such as ward members, or gram panchayat secretaries) when handling male and female labour.

**Table 4.2** *Distribution of head of households, by gender and by block, Barak Valley Region, Assam, 2017 (in percent)*

<i>Block/District</i>	<i>Gender</i>		<i>Total</i>
	<i>Female</i>	<i>Male</i>	
Sonai	14.5	85.5	100
Silchar	25.6	74.4	100
Lakhipur	34.4	65.6	100
Cachar District	23.0	77.0	100
Dullavcherra	14.0	86.0	100
South Karimganj	10.2	89.8	100
Karimganj District	11.5	88.5	100
Hailakandi District	17.9	82.1	100
All	17.3	82.7	100

*Source:* Survey Data, 2017

#### *Age*

A majority (77 percent) of the household heads were below 60 years of age (**Table 4.3**). About one-quarter of household heads belonged to an age cohort of 30-39, 40-49, 50-59 and 60 above. Only 5 percent of the heads belong to the young cohort of 20-29. In Silchar, 13 percent heads belong to 20-29, while in Sonia and Lakhipur, this cohort has none. About 34 percent household heads in Lakhipur block were above 60 years, followed by around 27 percent each in Dullavcherra and Sonai. In South Karimganj and Silchar, more than 82 percent of heads were below 60 years in age. In each of the three districts, more than 45 percent of the household heads were between 30-49 ranges in age. Thus, the sample households are largely representative of the working age group population, also signifying a significant dependent population. The demographic structure of the sample households, compounded by the fact that the BVR is

subjected to low human development achievements, makes it an important location with respect to demand for work and employment.

**Table 4.3** *Distribution of household heads, by age-cohort and by blocks, Barak Valley Region, Assam, 2017 (in percent)*

<i>Block/District</i>	<i>Age cohort</i>						<i>Total</i>
	<i>20-29</i>	<i>30-39</i>	<i>40-49</i>	<i>50-59</i>	<i>Below 60</i>	<i>60 or more</i>	
Sonai	0	20	30.9	21.8	72.7	27.3	100
Silchar	12.8	17.9	25.6	25.6	82.1	17.9	100
Lakhipur	0	21.9	21.9	21.9	65.6	34.4	100
Cachar District	4.0	19.8	27.0	23.0	73.8	26.2	100
Dullavcherra	4.7	27.9	20.9	18.6	72.1	27.9	100
South Karimganj	4.5	21.6	36.4	20.5	83.0	17.0	100
Karimganj District	4.6	23.7	31.3	19.8	79.4	20.6	100
Hailakandi District	5.4	25.0	21.4	26.8	78.6	21.4	100
All	4.5	22.4	27.8	22.4	77.0	23.0	100

*Source:* Survey Data, 2017

#### *Marital Status*

The highest proportion of household heads reported being currently married (82 percent), followed by widowed (13 percent). A small proportion of household heads (2 percent each) reported being separated or divorced and not married (**Table 4.4**). The highest 18 percent heads from Hailakandi district have reported widowed, followed by Cachar (14 percent) and Karimganj (11 percent). The highest separated or divorced heads were from Lakhipur (9 percent), followed by Silchar (4 percent) block of Cachar district.

Separated status is reported from Lakhipur, Sonai and South Karimganj blocks only. Ninety-four percent of the male heads were currently married, while only 28 percent of the female heads were presently married. About 61 percent of the female heads have reported being widowed and 9 percent as separated, while the corresponding figures for the male counterpart is 3.5 percent and 0.4 percent, respectively. Re-marriage rates are evidently higher among males, signifying vulnerable status of women members in our sample.

**Table 4.4** *Distribution of household heads, by marital status and by block and district, Barak Valley Region, Assam, 2017 (in percent)*

<i>Block/ District</i>	<i>Marital status</i>				<i>Total</i>
	<i>Never Married</i>	<i>Currently Married</i>	<i>Widowed</i>	<i>Separated</i>	
Sonai	1.8	85.5	9.1	3.6	100
Silchar	5.1	79.5	15.4	0	100
Lakhipur	0	68.8	21.9	9.4	100
Cachar District	2.4	79.4	14.3	4	100
Dullavcherra	0	83.7	16.3	0	100
South Karimganj	3.4	87.5	8	1.1	100
Karimganj District	2.3	86.3	10.7	0.8	100
Hailakandi District	1.8	80.4	17.9	0	100
All	2.2	82.4	13.4	1.9	100

*Source: Survey Data, 2017*

#### *Family Size*

Estimates of households by family size shows that 42 percent have 5-6 members in the family, 31 percent have more than or equal to 7 members (31 percent) and 27 percent households have less than or equal to 4 members (**Table 4.5**). In the Hailakandi block, the majority of the households (61 percent) have 5-6 members, and the average family size of the entire block is six members. Forty-six percent of households in South Karimganj are large households with more than or equal to 7 members, while most households in Dullavcherra have 5-6 members. The mean family size of Karimganj is six. The majority of households in Sonai have 5-6 members, while the majority of households in Silchar have less than or equal to 4 members. The average family size of Silchar and Lakhipur is 5. We can consider average family size of the BVR as consisting of 6 members.

**Table 4.5** *Distribution of households, by family size and by blocks, Barak Valley Region, Assam, 2017 (in percent)*

Block	Family size			Mean
	Upto 4	5 to 6	7 or More	
Sonai	27.3	43.6	29.1	6
Silchar	51.3	30.8	17.9	5
Lakhipur	34.4	37.5	28.1	5
Dullavcherra	23.3	46.5	30.2	6
South Karimganj	20.5	34.1	45.5	6
Hailakandi	17.9	60.7	21.4	6
All	26.8	42.2	31.0	5.7

Source: Survey Data, 2017

### Religion

A majority (63 percent) of the sample households are Muslim, the rest are Hindu (37 percent), and no other religious group was found in the sample (**Table 4.6**). The proportion of Muslim households in the sample is higher in all the three districts. The share of Muslim households is highest in Hailakandi district (71 percent), followed by Cachar (65 percent) and Karimganj (58 percent).

**Table 4.6** *Distribution of households, by religion across blocks and district, Barak Valley Region, Assam, 2017 (in percent)*

Block/District	Religion		Total
	Hindu	Muslim	
Sonai	14.5	85.5	100
Silchar	51.3	48.7	100
Lakhipur	50.0	50.0	100
Cachar District	34.9	65.1	100
Dullavcherra	65.1	34.9	100
South Karimganj	30.7	69.3	100
Karimganj District	42.0	58.0	100
Hailakandi District	28.6	71.4	100
All	36.7	63.3	100

Source: Survey Data, 2017

In the Lakhipur block, both religious groups have equal representation in the sample households. In Silchar and Dullavcherra, Hindu households outnumbered Muslim households, while in Sonai, Hailakandi and South Karimganj, the share of Muslim households is more than 69 percent. Thus, our sample households are largely representative of Muslim community.

### *Social Group*

Around two-thirds of the sample households belonged to the General category, while one third consisted of Other Backward Caste (OBC), Schedule Caste (SC) and Schedule Tribe (ST) households. OBC and SC households share is roughly 16 percent each while ST household comprises only 3 percent (only from the Lakhipur block) (**Table 4.7**). In the Cachar district, the proportion of General category households is highest (71 percent), followed by OBC (14 percent), SC (9 percent) and ST (6 percent). Hailakandi district also has a high share of General category households (75 percent), followed by OBC (21 percent), SC (4 percent) and no ST households. In the Karimganj district, the proportion of General households is about 55 percent, followed by SC (28 percent), OBC (18 percent) and no ST households. The share of SC households is higher than OBC in the Karimganj district, while in the other two districts, the representation of OBC is higher than SC households.

**Table 4.7** *Distribution of households, by social groups across blocks, districts, Barak Valley Region, Assam, 2017 (in percent)*

<i>Block/District</i>	<i>Social Group*</i>				<i>Total</i>
	<i>General</i>	<i>OBC</i>	<i>SC</i>	<i>ST</i>	
Sonai	87.3	1.8	10.9	0	100
Silchar	74.4	15.4	10.3	0	100
Lakhipur	37.5	34.4	3.1	25.0	100
Cachar District	70.6	14.3	8.7	6.3	100
Dullavcherra	46.5	27.9	25.6	0	100
South Karimganj	59.1	12.5	28.4	0	100
Karimganj District	55.0	17.6	27.5	0	100
Hailakandi District	75.0	21.4	3.6	0	100
All	64.9	16.9	15.7	2.6	100

*Source:* Survey Data, 2017

*Note:* Social Group\* are OBC-Other Backward Caste, SC- Schedule Caste, ST- Schedule Tribe

In the Sonai block, the share of General households is as high as 87 percent, while OBC is as low as 2 percent. Lakhipur is the only block representing all four social groups; however, the share of SC households is lowest at 3 percent. In Dullavcherra, the percentage of General

category households is 47 percent, and the share of OBC households is slightly higher than SC. South Karimganj also has the highest share of General households (59 percent), followed by SC (28 percent) and OBC (13 percent).

#### *Socio-Religious Group*

The highest share of sample households is General-Muslim (58 percent), followed by SC (16 percent), OBC-Hindu (11 percent), General-Hindu (7 percent), OBC-Muslim (6 percent) and ST (2.6 percent) (**Table 4.8**). Among districts, the proportion of General-Muslim households is highest (71 percent) in Hailakandi, followed by Cachar (60 percent) and Karimganj (50 percent). Share of General-Hindu households ranged between 4-11 percent, lowest in Hailakandi and highest in Cachar. The percentage of OBC-Hindu households is twice that OBC-Muslim households. The share of SC households in the sample is higher than OBC-Hindu and General-Hindu households.

**Table 4.8** *Distribution of households, by socio-religion group, by Block and district, Barak Valley Region, Assam, 2017 (in percent)*

<i>District/Block</i>	<i>Socio-Religion Group*</i>						<i>Total</i>
	<i>Gen-Muslim</i>	<i>Gen-Hindu</i>	<i>OBC-Muslim</i>	<i>OBC-Hindu</i>	<i>SC</i>	<i>ST</i>	
Sonai	83.6	3.6	1.8	0	10.9	0	100
Silchar	48.7	25.6	0	15.4	10.3	0	100
Lakhipur	31.3	6.3	18.8	15.6	3.1	25.0	100
Cachar District	59.5	11.1	5.6	8.7	8.7	6.3	100
Dullavcherra	34.9	11.6	0	27.9	25.6	0	100
South Karimganj	56.8	2.3	12.5	0	28.4	0	100
Karimganj District	49.6	5.3	8.4	9.2	27.5	0	100
Hailakandi District	71.4	3.6	0	21.4	3.6	0	100
All	57.5	7.3	5.8	11.2	15.7	2.6	100

*Source:* Survey Data, 2017

*Note:* Socio-Religion Group\* are Gen-General Caste, OBC-Other Backward Caste, SC- Schedule Caste, ST-Schedule Tribe

All the SC and ST households has reported their religion as Hindu.

In every block, General-Muslim households outnumbered other socio-religion groups. General-Muslim households constitute the highest (84 percent) share in Sonai block, followed by Hailakandi block (71 percent) and South Karimganj block (57 percent). In the Lakhipur block, the proportion of General-Muslim households is 31 percent, followed by ST households (25

percent). In Dullavcherra also, the share of General-Muslim households is 35 percent, while OBC-Hindu and SC together constitute more than 54 percent of the households.

### *Literacy*

The overall literacy rate of the household heads is 54 percent (**Table 4.9**). Comparatively, a higher literacy rate was found in Cachar district (57 percent), followed by both Karimganj and Hailakandi at equal levels (52 percent). In Silchar, which is a relatively more urban block, the literacy rate among household heads was 67 percent, the highest across all blocks. In all other blocks, the estimated literacy rate was in the range of 50-56 percent.

**Table 4.9** *Distribution of household head, by literacy status, by block and district, Barak Valley Region, Assam, 2017 (in percent)*

<i>Block/District</i>	<i>Literacy status</i>		<i>Total</i>
	<i>Illiterate</i>	<i>Literate</i>	
Sonai	45.5	54.5	100
Silchar	33.4	66.7	100
Lakhipur	50.0	50.0	100
Cachar District	42.8	57.1	100
Dullavcherra	44.2	55.8	100
South Karimganj	50.0	50.0	100
Karimganj District	48.1	51.9	100
Hailakandi District	48.3	51.8	100
All	46.0	54.0	100

*Source:* Survey Data, 2017

*Note:* Literacy level estimates follow the definition of Census of India, i.e., individuals (7 years and above) who can read and write with understanding in any one Indian language.

Literacy among male heads is as high as 73 percent in Silchar, while among female heads is 44 percent. The highest literacy among female heads is in Sonai (63 percent), followed by Lakhipur (55 percent) and South Karimganj (50 percent), while the lowest is in Dullavcherra and Hailakandi (both at 20 percent). In Sonai and Lakhipur, female heads literacy level is higher than male heads. However, in terms of overall literacy level, female heads (44 percent) are lagging behind their male counterparts (56 percent).

We found that literacy levels among General-Hindu heads are highest (65 percent), followed by ST (63 percent), OBC-Hindu (60 percent) and SC (57 percent). However, the literacy level among General-Muslim heads is 51 percent, and OBC-Muslim is at the lowest (44 percent). Thus, the overall literacy levels of Muslim household heads are lower than Hindu heads. However, in Hailakandi, literacy levels among Muslim heads (65 percent) are higher than among Hindu heads (42 percent).

#### *Land holding and Farmer category*

The National Sample Survey Organization (NSSO) categories household having less than or equal to 0.002 hectares (ha) of Operational Land Holding (OpH) as *Landless*, followed by *Marginal Farmer* (0.002-1.00 ha), *Small Farmer* (1.01-2.00 ha), *Semi-Medium Farmer* (2.01-4.00 ha), *Medium Farmer* (4.01-10.00 ha) and *Large Farmer* (>10.01 ha). Following the NSSO land categorization, our estimates showed the following pattern.

In the sample, the Majority (86 percent) of the sample households are marginal farmer households having less than one hectare of OpH, followed by small farmers (8 percent) and landless (3 percent). Only three percent of households are semi-medium, and at least one percent are medium farmer households (**Table 4.10**). The semi-medium farmer households are from Cachar (2 percent) and Karimganj (4 percent). All the medium farmer households in the sample are from Cachar (Sonai block), and none of the families is a large farmer. In Cachar district, four percent of households are found landless, followed by two percent in Karimganj and Hailakandi. The share of marginal farmer households in Hailakandi is 93 percent, followed by Karimganj (86 percent) and Cachar (83 percent). Small farmer households constitute around nine percent share in Cachar and Karimganj while five percent in Hailakandi. Thus, it can be observed that more than 90 percent of the sample households from each district are marginal and small farmers, and in Hailakandi, the figure is more than 98 percent.

Around 90 percent of households from the Silchar block are marginal farmers, followed by Lakhipur (88 percent) and Sonai (75 percent). Landless families constitute eight percent in Silchar and four percent in Sonai; none are landless from Lakhipur. The proportion of small farmer households in Sonai and Lakhipur is more than 10 percent, while least in Silchar (3 percent). The share of marginal farmer households in South Karimganj is 88 percent, followed by Dullavcherra (84 percent). Two families from South Karimganj are found landless and none from Dullavcherra. Small farmer households constitute about 12 percent in Dullavcherra while seven percent in South Karimganj. The share of semi-medium farmer households in Dullavcherra is 5 percent, followed by South Karimganj (3 percent).

**Table 4.10** *Distribution of households by farmer category, by block and district, Barak Valley Region, Assam, 2017 (in percent)*

<i>Block/District</i>	<i>Farmer Category</i>					<i>Total</i>
	<i>Landless</i>	<i>Marginal</i>	<i>Small</i>	<i>Semi-medium</i>	<i>Medium</i>	
Sonai	3.6	74.5	10.9	5.5	5.5	100
Silchar	7.7	89.7	2.6	0	0	100
Lakhipur	0	87.5	12.5	0	0	100
Cachar District	4.0	82.5	8.7	2.4	2.4	100
Dullavcherra	0	83.7	11.6	4.7	0	100
South Karimganj	2.3	87.5	6.8	3.4	0	100
Karimganj District	1.5	86.3	8.4	3.8	0	100
Hailakandi District	1.8	92.9	5.4	0	0	100
All	2.6	85.9	8.0	2.6	1.0	100

*Source:* Survey Data, 2017

*Note:* The size distribution of a household's operational holding is followed from the NSSO sample survey. The categories are: Landless = less than 0.002 hectare, Marginal=0.002-1.00 hectare, Small=1.01-2.00 hectares, Semi-medium=2.01-4.00 hectares, Medium=4.01-10.00 hectares.

To summarize the above section, our primary survey consists of 313 sample households spread across six community development blocks from three districts of BVR, Assam. A majority (83 percent) of households surveyed are male-headed households, while the female heads were mostly widows or separated. The highest proportion (77 percent) of household heads are below

60 years of age. The average family size is six members. The proportion of Muslim religious households is the highest (63 percent) within all districts, while the rest are Hindu households (37 percent). Two-thirds of households belonged to the General category, and one third consisted of OBC, SC and ST households. General-Muslim households occupy the highest share (58 percent) in the sample, followed by SC (16 percent), OBC-Hindu (11 percent), General-Hindu (7 percent), OBC-Muslim (6 percent) and ST (2.6 percent). In every block, General-Muslim households outnumbered other socio-religious groups.

The literacy rate among the household heads is 54 percent. Comparatively, the higher literacy rate was found in the Cachar district (57 percent), while in the other two districts, it was 52 percent each. Overall, female heads (44 percent) lag behind male heads (56 percent) in terms of literacy level. The literacy rate among General-Hindu heads is highest (65 percent), followed by ST (63 percent), OBC-Hindu (60 percent), SC (57 percent). Only half of the General-Muslim heads are found literate, while it is lowest among OBC-Muslim heads (44 percent). Overall literacy levels among Muslim heads are lower than Hindu household heads. The Majority (86 percent) of the households are marginal farmer households possessing less than one hectare of operational holdings, followed by small farmers (8 percent) and landless (3 percent). Thus, the sample consists of predominantly small and marginal farmer households; representation of landless and medium farmer households is equal (3 percent each), while none are large farmer households.

#### **4.2 Occupation and labouring-out**

A majority of the households (45 percent) report their primary engagement in crop cultivation, as well as labouring-out in non-agriculture and agricultural activities (**Table 4.11**). The proportion of households mainly engaged in labouring-out in non-agriculture activities is 22 percent, while cultivation is around 19 percent. A small proportion of households (4 percent) have reported their primary occupation as labouring-out in agriculture. The cultivator and

agricultural labourers are largely marginal landowning households, and BVR is a flood-affected hilly region, so there is only one agriculture season. Most of the land remained sub-merged in water for a more extended period; thus, these households do not have enough income-generating activities from agriculture, which essentially meant that demand for regular wage employment is very high among them.

**Table 4.11** *Distribution of sample households across farmer category by primary occupation, Barak Valley Region, 2017, Assam*

Primary Occupation	Farmer Category					Total	Percent
	Landless	Marginal	Small	Semi Medium	Medium		
	Count	Count	Count	Count	Count		
Cultivator	0	39	13	6	2	60	19.2
Labouring-out Agriculture	0	9	2	0	0	11	3.5
Labouring-out non-agriculture	2	59	7	1	1	70	22.4
Salaried-Govt	0	3	0	0	0	3	1.0
Salaried Private	2	28	1	1	0	32	10.2
Artisan	0	5	0	0	0	5	1.6
Small Business	0	33	0	0	0	33	10.5
Other Activity*	4	93	2	0	0	99	31.6
Total	8	269	25	8	3	313	100.0
Percent	2.6	85.9	8.0	2.6	1.0	100.0	

Source: Survey Data, 2017

Note: Other Activity\* includes occupations such as driver, mechanic, mason, plumber, carpenter, tailor, helper etc., which are non-regular, non-salaried jobs in villages or nearby towns.

Around 10 percent of households are engaged in small business activities and private salaried jobs. Two percent of households were primarily artisan; the share of salaried government households is about one percent. A large chunk of families (32 percent) is engaged in other activities such as drivers, masons, plumbers, carpenters, tailors, mechanics and as assistants. Together with households involved in agriculture and non-agriculture labour, these 58 percent of households are in odd jobs and do not have a regular salary. Therefore, a sizeable chunk within this category demands manual employment under MGNREGA works. We found that the households requiring wage employment in the region are very high. Across all blocks, most

families are either dependent on labouring out or other activities. In Dullavcherra, Hailakandi and Silchar, more than 60 percent of households have reported being engaged in either labouring-out or other activities. In rest of the blocks, estimated proportion of households engaged in laboring-out activities are 45-59 percent.

A significant share of households from the Sonai block (46 percent) is primarily engaged in cultivation followed by other activities (29 percent) and labouring-out (16 percent) (refer to **Table 4.12**). In Silchar, an urban block, the highest 41 percent households reported engaged in other activities followed by labouring out (23 percent) and private-salaried jobs (21 percent). Also, in Hailakandi, the highest proportion of households (48 percent) reported engaging in other activities, followed by cultivators (20 percent) and labouring-out non-agriculture activities (14 percent). From the Lakhipur block, the highest 28 percent households reported engaged in other activities, 25 percent in labouring-out activities, 19 percent in small businesses, followed by private salaried jobs (16 percent) and cultivators (13 percent).

In the Dullavcherra block of Karimganj district, a majority of households (47 percent) are engaged in labouring-out in non-agriculture activities. As reported by the families, this block was particularly vulnerable to perpetual flooding and extended periods of land submergence. Due to such scenarios, households reported having no other recourse but rely on wage employment opportunities by labouring-out in whatever is available. None of the families from this block reportedly found any employment in labouring-out in agriculture. About 16 percent of the households are primarily engaged in cultivation; however, they also heavily depended on diversified activities such as animal husbandry and fish rearing to supplement their incomes. The remaining 37 percent of households from the block were engaged in other activities, private jobs, small businesses and artisans. In the South Karimganj block, 31 percent of households reported engaged in labouring-out followed by other activities (28 percent), small business (14 percent), cultivators (13 percent), private salaried jobs (10 percent) and artisans (5 percent).

**Table 4.12** *Distribution of households, by primary occupation status, across blocks, Barak Valley Region, Assam, 2017 (in percent)*

Primary Occupation	Block					
	Sonai	Silchar	Lakhipur	Dullavcherra	South Karimganj	Hailakandi
Cultivator	45.5	5.1	12.5	16.3	12.5	19.6
Labouring-out Agriculture	3.6	5.1	3.1	0.0	6.8	0.0
Labouring-out non-agriculture	12.7	17.9	21.9	46.5	23.9	14.3
Salaried-Govt	3.6	2.6	0.0	0.0	0.0	0.0
Salaried Private	0.0	20.5	15.6	11.6	10.2	8.9
Artisan	0.0	0.0	0.0	2.3	4.5	0.0
Small Business	5.5	7.7	18.8	9.3	13.6	8.9
Other Activity*	29.1	41.0	28.1	14.0	28.4	48.2
Total Households (Count)	55	39	32	43	88	56

Source: Survey Data, 2017

Note: Other Activity\* includes occupations such as driver, mechanic, mason, plumber, carpenter, tailor, helper etc., which are non-regular, non-salaried jobs in villages or nearby towns.

All the artisan households in the sample are from two blocks of Karimganj districts, the majority from the South Karimganj block. These artisan households are traditional bamboo and cane workers, specializing in “Sheetal-Pati” and cane handicrafts production. As locally known, Sheetal-Pati are mats made up of bamboo canes. The flood-prone fields are reportedly very suitable for bamboo and cane cultivation as it requires areas submerged in waters. These bamboo and canes fields are also inappropriate and inaccessible for other crops and are used only to cultivate canes. The households grew bamboo and canes in these areas and produced handicrafts to sell them in other districts. Most artisan households reported that one or two elder family members stayed in different districts for around 3-4 months, especially during the summer season, to sell these handicrafts.

Among ST households, two households each have reported engaged in cultivation, small business, and other activities (**Table 4.13**). One household depended on a private salaried job

and another labouring out in non-agriculture. A majority of SC households (53 percent) primarily engaged in labouring-out and cultivation, followed by other activity (29 percent) and private salaried jobs (12 percent). Two SC households were artisans, and one depended on a small business selling fish in the local market. A large share of OBC-Muslim (39 percent) households is engaged in small business followed by labouring-out (28 percent). Two households from the group have reportedly been involved in private jobs and artisan work; one household is into cultivation and other activity. Twenty-nine percent of the OBC-Hindu households are into other activities, followed by labouring-out (26 percent) and private salaried jobs (23 percent). About 14 percent of them are cultivators, and the rest (9 percent) are into small businesses in the local market.

**Table 4.13** *Distribution of households, by primary occupations across the socio-religion group, Barak Valley Region, Assam, 2017 (in percent)*

Primary Occupation	Socio-Religion				SC	ST
	Gen-Hindu	Gen-Muslim	OBC-Hindu	OBC-Muslim		
Cultivator	26.1	20.6	14.3	5.6	18.4	25.0
Labouring-out agriculture	0.0	4.4	0.0	5.6	4.1	0.0
Labouring-out non-agriculture	26.1	19.4	25.7	22.2	30.6	12.5
Salaried-Govt	0.0	1.7	0.0	0.0	0.0	0.0
Salaried Private	13.0	6.7	22.9	11.1	12.2	12.5
Artisan	0.0	0.6	0.0	11.1	4.1	0.0
Small Business	8.7	10.0	8.6	38.9	2.0	25.0
Other Activity*	26.1	36.7	28.6	5.6	28.6	25.0
Total Households (Count)	23	180	35	18	49	8

Source: Survey Data, 2017

Note: Other Activity\* includes occupations such as driver, mechanic, mason, plumber, carpenter, tailor, helper etc., which are non-regular, non-salaried jobs in villages or nearby towns.

Among General-Muslim households which is the largest group in the sample, 38 percent reported their primary occupation as other activities, followed by around 24 percent into labouring-out and cultivation (21 percent). One-tenth of these households are engaged in small business activities, and seven percent are privately employed. A small proportion (2 percent)

of these households are into government jobs, and one is an artisan. In the case of General-Hindu households, around 26 percent are engaged in labouring-out, cultivations, and other activities. 13 percent of these households are into private salaried jobs, and the rest (9 percent) are dependent on small business.

To summarize the section, we found that the majority (45 percent) households are primarily engaged in cultivation, labouring-out in non-agriculture and agriculture activities combined. A significant proportion of households is involved in other activities such as drivers, masons, plumbers, carpenters, tailors, mechanics and assistants/helpers. Around 58 percent of households engaged in labouring-out and other activities are in odd jobs and do not have regular salary/income; therefore, are the most vulnerable households. Across all sample blocks, we found the highest share of families is dependent on either labouring-out or other activities. We observed that the demand for wage employment among these households is very high.

#### **4.3 Out-migration**

Members of 44 percent of the sample households have reportedly migrated to a different part of the country (**Table 4.14**). Thirty-one percent of households reported migration of one family member, followed by two (9 percent) and 3-5 members (3 percent). The highest proportion of out-migration is observed from the Karimganj district, where 53 percent of the households have reported an incidence of migration of their family members due to distress situations. Around 37 percent of households from Cachar and Hailakandi have also reported out-migration of family members. These members were primarily adult male members, and only four households have reported that their adult female members migrated with their spouses.

Across blocks, the highest proportion of households reported out-migration is from Lakhimpur (69 percent), followed by South Karimganj (56 percent) and Dullavcherra (47 percent). Silchar (15 percent) reported the lowest incidence of migration, probably because it is the largest city in BVR and tends to absorb migrants from other places. Around 35 percent of households from

Sonai and Hailakandi (38 percent) have also reported migration. Out-migration of family members has been observed from all blocks, but in varied proportions, especially from two blocks of Karimganj is very high. One hundred eighty-nine members from 137 households in total have out-migrated, which shows that multiple members from many families have migrated in search of livelihood opportunities to different places.

**Table 4.14** *Distribution of household, by reporting of migration across block and district, Barak Valley Region, 2017, Assam*

<i>Block</i>	<i>No of sample household</i>	<i>Number of households whose member has migrated</i>	<i>No of migrants</i>	<i>% Household whose member has migrated</i>
Sonai	55	19	24	34.5
Silchar	39	6	11	15.4
Lakhipur	32	22	31	68.8
Cachar District	126	47	66	37.3
Dullavcherra	43	20	22	46.5
South Karimganj	88	49	71	55.7
Karimganj District	131	69	93	52.7
Hailakandi District	56	21	30	37.5
Total	313	137	189	43.8

*Source:* Survey Data, 2017

A higher incidence of migration is reported from households whose heads are illiterate than literate household heads (**Table 4.15**). Around 51 percent of families with illiterate heads reported out-migration from their homes, while the figure is 38 percent from households whose heads are literate. Also, the number of adult members migrated from families whose heads are illiterate is much higher than households whose heads are literate. The highest proportion of out-migration is observed among small farmer households (68 percent), followed by marginal farmer households (42 percent). Around 38 percent of the landless and semi-medium farmer households have also reported out-migration of their family members; however, the number of migrants from landless households is higher than semi-medium households. None of the medium farmer households reported any incidence of migration.

**Table 4.15** *Bivariate distribution of households, by migration status and by various socio-economic categories, Barak Valley Region, Assam, 2017*

<i>Category</i>	<i>Sub-category</i>	<i>Number of households</i>	<i>Households whose member has migrated (in percent)</i>	<i>Number of Migrants</i>
Primary Occupation	Cultivator	60	51.7	39
	Labouring-out Agriculture	11	45.5	12
	Labouring-out non-agriculture	70	42.9	34
	Salaried-Govt	3	0.0	0
	Salaried Private	32	53.1	20
	Artisan	5	40.0	2
	Small Business	33	27.3	10
	Other Activity	99	43.4	72
Literacy status	Illiterate	143	51.0	102
	Literate	170	37.6	87
Farmer Type	Landless	8	37.5	6
	Marginal	269	42.4	155
	Small	25	68.0	24
	Semi Medium	8	37.5	4
	Medium	3	0.0	0
	Large	0	0.0	0
Social group	General	203	38.4	115
	OBC	53	56.6	37
	SC	49	49.0	30
	ST	8	62.5	7
Religion	Hindu	115	47.8	71
	Muslim	198	41.4	118
Socio-Religion	Gen-Hindu	23	26.1	8
	Gen-Muslim	180	40.0	107
	OBC-Hindu	35	57.1	26
	OBC-Muslim	18	55.6	11
	SC	49	49.0	30
	ST	8	62.5	7
All		313	43.8	189

*Source: Survey Data, 2017*

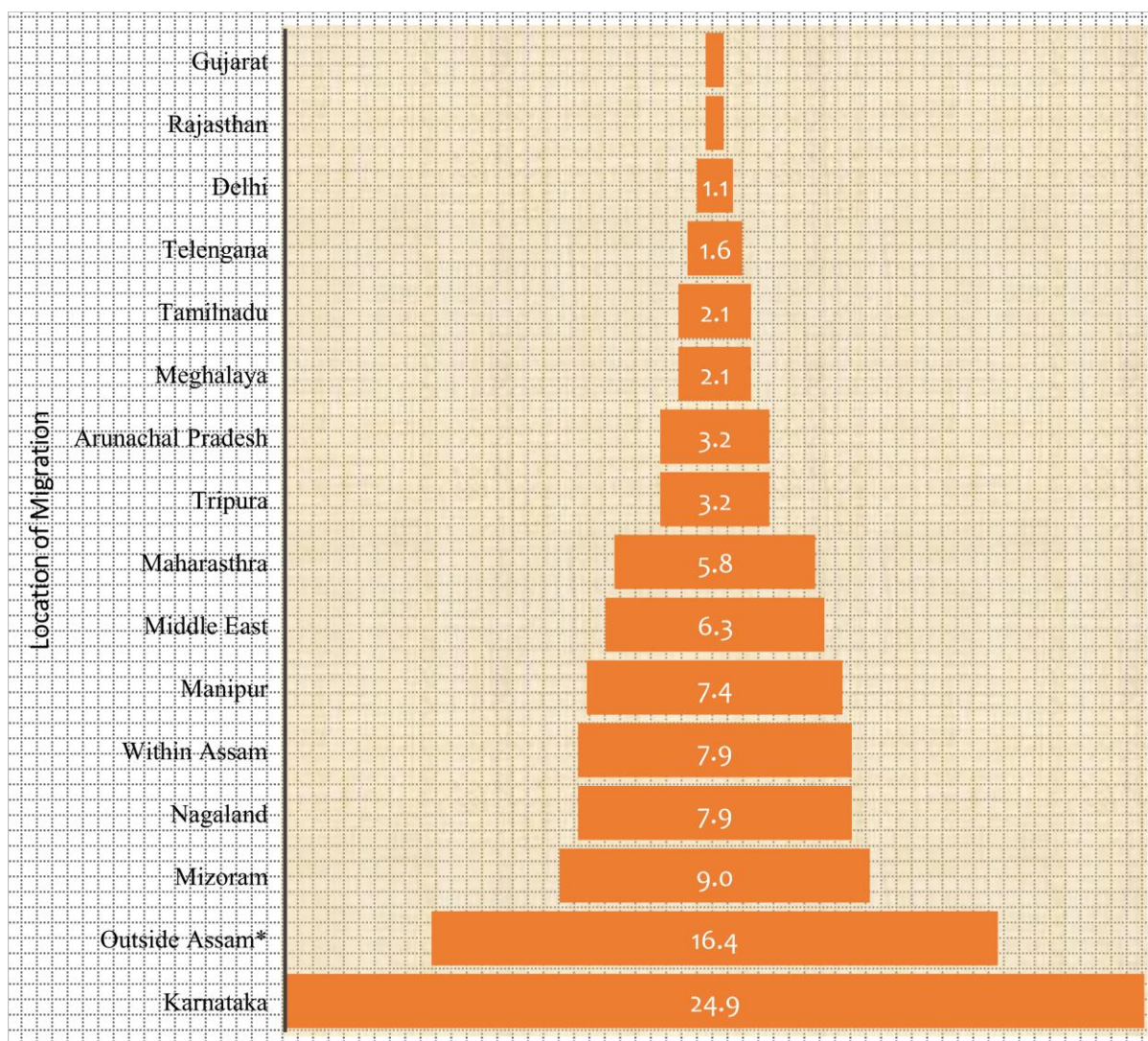
Among ST households, 63 percent have reported migration of their family members, the highest among all social groups. The lowest proportion (38 percent) of out-migration is observed from General category households. Around 57 percent of OBC followed by SC (49 percent)

households have reported migration of family members to different locations. An equal proportion (approximately 56-57 percent) of OBC-Hindu, as well as OBC-Muslim households have out-migrated members, while a higher proportion of migration from General-Muslim households (40 percent) has been observed as compared to General-Hindu households (26 percent). Overall, a relatively higher proportion of Hindu households have out-migrated family members than Muslim households.

It can be seen that the highest proportion of out-migration has been reported from households dependent on private-salaried jobs (53 percent) followed by cultivation (52 percent). Higher incidences of migration of family members are also seen in homes that are primarily engaged in labouring out, artisan works and other activities (between 40-46 percent). Around 27 percent of small business households also reported out-migration of their family members. Thus, we found that except for government-salaried households, all other households engaged in various occupations have one or more members migrated to other places for livelihood.

One hundred eighty-nine (189) adult members have been reported to have migrated to a different location (**Figure 4.1**). About 25 percent of this out-migration happened to the city of Bangalore in the state of Karnataka. Approximately 33 percent of the migrants are located within six neighboring North-East states. For 16 percent of the migrated members, the reporting family members could not specify the exact location outside the state, categorized in the figure below as Outside Assam. This shows the vulnerability of the household members, that they are footloose migrant workers, who are/may be travelling from one place to another in search of employment, and therefore family members are not aware about their exact whereabouts.

**Figure 4.1** *Distribution of out-migration from households, by location, Barak Valley Region, Assam, 2017 (in percent)*



Source: Survey Data, 2017

Note: Outside Assam\*- Households could not specify the exact location of their migrated family members.

#### 4.4 Household earnings, sources of earnings and per-capita income

Our analysis shows that 313 sample households reported a total annual income of over INR 2.73 crores (INR 27.3 million) during the agriculture year 2016-17, which is the reference year for the study (**Table 4.16**). The highest proportion (45 percent) of reported annual income is from the Karimganj district, with the largest share in sample households (42 percent). The second-largest share of reported income (36 percent) is from the Cachar district comprising 40 percent of the sample households, and the least (19 percent) is from Hailakandi district, having 18 percent representation in the sample. Block wise, the highest share of reported annual income

comes from South Karimganj (31 percent), followed by Hailakandi (19 percent) and Sonai (15 percent). Lakhipur reported the lowest proportion of annual income (10 percent); also, the block represents the lowest share of sample households among blocks.

**Table 4.16** *Distribution of annual income of sample households by blocks, districts, Barak Valley Region, 2017 (Agriculture Year 2016-17)*

<i>Blocks/Districts</i>	<i>No of households</i>	<i>% Households</i>	<i>Total Income During the Year (INR)</i>	<i>% Total Income</i>
Sonai	55	17.6	3949526	14.5
Silchar	39	12.5	3271875	12.0
Lakhipur	32	10.2	2667538	9.8
Cachar District	126	40.3	9888939	36.2
Dullavcherra	43	13.7	3814325	14.0
South Karimganj	88	28.1	8473771	31.0
Karimganj District	131	41.9	12288096	45.0
Hailakandi	56	17.9	5117100	18.7
Total	313	100.0	27294135	100.0

*Source:* Survey Data, 2017

Labouring-out in non-agriculture and other non-regular and odd jobs activities contributed about 15 percent each in the total income of the sample households (see **Table 4.17**). The contribution of labouring-out in agriculture and MGNREGA is in the range of 2-3 percent each. The share of earnings from crop sales and livestock together is around 6 percent, while pensions, rent and scholarship's share are 1.4 percent in the total income. Salaries (both govt & private) and business activities contributed around 11 percent each to the total income of these households.

However, the most significant contributor to the sample households' economy turns out to be remittances (35 percent) received from the out-migrant family members. Forty-four percent of sample households reported out-migration of their family members, as seen in the previous section. The out-migration and its contribution to the economy of the homes strongly point toward the gap in the demand and supply of employment scenario prevalent in BVR Assam.

We strongly felt that need for employment; also, public employment programmes like

MGNREGA are very high among the sample households. However, due to the minimal employment opportunity available in the region, most of these households have narrated about their vulnerability and no recourse but to migrate to other places for livelihood.

In the South Karimganj block, the highest proportion (56 percent) of households reported out-migration of their family members; the share of remittances (46 percent) in the total income of the households is highest among all blocks. In all blocks except Silchar, the most significant contributor to the households' income is from remittances, contributing in the range of 31- 46 percent. In Silchar, the share of salary followed by other activities in the total income is highest while the contribution from labouring-out and remittance is lowest among blocks. Rental income is reported only from Silchar; the block is relatively urban.

In Hailakandi, South Karimganj, Silchar and Sonai block, the three most prominent sources of earnings (other than remittances) are other activities, labouring-out in non-agriculture and business. Similarly, in Lakhipur, the three primary sources of household's earnings are labouring-out in non-agriculture followed by other activities and salary. Three significant contributors in Dullavcherra are labouring-out in non-agriculture followed by salary and business activities. Thus, remittances apart, the two major sources of earnings for the sample households are labouring-out and other activities, which are irregular and odd jobs.

The contribution of MGNREGA earnings ranged between 1.2-3.3 percent across the block, which is relatively very low; lower than earnings from livestock in all blocks, earning from crops or labouring- out in agriculture in a few blocks. We believe that MGNREGA has considerable scope for contributing more to the household's earnings given the context and prevalent scenario of unemployment in BVR. The following chapters will discuss MGNREGA and its functioning in BVR Assam.

**Table 4.17** *Distribution of total income of households by sources of earnings, Barak Valley Region, Assam, 2017 (in percent)*

Source of Earnings	Block						Total
	Sonai	Silchar	Lakhipur	Dullavcherra	South Karimganj	Hailakandi	
Labouring-out non-Agriculture	11.7	10.8	18.5	19.5	14.0	15.1	14.7
Labouring-out Agriculture	7.5	2.3	0.7	2.4	3.7	0.0	2.9
Labouring-out MGNREGA	2.4	1.3	1.2	3.3	1.7	3.3	2.2
Crops	4.4	0.3	1.4	2.5	2.3	2.8	2.4
Livestock	2.9	1.2	4.2	3.6	2.6	4.9	3.2
Salary (Government & Private)	7.5	37.0	13.6	10.6	5.4	9.3	11.8
Business	12.2	11.8	5.3	10.7	10.3	14.6	11.1
Remittance	31.8	9.2	38.5	37.4	46.3	30.8	34.8
Other Activity (non-regular, odd jobs)	18.1	22.9	16.3	6.1	13.4	18.9	15.5
Rent	0.0	2.6	0.0	0.0	0.0	0.0	0.3
Pension (including old age, widow etc.)	0.6	0.1	0.0	3.9	0.3	0.0	0.8
Scholarship	0.8	0.5	0.4	0.0	0.0	0.3	0.3
Total (in INR)	3949526	3271875	2667538	3814325	8473771	5117100	27294135
Total (in INR million)	3.9	3.3	2.7	3.8	8.5	5.1	27.3

Source: Survey Data, 2017

#### ***4.4.1 Labouring-out in agriculture & non-agriculture during Agriculture Year 2016-17 (excluding MGNREGA)***

One hundred thirty-five adult members from 118 households (38 percent of sample households) have been reported in labouring-out activities (excluding MGNREGA) during the reference period (**Table 4.18**). In each block, the mean labour-days of employment in labouring-out in agriculture and non-agriculture combined is less than 180 days, which shows that workers are not getting even six months of work. Thus, these workers can be categorized as marginal workers as per NSSO classification. In Dullavcherra, South Karimganj and Lakhipur block, mean labour-days of employment was 170-177 days during the entire year, while in the other three blocks (Sonai, Silchar, Hailakandi), it ranged between 141-156 days. The proportion of households reporting labouring-out in wage employment is high, however, the majority of the adult members are not getting employment for even six months in a year. There is therefore visible and open unemployment in this for most of the year.

The proportion of households reporting labouring-out in non-agriculture is much higher compared to agricultural activities. Around 105 adult members from 91 families (constituting 29 percent of sample households) have been reported employed in labouring-out in non-agriculture activities, which is more than thrice compared to labouring-out in agriculture. It is found that these workers have been employed for 171 days on an average during the period.

The minimum days of employment reported in non-agriculture works are 15 days, while the highest is 660 labour days. The highest labour-days of employment in non-agriculture is reported from South Karimganj (5320 days), followed by Hailakandi (3752 days) and Dullavcherra (3200 days). The lowest of such employment is reported from Silchar (1497 days), while the two other block of Cachar stands in the range of 2078-2115 days during the whole year.

**Table 4.18** Distribution of labour-days employed in labouring-out in agriculture and non-agriculture by blocks, Barak Valley Region, Assam (Agriculture Year 2016-17)

Labouring-out	Category	Measure	Block					Total	
			Sonai	Silchar	Lakhipur	Dullavcherra	South Karimganj		Hailakandi
Non-agriculture	No of households	Count	12	8	10	19	25	17	91
	No of members	Count	12	10	12	19	28	24	105
	Labour days	Sum	2078	1497	2115	3200	5320	3752	17962
		Mean	173	150	176	168	190	156	171
		Minimum	60	54	15	30	37	60	15
		Maximum	264	355	420	292	480	660	660
Agriculture	No of households	Count	14	2	1	2	8	0	27
	No of members	Count	14	2	1	2	11	0	30
	Labour days	Sum	1595	380	90	510	1472	0	4047
		Mean	114	190	90	255	134	0	135
		Minimum	50	150	90	240	35	0	0
		Maximum	250	230	90	270	480	0	480
Total	No of households	Count	26	10	11	21	33	17	118
	No of members	Count	26	12	13	21	39	24	135
	Labour days	Sum	3673	1877	2205	3710	6792	3752	22009
		Mean	141	156	170	177	174	156	163

Source: Survey Data, 2017

Mean labour-days of employment in non-agriculture is also found highest in South Karimganj block (190 days), followed by Lakhipur (176 days), Sonai (173 days) and Dullavcherra (168 days). The lowest average days of employment in non-agriculture activities are in Silchar (150 days), followed by Hailakandi (156 days). There are wide variations in the reported labour-days employment in non-agriculture activities across the blocks. While few households could find more than 264 days of employment during the year in all blocks, many have to struggle for 15-60 days of such work.

From the Lakhipur block, a minimum of 15 days of labour works have been reported, while in other blocks, minimum labour-days reported are 30-60 days during the year. We can see that many households are not getting adequate days employment in non-agriculture activities. A family reports the highest number of labour-days employed in non-agriculture from Hailakandi (660 days), whose six adult members has participated in it. The same households also showed that not enough work was available for each of the six members, so each member worked for only 110 days during the whole year. Many of these households who reported higher labour-days of employment involved participation of multiple adult members, which provided a glimpse of high under-employment in the region.

Similarly, 30 adult members from 27 households have reported labouring-out in agriculture works during the reference period. In Hailakandi, none of the households found employment in agriculture works. Households reported 135 labour-days of employment on an average, with a maximum of 480 days and a minimum of 35 days. The highest labour-days in agriculture works is reported from Sonai (1597 days) followed by South Karimganj (1472 days) and Dullavcherra (510 days). The lowest labour-days of employment in agriculture works is reported from Lakhipur (90 days) by a household and Silchar (380 days) collectively by two families. Average labour-days of employment in labouring-out in agriculture is found highest in Dullavcherra (255 days) followed by Silchar (190 days) and South Karimganj (134 days). The highest

number of households found employment in agriculture labouring is reported from Sonai (14 households) and South Karimganj (8 households). Only two households reported working in agriculture activities outside their own block. Thus, it can be seen that labouring-out in agriculture works are limited to very few households in all blocks, and in many blocks, very few households seem dependent on it.

#### ***4.4.2 Actual wage-rate in labouring-out during Agriculture Year 2016-17 (excluding MGNREGA)***

Wage rates in non-agriculture activities are higher than in agricultural activities. The annual average daily wage rate in Assam during Agriculture Year 2016-17 was INR 275 in farming occupations and INR 318 in non-agricultural occupations, which are around seven percent and 17 percent lower than all India annual wage rates respectively (**Table 4.19**). Data shows that average yearly wage rates in agricultural occupations in Cachar and Hailakandi districts are INR 25 (9 percent) lower than the annual average wage rate of Assam while it is INR 4.20 (1.5 percent) higher in Karimganj district than state's average. Similarly, average yearly wage rates in non-agricultural occupations in Cachar and Karimganj district is found 19 percent and 10 percent lower than the state's average, respectively, while it is 10 percent higher than the state's average in Hailakandi district. Thus, the annual average wage rates prevalent in Cachar is lowest among all sample districts in both occupations while wages rates in agricultural works are highest in Karimganj; wage rates in non-agricultural occupations are highest in Hailakandi among sample districts.

We found that average actual wage rates reported by sample households in both agriculture and non-agriculture, in all blocks, are lower than average annual wage rates of respective districts during the reference period. For example, average annual wage rates in non-agricultural occupations

**Table 4.19** Annual average wage rates in Barak Valley Region, Assam during Agriculture Year 2016-17

Annual average wage rate (INR per day)	Cachar District	Karimganj District	Hailakandi District	Assam	All India
Non-agriculture occupations*	257.0	287.5	350.0	318.0	384.0
Agriculture occupation**	250.0	279.2	250	275	295

Source: Agricultural Wages in India 2016-17, Directorate of Economics & Statistics, Ministry of Agriculture & Farmers Welfare, Government of India, 2019 (pg. 11-19)

Note: \* Non-agriculture wages includes skilled labour wages and non-agriculture labour wages.

\*\* Agriculture wages includes field labour wages and other agriculture labour wages.

**Table 4.20** Distribution of actual wage rates in labouring-out in agriculture and non-agriculture by blocks, Barak Valley Region, Assam (Agriculture Year 2016-17)

Labouring-out	Category	Measure	Block						Total
			Sonai	Silchar	Lakhipur	Dullavcherra	South Karimganj	Hailakandi	
Non-agriculture	No of households	Count	12	8	10	19	25	17	91
	No of members	Count	12	10	12	19	28	24	105
	Wage rate (INR per day)	Mean	211.0	235.1	230.1	229.6	221.3	211.8	
		Maximum	300.0	281.2	252.1	268.8	300.0	299.8	300.0
		Minimum	100.0	180.0	200.0	200.0	124.5	150.9	100.0
Agriculture	No of households	Count	14	2	1	2	8	0	27
	No of members	Count	14	2	1	2	11	0	30
	Wage rate (INR per day)	Mean	192.1	200.0	200.0	184.2	209.7	0	
		Maximum	240.0	200.0	200.0	200.0	300.0	0	300.0
		Minimum	148.1	200.0	200.0	168.3	166.7	0	148.1

Source: Survey Data, 2017

in Hailakandi district is INR 350 (refer to **Table 4.19**); however average actual wage rate received by sample households in Hailakandi blocks is around INR 212 (refer **Table 4.20**), maximum wage rate received is INR 300, and the minimum is INR 151. None of the households from Hailakandi has reported labouring out in agriculture.

In the Cachar district, the average actual wage rate received in labouring-out in non-agriculture is highest in Silchar (INR 235), followed by Lakhipur (INR 230) and lowest in Sonai block (INR 211). Similarly, in labouring-out in agriculture activities, the average actual wage rate received is highest in Silchar and lowest in Sonai block. The maximum and minimum wage rate received from both occupations in the Cachar district is reported from Sonai block. In the case of the Karimganj district, households from Dullavcherra block have reported a higher average actual wage rate in non-agriculture activities compared to South Karimganj block but opposite in agriculture activities. The maximum and minimum wage rate received from both occupations in the Karimganj district is reported from the South Karimganj block.

It can be observed that there are wide variations in wage rates received by the households. In Sonai, the gap between maximum and minimum wage rate received in non-agriculture activities is INR 200 (highest), while in agriculture activities INR 90. Similarly, the gap is in the range of INR 149-176 in non-agriculture labouring-out in Hailakandi and South Karimganj. In Lakhipur, Dullavcherra and Silchar, the difference is between INR 52-101 in non-agriculture. The gap between maximum and minimum wage received in agriculture activities is highest in South Karimganj (INR 133) followed by Sonai (INR 92), Dullavcherra (INR 32), while there are no differences in Silchar and Lakhipur.

To summarize, the proportion of households reporting labouring-out is high; however, the majority of the adult members are not getting employment for a minimum of six months in a year. The rate of unemployment in the region is very high during most of the year. The actual wage rate received by the households is lower than the state's average annual wage rate and of

respective districts. The average wage rate in labouring-out in non-agriculture is higher than agriculture activities across all blocks. It may partially explain that a considerably higher number of households and workers have reported labouring out in non-agriculture than in agriculture activities. Another explanation could be the availability of employment opportunities in non-agriculture than agriculture works. Wide variations in wage rates received by households, especially in non-agriculture activities, show some competition or may be scarcity. Workers are left with less options and resort to work with depressed wages.

#### **4.4.3 Earnings from labouring-out during Agriculture Year 2016-17 (excluding MGNREGA)**

We have seen in the previous section that around 38 percent (118 households) reported earnings from labouring-out activities (excluding MGNREGA) during the reference periods. A majority (77 percent) of these households have labour-out in non-agriculture activities, and the rest have agriculture-related work. These households collectively earned INR 48.14 lakh (INR 4.8 million) by labouring out in both activities (**Table 4.21**). Around 83 percent of the earnings from labouring-out has come from non-agriculture works (INR 40.12 lakh/INR 4.01 million) while the rest from agriculture works (INR 8.02 Lakh/0.80 million).

Household earnings from labouring-out in non-agriculture are higher than agriculture across in all the sample blocks, except in Dullavcherra, where mean income in agriculture is higher than non-agriculture. Households have earned five times more from labouring-out in non-agriculture occupations (such as non-farm works, manual labour, construction of a house, boundary, shelters, digging ponds etc.) than in agriculture. The highest earnings from non-agriculture labour works have been reported from South Karimganj, where 25 households earned around INR 11.8 Lakh (INR 1.2 million) during the reference period, with mean earning per household around INR 47535. The highest earnings from labouring-out (INR 120000) in non-agriculture is also reported from South Karimganj among all blocks and lowest from Lakhipur (INR 3000).

**Table 4.21** Distribution of household earnings from labouring-out in non-agriculture and agriculture, block-wise, Barak Valley Region, Assam (Agriculture Year 2016-17) (in INR)

Labouring-out	Category	Measure	Block					Total	
			Sonai	Silchar	Lakhipur	Dullavcherra	South Karimganj		Hailakandi
Non-agriculture	No of households	Count	12	8	10	19	25	17	91
	No of members	Count	12	10	12	19	28	24	105
	Earnings (INR)	Sum	461550	351900	494350	743250	1188374	773020	4012444
		Mean	38463	43988	49435	39118	47535	45472	44093
		Maximum	72000	89250	92250	76000	120000	99600	120000
		Minimum	6000	12000	3000	6100	7500	12000	3000
Agriculture	No of households	Count	14	2	1	2	8	0	27
	No of members	Count	14	2	1	2	11	0	30
	Earnings (INR)	Sum	297830	76000	18000	93450	317000	0	802280
		Mean	21274	38000	18000	46725	39625	0	29714
		Maximum	45000	46000	18000	48000	96000	0	96000
		Minimum	10000	30000	18000	45450	6500	0	6500
Earnings from Labouring-out Agriculture & Non-agriculture (Combined)	No of households	Count	26	10	11	21	33	17	118
	No of members	Count	26	12	13	21	39	24	135
	Total Earnings (INR)	Sum	759380	427900	512350	836700	1505374	773020	4814724
		Mean	31641	42790	46577	39843	48560	45472	40803
		Maximum	88000	89250	92250	76000	128000	99600	128000
		Minimum	6000	12000	3000	6100	6500	12000	3000

Source: Survey Data, 2017

Households from Hailakandi reported the second highest-earning (INR 7.7 lakh/ INR 0.77 million) with a mean of INR 45474 among blocks. Dullavcherra reported the third-highest earnings from non-agriculture activities, followed by Lakhipur, Sonai and Silchar, the least (INR 3.5 lakh/ INR 0.35 million). Regarding average household earnings from non-agriculture activities, the highest is Lakhipur (INR 49435), followed by South Karimganj, Hailakandi, Silchar, Dullavcherra and Sonai the lowest (INR 38463).

Thus, earnings from non-agriculture labouring-out varied across blocks and within households. Some households can earn a modest income from it while others can barely cross INR 12000 during the whole year. Labouring-out in non-agriculture activities alone is not a sufficient earning source as the annual average earning is INR 44093.

In the case of labouring-out in agriculture activities, the highest-earning has been reported from South Karimganj (INR 3.1 lakh/ 0.31 million) followed by Sonai, Dullavcherra, Silchar and Lakhipur the least (INR 18000). None from Hailakandi has reported engaged in labouring-out in agriculture. Average household labouring-out earnings in agriculture are highest in Dullavcherra (INR 46725), followed by South Karimganj and lowest in Lakhipur (INR 18000). The minimum earning reported is INR 6500 during one year, while the maximum earning from labouring-out in agriculture is INR 96000, both in South Karimganj. We can observe that earnings from labouring out in agriculture also varied across blocks and within households of the same blocks. It ranged from INR 6500-96000 during the year, with an average of INR 29714 per participating household. Mean earning suggests that average earning in labouring-out in agriculture activities is less than INR 2500 per month for a family.

The highest earnings from labouring-out in agriculture and non-agriculture (combined) are reported from South Karimganj (INR 15.05 lakh/ INR 1.5 million) followed by Dullavcherra (INR 8.3 lakh/ INR 0.8 million) and Hailakandi (INR 7.7 lakh/ INR 0.77 million). Households from Sonai block (INR 7.5 lakh/ INR 0.75 million) closely followed Hailakandi, and the lowest

is from Silchar (INR 4.3 lakh/ INR 0.43 million). Average earnings per household from both activities combined is highest in South Karimganj (INR 48560), followed by Lakhipur (INR 46577) and Hailakandi (INR 45472) and least in Sonai (INR 31641).

Thus, we can see that the average earnings of households from labouring-out in non-agriculture and agriculture are less than INR 50000 per annum, across all blocks (ranging between INR 31641- 48560), with maximum earning reported is INR 1.3 lakh (INR 0.13 million) (South Karimganj) and the minimum is INR 3000 (Lakhipur). The lowest earnings reported from labouring-out (combined) across blocks are INR 3000-12000 and highest between INR 76000-128000. For some households, labouring out does provide some survival earnings, while it is obviously not sufficient for many. Those reported minimum earnings from labouring out have actually earned less than INR 1000 per month, which cannot be considered as adequate income for even covering food requirements of family size of 5-6.

#### **4.4.4 Household income**

We estimated total household income by summing up earnings from all sources. The average annual income of households across blocks is in the range of INR 71810 – 96293 during the reference period (**Table 4.22**). Households from the Sonai block registered the lowest average annual income, while families from South Karimganj earned the highest income, followed by Hailakandi and Dullavcherra. Blocks in Cachar district reported the lowest average yearly income from all sources than Karimganj and Hailakandi. However, annual per-capita income is found highest in Silchar (INR 18328) followed by Dullavcherra (INR 16634), while households in Lakhipur and South Karimganj are at par with each other. Households from Hailakandi (INR 15681) and Sonai (INR 13756) have the lowest annual per capita income among all blocks.

The average annual income of the sample households estimated for Barak Valley Region was INR 87202, with an estimated per capita income of INR 15572 during the reference period. It

**Table 4.22** *Distribution of earnings by sources, total income, per capita income, block-wise, Barak Valley Region, Assam 2017 (in INR)*

<i>Earnings from various sources</i>	<i>Block</i>						<i>Total</i>
	<i>Sonai</i>	<i>Silchar</i>	<i>Lakhipur</i>	<i>Dullavcherra</i>	<i>South Karimganj</i>	<i>Hailakandi</i>	
(1) Earning from Labouring-out non-agriculture	461550	351900	494350	743250	1188374	773020	4012444
(2) Earning from Labouring-out agriculture	297830	76000	18000	93450	317000	0	802280
(3) Earning from MGNREGA	93156	42055	32738	125235	142197	166884	602265
<i>(A) Total earning from Labouring-out (1+2+3)</i>	<i>852536</i>	<i>469955</i>	<i>545088</i>	<i>961935</i>	<i>1647571</i>	<i>939904</i>	<i>5416989</i>
(4) Earning from Crops*	172300	10000	36400	95500	190900	145700	650800
(5) Earning from Livestock	115440	38700	111100	135700	217800	253250	871990
(6) Earning from Salary (Government & Private)	297000	1211580	362400	402640	460000	475656	3209276
(7) Earning from Business	482750	385900	140700	408200	872200	746900	3036650
(8) Earning from Other activity (non- regular odd jobs)	714550	750240	434850	232800	1132800	965440	4230680
(9) Remittances	1256550	300800	1027000	1427550	3923700	1575500	9511100
(10) Rent	0	86000	0	0	0	0	86000
(11) Pension	25200	3500	0	150000	28800	750	208250
(12) Scholarships	33200	15200	10000	0	0	14000	72400
<i>(B) Total income during the year (1+2+3+4+5+6+7+8+9+10+11+12)</i>	<i>3949526</i>	<i>3271875</i>	<i>2667538</i>	<i>3814325</i>	<i>8473771</i>	<i>5117100</i>	<i>27294135</i>
Mean income per households (INR/Year)	71810	83894	83361	88705	96293	91377	87202
Member per household (Mean)	6	5	5	5	6	6	5.6
Per capita income (INR/Year)	13756	18328	16057	16634	16050	15681	15572

Source: Survey Data, 2017

Note: \*Estimated based on imputed market price

is to be noted that the per capita income of Assam in terms of Net State Domestic Product (NSDP) at a constant price (2011-12) is INR 51126, and per capita NSDP at the current price is INR 65698 for FY 2016-17 (Government of Assam, Economic Survey Assam 2017-18, 2018). We can see that the per capita income of sample households is considerably below the state's average per capita, meaning there is acute poverty in the region, and households are facing massive economic distress, forcing them to out-migrate for earning livelihood.

We estimated that the per capita income of salaried-government households is highest (INR 52133), followed by private-salaried (INR 18453) and small business households (INR 16768). The per capita income of cultivator and labouring-out non-agriculture households is almost the same (around INR 15640), while it is slightly lower for labouring out in agriculture households (INR 15156). Artisan households have the lowest per capita income (INR 12260), followed by households engaged in other activities (INR 14439).

Per capita income among literate households (INR 16184) is relatively higher than illiterate households (INR 15662). Among social groups, ST households (INR 22121) have the highest per capita income, followed by SC (INR 18133), OBC (16481) and General the least (INR 15027). Also, Hindu households (INR 16950) are relatively better-off in terms of per capita income than their Muslim counterparts (INR 15362). Per capita income is highest among semi-medium farmer households (INR 22028), followed by landless (INR 18794), marginal farmers (INR 15872), small farmers (INR 14246) and least among medium farmer households (INR 12846). It is also found that the per capita income of families whose members are migrated (INR 17558) are higher than households with no migration (INR 14690).

#### **4.5 Households amenities**

Household amenities and assets reflect the quality of life of its inhabitants and are a sign of social status, acquired over many years and primarily determined by the household's income.

About 96.5 percent of households owned a dwelling unit, and the rest lived in rented-

**Table 4.23** Bivariate distribution of households, by farming category and household amenities, Barak Valley Region, 2017, Assam

Characteristics of House	Responses	Farming category					Total (Count)	Percent
		Landless	Marginal	Small	Semi Medium	Medium		
		Count	Count	Count	Count	Count		
Whether owned or rented	Owned	6	260	25	8	3	302	96.5
	Rented	2	9	0	0	0	11	3.5
Availability of Kitchen	Separately Not available within the house	3	97	6	3	2	111	35.5
	Separately available in the house	5	172	19	5	1	202	64.5
No of Rooms	Upto 2 rooms	6	185	14	3	1	209	66.8
	3 and more rooms	2	84	11	5	2	104	33.2
Roof Type	Pucca material	7	254	25	7	3	296	94.6
	Non-pucca material	1	15	0	1	0	17	5.4
Wall Type	Pucca material	4	98	9	5	2	118	37.7
	Non-pucca material	4	171	16	3	1	195	62.3
Floor Type	Pucca material	2	33	2	0	1	38	12.1
	Non-pucca material	6	236	23	8	2	275	87.9
Availability of Toilet	Within homestead	8	255	25	8	3	299	95.5
	Public Toilet	0	1	0	0	0	1	0.3
	Open defecation	0	13	0	0	0	13	4.2

Source: Survey Data, 2017

-accommodation (**Table 4.23**). For 36 percent of families, the kitchen was not separately available within the premises, and 67 percent of the households have up to two rooms in their dwelling units. The majority of the households (96 percent) have toilets located outside but within the homestead. The dwellings in the study village are made of pucca materials (metal sheets, asbestos etc.), roof and non-pucca (unburnt bricks, bamboo, wood, mud, grass, thatch etc.), walls and floors. Most dwelling units can be characterized as non-pucca structures as 88 percent of households had no-pucca floors, 62 percent had non-pucca walls, but the majority had metal sheets as roofs.

Access to basic household amenities such as clean drinking water, quality of cooking fuel and electricity are considered significant variables in determining the quality of life of citizens (Desai, et al., 2010). It is found that 26 percent of the households had no access to electricity,

**Table 4.24** *Bivariate distribution of households, by farming category and source of electricity, cooking and drinking water, Barak Valley Region, 2017, Assam*

Housing Amenities	Responses	Farming Category					Total	%
		Landless	Marginal	Small	Semi Medium	Medium		
		Count	Count	Count	Count	Count		
Electricity	Authorized	6	186	18	6	2	218	69.6
	Unauthorized	0	12	1	0	0	13	4.2
	No electricity	2	71	6	2	1	82	26.2
Source of energy for cooking	Firewood	5	233	24	7	3	272	86.9
	LPG	3	36	1	1	0	41	13.1
Source of drinking water	Tap	2	37	1	3	3	46	14.7
	Tube well/ Handpump	5	114	0	2	10	131	41.9
	Well	0	51	0	1	6	58	18.5
	Pond/Open Tank	1	54	2	2	5	64	20.4
	River/Stream	0	13	0	0	1	14	4.5

Source: Survey Data, 2017

87 percent had no access to clean cooking fuel, and 85 percent had no access to piped water supply (**Table 4.24**). Four percent of households have responded to using unauthorized

electricity, while only 13 percent use LPG cylinders for cooking purposes. Forty-two percent of households responded Tube-well/Handpump as a major source of water while another 39 percent from pond and well. About 5 percent of the homes have drawn water from nearby rivers (within a kilometer) for all purposes. We estimated that 67 percent of the households did not have personal water source, and two-thirds had to cover a distance of up to 1 kilometer for fetching water.

## **4.6 Status of health**

### ***4.6.1 Incidences of illness of adult members during the last 12 months of the survey***

Household wellbeing and income has direct association with work capacity of its adult members. From the sample data, we estimated the incidences of illness of adult male and female members of the families in the preceding 12 months of the survey and the household's ability to withstand such conditions.

Around 54 percent of the sample households have reported incidence of illness of its adult male and female members over the last 12 months, to the extent that the household's work capacity has been hampered by the reported conditions (**Table 4.25**). About 19 percent of households reported one or more adult members were ill every day in the last 12 months, followed by 10 percent of households who reported incidences of illness a few times a month. Reported disease burden range from severe cases of asthma, diabetes, lungs and kidney problems, tuberculosis, paralysis and cancer, etc. About seven percent of households have reported suffering from any other, including sudden, one-time infections and conditions such as snake bite, small pox, gall bladder stone, cancer, heart issue, typhoid, etc. About 8 percent of households reported suffering from illness once or twice and 5 percent a few times in a week during the reference period.

The proportion of adult females who reported having never been ill during the period is higher than adult males. Fifty-one percent of households reported that their adult female members have

never been sick in the last 12 months, while 42 percent in the case of adult males. Across all classifications of incidences of illness based on its duration, the share of female adults is less than male adults. However, low levels of morbidity among females could be because of female respondents not revealing their health status to the investigators.

**Table 4.25** *Distribution of incidences of illness of adults by block, by Sex, Barak Valley Region, 2017, Assam (in percent)*

Block	Sex	Incidences of illness								Total
		Never	Once or twice	Once a month	Few times a month	About once a week	A few times a week	Every day*	Any Other**	
Sonai	Male	34.5	16.4	5.5	12.7	1.8	3.6	21.8	3.6	100
	Female	38.2	5.5	9.1	20	1.8	1.8	18.2	5.5	100
Silchar	Male	53.8	2.6	0	2.6	2.6	5.1	17.9	15.4	100
	Female	66.7	7.7	0	2.6	0	2.6	5.1	15.4	100
Lakhipur	Male	46.9	18.8	3.1	12.5	0	3.1	15.6	0	100
	Female	65.6	0	0	12.5	0	9.4	12.5	0	100
Dullavcherra	Male	37.2	14	2.3	9.3	0	7	27.9	2.3	100
	Female	53.5	16.3	0	2.3	0	2.3	23.3	2.3	100
South Karimganj	Male	31.8	6.8	4.5	15.9	2.3	6.8	22.7	9.1	100
	Female	40.9	1.1	1.1	13.6	0	11.4	26.1	5.7	100
Hailakandi	Male	55.4	5.4	5.4	0	1.8	3.6	14.3	14.3	100
	Female	60.7	3.6	5.4	7.1	5.4	0	7.1	10.7	100
Total	Male	41.5	9.9	3.8	9.6	1.6	5.1	20.4	8	100
	Female	51.4	5.1	2.9	10.5	1.3	5.1	16.9	6.7	100
All		46.5	7.5	3.4	10.1	1.4	5.1	18.7	7.3	100

Source: Survey Data, 2017

Note: \*Households reported chronic diseases and conditions such as asthma, diabetics, internal organ issues, tuberculosis, paralysis, cancer etc., in their everyday sufferings.

\*\* Any Others included sudden, one-time infections, conditions such as snake bites, small pox, gall bladder stone, heart issue, typhoid etc.

More than 62 percent of households from Sonai block have reported incidence of illness of various duration in the Cachar district. In Silchar and Lakhipur, such incidences are less than 50 percent among households. The highest incidence of illness among female and male adults is reported from Sonai (62-65 percent), followed by Lakhipur (34-53 percent) and Silchar (33-46 percent). In the Karimganj district, a higher proportion of households from South Karimganj

have reported illness incidence among male and female adults than Dullavcherra. The lowest proportion of incidences of illness among male and female adults is observed in Hailakandi district, followed by Cachar and highest from Karimganj district.

Among the socio-religious group, the highest (69 percent) of ST households have reported that none of the adult members fell ill in the last 12 months, followed by General-Hindu (57 percent) and OBC-Hindu (51 percent) while less than 46 percent General-Muslim followed by OBC-Muslim (40 percent) and SC (40 percent) has reported the same. More than 12 percent of households of each socio-religious group have noted that one or more adult members from their families were ill every day during the reference period. Around 11 percent General-Muslim, OBC-Muslim, SC and ST households have reported members' illness a few times a month.

The highest proportion of small farmer households (60 percent) followed by landless (50 percent), medium (50 percent), marginal (46 percent) and least semi-medium (44 percent) farmer households have reported that none of its adult members was ill during the reference period. Around 19 percent of marginal, small and semi-medium farmer households have reported their adult members suffering from illness every day. About 10 percent of families from the same groups have also reported illness a few times a month.

The highest proportion of salaried-private (61 percent), cultivators (52 percent) and salaried-government (50 percent) households have reported no incidences of illness during the reference period, while less than 50 percent of households from other occupational group has reported so. More than 11 percent of households of each occupational group in the survey have reported suffering from everyday illness of its member.

#### ***4.6.2 Affordability of treatments of reported illness by households***

In 45 percent of the incidences of treatment arising out of reported illness or injury, households could not afford the treatment. Hence, they have borrowed money from friends, relatives, and moneylenders (**Table 4.26**). In most cases where families could not afford, they borrowed from

friends and relatives (31 percent); others resorted to borrowing from moneylenders (14 percent). In around 52 percent of the incidences of treatments, households reported having afforded the therapy, however, with various riders. Families reported out of pocket expenditures for 20 percent of the incidences of treatment while for 14 percent incidences, they benefited from government health programmes but spent a lot on private health facility. For about 10 percent of incidences, households sold land or other assets to cover the cost of treatment, whereas, in 7 percent of incidences, they could afford the treatment because of some government health programme.

Within the Cachar district, the highest incidence of borrowing money for treatment is reported from Lakhipur block (48 percent), followed by Sonai block (41 percent) and Silchar block (29 percent). In Sonai, households have borrowed from moneylenders for most illnesses, while in Silchar and Lakhipur, households have borrowed more from friends and relatives for treatments. None of the Silchar families has reported borrowing money from moneylenders for treatment, selling lesser land or other assets, benefiting more from government health programmes and private facilities, and they could afford it on 61 percent of incidences. This may be due to the presence of a government medical college and better medical care facilities in Silchar compared to the rest of the districts in BVR.

However, in Sonai and Lakhipur, households have sold land or other assets in more than 17 percent of all incidences of treatments during the reference period. Families from Silchar has reported having afforded the treatment on about 15 percent of incidences because of government health programme, while households from the other two block of the same district have noted less than 5 percent of such treatment where they have benefited from government health programme. Families from Sonai have reported that in about 17 percent of all incidences of treatment, they have benefited from government programme but spent a lot on the private facility. Such incidences are also reported from Silchar (12 percent) and Lakhipur (10 percent).

**Table 4.26** Distribution of households by incidences of treatment and affordability, block-wise, Barak Valley Region, 2017, Assam (in percent)

Could you afford treatment for the reported serious illness or injury?	Blocks						All
	Sonai	Silchar	Lakhipur	Dullavcherra	South Karimganj	Hailakandi	
No, borrowed from friends and relatives	4.8	29.3	33.3	41.7	40.1	31.4	30.5
No, borrowed from moneylender	35.7	0	14.3	10	7.7	11.8	14
No, Total	40.5	29.3	47.6	51.7	47.9	43.1	44.5
Yes, sold land or other assets.	22.6	4.9	16.7	5	4.2	7.8	9.8
Yes, because the employer paid for treatment	2.4	0	0	0	0.7	0	0.7
Yes, because govt. health program benefitted	2.4	14.6	4.8	10	7	9.8	7.4
Benefitted from govt. health program but spent a lot on private facility	16.7	12.2	9.5	10	20.4	3.9	14.3
Yes, we could afford it	15.5	29.3	16.7	21.7	16.2	31.4	20
Yes, Total	59.5	61	47.6	46.7	48.6	52.9	52.1
Any other*	0	9.8	4.8	1.7	3.5	3.9	3.3
Total	100	100	100	100	100	100	100

Source: Survey Data, 2017

Note: \* Any other includes traditional treatments, not visiting medical practitioners due to financial issues, and mortgaging assets.

In the Karimganj district, households from both blocks have borrowed more from friends and relatives than moneylenders on all incidences of treatment arising. In around 8-10 percent of incidences, households have borrowed from moneylenders. On 10 percent incidences of treatment in Dullavcherra and 20 percent in South Karimganj block, families have benefited from government health programmes but spent a lot on the private facility. On about 5 percent of incidences of treatment in both blocks, households have sold land and other assets. Around 7-10 percent of households from Dullavcherra and South Karimganj could afford the treatment because of government health programmes.

In Hailakandi, households have borrowed for 43 percent incidences of treatment in the last 12 months preceding the survey. For about 31 percent of incidences, money is borrowed from friends and relatives, while for 12 percent, money is borrowed from moneylenders. About 53 percent of all incidences of treatment, the household could afford the treatment cost; however, for almost 8 percent of incidences, they have to sell land or other assets. In about 10 percent of incidences, they could afford the treatment cost due to government health programmes; however, in four percent of the treatments, they benefited from government health programmes but spent a lot on private facilities.

Thus, it can be observed that about 45 percent of all incidence's households could not afford the treatment cost and hence borrowed more from friends and relatives than moneylenders. For the other 10 percent of incidences, they could afford only after selling land or other assets. For about 21 percent of all incidences, government health programmes have helped in treatments; however, most also spend a lot on private facilities. For only three treatment incidences, the employer paid for the treatment cost. For about 3 percent of the incidences, households have reported any other, including traditional treatments, not visiting medical practitioners due to financial issues, and mortgaging out assets. Of all the instances of borrowing money from friends and relatives, 36 percent are for the treatment of everyday illness (including chronic

conditions and diseases like asthma, diabetics, internal organs, tuberculosis, paralysis and cancer, etc.) followed by illness occurring a few times a month. In the case of borrowing from moneylenders too, 41 percent are for treatment of everyday disease followed by few times a month.

#### **4.7 Access to social security programmes**

The majority of the sample households (73 percent) are Below Poverty Line (BPL) families, followed by Antyodaya Anna Yojana (AAY) (25 percent) and Annapurna (3.5 percent) beneficiaries (**Table 4.27**). All these are important programmes for the food security of the poor households providing subsidized food grains round the year. Around half of the families have also benefitted from the Midday Meal (MDM) Scheme, which aims to provide nutritional support to school-going children, and 63 percent of households are the beneficiary of Integrated Child Development Services (ICDS). ICDS is a unique programme for early childhood care and development, targeted to children (0-6 age group), pregnant women and lactation mothers. This official inclusion of households into the state's various food security programmes strongly suggests that the families are poor and most vulnerable to economic and other shocks.

Less than one-third of households have access to Rashtriya Swasthya Bima Yojana (RSBY) – a critical state-run scheme that provides health insurance coverage to the BPL category and their family members. Also, less than one-third of households have reported building their homes with the help of the central housing scheme under Pradhan Mantri Awas Yojana (PMAY). About 13 percent of the sample households are old-age pension beneficiaries followed by widow pension (4 percent) under the National Social Assistance Programme (NSAP), while none of the families has reported receiving a disability pension. Access to job cards under MGNREGA is highest among all welfare programmes. Around 93 percent of the households reported demand for MGNREGA work.

**Table 4.27** *Distribution of access to social security programmes by district, Barak Valley Region, 2017, Assam (in percent)*

Access to Social Assistance Programme	District			Total
	Cachar	Karimganj	Hailakandi	
1 National Rural Employment Guarantee Scheme (MGNREGA)	94.4	90.8	92.9	92.7
2 Below Poverty Line (BPL)	65.9	78.6	76.8	73.2
3 Integrated Child Development Services (ICDS)	59.5	61.8	71.4	62.6
4 Midday Meal (MDM)	46	49.6	64.3	50.8
5 Rashtriya Swasthya Bima Yojana (RSBY)	37.3	26.7	19.6	29.7
6 Pradhan Mantri Awas Yojana (PMAY)	18.3	37.4	19.6	26.5
7 Antyodaya Anna Yojana (AAY)	37.3	15.3	21.4	25.2
8 Old age Pension	15.1	12.2	12.5	13.4
9 Widow Pension	3.2	2.3	7.1	3.5
10 Disability Pension	0	0	0	0
11 National Family Benefit Scheme (NFBS)	4.8	3.1	3.6	3.8
12 Annapurna	1.6	5.3	3.6	3.5
13 Kisan Credit Card (KCC)	2.4	3.8	3.6	3.2
14 MAMONI	23.8	26.7	35.7	27.2
15 MAJONI	11.9	8.4	17.9	11.5
16 MOROM	6.3	14.5	12.5	10.9
Total households (count)	126	131	56	313

Source: Survey Data, 2017

A minority (3 percent) of households have reported access to Kisan Credit Card (KCC) - an essential instrument for borrowing cheap credit from formal financial institutions at subsidized interest rates. Of the three state-run programmes, 27 percent of households have benefitted from the MAMONI scheme, followed by MAJONI (12 percent) and MOROM (11 percent). MAMONI is targeted at pregnant women of the state, providing cash assistance for nutritional support, and MAJONI provides cash benefits to the newborn girl child. MOROM scheme, on the other hand, offers financial support to indoor patients of government health institutions for supplementary nutrition and compensation for wage loss during treatment and post-hospitalization expenses.

Access to MGNREGA is high across all districts, among which, the Cachar district tops the chart. More than 76 percent of Hailakandi and Karimganj are BPL beneficiaries, followed by

66 percent in the Cachar district. The highest (71 percent) proportion of ICDS beneficiaries are in Hailakandi, while in Karimganj and Cachar less than 62 percent of households have benefited. Around 64 percent of households have benefited from MDM in Hailakandi; however, the proportion is lower than 50 percent in Karimganj and Cachar districts.

Around one-third of households have benefited from RSBY and AAY in the Cachar district; in the other two districts, access to these two programmes is limited to 15-27 percent of households. About one-third of households from Karimganj have reported receiving cash assistance for house constructions under PMAY; 18-20 percent in the other two districts. Around 15-20 percent of households have benefited from pension schemes; families from Karimganj district have least benefited among all. We can see that penetration of KCC- a source of formal and cheap credit is very low in all the districts.

It is evident from the survey that access to many social assistance programmes is low in all three districts, given the precarious situation of households. Where the proportion of BPL households in the sample is as high as 73 percent, access to other critical assistance such as ICDS (63 percent) and MDM (51 percent) is still far from the matching proportion of BPL households. Access to RSBY, PMAY, KCC and pensions are pretty distant for the sample households, who are majorly BPL households. In terms of lowest access among the sample households, KCC stands out, followed by widow pension, Annapurna and NFBS. The three programmes have covered less than one-third of BPL families, who actually require such assistance in terms of state government schemes.

Household's access to MGNREGA among the blocks is highest in Lakhipur (100 percent), followed by Sonai, Dullavcherra and comparatively less in South Karimganj and Silchar (**Table 4.28**). However, MGNREGA remains the highest accessible social assistance programme among all available state-sponsored programmes across all the blocks. Lakhipur also has the

highest proportion (84 percent) of BPL households, followed by Dullavcherra (81 percent) and least in Sonai (58 percent).

In the Cachar district, the proportion of BPL and Annapurna households is comparatively higher in Lakhipur than the other two blocks, while the proportion of AAY households is highest in Sonai (49 percent). Among blocks, the highest proportion of households that have benefited from ICDS and MDM are reported from Hailakandi, while only one-third of households from Silchar have reported benefiting from MDM. The least proportion of South Karimganj (9 percent) has access to RSBY, while Dullavcherra (63 percent) has the highest access. The distribution of RSBY is also not uniform across the Cachar district as 59 percent of the households from Silchar have access to it, while less than one-third of households from Sonai and Lakhipur have access to it. The highest proportion of households from (37 percent) Dullavcherra and South Karimganj have reported benefiting from PMAY and least from Sonai (16 percent).

Around one-fourth of households from Sonai are old-age pension beneficiaries; in Silchar, only five percent of households reported so. From Hailakandi and Lakhipur, around 6-7 percent of households reported beneficiaries of widow pension, while none from Dullavcherra. The highest proportion of KCC beneficiaries is from Dullavcherra (7 percent), followed by Sonai (6 percent), Hailakandi (4 percent) and South Karimganj (2 percent). None from Silchar and Lakhipur has reported access to KCC-one of the critical state schemes for poor farmer households.

In the case of state government-sponsored programmes, none of the households from Sonai has benefitted from MAMONI, while a minority (7 percent) households from Dullavcherra have reported benefited from it. Among the three programmes, MAJONI has a higher reach among the families. The highest proportion of households from Dullavcherra (40 percent) has-

**Table 4.28** *Distribution of access of social security programmes by blocks, Barak Valley Region, Assam, 2017 (in percent)*

Access to Social Assistance Programmes	Block					
	Sonai	Silchar	Lakhipur	Dullavcherra	South Karimganj	Hailakandi
1 National Rural Employment Guarantee Scheme (MGNREGA)	96.4	87.2	100.0	95.3	88.6	92.9
2 Below Poverty Line (BPL)	58.2	61.5	84.4	81.4	77.3	76.8
3 Integrated Child Development Services (ICDS)	63.6	61.5	50	69.8	58	71.4
4 Midday Meal (MDM)	54.5	33.3	46.9	51.2	48.9	64.3
5 Rashtriya Swasthya Bima Yojana (RSBY)	30.9	59	21.9	62.8	9.1	19.6
6 Pradhan Mantri Awas Yojana (PMAY)	16.4	17.9	21.9	37.2	37.5	19.6
7 Antyodaya Anna Yojana (AAY)	49.1	33.3	21.9	14	15.9	21.4
8 Old age Pension	25.5	5.1	9.4	11.6	12.5	12.5
9 Widow Pension	1.8	2.6	6.3	0	3.4	7.1
10 Disability Pension	0	0	0	0	0	0
11 National Family Benefit Scheme (NFBS)	3.6	10.3	0	2.3	3.4	3.6
12 Annapurna	0	2.6	3.1	0	8	3.6
13 Kisan Credit Card (KCC)	5.5	0	0	7	2.3	3.6
14 MAMONI	0	10.3	12.5	7	18.2	12.5
15 MAJONI	14.5	35.9	25	39.5	20.5	35.7
16 MOROM	9.1	17.9	9.4	11.6	6.8	17.9
Total households (Count)	55	39	32	43	88	56

Source: Survey Data, 2017

- benefited from MAJONI, followed by Silchar and Hailakandi (36 percent), while the least benefited households are from Sonai (15 percent). Around 18 percent of households from Hailakandi and Silchar have reported benefiting from MOROM, followed by Dullavcherra (12 percent), while in other blocks, less than 10 percent of households have benefited. Thus, the distribution of social assistance programmes by households varied widely across blocks. Reach, or accessibility of vital programmes like ICDS, MDM and RSBY is highly uneven across many blocks within the same districts. Reach of KCC, widow and disability pension are limited to a few households.

Most women (80 percent) and men (72 percent) headed households are BPL families. More than half of male-headed households are beneficiaries of ICDS and MDM, while less than half of female-headed households have benefited from these programmes. A higher proportion of female-headed households have access to RSBY, PMAY, Annapurna and widow pension schemes, whereas a higher ratio of male-headed households has access to AAY, Old age pension, KCC and all the three state government programmes. None of the female-headed households has access to KCC.

Most households across all socio-religious groups are BPL families (**Table 4.29**). The share of BPL households among OBC-Muslim is highest (89 percent), followed by ST (88 percent), OBC-Hindu (80 percent), SC (74 percent), Gen-Muslim (72 percent) and Gen-Hindu (52 percent). The majority of households (55-67 percent) of all social groups except ST households (38 percent) have benefitted from ICDS. The highest proportion of OBC-Muslim (78 percent) households have benefitted from MDM, while less than 53 percent of other social-religious groups reported having benefited from the programme; General-Hindu (39 percent) households are the least. The majority of Gen-Hindu (52 percent) followed by OBC-Hindu (49 percent) have availed RSBY while a minority of OBC-Muslim (6 percent) and none of ST households have benefited from the scheme.

**Table 4.29** Access to social assistance programme by socio-religious group, Barak Valley Region, Assam, 2017 (in percent)

S No	Access to Social Assistance Programme	Socio-Religious Group					
		Gen-Muslim	Gen-Hindu	OBC-Muslim	OBC-Hindu	Schedule Caste	Schedule Tribe
1	MGNREGA	92.8	95.7	88.9	91.4	91.8	100.0
2	BPL	72.2	52.2	88.9	80.0	73.5	87.5
3	ICDS	65.6	60.9	66.7	62.9	55.1	37.5
4	MDM	52.8	39.1	77.8	45.7	42.9	50.0
5	RSBY	26.7	52.2	5.6	48.6	30.6	0.0
6	PMAY	20.0	30.4	11.1	34.3	46.9	37.5
7	AAY	26.7	43.5	11.1	20.0	20.4	25.0
8	Old age Pension	15.0	8.7	11.1	17.1	10.2	0.0
9	MAMONI	28.3	17.4	11.1	40.0	26.5	12.5
10	MAJONI	13.9	8.7	5.6	11.4	8.2	0.0
11	MOROM	12.8	0.0	5.6	11.4	10.2	12.5
12	NFBS	3.3	13.0	0.0	5.7	2.0	0.0
13	Annapurna	2.2	4.3	0.0	0.0	12.2	0.0
14	Widow Pension	1.7	4.3	11.1	5.7	6.1	0.0
15	KCC	3.3	4.3	0.0	0.0	6.1	0.0
16	Disability Pension	0.0	0.0	0.0	0.0	0.0	0.0
Total households (Count)		180	23	18	35	49	8

Source: Survey Data, 2017

In the case of PMAY, SC followed by ST, OBC-Hindu, Gen-Hindu are primary beneficiaries, while a lower proportion of Gen-Muslim (20 percent) and OBC-Muslim (11 percent) have reported having received cash assistance in the construction of houses. None of the ST households has access to RSBY, KCC, pensions, and MAJONI. Also, none of the OBC households has reported access to KCC. Of the ten households having access to KCC, seven are General households, and three are SC households. None of the General-Hindu households is the beneficiary of MOROM. The majority of the families across the socio-religious group are beneficiaries of MGNREGA.

#### ***4.7.1 Access to social assistance programmes by farmer category***

The majority of the households across different farmer categories have access to MGNREGA (**Table 4.30**). Less than 93 percent of marginal, small and landless farmer households have job cards, while none of semi-medium and medium farmers is excluded. Around 75 percent of semi-medium farmer households are BPL households, followed by marginal (74 percent), small (68 percent), landless (63 percent) and medium (33 percent).

We can observe that most landless are BPL households (63 percent), and 25 percent are AAY beneficiaries. Rest (12 percent) landless households have applied for their BPL inclusion, and their status was unknown at the time of the survey. The majority of the households across the farmer category (except medium farmers) are beneficiaries of the food security programme under the BPL category; those who are not BPL are mostly covered under AAY, followed by Annapurna and NFBS. Of the three medium farmer households in the sample, one each reportedly has access to BPL, AAY and NFBS. All the medium farmer households are beneficiaries of MGNREGA, ICDS and old-age pension programmes, while none have access to other programmes. The majority of semi-medium farmers are BPL households (75 percent), rest are AAY beneficiaries. A majority (75 percent) also availed ICDS; half are PMAY beneficiaries, one quarter are beneficiaries of MDM, old-age pension.

The majority of small farmer households (68 percent) are also BPL families, and the rest are covered under AAY. The majority of these households are also beneficiaries of MDM (76 percent) and ICDS (84 percent), while around 36 percent have benefitted from RSBY and PMAY. More than 20 percent of small farmer households have also availed three state's programmes. A minority of these households have access to KCC (12 percent), old age pension (16 percent) and widow pension (4 percent).

In the case of marginal farmer households, which is the majority (86 percent) in the sample household, 74 percent are BPL; the rest are covered under AAY, Annapurna and NFBS. The

majority are ICDS (60 percent) beneficiaries, followed by MDM (50 percent), RSBY (30 percent), PMAY (25 percent), old age pension (12 percent), while less than 5 percent each in KCC and widow pension. About 10 percent of marginal farmer households have reported as beneficiaries of MOROM and MAJONI schemes, and 28 percent of the same households have received benefits from the MAMONI scheme.

**Table 4.30** Access to social assistance programmes by farmer category, Barak Valley Region, Assam, 2017 (in percent)

Access to Social Assistance Programme	Farmer Category					Total
	Landless	Marginal	Small	Medium	Semi Medium	
1 MGNREGA	87.5	92.6	92.0	100.0	100.0	92.7
2 BPL card	62.5	74.3	68.0	33.3	75.0	73.2
3 AAY Card	25.0	18.6	32.0	33.3	25.0	25.2
4 Annapurna card	0.0	3.7	0.0	0.0	0.0	3.2
5 RSBY card	25.0	29.4	36.0	0.0	37.5	29.7
6 KCC	12.5	2.2	12.0	0.0	0.0	3.2
7 MDM	37.5	49.8	76.0	33.3	25.0	50.8
8 ICDS	50.0	60.2	84.0	100.0	75.0	62.6
9 PMAY	25.0	25.3	36.0	0.0	50.0	26.5
10 Old age pension	25.0	11.5	16.0	100.0	25.0	13.4
11 Widow pension	0.0	3.7	4.0	0.0	0.0	3.5
12 Disability pension	0.0	0.0	0.0	0.0	0.0	0.0
13 NFBS	0.0	3.3	0.0	33.3	0.0	3.8
14 MOROM	0.0	10.0	24.0	0.0	12.5	10.9
15 MAMONI	37.5	27.9	24.0	0.0	12.5	27.2
16 MAJONI	12.5	10.8	20.0	0.0	12.5	11.5
Total households (Count)	8	269	3	8	25	313

Source: Survey Data, 2017

A major share (32 percent) of households is primarily engaged in other activities, including non-salaried odd jobs. The majority of these households (74 percent) are BPL families, and 22 percent are AAY beneficiaries (**Table 4.31**). Around 60 percent of these households have benefitted from the ICDS programme, 43 percent of their children receive MDM at schools. One-fourth of these households have access to RSBY, and 28 percent have received PMAY for house construction. One-fifth of these families receive state pensions, while only a minority have KCC (3 percent). Twenty-seven percent have received MAMONI, and 12-13 percent are beneficiaries of the other two state schemes.

Another major share of the household (22 percent) is dependent on labouring-out in non-agriculture activities. A majority (74 percent) of these households are also BPL families, and the remaining get their food entitlements from AAY. A major proportion of these households (around 60 percent) have also benefitted from ICDS and MDM, while 39 percent have access to the RSBY scheme and 30 percent are PMAY beneficiaries. A minority of these households (12 percent) receive state's pensions, and only four percent have access to KCC. Thirty percent of these households have received benefits under MAMONI, while 9-10 percent received the benefits from the other two programmes.

Around 19 percent of the households are cultivators, the majority are BPL households (70 percent), and the rest are AAY beneficiaries. Approximately 67 percent of cultivator households have reported beneficiaries of ICDS, MDM (50 percent), RSBY (28 percent), PMAY (25 percent) and pension (18 percent). One fourth have received benefits under MAMONI, while 13 percent have been benefitted from MAJONI and MOROM (7 percent). Only three percent of the cultivator households have reported access to KCC. We can see that only one percent of households are government-salaried while 10 percent of households are private-salaried. Seventy-five percent of the private-salaried households are BPL families; the majority (67 percent) of government-salaried households have also reported that they are BPL families.

Around 19 percent of the private-salaried households are provided food entitlements under AAY. The majority of families from both occupations are ICDS beneficiaries (66 percent), and more than one third have access to RSBY. One-third of salaried government households have received the PMAY scheme, while one-fourth of private-salaried have received it. Forty-four percent of private-salaried households reported that their children received MDM, while none were from government-salaried. A minority of private-salaried families have KCC; none of government-salaried has it. Around 19 percent of the private salaried have also received state's pension scheme while none from government-salaried households.

**Table 4.31** Access to social security programmes by primary occupation, Barak Valley Region, Assam, 2017 (in percent)

Access to Social Assistance Programme	Primary Occupation							
	Cultivator	Labouring-out Agriculture	Labouring-out non-agriculture	Salaried-Govt	Salaried Private	Artisan	Small Business	Other Activity*
1 MGNREGA	96.7	90.9	90.0	100.0	84.4	80.0	100.0	92.9
2 BPL	70.0	81.8	74.3	66.7	75.0	80.0	69.7	73.7
3 AAY	30.0	9.1	25.7	0.0	18.8	20.0	30.3	22.2
4 Annapurna	1.7	18.2	4.3	0.0	0.0	0.0	3.0	3.0
5 RSBY	28.3	18.2	38.6	33.3	40.6	40.0	21.2	24.2
6 KCC	3.3	0.0	4.3	0.0	3.1	0.0	3.0	3.0
7 MDM	50.0	36.4	60.0	0.0	43.8	60.0	69.7	43.4
8 ICDS	66.7	36.4	61.4	66.7	65.6	80.0	69.7	59.6
9 PMAY	25.0	18.2	30.0	33.3	25.0	40.0	18.2	28.3
10 Old age pension	16.7	18.2	8.6	0.0	12.5	0.0	12.1	16.2
11 Widow pension	1.7	9.1	2.9	0.0	6.3	0.0	0.0	5.1
12 Disability pension	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
13 NFBS	3.3	0.0	4.3	0.0	3.1	0.0	0.0	6.1
14 MOROM	6.7	27.3	10.0	0.0	6.3	20.0	15.2	12.1
15 MAMONI	25.0	18.2	30.0	0.0	34.4	0.0	27.3	27.3
16 MAJONI	13.3	18.2	8.6	0.0	12.5	0.0	9.1	13.1
Total households (Count)	60	11	70	3	32	5	33	99

Source: Survey Data, 2017

Note: Other Activity\* includes occupations such as driver, mechanic, mason, plumber, carpenter, tailor, helper etc., which are non-regular, non-salaried jobs in villages or nearby towns.

One in ten households are engaged in small businesses, most of which are also BPL families (70 percent), and the rest are AAY holders. The majority of these households (70 percent) have also MDM and ICDS beneficiaries. One-fifth of households have access to RSBY, while only a minority (3 percent) have access to KCC. Around 18 percent of these households have constructed their homes with the help of PMAY, while 12 percent receive an old-age pension. Twenty-seven percent have received benefits under MAMONI, MOROM (15 percent) and MAJONI (9 percent). Most labouring-out in agriculture households are also BPL families (82 percent), while 9 percent are AAY beneficiaries. Around one-third of these households have benefited from MDM, ICDS and less than 20 percent have availed RSBY, Annapurna, PMAY and pension. Twenty-seven percent have reported benefiting from MOROM while less than 20 percent from the other two states' schemes.

Five are artisan households, four are BPL, and one is AAY beneficiary. Two artisan households also availed Annapurna scheme. The highest four out of five families have benefited from ICDS, three have MDM, and two have built their houses using the PMAY scheme. One household has received benefits under MOROM, and none have access to KCC and pensions.

To summarize, most households are BPL households (73 percent), and the remaining receive their food entitlements from AAY. Nearly all the sample households are covered under the food security programme; thus, officially, they are poor/vulnerable households. Some households have also reported benefiting from Annapurna and NFBS schemes. ICDS has covered more than 63 percent of these households, and 51 percent of households' children have received MDM. Around 30 percent have access to vital health insurance schemes (RSBY), PMAY (27 percent), pension (17 percent), while a minority (3 percent) have access to KCC- an essential source of subsidised and institutional credit. Among Assam government schemes, 27 percent of households have received benefits under MAMONI and around 11 percent to MOROM and MAJONI schemes. MGNREGA has the highest coverage among all social assistance

programmes. We also found that access and coverage of these social assistance programmes varied across districts, blocks, gender, socio-religion groups, farmer groups and occupational groups.

#### **4.8 Conclusion**

A majority (94 percent) of the sample households are small and marginal farmers with less than 2 hectares of operational holding, while three percent are landless. A significant share (45 percent) of them is engaged in cultivation and labouring-out while another chunk of households (32 percent) has livelihood in activities that entails frequent visits outside the village and nearest town. Reliance on a single source of earning seems not adequate in the valley as the data shows that they engaged themselves in multiple livelihood options.

The average annual income of households is INR 87202, and per capita income is found INR 15572, which is considerably below the state's average per capita, indicating acute poverty in the region and massive economic distress forcing them to out-migrate for their livelihoods. Large scale migration has been reported across all the blocks. A total of 189 members from 44 percent of sample households have reportedly migrated to neighboring northeastern states and other states in India in search of livelihoods. The highest proportion of out-migration has been reported from the families who are dependent on private-salaried jobs, cultivation, labouring out, artisans works and other activities. The out-migration and its contribution to the economy of the households strongly point toward the gap in the demand and supply of employment scenario prevalent in BVR Assam. We strongly felt that demand for employment, especially MGNREGA is very high. However, due to the minimal employment opportunity available in the region, most of these households have no recourse but to migrate to other places for livelihood. It indirectly points to the apathy of families in the valley, which is distant, hilly and flood-prone.

A significant chunk (35 percent) of the total earnings are derived from remittances, followed by labouring-out for a daily wage (20 percent). For nearly half a year, most households report being unemployed. Labouring-out in agriculture works are limited to very few families and wide variations in employment scenarios in non-agriculture activities. The proportion of households reporting labouring-out is high; however, the majority of the adult members are not getting employment for a minimum of six months in a year; the rate of unemployment in the region is very high during most of the year.

Wage rates are low, with the average wage rate at Rs 206, slightly higher than MGNREGA (Rs 183 per day). The actual wage rate received by the households is lower than the state's average annual wage rate and of respective districts. The average wage rate in labouring-out in non-agriculture is higher than agriculture activities across all blocks. It may partially explain that a considerably higher number of households and workers have reported labouring out in non-agriculture than in agriculture activities. Another is the availability of employment opportunities in non-agriculture than agriculture works. Wide variations in wage rates received by households, especially in non-agriculture activities, show some sort of competition or may be scarcity. Workers have no resort but to work on lower wages.

Earnings from non-agriculture labouring out varied across blocks as well as within households. Some households can earn a modest income from it while others can barely cross INR 12000 during the whole year. Labouring out in non-agriculture activities alone is not a sufficient earning source. For some households, labouring does provide some earning for survival, while for many, it appears that it is not an adequate source of livelihood. Those reported minimum earnings from labouring out have actually earned less than INR 1000 per month, which cannot be considered a good income of even covering food requirements of the family size of 5-6 people.

The majority have their two-room homes, 36 percent have no separate kitchen on the premises, 30 percent are without electricity, and 87 percent cook their food on firewood. The majority (67 percent) of households did not have their personal water source; two-thirds of them had to cover a distance up to 1 kilometer. For 14 families, the primary water source is nearby rivers, while 64 households were entirely dependent on ponds, more than half of which were not private ponds.

About 54 percent of households have reported incidences of illness of their adult male and female members over the last 12 months to the extent that the reported condition has hampered the household's work capacity. For 45 percent of the incidences of treatment arising out of reported illness or injury, the family has not been able to afford the treatment, and hence they have borrowed money from friends and moneylenders.

The reach of social security programmes also feels inadequate given that households' access to essential programmes like MDM, RSBY, PMAY, and others are limited. Credit availability at the time of distress is highly favoured towards high-cost informal borrowing as only three percent of households reported having access to institutional KCC. MGNREGA is the only programme accessible to most families across all blocks (93 percent).

In the prevalent scenario, the demand for employment programmes is naturally high reflected in the form of massive distress-led out-migration. Due to the prevalence of massive open unemployment, the worker cannot even be categorised as marginal workers because they have less than 180 days of employment in a year. The low intensity of employment converts into low wages. Low land holding among the households and income contribution from crops and livestock are minuscule and limited. Similarly, opportunity of employment in agricultural and non-agricultural activities is also limited.

## Chapter 5

### Functioning of MGNREGA in Barak Valley Region Assam

In Chapter 4, we have seen an unemployment crisis in the Barak Valley Region of Assam. Whereas the availability of regular employment opportunities is severely stunted and restricted, high levels of morbidity in the population and inhibited access to social security programmes compound the problem of income generation by households. Under such trying circumstances, the demand for need-based wage employment opportunities under the MGNREGA is very high. In this chapter, we focus our attention on the functioning of the MGNREGA in our study location. We investigate the process aspect of MGNREGA implementation in the BVR, intending to address the first research objective of studying electronic wage transfer digital technology implementation.

Section 5.1 examines the number and proportion of households holding job cards that entitle them to an employment guarantee. Subsequently, section 5.2 estimates the targeting errors of inclusion and exclusion concerning rightful or wrongful identification of households eligible for the employment guarantee programme. In section 5.3, we discuss the details of registered workers and their participation in the programme. Section 5.4 examines the status of financial inclusion among rural households. Section 5.5 discusses the scale of employment generated from MGNREGA during the survey reference period of 2016-17. Section 5.6 discusses the discrepancies observed after comparing our survey data with the MGNREGA-MIS information. In section 5.7, we critically analyse the irregularities in the operation of MGNREGA in the Barak Valley Region, Assam.

#### 5.1 Job-card entitlements

We use the term entitlement following Sen's Entitlement Analysis <sup>22</sup> in the context of famines (see Sen A., 1981; Sen A., 2000). Since the MGNREGA is a rights-based employment

---

<sup>22</sup> Entitlements are defined by Sen as "the set of alternative commodity bundles that one can command in a society using the totality of rights and opportunities". In the context of poverty and famines, the entitlement approach

guarantee programme, holding a job card can be seen as an entitlement based on which an adult member of the household earns a legal right to question the local powers that be, in the event the rights are not guaranteed. We found that the proportion of households with a job-card entitlement is high (**Table 5.1**).

Of the 313 sample households, most (93 percent) families have job-card entitlement. District-wise, households with job cards were 94 percent in Cachar, 93 percent in Hailakandi, and 91 percent in Karimganj. Block-wise, in the Cachar district, the proportion of job-card households in Lakhipur is highest (100 percent), followed by Sonai (96.4 percent) and lowest in Silchar (87 percent). In the Karimganj district, the proportion of job-card households in Dullavcherra block is 95 percent and 89 percent in South Karimganj.

**Table 5.1** *Distribution of households by job-card entitlements across Blocks and Districts, Barak Valley Region, Assam, 2017*

<i>District</i>	<i>Block</i>	<i>Number of sample households</i>	<i>% Households with job-card</i>	<i>% Households without job-card</i>
Cachar	Sonai	55	96.4	3.6
	Silchar	39	87.2	12.8
	Lakhipur	32	100.0	0.0
Karimganj	Dullavcherra	43	95.3	4.7
	South Karimganj	88	88.6	11.4
Hailakandi	Hailakandi	56	92.9	7.1
Total		313	92.7	7.3

*Source:* Survey Data, 2017

states that individual faces starvation if their full entitlement set did not provide adequate food for subsistence. Sen views state's social security and employment entitlements as part of person's exchange entitlements, adequate to avoid starvations (refer to Sen, 1981).

Sen also conceptualized (Sen, 2000) development as freedom, involving both processes that allow freedom of actions and decisions, and the actual opportunities one can have given their personal and social circumstances. Unfreedom can arise through inadequate processes and opportunities. MGNREGA Act provides job card entitlements ensuring both process and opportunity to access employment through a legislated process of employment guarantee of 100 days to rural households with notified wage rates. The freedom to demand public works within the Gram Panchayat especially in the lean season, right to receive allowances in cases of delays and unemployment within stipulated period through institutionalized setup thus provides processes and opportunities that allows freedom to the rural households.

In the Hailakandi block of Hailakandi district, the proportion is 93 percent. Note that Silchar and South Karimganj blocks are both relatively urban blocks, which may be the reason for a slightly low incidence of job cards in these blocks.

Occupation-wise categorisation of households revealed that all the households engaged in government-salaried and small businesses had job-card entitlement (**Table 5.2**). However, noteworthy is that families engaged in labouring-out, other activities, and artisan jobs were found without a job card. They are, as we have discussed in Chapter 4, also the most vulnerable households already facing unemployment stress. Twenty percent of the artisan households did not have job cards, and 16 percent engaged in private-salaried jobs. Ten percent of households primarily involved in labouring-out in non-agriculture, followed by nine percent in labouring out-agriculture activities, did not have job-card entitlements. About 3 percent of the cultivator households did not have a job card. The same is the case with seven percent of households primarily engaged in any other activity such as casual and non-salaried odd jobs.

**Table 5.2** *Bivariate distribution of Households, by primary occupation and job-card entitlements, Barak Valley Region, Assam, 2017*

<i>Primary Occupation</i>	<i>% Household with Job Card</i>	<i>% Households without Job Card</i>
Cultivator	96.7	3.3
Labouring-out Agriculture	90.9	9.1
Labouring-out non-Agriculture	90.0	10.0
Salaried-Govt	100.0	0.0
Salaried Private	84.4	15.6
Artisan	80.0	20.0
Small Business	100.0	0.0
Any Other (Non-salaried, odd jobs)	92.9	7.1

*Source:* Survey Data, 2017

Some of the less well-off households in terms of operational land holdings also did not possess job-card (**Table 5.3**). Around 13 percent of the landless families, eight percent small farmers and seven percent marginal farmer households did not have job-card. In contrast, all semi-

medium and medium farming households, who are more landed than the rest of the farming category, had a job-card.

**Table 5.3** *Distribution of Households, by farming category and job-card entitlements, Barak Valley Region, Assam, 2017*

<i>Farming Category</i>	<i>% Household with JC</i>	<i>% Households without JC</i>
Landless	87.5	12.5
Marginal	92.6	7.4
Small	92.0	8.0
Semi Medium	100.0	0.0
Medium	100.0	0.0

*Source: Survey Data, 2017*

Our estimates show that most households belonging to the lower stratum of social hierarchy in the region also did not have job-card (**Table 5.4**). Compared to General category households, a higher proportion of Other Backward Caste (OBC) and Scheduled Caste (SC) households did not have job-card. Eleven percent of OBC-Muslim followed by OBC-Hindu (8.6 percent) and SC (8.2 percent) households, did not have job-card. The proportion of job-card entitlement is higher among Hindu households relative to Muslim households. Within the same religion, the proportion of households not having job cards is higher among lower caste households. A higher proportion of OBC households in both faiths have no-entitlement of job cards than the General households. All the Scheduled Tribe (ST) households have job-card entitlement.

**Table 5.4** *Distribution of household's socio-religion by job-card entitlements, Barak Valley Region, Assam, 2017*

<i>Socio-Religion</i>	<i>% Household with JC</i>	<i>% Households without JC</i>
Gen-Hindu	95.7	4.3
OBC-Hindu	91.4	8.6
Gen-Muslim	92.8	7.2
OBC-Muslim	88.9	11.1
SC	91.8	8.2
ST	100.0	0.0

*Source: Survey Data, 2017*

To summarise, we found that job-card entitlements are high among sample households and varied across blocks. However, there are errors of wrongful exclusion of needy families. Families who did not have job-card entitlements were primarily engaged in artisan works, private salaried, labouring-out and cultivation. They are also less well-off in terms of operational land holdings and belong to the low stratum of social hierarchy.

## **5.2 Targeting errors of exclusion (or inclusion)**

Farming category wise, we have observed that majority of our sample households are marginal farming households. Agriculture is under severe stress in all the sample districts due to flood conditions for most part of the agricultural year. Therefore, we feel that even among farming households, the need and demand for wage employment is high. Viewed in this manner, the entire sample of 313 households, can be considered as the target population in need of a job-card entitlement. Therefore, it will not be appropriate to conclude that there is minimal Type II error. Our estimates show zero inclusion error as most households have job-card. However, there is a Type I error, or exclusion error of 7.3 percent. As observed in the previous section, the excluded households are primarily artisans, workers labouring-out for a daily wage in agriculture and non-agriculture activities or other irregular odd jobs. In terms of land holdings, we also estimated that these excluded households are landless, marginal and small farmers belonging to the lower social stratum of the community.

It is noteworthy that unlike many other social assistance programmes, based on means-testing, MGNREGA is demand-driven and self-targeting. Therefore, a job-card entitlement is also demand-driven since adult worker in need of a job has to register themselves for the programme in the Panchayat office. Consequently, anyone registering for a job is bound to be provided with employment as a matter of right. We, therefore, do not expect any errors in targeting. However, there are administrative costs of registering for a job, job-card distribution, availability of

workers during work distribution, and the like, which may give rise to a problem of targeting error.

### 5.3 Registration for Job-card

#### *Job cards in excess of number of registered households*

Generally, one job card is issued to one household, and all adult members of that household seeking employment are listed on the job card. We cross-checked the information of each sample household allotted to each Block and Gram Panchayat from the MGNREGA-MIS database and found job-cards in excess of the number of households. A total of 336 unique job cards were issued to 290 sample households (see **Table 5.5**). Further, the 336 unique job cards showed a registration of 482 adult workers (based on MIS data). However, our survey captured 405 adult registered workers from the 290 sample households, which indicates that the excess of 77 workers are ghost registrations. The highest (103) registration of adult workers are from the South Karimganj block, followed by Hailakandi block (92) and the lowest (39) workers are from Silchar and Lakhipur blocks.

**Table 5.5** *Distribution of households with job card, block-wise, Barak Valley Region, Assam, 2017*

<i>Block</i>	<i>Number of households with JC</i>	<i>Number of issued JC</i>	<i>Number of adult workers registered</i>	<i>Registered male workers (%)</i>	<i>Registered female workers (%)</i>
1	2	3	4	5	6
Sonai	53	70	82	72.0	28.0
Silchar	34	38	39	53.8	46.2
Lakhipur	32	32	39	66.7	33.3
Dullavcherra	41	47	50	86.0	14.0
South Karimganj	78	89	103	72.8	27.2
Hailakandi	52	60	92	62.0	38.0
Total	290	336	405	69.4	30.6

Source: 1. Columns 2, 4, 5 & 6, Survey Data, 2017

2. Column 3 is matched from MGNREGA-MIS based on data up to financial year 2017-18.

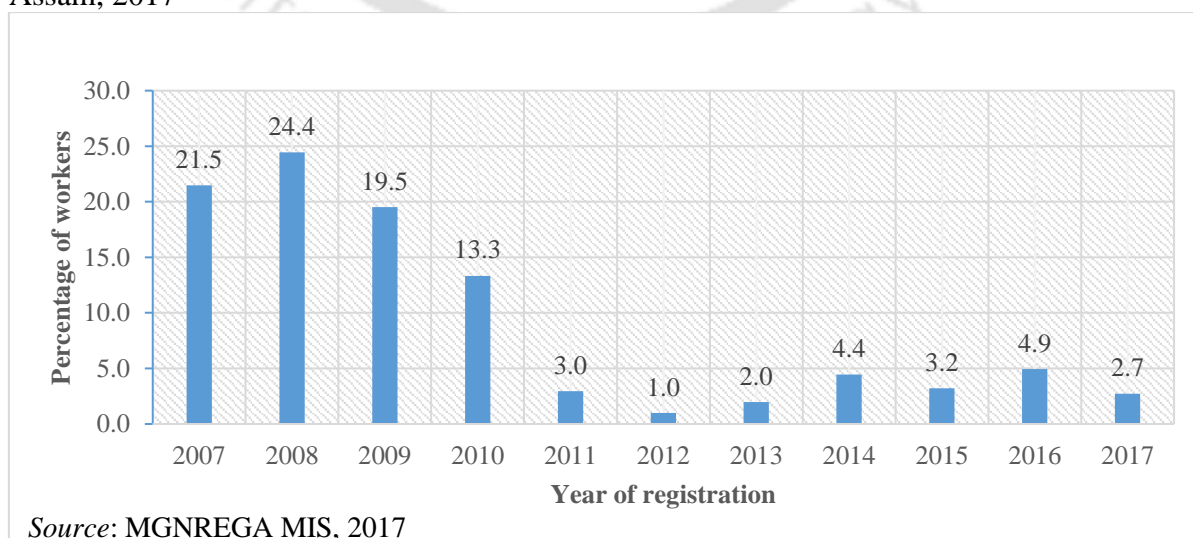
### Male bias in registration

The proportion of female workers is considerably low among the total registered adult workers in the job cards. Of the total registered workers, 69 percent are male, and 31 percent are female. Dullavcherra block of Karimganj district has the lowest registered (14 percent) female workers. The highest representation of female workers is found in the Silchar block (46 percent), followed by Hailakandi (38 percent). Karimganj has the strongest male bias among all districts.

### Year of registration

Most of the registrations for job cards took place during the period 2007-2010. In the total sample, 79 percent of workers reported having registered 2007 and 2010 (see **Figure 5.1**). In Hailakandi block, 75 percent of workers registered in 2007 and 2009. Hence, by the end of 2010, 98 percent of workers in our sample in Hailakandi had already registered for the programme. Similarly, more than 70 percent of workers in Sonai, Silchar, Lakhipur and South Karimganj had already registered by 2010. In Dullavcherra block, less than 60 percent of workers registered for job-card till 2010, and by the end of 2013, the share of registered workers had gone up to 85 percent. During the time of our survey in 2017, most households reported registering for a job card long back, however, without availability of regular employments.

**Figure 5.1** Distribution of households by year of job card registration, Barak Valley Region, Assam, 2017



### *Age profile of registered workers*

The average age of the female registered workers is 36 years in Cachar and Hailakandi district; 39 years in Karimganj. The youngest female worker is 19 years old, and the oldest is 82 years. Among male workers, the average registration age is 36 years in Cachar and Hailakandi; 40.5 in Karimganj. The minimum age among registered male workers is 18 years, and the maximum is 76 years.

### *Worker's first participation in MGNREGA*

Although 79 percent of workers have registered for the programme during the calendar year 2007-10, the majority participated in the programme for the first-time during FY 2017-18, after a long waiting period of 7-10 years (see **Table 5.6**). Twenty-four percent of registered workers have not participated/not found any employment till the end of FY 2021, which included 30 percent female workers and 21 percent male workers. Eighty-seven workers (22 percent of total workers) were registered into the programme in the calendar year 2007 itself; however, 62 percent of these workers found employment for the first time in FY 2017-18. Six percent of workers who registered in 2008 found work during FY 2008-09 to 2010-11; 40 percent during FY 2017-18 for the first time. Only five percent of the total workers got their first employment from the programme during FY 2008-09 to 2016-17, which included a majority of the male workers (only 3 were female workers).

The majority of workers in all sample blocks first participated in the programme during FY 2017-18, irrespective of the year of registration. In Lakhipur, Silchar and Hailakandi, none of the sample workers found employment before FY 2017-18; only two workers found their first employment in South Karimganj before FY 2017-18. Forty-nine percent of the total workers first participated during FY 2017-18 and 21 percent during FY 2018-19 to 2020-21.

**Table 5.6** *Distribution of worker by year of first participation in MGNREGA, Barak Valley Region, Assam 2017 (in percent)*

<i>First participation in MGNREGA by workers (FY)</i>	<i>Year of registration of worker in MGNREGA (Calendar Year)</i>											<i>Total</i>
	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	
2008-09	2.3	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0
2009-10	0.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5
2010-11	0.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5
2011-12	0.0	0.0	1.3	0.0	16.7	0.0	0.0	0.0	0.0	0.0	0.0	0.7
2012-13	0.0	0.0	0.0	0.0	8.3	0.0	0.0	0.0	0.0	0.0	0.0	0.2
2013-14	0.0	0.0	0.0	0.0	8.3	0.0	0.0	0.0	0.0	0.0	0.0	0.2
2014-15	0.0	0.0	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2
2016-17	0.0	0.0	1.3	11.1	0.0	0.0	12.5	16.7	0.0	0.0	0.0	2.7
2017-18	62.1	40.4	54.4	55.6	25.0	50.0	12.5	61.1	30.8	40.0	27.3	49.1
2018-19	3.4	5.1	3.8	7.4	16.7	0.0	37.5	5.6	23.1	15.0	18.2	7.2
2019-20	1.1	4.0	6.3	9.3	0.0	0.0	0.0	0.0	30.8	20.0	9.1	5.9
2020-21	11.5	8.1	3.8	3.7	0.0	25.0	12.5	0.0	0.0	10.0	36.4	7.6
No participation till 31st March 2021	19.5	36.4	27.8	13.0	25.0	25.0	25.0	16.7	15.4	15.0	9.1	24.0
Total workers participated	80.5	63.6	72.2	87.0	75.0	75.0	75.0	83.3	84.6	85.0	90.9	76.0
Total worker registered (Count)	87	99	79	54	12	4	8	18	13	20	11	405

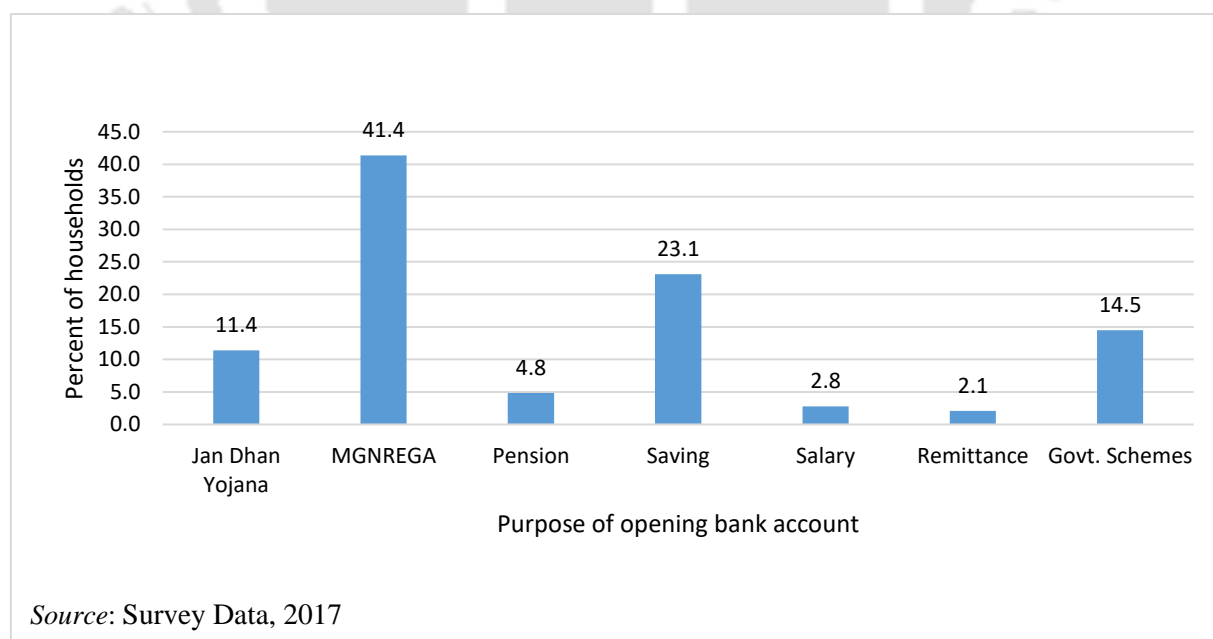
Source: Compiled from Survey Data, 2017 and MGNREGA MIS, 2021

It is clear that while job card registration did take place, most people did not avail employment till 2017-18. In the subsequent chapter, we discuss about local bureaucratic corruption as one of the significant reasons explaining the lag. Most registered workers had to wait for 7-10 years to get employment from the programme. For the workers who have registered after 2013, a majority had to wait for more than two years to get their first employment.

#### 5.4 Financial inclusion – workers with bank accounts

We refer to financial inclusion here as the household having at least one savings bank account and thus having access to various financial products and services offered by the formal institution. The earliest reference of bank account opening by any household was in 1998 for saving purposes. Between 1998-2008, only six percent of the families had opened bank accounts, mainly for savings and a few salary accounts. By the end of 2013, 34 percent of households had bank accounts, and between 2014-2017, 54 percent of households had opened their first bank accounts.

**Figure 5.2** *Distribution of households by purpose of opening a bank account, Barak Valley Region, Assam, 2017*



From 2009, households started opening bank accounts under MGNREGA. Around 41 percent of households had access to a bank account exclusively due to MGNREGA, followed by 11

percent under Jan Dhan Yojana (JDY) and 14.5 percent under other welfare schemes such as Self-Help Groups (SHG), old-age pension, MOROM, MAJONI etc. (**Figure 5.2**). All the bank accounts under JDY were opened between 2015 and 2016. About 39 percent of households in our study site got their first bank account during the same period. Around 23 percent of households opened bank accounts for saving purposes, 5 percent for pensions, 3 percent for receiving salary and 2 percent for remittances.

One of the earliest reforms in MGNREGA was the shift from cash wage disbursement to payment into workers' bank accounts. The majority of the registered workers reported being included in formal banking institutions primarily due to the MGNREGA in various phases. About 11 percent of workers were Jan Dhan Yojana beneficiaries, and their bank accounts were mapped with their job cards. A majority (83 percent) of registered workers have individual bank accounts linked to their job cards. Around 85 percent of male workers and 78 percent of female workers have individual bank accounts mapped to their job cards.

**Table 5.7** *Distribution of workers by bank accounts and name of banking institution, Barak Valley Region, Assam, 2017*

<i>Financial inclusion of the registered workers</i>		<i>Worker</i>		
		<i>Female</i>	<i>Male</i>	<i>Total</i>
Bank Account	No	21.8	14.9	17.0
	Yes	78.2	85.1	83.0
Name of Bank	Allahabad Bank	1.0	0.4	0.6
	Assam Grameen Vikas Bank	49.5	44.8	46.1
	Bank of Baroda	1.0	0.0	0.3
	Bank of India	1.0	0.8	0.9
	Central Bank	2.1	8.8	6.8
	Post Office	2.1	1.7	1.8
	State Bank of India	12.4	13.4	13.1
	Syndicate Bank	1.0	0.8	0.9
	UCO Bank	2.1	2.1	2.1
	Union Bank of India	5.2	1.3	2.4
	United Bank of India	20.6	25.5	24.1
	Vijaya Bank	2.1	0.4	0.9
Total Households				290

*Source:* Compiled from Survey Data, 2017 & cross-checked with MGNREGA MIS, FY 2017

As far as banking institutions are concerned, the worker's accounts are spread over 12 public sector financial institutions, of which Assam Grameen Vikash Bank, United Bank of India and State Bank of India are present in all the blocks (see **Table 5.7**).

About one-fourth of households opened bank accounts with the help of Gram Panchayat representatives and bank representative (including bank peon, clerk, other bank officials and banking correspondents). We refer to 'help' in terms of assistance in all the general processes involved in opening a bank account, such as collecting account opening forms, filling the details, attaching required proof of identity and residence, submission of documents for receiving bank passbooks etc. About 14 percent of households took help from friends and relatives, while nine percent of households opened their bank accounts with the help of others such as fellow villagers, teachers and insurance agents. A minority of families (6 percent) reported payment in the range of INR 10-300 for the help sought for opening the bank accounts.

Bank representatives charged INR 10-300 from 10 households, while GP representatives charged INR 40-300 from seven families for opening bank accounts. The average payment sought by GP representatives was higher (INR 134.3) than bank representatives (INR 100). These amounts were charged as commissions in the pretext of offering some assistance and not as minimum balance requirements for opening any accounts. One household reported that they paid INR 100 to a friend for helping them open bank accounts. The majority of these payments are found in Sonai block (INR 20-300), followed by Dullavcherra (INR 10-80) and South Karimganj (INR 100-200). In Silchar (INR 20-100) and Hailakandi block (INR 200), three households reported such payments, while in Lakhipur, no such incidence was found.

We found that middlemen were proactive in these localities for many purposes, not only for bank accounts. GP and bank representatives are responsible for proactively facilitating financial inclusion. However, we observed that they are the facilitators between households and banking institutions in most cases. Still, in many reported incidences, they purely act as a middleman

taking payments for their assistance. We cannot deny the presence of a whole network of such middlemen (including GP representatives and bank officials) for basic services related to formal financial institutions such as account openings, withdrawals, transfers and updating of passbooks or providing information on balances available in their accounts.

Of the 18 households who paid commission, the majority are General-Muslim (11 households), followed by SC (5 households) and OBC-Hindu (2 households). None of the General-Hindu, OBC-Muslim and ST households reported any such payments. Also, most of these households are marginal farmers (15 households), followed by landless (2 households) and one small farmer household.

The majority of the households (86 percent) reported withdrawing money from their bank accounts by themselves. Our face-to-face observations also showed that most families are aware of the bank procedures. Only six percent of households reported being dependent on relatives and friends for withdrawals. However, six percent of households also said that GP representatives withdrew money from their bank accounts. Withdrawal slips at the counter were the preferred instrument used for money withdrawal by most families (86 percent). Twelve percent of households chose Automated Teller Machine (ATM), while a minority (2.4 percent) households had not withdrawn any money so far. Close to 90 percent of the self-withdrawing households used withdrawal slips whereas only 10 percent used ATMs. Households dependent on others for withdrawals preferred withdrawal via ATMs. The most preferred instrument of withdrawal by the GP representatives were also withdrawal slips (94 percent).

#### ***5.4.1 Bank transactions and status of savings***

We observed that 60 percent of our sample households had conducted bank transactions over the last six months from the survey day, primarily withdrawing money from their accounts. About one-fourth of households have withdrawn money during last one month followed by one third during last 2-6 months period. Nine percent of households reported transactions in the

previous 6-12 months period, while 13 percent had their last transaction since more than a year ago. About 18 percent of households could not remember their bank transactions last time.

Around half of the sample could not remember their savings or balance left in their bank accounts. About 12 percent of households had up to INR 100 as savings in their respective accounts. Seventeen percent of households reported savings in INR 101-500, while only 4 percent of households had savings above INR 5000 in their bank accounts. Most of the latter households were receiving remittances. Eighteen percent of households had savings above INR 500 but below INR 5000. Thus, household savings in the bank accounts were deficient, indicating their vulnerability in terms of the available fund if some crisis arises.

#### **5.4.2 Welfare payments into the bank accounts**

A large majority (72 percent) of the households reported receiving social assistance in the form of government welfare payments in their bank accounts (**Table 5.8**), ensuring that people have active bank accounts mapped to various welfare programmes. This also means that rural households have successfully transitioned from cash receipts to payments into bank accounts very gradually. Around 55 percent of households received wage payments under MGNREGA, the highest among all state-sponsored schemes. A minority of MGNREGA beneficiaries (5.4 percent) also received welfare payments under other schemes such as housing (4 percent), pension (1.4 percent) and LPG subsidy (0.3 percent). Twelve percent of households received welfare payments under various state schemes, for example, Tea-tribe grants, maternity benefits, financial assistance under the MOROM scheme, scholarships etc. Three percent of households regularly received their social assistance pensions in their bank accounts; a minority (1.4 percent) received payments for housing units under the central housing scheme.

**Table 5.8** *Distribution of welfare payments under different schemes into bank accounts of beneficiaries, Barak Valley Region, Assam, 2017*

Welfare payments under the scheme	Welfare payment under the second scheme				Total
	None	Housing	LPG subsidy	Pension	
MGNREGA	49.3	3.8	0.3	1.4	54.8
Pension	2.8	0.0	0.3	0.0	3.1
Housing	1.4	0.0	0.0	0.0	1.4
Others (Scholarships, MOROM, MAJONI, Tea-Tribe etc.)	12.4	0.0	0.0	0.0	12.4
No	28.3	0.0	0.0	0.0	28.3
Total	94.1	3.8	0.7	1.4	100.0

Source: Survey Data, 2017

Block wise distribution of welfare payments are summarised in **Table 5.9**. The highest 77 percent households from Silchar block received welfare payments in the Cachar district, followed by Sonai (66 percent) and least in Lakhipur (44 percent). In the case of MGNREGA, the highest 79 percent of households from Hailakandi have received wages into their accounts and least from Lakhipur (31 percent). Sixty-one percent of households from Dullavcherra followed by 53 percent of households each in Sonai and Silchar; 47 percent in South Karimganj received MGNREGA wages into their accounts.

**Table 5.9** *Distribution of welfare payments under different schemes by Blocks, Barak Valley Region, Assam, 2017*

Blocks	Housing	MGNREGA	Pension	Others	Total
Sonai	1.9	52.8	5.7	5.7	66.0
Silchar	0.0	52.9	2.9	20.6	76.5
Lakhipur	3.1	31.3	6.3	3.1	43.8
Dullavcherra	2.4	61.0	0.0	17.1	80.5
South Karimganj	1.3	47.4	2.6	16.7	67.9
Hailakandi	0.0	78.8	1.9	9.6	90.4

Source: Survey Data, 2017

Thus, all sample households had access to formal banking institutions. Notably, 41 percent of households have got their first bank account exclusively due to the MGNREGA programme.

Eighty-three percent of registered adult workers have individual bank accounts mapped to their

job cards. The proportion of individual bank accounts was found lower among female workers than male workers, indicating the prevalence of male bias. A majority (52 percent) of the bank accounts were opened with the help of GP and bank representatives and often charging a commission. Most families who succumbed to paying a commission were marginal, landless farmers and low in the social hierarchy. GP and bank representatives often acted as middlemen between households and bank institutions.

### 5.5 Participation in MGNREGA during the Agriculture Year 2016-17

We found that not only household participation in MGNREGA was low, but the average labour-days employed per household was 34 days during the reference period. Only around one-third of the sample households found gainful employment in the programme (**Table 5.10**). In Sonai, only 9.4 percent of households reportedly worked, while 61 percent of households have found employment in Dullavcherra. From Hailakandi, 40 percent of households reported employment. The lowest proportion of households (19.3 percent) from the Cachar district found employment in the programme, while in Karimganj and Hailakandi, close to 40 percent of households found employment during the same period.

**Table 5.10** Household participation, earnings and wage rates under MGNREGA, block-wise, Barak Valley Region, Assam, 2017

Block	No of households with job-card	% Households engaged in MGNREGA (AY1617)	No of adult members engaged (AY 1617)	Mean labour-days employed (AY 1617)	Mean Earnings in AY 1617 (INR)	Actual wage rate (INR/Day)
Sonai	53	9.4	8	102.0	18631.2	182.7
Silchar	34	23.5	8	28.9	5256.9	182.1
Lakhipur	32	31.3	10	17.9	3273.8	182.9
Dullavcherra	41	61.0	26	27.6	5009.4	181.8
South Karimganj	78	28.2	23	35.4	6463.5	182.5
Hailakandi	52	40.4	22	43.5	7946.9	182.6
Total	290	31.0	97	34.1	6232.0	182.4

Source: Survey Data, 2017

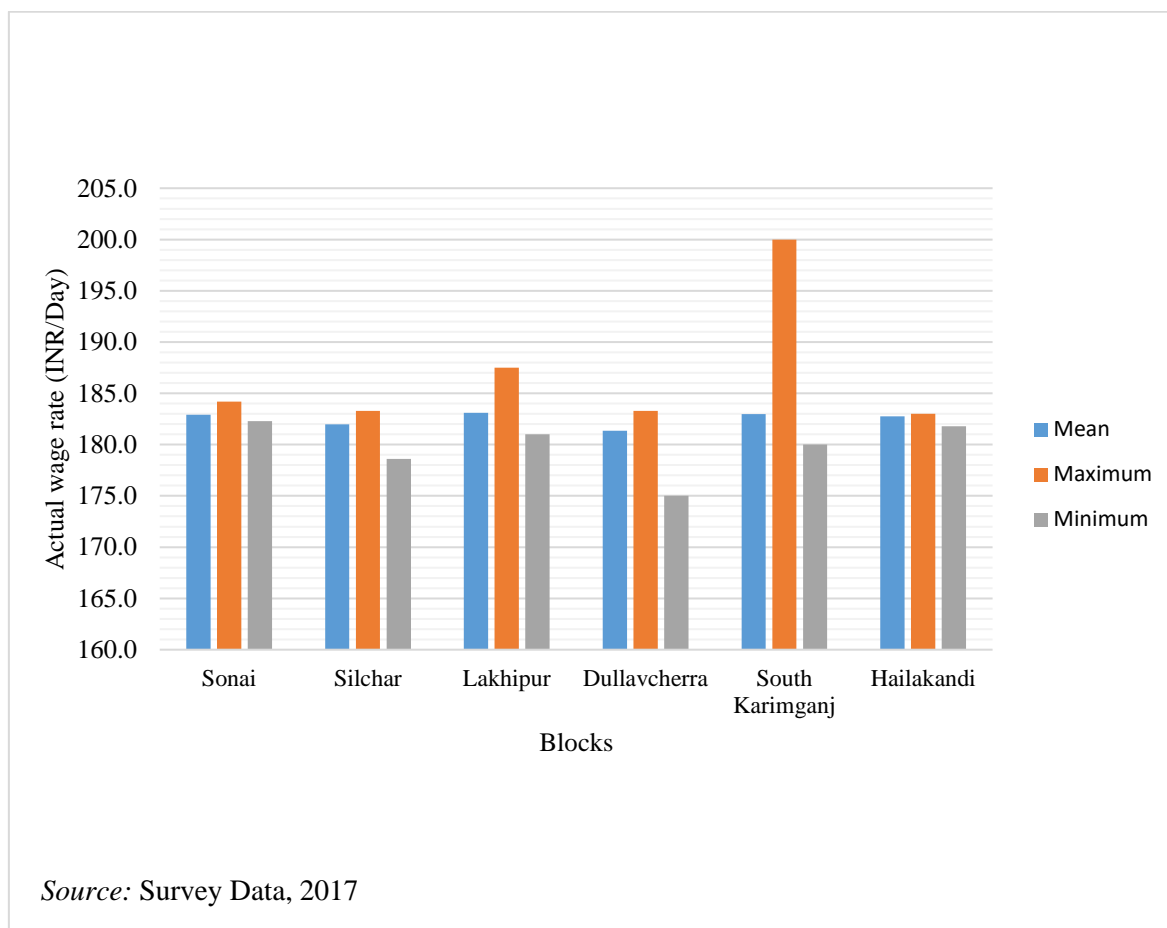
Although the proportion of households employed in the programme is lowest in the Sonai block, the mean labour-days employed are highest. On average, participating households in the Sonai block have worked for 102 days during the reference period, and therefore, the estimated mean earning is also the highest. In Hailakandi, the proportion of household participation in the programme is higher with mean labour-days employed for 43.5 days, mean earning from the programme is second highest among all blocks. In the case of the Dullavcherra block, we found that although the proportion of households participating is highest among blocks, the households have received an average of 28 days of employment. Thus, mean earnings from MGNREGA are also low. The lowest average days of employment were found in the Lakhipur block resulting in the lowest average earning for the households. In terms of total earnings, participating households from Karimganj district received a total payment of INR 267432 from the programme, followed by Cachar (INR 167949) and Hailakandi (INR 166884).

We found wide variations in labour days employed among households within the same block. In Hailakandi, one family reported two days of employment during the reference period, while another household successfully earned 198 days of employment. Similarly, in other blocks (except Sonai), the recorded minimum labour days are five days, and the maximum range is between 62- 126 days. In Sonai, the minimum labour days reported is 32 days and maximum - 219 days for a household during the year. Due to variations in labour days employed, earnings from the programme also varied among the households. On the one hand, households reported minimum earning in the range of INR 366-1000, other households who found maximum labour days reported maximum earning between INR 11300-40000 during the same period. Such estimates indicate discrepancies in work distribution among eligible workers.

The notified wage rate for MGNREGA in Assam for FY 2016-17 and 2017-18 was INR 182 and INR 183 respectively. We found that the actual wage rate received varied across households and blocks. In South Karimganj block, the minimum wage rate reported was INR 180 per day,

while the maximum was INR 200 per day. One household reported having received a minimum wage of INR 175 per day in Dullavcherra and INR 178.60 per day in Silchar block. Except for the Hailakandi block, the actual wage rate received by households deviates from the programme's notified wage rate (see *Figure 5.3*).

**Figure 5.3** Distribution of actual wage rate of MGNREGA works by blocks, Barak Valley Region, Assam, 2017



The actual wage rate also varied across farming and the socio-economic status of the households. SC households received a low wage rate (INR 181.60/day) on average as compared to OBC (INR 182.10/day) and General (INR 182.70/day) households. The minimum and maximum wage rates received by SC households are INR 175 and INR 184.6, while it is INR 178.6 and INR 200 for General households. The mean wage rate of medium farmer households is INR 183.40/day; for small farmer households, it is INR 181.70/day. The average total earnings of marginal farmer households from MGNREGA is at the lowest (INR 5958) followed

by small farmers (INR 7016). The average earnings (INR 23500) of medium farmer households was almost 40 times higher than marginal farmer households. Such variations indicate better-off households can command both days of employment and, therefore, higher earnings than the others. Undoubtedly, the social network of better-off households has a role in securing wages and employment, an issue we explore further in the next chapter.

### **5.5.1 Type of MGNREGA works**

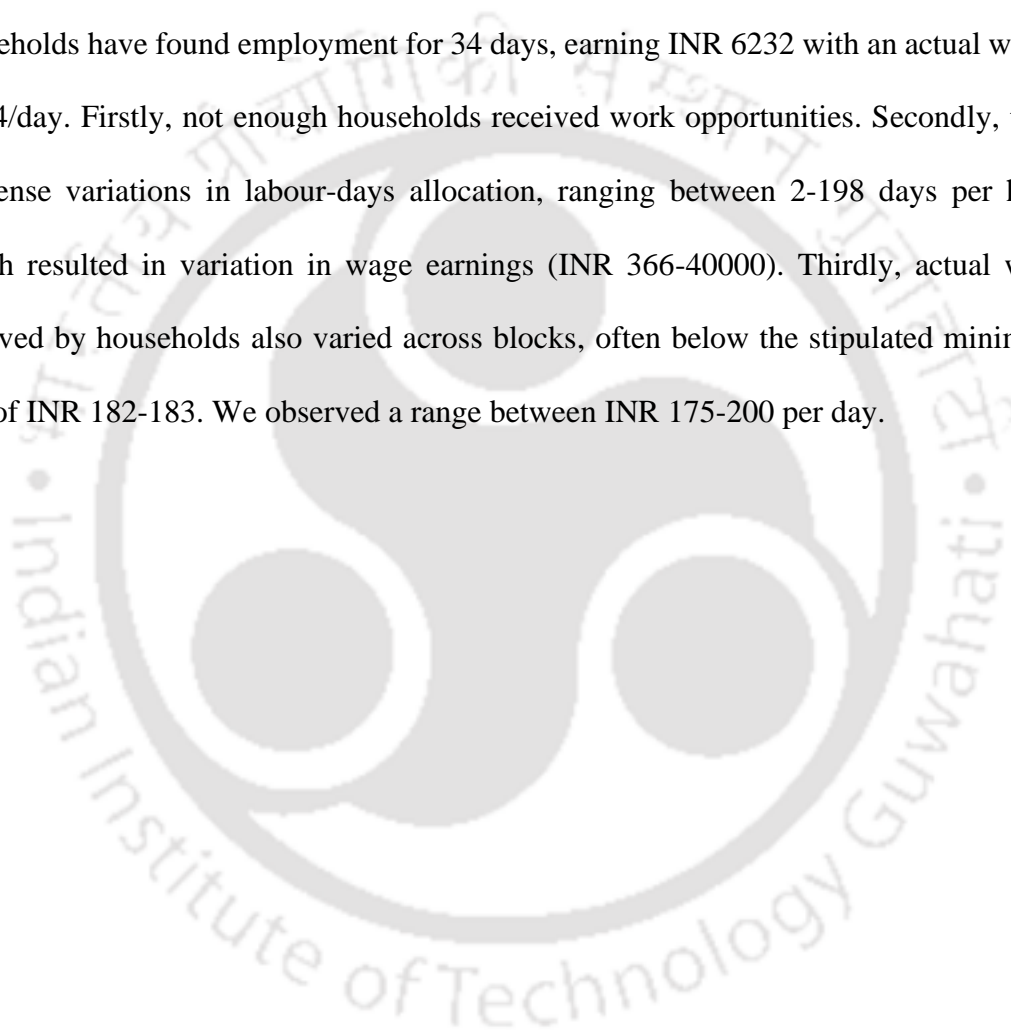
The households reported 141 incidences of MGNREGA works during the reference period in which 97 adult members of 91 households found employment. Of these members, only 17 percent were female workers, and the rest were male (**Table 5.11**). In Karimganj and Hailakandi district, the share of female workers is less than 13 percent, while in Cachar, the percentage is more than 25 percent. The highest female participation was found in Sonai (38 percent), followed by Lakhipur (30 percent) and least in Hailakandi (9 percent).

Of the 141 incidences of works, the share of construction (road, well, wall and drain) was highest (33 percent), followed by earth-filling of road and pond (25 percent). Construction works were carried out in all blocks. Around 21 percent of works were related to digging (soil, canal, well, fishery) and carrying (soil, stone, bricks). Another vital activity that engaged workers was the plantation of trees and tea (6 percent) followed by minor activities such as fishery, loading sand, soil levelling and drainage works; altogether, its share was 20 percent.

In Sonai, construction works were the major employer, followed by loading sand and soil. In Silchar, construction works followed by digging, carrying, and drainage works engaged all the workers. Construction followed by earth-filling digging works were major works carried out in Lakhipur, Dullavcherra, South Karimganj and Hailakandi. In the Karimganj district, more than 10 percent of works were loading/unloading (soil, stone, bricks), and a minor share was of soil-levelling works. In South Karimganj, about 16 percent of the works were related to fishery development, while in Hailakandi, 26 percent of the works were related to the plantation of

trees and tea. A majority (92 percent) of these works were reportedly carried out within villages, and the rest were within the respective GPs. None of the workers reported working outside the GP area in all the blocks.

To summarise, we found that only one-third of households found employment in the programme during the survey reference period of 2016-17. The share of female workers' participation is relatively low (17 percent), especially in Hailakandi. On average, these households have found employment for 34 days, earning INR 6232 with an actual wage rate of 182.4/day. Firstly, not enough households received work opportunities. Secondly, there were immense variations in labour-days allocation, ranging between 2-198 days per household, which resulted in variation in wage earnings (INR 366-40000). Thirdly, actual wage rates received by households also varied across blocks, often below the stipulated minimum wage rate of INR 182-183. We observed a range between INR 175-200 per day.



**Table 5.11** Description of worker's participation in MGNREGA works by blocks during AY 1617, Barak Valley Region, Assam, 2017

MGNREGA works during AY 1617	Category	Block					Total	
		Sonai	Silchar	Lakhipur	Dullavcherra	South Karimganj		Hailakandi
Sex	Female	37.5	25.0	30.0	11.5	13.0	9.1	16.5
	Male	62.5	75.0	70.0	88.5	87.0	90.9	83.5
Description of actual work	Carrying (soil, stone, bricks)	0.0	9.1	0.0	10.3	16.2	2.9	8.5
	Construction (road, well, wall, drain)	25.0	54.5	41.7	35.9	27.0	29.4	33.3
	Digging (soil, canal, well, fishery)	0.0	27.3	16.7	15.4	16.2	2.9	12.8
	Drainage	0.0	9.1	0.0	0.0	5.4	0.0	2.1
	Earth-filling (road, pond)	0.0	0.0	33.3	33.3	16.2	38.2	25.5
	Fishery	0.0	0.0	0.0	0.0	16.2	0.0	4.3
	Loading (sand, soil)	75.0	0.0	0.0	0.0	0.0	0.0	4.3
	Plantation (tree, tea)	0.0	0.0	0.0	0.0	0.0	26.5	6.4
	Soil Levelling	0.0	0.0	8.3	5.1	2.7	0.0	2.8
Place of work	Both	0.0	0.0	0.0	2.6	8.1	0.0	2.8
	Within GP	0.0	36.4	0.0	5.1	5.4	0.0	5.7
	Within Village	100.0	63.6	100.0	92.3	86.5	100.0	91.5
Nature of work	Semi-skilled	0.0	18.2	0.0	0.0	16.2	2.9	6.4
	Unskilled	100.0	81.8	100.0	100.0	83.8	97.1	93.6
Payment mode	Bank	87.5	90.9	75.0	100.0	100.0	100.0	96.5
	Cash	12.5	9.1	25.0	0.0	0.0	0.0	3.5
Total		100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total incidences of MGNREGA works		8	11	12	39	37	34	141

Source: Survey Data, 2017

## **5.6 Discrepancy between actual works and MIS data during the survey reference period of 2016-17**

Owing to discrepancies found above in terms of work allocations, wage payments and deviation of actual wages from the prescribed wages, we compared the survey data with what was available in MGNREGA-MIS for our sample (405 registered adult workers from 290 households). Generally, there are lags in data updates into the MIS server, so we waited for more than one year and started periodically collecting the data from the MIS. We cross-checked many times before ensuring that no data related to these households were missed due to data delays. Finally, we considered the latest data (as of 1<sup>st</sup> to 31<sup>st</sup> March 2021) available on these households for our analysis. We found a significant discrepancy between what households had reported about the works, wage payments and MGNREGA-MIS data. These discrepancies showed evidence of massive job-card renting cases and collusion between workers and functionaries (Chapter 6).

First, in our survey, 97 adult workers from 91 households have confirmed that they have worked in the programme during the reference period, collectively employed for 3302 labour-days, earning a total wage of INR 602265 (INR 0.6 million) (see **Table 5.12**). However, MIS data showed that only 40 of the above adult workers from 35 households worked for 957 labour-days, earning a total wage of INR 174890 (INR 0.17 million). The difference in the labour-days employed and total wage earned are 2345 and INR 427375 (INR 0.43 million), respectively, which is a major mismatch between actual and MIS data. The reported labour days and total wages are around 3.5 times MIS figures.

Second, according to MIS, a total of 79 adult members of 67 households from our sample have worked for 2051 labour-days, earning a total wage of INR 374110 (INR 0.37 million) during the reference period. The discrepancies are not only limited to labour-days and wages; it includes workers who have reportedly not worked but MIS showed work entry and vice-versa.

It also included cases where actual labour-days and wages are higher than MIS entry; and lower than what is available in MIS data. Only for eight households' claims, we find no such discrepancy in labour-days and wage reported in survey and MIS data.

**Table 5.12** *Discrepancy in Survey and MIS data during survey reference period 2016-17, Barak Valley Region, Assam, 2017*

<i>Discrepancies in Survey &amp; MIS data</i>	<i>Total</i>
Number of households participated in MGNREGA-MIS	67
Number of adult members participated-MIS	79
Labour days employed – MIS	2051
Wage Received by the households in Bank accounts-MIS (in INR)	374110
Number of households participated in MGNREGA-Survey	91
No of adult members participated-Survey	97
Labour days employed-Survey	3302
Actual Earning from working in MGNREGA-Survey (in INR)	602265

*Source:* Compiled from Survey Data, 2017 & MGNREGA MIS, 2021

In our analysis, we have divided the discrepancies in the survey and MIS data into four categories:

1. Households worked, but MGNREGA MIS is blank
2. Households did not work, but MGNREGA MIS has entries
3. Households worked, but MGNREGA MIS is deflated
4. Households worked, but MGNREGA MIS is inflated

### **5.6.1 Households worked, but MGNREGA MIS is blank**

In this category, households have reported working in the programmes during the survey; however, there are no entries in their job cards or MGNREGA MIS data. We found 56 such households representing 60 adult workers across all blocks (**Table 5.13**). These unaccounted transactions were equivalent to 1942 labour-days of employment and INR 354041 (INR 0.35 million) as wage earnings. The majority of the cases are from two blocks of Karimganj districts followed by Cachar. We found the highest 21 households from South Karimganj, followed by Dullavcherra (19 households), who reported working in the programme during the reference

period while MIS was blank. It amounts to 1317 labour-days and wage-earning equivalent to INR 239964 (INR 0.24 million) combined for the above two blocks. The maximum labour-days per household reported in the above cases were in the range of 82-126 days and a minimum of 7-8 days. The actual wage rate reported in these cases ranged between INR 175-186.

Similar cases are reported from all survey blocks. In Cachar district, the highest (8 households) cases were reported from Silchar block, followed by Lakhipur (4 households) and Sonai (2 households). Together these blocks accounted for 537 labour days which amounts to INR 98051. We also observed that in Sonai block, the highest of 219 labour days employment had been reported by a household, and a minimum of five days were reported from Silchar and Lakhipur. Thus, the minimum and maximum wage earnings were in the range of INR 910-40000 per household. The actual wage rate ranged between INR 178.60-187.50 per day. In Hailakandi, two households have collectively been employed for 88 labour-days, earning INR 16026 and actual wage rate reported in the range of INR 181.80-183.

We observed that such transactions, especially the large ones, were not reported in the MIS database. If these households have worked under the programme, how and why such transactions were not reported in the MIS? We can speculate that these transactions were offline, which seems impossible without the knowledge of functionaries. Also, we do not have knowledge about the offline functioning of the programme because MGNREGA-MIS is one of the dynamic and robust reporting systems among India's centrally sponsored schemes.

Majority of households have however reported payments into their bank accounts; only in 9-25 percent cases in Cachar, we found that they were paid in cash (Refer to **Table 5.11**). All the payments made into any worker's accounts are updated into the MIS automatically through the NPCI (National Payment Corporation of India) system. How are they paid into their bank-

**Table 5.13** *Distribution of households who worked but MIS is blank, by blocks, Barak Valley Region, Assam, 2017*

<i>Data discrepancies of households worked, but MIS is blank</i>	<i>Category</i>	<i>Block</i>						<i>Total</i>
		<i>Sonai</i>	<i>Silchar</i>	<i>Lakhipur</i>	<i>Dullavcherra</i>	<i>South Karimganj</i>	<i>Hailakandi</i>	
Number of households worked-MIS	Count	0	0	0	0	0	0	0
Number of adult members worked-MIS	Count	0	0	0	0	0	0	0
Labour Days- MIS	Sum	0	0	0	0	0	0	0
	Mean	0	0	0	0	0	0	0
	Maximum	0	0	0	0	0	0	0
	Minimum	0	0	0	0	0	0	0
	Wage received by households in bank accounts-MIS (in INR)	Sum	0.0	0.0	0.0	0.0	0.0	0.0
	Mean	0.0	0.0	0.0	0.0	0.0	0.0	0
	Maximum	0.0	0.0	0.0	0.0	0.0	0.0	0
	Minimum	0.0	0.0	0.0	0.0	0.0	0.0	0
Number of households worked-Survey	Count	2	8	4	19	21	2	56
Number of adult members worked-Survey	Count	3	8	4	20	22	3	60
Labour Days-Survey	Sum	251	231	55	543	774	88	1942
	Mean	126	29	14	29	37	44	
	Maximum	219	65	27	82	126	66	
	Minimum	32	5	5	8	7	22	
	Actual wage received by the households-Survey (in INR)	Sum	45856.0	42055.0	10140.0	98767.0	141197.0	16026.0
Mean		22928.0	5256.9	2535.0	5198.3	6723.7	8013.0	
Maximum		40000.0	11800.0	5000.0	15000.0	23100.0	12000.0	
Minimum		5856.0	910.0	910.0	1400.0	1300.0	4026.0	
Actual wage rate (INR/Day)	Mean	182.8	182.0	184.2	181.4	182.2	182.4	182.3
	Maximum	183.0	183.3	187.5	183.3	185.7	183.0	
	Minimum	182.6	178.6	182.0	175.0	180.0	181.8	

Source: Compiled from Survey Data, 2017 & MGNREGA MIS, 2021

-accounts if these households were paid, which is not reflected in MIS data? And such an alternative system is not possible without the cognizance or illicit cooperation from functionaries.

### **5.6.2 Households did not work, but MGNREGA MIS has entries**

In this category, we analysed those households who have not reported any work during the reference periods; however, there were works and payments entries against them in MIS. This discrepancy is found among 39 workers from 32 households, collectively accounting for 1094 labour-days of employment and wage-earning of INR 199220 (INR 0.19 million). Most such cases were located in Hailakandi district, followed by Cachar and only one case in Karimganj. We found 23 workers of 17 households in Hailakandi for which MIS's employment and payment records are available, but they have actually not worked. Collectively the record showed works of 713 labour-days, and INR 130479 (INR 0.13 million) was transferred to their bank accounts. MIS recorded minimum and maximum labour-days in the range of 11-120 per household and wage equivalent of INR 2013-21960.

Similarly, in Sonai against ten households, MIS entries showed employment equal to 301 labour-days and payment of INR 54133. The spread of labour-days ranged between 15-63 days and payments between INR 2231-11482. In Lakhipur block, we found four such cases involving 48 days of employment and INR 8784 as payments, while in Dullavcherra, only one household with 32 days of employment and INR 5284 as payment. In two blocks, Silchar and South Karimganj, no such cases were found, but these two blocks have higher cases of households worked, but MIS is blank (**Table 5.14**).

An obvious question is whether these workers or households know of such entries. Plausibly, some may have information, while others do not. In most cases, as we found later that their job cards were not with them, we believed that most of these households did not know about such entries in MIS. However, payments were made into the workers accounts, possibly-

**Table 5.14** *Distribution of households who did not work but MIS has entry, by blocks, Barak Valley Region, Assam, 2017*

<i>Data discrepancy of households not worked but MIS has entry</i>	<i>Category</i>	<i>Block</i>					<i>Total</i>	
		<i>Sonai</i>	<i>Silchar</i>	<i>Lakhipur</i>	<i>Dullavcherra</i>	<i>South Karimganj</i>		<i>Hailakandi</i>
Number of households worked-MIS	Count	10	0	4	1	0	17	32
Number of adult members worked-MIS	Count	11	0	4	1	0	23	39
Labour Days- MIS	Sum	301		48	32		713	1094
	Mean	30		12	32		42	
	Maximum	63		15	32		120	
	Minimum	15		6	32		11	
Wage received by households in bank accounts-MIS (in INR)	Sum	54133.0		8784.0	5824.0		130479.0	199220.0
	Mean	5413.3		2196.0	5824.0		7675.2	
	Maximum	11482.0		2745.0	5824.0		21960.0	
	Minimum	2231.0		1098.0	5824.0		2013.0	
Number of households worked-Survey	Count	0	0	0	0	0	0	0
Number of adult members worked-Survey	Count	0	0	0	0	0	0	0
Labour Days-Survey	Sum	0		0	0		0	0
	Mean	0		0	0		0	0
	Maximum	0		0	0		0	0
	Minimum	0		0	0		0	0
Actual wage received by the households-Survey (in INR)	Sum	0		0	0		0	0
	Mean	0		0	0		0	0
	Maximum	0		0	0		0	0
	Minimum	0		0	0		0	0

*Source:* Compiled from Survey Data, 2017 & MGNREGA MIS, 2021

-siphoned off by local functionaries. We argue that such functioning is not possible without functionary and beneficiary collusion into which we dig deeper in the next chapter.

### ***5.6.3 Households worked, but MGNREGA MIS is deflated***

In this category, the households have reported working in the programme during the reference period; however, MIS data has captured lesser labour-days and wage earnings, which is deflated than actual data. We found fifteen such discrepancies across four blocks except for Silchar and South Karimganj (**Table 5.15**). The highest of such cases are from Hailakandi block (9 households) followed by two cases each from other blocks. The difference between actual and MIS data is 654 labour days and INR 119088 (INR 0.12 million) in wage earnings. The actual labour days and wage earned by households are around three times what has been reported in MIS.

In Hailakandi, nine households have reported working for 603 labour-days, earning INR 110049 (INR 0.11 million), but MIS showed that these households have worked for 225 labour-days and wage transfer of INR 41175; effectively deflating the values around 2.7 times. Similarly, we found the labour-days and wage-earning deflated in Sonai around four times; Lakhipur and Dullavcherra for approximately three times. In Hailakandi, the maximum labour-days reported in MIS is 88 while it is actually 198 days. In Sonia, the maximum reported labour days are 125 days, but it is 32 days in MIS. We did not observe any insignificant values in the actual wage rate in the given cases. The actual wage rate ranged between INR 181-183.

As these cases show, households have worked for more labour-days than what is updated in the MIS. The essential question is: Where are the balance amounts of wage earnings coming from, and how? Also, these households reported that they are getting the wages through their accounts; what is the mechanism of such transfers? Did the family know about such transactions and collude with the functionaries? Such questions needed in-depth interrogation of the beneficiary households, which we present in the next chapter.

**Table 5.15** *Distribution of households who worked but MIS is deflated, by blocks, Barak Valley Region, Assam, 2017*

<i>Data discrepancy of households worked, but MIS is deflated</i>	<i>Category</i>	<i>Block</i>					<i>Total</i>	
		<i>Sonai</i>	<i>Silchar</i>	<i>Lakhipur</i>	<i>Dullavcherra</i>	<i>South Karimganj</i>		<i>Hailakandi</i>
Number of households worked-MIS	Count	2	0	2	2	0	9	15
Number of adult members worked-MIS	Count	3	0	2	2	0	10	17
Labour Days- MIS	Sum	48		30	18		225	321
	Mean	24		15	9		25	18
	Maximum	32		15	14		88	88
	Minimum	16		15	4		11	4
	Wage received by households in bank accounts-MIS (in INR)	Sum	8752.0		5490.0	3276.0		41175.0
	Mean	4376.0		2745.0	1638.0		4575.0	3333.5
	Maximum	5824.0		2745.0	2548.0		16104.0	16104.0
	Minimum	2928.0		2745.0	728.0		2013.0	728.0
Number of households worked-Survey	Count	2	0	2	2	0	9	15
Number of adult members worked-Survey	Count	4	0	2	2	0	9	17
Labour Days-Survey	Sum	221		83	68		603	975
	Mean	111		42	34		67	63
	Maximum	125		62	42		198	198
	Minimum	96		21	26		27	21
	Actual wage received by the households-Survey (in INR)	Sum	40300.0		15100.0	12332.0		110049.0
	Mean	20150.0		7550.0	6166.0		12227.7	11523.4
	Maximum	22800.0		11300.0	7600.0		36135.0	36135.0
	Minimum	17500.0		3800.0	4732.0		4941.0	3800.0
Actual wage rate (INR/Day)	Mean	182.4		181.7	181.5		182.6	182.0
	Maximum	182.4		182.3	182.0		183.0	183.0
	Minimum	182.3		181.0	181.0		182.0	181.0

Source: Compiled from Survey Data, 2017 & MGNREGA MIS, 2021

#### **5.6.4 Households worked, but MGNREGA MIS is inflated**

In the case of 12 households, we found that MIS data shows inflated data than what the households have worked for during the reference period (**Table 5.16**). Around half of such cases are found in Hailakandi and one-third from Cachar and Karimganj district. This discrepancy is found across all blocks except Silchar. The inflated figures are about 2.4 times the household's actual work, hence the earnings. The combined actual labour-days employed of 12 households is 182, and wage earnings are INR 33322; however, in MIS, it is 433 days and INR 79076, respectively.

In the Hailakandi block, five households reported working for 75 labour-days in the programme (average 15 days), but MIS data showed employment of 212 labour-days with wage-earning of INR 38796, where the actual wage received by these households is INR 13725. From Dullavcherra, three household's cases are found where 50 days of actual labour-days employment is inflated in MIS to 112 days, so does the wage earnings. In South Karimganj, one household's five days of work is elevated in MIS to 12 days and similarly 38 days to 75 days in Sonai block.

In this category of cases, we found that the average actual wage rate (INR 186.1 per day) is higher than notified wage rate of the period (INR 182-183 per day). It is highest in South Karimganj (INR 200 per day) and lowest in Dullavcherra (INR 180 per day). It suggests that the workers must have agreed to the arrangement of inflated figures and, in return, rewarded with higher wages. In the case of lower wages (Dullavcherra), the workers must have been made to transfer extra wage earnings by some tactics or force.

**Table 5.16** Distribution of households who worked but MIS is inflated, by blocks, Barak Valley Region, Assam, 2017

Data discrepancy of households worked, but MIS is inflated	Category	Block					Total	
		Sonai	Silchar	Lakhipur	Dullavcherra	South Karimganj		Hailakandi
Number of households worked-MIS	Count	1	0	2	3	1	5	12
Number of adult members worked-MIS	Count	1	0	2	3	1	6	13
Labour Days- MIS	Sum	75		22	112	12	212	433
	Mean	75		11	37	12	42	36
	Maximum	75		15	42	12	55	75
	Minimum	75		7	28	12	33	7
Wage received by households in bank accounts-MIS (in INR)	Sum	13666.0		4026.0	20404.0	2184.0	38796.0	79076.0
	Mean	13666.0		2013.0	6801.3	2184.0	7759.2	6484.7
	Maximum	13666.0		2745.0	7664.0	2184.0	10065.0	13666.0
	Minimum	13666.0		1281.0	5096.0	2184.0	6039.0	1281.0
Number of households worked-Survey	Count	1	0	2	3	1	5	12
Number of adult members worked-Survey	Count	1	0	2	3	1	5	12
Labour Days-Survey	Sum	38		14	50	5	75	182
	Mean	38		7	17	5	15	16
	Maximum	38		9	25	5	33	38
	Minimum	38		5	5	5	2	2
Actual wage received by the households-Survey (in INR)	Sum	7000.0		2557.0	9040.0	1000.0	13725.0	33322.0
	Mean	7000.0		1278.5	3013.3	1000.0	2745.0	3007.4
	Maximum	7000.0		1647.0	4500.0	1000.0	6039.0	7000.0
	Minimum	7000.0		910.0	900.0	1000.0	366.0	366.0
Actual wage rate (INR/Day)	Mean	184.2		182.5	180.7	200.0	183.0	186.1
	Maximum	184.2		183.0	182.0	200.0	183.0	200.0
	Minimum	184.2		182.0	180.0	200.0	183.0	180.0

Source: Compiled from Survey Data, 2017 & MGNREGA MIS, 2021

To summarise, we found four categories of discrepancy in MIS data than what was reported by the households. MIS is not reflecting the ground reality of actual works carried out under the programme. The highest discrepancy is related to households worked but MIS is blank; in which 56 households' employment and wage earnings are not reflected in the MIS. We found this discrepancy across all blocks; majority cases (in terms of households, labour-days and wages) from South Karimganj and Dullavcherra blocks of Karimganj district. The next discrepancy category is related to households who did not work, but MIS has entry. We found this discrepancy across four blocks except for Silchar and South Karimganj blocks. It included 32 households, majorly from Hailakandi and Sonai blocks, as well as labour-days and wage earnings. **Table 5.17** presents the summary of all the discrepancies found across blocks.

The third category of discrepancy is that households have worked, but MIS is deflated, meaning MIS has captured less than the actual value of work and wages. This concerns 15 families, the majority from Hailakandi and Sonai in terms of deflated labour-days and wage earnings. Such discrepancy is also found in four blocks except for Silchar and South Karimganj. The fourth kind of discrepancy is households worked, but MIS is inflated, meaning MIS has captured higher labour-days and wages than actual. Such cases are found across all blocks except Silchar and concerned 12 households, majorly from Hailakandi and Dullavcherra in terms of inflated labour-days and wage earnings.

In Silchar, only one discrepancy category was found, followed by South Karimganj (two-category); however, all types of discrepancy were found in four other blocks. The highest of such discrepancy was found in Hailakandi block in terms of the number of households, labour-days and value of wage earnings; however, among districts, Karimganj has the highest share, followed by Hailakandi and Cachar. All the above-listed discrepancies were collectively related to 115 sample households, amounts to 3941 labour-days and INR 718103 (INR 0.72 million) wage earnings.

**Table 5.17** Summary of discrepancies between survey data and MIS data across blocks, Barak Valley Region, 2017

Discrepancies between Survey & MIS	Block						Total
	Sonai	Silchar	Lakhipur	Dullavcherra	South Karimganj	Hailakandi	
Worked but MIS is blank	Yes	Yes	Yes	Yes	Yes	Yes	
Not worked but MIS has entry	Yes	No	Yes	Yes	No	Yes	
Worked but MIS is deflated	Yes	No	Yes	Yes	No	Yes	
Worked but MIS is inflated	Yes	No	Yes	Yes	Yes	Yes	
<i>Households</i>							
Worked but MIS is blank	2	8	4	19	21	2	56
Not worked but MIS has entry	10	0	4	1	0	17	32
Worked but MIS is deflated	2	0	2	2	0	9	15
Worked but MIS is inflated	1	0	2	3	1	5	12
Total households	15	8	12	25	22	33	115
<i>Labour-days</i>							
Worked but MIS is blank	251	231	55	543	774	88	1942
Not worked but MIS has entry	301	0	48	32	0	713	1094
Worked but MIS is deflated (Deflated days)	173	0	53	50	0	378	654
Worked but MIS is inflated (Inflated days)	37	0	8	62	7	137	251
Total Labour-days	762	231	164	687	781	1316	3941
<i>Wage earnings (in INR)</i>							
Worked but MIS is blank	45856	42055	10140	98767	141197	16026	354041
Not worked but MIS has entry	54133	0	8784	5824	0	130479	199220
Worked but MIS is deflated (Deflated wage)	31548	0	9610	9056	0	68874	119088
Worked but MIS is inflated (Inflated wage)	6666	0	1469	11364	1184	25071	45754
Total wages	138203	42055	30003	125011	142381	240450	718103

Source: Compiled from Survey Data, 2017 and MGNREGA MIS, 2021

## **5.7 What do these discrepancies suggest?**

### **5.7.1 Job card renting**

These 56 households across blocks which have worked had essentially worked in the programme through a job card, but it did not belong to them; instead, it belonged to others. And it also suggests that one did not require to work on their job card compulsorily; workers can work in the programme through anyone's job card. Like one did not need their Liquefied Petroleum Gas (LPG) connection to refill their cooking gas requirements every time; one can use neighbour's/relative's connection to fulfil it. Similarly, the fifteen households who worked but MIS data are deflated must be using or working on other's job card, with or without the knowledge that they are working on whose job card. Such flexibility is not entitled/prescribed in the MGNREGA programme officially and point to illicit collusions between local functionaries and programme beneficiaries.

If your LPG connection book has the entry of refilling, it does not suggest that only you are using it as entitled officially; others may also use it, and who cares to check such usage. Like the 32 households who did not work but MIS has the entry of employment and wage-payment, guess who is reviewing it. The same can be assumed for the twelve households who have worked but MIS is inflated; else, it may be a case agreed upon for siphoning of wages. The crucial question that defines these cases is whether these households know about whose job card they are working on and, if not working, who else is using it. Are they getting something out of such operation of the programme? Is it a welfare gain of individual workers or the community as a whole?

Essentially, the households who worked but MIS is blank, and household's deflated entry in MIS must be working on job-cards of families who did not work & MIS has entry or other's household's inflated entries. The logical flow of employment and wages must be from household's who did not work but MIS has entry and household's inflated entry to households

who worked but MIS is blank and who has deflated entry in the MIS. Also, households who worked but has inflated entry must be simply returning inflated wages to the implementing agency, as this may be purely siphoning of wages.

These cases show massive job-card renting prevalent across all blocks. If knowingly they are working on other's job-card, they must be compensating something for it, less wage rate or payment of rent. In such an agreed arrangement, they simply cooperate with the stakeholders in the form of *collusion*. If unknowingly they are working on other's job-card, meaning that they are not aware about the transactions in official accounts or simply did not bother to know such transactions, working at whatever is available then and there, it is *deception*. But how could such events happen at such a scale without the hint/knowledge of such a large number of sample households? It is not because the majority of the households agreed that not only do they have knowledge about such operation of MGNREGA across the blocks but also comply and cooperate with the implementing agency to get something out of nothing. We will elaborate on this discussion further in the following chapter.

### 5.7.2 *Wage leakages*

We found that 35 percent of the sample households have received unearned wages, i.e., wages for which they have not worked, from January 2016 to July 2017. The highest 59 percent households from Silchar block reported receiving such unearned wages, followed by Hailakandi (52 percent) and Sonai (44 percent). In Karimganj, 21-24 percent of households received unearned wages, while the share of such households were least in Lakhimpur (9.4 percent). So, such wage leakages are more or less prevalent in every block. The distribution of wage leakages across blocks is presented in **Table 5.18**.

The total value of wage leakages was found to be INR 2 99 883 (INR 0.29 million), which was equivalent to 1648 labour-days of employment at the average wage rate of INR 182 per day.

The amount is transferred to the bank accounts of job-card holders, and these households took

their share of payoffs and returned the rest to the local functionaries. These 109 households received an average of INR 2759 (equivalent to 15 labour-days) into their bank accounts; kept around 21 percent as their payoffs/share, and returned 79 percent of the total wage leakages to functionaries. The maximum unearned wages received in bank accounts in our sample was INR 6039 (equivalent to 33 labour-days), and the minimum was INR 1098 (6 labour-days). Each of these households received INR 470 on average as their share in the transaction, with a maximum of INR 3000 and a minimum of INR 200. The functionaries took back 79 percent of such unearned wages, thus gaining the most from such leakages. While the workers received a total of INR 61,900 as their share in the wage leakages, functionaries captured INR 237983 (INR 0.24 million), around four times more than the workers.

We found that total wage leakages in Hailakandi (INR 76480) were highest among all blocks, equivalent to 420 labour-days at a wage rate of INR 182. In Hailakandi, wage leakages for 6 or 11 or 12 days were transferred into the bank accounts of households (52 percent), which amounts to INR 1098, 2013, or 2196, respectively. These households kept around 48 percent of such transfers as their share/payoffs and returned about 52 percent of the amount to the functionaries. All the families reported that it is the norm to share 50 percent of unearned wages in the block. In Hailakandi, the households' payoffs were in the range of INR 300-3000, with an average of INR 1296, the highest among all blocks.

Silchar block was very close to Hailakandi in terms of the value of total wage leakages (INR 75,945), in which 59 percent of households were involved. Families here received unearned wages for 15 or 16 labour-days which amounts to INR 2745 or 2928 in their bank accounts. A household may receive multiple of such transactions amounting to wage leakages; for example, a family received INR 2928 twice meaning total wage leakage of INR 5856 in two transactions. The rate of payoffs/share of households was fixed at INR 300 per transfer of an absolute value less than INR 3000. If the value was between INR 4000-5000, payoffs to the households are

fixed at INR 500-600. The families effectively kept 11 percent of the wage leakages, and around 89 percent was returned to the functionaries. Thus, functionaries captured majority share of the unearned wages (Mean INR 2950), and a beneficiary household received an average of INR 352 as their share.

In Sonai, the value of total wage leakage during the period was INR 62586, an equivalent of 344 labour days at an average wage rate of INR 182 per day. Households were transferred the equivalent of 6 or 15 labour-days wages into their bank accounts in which the household's share was around 11 percent, and functionaries kept 89 percent of the transfer. Forty-four percent of families from the block received an average of INR 292 (between INR 200-300) from wage leakages, effectively 1-1.5 days of labour wages. In Lakhipur block, we found the least incidence of such wage leakages (INR 8784) for around 48 labour-days involving 9.4 percent of the households. Households were transferred 16 days of wages into their accounts and paid at a fixed rate of INR 300 per transfer. Thus, families received around 10 percent of the transfers, and functionaries kept 90 percent of wage leakages.

In two blocks of Karimganj, we found that 21-24 percent of households received wage leakages in their bank accounts. Families in South Karimganj received twice more than the amount of wage leakage as Dullavcherra. Households received transferred wages equivalent to 6 or 14 labour-days into their bank accounts, and they were paid at a fixed rate of INR 200-300 per transaction. Thus, functionaries took hold of most of the wage leakages (88 percent), and households were paid a minuscule of 12 percent as a share. While the maximum share received by any family in two blocks is INR 600 and the minimum is INR 200 in such transfers, the average is around INR 300.

**Table 5.18** *Distribution of wage leakages across blocks, Barak Valley Region, Assam, 01 January 2016 to 31 July 2017*

Wage leakages	Category	Block					Total	
		Sonai	Silchar	Lakhipur	Dullavcherra	South Karimganj		Hailakandi
Proportion of households who received wage leakages	Percent	43.6	59.0	9.4	20.9	23.9	51.8	34.8
Wage leakages received by beneficiary households (INR)	Sum	7000	8100	900	2700	6400	36800	61900
	Percent	11.2	10.7	10.2	11.8	12.0	48.1	20.6
	Mean	292	352	300	300	305	1269	470
	Maximum	300	600	300	300	600	3000	3000
	Minimum	200	300	300	300	200	300	200
Wage leakages received by functionaries (INR)	Sum	55586	67845	7884	20232	46756	39680	237983
	Percent	88.8	89.3	89.8	88.2	88.0	51.9	79.4
	Mean	2316	2950	2628	2248	2226	1368	2289
	Maximum	2445	5256	2628	2248	4496	3039	5256
	Minimum	898	2445	2628	2248	898	598	598
Amount received in the bank account of job-card holder/Total wage leakages (INR)	Sum	62586	75945	8784	22932	53156	76480	299883
	Mean	2608	3302	2928	2548	2531	2637	2759
	Maximum	2745	5856	2928	2548	5096	6039	6039
	Minimum	1098	2745	2928	2548	1098	1098	1098

Source: Compiled from Survey Data, 2017 and MGNREGA MIS, 2021

## 5.8 Conclusion

We see that the job-card entitlement of the sample households is very high. Inclusion error is zero. However, some intended beneficiaries were excluded from a job-card entitlement. Those excluded were less-well off in terms of land holdings and occupation category. Less than one-third of registered workers were female, indicating strong male bias in registering job cards in the valley. In most blocks, some households possessed more than one job card, indicating ghost registrations. The average number of workers registered per job card was more than one.

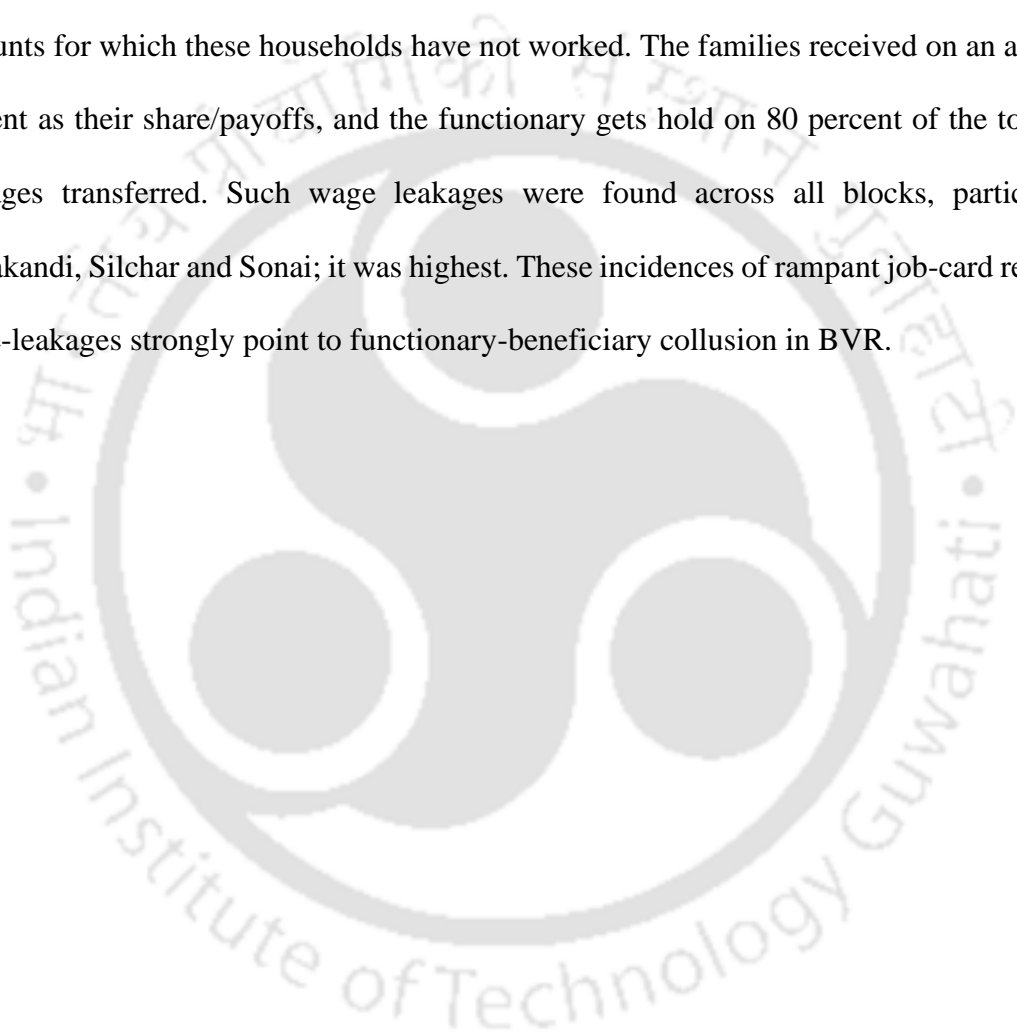
We observed a critical gap in the demand-supply of employment and snail-paced programme implementation across all the blocks. All the households were financially included in formal banking institutions. More than a third of households got their first bank accounts exclusively due to MGNREGA. We found that individual bank accounts were lower among female workers than male workers. The majority of the bank accounts were opened with the help of GP and bank representatives. Payment of commissions for account opening was quite frequent. The GP and bank representatives acted as middlemen for the families and had full knowledge about the account balance status of beneficiary households. A majority of households have received welfare payments into their bank accounts, and MGNREGA fund transfers were the highest among all such payments.

Not enough households received work opportunities under MGNREGA; labour-days and wage earnings were relatively low even if obtained. We also observed large variations in labour-days allocations to participating families. The actual wage rate varied across blocks and thus deviated from the notified wage rate under the programmes. The less well-offs received a slightly lower wage rate than the better offs.

We found four categories of discrepancy in MIS data and reported data, indicating that MIS is not reflecting the ground realities of BVR. The highest discrepancy was related to households worked, but MIS is blank, followed by households not worked but MIS has entry. Then there

were households who worked, but MIS data was deflated, and the last category was household worked, but MIS was inflated. These discrepancies were found across all blocks suggesting that such irregularities were widespread.

These irregularities indicated massive cases of job-card renting and wage-leakages in the programme implementation across blocks. We found that one-third of households received wage-leakages equivalent to 1648 labour-days (INR 299883/ INR 0.29 million)) into their bank accounts for which these households have not worked. The families received on an average 20 percent as their share/payoffs, and the functionary gets hold on 80 percent of the total wage-leakages transferred. Such wage leakages were found across all blocks, particularly in Hailakandi, Silchar and Sonai; it was highest. These incidences of rampant job-card renting and wage-leakages strongly point to functionary-beneficiary collusion in BVR.



## Chapter 6

### **A Rent-Seeking Petty Bureaucracy and Functionary-Beneficiary Collusion**

We have evidence of corruption in the form over reporting, under-reporting, and non-reporting of employment days. The MGNREGA-MIS database entries did not match the actual labour days and wage earnings reported by many of our beneficiary households. Despite the electronic transfer of wage funds to beneficiary bank accounts, massive wage leakage occurred. In the previous chapter, we also estimated the scale of wage leakage in our sample. The novelty of technological reforms in the MGNREGA implementation has not been able to keep corruption at bay. Functionary and beneficiary collusion was the route through which earned and unearned wage transactions occurred. Therefore, we looked closer at the apparatus of the petty bureaucracy (or the local functionaries) and the socio-economic environment of the beneficiary households to better understand the nexus.

Section 1 of this chapter identifies the actors comprising the local implementing agency. Section 2 discusses the people's perceptions of local implementing agency and their participation in village-level meetings. Section 3 highlights the various modes of deception the implementation agency actors carried out to secure unearned wages. In section 4, we examine the socio-political context of the beneficiary households in the BVR that make them susceptible to deceptive tactics of the local functionaries and the petty bureaucracy. The final section analyses the pecuniary gains and losses due to functionary and beneficiary collusion.

#### **6.1 The local implementation agency actors – village level functionaries and block level bureaucracy**

The 73<sup>rd</sup> Amendment of the Constitution (1993) provides constitutional status to Panchayati Raj Institutions (PRIs)- a three-tier local government structure (village, block and district) as a universal platform for planning and implementation of development programmes. All the tiers of PRIs are elected directly by the people for five years. A Gram Panchayat (GP) or Village Panchayat at the base covers a village or group divided into smaller wards. Each ward elects a

ward member (Panch), and all the Gram Sabha members elect a Panchayat President (Sarpanch). These elected members (ranged between 7-31) are temporary bodies and the executive body of the Gram Sabha known as Gram Panchayat. The GP is the main body for planning and implementation of the development programme at the grassroots.

The Gram Sabha consists of all the adult members who live in the area and are registered in the electoral roll covered by the GP. Gram Sabha is a permanent body and mandatorily meets twice a year. Gram Sabha is a people's forum that recommends, determine, monitor and audit GP's works. We have used the term 'functionary' in our study for the Gram Sabha, ward members, Sarpanch and their social networks.

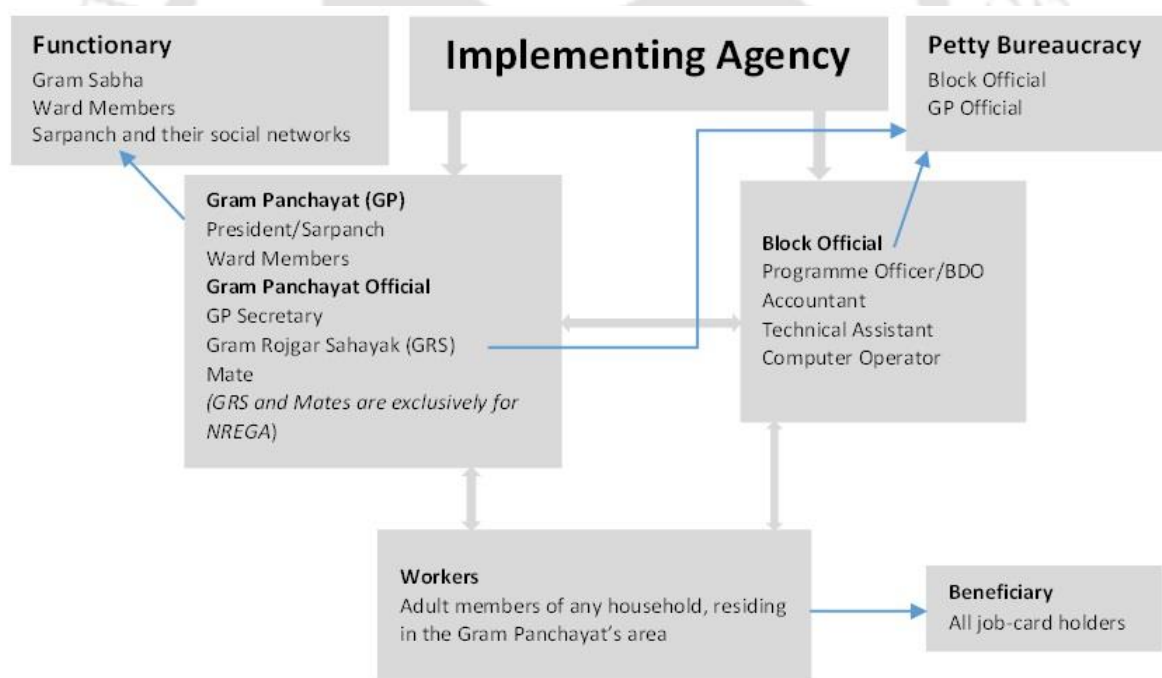
A GP has four categories of staff, namely core staff (Secretary, Accountant, Technical Assistant, Computer Operator), scheme-specific staff, operational staff (Teachers, ASHA, Anganwadi workers) and skilled contractual workers (Pump Operator, Mechanic, Electrician, Sanitary workers). The government appoints the secretary of Gram Sabha whose primary duty is to convene meetings of the Gram Sabha and Gram Panchayat, and maintain all proceedings' records. The core staff and scheme-specific staff (for example, Gram Rojgar Sahayak (GRS), Employment Guarantee Assistant for MGNREGA, ASHA workers for women and child health) are key officials for the implementation and execution of state programmes within the GP.

At the block level, key officials- Block Development Officer (BDO) (programme specific staffs such as Programme Officer in case of MGNREGA who is often the BDO or equivalent rank officer) followed by subordinate teams such as Junior Engineer, MIS Manager and Accountants are responsible for planning and implementation of development programmes within the block. The GP officials have to mandatorily liaison with Block officials for all programmes and scheme-specific staff for specific schemes. For example, GRS assists the GP in executing MGNREGA works at the GP level, maintains project-related proceedings at the GP level and coordinates with block officials for all scheme related transactions and grievances. In our

analysis, we refer to the block officials and powerful panchayat officials as the 'petty bureaucracy'.

The Gram Sabha members, i.e., all the adults (above 18 years) who live in the area covered by the GP, are the primary stakeholders in MGNREGA. They are the wage seekers who can obtain a job card, demand employment, participate in work and are entitled to receive their rightful wages within the specified period. Typically, all the workers who have worked in the programme and received wages should be called beneficiaries. But for our analysis, we refer to all the job-card holders, irrespective of whether they have worked in MGNREGA during the survey reference period of 2016-17, as the 'beneficiary'.

**Figure 6.1** *Implementing agency- petty bureaucracy, functionary and the beneficiary in MGNREGA*



Source: Author's compilation

The Gram Panchayat is the primary window of entry and exit for any state-sponsored programme at the village level. The functionaries and petty bureaucracy are duty-bound to facilitate the selection, registration/enrolment of beneficiaries under specific programmes and ensure that rightful entitlements reach the intended beneficiaries as stipulated in the programme,

without any hindrance and corruption. In chapter 2 we have outlined the implementing agency in MGNREGA - central/state government departments, Zilla Parishad, intermediate Panchayats, Gram Panchayat or any local authority, Government undertakings, non-governmental organisations and user associations authorised by the centre or state to undertake the implementation of projects under the scheme. However, at least half of the projects in terms of costs should be allotted to the GPs for implementation. Thus, the GP is the primary body for planning and execution. These functionaries and petty bureaucracy are mandated to work together to ensure the smooth functioning of the programme

## **6.2 People's participation and perceptions about local functionaries**

Gram Sabha meetings are held at least two to four times a year. These Gram Sabha meetings are intended to "approve the plans, programmes and projects for social and economic development before such plans, programmes and projects are taken up for implementation by the panchayat at the village level; and it is responsible for the identification or selection of persons as beneficiaries under the poverty alleviation and other programmes" (Government of Assam, 2008, p. 263). A vibrant Gram Sabha is thus a prerequisite for the effective functioning of GP. The public participates in the planning and implementation of programmes, chooses the beneficiaries, and promotes transparency and accountability in the process.

In our sample, 71 percent households reported that Gram Sabha meetings were held regularly during the survey reference period (see **Table 6.1**). Around 22 percent of households have recalled Gram Sabha meetings were held thrice, followed by 19 percent (twice), 14 percent (once), and at least nine percent responded four times. A few households (7 percent) also responded that Gram Sabha meetings were held more than five times during the entire year, while 29 percent of households countered that Gram Sabha was not held at all. Especially in two blocks of the Karimganj district, around one-third of households have acknowledged that Gram Sabha was not held during the year. However, in Silchar block, most respondents (51

percent) have said that Gram Sabha meetings were not held; a quarter of respondents from Sonai block also answered the same.

On the positive side, in Lakhipur, a majority (91 percent) recalled that Gram Sabhas was held (up to five times), followed by Hailakandi, where the majority remembered four Gram Sabhas. Three-fourths of respondents from Sonai recalled up to four Gram Sabhas held during the year, while less than half from Silchar recalled such meetings. Thus, based on the responses, we observe that Gram Sabhas was held up to five times in the majority of the blocks during the reference period.

However, a large proportion (58 percent) of households have not attended any of the Gram Sabhas held during the reference period. Especially in Silchar, followed by Sonai, South Karimganj and Hailakandi, the majority of the households did not participate in any of the Gram Sabhas during the year. The highest share of families who attended Gram Sabha meetings are from Lakhipur (59 percent) followed by Dullavcherra (54 percent), while in Silchar, households' participation in Gram Sabha was found lowest (28 percent). Thus, it is observed that people's participation in the democratic grass root institution is lacking.

Respondents reported various reasons for not participating in the Gram Sabha. One is the lack of announcement/publicity calls for Gram Sabha meetings. Some said that announcements were made a day or two before the meetings, but it went unheard in the interior parts of villages. The GP usually entrusted an announcer, who went around with a mike on the bicycle, for publicity calls. However, he could not reach all households because they were scattered. Some even complained that the announcer visited where houses are densely scattered and leave the other parts. Many later learned about Gram Sabha meetings from the fellow villagers on market visits.

Households reported that only the 'high and mighty' are called to these meetings, while it was only a formality for the rest. Some families reported that the influential people organize the-

**Table 6.1** Household responses on Gram Sabha meetings during last one year by block, Barak Valley Region, 2017, Assam

Gram Sabha Meetings	Responses	Block					Total	
		Sonai	Silchar	Lakhipur	Dullavcherra	South Karimganj		Hailakandi
No of sample households		55	39	32	43	88	56	313
Do you hold a position in Gram Sabha?	No	98.2	97.4	96.9	97.7	100.0	100.0	98.7
	Yes	1.8	2.6	3.1	2.3	0.0	0.0	1.3
How many Gram Sabha meetings have been held in the last one year?	None	25.5	51.3	9.4	34.9	31.8	17.9	28.8
	Once	23.6	10.3	9.4	2.3	12.5	23.2	14.4
	Twice	20.0	15.4	31.3	16.3	15.9	21.4	19.2
	Thrice	21.8	15.4	40.6	25.6	20.5	16.1	22.0
	Four Times	5.5	5.1	6.3	11.6	9.1	14.3	8.9
	Five & More	3.6	2.6	3.1	9.3	10.2	7.1	6.7
Did you participate in the last Gram Sabha meeting?	No	63.6	71.8	40.6	46.5	62.5	51.8	57.5
	Yes	36.4	28.2	59.4	53.5	37.5	48.2	42.5
Was MGNREGA discussed in the Gram Sabha?	No	21.8	20.5	21.9	4.7	9.1	17.9	15.0
	Yes	78.2	79.5	78.1	95.3	90.9	82.1	85.0
Are you informed about the kind of work taken up in the Gram Sabha meetings?	No	34.5	25.6	9.4	4.7	2.3	26.8	16.3
	Yes	65.5	74.4	90.6	95.3	97.7	73.2	83.7

Source: Survey Data, 2017

-meetings among themselves at odd times, lacking transparency. If they invite people to meetings, it was to record that a formal meeting was held officially. Households reported they often only reach those in Gram Sabha whose names are in a specific list, and the rest are not informed. Thus, many did not like to attend Gram Sabha, feeling isolated and ignored. These households visit the GP office only when they require some official transactions.

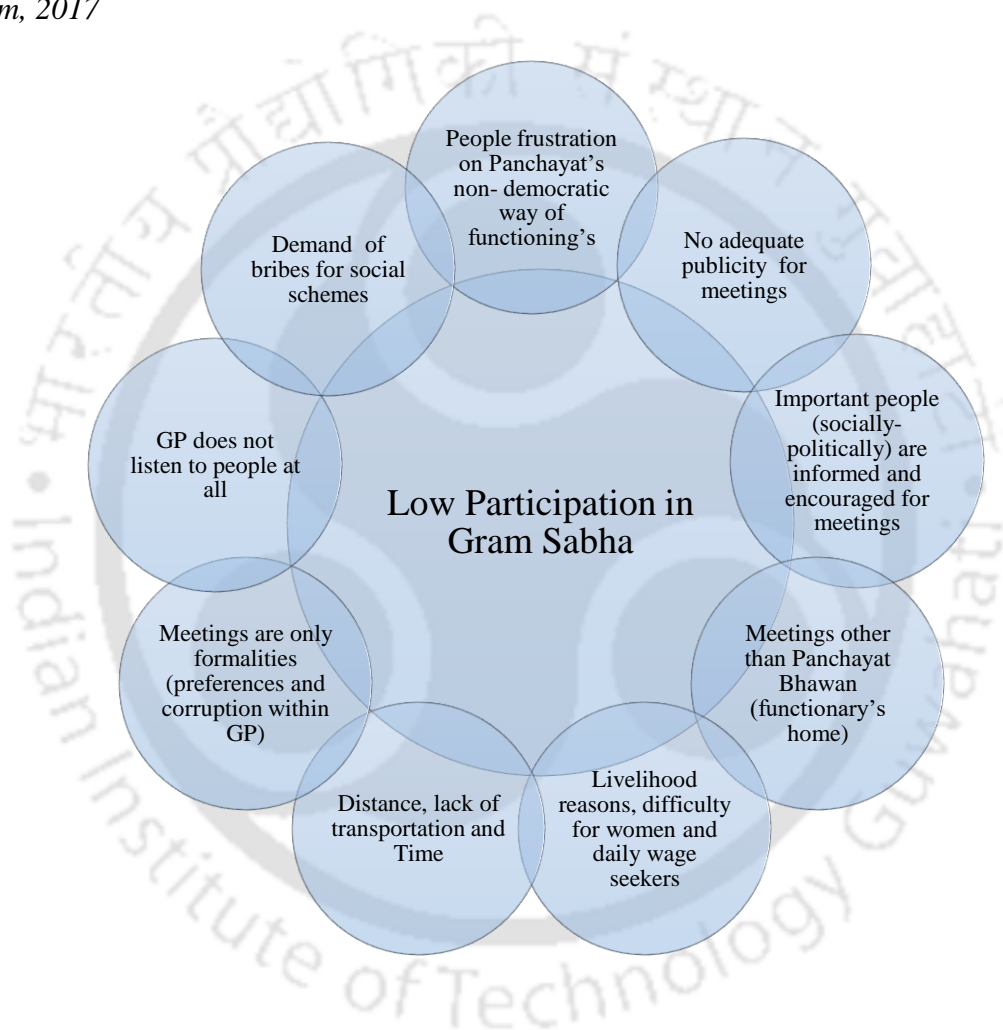
Another reason that came across was the loss of livelihood while attending Gram Sabha meetings. Most of these households said that because they work as daily wage labourers, they could not afford to lose a day's wage required for food and other needs. While those on daily wages attend their work, they try to ensure that any adult from the family attends these meetings, if possible, to mark their presence among functionaries.

Many reasoned that they had other essential household works or attended to relatives or ceremonies. Households also referred to health issues, distance and hardship for not attending the meetings. Families responded that these meetings are essential for maintaining social network with the functionaries and sometimes benefit them in terms of being selected as beneficiaries. Households also complained that the functionaries did not take any consent in any matter of Gram Sabha from the people present in the meeting; thus, they were not motivated to attend any such meetings. Households also felt that attending Gram Sabha was of no use to them as there were no discussions at all. The functionaries read aloud from papers without bothering if anyone is listening or not, and once finished, they took signatures and ended the meeting.

Households who attended Gram Sabha narrated that it was customary to start the meetings late. The functionaries came up late and waited for other important members to come most of the time. Chairs and tables are few and only reserved for the dignitaries. Most of the people sit on the floor or stand up in the back rows. If the number of people exceeds, many people have to wait outside or peep from the window. There were no provisions for water. Tea and snacks

were served to the dignitaries, and others were completely ignored. The Panchayat Bhawan (buildings) are small and could not accommodate more than 50 people at one time. In many GPs, they are even smaller. Reaching the venue during rainy season is no less than a battle due to distance and damaged or no proper roads. A summary of reasons for low participation in Gram Sabha is depicted **Figure 6.2**.

**Figure 6.2** *People's participation in Gram Sabha and perceptions, Barak Valley Region Assam, 2017*



Source: Author's compilation

### 6.3 Twisting of procedures and provisions under MGNREGA in BVR, Assam

MGNREGA mandates offer of employment to beneficiaries whenever there is a demand for work. Therefore, implementing agencies require paying close attention to generating awareness among the villagers and a robust system to facilitate workers' registration, issuing job cards, recording and acknowledging the demands of works round the year. A job card thus becomes

an essential document that acknowledges a worker's formal registration into the programmes, records their entitlements, provides legality that empowers a worker to demand for works, ensures transparency in the process, and checks frauds. **Table 6.2** summarizes the procedure of enrolling workers for job cards in the BVR Assam. On the first hand, households acknowledged their GP's proactive efforts for their entitlements from MGNREGA. Seventy-nine percent of households have reported gaining information about the program and its processes through the GP. Around 14 percent of households came to know about the scheme from relatives and villagers, followed by loud speaker announcements (8 percent). In Sonai, the highest 16 percent of households got information from loud speaker announcements, and in the rest of the blocks, the share is less than nine percent. Relatives and fellow villagers were helpful in spreading the information about the scheme in all blocks.

The majority (71 percent) of households admitted that GP fulfilled all the application and registration formalities, often at the functionary's home. A minority (2 percent) of households said they applied through the GP but didn't have a job card. We found such households in Silchar, South Karimganj and Hailakandi (3-5 percent). However, other families (22 percent) claimed that they registered themselves without the functionaries' help. In the Karimganj district, we found three households who applied by themselves (without GP's help) were not registered into the scheme. A minority (2 percent) proportion of households was enrolled in special drives in school/camps across the block except for Silchar, and 13 households did not apply for job-card. Two hundred seventy-one households responded that they applied for a job card, but ten claimed they did not have any job card. We found such cases in four out of six blocks (South Karimganj, Hailakandi, Silchar and Dullavcherra). Similarly, 42 households claimed they did not apply for job-card, but 29 claimed they had job-card. Such cases were found across all blocks, highest in Sonai (11 households).

**Table 6.2** Procedures for Job-cards across blocks, Barak Valley Region, Assam, 2017 (in percent)

Procedures for Job-card	Responses	Job-card holder (Yes/No)	Block					Total	
			Sonai	Silchar	Lakhipur	Dullavcherra	South Karimganj		Hailakandi
Applied for Job-card?	No	Yes	20.0	5.1	18.8	4.7	3.4	8.9	9.3
		No	3.6	7.7	0.0	2.3	5.7	3.6	4.2
	Yes	Yes	76.4	82.1	81.3	90.7	85.2	83.9	83.4
		No	0.0	5.1	0.0	2.3	5.7	3.6	3.2
How did you apply?	Gram Panchayat	Yes	89.1	59.0	34.4	51.2	70.5	83.9	68.4
		No	0.0	5.1	0.0	0.0	3.4	3.6	2.2
	Not Applied School/Camp	No	3.6	7.7	0.0	2.3	5.7	3.6	4.2
		Yes	3.6	0.0	3.1	2.3	1.1	1.8	1.9
	Self	Yes	3.6	28.2	62.5	41.9	17.0	7.1	22.4
		No	0.0	0.0	0.0	2.3	2.3	0.0	1.0
How did you get information about Job-card?	Announcements	Yes	16.4	2.6	6.3	4.7	5.7	8.9	7.7
	Gram Panchayat	Yes	60.0	64.1	84.4	83.7	70.5	71.4	71.2
		No	3.6	12.8	0.0	4.7	11.4	7.1	7.3
	Relatives/Villagers	Yes	20.0	20.5	9.4	7.0	12.5	12.5	13.7
Total Households (Count)			55	39	32	43	88	56	313

Source: Survey Data, 2017

### ***6.3.1 Payment sought for issuing job card***

MGNREGA mandates that any willing adult members of a household can apply (on plain paper, make an oral request, use Community Service Centre). The GP, within a fortnight of application, will issue a job card and hand it over to the applicants' households (Government of India, 2013). The GP verifies the family, their local residency in the GP and whether applicants are adults or not.

Once eligibility is ensured after verification, the details are entered into MIS (NREGASoft) by the Secretary or GRS. The MIS assigns a unique registration number to such registered households, valid for five years which may be renewed further. Also, the list of rejected applications are made public and should be presented to Gram Sabha for review. A copy of all job cards issued is maintained at the GP. Expenditures related to job cards, including photographs, are treated as administrative expenses and should be provided free of cost to the households.

We found several instances where payments were demanded from applicants, and workers were misinformed about the programme and its procedures. The majority of the households reported that for application- passport photos and identity proof (Voter ID or Ration Card, Panchayat Certificate) were sought, and enrolment was restricted to one adult member from each household. In the initial years, functionaries came home for enrolment, organized camps, and one could visit the GP office and fulfil the formalities. In later years, the functionaries became proactive with opening of bank accounts. Once the special drive of opening of bank accounts concluded, the process of job distribution was slow.

Many admitted paying for their job-card, which included filling application, screening, verification, enrolment and issue of job-card. Price for GP's help varied across the blocks; for example, in Karimganj, households reported paying up to INR 320; Cachar INR 100-200 and INR 50-200 in Hailakandi. Payments were not sought initially when mass enrollment drives

were organized. In later years, households across blocks recalled that functionaries started to take money for the same. Especially for the addition of new adults of the families or change of details in the job-cards. One of the primary reasons for the payment is the Panchayat Certificate (Certificate of identity with photo and relationship with the head of the family issued by Village Panchayat Head or Mukhiya or its equivalent authority in rural areas) which proves the identity and residency of the individual/households within the GP.

In the absence of other similar documents, especially for the new adults of the households, it became a vehicle to seek money for the enrolment. Especially in Tea-garden areas, where families did not hold permanent land holding documents and were living in temporary allotted lands, they lack essential official documents. In such scenarios, a certificate of identity and residency from the local government becomes the first document to get hold of other documents and hence entitlements. Households across blocks responded that nothing comes free of cost, so did the Panchayat Certificate.

### **6.3.2 Delay in issuing job cards**

When asked about the time taken in the job-card issuance after application/registration, responses were mixed. Most of the households could not recall because they had no idea about the prescribed timeline of 14 days from the date of application. Like other state schemes, which generally took time, households did not expect quickly delivery of entitlements or benefits. Households recalled that when people registered in mass, each family received a job card on its heads name; only one from households were allowed to register. MIS data also confirmed that most of the sample households have one adult member registered in a job card, and very few households have up to four members registered. Only in Sonai and Hailakandi, multiple household members were generally registered in the job cards from the very beginning of the scheme. Those job cards were distributed in the GP meetings and delivery was usually quick

(1-3 months). Households also recalled that there was some sort of competition among the political parties to distribute these job cards as a 'gift' to people during election time.

Respondent no. 13201 (a muslim male worker from Lakhipur, age 38) remembered receiving his job card within a month, while for respondent no. 22612 (a muslim male worker from South Karimganj, age 47), *it took four years*. Respondent no. 11210 (a female muslim worker from Sonai, age 48), narrated how a *functionary himself filled the application*, but she was yet to receive a job card *since more than two years*. An SC male (respondent no 12404, age 59) from Silchar was sad that *functionaries often mislead and misinform workers and did not help*. Many households recalled that they *visited their GP repeatedly to get their job cards*, especially in Cachar and Karimganj districts. In Hailakandi, however, most families reported receiving their job cards during the start of the scheme (2007-2009) without any hardship.

These discrepancies provide glimpses of the hidden realities present in many welfares programs' social space, not only in MGNREGA and the many possible contradictions in rightful access of entitlements by ordinary citizens.

### ***6.3.3 Ad-hoc system of registering demand for work and failure to provide employment within the stipulated time***

The Gram Panchayat functionaries are bound by the Act to accept *valid*<sup>23</sup> applications, and refusal to accept applications and provide a dated receipt is treated as a contravention under section 25 of the Act (Government of India, 2013). While the scheme captures the importance of rural households' livelihood opportunities by fixing about half a month of public work opportunities for each household that requires it most, it simultaneously provides a convenient point/escape to the functionaries to ignore or tone down its necessary provisions. For example, suppose most prospective workers do not know about the validity of the application, which is at least 14 days of continuous work. In that case, they may plan/apply for as many days they think they require, which may not be a *valid* application and the functionaries may choose to ignore it or dismiss it at their will, as it favors them. The provision is also valuable because

---

<sup>23</sup> Schedule II Para 7 of MGNREGA Act specifies that any application for work must be for *at least 14 days of continuous work* with no upper limit subject to 100 days per household in a financial year (Government of India, 2013, p. 19)

mere awareness of this provision will allow the workers to plan better and put a *valid* application more confidently, which could not be easily side-lined by the functionaries. However, none of the workers knew about the validity clause or had heard about it.

Around 34 percent of households with job cards (99 households) had demanded/applied for employment at their GPs, and one-fourth of them (25 households) responded that they got employment within 15 days of application. Technically, rest of the 75 percent of these households were eligible for unemployment allowances when the GPs could not provide them employment within 15 days of application. However, none of these households had received any unemployment allowances in any blocks. While the highest number of applications were from the Karimganj district, households who got employment within stipulated days is found lowest in its two blocks.

In Dullavcherra and South Karimganj, more than 42 percent of job-card holder households have applied for employment, but only 12-18 percent were employed within the stipulated time. In Silchar, around 42 percent of job-card holder households had demanded employments, but only 29 percent of them received employment within the prescribed period; the rest did not receive any unemployment allowances although eligible. In Sonai and Hailakandi, we found that more than 40 percent of those who demanded work had got employment within 15 days. None of these households has put the application in written form; all of them demanded through verbal communication.

Respondent no. 11111 (male, age 65 from Sonai block) recalled working even before receiving his job card; Respondent no.11205 (male, age 67) of the same block got employment after three months of demand while respondent no.22804 (male, age 32, South Karimganj) after a month. Respondent no 11411 (male, age 60) and no 11506 (male, age 45), both from Sonai block, narrated how they *discontinued seeking MGNREGA work because their GPs declined their request 4-5 times before*. Respondent no 12404 (male, age 59, Silchar) and respondent no 22615 (male, age 45, South Karimganj) also *gave up demanding because they never got work whenever they sought one*. Respondent no 21107 (male, age 39, Dullavcherra) *did not apply because*

*he was afraid of GP members. At the same time, respondent no 31205(female, age 65, Hailakandi) was told, we are women, so we should not go for asking job.*

These incidences point toward the functionaries' misuse of their position of power and their inherent biases that discouraged the workers from gainful employment. There were no systems in place for capturing demands formally in any of the blocks.

Respondent no 22313 (female, age 50, South Karimganj) and 11308 (female, age 33, Sonai) reported that *there is no system of asking/demanding for work* while respondent no 21402 (male, age 47, OBC, Dullavcherra) informed that he has *not heard of such thing like work needs to be demanded.*

We could not find any improvement or technological renovation in one of the fundamental pillars of the scheme, i.e., registering the demands from individual workers and providing mandated acknowledgement for the same. This single process is so crucial that rest will follow by rule once it gets automated, but is consciously ignored/sidelined. Once households register a demand and start receiving the receipt, the onus is on the GPs to open the works or pay the unemployment allowances. This forces the GP and the state to act else pay for the delays. Thus, it seems that implementing machinery consciously does not act to resolve or improve capturing demands for employment and make any necessary technological innovation in this regard, therefore the status quo.

The summary responses of many workers indicate that the local functionaries did not pay attention to the beneficiary needs.

Respondent no 21407 (male, age 45, OBC, Dullavcherra) and no 22614 (male, age 39, South Karimganj) both responded that they verbally applied for work many times, but their requests went unheeded by the GP.

Apart from sheer neglect and rejection, we also observed that many workers were misguided and misinformed about the programme's basic functioning.

For example, respondent no 12202 (male, age 52, Silchar) narrated how he was told by the GP that *the scheme has not come*-when he asked for work, and respondent no 22801 (male, age 35, South Karimganj) was told by a local Member of Parliament (MLA) in a Gram Sabha meeting that *wait for the scheme to open.*

Many workers reported that they did not get work because their names were not enlisted. Literature also suggests that in MGNREGA, the uncertainty of securing work discourages workers from actively seeking work; therefore, they wait and take up employment if and when supplied (Dreze & Khera, 2014; Himanshu Mukhopadhyay & Sharan, 2015). The literature identifies that significant unmet demand exists for MGNREGA works (Khera R., 2010; Himanshu Mukhopadhyay & Sharan, 2015). Das (2015) have found unmet work demands in neighboring West Bengal, and Dey & Bedi (2010) found that workers only get 10 percent of their desired number of days of employment in the programme. Studies also pointed to rising incidences of administrative rationing of works (workers seeking work but not getting works) (Dutta, Murgai, Ravallion, & Van De Walle, 2012; Liu & Barrett, 2013). Dutta, Murgai, Ravallion, & Van De Walle (2012) also observed that poorer states tend to ration more works administratively.

These incidences not only undermine MGNREGA's primary objectives but also attacks its basic architecture of democratic-decentralized planning. The effect of such functioning is highly encouraging rural workers to opt out or stick to other avenues. Respondent no 22109 (male, age 45, South Karimganj), engaged in labouring out in non-agriculture, summed up his experience and said:

*People who got job-card, never received any work such that they can earn something regularly; that is why I do not ask for work as I have to feed many mouths and so highly dependent on my regular clients.*

Thus, it was clear that functionaries in BVR were gradually converting MGNREGA from a demand-driven, bottom-up and dynamic scheme to a supply-driven, top-down and passive programme, which opens and closes periodically depending on the supply or will of the local functionaries.

### 6.3.4 *Illegal possession of worker's job cards*

During the survey, 171 households, comprising 59 percent of the 290 job-card holder households could not produce or show their job cards when we interviewed them at their homes (**Table 6.3**). Sixty-seven percent of households in Hailakandi district, followed by 61.3 percent in Cachar and 52.5 percent in Karimganj, did not possess a job card on the survey day. In the Sonai block of the Cachar district, none of the sample workers had their job cards at home. Of the 171 households, 91 percent said their job card was with the GPs or their functionaries<sup>24</sup>, and six percent had no information about their job cards. Others speculated that it would be in the block development office (BDO). About 10-12 percent from South Karimganj, Lakhipur, and Dullavcherra blocks had no clue who currently possesses their job cards.

The job cards were taken from the workers on the pretext of updating entries, renewal, and providing jobs but never returned.<sup>25</sup> About 19 percent of these households had never seen their job card, 12 percent said their job cards were not with them from the last three months, 16 percent remembered between 3-12 months, and 15 percent of workers reported not possessing job cards for more than a year. Around 39 percent of these households could not recall since when they did not have their job cards.

Many workers were sent back, denied information, provided false information, and even threatened for asking about their job cards repeatedly.

Respondent no 21205 (male, age 25, Dullavcherra) was told that his *job card was lost*. Respondent no 22104 (male, age 39, South Karimganj) recalled that the *concerned GP functionary ignored him on his visits*.

---

<sup>24</sup> Respondents were unsure whether their job card is at the GP office or a GP member's home. The GP setup was relatively informal in BVR. GP offices were distant and submerged in water, and thus GP operated from member's homes.

<sup>25</sup> Sec 25 of the MGNREGA Act states that in order to ensure transparency and accountability, job cards must remain in the custody of the households to whom it is issued. If it is taken by implementing agency for any reason (such as recording updates), it should be returned on the same day. Further, job cards found in possession of any GP or MGNREGA functionary will be considered a punishable offense without a valid reason (Government of India, 2013, p. 17). Section 25 of the Act also specifies that employment and wages entries should be updated from time to time and, in any case, no later than seven days of the corresponding event date.

**Table 6.3** Summary responses of households about job-card possession, by blocks, Barak Valley Region, Assam, 2017 (in percent)

Procedures	Responses	Block						Total
		Sonai	Silchar	Lakhipur	Dullavcherra	South Karimganj	Hailakandi	
No of households with job-card (Count)	Yes	53	34	32	41	78	52	290
Do you currently possess your job card?	No	100.0	35.3	25.0	51.2	53.8	67.3	59.0
	Yes	0.0	64.7	75.0	48.8	46.2	32.7	41.0
What are the reasons for not possessing your job card?	BDO Office	0.0	0.0	0.0	19.0	0.0	0.0	2.3
	Never got our Job-card	0.0	0.0	0.0	9.5	11.9	0.0	4.1
	GP never informed and denied	0.0	16.7	12.5	14.3	2.4	0.0	4.1
	Under GP member custody	1.9	66.7	75.0	42.9	71.4	88.6	49.7
	Don't Know	98.1	16.7	12.5	14.3	14.3	11.4	39.8
Do you know who has your job card?	BDO Office	0.0	0.0	0.0	19.0	0.0	0.0	2.3
	Gram Panchayat Office	100.0	25.0	25.0	28.6	28.6	17.1	48.0
	Gram Panchayat Member	0.0	66.7	62.5	42.9	59.5	77.1	43.3
	Don't Know	0.0	8.3	12.5	9.5	11.9	5.7	6.4
Since when is your job card not with you (Months)?	Upto 3 months	0.0	8.3	12.5	9.5	9.5	34.3	11.7
	3-6 months	0.0	0.0	12.5	0.0	14.3	8.6	5.8
	6-12 months	0.0	25.0	12.5	4.8	9.5	22.9	9.9
	1-2 years	0.0	16.7	0.0	9.5	14.3	8.6	7.6
	2-3 years	1.9	0.0	12.5	4.8	4.8	5.7	4.1
	More than 3 Years	0.0	0.0	0.0	0.0	7.1	8.6	3.5
	Could not remember	98.1	16.7	25.0	4.8	11.9	11.4	38.6
	Since inception	0.0	33.3	25.0	66.7	28.6	0.0	18.7

Source: Survey Data, 2017

Respondent no 22110 (age 51), a woman worker from South Karimganj, found it *a tough and tiring experience to run after GP officials*. Respondent no 22612 (male, age 47, South Karimganj) said *last year I came to know that I have a job card, but every time I asked for it, the GP member said it is still under process*. Respondent no 22703 (male, age 55, South Karimganj) narrated *how GP members did not give his job card to him although he witnessed it lying on the table*. Respondent no 13306 (female, age 45, Lakhipur) *repeated request over many months paid off, and she got back her job card very recently, but after more than a year*. Similarly, many who had job cards reported neither getting employment nor money. Respondent no 22305 (male, age 42, South Karimganj), no 21502 (male, age 63, Dullavcherra), no 13109 (male, age 37, Lakhipur), no 31504 (male, age 35, Hailakandi) all complained about *not receiving any work and money through the job card so far*.

### **6.3.5 Wage Thefts and wage delays**

Delays in the wage payments lead to a significant loss in welfare (Basu & Sen, 2015) Growing pieces of evidence suggests that MGNREGA workers often face substantial delays in the wage payments, ranging from 3 to 12 months (Narayanan, Das, Liu, & Barrett, 2017). The delays have diminished workers' interest in the employment programme (Khera R. , 2010).

The GP functionaries in the BVR kept the job cards under their custody and the bank passbooks of the workers.

Respondent no 21408 (male, age 35, Dullavcherra) and 22704 (male, age 66, South Karimganj) *did not know their bank account numbers and have not known for how long their bank passbooks were with the GP functionaries. They also informed that job cards entitled them to open bank accounts to receive wage payments*. Respondent no 22610 (female, age 55, South Karimganj) said *a panchayat member opened an account on my behalf for electronic wage transfer, but I have received neither passbook nor wages*. Respondent no 12103 (male, age 26, OBC, Silchar) said *GP has full control of the job card and passbooks; they take signatures when needed*. Respondent no 21403 (male, age 33, SC, Dullavcherra) noted that *people also copy workers' signatures nowadays*. Respondent no 21502 (male, age 63, Dullavcherra), complained, *three months back from the survey day, I worked in the scheme for 31 days, but to date, did not receive my wages*. However, respondent no 21501 (male, age 38, OBC, Dullavcherra) worked for 20 days in the same scheme and received payment within one month. Respondent no 21502 commented that *those who pay gifts to the GP members get things done fast*.

Instances of wage delays and workers' disappointments over the scheme are so much that they no longer want to work in it.

Respondent no 22615 (male, age 45, South Karimganj) said *they call us to work in the seasons where we are busy with agricultural work*. Respondent no 11309 (male, age 59, SC, Sonai) complained that he *got work in MGNREGA once but did not get any wage*. Similarly, respondent no 12410 (male, age 45, Silchar) reportedly *worked for 29 days during the survey reference period but did not receive any payments*. Another worker, respondent no 13107 (male, age 55, ST, Lakhipur), *did not receive his legal wage since 2016, and when enquired, the GP member said they would inform once they received the money*.

In Lakhipur, a few worker households raised complaints about unpaid wages from the last year in the Gram Sabha meeting, and subsequently, they were badgered into visiting different offices till they were exhausted.

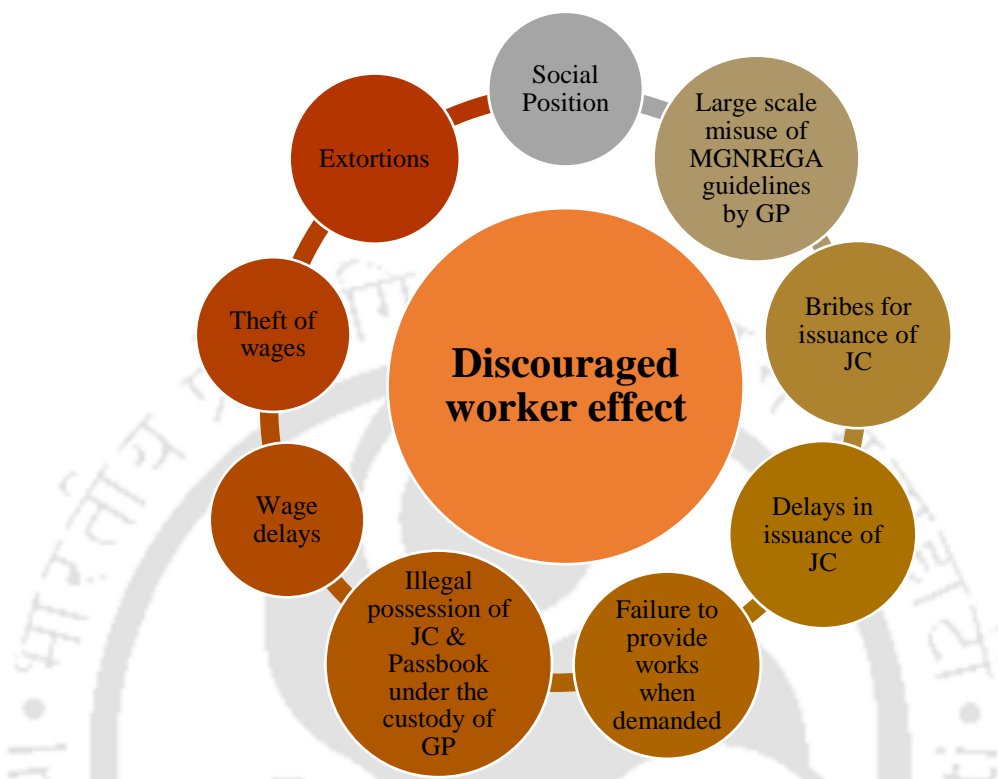
Respondent no 13201 (male, age 38, Lakhipur) reported that *it generally took a few months to deposit wages in their bank accounts*. Respondent no 13202 (female, age 35, Lakhipur) said the *delay in wage payment was the norm, but they received wages in instalments rather than full, which was more problematic*. Respondent no 13208 (female, age 60, Lakhipur) said *they needed cash payment from their works, and late payment in MGNREGA was rampant, so she refused to work in the scheme*. Respondent no 13303 (male, age 65, Lakhipur) said *workers remained unpaid for their works for almost a year now*.

Respondent no 11502 (male, age 39, Sonai) informed he was *paid only Rs 4000 out of his full wage of Rs 6750 after working for 37 days under the programme, which amounted to a theft equivalent of 15 days of daily wages*. Respondent no 21409 (male, age 45, SC, Dullavcherra) reported *when I receive wages from MGNREGA; I pay an amount to the GP member as gratitude*. Respondent no 21414 (male, age 65, Dullavcherra) was still hopeful of getting wages because his job card and passbook were under the custody of GP- *GP member himself came twice to take signature on some bank papers and has assured me that I would receive money*. As on the survey day, respondent no 21414 had not received his wages.

Respondent no 21505 (male, age 63, OBC, Dullavcherra) and respondent no 22602 (male, age 28, SC, South Karimganj) complained of workers being called to work from outside the village. They shared concerns about daily wage seekers from within the village being displaced due to such acts. Despite all the gross violations and sufferings, exceptionally few workers had raised a voice against it. One of them, respondent no 13301 (male, age 61, Lakhipur), told us that it was challenging to get back his job card without getting into the wrong book of the GP. The dominance of GP and its members over the workers was so absolute and real that most were

helpless and discouraged. All of the above problems have given rise to the discouraged worker effect in the BVR.

**Figure 6.3** *The discouraged workers under MGNREGA in Barak Valley Region, Assam, 2017*



Source: Author's compilation

#### 6.4 The socio-political context of households in BVR, Assam

Assam shares 262 kilometers of border with Bangladesh along with the three districts of BVR. The three districts of Barak Valley- Cachar, Karimganj, Hailakandi and Barpeta in Brahmaputra valley in Assam (having majority of Bengali speaking population) were historically the hotbed of political conflicts<sup>26</sup> surrounding illegal immigrant issues. A very long-armed movement against the illegal migrants in Assam<sup>27</sup> has led to the Assam Accord in 1985<sup>28</sup> (between Centre, Assam and All Assam Students Union), which paved the way for the state to identify illegal immigrants and deport them.

<sup>26</sup> Refer to Hossain (2013) for the excellent literature on the history of political events surrounding Assam-Bengal political issues.

<sup>27</sup> Read Murshid (2016) and Upadhyay (2008) for illegal migrations in Assam.

<sup>28</sup> Refer to Baruah (1986) for more on immigration, ethnic conflict in Assam and the Assam Accord 1985.

In subsequent years, to implement the Assam Accord, updating the National Register of Citizens<sup>29</sup> (NRC) exercised under the supervision of the Supreme Court of India started in February 2015. The inclusion in the NRC required that the residents of Assam prove that they or their ancestors lived in the state before the midnight of 24 March 1971. To establish such status, residents must provide acceptable documentary evidence (various identity documents issued by the government or transaction documents related to government institutions) of them or their ancestors. On the intervention of the Supreme Court of India, the Gram Panchayat certificate was accepted as sufficient documentary evidence of citizenship and linkages "with due and proper verification".

We will not go into the details of the political conflicts, NRC and citizenship issues in Assam. A short note on the context is provided above because the NRC updation exercise was ongoing at the time of my field work. The NRC affected every resident of the state, but more notably, the Bengali speaking muslim residents of BVR due to its location and historical reasons (for more see, Bagri, 2021). The roll-out of NeFMS in Assam coincided with updating the National Register of Citizen exercise and added with mandatory seeding of Aadhaar numbers of the workers with their bank account numbers in India. In September 2017, except Assam, Aadhaar was made essential to receive state entitlements in all DBT enabled programmes throughout India. In the BVR, getting into NRC was significantly more important than getting enrolled in Aadhaar, as it was a matter of citizenship. Therefore, in large parts of Assam, and more so in the BVR, NRC clearance was mandated for Aadhaar enrollment (The Indian Express, 2021; The Hindu, 2021).

Our sample households comprised majority Sylheti speaking Muslim population (63 percent). In Sonai, Hailakandi and South Karimganj block particularly, the percentage is greater than 69 percent. Therefore, there was a lot of fear among the beneficiaries themselves about how the

---

<sup>29</sup> For comprehensive details on the NRC and its processes, refer to NRC (2015).

state will use their identity by feeding their information into the MGNREGA-MIS system. In such a context, people tried to cooperate with the petty bureaucracy for fear of being excluded from the system and thereby losing citizenship.

Our sample respondents were low in economic and social capital. Their susceptibility to acute conditions of poverty due to lack of employment opportunities and distress migration, makes them vulnerable to the positions of power exercised by the petty bureaucrats. Their dependence on the petty bureaucrats is very high. They require help to move out from the region, seek social assistance, and therefore they need to be on good terms with the local officials. Also, there was not much social cohesion in our study site because of perception building about the Bengali Muslim community as “outsiders”, which compounded during the NRC exercise in Assam. It was during this inopportune time, that the Digital Benefits transfer programme also initiated in the BVR.

#### **6.4.1 Job card is an essential entitlement for other socio-economic entitlements**

Job cards also act as a gateway to access other entitlements, for example, opening bank accounts and getting Aadhaar based biometric identity (Government of India, 2016; Government of India, 2020). Therefore, job cards are an essential document of Proof of Identity, Proof of Address, and Proof of Relationship (UIDAI, 2016). In a situation where most rural households lack official documents of proof of identity, address and relationship with the head of the family, the job card is crucial<sup>30</sup>. For reasons explained above, in the BVR, access to a job card became more critical because it is a valid and widely recognized instrument issued by the state. There is a general perception among the households that any state document is essential, especially when citizenship is at stake.

---

<sup>30</sup> Our survey areas comprised Muslim majority households. Our visits between June – December 2017 coincided with the National Register of Citizens (NRC) listing underway in Assam. Given our respondents' religious background and the proximity of our villages to the Bangladesh border, identification documents such as job cards, ration cards, voter cards etc., were closely guarded by the households.

## 6.5 Functionary-beneficiary collusion

Post-separation of implementing and payment agencies, wage corruption in MGNREGA has continued in three forms – deception, extortions and collusion <sup>31</sup>(Adhikari & Bhatia, 2010; Khera, 2017). Khera (2017) envisioned that extortion and collusion cases would grow once corruption through deception is blocked. We find evidence of deception, extortion, and collusion in the BVR.

We have seen in the previous chapter that not enough households received work opportunities under MGNREGA; even if received, labour-days and wage earnings were quite low. We also observed large variations in labour-days allocations (2-198 labour-days per household) to participating families. The actual wage rate varied across blocks and deviated from the notified wage rate under the programmes. The worse offs received a slightly lower wage rate than the better offs.

We also found four categories of discrepancy in MIS data and reported data, indicating that MIS is not reflecting the ground realities of BVR. The highest discrepancy was related to households worked, but MIS is blank, followed by households not worked but MIS has entry. Then there were households who worked, but MIS data was deflated, and the last category was household worked, but MIS was inflated. These discrepancies were found across all blocks suggesting that such irregularities were widespread. These discrepancies were collectively related to 115 sample households, equivalent to 3941 labour-days and INR 718103 (INR 0.72 million) wage earnings during one year.

These irregularities indicated massive cases of job-card renting and wage-leakages in the programme implementation across blocks. We found that one-third of households received

---

<sup>31</sup> Previous studies (refer to Ravallion, 2003; Adhikari & Bhatia, 2010; Khera R., 2011; Bhatti, 2012; Khera R.,2013; Khera R.,2017) have shown that corruption in MGNREGA is done through three methods: Deception (operating workers account without his/her knowledge), Extortion/exploitation (extracting a share of wages through different means) and Collusion (workers and implementing agency agreed to help each other in the embezzlement of wages).

wage-leakages equivalent to 1648 labour-days (INR 299883/INR 0.29 million) into their bank accounts for which these households have not worked. The families received on an average 20 percent as their share/payoffs, and the functionary gets hold on 80 percent of the total wage-leakages transferred. Such wage leakages were found across all blocks, particularly in Hailakandi, Silchar and Sonai; it was highest. These incidences of rampant job-card renting and wage-leakages strongly point to functionary-beneficiary collusion in BVR.

A majority (65 percent) of these households could not produce their job cards on the survey day. Except for Silchar and Lakhipur, in all the other four blocks, most workers reportedly received wage leakages were those whose job cards were under the custody of their GPs. Twenty-three percent of workers whose job cards were under the custody of GPs had prior information that works were provided through their job cards, while 77 percent had no information about such events. It becomes abundantly clear that the workers accepted the proposition of wage leakage, both who had job-card with them and whose job cards were under the custody of the GPs. However, there ought to be reasons to believe that the workers themselves were helpless in the whole system, and if they did not oblige, they would be at a loss.

There were instances where both legal entitlements and illegal payoffs got curtailed when workers did not comply with the GP's modus operandi.

*Some officials told us to submit job cards so that we could get wages without working, but we did not agree to the terms laid down as wage payments were not being equally shared; neither we got work nor any money, so far. Respondent no 31105 (female, age 55, OBC, Hailakandi)*

The functionary used threats as tactics to keep the job cards and passbooks of workers in order to siphon wages. For example, when respondent no 22210 (male, age 38, SC, South Karimganj) wanted his job card and passbook returned, the functionary warned him that he would never get work or money from the programme. Similarly, when respondent no 13213 (male, age 39, Lakhipur) once insisted on taking Rs 1000 instead of Rs 500, as a share of Rs 3109 received in

his bank account, the functionary fought furiously with him finally agreed for Rs 700 but threatened that this was his last payment. In future, no money will be provided on his job card. These threats were not mere threats; they were real, as the case of respondent no 12104 (female, age 34, widow, Silchar) indicates. Also, an appeal to the morality of the job-card holders was a unique emotional tool used for wage extraction. Full transcript interview of respondent no 12104:

*There was a Gram Sabha in 2016 at the GP office. I sat at the backside of the hall, and I could not hear anything due to the noise. In the last five years, one ground well and 10-15 Indira Awaas Yojana houses have been distributed in our village. The village is progressing. A few people have benefitted. My son is 14 years old. I have taken him out of school due to financial problems. After my husband died, I worked as a construction worker – loading and unloading bricks, soil, sand, and cement. I was able to earn Rs. 150-200 per day. Now I suffer from respiratory illness, so I have given up working out in construction. After that, I managed my family with earnings from working at others' households for about a year. My brother asked me to start a small business as my house is on the roadside. I took a loan of Rs. Thirty thousand from my brother and started this shop (packaged snacks and tea). It has been three months now.*

*I have a job card and a UCO bank account. The job card is with the GP. On 27.7.2015 (shows the bank passbook), I received the amount of Rs. 5728 from Assam state. The GP members came to my house and informed me that money had come to my account. I went to the bank and updated my passbook. I withdrew Rs. 5000 and spent Rs.2000 on my immediate requirements. Later, when GP members came to my house to collect money, I explained my problems and told them that I could not give them any money now. They questioned my morality about how I could keep the money when it was not rightfully mine. They said they had used machines, materials, and other resources to get the work done and needed to make payments. I then agreed to pay Rs.3000 to the GP member I had with me. But the members wanted Rs. 4500, asking me to keep Rs. 500 as a token amount from them. However, I have not been in a position to pay them that amount. Thus till I repay Rs. 4500, my job card will be with the GP.*

The modus operandi was controlled and operated in such a manner of threat and power usage that it was almost impossible to question the GP or the functionaries.

*If anyone questions about working days and payments, the member would warn them smiling or angrily that it would be the last day of payment from their job card. Respondent no 12107 (male, age 65, OBC, Silchar)*

Even if some needy workers wanted to work, they were systematically repressed, denied and brought into the fold of collusion. For example, both respondent no 21411 (female, age 40, SC, Dullavcherra) and respondent no 21412 (female, age 56, SC, Dullavcherra), women job seekers, were denied when they went seeking work and were told

*MGNREGA works were manually challenging for women, so we will use machines to complete the work and pay some amount as wages in exchange of their job-cards.*

Why would somebody pay to avail job card when enrolment is voluntary and free of cost? Respondent no 31102 (male, age 68) and 31103 (male, age 65) from Hailakandi, both retired tea-workers, feel that a job card is essential for them and other families because wages are higher in MGNREGA than tea-gardens. Job-card is crucial for respondent no 22405 (male, age 40, South Karimganj) because it acts as another identity card. Respondent no 22410 (male, age 37) and respondent no 22402 (male, age 40) both from South Karimganj, had paid Rs 300 because the GP took it as a necessary expenditure.

*the only persons getting richer by MGNREGA are the GP members; they do not even give us our job card and passbook (respondent no 22506, male, age 56, SC, South Karimganj).*

*to get any government scheme, we need to pay a bribe; if work comes, members give work to those close to them (respondent no 22510, male, age 61, South Karimganj).*

Respondent no 22603 (female, age 50, SC, South Karimganj) a midday meal worker, was satisfied with Rs 500, which she received for the fourth time without working in MGNREGA. Respondent no 22607 (male, age 65, South Karimganj) received wage leakages regularly and said *there is no job despite having a job card then what is the use of a job card?* He put his signature wherever the GP member asked him to and got a share in the payoff, which was a win-win for both parties.

*We have all received payments without doing work thrice or four times so far, but we have equally shared with GP (respondent no 31501, male, age 65, Hailakandi).*

*We got paid twice a year; we are happy and satisfied; at least we are getting Rs 1500 twice a year (respondent no 31204, male, age 34, Hailakandi).*

*I am getting money, so I do not question anybody (respondent no 31405, male, age 24, Hailakandi).*

*GP and bank officials together could withdraw money without anyone's signature, so our not consenting has no meaning (respondent no 22610, female, age 55, South Karimganj).*

Across all the survey blocks, workers admitted to receiving payoffs in the form of wage leakages with/without the information of their job cards being used for the stated purpose. While in the Hailakandi district, such gains were equally shared between the functionary and beneficiaries, in Cachar and Karimganj districts, it was fixed at the rates of Rs 200/300/500 per transfer. In Hailakandi, not only were such beneficiaries higher, but they also received higher mean wage leakages and regularly than Cachar, followed by Karimganj.

#### **6.5.1 To cooperate or not- a dilemma**

Despite all the power and privileges over beneficiaries/workers enjoyed by the functionaries and petty bureaucracy, there exists a threat/insecurity. For the functionaries, their modus operandi of siphoning off welfare payments made on account of public works programme was seriously curtailed when a system of wage payments through bank accounts was started in 2006. This separation of payment agency from implementation agency was adopted to safeguard against wage's embezzlement (Vanaik & Siddhartha, 2008) and payment through banks, post offices made corruption difficult (Khera R. , 2011).

In recent years, the incremental use of technology in all MGNREGA processes have made the matter more complicated for the functionaries to continue with their previous expeditions. For example, the usage of Aadhaar and its mandatory linkages with other processes to eliminate ghost workers and sending the wages directly to the verified bank accounts of beneficiaries. Further, with the Jan-Dhan inclusion and spread of Ru-Pay debit cards, beneficiaries have the

option to withdraw their wages at their convenience. However, despite the technology-enabled wage transfer programme in place, we find evidence of massive leakages through the apparatus of rent-seeking behavior.

Since the account holders can only withdraw the payments, it becomes a great necessity for the functionaries to bring on board the beneficiaries who were previously never imagined as stakeholders/partners. Because of the electronic wage payment system now in place, without these workers' support, all the efforts of GP and its functionaries in siphoning off welfare payments are bound to fail. Thus, to secure the welfare payments, workers are brought on board by a tacit understanding or social contract and often make an appeal to their morality, which is what we call functionary-beneficiary collusion here. However, if the wage leakage proposition is not valued (or accepted) by the workers, functionaries' resort to threat and power to curtail the future entitlements, including the job-card (and passbook) itself, which is perceived as an important document by the workers.

To secure compulsory cooperation, the GP functionaries get hold of job cards and bank passbooks in different pretexts and keep them under their custody for months and years. It ensures that if a beneficiary backs out of the contract, they can use the job cards as an instrument to negotiate their dominant position and plausibly majority will silently oblige as getting back the job card is the priority.

The BVR is also politically sensitive due to the ongoing National Register for Citizens exercise. Most of our sample households were Muslims because our study area's location and documents proving identity are highly valued. Therefore, beneficiaries usually adopt a non-conflict approach with functionaries lest their identity-related documents are not returned. Also, in an environment where jobs did not come in any other ways- households may be tempted by the benefits whatsoever is coming out of their job cards other than access to different programmes. Agreeing to the GP's demand may be seen as a pledge or proof of their cooperation and a share in the transactions without creating a conflicting situation. It ensures at least some economic

benefits/utilities from nothing, and not agreeing on means no benefits at all, neither job nor share. It also helps maintain a relationship with the GP and its functionaries so that it can be redeemed in the future.

BVR showed the changing norms of corruption in MGNREGA, where job-card has become a rent-seeking instrument and losing its mandate of employing the needy, especially in the lean season. Job cards in BVR seem to acquire a cult status of an instrument that can provide wage leakages if its holder colludes with the functionaries. Moreover, if one does not cooperate, it will remain a job card, no work, no income, and no share in wage leakages. Why collusion? We feel the question is not correct in the BVR's context; instead, one must analyze a job-card holder's alternative/option in BVR. The functionaries have created a system in which bank transfers are made to personal accounts, yet the money is siphoned off on the moral premise that households do not have a 'right' on the welfare payments as they have 'not worked' for it. Thus, the electronic welfare payments system that had been forwarded as a helpful tool of keeping corruption at bay has created a complex form of moral degeneration in village economies that were hitherto relatively free of such menace.

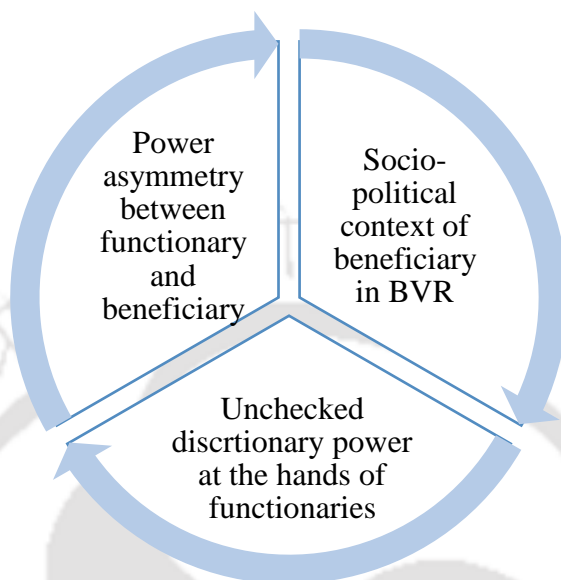
#### **6.5.2 Why NeFMS is not able to check delays and corruption in BVR, Assam**

One is the power asymmetry between the functionary and the beneficiaries/workers due to the prevalent crisis of unemployment (as discussed in Chapter 4) and socio-political context in BVR; another is unchecked discretionary power at the hands of the functionary in general and MGNREGA in particular (as discussed in sections above).

We believe that the technological reforms in MGNREGA are not standalone, as the reforms were universal across all schemes, departments, ministries of the Central and State government (as discussed in Chapter 2). The reforms in the payment system have both positive and negative effects, which requires evaluation in the longer term. At best, the NREGASoft and NeFMS have streamlined the work and the fund flow processes and defined the functionary's role and

responsibilities in a time-bound manner, which were scattered in their previous version (as discussed in Chapter 2).

**Figure 6.4** *Reasons of NeFMS not able to check delays and corruption in MGNREGA, Barak Valley Region, Assam*



Source: Author's compilation

We also have tremendous faith in the power of technology in changing the lives of ordinary people. One such example could be the changing nature of collusion in MGNREGA due to a change in the payment system. When wages were paid in cash, the functionaries colluded for embezzlement of wages. Then, the Bank/Post Office officials and MGNREGA functionaries colluded (leaving the workers) with each other to siphon off the wages through managing ghost workers (fake workers or nonexistent workers) when account payments were mandated. Under the current scenario, functionaries have no resort but to collude directly with the beneficiary-workers because they now receive the wages directly into their accounts and assume that only the account holders can withdraw them. Aadhaar based biometric application has also eliminated the scope for creating ghost workers and using them for leakages.

The workers are definitely empowered in terms of ownership of their Bank/Post Office accounts with various options for withdrawal (RuPay debit cards, Automated Teller Machines, Mobile banking- Payment Bank, Banking correspondents, Bank's Kiosks in the market) of wages from

their accounts. For example, in the era of Bank/Post Office payments, workers travelled a long distance to the premises, stood in long queues, waited for an entire day for their payments, or took many trips for the same, effectively losing their daily wages elsewhere. They were also dependent on the Bank's officials, and the GP functionaries or some middlemen for processing withdrawal of the wages due to lack of knowledge about banking processes or simply to speed up their transaction before the cash in the Bank/Post Offices dries up for the day.

The technological developments in the payment system and banking system, along with the ABPS, has ensured the beneficiaries less hardship and dependency on others/middlemen's thus, saving their valuable time and money in a process- as simple as withdrawing money from their own accounts. Also, information flow about the credit and debit of accounts is seamless, which empowers the beneficiaries to make their own decisions, and multiple withdrawal options provide them with the freedom of time and distance with less hardship.

These empowerments of beneficiaries due to the reforms (technological) has created a scenario where functionaries have lost some of their discretionary powers over these workers. For example, in the withdrawal of wages- location/source/time of withdrawal; which in earlier times were with the functionaries. They have no recourse but to bring these potential beneficiaries on board through various tactics; else, they can't capture the illicit fund flow.

However, in BVR, many of the processes before the actual fund flow to the beneficiaries are, in fact manual and in the domain of these functionaries. The inputs into the NREGASoft are manually done by the functionaries and fully control them. The reforms have only mandated them a time frame for completing each task and fixed responsibility of the functionary; but are free (in some sense) to enter workers of their choice (including their family, friends, relatives) in the e-MR. We show in the previous section that there is a complete absence of recording and acknowledging demands for work in BVR, and workers have worked but not in their job cards but of others; many have not worked but received payments; and evident cases of inflated and deflated payments (as discussed in Chapter 5).

All these instances in BVR show that the functionaries have actually hijacked the system, and the system does and shows what these functionaries are dictating it to do and show. For example, there may not be ghost-workers due to Aadhaar scrutiny, but fake workers (who have not worked but received payments) exist. On the face, the MIS shows that workers are getting employment and wages, more or less in time; however, the question is, who are those workers getting employment hence, payments? Have those workers demanded work and received acknowledgements? In fact, the MIS do show that any worker who has worked has demanded work for that period; very seldom do we find such entries in the job cards of the worker, where demand for work entries are there but the work completion entry is blank for the period, meaning that the worker has not worked; without stating any reason for the same. But without any formal recording system of work demand, how are such entries made into the system? In BVR, the practice is to input entries for such workers who will be utilized for the work in upcoming e-MRs, first in the demand section, which will be converted into allocated workers. The system works in such a way that without entering into the demand sheet, the workers could not be assigned works hence into e-MRs.

Often, fake/duplicate e-MRs are used to record the attendance of the participating workers at the worksites or GP offices and works are completed. Later on, the actual e-MRs are generated using participating workers' data from those fake/duplicate e-MRs, adding fake workers, distributing works among the workers ensuring the rules and guidelines of the system; resulting in the inflated or deflated entries in the job cards of the workers. We also found that workers had no idea about the project and the implementing agency (under which scheme) in which they were working.

This was due to the fact that GPs in BVR (in any place as a matter of fact) implements myriad of projects under various schemes (MGNREGA, PMAY, 14/15<sup>th</sup> Finance commission, projects under convergence scheme etc.), and most of the projects were planned a year or more before its implementations; some are executed very late due to financial or administrative constraints.

The Block or District Development Authority directly implements many projects, and GPs monitor them. However, workers by default think that the GPs implement all the projects without knowing about the state's scheme, thus the information asymmetry about the works, wages and payment schedule. For example, if the workers are provided with the wrong information that the project, they are employed in is under the 14th Finance/Forest Department rather than the actual MGNREGA scheme, the worker would be ready to accept the different terms and conditions for the same work. The functionaries exploited the workers with such misinformation and tactics- work under one scheme, payment under another, and vice-versa. In the meantime, the functionaries plan their modus operandi, distribute and execute works through planned entries into the MIS system; thus, generating a planned output of fund flow, which they capture using the vulnerable position of workers, morality, collusion, threats and power usage.

Thus, we believe that a system like NeFMS is good for streamlining work and fund flow, but its capabilities are limited in limiting/controlling the discretionary power of functionaries in opportunities available for corruption by exploiting the beneficiaries or the system under MGNREGA. We side with Dreze (2007) that transparency measures such as workers can check the muster rolls, report discrepancies to Gram Sabha, public reading of MR etc., can be easily sidelined. We reinforce Khera (2017) findings of concrete evidence of wage thefts and collusion between the functionaries and beneficiaries in MGNREGA. We also add to the literature (Adhikari & Bhatia, 2010; Khera, 2011; Bhatti, 2012; Khera, 2013; Khera, 2017) that payment of wages into the account has made corruption difficult through deceiving workers; however, extortion of workers and collusion can be widely used unchecked.

## **6.6 Conclusion**

People's participation in Gram Sabha is low. The majority of the households reported that Gram Panchayat did not listen to them, non-democratic and corrupt. We found massive cases of wage-

leakages in the MGNREGA and large-scale collusion among the functionary and beneficiaries despite the technology-enabled payment system in place.

We found that one-third of households received wage-leakages equivalent to 1648 labour-days (INR 299883/INR 0.29 million) into their bank accounts for which these households have not worked. The families received on an average 20 percent as their share/payoffs, and the functionary gets hold on 80 percent of the total wage-leakages transferred. Such wage leakages were found across all blocks, particularly in Hailakandi, Silchar and Sonai; it was highest. These incidences of rampant job-card renting and wage-leakages strongly point to functionary-beneficiary collusion in BVR.

It is a welfare loss at the individual level and the social level. Individuals may think of it as a personal gain, but the cumulative effect is essentially welfare losses. The welfare loss equals the wage-leakages that otherwise have been with the household themselves, which could have added value to their household consumption.

The roll-out of NeFMS in Assam coincided with the update of the NRC exercise and added with mandatory seeding of the Aadhaar numbers of the workers with their bank account numbers in India. In September 2017, Aadhaar was made essential to receive state entitlements in all DBT enabled programmes, including MGNREGA excluding Assam. Aadhaar enrollment in Assam was deferred due to the NRC exercise till 2019. In BVR, workers' job cards were updated with their bank accounts without Aadhaar; thus, transfers take place using internal Core Banking Solution; in other cases, using National Electronic Funds Transfer system, effectively not using Aadhaar Enabled Payment System (AEPS). The workers' identity also did not require verification, as in the case of using AEPS, wherein the worker's Aadhaar number is seeded with their bank account, which is used to verify the identity before making the payments.

However, in BVR, getting into NRC was a priority and highly sought after because it was a matter of citizenship. Once citizenship was validated, Aadhaar enrollment followed in the same premises of the NRC office. Since all the sample households were already financially included

in the formal system, mapping the Aadhaar with their bank accounts could be done at GP offices. The location of GP and the petty bureaucracy were such that households always required them to prove citizenship matters, get identity/residency documents, validate official documents, and enter or exit into any state's programme.

The geography, socio-economic and political landscape of BVR provides us with a unique site of enquiry as to how a human disconnect of implementing and payment agencies with beneficiaries can result in entitlement failure. We discussed in chapter 5 that the pecuniary gains arising out of wage leakages are more in favour of petty bureaucracy; however, the gains accruing in favour of petty bureaucracy will not be possible without tacit or full cooperation from the intended recipients' beneficiaries as wage payments are made electronically. Further, under the new technology, payment and implementing agencies are separated.

Thus, to secure the welfare payments, workers are brought on board by a tacit understanding or social contract and often through an "appeal to their morality", which is what we call functionary-beneficiary collusion here. We will like to qualify "an appeal to morality" here. During the survey, we found many instances where the GP functionaries (ward members, influential person within the village who are socially connected) approach the beneficiaries (job-card holders) with the request that the wage payments received by them in their bank accounts are not rightfully theirs because they have not put in labour days. In this pretext, the manual workers who are otherwise entitled to both the employment and wage under MGNREGA found themselves emotionally exploited and submitted themselves to the request of functionaries.

However, if the wage leakage proposition is not valued (or accepted) by the workers, functionaries' resort to threat and power to curtail future entitlements. To secure involuntary cooperation from the beneficiary, the GP functionaries ceased job cards bank passbooks in different pretexts and kept them in their custody for months and years. They can use their dominant positions and the seized job cards as instruments of negotiation for trading the

beneficiary's precarity with pecuniary gains. Most workers silently obliged as getting job cards back was the priority. In many cases agreeing to the GP's demand may be seen as a pledge or proof of their cooperation and a share in the transactions without creating a conflict situation. It ensures at least some economic benefits/utilities. Our sample households reflected a crisis of employment and political identity. Under such a crisis, maintaining a working relationship with the petty bureaucracy works as some form of social capital for the beneficiaries, which can be redeemed in the future.

BVR showed the changing norms of corruption in MGNREGA, where job-card has become a rent-seeking instrument and losing its mandate of employing the needy. Moreover, if one does not cooperate, it will remain a job card, no work, no income, and no share in wage leakages. The functionaries have created a system in which bank transfers are made to accounts, yet the money is siphoned off on the moral premise that households do not have a 'right' on the welfare payments as they have 'not worked' for it. Thus, the electronic welfare payments system that had been forwarded as a valuable tool of keeping corruption at bay has created a complex form of moral degeneration in village economies not seen before.

It was seen that the roots of collusion lie at the severely twisted procedures by the functionaries at the implementing level creating a discouraged worker effect. Job-card and bank accounts (passbook, ATM card) is not just financial instrument but also entitlements for asset-less manual workers. The over-emphasis on cutting edge technology (NeFMS) without adequate attention to addressing the precarity (geopolitical and socio-economic constraints) of an already discouraged workforce has resulted in entitlement failure in BVR. It is in the location of power of the petty bureaucracy and in its network that corruption takes place. Therefore, even if a sophisticated digital governance mechanism is in place in the form of NREGASoft, MIS, NeFMS, unless there is adequate planning at the village level where the petty bureaucracy is questioned with people's participation, the crisis as seen in BVR cannot be addressed.

## Chapter 7

### The Role of Social Audit in Digital Governance

This chapter discusses social audit and the critical role of social audit processes in bringing transparency and accountability to stakeholders involved in implementing social security programmes. All social transfers are primarily cash transfers thus, prone to capture by the functionaries. The scale of such transfers necessitates functionaries' accountability so that the intended beneficiaries get welfare gains. However, we have seen functionaries side-line beneficiaries and engage in corrupt practices. Thus, periodical social audits are essential tools to check corruption and ensure accountability. Social audits are particularly effective in public scrutiny of the programme's implementation, thus strengthening democratic participation and bringing out their collective voices, reclaiming rightful entitlements, and resolving grievances in public forums.

The first section describes the social audit process embedded in the MGNREGA and country-wide findings. The operation of the social audit unit of Assam is discussed in section 2. The third section notes the progress and results of social audits in our study location (BVR Assam). The fourth section provides the Comptroller and Auditor General (CAG) audit findings on social audits in Assam.

#### 7.1 Social audits under MGNREGA

An emerging governance tool, social audit, is effective in the context of good governance. Through its systemic processes, it allows identifying gaps in the desired and actual impact of programme implementation by enabling citizens to enforce accountability and transparency in the service delivery of a programme. Social audit as a transparent, participatory, and active evaluation process can potentially counter corruption that affects anti-poverty programmes; thus, gradually becoming mandatory in development programmes.

Section 17 of the MGNREGA Act provides an institutionalised social audit mechanism for continuous vigilance by the public in two dimensions. One is a constant and ongoing process of the public watch, including verification of quantity and quality of works at all stages of implementation. Second social audits are mandated to be conducted in every GPs at least once in six months and review all aspects of the programme's implementation. It aims to ensure public accountability in the performance of projects, maintaining rules and policies while in a fact-finding process. The MoRD and the Comptroller & Auditor General of India notified audit rules in 2011 (MoRD, 2011) and auditing standards in 2016 (MoRD, 2016). Similarly, the MoRD has also stipulated social audits in all social security programmes.

### ***7.1.1 Process of social audit***

MGNREGA mandated each state to identify or establish an independent Social Audit Unit (SAU) to fulfil social audit requirements under the programme. The SAU will identify the resource persons at the State, District, Block and Village levels to facilitate audits in the Gram Sabha. It will also monitor the quality and durability of assets created under the programme. The SAU Governing Body includes the Principal Accountant General, Principal Secretary of Department of Rural Development, Director-SAU, three representatives from Civil Society and other special invitees. For financial independence, the cost of establishing SAU and conducting audits are met by Central Government in the administrative expenses under the programme.

At the beginning of the year, it plans an annual calendar of social audits to be conducted in each GPs, every six months and communicates the same to Districts coordinators for advance arrangements. Information is provided in advance to ensure full participation from the workers and the village community. The SAU is supplied with all the required information and records about implementing programmes 15 days before the social audits. It will verify the correctness of entries in records with beneficiary workers, the status of assets, quality and usefulness. The

SAU checks the cash and financial records to verify their authenticity and financial irregularities in wage payments, material procurements, and workers' grievances.

Social audits are conducted as Gram Sabha in neutral public spaces, chaired by an elderly villager (not part of the GP). It discusses the findings of the verification exercise, review the compliance on transparency and accountability, entitlement issues and fund utilisation. Decisions and resolutions are made via voting while maintaining the minutes of the meeting. Action taken on earlier social audits is discussed; implementation officials are questioned on various aspects and seek responses. All issues are recorded in writing during audits, and evidence is gathered for all issues raised. It maintains a separate bank account to recover misappropriated amounts made during the audit. It also ensures that appropriate actions are initiated against officials/individuals involved in financial irregularities or corruptions. The State government is responsible for taking follow-up action on the findings of the social audits; all such reports and follow-ups are made available in the public domain. Annual information of social audits and action taken is presented before the Parliament of India.

### **7.1.2 Progress of social audits in MGNREGA in India**

The Comptroller and Auditor General of India (CAG, 2016) noted that during the end of FY 2014-15, SAUs were not set up in seven states; in eight states, it was functioning as a cell within the Department of Rural Development (including Assam); in three states it was set up as society without any permanent Officer. There was a shortage of resource persons to support and carry out social audits. States did not take advantage of the special project launched by the union government to support SAUs in the states. The annual calendar for social audits was not prepared in major states. Only 51 percent of GPs across the country were covered in social audits during FY 2014-15.

Seven states (including Assam) did not have any evidence of physical verification of worksites.

In eleven states (including Assam), block-level hearings were not held to discuss social audit

findings. The summary of the findings of social audits was not submitted to the Comptroller and Auditor General of India (CAG) by the states. Action taken reports were not incorporated in the annual report to be laid before the state legislature and parliament. It noted that in 16 GPs in six states, the state government informed that social audits had been conducted; however, during field visits, social audits were actually not completed, which implied that reliable data on social audits was not available with the state.

In Assam, SAU has not adopted any mechanism to assess the performance of its resource persons and monitor the inadequacies of resource persons at different levels. SAU did not have any mechanism for briefing pre and post social audit work except the basic training at the time of introduction. In 48 of 49 GPs tested in Assam, the CAG failed to collect information and check maintenance and collection issues. In 25 GPs, registers were not appropriately maintained but wrongly stated that it was maintained. In 47 GPs, it found a mismatch in figures of the number of works executed, expenditure incurred, number of job card holders. In Assam, 58 percent of the sample households stated that they were unaware of Gram Sabha for social audits. Out of 25 reviewed states, SEGC, though constituted in 18 states including Assam, did not monitor the action taken by the state government on social audit reports and only in two states (Rajasthan and Sikkim), SEGS duly watched and followed up on the reports by the state government.

During FY 2016-18, social audits were done in merely 37 percent of GPs across the country (NIRD&PR, 2018). In Andhra Pradesh, Tamil Nādu, followed by Sikkim, Gujarat, Karnataka and Telangana, more than 94 percent of the GPs were audited. The coverage of social audits in larger states (Maharashtra-3 percent; Uttar Pradesh-24 percent; Madhya Pradesh-26 percent; West Bengal-42 percent) was significantly less. Karnataka and Gujarat were the only two states fulfilling the social audit of their GPs twice a year.

The MoRD (2019) informs that social audit module was integrated with NREGASoft during 2018, and about 22 SAUs across states were reporting audits through it. Twenty-two states have independent SAUs, while six states did not have an exclusive society for social audits. The report mentioned that many SAUs lack adequate human resources, which prevents them from auditing all GPs at least once during the year. Some states lack sufficient funds, while others are not using the sanctioned funds. Only fifteen state implementing agencies responded to the social audit findings, and significant discrepancies were found in MIS data and GPs audits. The larger states where MGNREGA expenditure exceeded INR 1000 crore annually (Odisha, Bihar, Assam, Kerala, and Maharashtra) face massive workforce inadequacies in SAUs. Smaller states (Himachal Pradesh, Manipur, Mizoram, Gujarat, Sikkim, Arunachal Pradesh, Punjab, and Uttarakhand) also face massive human resources crunch in their SAUs. It noted that many states lack Block Resource Persons hence the quality of social audit done by Village Resource Person without required experience are very poor. Even the implementing agencies from the Block and District did not attend the Gram Sabhas; records of social audits are of poor quality.

Out of 2.6 Lakh (0.26 million) GPs across 34 States and Union Territories, around 25 percent of the GPs were audited at least once during FY 2017-18, which increased to 45 percent next year and 60 percent during FY 2019-20. However, it was limited to 11 percent of GPs during FY 2020-21 and marginally increased to 23 percent in the following year (see **Table 7.1**).

Tamil Nādu, followed by Karnataka, Sikkim, Meghalaya, Gujarat, and Odisha, were the states where social audit coverage was more than 85 percent of the GPs during FY 2017-20. More than 60 percent of the GPs in West Bengal and Himachal Pradesh were covered under social audits at least once during the same period. In Andhra Pradesh, more than 89 percent of the GPs were covered; however, in Telangana and Chhattisgarh, more than 52 percent of the GPs were audited during FY 2018-20. During 2019-20, Madhya Pradesh, Rajasthan, Tripura and

**Table 7.1** Coverage of social audits across Gram panchayats under MGNREGA across States and Union Territories (in percent)

S No.	State Name	Total Number of GPs (as per FY 2021-22)	Percentage of GPs audited at least once in FY				
			2017-18	2018-19	2019-20	2020-21	2021-22
1	Andhra Pradesh	13074	13.6	97.4	88.9	43.4	26.9
2	Arunachal Pradesh	2002	0	0	0	0	0
3	Assam	2661	8	12.4	0.6	17.1	6.4
4	Bihar	8526	0	2.9	31	0	0.6
5	Chhattisgarh	11664	33.9	55.5	56.4	0	8.5
6	Goa	190	0	0	0	0	0
7	Gujarat	14137	91.4	98.6	99.6	0.4	0
8	Haryana	6157	0	0	0.2	45.2	7.1
9	Himachal Pradesh	3642	71.1	88.3	83.8	0.1	47.7
10	Jammu And Kashmir	4543	0	0	0.8	31	16.2
11	Jharkhand	4391	38.1	41.9	29.4	3.4	0
12	Karnataka	6013	94.7	98.5	99.5	90.5	31.5
13	Kerala	941	0	0	0.1	0	1.9
14	Ladakh	193	0	0	0	0	0
15	Madhya Pradesh	22777	20.2	43	57.8	0	91.7
16	Maharashtra	28367	0	7	10.9	0	0
17	Manipur	3151	0	0	0.8	10.7	10.3
18	Meghalaya	6349	93.7	97.5	98.3	68.5	0.1
19	Mizoram	858	31.9	21.2	59.1	53.6	30.8
20	Nagaland	1271	10.1	6	38.1	3.5	6.3
21	Odisha	6798	85	93.4	98.7	0	1.4
22	Punjab	13329	25.9	35.9	49.9	42.8	35.3
23	Rajasthan	11347	0	0.8	71.8	0.4	0
24	Sikkim	185	94.6	100	99.5	52.4	13
25	Tamil Nadu	12525	99.7	100	99.9	0	0
26	Telangana	12775	0.1	86.5	52.2	17.1	9.8
27	Tripura	1178	51.3	49.8	72.8	86.2	17
28	Uttar Pradesh	59158	4.5	34.8	78.4	0	39.3
29	Uttarakhand	7810	0.3	6.8	29.9	7.6	3.9
30	West Bengal	3341	64.3	82.9	84	0	27.2
31	Andaman & Nicobar	78	0	0	0	0	0
32	Lakshadweep	10	0	0	0	0	0
33	Puducherry	10	0	0	0	0	0
34	The Dadra and Nagar Haveli & Daman Diu	20	0	0	0	0	0
Total		269471	25.2	44.8	60.3	11.4	23

Source: Compiled from MGNREGA MIS (February 2022)

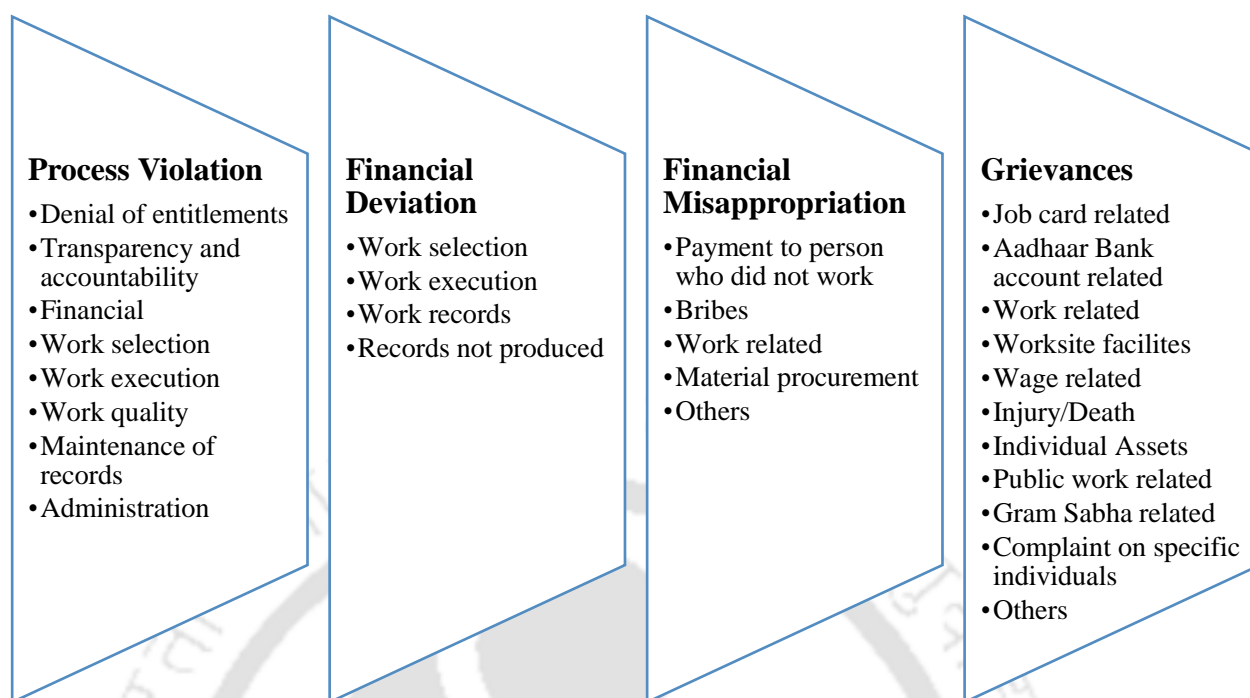
Uttar Pradesh increased their coverage in social audits to more than 50 percent of the GPs. In FY 2020-21, Karnataka, Tripura, Meghalaya, Mizoram and Sikkim were the only states auditing more than half of the GPs. Haryana and Jammu & Kashmir covered more than 32 percent of their GPs under audits for the first time. During FY 2021-22, only Madhya Pradesh covered 92 percent of its GPs, and in the rest of the states, coverage was below 50 percent.

To summarize, social audit coverage under MGNREGA across GPs were low, barring one-third of the states in India. During FY 2017-20, social audit coverage across states increased, gradually covering more GPs at least once during the FY; however, the coverage dropped below 12 percent during FY 2020-21 and increased the following year marginally. The majority of the states covered less than 50 percent of their respective GPs under social audit in the FY 2021-22.

### **7.1.3 Findings of social audits in MGNREGA across States**

There are four classifications of issues (see **Figure 7.1**) reported in social audits: Financial Misappropriation, Financial Deviation, Process Violations and Grievances. The above issues are classified into sub-issues on different parameters and reported in NREGASoft. During FY 2017-22, more than twenty lakh issues were reported in social audits across 34 States and Union Territories (see **Table 7.2**). The proportion of Process violation issues reported is the highest, followed by Financial Misappropriation, Financial Deviation, and the least are Grievance's issues. We observe an increasing trend in reporting the issues as the coverage of social audits increases during FY 2017-20.

**Figure 7.1** Classification and descriptions of reported issues in social audits through MGNREGA MIS



Source: Author's compilation

As the coverage of social audits across GPs decreased in FY 2020-21, the number of reported issues also declined and marginally increased in the following year as the coverage increased. In FY 2017-18, more than 2.3 lakh (0.23 million) issues were reported across the country, which doubled in the next year and more than tripled in FY 2019-20, as the coverage increased. During FY 2020-21, the reported issue decreased to 2.07 lakh (0.21 million) and increased to 2.4 lakh (0.24 million) in the next year. We observe a gradual increase in Process Violations and Financial Deviations; and decreasing trends in reported Financial Misappropriation and Grievances issues across India during FY 2017-22. Primarily, in limited social audit coverage during FY 2020-21, the share of Financial Deviation increased to 36 percent, almost equivalent to the proportion of Process Violation issues across India. In FY 2021-22, the percentage of Process Violation issues is nearly half of India's total number of issues.

**Table 7.2** *Distribution of social audit coverage under MGNREGA and number of issues reported across 34 States and Union Territories in India during FY 2017-22*

<i>Financial Year</i>	<i>Total Number of GPs</i>	<i>Percentage of GPs audited at least once (%)</i>	<i>Proportion of Financial Misappropriation (%)</i>	<i>Proportion of Financial Deviation (%)</i>	<i>Proportion of Process Violation (%)</i>	<i>Proportion of Grievances (%)</i>	<i>Total number of issues reported in social audits</i>
2017-18	266040	25.2	29.2	18.4	31.8	20.6	233227
2018-19	265934	44.8	23.9	19.8	38.8	17.6	585605
2019-20	265705	60.3	21.4	22.0	42.6	14.1	761346
2020-21	269354	11.4	22.1	35.6	34.9	7.3	207314
2021-22	269471	23.0	17.5	23.6	48.2	10.8	243248
<b>Total</b>		<b>32.8</b>	<b>22.6</b>	<b>22.5</b>	<b>40.1</b>	<b>14.7</b>	<b>2030740</b>

*Source:* Compiled from MGNREGA MIS (February, 2022)

During FY 2017-22, the highest number of issues were reported from Tamil Nādu (3.9 lakh), Uttar Pradesh (3.7 lakh), Andhra Pradesh (2.9 lakh), Telangana (2.3 lakh), Karnataka (1.7 lakh) and West Bengal (1.06 lakh). Except for Uttar Pradesh and Telangana, all the above states have comparatively better coverage of GPs under social audits. More than 40 percent of the issues reported were Financial Misappropriation in Tamil Nādu and Andhra Pradesh. About 66 percent of the issues from Uttar Pradesh were of Process Violations; in Telangana (49 percent) and West Bengal (74 percent). The majority of the issues reported in Rajasthan (89 percent), Gujarat (73 percent), Haryana (49 percent) were of Grievances.

The majority proportion of issues reported in Punjab (53 percent), Karnataka (47 percent) and Andhra Pradesh (49 percent) were of Financial Deviations. In the rest of the states, most issues reported were Process Violations. Social audits in Assam reported 3215 issues during FY 2017-22, a majority (70 percent) were of Process Violations followed by Financial Deviations (16.4 percent), Grievances (10.2 percent) and Financial Misappropriation (4 percent). The other six north-eastern states have reported more issues than Assam, most of which were under Process Violations.

Social audits across 34 States and Union Territories (during FY 2017-22) have reported issues involving more than INR 10500 crores (INR 105000 million) of the scheme funds (see **Table 7.3**). The highest of such amount is reported under Financial Deviation followed by Process Violation and Financial Misappropriation; least in under Grievances. Financial Deviation involved cases of fund deviation in work selection, execution, work records and records not produced. During FY 2017-18, social audits reported more than INR 2600 crore (INR 26000 million) under all the issues, which increased to INR 3310.6 crore (INR 33106 million) in FY 2019-20. In the following FY 2020-21, the reporting amount decreased to INR 1258.6 crores (INR 12586 million), further decreasing to INR 473.8 crore (INR 4738 million) in FY 2021-22. More than 73 percent of the amount involved in the issues (in each FY) were reported under Financial Deviations. Process Violations involved more than 12.5 percent of the total amount reported from FY 2017-18 to 2020-21 and decreased to 8.6 percent in FY 2021-22. The amount involved under Financial Misappropriations was about six percent of the total amount reported during FY 2017-18; the proportion increased to 17.6 percent in FY 2021-22. Grievances involved less than three percent of the total amount reported in each FY.

**Table 7.3** *Distribution of social audit coverage under MGNREGA and amount involved in issues reported across 34 States and Union Territories in India during FY 2017-22*

<i>Financial Year</i>	<i>Total Number of GPs</i>	<i>Percentage of GPs audited at least once (%)</i>	<i>Proportion of Financial Misappropriation (%)</i>	<i>Proportion of Financial Deviation (%)</i>	<i>Proportion of Process Violation (%)</i>	<i>Proportion of Grievances (%)</i>	<i>Total amount involved in issues reported in social audits (in INR crore)</i>
2017-18	266040	25.2	5.9	77.8	13.4	2.9	2622.4
2018-19	265934	44.8	10.3	75.1	12.6	2.0	2873.0
2019-20	265705	60.3	10.4	76.3	12.5	0.7	3310.6
2020-21	269354	11.4	8.6	76.0	14.8	0.7	1258.6
2021-22	269471	23.0	17.6	73.2	8.6	0.5	473.8
<b>Total</b>		<b>32.8</b>	<b>9.4</b>	<b>76.2</b>	<b>12.9</b>	<b>1.6</b>	<b>10538.5</b>

*Source:* Compiled from MGNREGA MIS (February, 2022)

Around 80 percent of the total amount reported under all issues in the social audits (FY 2017-22) were from four southern states (see **Table 7.4**). Tamil Nādu accounted for the highest amount reported (INR 4015.3 crore/INR 40153 million), followed by Karnataka (INR 3097.5 crore/ INR 30975 million), Andhra Pradesh (INR 840.4 crore/INR 8404 million) and Telangana (INR 424.4 crore/INR 4244 million).

Social audits in Bihar and Tripura reported more than INR 300 crore (INR 3000 million); three states (Odisha, Punjab and Jharkhand) reported between INR 282-296 crore (INR 2820-2960 million). Chhattisgarh and Meghalaya reported more than INR 124 crore (INR 1240 million), while three larger states (Madhya Pradesh, Maharashtra and Uttar Pradesh) reported between INR 23-91 crores (INR 230-910 million) under all issues. Assam reported INR 8.7 crore (INR 87 million) under all issues; a majority (90 percent) were under Financial Deviation followed by Process Violation (5.7 percent), Financial Misappropriation (4.4 percent) and least under Grievances (0.2 percent). Compared to Assam, social audits in the two neighbouring north-eastern states (Meghalaya and Tripura) reported between INR 172-312 crore (INR 1720-3120 million) under all issues. A majority share of the amount involved in Tripura (similar in Sikkim and Mizoram) were under Financial Deviations (67 percent) while its under Process Violation (74 percent) in Meghalaya.

To summarize the section, we observed that during FY 2017-22, more than twenty lakh issues were reported in social audits across 34 States and Union Territories. The proportion of Process violation issues reported is the highest, followed by Financial Misappropriation, Financial Deviation, and the least are Grievances. However, the amount involved in the reported matters was more than INR 10500 crores (INR 105000 million) of the scheme funds. The highest of such amount is reported under financial deviations followed by Process Violation and Financial Misappropriation; least in under Grievances. Around 80 percent of the total amount reported-

**Table 7.4** Distribution of amount involved in issues reported in social audits across 34 States and Union Territories in India during FY 2017-22

State Name	Proportion of Financial Misappropriation (%)	Proportion of Financial Deviation (%)	Proportion of Process Violation (%)	Proportion of Grievances (%)	Total amount involved in issues reported in social audits (in INR crore)	% Total amount reported in India
Arunachal Pradesh	0	0	0	0	0	0
Goa	0	0	0	0	0	0
Kerala	0	0	0	0	0	0
Ladakh	0	0	0	0	0	0
Andaman And Nicobar	0	0	0	0	0	0
Lakshadweep	0	0	0	0	0	0
Puducherry	0	0	0	0	0	0
Dadra Nagar Haveli & Daman Diu	0	0	0	0	0	0
Gujarat	8.6	9.1	74.3	8	0	0
Rajasthan	0	34.1	65.5	0.4	0.1	0
Manipur	82.7	7.8	9.5	0	0.1	0
Nagaland	48.7	46.5	4.8	0	4.1	0
Assam	4.4	89.6	5.7	0.2	8.7	0.1
Haryana	0.5	99.5	0	0	10.9	0.1
Mizoram	9.8	57.5	15.9	16.8	11.6	0.1
Sikkim	17.8	49.5	5.2	27.5	11.7	0.1
Himachal Pradesh	47.5	36.4	14.1	2	12	0.1
West Bengal	15.9	33.8	19.9	30.4	14.1	0.1
Jammu And Kashmir	2.2	95.4	2.1	0.2	18.1	0.2
Uttarakhand	23	42.8	32.2	2	21	0.2
Madhya Pradesh	11.6	76.7	6.8	4.8	23.3	0.2
Maharashtra	2.3	93.7	3.7	0.4	86.6	0.8
Uttar Pradesh	31.6	50.9	7	10.5	91.1	0.9
Chhattisgarh	31.7	32.4	3	32.8	123.6	1.2
Meghalaya	0.1	0.7	73.7	25.6	171.7	1.6
Odisha	1.6	55.2	42.1	1.1	281.9	2.7
Punjab	9.4	79	9.3	2.2	289.8	2.7
Jharkhand	17	69.6	11.3	2.2	295.8	2.8
Tripura	4.4	67.1	24	4.6	311.9	3
Bihar	3.3	94.7	1.7	0.3	372.6	3.5
Telangana	23.2	30.6	43.7	2.5	424.4	4
Andhra Pradesh	34	62.7	2.3	1.1	840.4	8
Karnataka	5.2	79.9	14.7	0.1	3097.5	29.4
Tamil Nadu	6	86.9	7	0.2	4015.3	38.1
Total	9.4	76.2	12.9	1.6	10538.5	100

Source: Compiled from MGNREGA MIS (February, 2022)

under all issues in the country were from four southern states, where social audit coverage is comparatively better than other states.

## **7.2 Assam Society of Social Audit (ASSA)**

Assam's 27 districts were brought under MGNREGA on 1<sup>st</sup> April 2008. Although the state was required to set up SAU and appoint a Director by December 2011 (CAG, 2013, p. 83), Assam's SAU functioned as a cell within the Department of Rural Development (CAG, 2016, p. v) until December 2016. The CAG (2013) noted incidences of social audits through NGOs/Other Societies/Agencies against the approved guidelines under MGNREGA during FY 2007-12. The Assam Society of Social Audit (ASSA) was established in December 2016 as an independent organization and worked towards strengthening the social audit processes in Assam through intensive training of different stakeholders and systematic awareness building among rural masses. It facilitates people participation in social audits in Assam. The primary goal is to enhance the capacity of the rural masses and community-based organizations through a participatory process on social audits and coordinate with different training institutes to impart training to the Resource Persons and Social Auditors.

As per the directive of MoRD, the Director is the head of the organization under whom at least one Social Development Specialist is deputed at the state level (the post is vacant in Assam). Social Audit Experts are responsible for preparing, conducting, and reporting their respective districts' social audit plans. The state decides the requirement of these experts as per their number of districts; the smaller state can have one while the larger state has up to fifteen such experts. ASSA has five sanctioned experts posts; however, data shows that they are vacant. The Resource Persons at the District and Block levels coordinate and facilitate social audits at their respective levels. The Village Resource Persons are identified, trained and deployed by the organization to facilitate social audits in the GPs. In Assam, nearly forty percent of the District

and Block's Resource positions are vacant; however, less than half of the total sanctioned Village Resource Persons are identified.

**Figure 7.2** Organizational structure of Assam Society of Social Audit



Source: Author's compilation

**Table 7.5** Status of the workforce in Assam Society of Social Audit (as of December 2021)

S No	Particulars	Number of sanctioned positions	Status of deployment	Remarks
1	Director	1	1	None
2	Social Development Specialist	1	0	Vacant posts will be filled up shortly.
3	State Audit Expert	5	0	
4	District Resource Person (DRP)	32	21	
5	Block Resource Person (BRP)	219	138	
6	Village Resource Person (VRP)	3441	1688	VRP has been trained

Source: MGNREGA MIS, 2021

### 7.2.1 Coverage of social audits in MGNREGA in Assam (FY 2017-22)

In Assam, social audit coverage is low across districts (see **Table 7.6**). Out of 2661 GPs, eight percent GPs were audited in FY 2017-18, followed by 12.4 percent during FY 2018-19. In FY 2019-20, less than one percent of the GPs have been audited, while social audit coverage of

**Table 7.6** List of Districts and GPs covered in social audits under MGNREGA in Assam (FY 2017-22)

S No.	District	Total Number of GPs	Percentage of GPs audited at least once in FY				
			2017-18	2018-19	2019-20	2020-21	2021-22
1	Baksa	102	14.7	0.0	0.0	5.9	2.0
2	Barpeta	129	0.0	22.5	0.0	19.4	10.1
3	Biswanath	76	0.0	0.0	0.0	17.1	6.6
4	Bongaigaon	65	6.2	3.1	0.0	12.3	10.8
5	Cachar	162	8.0	0.0	0.0	15.4	9.3
6	Charaideo	36	0.0	0.0	0.0	19.4	13.9
7	Chirang	66	12.1	6.1	0.0	6.1	9.1
8	Darrang	75	0.0	26.7	0.0	32.0	8.0
9	Dhemaji	65	13.8	29.2	3.1	38.5	12.3
10	Dhubri	132	5.3	15.2	0.0	15.9	0.8
11	Dibrugarh	93	0.0	39.8	0.0	14.0	6.5
12	Dima Hasao	42	73.8	9.5	0.0	16.7	9.5
13	Goalpara	81	28.4	1.2	0.0	12.3	6.2
14	Golaghat	102	0.0	16.7	0.0	12.7	2.9
15	Hailakandi	62	8.1	21.0	3.2	19.4	11.3
16	Hojai	67	0.0	0.0	4.5	13.4	10.4
17	Jorhat	90	0.0	0.0	2.2	24.4	7.8
18	Kamrup	139	15.1	0.0	0.0	18.0	8.6
19	Kamrup (Metro)	22	0.0	4.5	18.2	50.0	18.2
20	Karbi Anglong	11	36.4	0.0	0.0	27.3	0.0
21	Karimganj	95	0.0	11.5	0.0	27.4	6.3
22	Kokrajhar	128	18.8	5.5	0.0	8.6	3.9
23	Lakhimpur	81	0.0	38.3	2.5	19.8	2.5
24	Majuli	20	0.0	0.0	0.0	65.0	20.0
25	Morigaon	94	6.4	26.6	0.0	13.8	8.5
26	Nagaon	163	0.0	0.0	0.6	16.0	4.3
27	Nalbari	65	0.0	60.0	0.0	1.5	4.6
28	Sivasagar	82	0.0	0.0	0.0	14.6	3.7
29	Sonitpur	82	0.0	22.0	0.0	15.9	6.1
30	South Salamara-Mancachar	35	0.0	0.0	0.0	22.9	17.1
31	Tinsukia	85	0.0	17.4	0.0	15.1	1.2
32	Udalguri	114	36.8	15.8	0.0	16.7	9.6
	<b>Total</b>	<b>2661</b>	<b>8.0</b>	<b>12.4</b>	<b>0.6</b>	<b>17.1</b>	<b>6.4</b>

Source: Compiled from MGNREGA MIS, February, 2022

GPs increased to 17 percent in the following year. However, during FY 2021-22, the social audit of the GPs decreased to 6.4 percent.

In 2017-18, a majority (74 percent) of the GPs in Dima Hasao district and more than 36 percent of the GPs in Karbianglong and Udalguri districts were audited at least once. None of the GPs from Eighteen districts was audited, and in the rest of the districts, coverage was lower (between 5-28 percent). During FY 2018-19, the highest 60 percent of the GPs in Nalbari district were audited at least once, followed by Dibrugarh and Lakhimpur, where more than 38 percent of the GPs audits were completed. In twelve districts, none of the GPs was audited. In the remaining districts, the coverage was in the range of 1-29 percent.

During FY 2019-20, most districts were not covered under social audits; however, in seven districts, coverage of social audits was limited to less than five percent of the GPs (except Kamrup Metro-18.2 percent). In FY 2020-21, social audit coverage among districts improved compared to previous years and all the districts were covered. The highest 65 percent of GPs in the Majuli district were audited, followed by Kamrup Metro (50 percent), Dhemaji (38.5 percent) and Darrang (32 percent). In four districts (Baksa, Chirang, Kokrajhar and Nalbari), coverage was less than ten percent. 10-27 percent of the GPs were covered in the remaining districts. During FY 2021-22, social audits were less than the previous year; however, most of the districts were covered (except Karbianglong). The highest 20 percent of the GPs in the Majuli district were audited, followed by Kamrup (Metro) and South Salamara-Mancachar; in the rest of the districts, coverage was limited to less than 14 percent.

In BVR, social audit coverage was highest in Hailakandi. In FY 2017-18, eight percent GPs in Hailakandi and Cachar districts were audited while none from Karimganj. During FY 2018-19, none of the GPs in the Cachar district was audited, while 21 percent of the GPs in Hailakandi, followed by Karimganj district (11.5 percent), were audited. In FY 2019-20, only three percent of the GPs in the Hailakandi district were audited, while none from the other two districts.

During FY 2020-21, 15-27 percent of GPs in the three districts were audited, while coverage again dropped to less than 12 percent in these districts in FY 2021-22. Only in the Hailakandi district, some GPs audits were completed every year; however, coverage was limited (3.2- 21 percent of the GPs).

### 7.2.2 Findings of social audits in Assam (FY 2017-22)

The social audits of GPs under MGNREGA in Assam have reported 3215 issues during five years period (FY 2017-22). The highest number of cases (1913) has been raised during FY 2020-21, followed by 795 issues in the next year (see **Table 7.7**). In FY2019-20, since the coverage was negligible, only 41 issues were raised under audits.

**Table 7.7** Distribution of social audit coverage under MGNREGA and number of issues reported in Assam during FY 2017-22

Financial Year	Total Number of GPs	Percentage of GPs audited at least once (%)	Proportion of Financial Misappropriation (%)	Proportion of Financial Deviation (%)	Proportion of Process Violation (%)	Proportion of Grievances (%)	Total number of issues reported in social audits
2017-18	2664	8.0	4.6	6.9	75.1	13.4	217
2018-19	2664	12.4	5.2	19.7	61.4	13.7	249
2019-20	2662	0.6	7.3	14.6	68.3	9.8	41
2020-21	2662	17.1	4.1	17.1	68.4	10.4	1913
2021-22	2661	6.4	1.5	16.4	74.3	7.8	795
Total		8.9	3.6	16.4	69.8	10.2	3215

Source: Compiled from MGNREGA MIS (February, 2022)

In FY 2017-19, more than two hundred issues were reported in the audits across districts. About 70 percent of the reported issues during the five years were of Process Violations, followed by Financial Deviations (16.4 percent), Grievances (10.2 percent) and Financial Misappropriation (3.6 percent), the least. In each FY, a similar trend was observed except in FY 2017-18, where the proportion of Grievances was higher than Financial Deviations.

Around INR 8.7 crores (see **Table 7.8**) were reportedly involved in 3215 issues reported under the social audits in MGNREGA in Assam (FY 2017-22). The highest amount (INR 6.5 crore/

INR 65 million) was reported during FY 2020-21, when the coverage was highest in the state. Around INR 1.03 crore (INR 10.3 million) were reported involved in 249 issues found during FY 2018-19. During the five years, a majority (90 percent) of the amount involved was in Financial Deviation issues followed by Process Violations (5.7 percent), Financial Misappropriations (4.4 percent) and least in Grievances (0.2 percent). In every audit year, the proportion of amount involved in Financial Deviations was highest except during FY 2019-20, when most of the amount reported was involved in Financial Misappropriations and Process Violation issues. In Assam, the proportion of Process Violation issues was highest (70 percent) among all issues reported in each audit year; however, the amount involved in Financial Deviation issues was highest. In the case of Grievances each year (except FY 2017-18), the amount involved was zero.

**Table 7.8** *Distribution of social audit coverage under MGNREGA and amount involved in issues reported in Assam during FY 2017-22*

<i>Financial Year</i>	<i>Total Number audited at of GPs</i>	<i>Percentage of GPs audited at least once (%)</i>	<i>Proportion of Financial Misappropriation (%)</i>	<i>Proportion of Financial Deviation (%)</i>	<i>Proportion of Process Violation (%)</i>	<i>Proportion of Grievances (%)</i>	<i>Total amount involved in issues reported in social audits (in INR)</i>
2017-18	2664	8.0	16.0	57.4	23.0	3.6	4511803
2018-19	2664	12.4	10.3	73.2	16.5	0.0	10380388
2019-20	2662	0.6	52.0	0.0	48.0	0.0	24993
2020-21	2662	17.1	2.5	94.1	3.3	0.0	64729522
2021-22	2661	6.4	5.8	93.2	1.1	0.0	7757432
<b>Total</b>		<b>8.9</b>	<b>4.4</b>	<b>89.6</b>	<b>5.7</b>	<b>0.2</b>	<b>87404138</b>

*Source:* Compiled from MGNREGA MIS (February, 2022)

#### ***District wise Financial Deviations reported in social audits in Assam during FY 2017-22***

Social audits of GPs under MGNREGA in Assam during the five years (FY 2017-22) reported the majority proportion (90 percent) of the amount and second highest in terms of the number of issues in Financial Deviations. There are four types of issues reported under Financial Deviations- work selection, work execution, work records and records not produced.

**Table 7.9** Distribution of amount involved in Financial Deviation issues across districts in Assam during FY 2017-22 (in percent)

S. No	District	Amount involved in Financial Deviation issues (in percent)				Total amount involved in Financial Deviations (in INR)
		Work Selection	Work Execution	Work Records	Records Not Produced	
1	Charaideo	0.0	0.0	100.0	0.0	5670
2	Goalpara	0.0	91.4	8.6	0.0	84290
3	Biswanath	0.0	100.0	0.0	0.0	138024
4	Sivasagar	0.0	100.0	0.0	0.0	183795
5	Udalguri	0.0	100.0	0.0	0.0	240266
6	Sonitpur	0.0	100.0	0.0	0.0	455698
7	Tinsukia	0.0	100.0	0.0	0.0	568042
8	Dima Hasao	0.0	100.0	0.0	0.0	603726
9	Lakhimpur	0.0	100.0	0.0	0.0	641595
10	Dibrugarh	0.0	100.0	0.0	0.0	730782
11	Nagaon	0.0	97.1	2.9	0.0	898727
12	Golaghat	0.0	100.0	0.0	0.0	1031507
13	Bongaigaon	0.0	100.0	0.0	0.0	1345516
14	Cachar	0.0	0.0	0.4	99.6	2583210
15	Majuli	0.0	100.0	0.0	0.0	2817545
16	Jorhat	0.0	100.0	0.0	0.0	4702022
17	Kamrup	0.0	100.0	0.0	0.0	4883744
18	Morigaon	0.0	100.0	0.0	0.0	6282078
19	Darrang	0.0	95.6	4.4	0.0	16447609
20	Barpeta	0.0	100.0	0.0	0.0	33678165
Total		0.0	95.7	1.0	3.3	78322011

Source: Compiled from MGNREGA MIS (February, 2022)

A majority (96 percent) of the reported amount was under work execution issue followed by records not produced (3.3 percent), work records (1 percent) and none under work selection issue (see **Table 7.9**). Thus, Financial Deviations are concentrated in issues of work execution across 18 out of 20 districts from where these amounts were reported. In Barpeta district, the highest INR 3.4 crore (INR 34 million), were reportedly involved in work execution, followed by Darrang district (INR 1.6 crore/ INR 16 million). In Morigaon district, the amount reported was INR 0.62 crore (INR 6.2 million), Kamrup (INR 0.49 crore/INR 4.9 million) and Jorhat

(INR 0.47 crore/INR 4.7 million). Four districts reported an amount between INR 10-28 lakh (INR 1-2.8 million), nine districts in the range of INR 1-9 lakh (INR 0.1-0.9 million) and two under one lakh. Issue of work records was reported from Charaideo, Goalpara, Nagaon, Cachar and Darrang. The amount reported under records not produced was from the Cachar district (one of our sample districts).

***District wise Process Violation issues reported in social audits in Assam during FY 2017-22***

Regarding the number of issues reported across all major heads, Process Violation issues were the highest (70 percent); however, they involved INR 0.50 crore (INR 5 million) or six percent of the total amount involved (**Table 7.10**). The amounts under Process Violation issues were raised from twelve districts; however, most of the amounts were concentrated in three districts – Kamrup, Darrang and Cachar. In the rest of the nine districts, the amount involved was INR 2457-101933. Major Process Violation issues were denial of entitlements (47 percent), maintenance of registers/records (26 percent), financials (20 percent) and transparency-accountability (6 percent). Most Process Violation amounts were reported under the denial of entitlements, only from two districts-Darrang and Cachar. In the Kamrup district, major process violations were the maintenance of registers/records and financials. In Tinsukia, Karimganj and Hailakandi district, all the reported violations were under transparency & accountability, while in six districts, the violations were of maintenance of registers/records. No violations were reported involving any amounts under work selection, work execution and administration were reported from any districts.

**Table 7.10** *Distribution of amount involved in Process Violation issues across districts in Assam during FY 2017-22 (in percent)*

S. No	District	Amount involved in Process Violation issues (in percent)								Total amount involved in Process Violations (in INR)
		Denial of Entitlements	Transparency & Accountability	Financial	Work Selection	Work Execution	Work Quality	Maintenance of Registers, records	Administration	
1	Charaideo	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	2457
2	Barpeta	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	4632
3	Tinsukia	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	4750
4	Karimganj	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	6000
5	Hailakandi	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	12000
6	Sivasagar	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	60331
7	Goalpara	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	74406
8	Sonitpur	0.0	11.8	0.0	0.0	0.0	44.8	43.4	0.0	101933
9	Cachar	70.7	19.6	9.6	0.0	0.0	0.0	0.0	0.0	1038989
10	Darrang	93.7	0.3	1.8	0.0	0.0	4.1	0.0	0.0	1709619
11	Kamrup	0.0	1.8	44.6	0.0	0.0	0.0	57.9	0.0	1907290
Total		46.7	5.6	19.6	0.0	0.0	2.3	25.8	0.0	5004016

Source: Compiled from MGNREGA MIS (February, 2022)

***District wise Financial Misappropriation issues reported in social audits in Assam during FY 2017-22***

Social audits in five-year period have reported around INR 38.9 lakh (INR 3.9 million) involved in Financial Misappropriation issues in Assam (see **Table 7.11**). The highest proportion of amount was reported under material procurement issues (48 percent), followed by work-related issues (38 percent), payment to the person who did not work (7.2 percent), and bribes (6.5 percent). Three districts -Barpeta, Hailakandi and Cachar accounted for more than 75 percent of the total amount involved in Financial Misappropriations.

**Table 7.11** *Distribution of amount involved in Financial Misappropriation issues across districts in Assam during FY 2017-22 (in percent)*

S. No.	District	Amount involved in Financial Misappropriation					Total amount involved in Financial Misappropriations (in INR)
		Payment to person who did not work	Bribes	Work-Related	Material Procurement	Others	
1	Lakhimpur	0.0	100.0	0.0	0.0	0.0	900
2	Dibrugarh	100.0	0.0	0.0	0.0	0.0	2366
3	Chirang	0.0	0.0	0.0	0.0	100.0	5790
4	Jorhat	88.4	0.0	0.0	0.0	11.6	9192
5	Sonitpur	0.0	0.0	0.0	100.0	0.0	10084
6	Charaideo	0.0	0.0	0.0	100.0	0.0	16454
7	Kamrup	0.0	0.0	100.0	0.0	0.0	17614
8	Bongaigaon	100.0	0.0	0.0	0.0	0.0	18744
9	Kamrup (Metro)	95.9	0.0	0.0	0.0	4.1	18976
10	Dhubri	100.0	0.0	0.0	0.0	0.0	25750
11	Karimganj	34.8	0.0	65.2	0.0	0.0	30320
12	Udalguri	0.0	0.0	100.0	0.0	0.0	32886
13	Dima Hasao	0.0	0.0	100.0	0.0	0.0	39263
14	Majuli	100.0	0.0	0.0	0.0	0.0	52110
15	Sivasagar	1.3	0.0	63.0	35.7	0.0	215714
16	Morigaon	0.0	0.0	100.0	0.0	0.0	412466
17	Cachar	0.0	34.9	64.4	0.7	0.0	719676
18	Hailakandi	0.0	0.0	20.4	79.6	0.0	1031738
19	Barpeta	11.5	0.0	12.5	76.0	0.0	1229322
<b>Total</b>		<b>7.2</b>	<b>6.5</b>	<b>38.2</b>	<b>47.9</b>	<b>0.2</b>	<b>3889365</b>

Source: Compiled from MGNREGA MIS (February, 2022)

In Barpeta and Hailakandi districts, most of the amount was involved in material procurement issues while most of the amount was under work-related issues in Cachar.

Social audits have reported the issue of payment to persons who did not work in nine districts. In six districts (Dibrugarh, Jorhat, Majuli, Kamrup-Metro, Bongaigaon, Dhubri) majority proportion of Financial Misappropriation was reported under the payment to persons who did not work. In Barpeta district, the amount reported in payment to person who did not work was INR 1.4 lakh, followed by Majuli (INR 0.5 lakh), Dhubri (INR 0.26 lakh); while in the rest of the districts, the amount reported under the head was in the range of INR 2366-18744. In our sample district, the social audits have found the same issue in Karimganj district (INR 10556) only and none in Cachar and Hailakandi. We found the issue in all of our sample districts. In the Cachar district, the audits have also reported the issue of bribes involving INR 2.5 lakh (INR 0.25 million).

#### ***District wise Grievances reported during social audits in Assam during FY 2017-22***

In terms of the amount involved in all issues reported in social audits, the share of Grievance was the least (0.2 percent). A total of INR 1.8 lakh was reported under the Grievances (from five districts), in which INR 1.4 lakh was from the Cachar district (see **Table 7.12**). In the other four districts, the amount involved in Grievances was INR 3258-24000. The majority of the amount in Grievances were reported under wage related issues (67 percent) followed by work-related issues (19 percent), Gram Sabha related issues (12.7 percent) and least under complaint on specific individuals (1.7 percent). In Bongaigaon and Kamrup districts, all were wage-related issues, while in Barpeta district, its Gram Sabha related issues. The majority of the Grievances were wage-related issues of delayed payment (75 percent) in Cachar followed by work-related issues (25 percent) of unable to get work. Grievances also included issues on job cards, Aadhaar/Bank account, worksite facilities, injury/death, individual assets, public works and others. However, during the five years, nothing has been reported under the above-listed issues under Grievances, meaning that no such issues were found in the social audits in Assam.

**Table 7.12** *Distribution of amount involved in Grievances across districts in Assam during FY 2017-22 (in percent)*

District	Amount involved in Grievances (in percent)				Total amount involved in Grievances (in INR)
	Work related	Wages related	Gram Sabha related	Complaint on specific individuals	
Sonitpur	0.0	0.0	0.0	100.0	3258
Bongaigaon	0.0	100.0	0.0	0.0	7280
Kamrup	0.0	100.0	0.0	0.0	13286
Barpeta	0.0	0.0	100.0	0.0	24000
Cachar	25.2	74.8	0.0	0.0	140922
Total	18.8	66.8	12.7	1.7	188746

Source: Compiled from MGNREGA MIS (February, 2022)

To summarize, during FY 2017-22, social audits under MGNREGA in Assam have reported involvement of INR 8.7 crore (from 25 districts), a majority (86 percent) of which were in work execution issues under Financial Deviations. The majority of the amount involved is located in Financial Deviation issues followed by Process Violations, Financial Misappropriation and Grievances the least. Around eight percent of the amount is involved in issues of record not produced, denial of entitlements and material procurement in the scheme. About 61 percent of the amount involved is concentrated in two western districts – Barpeta and Darrang. Another 17 percent of the amount involved are in three neighboring western districts -Kamrup, Morigaon and Bongaigaon. Around 10 percent of the amount are located in three eastern districts- Jorhat, Majuli and Golaghat. Cachar and Hailakandi account for about six percent of the amount involved in reported issues from our sample districts on the southern side. INR 36320 has been reported involved in Financial Misappropriation from the Hailakandi district.

### 7.3 Social audits under MGNREGA in the BVR Assam (FY 2017-22)

The coverage of social audits in the BVR is low during FY 2017-22. During FY 2017-18, about eight percent of the GPs in Cachar and Hailakandi districts were audited at least once and none in Karimganj district (see **Table 7.6** above). In FY 2018-19, social audit coverage increased in

Hailakandi (21 percent) and Karimganj (12 percent). None of the GPs was audited in the Cachar district during FY 2018-20. In FY 2019-20, social audits covered three percent GPs in the Hailakandi district and none from Cachar and Karimganj. During FY 2020-21, coverage increased to 15-27 percent of GPs; however, the coverage decreased in the following year across the three districts.

Social audits under MGNREGA across GPs in the BVR have found INR 0.56 crore involved in various issues during the five years (see **Table 7.13**). The majority (80.5 percent) of the amount reported is from Cachar, followed by Hailakandi (18.8 percent) and the least from the Karimganj district. In Cachar, a significant portion (57.4 percent) of the amount is reported under Financial Deviations, for which records have not been produced. About 23 percent of the amounts are under Process Violation issues, including denial of entitlements. Around 16 percent of the sum is under Financial Misappropriations, including work-related issues and bribes. A small portion of the amount is reported under Grievances, including wage-related matters.

**Table 7.13** *Distribution of amount involved in various issues in BVR Assam during FY 2017-22 (in percent)*

Issue Type	Issue Category	Amount involved in issues (in percent)		
		Karimganj	Hailakandi	Cachar
Financial Deviations	Work Records	0.0	0.0	0.3
	Records Not Produced	0.0	0.0	57.4
Process Violations	Denial of Entitlements	0.0	0.0	16.4
	Transparency & Accountability	16.5	1.1	4.6
	Financial	0.0	0.0	2.2
Financial Misappropriations	Payment to person who did not work	29.1	0.0	0.0
	Bribes	0.0	0.0	5.6
	Work Related	54.4	20.2	10.3
	Material Procurement	0.0	78.7	0.1
Grievances	Work Related	0.0	0.0	0.8
	Wages related	0.0	0.0	2.4
Total amount (in INR)		36320	1043738	4482797

Source: Compiled from MGNREGA MIS (February, 2022)

In Hailakandi and Karimganj districts, most of the amount is reported involved in Financial Misappropriations. It is related to material procurements and work-related issues in Hailakandi. At the same time, in the Karimganj district, it is under work-related and payment to the person who did not work. Social audits in all three districts have reported that bills and vouchers, Fund Transfer Orders, Muster Rolls, Work records such as administrative and technical sanctions, Gram Sabha resolutions, completion reports are not produced for audits. However, the amount involved in such Financial Deviation issues were only reported in the Cachar district.

The distribution of type of issue, category and sub-category of issues reported in social audits in MGNREGA in BVR Assam is presented in **Table 7.14**. In Cachar, audits found excess payments due to errors in calculation and sanction of ineligible works. Audits have reported irregularities in the measurement of works, work selection without administrative approval, payment to persons who did not work, no trace of work done, and work not completed for a long time in the Karimganj district. In Hailakandi, audits found irregularities in work execution where the total amount has been paid for partially completed building and non-payment of minimum wages to the workers.

Audits have reported irregularities in one of the fundamental processes that systematic and participatory planning exercise to identify works was not conducted across any of three districts in BVR. Work quality has been found poor in Cachar and Karimganj, while it reported that work is not even useful for the community in Karimganj. Awareness of MGNREGA and implementation processes is inferior in all three districts. Block registers were not produced, citizen information boards and wall writings were none, job cards are not with workers, payslips are not provided to workers, workers do not have passbooks, registers are poorly maintained, a mismatch between measurement book and completion report, other irregularity in records, are important Process Violation issues raised in BVR. In Cachar and Karimganj, issues were raised in material expenses. At the same time, people were denied compensation for delayed wages,

**Table 7.14** Distribution of Issue type, category and sub-category reported in social audits in MGNREGA in BVR, Assam (FY 2017-22)

Issue Type	Issue Category	Issue sub-category	Cachar	Karimganj	Hailakandi
Financial Deviation	Records not produced	Bills and vouchers, FTOs, MRs, Work records such as administrative and technical sanctions, Gram Sabha resolutions, completion reports are not produced for audits	Yes	Yes	Yes
	Work Execution	Significant differences between measurements at the worksite and recorded values in books		Yes	
	Work Records	Full amount paid for the partially constructed building			Yes
	Work Selection	Excess payment due to arithmetic errors in the measurement book	Yes		
		Sanction of ineligible work Work taken up without Administrative Sanction	Yes	Yes	
Financial Misappropriation	Bribes	Money was collected for allotting individual work, Commission taken during wage payment	Yes		Yes
	Material Procurement	Fake bills	Yes		Yes
	Payment to person who did not work	Payment to person who did not work		Yes	
	Work-Related	Work was done with machines; work was not done	Yes	Yes	
		Inappropriate work was executed, no trace of planted saplings		Yes	
	Amount paid for the already constructed building			Yes	
	No trace of work now		Yes	Yes	
Grievance	Complaint on specific individuals	Banking Correspondent		Yes	
	JC Related	Renewal of Job Card	Yes	Yes	Yes
		For new Job Card, JC was borrowed by someone else, unable to get JC		Yes	Yes
	Others	Application to redress grievance was not registered or acted upon		Yes	

Process Violation	Wages related	Payment of delayed wages, unable to get work	Yes		
		Payment of compensation for delayed wages		Yes	
		Non-payment of minimum wages			Yes
		Unable to get work	Yes	Yes	Yes
	Worksite facilities	No provision of worksite facilities	Yes	Yes	Yes
	Denial of Entitlements	No work suitable for particularly vulnerable groups, non-payment of compensation for delayed wages and unemployment allowances	Yes		
		Worksite facilities are not provided		Yes	
		People eligible to receive job cards are denied job cards			Yes
	Financial	Material Expenses Issue	Yes	Yes	
	Maintenance of Registers, records	Registers are poorly maintained, mismatch between measurement book and completion report, other irregularity in records.	Yes	Yes	Yes
	Transparency & Accountability	Awareness of MGNREGS and implementation processes is very poor, Block registers were not produced, citizen information boards and wall writings were none. Job Cards are not with workers, payslips are not provided to workers, workers do not have passbooks	Yes	Yes	Yes
		Job Cards are not with workers, payslips are not provided to workers, workers do not have passbooks. Measurements is not done in the presence of workers, Muster Rolls are not maintained at worksite and not publicly read			Yes
	Work Execution	Work has not been completed for a long time		Yes	
	Work Quality	Quality of work is poor	Yes		
Quality of work is poor; work is not useful for the community			Yes		
Work Selection	Systematic and participatory planning exercise to identify works was not conducted	Yes	Yes	Yes	

Source: Compiled from MGNREGA MIS (February, 2022)

unemployment allowances (in Cachar), worksite facilities were not provided (all districts), and eligible people were denied job cards in Hailakandi.

Social audits reported that in all the districts in BVR, workers are unable to get work while delayed wage payments are reported in Cachar and no compensation for delayed payments in Karimganj. The renewal of job cards was reported from all three districts, while in Karimganj and Hailakandi, audits reported job card borrowing and the inability to get job cards. In our survey, we have also found a rampant case of job card renting across BVR. In Cachar and Karimganj, audits found that machines completed work (a major violation). Even work was not done in Cachar, while inappropriate work was executed in Karimganj. In Karimganj and Hailakandi, audits could not find traces of work done as per the records. In Cachar and Hailakandi, bribes were taken for allotting works to individuals and commissions were collected during the wage payments, while fake bills were used for material expenses in Cachar and Hailakandi.

### ***7.3.1 Finding of social audits in sample Blocks and GPs in BVR Assam***

Among our 29 sample GPs, 15 GPs were audited once, and one GP (Bahadurpur-Hailakandi) was audited twice during five years. Seven GPs were audited in FY 2016-17, followed by eight GPs were audited during FY 2019-20 and one in FY 2020-21. The majority of the cases reported were of Process Violations. From Lakhipur block (Cachar district), audits found that job cards were partially updated in two sample GPs. In three GPs, citizen information boards were found broken and unavailable during the survey. Audits also found process violation issues in Lakhipur and Hailakandi blocks where the signature of the workers was missing in the Muster rolls.

The highest number of issues of Process Violations were reported from GPs of the South Karimganj block. None of the sample GPs was audited from the Dullavcherra block of

Karimganj districts. Three sample GPs (South Karimganj block) audits found that job card applications, registers, job cards are maintained poorly. There were many corrections in the job card application register in Farampasa GP, while records were not provided for audits in Nilambazar GP. It also found many modifications made in Muster rolls in Suprakandi and Farampasa GP. There were no provisions of work-site facilities in all four GPs audited in South Karimganj block. Work has not been complete for a long time in three GPs, while wall writings were not found in the four GPs covered under audits during the period. In Farampasa and Nilambazar GPs, the audit found the work completion records were not prepared even after final bill settlements.

Issue of delayed wage payments was reported from all the sample GPs of Silchar and Sonai blocks which were audited. Job cardholders were using old job cards which already expired in FY 2011-12, and most of the PMAY housing beneficiaries did not receive MGNREGA wage payments in Serispore GP of Hailakandi block. From four GPs of the South Karimganj block, job card borrowing has been reported during social audits, consistent with our findings. In all the GPs audited in Silchar and Sonai blocks, heavy machinery (JCB machines) was reported in construction work, and that money was collected from the beneficiaries. It pointed out that machines were used on many occasions while workers were accounted with inflated wages collected back to pay for the machinery.

The use of machines was also reported from the South Karimganj block, and works were not completed as per technical estimates, thus violating the guidelines. In Silchar, Sonai, and South Karimganj block audits reported irregularities that work was either not done, or no trace of work was found showing the severe issue of diversion of funds or Financial Misappropriations. One of the most basic violations reported in Lakhipur and South Karimganj blocks is that records were not produced for audits pointing towards the gross misconduct and elevated confidence of the functionaries. In another instance, the social audit reports of three GPs (in Bahadurpur,

Rangauti, Sudarshanpur Bandukmara during FY 2016-17) of Hailakandi block showed nothing in the report. We could only assume that no irregularities were found thus not reported, or there were no social audits done in reality or done ineffectively. The status report of the issues raised above in the social audits were all pending, and no data was available to know what happened to the cases. There were no data available to further the enquiry about whether the amount involved was recovered, people involved were punished or any corrective measures were taken and how the transparency and accountability were restored.

#### **7.4 The CAG audit findings on social audits in Assam**

The Report of Comptroller and Auditor General of India (CAG, 2013) reported against a total fund of INR 4152.5 crore (INR 41525 million) available in the state under the scheme during FY 2007-12, INR 4060.5 crore/INR 40605 million (98 percent) was reported spent. Out of 39.2 Lakh (3.92 million) households, 13.5 -21.6 lakh (1.4-2.2 million) households have employed an average of 12-37 days per household per year during FY 2007-12. The audit found that during FY 2007-08 and FY 2008-09, no labour budget was placed with the ministry or approved. During FY 2009-12, funds released fell short of the approved labour budget. It recommended the state governments strictly ensure timely preparation of annual plans, and only those works included in the plans are sanctioned and executed. It also found the instance of non-release of funds by both Centre and State; issues related to diversion of funds, delays in fund transfers to MGNREGA account, financial irregularities in administrative expenses, doubtful expenditures, underutilization of funds by implementing agencies and non-reconciliation of Post Office accounts.

It also noted that job cards were not appropriately issued on time, reported cases such as generation of excess job cards and fraudulent wage payments through fake job cards. The registration list was never updated to include eligible workers or delete ineligible workers. It found a lack of awareness of the scheme among the workers. It noted an increasing trend in the

issuance of job-card in most districts, but demand for works gradually came down every year during the period. It recommended that the state government strictly adhere to schemes guidelines, undertake periodical review of job cards, delete fake job cards from the MIS to avoid fraudulent payments, and ensure that the functionaries retain the job card under no condition of the workers any purpose. It directed the state government to involve the Panchayati Raj Institutions to open the workers' Bank/Post Office accounts proactively.

It found the implement agencies executed many non-permissible works. Most of the works remained incomplete due to the non-release of funds to implementing agencies. Materials were procured at higher rates. Cases of less execution of works than stipulated, wasteful expenditures, non-existent works but claimed, doubtful expenditures and unauthorized execution of works were noted. It found a deficiency in maintaining records, lack of vigilance in checking muster rolls, conducting social audits, grievance redressal, poor monitoring and evaluation of the scheme across districts.

(CAG, 2013, p. 10) noted that NREGA was implemented without any action plan in the Cachar district during FY 2007-08. The action plan of FY 2008-09 was prepared without assessing the ground realities, and no plan for subsequent years was prepared. The same plan was executed during the subsequent years (FY 2009-12). It also noted embezzlement of INR 1.9 crore meant for 26 schemes (equivalent to 1.5 lakh labour days of employment) in the district where the BDO, Senior Accountant and Junior Engineer siphoned the entire amount without any supporting records such as measurement book, muster roll, purchase vouchers. Similarly, during FY 2008-012, Hailakandi Zilla Parishad violated the scheme provision for an INR 3.8 crore wherein the said amount was paid in cash to parties/firms through Junior Engineer for material procurement. Such cases were also found in other districts.

It found irregular deduction of INR 26.2 lakh (INR 2.62 million) from INR 661.8 lakh (INR 66.2 million) sanctioned for the GPs work under Hailakandi block (FY 2008-10) by the Programme Officer and utilization of the same on non-permissible expenditure, thus, violating the guidelines. The audit found that no door-to-door household surveys were conducted in the Cachar district to identify and register potential workers under the scheme. In Kamrup (rural), Lakhimpur and Darrang districts, it found evidence for generating excess job cards in MIS and fake job cards for fraudulent payments. These job cards were generated in MIS only but never issued to any individual, which was then used to siphon off INR 35.8 lakh (INR 3.6 million). It also found that job cards were issued to unauthorized persons other than the actual beneficiary; job cards were retained/taken away from the holders. In Cachar district, it found 840 job cards kept at the GPs offices, and workers reported that the GP secretary retained their cards.

In many cases, it found the issuance of job cards without obtaining the signature of the holders. The report noted that functionaries were not proactive in opening the Bank/Post Office accounts of the job-card holders across districts, despite a clear mandate from the central government. It also found that account details were not appropriately maintained at the GP and Block levels.

There were cases of excess printing of job cards and non-accountability of manual job cards. In Hailakandi, two blocks received more than one lakh blank job cards but were not issued to workers. The functionary failed to provide details of the job cards issued. In many cases, double cards with different registration numbers were given to the same heads, separate cards for the husband and wife; all cards were manually issued without MIS support. Further, it noted that none of the districts had provided at least 100 days of employment to all rural job-seekers during FY 2007-12. None provided wage slips but found generated or issued, no instance of payment of unemployment allowances. Especially in Cachar and Hailakandi districts, it found that it neither provided jobs (to more than 37000 job-card holders who demanded employment) nor paid unemployment allowances despite the availability of sufficient funds. It noted delays in

paying wages up to three months, and no compensation was paid for such delays. In Cachar and Hailakandi, it found that wage payments were not paid at revised rates amounting to INR 1.13 crore/INR 11.3 million (January-March 2011) loss to the workers.

CAG (2013) found misuse of muster rolls and fraudulent payment of wages in many Blocks. In one incidence in Kamrup (Rural), INR 1.2 lakh was paid to 152 job-card holders using 16 muster rolls (November – December 2009). These same job-card holders were paid similar amounts later using 20 different muster rolls on various dates in the same works. Similarly, in Hajo and Goroimari Blocks, INR 3.3 lakh was delivered to 407 job-card holders (during FY 2009-11), and the same workers were engaged parallelly in three different works in the same GPs during the same period and paid INR 3.7 lakh. In Cachar and Hailakandi districts, records of works done, muster rolls, bills, measurement books, photographs and other records were not made available to the CAG audit teams; even the records of social audits were not available, and it came to know the district officials and the Programme Officer never attended the social audit meetings in the GPs. Thus, the audit pointed towards a lack of vigilance and effective monitoring in the implementation resulting in frauds and loss of employment days to needy workers. It also noted that social audits were not conducted with required spirits, and audits teams never pointed out deficiencies indicating serious lapse in audits, thus making it ineffective.

## **7.5 Conclusion**

The social Audit module was integrated with NREGASoft during 2018, and about 22 SAUs across states were reporting audits through it. Twenty-two states have independent SAUs, while six states do not have an exclusive society. Many SAUs (including Assam) lack adequate human resources, preventing them from auditing all GPs at least once during the year. The majority of the states covered less than 50 percent of their respective GPs under social audit in the FY 2021-22.

In Assam, social audit coverage is slow and very low across districts. The audits have reported 3215 issues during five years period (FY 2017-22). About 70 percent of the reported issues were of Process Violations, followed by Financial Deviations (16.4 percent), Grievances (10.2 percent) and Financial Misappropriation (3.6 percent), the least. It involved INR 8.7 crore (from 25 districts), a majority (86 percent) of which were in work execution issues under Financial Deviations. The majority of the amount involved is in Financial Deviation issues, followed by Process Violations, Financial Misappropriation, and Grievances. About 61 percent of the amount involved is concentrated in two western districts – Barpeta and Darrang. Another 17 percent of the amount involved are in three neighboring western districts -Kamrup, Morigaon and Bongaigaon. Around 10 percent of the amount are located in three eastern districts- Jorhat, Majuli and Golaghat. From our sample districts in the southern side, Cachar and Hailakandi account for about six percent of the amount involved in reported issues.

The coverage of social audits in the BVR is low during five years (FY 2017-22). Social audits in the BVR have found INR 0.56 crore involved in various issues. The majority (80.5 percent) of the amount reported is from Cachar, followed by Hailakandi (18.8 percent) and the least from the Karimganj district. In Cachar, a major portion (57.4 percent) of the amount is reported under Financial Deviations, for which records have not been produced. About 23 percent of the amounts are under Process Violation issues, including denial of entitlements. Around 16 percent of the sum is under Financial Misappropriations, including work-related issues and bribes. A small portion of the amount is reported under Grievances, including wage-related issues.

Audits have reported irregularities in one of the fundamental processes that systematic and participatory planning exercise to identify works was not conducted across any of three districts in BVR. Work quality has been found poor in Cachar and Karimganj, while it reported that work is not even useful for the community in Karimganj. Awareness of MGNREGA and

implementation processes is very poor in all three districts. Block registers were not produced, citizen information boards and wall writings were none, job cards are not with workers, payslips are not provided to workers, workers do not have passbooks, registers are poorly maintained, mismatch between measurement book and completion report, other irregularities in records.; are important Process Violation issues raised in BVR.

Social audits reported that in all the districts in BVR, workers are unable to get work while delayed wage payments are reported in Cachar and no compensation for delayed payments in Karimganj. The renewal of job cards was reported from all three districts, while in Karimganj and Hailakandi, audits reported job card borrowing and the inability to get job cards. In our survey, we have also found a rampant case of job card renting across BVR. In Cachar and Karimganj, audits found that work was completed using machines (a major violation). Even work was not done in Cachar, while inappropriate work was executed in Karimganj. In Karimganj and Hailakandi, audits could not find traces of work done as per the records. In Cachar and Hailakandi, bribes were taken for allotting works to individuals and commissions were collected during the wage payments, while fake bills were used for material expenses in Cachar and Hailakandi. Among our 29 sample GPs, 15 GPs were audited once, and one GP (Bahadurpur-Hailakandi) was audited twice during five years. The majority of the cases reported were of Process Violations.

## Chapter 8

### Summary and Conclusions

#### 8.1 Social security delivery in India

Social Security is a fundamental human right. The basic idea of social security is to use social means to prevent deprivation and vulnerability to deprivation. Lack of access to social protection is a significant obstacle to economic and social development. Literature on social security is divided over the scope of social security policies and how well it can encounter its objectives provided the budgetary constraints, informational distortions, behavioral and political responses to interventions.

Delivery capacity limitations are a significant challenge to extending social protection in most low-income countries. The common problems associated with implementing social security programs are beneficiary identification and targeting as the Targeted approach took centre stage as a dominant policy regime. Literature suggests that e-governance plays a substantial role against corruption and may eliminate many opportunities for corruption. At the theoretical level, Information and Communication Technologies (ICTs) are viewed as carriers of efficiency and accountability. The issues in the delivery of social security programs are varied and complex, depending upon the type of policy and context; however, a targeted program requires two essential elements – a unique personal identification and an efficient payment making system. Studies show that biometric technology guarantees an identification document, simultaneously addressing gaps in existing systems and expanding access to social protection schemes.

Literature has strongly suggested that electronic payment systems have an essential edge in delivering cash entitlements as social transfers are vulnerable to leakages. Thus, shifting from cash to electronic/digital payments has many potential benefits, such as improving efficiency,

lower costs, timely delivery, and security. While proponents of ICTs claimed and emphasised the increasing use of technology in all spheres of delivery of social security programmes for its positive impacts, others critically viewed technology intervention as a haste move with exaggerated claims.

While existing pieces of evidence suggests that the reforms in the NeFMS in MGNREGA and other technological aspects such as the use of biometric identifications, smartcards can speed up delivery wage payments with less leakages (Banerjee et al., 2014; Muralidharan, Niehaus and Sukhtankar, 2016) at the same time, another set of studies pointed out that use of technology without inadequate infrastructure can have reverse/opposite effect (Aggarwal, 2016; Dreze and Khera, 2017).

MGNREGA is close to two decades now. It provides a work guarantee of 100 days to any rural household. To make the payment mechanism speedier and more efficient, the state started (in 2014) using DBT to transfer the wages directly into the workers' bank accounts. Literature has pointed out that MGNREGA's continued vulnerability to fraud and embezzlement of wages are the important factors for the shifts in payment mechanisms and higher reliance on technology. Studies have shown that embezzlement of wages is done through deception, exploitation/extortion, and collusion.

Studies have repeatedly noticed that paying wages into the account has made corruption difficult by deceiving workers; however, extortion of workers and collusion can be widely used unchecked. It was expected that these initiatives would make corruption difficult and bring more transparency to the whole process. Despite technological reforms, literature shows wage thefts and collusion between the functionaries and beneficiaries.

My thesis is an attempt to understand the role of technology in delivering social security entitlements in India. It also repeats a decade old enquiry- Can the payments into the workers' accounts weed out corruption in MGNREGA? Wage leakages in MGNREGA severely limit its

effectiveness and impact. We, therefore, ask- Can technology-enabled electronic wage transfer curb it, and what has changed after its roll-out? We evaluated this question in the Barak Valley Region[BVR] (comprising the districts of Cachar, Karimganj, and Hailakandi), remotely located in southern Assam and prone to political and natural adversities.

A good amount of literature in the current enquiry has brought important ‘what and how’ aspects of corruption despite reforms in the world’s most extensive state employment programme. This thesis attempts to fulfil the unanswered inquiry, i.e., to bring out the quantity and quality of ‘what and how’ and ‘why’ such corruption occurs, especially in the remote part of southern Assam.

## **8.2 Major reforms in MGNREGA**

One of the initial reforms in 2008 was the payment of wages into workers' bank/PO accounts. In 2014, a technology-enabled electronic payment system (under the Direct Benefit Transfer programme) was introduced, and manual processing of transfers stopped. To streamline the fund flow, an electronic fund transfer system commonly known as National Electronic Fund Management System (NeFMS) has been integrated into the existing system for all the stakeholders. A transaction-based Management Information System (NREGASoft) that separates the implementing agencies and payments agencies is one of the most critical developments in the MGNREGA.

We have seen that technology intervention has been mainly in the area of administrative work and fund flow process. The workflow is still physical and manual at the ground/work sites or GP levels. Delays within the technology domain such as FTO generation and payment delays have been minimised over the years with high priority, or at least a dynamic system in the shape of NREGASoft and NeFMS has been placed. Since the implementation of DBT in MGNREGA, the timely payment of wages has increased reportedly from 37% in 2015-16 to 98% in 2020-21

(MGNREGA, 2021). However, independent studies show that wage delays are still rampant, and compensations are absent/side-lined.

Thus, despite the novelty of the technology, it will not have its desired outcomes unless the workers have the capability to access their basic entitlements such as job-card, bank accounts or their rightful demand of work and wages. Also, last-mile infrastructure (Internet, computers and trained human resources) is required to remove the bottleneck at the GP level. However, because of the prevalent scenario of corruption in the form of extortion and collusion – the technology intervention does not have its desired outcomes on the ground – which is what we will try to show in the rest of the chapters.

Assam is midway to the desired level of overall human development. One-third of its population is multi-dimensionally deficient; Assam has massive open unemployment. Cachar's 81.83 percent population, followed by more than 91 percent in Karimganj and Hailakandi, live in rural areas. The lowest attainment in overall human development is in Hailakandi, followed by Karimganj and Cachar. The poverty headcount in BVR is among the highest across all districts of Assam. BVR continues to be an understudied area.

We have used both primary and secondary data. For primary data, we have chosen BVR given its low Human Development outcomes in the state. A multi-stage proportional sampling procedure representative of all three districts is followed. The unit of the investigation is an adult worker mapped to the household. The district is the first stage unit. Block is the second stage unit, and gram panchayat (GP) is the third stage unit. Adult worker mapped to the household is the final stage unit. Opportunistically, it was decided on a minimum sample size of 100 workers mapped to 100 households from each district due to limited resources and time constraints.

### **8.3 The crisis of unemployment in the Barak Valley Region Assam**

Of the 313 sample households surveyed, 45 percent of household heads were dependent on cultivation, labouring-out in agriculture and non-agriculture for their livelihood. Many of the surveyed villages were flood-affected. The majority of households are marginal farmers, and about one third are engaged in other income-generating activities (carpentry, driving, masonry, mechanic, rajmistry, tailors etc.), which require visiting outside villages. The rest own small businesses or are in private employment, such as employees in shops, drivers, security guards, tea-workers etc.

The average annual income of households is INR 87202, and per capita income is found INR 15572, which is considerably below the state's average per capita, indicating acute poverty in the region and massive economic distress forcing them to out-migrate for their livelihoods. Large scale migration has been reported across all the blocks. A total of 189 members from 44 percent of sample households have reportedly migrated to neighboring northeastern states and other states in India in search of livelihoods. The highest proportion of out-migration has been reported from households dependent on private-salaried jobs, cultivation, labouring out, artisans works and other activities.

The out-migration and its contribution to the economy of the households strongly point toward the gap in the demand and supply of employment scenario prevalent in BVR Assam. We strongly felt that demand for employment, especially MGNREGA is very high. However, due to the very limited employment opportunity available in the region, most of these households have no recourse but to migrate to other places for livelihood. It indirectly points to the apathy of households in the valley, which is distant, hilly and flood-prone.

A majority (35 percent) of the total earning has come from remittance, followed by labouring-out (20 percent) in the valley, although 51 percent of households are engaged in it. For nearly half a year, they have been unemployed. Labouring-out in agriculture works are limited to very few households and wide variations in employment scenarios in non-agriculture activities. The proportion of households reporting labouring-out is high; however, the majority of the adult members are not getting employment for a minimum of six months in a year. The rate of unemployment in the region is very high during most of the year.

Wage rates are low, with the average wage rate at Rs 206, slightly higher than MGNREGA (Rs 183 per day). The actual wage rate received by the households is lower than the state's average annual wage rate and of respective districts. Earnings from non-agriculture labouring out varied across blocks as well as within households. Some households are able to earn a modest income from it while others can barely cross INR 12000 during the whole year. Labouring out in non-agriculture activities alone is not a sufficient earning source.

For some households, labouring does provide some earning for survival, while for many, it appears that it is not a sufficient source of livelihood. Those reported minimum earnings from labouring out have actually earned less than INR 1000 per month, which cannot be considered as adequate income for even covering food requirements of family size of 5-6 people.

In the prevalent scenario, the demand for employment programmes is naturally high, predominantly due to the following factors, for which credible evidence has been found. Massive distress out-migration, the prevalence of massive unemployment, the worker can't even be categorised as marginal workers because they have less than 180 days of employment in a year. The low intensity of employment converts into low wages. Low land holding among the households and income contribution from crops and livestock are minuscule and limited. Limited opportunity for employment in agricultural and non-agricultural activities. The distribution of employment is uneven, and prevalence of massive unemployment. Low per

capita income. General poverty and lack of access to basic housing amenities; low affordability and high incidences of borrowing for healthcare. Very low access to crucial social security programmes of institutional credit, pension and health insurance.

#### **8.4 Functioning of MGNREGA in Barak Valley Region Assam**

We see that the job-card entitlement of the sample households is very high. Inclusion error is zero; however, we observed pretty low exclusion errors (7.3 percent) in job-card entitlement across blocks. Those excluded were less-well offs in terms of land holdings and primary occupations. Less than one-third of registered workers were female, indicating strong male bias in registering job cards in the valley. Some households possessed more than one job card in most blocks, and the average number of workers registered per job card was more than one.

The majority (79 percent) of workers registered during 2007-10; however, most first participated in the programme during FY 2017-18. We observed a critical gap in the demand-supply of employment and snail-paced programme implementation across all the blocks. All the households were financially included in formal banking institutions. More than a third of households got their first bank accounts exclusively due to MGNREGA. We found that individual bank accounts were lower among female workers than male workers. The majority of the bank accounts were opened with the help of GPs and Bank representatives, while a minority of households reported paying commission for account opening. GPs and Bank representatives were observed to act as middlemen for the households. The Majority (86 percent) of households showed awareness about the banking operations used withdrawal slips mainly to withdraw money by themselves; however, a minority also reported that GPs withdrew money from their accounts. The majority (72 percent) of households have received welfare payments into their bank accounts, and MGNREGA's payments were the highest among all such payments.

One-third of households found employment from the programme during AY 2016-17, and we found the share of female participation was very low (17 percent). Not enough households received work opportunities under MGNREGA; even if received, labour-days and wage earnings were quite low. We also observed large variations in labour-days allocations (2-198 labour-days per household) to participating households. The actual wage rate varied across blocks and thus deviated from the notified wage rate under the programmes. The less well-offs received a slightly lower wage rate than the better offs.

We found four categories of discrepancy in MIS data and reported data, indicating that MIS is not reflecting the ground realities of BVR. The highest discrepancy was related to households worked, but MIS is blank, followed by households not worked but MIS has entry. Then there were households who worked, but MIS data was deflated, and the last category was household worked, but MIS was inflated. These discrepancies were found across all blocks suggesting that such irregularities were widespread. These discrepancies were collectively related to 115 sample households, equivalent to 3941 labour-days and INR 7,18,103 wage earnings during one year.

These irregularities indicated massive cases of job-card renting and wage-leakages in the programme implementation across blocks. We found that one-third of households received wage-leakages equivalent to 1648 labour-days (INR 2,99,883) into their bank accounts for which these households have not worked. The households received on an average 20 percent as their share/payoffs, and the functionary gets hold on 80 percent of the total wage-leakages transferred. Such wage leakages were found across all blocks, particularly in Hailakandi, Silchar and Sonai; it was highest. These incidences of rampant job-card renting and wage-leakages strongly point to functionary-beneficiary collusion in BVR.

## **8.5 A rent-seeking petty bureaucracy and functionary-beneficiary collusion in BVR**

We have used the term 'functionary' in our study for the Gram Sabha, ward members, Sarpanch and their social networks. Our analysis referred to the block and panchayat officials as the 'petty bureaucracy'. We refer to all the job-card holders as the 'beneficiary', irrespective of whether they have worked in MGNREGA during the reference periods (Agriculture Year 2016-17).

### ***8.5.1 People's participation in the Gram Sabha and perceptions***

We found that announcements were made in villages 2-3 days before the Gram Sabha; most households came to know about Gram Sabha through neighbors, friends, and fellow members of villagers. Families also felt that adequate publicity was not done; instead, only important/valuable people were informed and encouraged to attend the meetings. Meetings were held in Panchayat Bhawan, school buildings and mainly at the home of functionaries in the Karimganj district. In Karimganj, we observed that women were not allowed in the meetings. Most households have not attended Gram Sabha, citing work/livelihood reasons.

Households said that distance mattered for not attending Gram Sabha, also lack transportation and time taken in the whole process. The tea labourers never found time to participate in those meetings. Some households were not interested in those meetings, some had no information regarding meetings, and some families were out for work in the fields and could not attend meetings. Daily wage seekers and women did not participate in meetings generally.

Households felt that meetings were for only a few who had privileges. GP also calls for meeting those people who were on the list. GP calls villagers only for formalities, and many who participated felt that they were not helpful, thus not attending the meetings further. Functionaries secretly hold a meeting among themselves, and only the leaders or important persons are called for these meetings. Others did not participate because they were not at all interested due to GP's behaviours. Corruption in the beneficiary selection, preferences of people and location of entitlements, asking money for entitlements, ignorance of essential issues like

drinking water, embankments, road connecting hamlets etc., were also heard across blocks. We found that corruption and a non-democratic way of functioning are the benchmarks of GPs across all blocks. Households were angrily frustrated with the GP but could not do anything. Using various tactics, these functionaries have corrupted the whole system.

#### ***8.5.2 Twisting of procedures and provisions under MGNREGA***

In the absence of identity/residence/address documents, especially for the new adults of the households, it became the vehicle to seek money for the enrolment. Especially in Tea-garden areas, where households did not hold permanent land holding documents and living in temporary allotted lands, they lack essential official documents. In such scenarios, a certificate of identity and residency from the local government becomes the first document to get hold of other documents and hence entitlements. Households across blocks responded that nothing comes free of cost, so did the Panchayat Certificate; it costs INR 50-100 per head depending upon the situation and usages. Thus, we found that even job cards were not free of costs and were charged indirectly.

When asked about the time taken in the job-card issuance after application/registration, responses were mixed. Most of the households could not recall it because they had no idea about the prescribed timeline of 14 days from the date of application. Like other state schemes, which generally took time, households did not expect to receive any sort of entitlements quickly.

Around 34 percent of households with job cards (99 households) had demanded/applied for employment at their GPs, and one-fourth of them (25 households) responded that they got employment within 15 days of application. Technically, 75 percent of these households were eligible for unemployment allowances when the GPs could not provide them employment within 15 days of application. However, none of these households had received any

unemployment allowances in any blocks. There were no systems in place to formally capture demands in any of the blocks despite MGNREGA being a demand-driven programme.

Many workers across all blocks have responded that GP members informed or called them up whenever there were some work openings, and they never sought, demanded, or applied for MGNREGA work. Literature also suggests that in MGNREGA, the uncertainty of securing work discourages workers from actively seeking work; therefore, they wait and take up employment if and when supplied (Dreze & Khera, 2014; Himanshu Mukhopadhyay & Sharan, 2015).

One hundred seventy-one households (59 percent) of the 290 job-card holder households could not produce/show their job cards when we interviewed them at their homes. The job cards were taken from the workers on the pretext of updating entries, renewal, and providing jobs but never returned. About 19 percent of these households had never seen their job card, 12 percent said their job cards were not with them for the last three months, 16 percent remembered between 3-12 months, and 15 percent of workers reported not possessing job cards for more than a year. Around 39 percent of these households could not remember the time since they didn't have their job card. Many workers were sent back, denied information, provided false information, and repeatedly threatened to ask about their job cards.

### **8.5.3 Wage delays, thefts and extortions**

Delays in the wage payments led to a significant loss in welfare (Basu & Sen, 2015). Growing evidence suggests that MGNREGA workers often face substantial delays in the wage payments, ranging from 3-to 12 months (Narayanan, Das, Liu, & Barrett, 2017). The delays have diminished workers' interest in the employment programme (Khera R. , 2010).

Our finding is consistent with existing literature. Based on transcripts of narratives, most delays in wage payment are in the range of 27 days to more than six months have been observed. In one instance in Lakhipur, the delay has been more than one year, and the concerned worker

questioned where his wages were gone? That too for the work of 29 days. The narrative also shows that payments are made sooner for those who pay the petty bureaucracy. The majority of the households reiterated that delays in the wage payment are the norm. The instances of wage delays and workers' disappointments over the scheme are so much that they no longer want to work in it.

The GPs kept the job cards under their custody and the bank passbooks of the workers. Many workers households reported that they have no idea about their passbooks or account numbers of bank accounts that were opened for NREGA wage payments with the active help of the petty officials. An appeal to the morality of the job card holders was a unique emotional tool used for wage extraction. Such incidences where petty bureaucrats extracted wages from workers saying that you have no right of the wages received in the accounts because you have not worked for it; therefore, return the wages received has been observed. Particularly, in the case of women worker's, in two incidences, it was reported that they are being told that since women can't do hard physical labour as required in NREGA works, these works are done by machines and hence return the wages that have been credited into the respective accounts by keeping small share. Usage of different forms of power, such as threats of no work in the future or benefit from job-card in terms of wage leakages, is common if one doesn't cooperate with petty bureaucracy.

#### **8.5.4 *The socio-political context of households in BVR***

The three districts of Barak Valley- Cachar, Karimganj, Hailakandi and Barpeta in Brahmaputra valley in Assam (having majority of Bengali speaking population) were historically the hotbed of political conflicts surrounding illegal immigrant issues. The rollout of NeFMS in Assam coincided with updating the National Register of Citizen exercise and added with mandatory seeding of Aadhaar numbers of the workers with their bank account numbers in India. In September 2017, Aadhaar was made essential to receive state entitlements in all DBT enabled

programmes, including MGNREGA excluding Assam. However, in such a location, getting into NRC was highly sought after because it was a matter of citizenship. Getting an Aadhaar was secondary, but in Assam, NRC clearance was mandated to Aadhaar enrollment.

Our sample consists of the majority (63 percent) Bengali (Sylheti) speaking Muslim population. Therefore, there was a lot of fear among the beneficiaries themselves that how the state would use their identity by feeding their information into the MGNREGA-MIS system. Workers are low in social capital; fewer work opportunities; therefore, household members migrate.

The petty bureaucrats are in a position of power. Household's require help from petty bureaucracy to move out, and that's the reason they want to be on good terms with these petty officials. Also, there is not much cohesion within these localities because of lots of perception building about the Bengali Muslim community as outsiders, especially during the National Register of Citizens (NRC) exercise, which had a lot of impact on the perception building. Households were scared to speak out, and digital funds transfers began during the same period in BVR. In such a context, people tried to cooperate with the petty bureaucracy because they didn't want to be excluded from the system.

#### ***8.5.5 Job-card is an important entitlement***

Job-card is a crucial document that provides rightful access to public works ensures transparency and public accountability. It also acts as a gateway to access other entitlements, for example, opening bank accounts and getting Aadhaar based biometric identity (Government of India, 2016; Government of India, 2020). Therefore, job cards are an essential document of Proof of Identity, Proof of Address, and Proof of Relationship. In a situation where most rural households lack official documents of proof of identity, address and relationship with the head of the family- the job card is crucial. In the context of BVR, access to job-card become more critical because it's a valid and widely recognized instrument issued to the state. There is a

general perception among the households that any state document is essential, especially when issues about citizenship (NRC, CAA) are at stake.

### **8.5.6 Functionary-beneficiary collusion**

Post-separation of implementing and payment agencies, wage corruption in MGNREGA has continued in three forms – deception, extortions and collusion (Adhikari & Bhatia, 2010; Khera, 2017). Khera (2017) envisioned that extortion and collusion cases would grow once corruption through deception is blocked. There are pieces of evidence of each of these forms of corruption in BVR. The case of functionary-beneficiary collusion was massive.

These irregularities indicated massive cases of job-card renting and wage-leakages in the programme implementation across blocks. We found that one-third of households received wage-leakages equivalent to 1648 labour-days (INR 2,99,883) into their bank accounts for which these households have not worked (refer to Table 4.4). The households received on an average 20 percent as their share/payoffs, and the functionary gets hold on 80 percent of the total wage-leakages transferred. Such wage leakages were found across all blocks, particularly in Hailakandi, Silchar and Sonai; it was highest. These incidences of rampant job-card renting and wage-leakages strongly point to functionary-beneficiary collusion in BVR.

It is a welfare loss at the individual level and the social level. Individuals may think of it as a personal gain, but the cumulative effect is essentially welfare losses. The welfare loss is equal to the wage-leakages of 1648 labour-days (INR 2,99,883) which otherwise has been with the household themselves, which could have added value in their household consumptions.

We found that one-third of households received wage-leakages; a majority (65 percent) of these households were those who could not produce their job cards on the survey day. Twenty-three percent of workers whose job cards were under the custody of GPs had prior information that works were provided through their job cards, while 77 percent had no information about such events. It becomes abundantly clear that the workers accepted the proposition of wage leakage,

both who had job-card with them and whose job cards were under the custody of the GPs. However, there ought to be reasons to believe that the workers themselves were helpless in the whole system, and if they did not oblige, they would be at a loss.

#### **8.5.6 Why does collusion take place?**

The roll-out of NeFMS in Assam coincided with the updation of the NRC exercise and added with mandatory seeding of the Aadhaar numbers of the workers with their bank account numbers in India. In September 2017, Aadhaar was made essential to receive state entitlements in all DBT enabled programmes, including MGNREGA excluding Assam. Aadhaar enrollment in Assam was deferred due to the NRC exercise till 2019. In BVR, workers' job-card were updated with their bank accounts without Aadhaar; thus, transfers take place using internal Core Banking Solution; in other cases, using National Electronic Funds Transfer system, effectively not using Aadhaar Enabled Payment System (AEPS). The workers' identity also did not require verification, as in the case of using AEPS, wherein the worker's Aadhaar number is seeded with their bank account, which is used to verify the identity before making the payments.

However, in BVR, getting into NRC was a priority and highly sought after because it was a matter of citizenship. Once citizenship was validated, Aadhaar enrollment followed in the same premises of the NRC office. Since all the sample households were already financially included in a formal system, mapping the Aadhaar with their bank accounts could be done at GP offices. The location of GP and the petty bureaucracy were such that households always required them to prove citizenship matters, get identity/residency documents, validate any official documents, and enter or exit into any state's programme.

Payment through banks post offices contained corruption at the level of wage disbursement, but incremental use of technology in MGNREGA processes without appropriate people's participation in Gram Sabha meetings has complicated the implementation process. The geography, socio-economic and political landscape of BVR provides us with a unique site of

enquiry as to how a human disconnect of implementing and payment agencies with beneficiaries can result in entitlement failure.

The pecuniary gains arising out of wage leakages are more in favour of petty bureaucracy; however, the gains accruing in favour of petty bureaucracy will not be possible without tacit or full cooperation from the intended beneficiaries as wage payments are made electronically. Further, under the new technology, payment and implementing agencies are separated. Thus, to secure the welfare payments, workers are brought on board by a tacit understanding or social contract and often through an “appeal to their morality”, which is what we call functionary-beneficiary collusion here.

What we mean by “an appeal to morality” needs a qualification. During the survey, we found many instances where the GP functionaries (ward members, influential person within the village who are socially connected) approach the beneficiaries (job-card holders) with the request that the wage payments received by them in their bank accounts are not rightfully theirs because they have not put in labour days. In this pretext, the manual workers who are otherwise entitled to both the employment and wage under MGNREGA found themselves emotionally exploited and submitted themselves to the request of functionaries. However, if the wage leakage proposition is not valued (or accepted) by the workers, functionaries’ resort to threat and power to curtail future entitlements.

To secure involuntary cooperation from the beneficiary, the GP functionaries ceased job cards bank passbooks in different pretexts and kept them in their custody for months and years. They can use their dominant positions and the seized job cards as instruments of negotiation for trading the beneficiary’s precarity with pecuniary gains. Most workers silently obliged as getting a job card back was the priority. In many cases agreeing to the GP’s demand may be seen as a pledge or proof of their cooperation and a share in the transactions without creating a conflict situation. It ensures at least some economic benefits/utilities. Our sample households

reflected a crisis of employment and political identity. Under such a crisis, maintaining a working relationship with the petty bureaucracy works as some form of social capital for the beneficiaries, which can be redeemed in the future.

In the context of BVR, the NeFMS is not able to check delays and corruption in MGNREGA for two reasons. One is the power asymmetry between the functionary and the beneficiaries due to the ongoing unemployment crisis and the socio-political context of the workers. Second is the unchecked discretionary power at the hands of the functionary in general and MGNREGA in particular.

### **8.6 Social audits under MGNREGA in Assam**

Through its systemic processes, social audits allow identifying gaps in programme implementation's desired and actual impact by enabling citizens to enforce accountability and transparency in service delivery under public programmes. MGNREGA Act provides an institutionalised social audit mechanism for continuous vigilance by the public. The social Audit module was integrated with NREGASoft during 2018, and about 22 SAUs across states were reporting audits through it. Twenty-two states have independent SAUs, while six states do not have an exclusive society. Many SAUs (including Assam) lack adequate human resources, preventing them from auditing all GPs at least once during the year.

Social audit progress has been very gradual across the country under MGNREGA. More than twenty lakh issues were reported in social audits across 34 States and Union Territories (FY 2017-22) and amount involved in the reported issues was more than INR 10500 crores of the scheme funds. The highest of such amount is reported under Financial Deviations followed by Process Violation; around 80 percent of the total amount reported under all issues in the country were from four southern states, where social audit coverage is comparatively better than other states.

In Assam, social audit coverage is slow and very low across districts. The audits have reported 3215 issues during five years period (FY 2017-22). About 70 percent of the reported issues were of Process Violations, followed by Financial Deviations. It involved INR 8.7 crore (from 25 districts), a majority (86 percent) of which were in work execution issues under Financial Deviations. About 61 percent of the amount involved is concentrated in two western districts – Barpeta and Darrang. From our sample districts in the southern side, Cachar and Hailakandi account for about six percent of the amount involved in reported issues. The coverage of social audits in the BVR is low during five years (FY 2017-22). Social audits in the BVR have found INR 0.56 crore involved in various issues. The majority (80.5 percent) of the amount reported is from Cachar, followed by Hailakandi (18.8 percent) and the least from the Karimganj district. Audits have reported irregularities in one of the fundamental processes that systematic and participatory planning exercise to identify works was not conducted across any of three districts in BVR. Work quality has been found poor in Cachar and Karimganj, while it reported that work is not even useful for the community in Karimganj. Awareness of MGNREGA and implementation processes is very poor in all three districts.

Social audits reported that in all the districts in BVR, workers are unable to get work while delayed wage payments are reported in Cachar and no compensation for delayed payments in Karimganj. The renewal of job cards was reported from all three districts, while in Karimganj and Hailakandi, audits reported job card borrowing and the inability to get job cards. In our survey, we have also found a rampant case of job card renting across BVR. CAG (2013) audit pointed towards a lack of vigilance and effective monitoring in the implementation resulting in fraud and loss of employment days to needy workers. It noted that social audits were not conducted with required spirits, and audits teams never pointed out deficiencies indicating serious lapse in audits, thus making it ineffective. In BVR, the social audit will be an effective tool in bringing out corruption illegal practices/irregularities and creating awareness among the

workers. We reiterate that social audits are essential tools at the hands of the community to place their grievances individually or collectively for the effective implementation of MGNREGA.

## **8.7 Conclusion**

BVR in Assam faces acute poverty and multiple development hurdles. The prevalence of massive unemployment is such that workers can't even be categorised as marginal workers because they have less than 180 days of employment in a year. The low intensity of employment converts into low wages. The prevalent scenario of BVR Assam shows that the demand for employment programmes is naturally high primarily due to the crisis of unemployment resulting in massive distress out-migration. We found that job-card entitlement among sample households is very high. Inclusion error is zero; exclusion errors is low (7.3 percent). We also found a critical gap in the demand-supply of employment (consistent with exiting literature) and snail-paced programme implementation across all the blocks. Not enough households received work opportunities under MGNREGA (during AY1617); even if received, labour-days and wage earnings were quite low.

We found evidence of corruption (consistent with exiting literature) through four categories of discrepancy in MGNREGA MIS data and reported data, indicating that MIS is not reflecting the ground realities of BVR. These discrepancies were found across all blocks suggesting that such irregularities were widespread. These irregularities indicated massive cases of job-card renting and wage-leakages in the programme implementation across blocks. We have shown that incidences of rampant job-card “renting” and wage-leakages are due to voluntary or involuntary functionary-beneficiary collusion in BVR. We found massive cases of wage-leakages under MGNREGA and large-scale collusion among the functionary and beneficiaries despite the technology-enabled payment system in place. BVR showed the changing norms of

corruption in MGNREGA, where job-card has become a rent-seeking instrument and losing its mandate of employing the needy.

The functionaries have created a system in which bank transfers are made to accounts, yet the money is siphoned off on the moral premise that households do not have a 'right' on the welfare payments as they have 'not worked' for it. Thus, the electronic welfare payments system that had been forwarded as a useful tool of keeping corruption at bay has created a complex form of moral degeneration in village economies that were hitherto relatively free of such menace. It was seen that the roots of collusion lie at the severely twisted procedures by the functionaries at the necessary levels of the functioning of MGNREGA resulting in discouraged workers.

Barak Valley Region in southern Assam faces a severe unemployment crisis, thus income distress resulting in out-migration by the households. Demands for employment programmes are very high without gainful employment opportunities. MGNREGA can add at least 100 days of labour-days per household, thus protecting from income stress. The functioning of MGNREGA in BVR is found to be inadequate, and corruption is rampant. The workers are low in social capital, and due to their location, have no option but to cooperate with the petty officials. The rent-seeking petty bureaucracy in power is undermining the objectives of the programme.

It is the petty bureaucracy and its networks where corruption is taking place. Functionary-Beneficiary collusion is rampant, and wage leakage results in the welfare loss of households and society at large. Delays in electronic fund transfers are still being worked on, but in the context of BVR, the real problem is at the ground level with petty bureaucracy. Thus, despite sophisticated digital governance being put in place in the form of MIS, NeFMS, unless there is proper and effective planning at the grass-root level, appropriate checks through regular social audits and questioning of their functioning's, the issues will not be resolved.

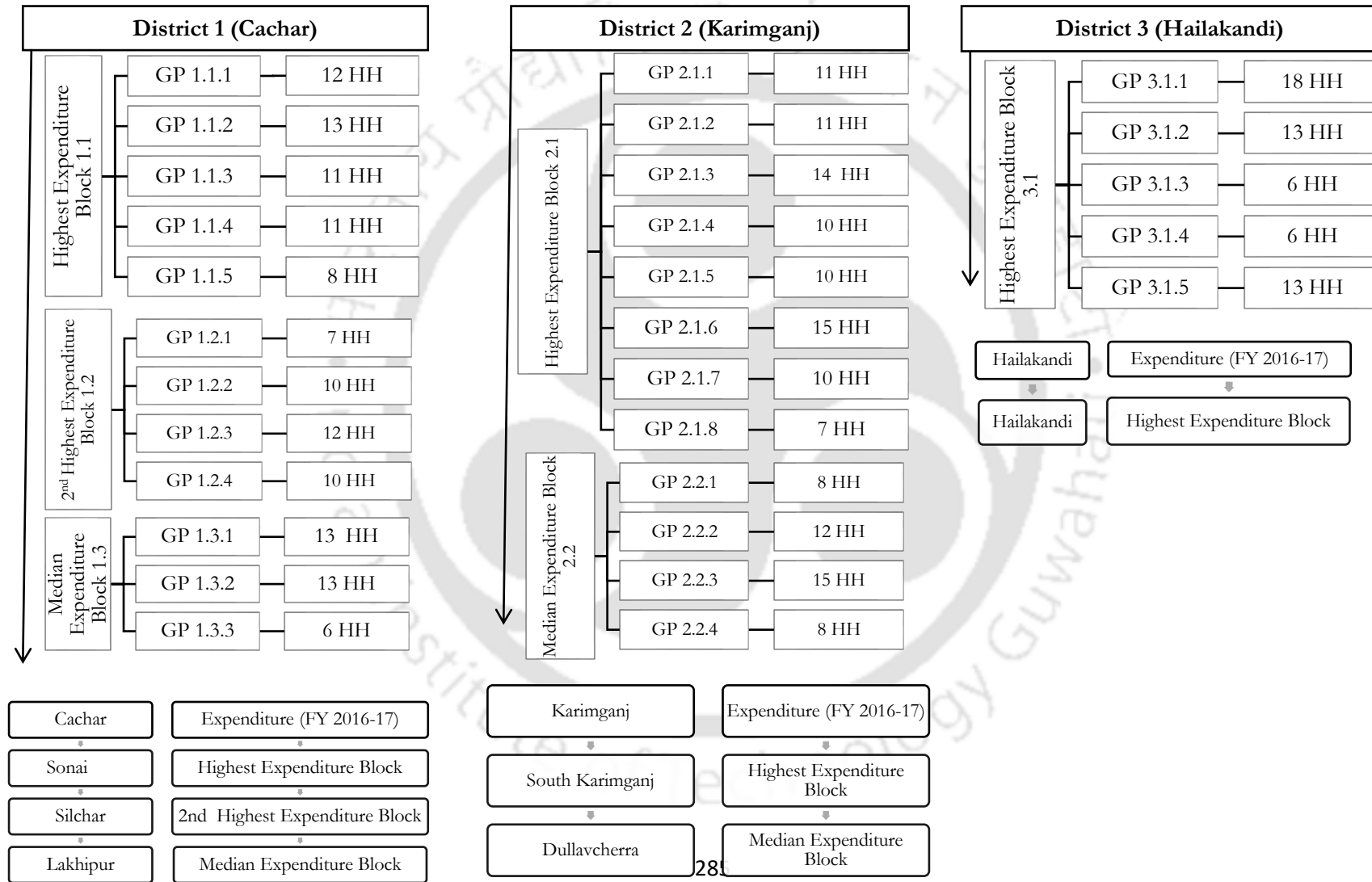
## 8.8 Limitations of the study

We have not undertaken a social audit in the villages we studied. However, our matching of sample data with the MIS database partly qualifies as a social audit. Since our focus is entirely on the electronic wage transfer mechanism and whether or not it has streamlined accessibility of employment opportunities and payment of wages, we have not been able to adequately study the other crucial procedural lapses in MGNREGA implementation, such as the use of private contractors, use of machines, quality assessment of projects undertaken. Our unit of study is the adult manual worker (mapped to household) at the GP level. Further research can build on analysing social networks at the village level.

We have also not adequately studied the technology-enabled processes managed by many other actors at the block and district levels. In our study, we have only moderately analyzed the impact of the political identity of Bengali (Sylheti) speaking Muslim workers based on their perception of fear in the particular context of job-card entitlement and information seeded into electronic databases. However, the question of political identity and its impact on citizenship and livelihood opportunities are very complex and require a separate investigation. It is not within the scope of this study.

# Appendices

## Appendix-1 Sample Design



**Appendix-2 Questionnaire-2017**

**ASSESSMENT AND REVIEW OF MGNREGA AS A SOCIAL PROTECTION INTERVENTION IN THE BARAK VALLEY REGION OF ASSAM  
QUESTIONNAIRE FOR SAMPLE SURVEY OF HOUSEHOLDS  
2017**

Household number			
------------------	--	--	--

District	
Block	
Village	

**1. INTRODUCTION**

Name of head of household		Sex	Age (in years)	Caste/Tribe	
Village and block of birth					
Father's name					
Father's occupation		Year of migration		Social group (Gen/SC/ST/OBC)	
Current address		Phone no (if any)		Religion	

**2. GENERAL INFORMATION ABOUT HOUSEHOLD MEMBERS**

Name	Sex	Age	Marital status	Relationship to head	Job card (Yes/No)	Participated in NREGS? (Yes/No)	Occupation (list primary, secondary and other)	Literacy status	Educational level	Currently enrolled or dropped out?	Are you currently seeking work?* If enrolled where?*** If dropped out, why?***



**3. DETAILS OF LAND HOLDINGS**

Land type	Extent of owned land (specify local unit)	Extent of leased-in land (specify local unit)	Extent of leased-out land (specify local unit)	Extent of mortgaged-in land (specify local unit)	Extent of mortgaged-out land (specify local unit)	Extent of land with user rights (specify local unit)	Comment
<ol style="list-style-type: none"> <li>1. Crop land</li> <li>2. Orchard/land with trees</li> <li>3. Pasture land</li> <li>4. Any other land (specify)</li> </ol>						<ol style="list-style-type: none"> <li>1. Community land</li> <li>2. Village ponds used for fishing</li> <li>3. Any other land</li> </ol>	
<p>Comment on nature of irrigation and the use to which land is put</p>							

#### 4. INFORMATION ON MIGRATION OF HOUSEHOLD MEMBERS

Mark '0' if not applicable

During the last 12 months, how many adult female and male members of your household lived and worked in a different town or village within the country? (tick on the response)				During the last 12 months, how many adult female and male members of your household lived and worked in a different town or village outside the country? (tick on the response)			
Male migrants		Female migrants		Male migrants		Female migrants	
0 to 3 months		0 to 3 months		0 to 3 months		0 to 3 months	
4 to 6 months		4 to 6 months		4 to 6 months		4 to 6 months	
7 to 9 months		7 to 9 months		7 to 9 months		7 to 9 months	
10 months or more		10 months or more		10 months or more		10 months or more	

#### 5. INFORMATION ON WORK CAPACITY OF ADULT MEMBERS OF THE HOUSEHOLD

In the last 12 months, how often has an adult member of your household been <b>seriously</b> ill (meaning they are so ill that they cannot work)?			Could your household <b>afford</b> treatment for the reported serious illness or injury?		
Item (specify)	Adult male member	Adult female member	Item (specify)	Adult male member	Adult female member
Never			No, we borrowed money from friends and relatives		
Once or twice			No, we borrowed from moneylender		
Once a month			Yes, we sold land or other assets		
Few times a month			Yes, because employer paid for treatment		
About once a week			Yes, because government health programme benefitted		
A few times a week			Benefitted from govt health prog but spent a lot on pvt facility		
Every day			Yes, we could afford it		

**6. PARTICIPATION IN SOCIAL ASSISTANCE PROGRAMMES**

Do you possess	Yes/No
BPL/APL card?	
AAY card?	
Annapurna Card?	
RSBY card?	
Kissan Credit Card (KCC)?	
Any other card? (specify)	
Have you made an application for any or all of the above cards/programmes?	

Item	Yes/No
Does any one or all of your children get MDM?	
Does any member of your household utilize schemes under ICDS (immunization, SNS, health checkup, pre-school)? Specify	
Have you availed PMAY?	
Have you availed Old age pension?	
Have you availed widow pension?	

Item	Yes/No	Provide comments
Have you availed disability pension?		
Have you availed NFBS?		
Have you availed MOROM?		
Have you availed MAMONI?		
Have you availed MAJONI?		
Any other assistance from State Govt?		

**7. PROCEDURE OF SELECTION OF WORKER FOR LABOURING OUT IN MGNREGA WORKS**

Did you apply for a job card? (Yes/No)	
If yes, can you explain the procedure that you followed?	
How did you get information about the MGNREGA prog and application of job card process?	
Did you apply for a job at the Gram Sabha using your job card? (Yes/No)	
If yes, did you get a job within 15 days? (Yes/No)	
If no, did you get an unemployment allowance for the period that you did not get job after application? (Yes/No)	
If yes, what was the amount you got paid? (Specify)	
How was the payment made? (Specify)	

8. PERCEPTION OF HOUSEHOLDS REGARDING JOB CARDS

Did You know that you have a job card (Yes/No)	
Do you currently possess your job card? (Yes/No)	
What are the reasons for not possessing your job card?	
Do you know who has your job card?	
Since when is your job card not with you?	
Although you do not have your job card with you, do you know that work has been provided to you?	
Did you receive any cash for your job, while you actually did not work? Can you specify the total amount?	
Investigator notes	

**9. MEETINGS OF GAON SABHA AND PARTICIPATION IN GAO SABHA MEETINGS IN THE PREVIOUS YEAR**

Item	Describe	Comment
Do you hold any position in the Gram Sabha?		
How many Gaon Sabha meetings have been held in the last one year?		
Did you participate in the last Gaon Sabha meeting? When was it held?		
Was MGNREGA works discussed in the Gaon Sabha meeting?		
Are you informed about the kind of works taken up in the Gaon Sabha meetings?		
<p>Note:- Gaon Sabha is expected to meet once every three months. Gaon Sabha is convened by the Secretary of the Gaon Panchayat with due approval of the President of Gaon Panchayat and in consultation with BDO concerned provided wide publicity is given fifteen days ahead of the date for holding the Gaon Sabha meetings.</p> <p>Note for investigators: Ask the households about listing out the developmental works discussed in the last Gaon Sabha meeting that they attended. If the respondent mentions about MGNREGA works, probe further into the discussions that took place regarding assets generation and whether the villagers' consent was taken while deciding on the works being taken up.</p>		

**10. MEMBERSHIP IN SELF-HELP GROUP (RECORD DETAILS OF THE MOST RECENT LOAN TAKEN THROUGH SHG)**

Name of the Member	Name of the Group	Bank/NGO to which the group is linked	Period of Membership	Number of Members in the Group	Savings		Comments
					Rs. Per Week/Month (specify)	Total	

**11. FOR CHILDREN AGED 6 - 18 YEARS**

Name	Whether currently enrolled in educational institution (Specify name)	If currently enrolled			If not currently enrolled		
		Number of days the child missed school in the last month	Was there any occasion over the last year when the child missed school continuously for 15 days or more		Whether ever enrolled	If yes, age at which withdrawn	Reasons for non-enrolment/dropping out
			Period	Reason			

Note to Investigator:- Record narratives verbatim regarding children dropping out of schools and the reasons therein



### 13. SOURCE OF WATER FOR DOMESTIC USE

Source of water	Ownership	Distance from house	Purpose for which used				Cost/payment	Comments
			Drinking	Cooking	Bathing/Cleaning	For animals		
1. Tap 2. Hand pump 3. Tubewell/borewell 4. Well 5. Pond/open tank 6. River/stream/canal	1. Personal 2. Panchayat/Govt 3. Joint/Group/Public 4. Other person	1. Within homestead 2. Outside the house < 200 m 3. >200-500 m 4. >500 m - 1 km 5. >1 km						

### 14. HOUSING

Whether owned or rented	Year of original construction	Year of most recent repair	If there is a separate kitchen (Yes/No)	No. of additional rooms	Type of roof	Type of wall	Type of floor	Latrine	Electricity	Source of energy for cooking
					Pucca material: 1. Burnt bricks, 2. Cement 3. Concrete 4. Asbestos sheet 5. Metal sheet 6. Stone 7. Iron 8. Timber 9. Tiles 10. PVC 11. Other (specify)  Non-pucca material: 12. Unburnt bricks 13. Bamboo 14. Wood 15. Mud 16. Clay 17. Polythene 18. Plastic 19. Grass 20. Thatch 21. Leaves 22. Other (specify)			1. Within homestead 2. Public lavatory 3. Open defecation	1. Authorised 2. Unauthorised 3. No electricity (specify source of lighting) 4. Kerosene 5. Other oil 6. Gas 7. Candle 8. No lighting arrangement 9. Other (specify)	1. Firewood 2. Dung cake 3. Charcoal/Coal 4. Kerosene 5. LPG 6. Bio-gas 7. Electricity 8. Other (Specify)
If any assistance provided under a govt. scheme for construction, repair or renovation of house (2014-17)			Yes/No							
			Year							

	Nature of disbursement		Constructed house, latrine, assistance for electricity, building material, cash (specify scheme and other details)
	If cash, specify amount		Specify if there was a bank transfer

**15. LIVELIHOOD OPTIONS AVAILABLE TO THE HOUSEHOLD**

**A. CROPPING PATTERN AND CROP SCHEDULE**

Sl. no	Crop	Variety	Tenurial status (owned/leased/mortgaged)	Extent	Month of sowing	Month of harvesting	Source of irrigation	Comments

*Specify if agricultural land have been severely affected with floods and erosion. Take notes on what are the coping strategies that the members have adopted to deal with such conditions.*

**INVESTIGATOR NOTES:** Assess net incomes from agriculture in the previous years through a discussion with the head of the household. Ask questions on income earned (in Rs.) and quantity produced (in kg) of the major crop sown. Whether fertilizers and seeds have been used and any produce sold in the market.

B. INVENTORY OF ANIMAL RESOURCE/LIVESTOCK OWNED

Type (see code list)	Do you earn a major portion of your income from the following animals/livestock	Net expenditure on feedstock in the previous year	Net income in the previous year	Code list for livestock: 1. Cow/Bullock 2. Buffalo 3. Goat 4. Sheep 5. Pig 6. Chicken 7. Duck 8. Fish 9. Any other (specify)
				INVESTIGATOR NOTES: Assess the role of livestock and animal resources in the overall income generation of the household. Is there a dependence on livestock in the form of a coping strategy during floods? Please make a note.

C. INCOME FROM BUSINESS ACTIVITIES OTHER THAN CROP PRODUCTION AND LABOUR EARNINGS

Name of the worker	Description of work	Place of work	Net income last year	Comments

Note: In assessing income from businesses, account for input cost (wages and salaries, rents paid for infrastructure, costs of water and electricity etc.). Specify if earnings from small enterprises where carried under the initiative of NRLM through SHG bank linkage programme.


D. INCOME FROM SALARIES, RENTS, REMITTANCES, PENSIONS, SCHOLARSHIPS AND OTHER ACTIVITIES

Name of the worker	Description of work	Place of work	Net earnings last year	Comments

16. INFORMATION ON DIGITAL TRANSFER OF MONEY IN BANK ACCOUNTS FOR BENEFITS AND COMPENSATION UNDER PUBLIC PROGRAMMES

Do you have a bank account/post office account? (specify type of account)		Name of the bank/post office	
When did you open a bank account (specify year)		What was the purpose of opening a bank account?	
How did you open the account? Did you receive help from someone in doing the paper work? (Specify)		Have you received any cash transfers in your bank account? (specify programme)	
Who withdraws money from your account? How?		What is the date of last transaction?	
When was the last time you withdrew money from your account? (specify month & year)		Current balance	

17. INVESTIGATOR FIELD NOTE ABOUT THE HOUSEHOLD

		
Name of the investigators		Date of investigation
Start time		End time

### Appendix-3 Questionnaire-2020

## EVALUATION OF ELECTRONIC WAGE TRANSFERS UNDER MGNREGA IN THE BARAK VALLEY REGION OF ASSAM QUESTIONNAIRE FOR SAMPLE SURVEY OF HOUSEHOLDS, 2020

District	
Block	
Gram Panchayat	
Village	

Household Number	
Job card Number	

#### 1. GENERAL INFORMATION ABOUT THE RESPONDENT

Name	Age	Caste	Faith	Gender	Education Level	Occupation /Work	Monthly Family Income (Rs)	Residential Status	Land Ownership (in Bigha)	Marital Status	Family Size	AAY/PH Card holder
		1 ST 2 SC 3 OBC 4 Gen 5 Other	1 Hindu 2 Islam 3 Buddhist 4 Christian 5 Sikh 6 Other	1 Male 2 Female 3 Third Gender	0 Illiterate 1 Literate 2 Primary 3 Middle 4 Matriculate 5 Intermediate 6 Graduate 7 Post-Graduate 8 Others	1 Main Worker 2 Marginal Worker 3 Non worker 4 Cultivator 5 Agricultural Laborer 6 Household Industry worker 7 Other worker	1 Less than 5000 2 5000-10000 3 10001-20000 4 20001-30000 5 30001-40000 6 40001-50000 7 Above 50001	1 Own House 2 Rented House 3 Government Quarter 4 Rent Free House Other	1 Less than 1 Bigha 2 1-2 Bigha 3 2-3 Bigha 4 3-4 Bigha 5 4-5 Bigha 6 More than 5 Bigha	1 Single 2 Married 3 Divorced 4 Widowed		1 AAY-35kg rice/family  2 PH- 5kg rice/member

**Literate:** A person aged 7 years and above who can both read and write with understanding in any language.

**Work:** Defined as participation in any economically productive activity with or without compensation, wages or profit. May be physical and/or mental, also includes effective supervision and direction of work. Includes part time help, unpaid work on farm, family enterprises or in other economic activity. All persons engaged in 'work' are defined as workers.

**Main Worker:** A person who has worked for major part of the reference period (i.e. six months or more during last one year).

**Marginal Worker:** A person who has worked for 3 months or less but less than 6 months of the reference period.

**Non-worker:** A person who has not worked at all in any economical productive activity during the reference period.

**Cultivator:** If he/she is engaged in cultivation of land owned/ from govt/private person/institution for payment in money, kind/share. Cultivation involves ploughing, sowing, harvesting and production of cereals, millets, pulses, other crops, vegetables, fruits, medicinal plants, orchards/groves. Cultivation does not include the plantation crops like –tea, coffee, rubber, coconut, betel nuts (these workers engaged in plantation crops are recorded under 'other workers').

**Agriculture Labourers:** A person who works on another person's land for wages in cash or kind or share. He/she has not risk in the cultivation but merely works on another person's land for wages.

**Household industry worker:** An industry conducted by one or more members of the households at home or within the village and engaged in activity relating to production, processing, servicing, repairing or making or selling of goods.

**Other worker:** A person who has been engaged in some economic activity during the last year of reference period but not as cultivator or agricultural labourer or worker in household industry. Includes all government servants, municipal employees, teachers, factory workers, plantation workers, engaged in trade, commerce, business, transport, banking, mining, construction, political or social work, priests, entertainment artists etc.

**2. INFORMATION ON MIGRATION OF HOUSEHOLD MEMBERS**

1	Have any of your adult family members migrated, lived and worked in a different town or village? <b>(Yes/No)</b>	Yes	No
2	How many of the adult members of your household have migrated to different town or village?	Male	Female
3	Name of the migrated village/town/city?		
4	During last 12 months, what is the duration of their normal stay in the migrated town or village? (in months)		Months
5	During last 12 months, what is the duration of their home visit and normal stay at home? (in months)		Months
6	What are the reasons for which the adult member(s) of your family have migrated? 1 Poverty 2 Lack of Employment 3 Low Wages 4 For Education 5 For Health issues 6 Any other (specify)		
7	Reasons for migrating to the particular place you mentioned: 1 Better Wages 2 Better working conditions 3 High demand for jobs 4 High hopes/aims 5 Someone in the social network pulled 6 Other reasons (specify)		
8	Nature of present work? Please specify the designation of present work? 1 If Skilled 2 If Unskilled		
9	Are they satisfied with the present work? <b>(Yes/No)</b> Reasons, if yes 1 Higher wages than village 2 Option for more income/alternative income 3 Security of work 4 Easy nature of work 5 work place and atmosphere 6 work gives prestige and satisfaction 7 Any other (specify) Reasons, if no 1 Income is not enough 2 No alternative option for income 3 Insecurity of work 4 Hard nature of work 5 Not good environment to work 6 work doesn't give prestige and satisfaction 7 Any other(specify)		
10	How much each of migrated adult members earns, consume, remit and save from their current engagements in the migrated place? (in Rs. per month)		

	Earning per month	Consumption per month	Remittance per month	Savings per month
	1			
	2			
	3			
	4			
	5			
11	<p>Apart from your family members, what according to you are the prominent reason(s) of migration of other known adult members from your village?</p> <p>1 Higher wages than village 2 Option for more income/alternative income 3 Security/longer duration of secure work hence wages 4 Easy nature of work than manual labour 5 work place and atmosphere 6 work gives prestige and satisfaction</p> <p>7 Income is not enough in village 8 No alternative/limited option for income available in village 9 Insecurity of work in village 10 Hard nature of work in manual labour 11 Not good environment to work in village 12 work doesn't give prestige and satisfaction in village 13 Any other(specify)</p>			

### 3. HOUSEHOLD'S AWARENESS OF MGNREGA

1	Are you aware of the NREGA scheme (Yes/No)	
2	What is the source of information? 1 Radio 2 TV 3 Newspaper 4 NGOs 5 SHGs	6 Panchayat/Pradhan/President 7 Awareness events 8 Family and Friends 9 Program Officer/BDO/Govt. Officials 10 Others (specify)
3	How many days of work are guaranteed per household per year under NREGA? 1 100 days 2 More than 100 days	3 Less than 100 days 4 Not Known
4	What is the current wage rate under NREGA for a full day's work?	Rs. per day
5	If work is demanded, within how many days should work be provided under NREGA?	
6	If work is not provided, what provision is there? 1 Unemployment allowance 2 Other compensation	3 No provision 4 Don't know
6.1	Normally, after how many days after your demand, employment is provided to you in NREGA? 1 within 15 days 2 within a month	3 more than a month 4 whenever NREGA works are open
7	How long after work is completed should wages be paid? 1 within 15 days 2 within a month	3 more than a month 4 Don't know
7.1	Usually, after work is completed, how many days it takes for receiving your wages? 1 within 15 days 2 within a month	3 more than a month 4 Don't know/ No specific pattern/usually late

8	Can work be demanded under NREGA at any time of the year? <b>(Yes/No/Don't know)</b>	
8.1	How do you demand for work under NREGA? 1 Writing/Application/Filling up form 2 Voice 3 Through functionaries 4 Registering it in Panchayat office 5 Informal conversation 6 SHG/ASHA/Teacher/MDM	
8.2	Have you received any receipt/acknowledgement of the demands? 1 Yes 2 No 3 Sometimes only	
9	Whom to go for any grievances? List in order of priority 1 Panchayat Office 2 SHG member 3 Field assistance/Mate 4 District Resource Person/Jila Parishad 5 Block/BDO 6 Raising issue in Gram Sabha 7 No one 8 Not known 9 Others (specify)	
10	What facilities does the NREGA provide for? 1 Childcare 2 Drinking water 3 Shade 4 Healthcare/Medical kit 5 All of the above 6 None	
11	How frequently (during a year time) you found these facilities at your work-site? 1 Always 2 Sometimes 3 Never 4 Don't expect these facilities	
12	Did you use (during last 365 days) these community assets/assets created/improved under NREGA? <b>(Yes/No)</b> Please list the assets you used: 1 Road 2 Well 3 Bund/canal 4 Watershed 5 Pond/Tank 6 Other irrigation 7 Horticulture 8 Other (specify)	
12.1	What is your assessment regarding the quality of the NREGA assets you used? 1 Very Good 2 Good 3 Satisfactory 4 Bad/Poor	
13	Whether living standard of the household improved due to participation in NREGA? <b>(Yes/No)</b>	
14	Whether NREGA employments are helpful in checking migration of household members? <b>(Yes/No)</b>	
15	Whether asset position of the household improved due to participation in NREGA <b>(Yes/No)</b>	
16	Number of adult members included in Job card?	
17	Number of adult members worked in NREGA during April 2019-Feb 2020	

4. INFORMATION ABOUT HOUSEHOLD'S JOBCARD

1	<p>Why is job-card important for your household? List from the following</p> <p>1 For employment in lean season 2 For employment in public work programmes 3 For document purpose such as voter id, ration card whether or not we get employments</p> <p>4 Access to Job-card may give access to other scheme 5 To get some benefits without working 6 Other (Specify)</p>	
2	<p>How many days are required for your Job-card to update normally?</p> <p>1 One day/same day 2 Up to a week 3 Up to 15 days</p> <p>4 Up to one month 5 More than a month 6 No fixed days, depend on officials</p>	
3	<p>Where the household's job card is kept as on the date of survey?</p> <p>1 At home 2 with Field assistant/Mate 3 At Panchayat Office/President 4 At BDO/District office</p> <p>5 Post Office / Bank 6 with SHG 7 Not known 8 Other (specify)</p>	
4	<p>Duration for which the household's job card is not kept at home?</p> <p>1 Less than a week 2 up to 15 days 3 up to 30 days</p> <p>4 More than a month 5 More than 3 months 6 More than 6 months 7 Other (specify)</p>	
5	<p>Are your jobcards collected by NREGA functionaries? <b>(Yes/No)</b></p>	
6	<p>How often they are collected and kept?</p> <p>1 Never 2 Once in month 3 Once in 3 months 4 Once in 6 months 5 Once in a year</p> <p>6 when we register demand for work 7 while works are undergoing 8 Till the payment are disbursed &amp; settled 9 On the eve of important national functions 10 Other (specify)</p>	
7	<p>Do you voluntarily go for jobcard update after participating in NREGA or for renewal? <b>(Yes/No)</b></p>	
8	<p>How often you voluntarily update it?</p> <p>1 Never</p> <p>5 When updated job-card is required for other purposes such as inclusion/requirement for other schemes.</p>	

	2 Once in a while 3 Before and after work is completed 4 Before and after payment is disbursed	6 When asked by the functionaries 7 When everyone goes for it 8 Other (specify)	
9	What are the reasons told by functionaries while collecting your job-card? 1 No reason(s) 2 Only informed/told to submit it 3 Update 4 Renewal ( <b>how often?</b> ) 5 Threat, power use, tricks 6 Required to submit it often, its norm	7 Its mandatory to submit for demanding work 8 If not submitted, work demand are not processed 9 Required for attendance 10 Required for processing everything 11 Required for payment processing & settlements	
10	What will happen, if you don't submit it/ want to submit it? 1 Nothing 2 They will be angry  3 They will not hear/note our job demands 4 They will not provide work 5 They will not process anything 6 They will stop payment or its processing	7 They will leave us without benefitting from job-card anyways 8 They will anyways use our job-card/its duplicate for their own purpose 9 Our relationship with them will suffer 10 Will face their heats in other occasions/meetings 11 Will be sidelined for inclusion in other schemes	
11	Are your Bank passbook or other instruments also collected and kept by functionaries? <b>(Yes/No)</b>		
11.1	<b>If yes</b> , why Bank passbooks or other instruments?		
12	Do you have enrolled for Aadhaar Number? <b>(Yes/No)</b>		
13	Have your job-card and bank account is linked? <b>(Yes/No)</b>		

#### 5. HOUSEHOLD'S ENGAGEMENT WITH GRAM PANCHAYAT

1	Whether Gram Sabha was held at least once during April-2019 to Feb 2020 <b>(Yes/No)</b>		
2	Whether any household member had participated in any of the Gram Sabha(s) during FY 19-20? <b>(Yes/No)</b>		
3	Whether there was any discussion on NREGA in such Gram Sabha(s) <b>(Yes/No)</b>		
4	Did you go the Gram Panchayat Office (during April 2019 to Feb 2020)? <b>(Yes/No)</b>		
4.1	<b>If yes</b> , what are the purpose(s) of the visit(s)? 1 To meet Panchayat President 2 To meet ward member/other officials 3 To attend Panchayat meeting 4 To get information about scheme(s) 5 To verify scheme implementation	6 To demand participation in the scheme (NREGA- PMAY-Other) 7 To enquire whether you are in the beneficiary lists 8 To give money (bribe) for benefits 9 To complaint about corruption in scheme implementation 10 Others (specify)	
5	Did you attend any meeting(s) in your panchayat (during April 2019 to Feb 2020)? <b>(Yes/No)</b>		
5.1	<b>If Yes</b> , please describe, what kind of the meeting(s) are those that you attended? 1 Election related meeting 2 Meeting on various schemes (eg. PMAY, NREGA) 3 Meeting related to identifying beneficiaries	6 Meetings on corruptions of panchayat officials 7 To discuss inter-community 8 To discuss other social issues, religious/caste norms	

	4 Meeting related to distribution of benefits 5 To discuss and approval for action plans of schemes	9 To celebrate various occasions (eg. Gandhi Jayanti, 26 <sup>th</sup> January etc..) 10 Others (Specify)	
6	Did you speak at any of these meeting(s)? (Yes/No)		
6.1	<b>If No</b> , What are the reasons of not speaking at the meeting (s)? 1 Issues were not interesting to me 2 Did not understand the discussions 3 Could not hear properly/high language 4 Speaking is restricted/limited to chosen few/not encouraged	5 Was shy/embarrassed 6 Fearful of Panchayat officials 7 Speaking would not have made any difference(s) 8 Other (Specify)	
7	Please describe the ways you participated in the last panchayat meeting that you have attended: 1 By speaking 2 Voting by raising hands 3 Voting by making voice 4 Voting by secret ballots 5 Voting by signing	6 Only listen and observed including attendance 7 Questioning the officials concerned 8 Asked information on schemes 9 Demanded participation, inclusion into scheme(s) 10 Raised issues of corruptions, malpractices	11 Other (specify)
8	How did the Gram Panchayat officials responded to your concerns? 1 Addressed the concern adequately 2 Panchayat unable to address the concerns/problem 3 Did not listen to you 4 Listened but not willing to address the issue 5 Did not respond	6 Stopped while raising your concern 7 Informed about scarcity of resources, limitations of schemes etc. 8 Suggested to submit petitions 9 Referred you to other agency/office 10 Other (specify)	
10	How do you know when panchayat meetings are being organized? 1 Mike and other announcements 2 Household members/Villagers 3 Panchayat representatives 4 Political party you are affiliated with 5 Other local politicians	6 NGO activists 7 SHG and its members 8 Newspaper 9 Television 10 Public Notice	
11	How interested are you in participating Gram Panchayat meetings? 1 Somewhat interested 2 Moderately interested 3 A lot	4 Completely interested 5 Not at all 6 Depends on the purpose of the meeting	
12	How often (in an year) did you speak to panchayat officials about your household issues and requirements such as employment, housing, food etc. 1 Once 2 Twice	3 More than twice 4 More frequently whenever you found such opportunity 5 Never	
	How often (in a year) do you speak to panchayat officials about you community or village level issues/requirements such as roads, drinking water, employment etc.		

13	1 Once 2 Twice	3 More than twice 4 More frequently whenever you found such opportunity 5 Never	
14	Do you feel your gram panchayat hears/ takes notes of your collective bargaining and try fairly to provide the collectively demanded public goods and services? <b>(Yes/No)</b>		
15	Do you feel that people like you can generally change things such as decisions taken in panchayat meetings/selection of work/beneficiary selection etc. in your panchayat if they collectively want to? <b>(Yes/No)</b>		
16	Do you feel that powerful people like panchayat president/local politicians/BDO/rich villagers can generally change things such as decisions taken in meetings/work/beneficiary list etc. in you panchayat if they want to? <b>(Yes/No)</b>		
17	In your panchayat, how much do you think that decisions of panchayat/work selections/beneficiary selections etc. are independent of power politics? 1 Little independent 2 Moderately independent	3 A lot 4 Completely independent 5 Not at all	
18	Do you think you are required to use your social capital for your rightful inclusion/participation into a particular social scheme(s) such as PMAY, NREGA, PDS etc. <b>(Yes/No)</b>		
19	Do you think you are required to pay in cash and/or in kind for your rightful inclusion/participation into a particular social scheme(s) such as PMAY, NREGA, PDS etc. <b>(Yes/No)</b>		
20	Do you feel that your gram panchayat and its representatives actively seek participation of people like you in its meetings, planning of works, selection of beneficiaries and other activities of gram panchayat? <b>(Yes/No)</b>		
21	Are you satisfied with your current functional gram panchayat? <b>(Yes/No)</b> <b>If Yes, list some of its strengths/work or please tell more about it.</b> <b>If No, list some of its limitations/weakness.</b>		
22	Please tell your observations about how your gram panchayat listen to your demands of work in NREGA, its decision of employing one or other, allocation of number of days of work, attendance in muster roll processing of the same and payment of wages		
	1 No consultation 2 Did not note our demands for work 3 Did not provide written receipt/acknowledgements	11 Number of days of employment as per demand 12 No of days as per availability & demand-supply mechanism 13 No of days as per contractor's requirements	
	4 Random selection of workers 5 Roaster system of selection 6 First come first serve in selecting workers 7 Priority in selection of those who are more needy of employment 8 Select those who agree to their terms and conditions 9 Select those who are close to them, pay them, or work for them 10 Select as per their own requirements and assessments	14 Fair in allocation but also fair for contractors 15 Muster rolls are genuinely marked 16 Muster rolls are fudged also 17 Inflated muster rolls in some cases 18 Muster rolls are heavily marked wrong	
		19 Lazy in processing 20 Will-fully delays processing in order to gain 21 Delays in processing are systemic 22 Try their best but above them its very slow	
<b>Comments</b>			



7. INFORMATION ON FINANCIAL INCLUSION AND DIGITAL TRANSFERS INTO BANK ACCOUNTS UNDER NREGA

1	Do you have a bank account? <b>(Yes/No)</b>	
2	What kind of bank account it is? 1 Individual Account 2 Joint Account	
3	Purpose of opening the bank account? 1 For saving and other banking transactions 2 For remittances 3 For NREGA only 4 Also receiving benefits of other government scheme(s) such as pensions, PMAY etc. 4 Others (specify)	
4	Is it Pradhan Mantri Jan Dhan Yojana (PMJDY) account? <b>(Yes/No)</b>	
5	List the documents required for opening the bank account? 1 Passport 2 Driving license 3 Permanent Account Number (PAN) 4 Letter issued by a Gazette officer with a duly attested photograph of the person 5 Through SHG and state livelihood mission 6 Voter Identity Card 7 Job card issued by MGNREGA 7 Aadhaar 9 Letter issued by Gram Panchayat/President/BDO/ Zilla Parishad 10 Others (Specify)	
6	Did you require using your social capital for opening the bank account? <b>(Yes/No)</b>	
7	Did you require paying bribe in cash or kind or both for opening the bank account? <b>(Yes/No)</b> if yes please specify the amount and to whom you paid it.	
8	Did the NREGA functionaries actively helped in opening your bank account? <b>(Yes/No)</b>	
9	Have you come across middlemen who helped you and/or other in the process? <b>(Yes/No)</b>	
9.1	If Yes, who were those middlemen? 1 NREGA functionary themselves 2 Someone from your gram panchayat/local leaders 3 Someone from Block level/Jila level functionaries 4 Someone from the bank itself/Banking correspondent 5 Other (specify)	
9.2	Did you pay money for their services/assistance? <b>(Yes/No)</b>	
10	How many visits you did for opening up the bank account?	
11	How much is the distance of the bank branch from your home approximately?	Kilometers
12	Is it the nearest bank branch that exists from your home? <b>(Yes/No)</b>	
12.1	If No, why did you opt out the nearest bank branch? Did the NREGA functionaries dictate the selection of particular bank branch?	
13	List the instruments you received as part of your bank account? 1 Passbook 2 ATM card 3 Cheque Book 4 Others (Specify)	
14	How frequently you visited your bank branch or its services in last 3 months?	

	1 Weekly basis 2 Once in 15 days 3 Once a month	4 Once in 3 months 5 Not once in 3 months 6 Others (Specify)	
15	List the purposes for your bank visits during last 3 months? 1 Deposit of money 2 Withdrawal of money	3 Transfer of money 4 Other issues(Specify)	
16	Generally the money that get credited in your bank account are: 1 Remittances from your family members 2 Wages/Salary from your employer 3 NREGA wages	4 Savings (deposited by self) and or interest accrued 5 Transfers from friends/other non-related individuals 6 Other sources such as government schemes, subsidy etc. Please specify the source.	
16.1	If also NREGA wages, then since when the transfers are taking place 1 Since the bank account opened 2 Sometime later than that	3 But once bank transfers started, it always credited via bank transfer 4 Other (Specify)	
16.2	Does NREGA wages that you receive in your account are always correct and rightful wages as per your works completed and best information? 1 Yes, always the correct and rightful wages as per my works and best information 2 No 2.1 Only small proportion of the rightful wages in bank account and rest paid in cash	2.2 Major proportion of the rightful wages in bank and rest in cash 2.3 Only small proportion of it is rightful and rest belongs to others 2.4 My rightful wages + other's wages 2.5 Not my rightful wages at all	
16.3	IF response in in Negative, why did such events happen? 1 It's the norm here in NREGA. 2 It depends on the NREGA functionaries. 3 It is due to Contractor and Functionary alliances 4 We have no say in this regard.	5 We protest but nothing is heard. 6 We don't protest because it will hamper our social relationship with the NREGA functionaries 7 We accept and cooperate their arrangements to get ourselves benefited	
17	How do you get information that NREGA wages has been credited to your bank account? 1 Mobile-SMS 2 NREGA functionary inform us	3 Visit and meet functionaries to get information 4 Announcements 5 Other(Specify)	
18	When NREGA wages get credited into your account, do you yourself visit bank for withdrawal? (Yes/No)		
18.1	If Yes, 1 I myself do that 2 I take help from family/friends  3 Although we can withdraw but we have to pay something to the NREGA functionaries every time our rightful wages get credited.	If No, 1 I take help from middlemen for which I usually pay them 2 We have to seek compulsory help from NREGA functionaries for withdrawal of the wages.	
18.2	How do you withdraw money from your account? 1 ATM/Debit card	2 By slip at the counter	By cheques

#### 8. POST-TECHONOLOG MGNREGA

As you know that NREGA wages, pensions, subsidy is transferred directly to the beneficiary account from some time now. Since the earlier system was to disburse the benefits in cash at designated places, a lot of issues had come out like hardship of people waiting for their turn, income loss of those days, corruption etc. Then the system was put in place to disburse benefits through individual/joint accounts which help improvement in distribution of social benefits provided by state. Now the benefits being directly sent to your bank account once you are correctly listed in the beneficiary list or finish your NREGA work or when pension is due by months. So my question to you are following specific to NREGA:

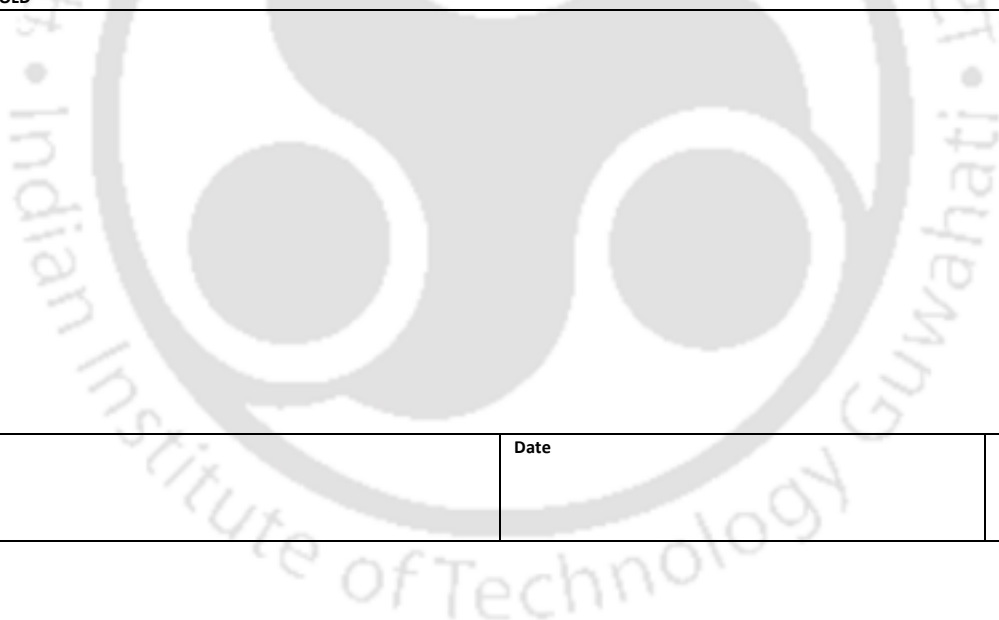
1	What are your experiences of those days working in NREGA works? How will you summarize your experience?	
	1 Very Good 2 Good	4 Bad 5 Very Bad

	3 Satisfactory	5 Other	
2	<p>Why?</p> <p>1 At least NREGA provided employment when nothing was available</p> <p>2 It provided a higher wage than other available works locally</p> <p>3 It created public assets which are very valuable</p> <p>4 NREGA included us workers as active stakeholder in planning at grass root level</p> <p>5 It gave us some sort of employment security for 100 days in a year.</p> <p>6 It gave us escape from traditional exploitative job market</p> <p>7 Delay in payments hurt us badly</p>	<p>8 Mechanism of disbursement of wages was highly prone to corruption, delays, hardship and loss of income</p> <p>9 Bad attitude of NREGA functionaries, non-transparency, delays, corruption at every possible steps</p> <p>10 At least it gradually gave access to many other benefits eg. Post office/Bank account, PDS etc.</p> <p>11 We could go and demand for work round the year</p>	
3	<p>What according to you has changed in NREGA operations now as compared to then? How will you summarize it?</p> <p>1 We are consulted while preparing work shelf before it is finalised</p> <p>1.1 Little /Not much has changed</p> <p>2 Demand for works are seriously heard and reciprocated</p> <p>2.1 Little / Not much has changed</p> <p>3 Workers are provided with works as per their demand and availability and communicated well in advance</p> <p>3.1 Little/Not much has changed</p> <p>4 Muster rolls are fairly prepared, correct attendance are taken and timely closed.</p> <p>4.1 Little/Not much has changed</p> <p>5 We saw a lot of improvement in the way muster rolls are handled.</p> <p>5.1 Little / Not much has changed</p>	<p>6 Disbursement of wages has improved with Direct benefit transfers and bank account</p> <p>6.1 Little/ Not much has changed</p> <p>7 Delays in wage payment has improved</p> <p>7.1 Little /Not much has changed</p> <p>8 Wages leakages, theft, extortion, bribery has gone down</p> <p>8.1 Little / Not much has changed</p> <p>9 Use of machines, contractor's involvement, muster roll fudging, manipulations in works, jobcards, payments has come down</p> <p>9.1 Little/Not much has changed.</p> <p>9.2 It has increased in scale.</p> <p>10 Less corruption in NREGA functioning</p> <p>10.1 Little/Not Much has changed</p> <p>10.2 More corruption</p>	
4	<p>How frequently you observe the use of machines (where it is not absolutely required/allowed) in NREGA works around your gram panchayat jurisdiction?</p> <p>1 In all works</p> <p>2 In some works</p>	<p>3 In very few works</p> <p>4 Never</p>	
5	<p>How frequently you observe the involvement of contractors in NREGA works around your gram panchayat jurisdiction?</p> <p>1 In all works</p> <p>2 In some works</p>	<p>3 In very few works</p> <p>4 Never</p>	
6	<p>How frequently you observe the involvement of outside /hired/rented labourers in NREGA works around your gram panchayat jurisdiction?</p> <p>1 In all works</p> <p>2 In some works</p>	<p>3 In very few works</p> <p>4 Never</p>	
7	<p>How frequently (during April 2019- Feb 2020) you are provided with the opportunity to not work in NREGA work but receive something from every such understandings/opportunity/work?</p> <p>1 Once</p> <p>2 Twice</p>	<p>4 More than Thrice</p> <p>5 Others (Specify)</p>	

	3 Thrice	6 Never	
8	How frequently (during April 2019- Feb 2020) you have noticed/knowledge/observed that your other family members/neighbors are provided with the opportunity to not work in NREGA work but receive something from every such understandings/opportunity/work? 1 Once 2 Twice 3 Thrice	4 More than Thrice 5 Others (Specify) 6 Never	
9	What did you typically receive in such transactions and how much? 1 Fixed benefits per transaction 2 Benefit varies per transaction value 3 Rent of Rs. /per day for using of jobcard 4 Rent based on month/year	5 Social capital, better relationship with NREGA functionaries 6 Nothing 7 Others (specify)	
10	What do you feel, whether these arrangements are your gain or loss in terms of your wellbeing? How? <b>Gain(s) according to you</b> 1 wage differences + Benefit received from jobcard without working 2 In terms of not waiting for payment 3 Better relationship with NREGA/panchayat functionaries 4 More opportunities in future to get benefits without working	<b>Loss(s) according to you</b> 1 Maximum is total of no. of days of NREGA employment foregone i.e. 100 days and the equivalent wages, if remained unemployed during the same period and its effects. 2 Not able to contribute in public work	
11	What are the consequences if you do not accept/cooperate with the arrangement? 1 It will hurt my relationship with NREGA functionaries 2 Hindrances/delays/denial of services offered by them (eg. Issue, renewal, linkages with other scheme etc.) 3 Even my genuine demand for work will be delayed/cut short/ even denied 4 No benefit in terms of work hence wages	5 Boycott in meetings or social gatherings 6 Even in future, next opportunity of getting benefits without working will be lost 7 Only I will be isolated of these benefits, rest will enjoy the cooperation 8 Nothing will happen	
12	Are you happy/satisfied to get into such arrangements? (Yes/No)		
12.1	Reasons for your response above: 1 I accept and cooperate the arrangement to get some benefit out of nothing 2 I get benefits periodically without actually working 3 I am earning through my primary occupation, so extra gain from it is welcome 4 Win-win for both us & functionary	5 No other option but to agree in the face of coercions. 6 It's the norm/practice 7 It's a recent phenomenon. Earlier it was not at all required. 8 Are helpless with the system.	
13	Now you have job-card & a bank account as others. Whether you are informed or not, once your job-card is used for work, payment will only come to your bank account. <b>What other options functionaries have to not give you anything and continue to use your job-card</b> - meaning they are helpless if you don't cooperate. 1 Still nothing much has changed. 2 We have no means but to agree to their arrangements 3 Workers agree with them generally 4 It is now lot more easier 5 It is now wide open, both are benefitted	6 If one is not part of it, his/her loss 7 Hard for them but they made agreements before hand 8 They keep JC/Passbook/other in custody; if one doesn't agree of their conditions, papers are not returned. 9 use of soft tactics, threats, muscle, political power 10 They have already bypassed us in banking transactions also.	
14	Sometime ahead, your Aadhaar, JC, Bank account will be linked. Your attendance will be taken by biometric machine and once you finished the works, payments will be automatically calculated and directly credited to your account. <b>What do you feel whether these facilities will be able to check wrongs in NREGA functioning's?</b> 1 Yes, hopefully 2 Other alternatives will be devised by functionaries 3 When people will cooperate with functionaries, technology can't help it 4 Things will gradually get corrected and improved	5 No, it can't help much 6 It will be lot more easier for functionaries 7 Nothing will change 8 Other (specify)	

15	Suppose you are unemployed/not gainfully employed and NREGA is providing you 100 days of employment if you demand. Will you agree for some benefits without working for it? (Yes/No)			
16	What is biggest limitation/shortcoming of NREGA? 1 Delays in providing employment 2 Fixed/limited number of days of employment		3 cumbersome procedures, bureaucracy, corruption 4 Delays in payments	
17	What are the problems you faced due to payment delays? 1 Issues related to food, its purchase, insecurity 2 Required to borrow 3 Repayment delays/could not honor obligations		4 Hardship in payments for essentials services like school, health etc. 5 Could not attend function 6 Other (specify)	
18	What does loss of one day of NREGA wage (Rs. 185) means to the household?			
	<b>Daily Requirement in family</b>	<b>Quantity per day</b>	<b>Purchasing price/current price</b>	
	Cereals(Rice, wheat)	kg	Rs.	per kg
	Pulses	grams	Rs.	per kg
	Oil/Fat	milliliters	Rs.	per litre
	Vegetables	kg	Rs.	(approx.)
	Sugar	grams	Rs.	per kg
	<b>Total amount required for food consumption per day by the household</b>			

9. INVESTIGATOR FIELD NOTE ABOUT THE HOUSEHOLD

<div style="text-align: center;">  <p>Indian Institute of Technology Guwahati</p> </div>		
Investigators Name	Date	Start Time
		End Time

## Bibliography

- ADB. (2014). *Asian Development Outlook: Fiscal policy for inclusive growth (Manila)*. Asian Development Bank. Retrieved May 7, 2018, from [https://www.adb.org/sites/default/files/publication/31241/ado-2014\\_0.pdf](https://www.adb.org/sites/default/files/publication/31241/ado-2014_0.pdf)
- ADB. (2016). *Social Protection Brief: Integrating Information and Communication Technology in Social Protection Programs*. Asian Development Bank. Retrieved May 7, 2018, from <https://www.adb.org/publications/integrating-ict-social-protection-programs>
- Adhikari, A., & Bhatia, K. (2010). NREGA Wage Payments: Can We Bank on the Banks? *Economic & Political Weekly*, 45(1).
- Agarwala, A. (1946, December). The Social Security Movement in India. *The Economic Journal*, 56(224), 568-582.
- Aggarwal, A. (2016). The MGNREGA in crisis: Insights from Jharkhand. *Economic and Political Weekly*, 51(22), 38-43.
- Aggarwal, A., & Somanchi, A. (2020, July 12). *Time to act on MGNREGA*. The Indian Express. Retrieved January 09, 2021, from The Indian Express: <https://indianexpress.com/article/opinion/web-edits/mgnrega-unemployment-rural-development-swaraj-abhiyan-6502406/>
- AHDR. (2014). *Assam Human Development Report 2014: Managing Diversities, Achieving Human Development*. prepared by OKD Institute of Social Change and Development, Guwahati and Institute of Human Development, New Delhi, on behalf of Planning and Development Department, Government of Assam, Guwahati.
- Ahmad, E. (1991, January). Social Security and the Poor: Choices for Developing Countries. *The World Bank Research Observer*, 6(1), 105-127.
- Alan, G., & Caroline, D. (2011). *Cash at Your Fingertips: Biometric Technology for Transfers in Developing and Resource-Rich Countries*. Washington, D.C.: CGD Working Paper 253.
- Areskoug, K. (1976). Private foreign investment and capital formation in developing countries. *Economic Development and Cultural Change*, 24(3), 539-547.
- Armando, B., & David, H. (2009, December). Social Protection for the Poor and Poorest in Developing Countries: Reflections on a Quite Revolution. *Oxford Development Studies*, 37(4), 439-456.
- Asher, M. (2003). *Reforming India's Social Security System*. Retrieved May 2, 2018, from [https://www.researchgate.net/profile/Mukul\\_Asher/publication/228459948\\_Reformin](https://www.researchgate.net/profile/Mukul_Asher/publication/228459948_Reformin)

g\_India's\_Social\_Security\_System/links/0deec5149a9c4d3630000000/Reforming-Indias-Social-Security-System.pdf

- Attanasio, O., & Lechene, V. (2002). Test of Income Pooling in Household Decisions. *Review of Economic Dynamics*, 5(4), 720-748.
- Bagri, N. T. (2021, September 5). *India's Anti-Immigrant Crackdown Has Torn Apart Families and Locked Up Hundreds. 1.9 Million People Fear They Could Be Next*. Time. Retrieved Nov 01, 2021, from <https://time.com/6092299/india-anti-immigrant-crackdown-assam/>
- Banerjee, A., Duflo, E., Imbert, C., Mathew, S., & Pande, R. (2014). *Can e-governance reduce capture of public programs? Experimental evidence from a financial reform of India's employment guarantee*. Retrieved October 23, 2021, from <https://economics.mit.edu/files/10565>
- Barca, V., Hurrell, A., MacAuslan, I., Visram, A., & Willis, J. (2010). Paying Attention to Detail: How to Transfer Cash in Cash Transfers. Oxford: Oxford Policy Management Working Paper 2010/04.
- Barnwal, P. (2014). *Curbing leakage in public programs with biometric identification systems: Evidence from India's fuel subsidies*. Job Market Paper, Columbia University, School of International and Public Affairs.
- Barrientos, A., Hanlon, J., & Hulme, D. (2010). *Just give money to the poor*. World Bank.
- Baruah, S. (1986, Nov). Immigration, Ethnic Conflict, and Political Turmoil--Assam, 1979-1985. *Asian Survey*, 26(11), 184-1206. Retrieved Nov 1, 2021, from <https://www.jstor.org/stable/2644315>
- Bastagli, F. (2011, May 21). Conditional Cash Transfers as a Tool of Social Policy. *Economic and Political Weekly*, XLVI(21).
- Basu, P., & Sen, K. (2015). *Welfare implications of India's employment guarantee programme with a wage payment delay*. IZA Discussion Papers, No. 9454, Institute for Study of Labor (IZA), Bonn. Retrieved July 2018, from <https://www.econstor.eu/bitstream/10419/124975/1/dp9454.pdf>
- Beck, T., & Demirgüç-Kunt, A. (2008). Access to finance: An unfinished agenda. *The world bank economic review*, 22(3), 383-396.
- Besley, T., & Kanbur, R. (1990). *The Principles of Targeting*. Working Paper No. 385, World Bank, Policy Research and External Affairs, Washington, DC.
- Bhatia, A., & Bhabha, J. (2017). India's Aadhaar scheme and the promise of inclusive social protection. *Oxford Development Studies*, 45(1), 64-79.

- Bhatti, B. (2012, December 8). Aadhaar-Enabled Payments for NREGA Workers. *Economic & Political Weekly*, 47(49), 16-19.
- Bovens, M., & Zouridis, S. (2002). From street level to system level bureaucracies: How information and communication technology is transforming administrative discretion and constitutional control. *Public Administration Review*, 62(2), 174-184.
- Breunig, R., Dasgupta, I., Gunderson, C., & Pattanaik, P. (2004). *Explaining the Food Stamp Cash-out Puzzle*. US Department of Agriculture, Food and Rural Economics Division, Economic Research Service, Washington DC.
- CAG. (2013). *Report of the Comptroller and Auditor General of India on MGNREGS( for the year ended 31 March 2012)*. Government of Assam, Report No. 3 of 2013. Retrieved from [https://cag.gov.in/uploads/download\\_audit\\_report/2013/Assam\\_Report\\_3\\_2013.pdf](https://cag.gov.in/uploads/download_audit_report/2013/Assam_Report_3_2013.pdf)
- CAG. (2016). *Report on MGNREGA Audit of Scheme Rules, 2011 (Social Audit Rules)*. Comptroller and Auditor General of India. Retrieved 09 13, 2021, from <http://dgace.cag.gov.in/pdf/Report%20No.%208%20Mahatama%20Gandhi%20ENG.pdf>
- Chakravarty, S., & Pal, R. (2013). Financial inclusion in India: An axiomatic approach. *Journal of Policy modeling*, 35(5), 813-837.
- Circular. (2012). National Committee on Direct Cash Transfers 1st Meeting (26th November, 2012). India: DBT Mission. Retrieved from <https://dbtbharat.gov.in/data/documents/archivem12.pdf>
- Coady, D., Grosh, M., & Hoddiinot, J. (2004). *Targeting of transfers in developing countries: review of lessons and experiences*. Washington DC: The World Bank and IFPRI.
- Conning, J., & Kevane, M. (2000). *Community Based Targeting Mechanisms for Social Safety Nets*. Economic Department Working Papers, Williams College, Williamstown, MA.
- Creswell, J. (2009). *Research Design: Qualitative, quantitative and mixed methods approaches* (3rd ed.). Sage Publications.
- Creswell, J. (2014). *Research Design: Qualitative, Quantitative and Mixed Methods Approaches* (4th ed.). Sage Publications.
- Das, J., Do, Q., & Ozler, B. (2005). Reassessing Conditional Cash Transfer Programmes. *World Bank Research Observer*, 20(1), 57.
- Das, U. (2015). Does Political activism and affiliation affect allocation of benefits in the rural employment guarantee program: Evidence from West Bengal. *World Development*, 67, 202-217.

- Demirguc, K., Klapper, L., Singer, D., & Oudheusden, P. (2015). *The Global Findex Database 2014: Measuring Financial Inclusion Around the World*. Policy Research Working Paper 7255, World Bank, Washington DC.
- Desai, S., Dubey, A., Joshi, B., Sen, M., Shariff, A., & Vanneman, R. (2010). *Human Development in India: Challenges for a Society in Transition*. New Delhi: Oxford University Press.
- Dev, S. (1995). Alleviating Poverty: Maharashtra Employment Guarantee Scheme. *Economic and Political Weekly*, 30(41/42), 2663-2676. Retrieved from <https://www.jstor.org/stable/4403339?seq=1>
- Dev, S. (2006). Financial inclusion: Issues and challenges. *Economic and Political Weekly*, 4310-4313.
- Devereux, S. (2003). *Policy Options for Increasing the Contribution of Social Protection to Food Security*. Brighton: IDS.
- Devereux, S., & Vincent, K. (2010). Using technology to deliver social protection: exploring opportunities and risks. *Development in Practice*, 367-379.
- DFID. (1999). *International Development Target Strategy Paper: Economic Well-Being*. Department of International Development. Retrieved March 19, 2017, from [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/67968/deptreport98-99.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/67968/deptreport98-99.pdf)
- Directorate of Economics and Statistics. (2021). *State Income*. Retrieved May 17, 2021, from Directorate of Economics and Statistics, Transformation and Development, Government of Assam: <https://des.assam.gov.in/portlets/state-income>
- Dreze, J. (2007, July 06). *Employment Guarantee and Corruption*. Retrieved March 14, 2021, from Hindustan: [econdse.org/wp-content/uploads/2012/09/JD-Employment-guarantee-and-corruption-2007.pdf](http://econdse.org/wp-content/uploads/2012/09/JD-Employment-guarantee-and-corruption-2007.pdf)
- Dreze, J. (2019). Employment Guarantee. In J. Dreze, *Sense and Solidarity: Jholawala Economics for Everyone*. Oxford Scholarship Online. doi:DOI:10.1093/oso/9780198833468.003.0007
- Dreze, J., & Khera, R. (2014). Water for the leeward India. *Outlook*. Retrieved September 2021, from <https://www.outlookindia.com/magazine/story/water-for-the-leeward-india/289801>
- Dreze, J., & Khera, R. (2017). Recent Social Security Initiatives in India. *World Development*, 98, 555-572.
- Dreze, J., & Sen, A. (1991). Public Action for Social Security: Foundations. In J. D. Ehtisham Ahmad, *Public Action for Social Security: Foundations and Strategy* (pp. 1-2). Oxford University Press. doi:10.1093/acprof:oso/9780198233008.001.0001

- Drèze, J., & Sen, A. (2013). *An uncertain glory: India and its contradictions*. Princeton: Princeton University Press.
- Drèze, J., Khalid, N., Khera, R., & Somanchi, A. (2017). Aadhaar and food security in Jharkhand. *Economic & Political Weekly*, 52(50), 51.
- Dutta, P., Murgai, R., Ravallion, M., & Van De Walle, D. (2012). Does India's employment guarantee scheme guarantee employment? *Economic and Political Weekly*, 47(16), 55-64.
- Dutta, S. (2016, November 22). *Excessive Centralised by Modi Government is Undermining MNRGA*. Retrieved January 13, 2021, from The Wire: <https://thewire.in/government/centralisation-mnrega-undermining>
- Elbahnasawy, N. (2014). E-government, internet adoption and corruption: An empirical investigation. *World Development*, 57(1), 114-126.
- Farrington, J., Harvey, P., & Slater, R. (2006). *Cash Transfers in the Context of Pro-poor Growth*. London: Overseas Development Institute.
- Fiszbein, Ariel, & N. S. (2009). *Conditional Cash Transfers: Reducing Present and Future Poverty*. Washington D.C: World Bank.
- García, B., & Gruat, J. (2003). *Social Protection: A Life Cycle Continuum Investment for Social Justice, Poverty Reduction and Development*. Geneva: International Labour Office. Retrieved January 09, 2017, from <http://www.ilo.org/public/english/protection/download/lifecycl/lifecycle.pdf>
- Gelb, A., & Clark, J. (2013). *Identification for development: The biometrics revolution*. Center for Global Development Working Paper (315).
- Gelb, A., & Decker, C. (2012). Cash at your fingertips: Biometric technology for transfers in developing countries. *Review of Policy Research*, 29(1), 91-117.
- Gelbach, J. B., & Pritchett, L. H. (1995). Does More for the Poor Mean Less for the Poor? The Politics of Tagging. (*Policy Research Working Paper WPS 1523*). Washington DC: World Bank.
- Gentilini, U. (2008). Cash transfers, vouchers and food transfers: an overview of key issues. *Rural*, 19-21.
- Gentilini, U., & Omamo, S. (2011). Social Protection 2.0: Exploring issues, evidence and debates in a globalizing world. *Food Policy*(36), 329-340.
- Gilbert, N. (2001). *Targeting Social Benefits: International Perspectives and Trends*. New Brunswick: Transaction Publishers, NJ.
- Government of Assam. (2008). *The Assam Panchayat Act, 1994 with Rules 2008*. Retrieved from Panchayat & Rural Development: <https://pnrd.assam.gov.in/documents/acts>

- Government of Assam. (2018). *Economic Survey Assam 2017-18*. Guwahati: Directorate of Economics and Statistics, Transformation & Development Department, Government of Assam. Retrieved September 30, 2021, from [https://des.assam.gov.in/sites/default/files/swf\\_utility\\_folder/departments/ecostat\\_med\\_hassu\\_in\\_oid\\_3/portlet/level\\_1/files/final.pdf](https://des.assam.gov.in/sites/default/files/swf_utility_folder/departments/ecostat_med_hassu_in_oid_3/portlet/level_1/files/final.pdf)
- Government of Assam. (2019, October 22). *Boundaries of Assam*. Retrieved January 16, 2021, from Directorate of Border Protection and Development, Government of Assam: <https://dbpd.assam.gov.in/portlets/boundaries-of-assam>
- Government of Assam. (2019, August 5). *State Profile of Assam*. Retrieved January 17, 2021, from Directorate of Economics and Statistics, Government of Assam: <https://des.assam.gov.in/information-services/state-profile-of-assam>
- Government of Assam. (2020). *Finance, Government of Assam*. Retrieved November 17, 2020, from Pradhan Mantri Jan Dhan Yojana: <https://finance.assam.gov.in/schemes/pradhan-mantri-jan-dhan-yojana-pmjdy>
- Government of India. (2006, February 28). *Budget 2006-07*. Retrieved March 15, 2021, from Ministry of Finance, Government of India: [https://www.indiabudget.gov.in/budget\\_archive/ub2006-07/bs/specha.htm](https://www.indiabudget.gov.in/budget_archive/ub2006-07/bs/specha.htm)
- Government of India. (2006). *NREGA Operational Guidelines 2006*. Retrieved March 15, 2021, from Ministry of Rural Development, Government of India: <https://nrega.nic.in/netnrega/guidelines.aspx>
- Government of India. (2011). *Annual Report to the People on Employment*. New Delhi: Ministry of Labour and Employment, Government of India.
- Government of India. (2011). *District Census Hand Book*. Registrar General of India.
- Government of India. (2011). *Roadmap for the Panchayati Raj (2011-17): An All India Perspective*. Retrieved March 02, 2021, from eGramSwaraj, Ministry of Panchayati Raj, Government of India: Roadmap for the Panchayati Raj(2011-17) - Ministry of ... [panchayat.gov.in > documents > Panchayati\\_Raj](http://panchayat.gov.in/documents/Panchayati_Raj)
- Government of India. (2013). *MGNREGA Operational Guidelines*. Ministry of Rural Development, Government of India, Department of Rural Development, New Delhi.
- Government of India. (2016, September 9). *Circulars F.No-M-11011/01/2015-RE.I(347201)*. Retrieved 02 20, 2021, from MGNREGA, Ministry of Rural Development, Government of India: [https://nrega.nic.in/netnrega/circular\\_new.aspx](https://nrega.nic.in/netnrega/circular_new.aspx)
- Government of India. (2016). *List of acceptable Documents as Proof of Identity and Proof of Address from General Public in the Country*. Retrieved November 17, 2020, from Department of Telecommunication, Ministry of Communications, Government of India: [https://dot.gov.in/sites/default/files/2016\\_11\\_18%20POIA-AS-II.pdf?download=1](https://dot.gov.in/sites/default/files/2016_11_18%20POIA-AS-II.pdf?download=1)

- Government of India. (2016). *Progress Report*. Retrieved from Pradhan Mantri Jan Dhan Yojana, Department of Financial Services, Ministry of Finance, Government of India: <https://pmjdy.gov.in/Archive>
- Government of India. (2019). *MGNREGA Annual Master Circular 2019-20*. Ministry of Rural Development, Government of India, New Delhi.
- Government of India. (2020). *LIST OF ACCEPTABLE SUPPORTING DOCUMENTS FOR VERIFICATION*. Retrieved November 2, 2020, from Unique Identification Authority of India, Government of India: [https://uidai.gov.in/images/commdoc/valid\\_documents\\_list.pdf](https://uidai.gov.in/images/commdoc/valid_documents_list.pdf)
- Government of India. (2020). *Prime Minister Jan Dhan Yojana, Government of India*. Retrieved November 17, 2020, from <https://www.pmjdy.gov.in/files/forms/account-opening/English.pdf>
- Government of India. (2021, February 01). *Union Budget 2021-22*. Retrieved March 15, 2021, from Ministry of Finance, Government of India: <https://www.indiabudget.gov.in/>
- Government of India. (2022). *Pradhan Mantri Jan Dhan Yojana*. Retrieved from PMJDY Mission Office, Department of Financial Services, Ministry of Finance, Government of India: <https://pmjdy.gov.in/Archive>
- Government of India. (n.d.). *Handbook on Direct Benefit Transfer (DBT)*. Government of India, Planning Commission, New Delhi. Retrieved from [https://niti.gov.in/planningcommission.gov.in/docs/sectors/dbt/hand\\_book1305.pdf](https://niti.gov.in/planningcommission.gov.in/docs/sectors/dbt/hand_book1305.pdf)
- Grosh, M. (1994). *Administering Targeted Social Programs in Latin America: From Platitudes to Practice*. Regional and Sectoral Studies. Washington, DC: World Bank,. Retrieved April 17, 2018, from <https://elibrary.worldbank.org/doi/abs/10.1596/0-8213-2620-1>
- Grosh, M., del Ninno, C., Tesliue, E., & Ouerghi, A. (2007). *For Protection and Promotion. The Design and Implementation of Effective Safety Nets*. Washington, D.C: The World Bank.
- Guhan, S. (1994). Social Security Options for Developing Countries. *International Labour Review*, 133(1), 35-53.
- Gupta, P., & Singh, B. (2013). Role of literacy level in financial inclusion in India: Empirical evidence. *Europe*, 89, 10-4.
- Gupta, R. (2016, September 26). *Direct benefit transfer – a game-changer for financial inclusion in India*. Retrieved March 22, 2020, from Asian Development Blog: <https://blogs.adb.org/blog/direct-benefit-transfer-game-changer-financial-inclusion-india>

- Harvey, P., Rachel, S., & John, F. (2005, March). *Cash Transfers- Mere 'Gadaffi Syndrome', or Serious Potential for Rural Development?* Overseas Development Institute. Natural Resource Perspectives.
- Heeks, R. (2001). *Understanding e-Governance for Development. (The i-Government working paper series; No. 11)*. The University of Manchester. Institute for Development Policy and Management. Retrieved January 03, 2018, from [http://www.seed.manchester.ac.uk/medialibrary/IDPM/working\\_papers/igov/igov\\_wp\\_11.pdf](http://www.seed.manchester.ac.uk/medialibrary/IDPM/working_papers/igov/igov_wp_11.pdf)
- Holzmann, R., & Jorgensen, S. (2001). Social Risk Management: a new conceptual framework for Social Protection and beyond. *International Tax and Public Finance*, 8(4), 529-556. doi:10.1023/A:1011247814590
- Hossain, A. (2013, January). The Making and Unmaking of Assam-Bengal Borders and the Sylhet Referendum. *Modern Asian Studies*, 47(1), 250-287. Retrieved Oct 31, 2021, from <https://doi.org/10.1017/S0026749X1200056X>
- IJHD. (2007). Report on Social Security for Unorganised Workers: Summary and Recommendations. *The Indian Journal of Human Development*, 1(1). Retrieved July 23, 2019, from <https://journals.sagepub.com/doi/pdf/10.1177/0973703020070112>
- ILO. (1952). Social Security (Minimum Standards) Convention, 1952 (No. 102). International Labour Organisation. Retrieved November 13, 2017, from [https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100\\_ILO\\_CODE:C102](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C102)
- ILO. (2010). World Social Security Report 2010/11: Providing coverage in times of crisis and beyond. Geneva: International Labour Office. Retrieved from [https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms\\_146566.pdf](https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_146566.pdf)
- ILO. (2012). *The strategy of the International Labour Organization. Social security for all: Building social protection floors and comprehensive social security systems*. Geneva: International Labour Organisation. Retrieved May 7, 2018, from [http://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/---relconf/documents/meetingdocument/wcms\\_152602.pdf](http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_152602.pdf)
- ILO. (2014). World Social Protection Report 2014/15: Building economic recovery, inclusive development and social justice. Geneva: International Labour Office. Retrieved December 07, 2017, from [https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms\\_245201.pdf](https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_245201.pdf)
- ILO. (2017). *World Social Protection Report 2017/19: Universal Social Protection to Achieve the Sustainable Development Goals*. Geneva: International Labour Organisation.

- Johnson, D. (2008). Case Study on the Use of Smart cards to Deliver Government Benefits in Andhra Pradesh, India. Chennai: Centre for Microfinance, Institute for Financial Management and Research. Retrieved from [http://www.ifmrlead.org/files/OWC/Johnson%20\\_%20SmartCard.pdf](http://www.ifmrlead.org/files/OWC/Johnson%20_%20SmartCard.pdf)
- Johnson, R., Onwuegbuzie, A., & Turner, L. (2007). Toward a definition of mixed methods research. *Journal of Mixed Methods Research*, 1(2), 112-133.
- Jolly, R. (1991). Adjustment with a human face: a UNICEF record and perspective on the 1980s. *World Development*, 19(12), 1807-1821.
- Justino, P. (2003). Social Security in Developing Countries: Myth or Necessity? Evidence from India. Brighton: Poverty Research Unit at Sussex, working paper No 20.
- Kapur, D. (2011). The Shift to Cash Transfers: Running Better But on the Wrong Road? *Economic and Political Weekly*, 46(21), 80-85.
- Kapur, D., Mukhopadhyay, P., & Subramanian, A. (2008). The case for direct cash transfers to the poor. *Economic and Political Weekly*, 37-43.
- Karat, B. (2016, September 09). *Retaining MGNREGA's Core*. *The Hindu*. Retrieved January 17, 2021, from <https://www.thehindu.com/opinion/lead/Retaining-MGNREGA%E2%80%99s-core/article14628684.ece>
- Khera, R. (2010). Wages of delay. *Frontline*. Retrieved September 03, 2021, from <https://frontline.thehindu.com/social-issues/article30180390.ece>
- Khera, R. (2011). The UID Project and Welfare Schemes. *Economic & Political Weekly*, XLVI(9), 38-43.
- Khera, R. (2013, February 2). A Cost-Benefit Analysis of UID. *Economic & Political Weekly*, 48(5), 13-15.
- Khera, R. (2017, December 16). Impact of Aadhaar on Welfare Programmes. *Economic & Political Weekly*, LII(50), 61-70.
- Khera, R., & Nayak, N. (2009). Women Workers and perceptions of the National rural employment Guarantee act. *Economic and Political Weekly*, 49-57.
- King, R. (2014). *India to use Aadhaar to provide universal healthcare | BiometricUpdate*. Retrieved from BiometricUpdate.com: <http://www.biometricupdate.com/201410/india-to-use-aadhaar-to-provide-universal-healthcare>
- Klapper, L., & Singer, D. (2017). The opportunities and challenges of digitizing government-to-person payments. *The World Bank Research Observer*, 32(2), 211-226.
- Kochhar, S., Chandrashekhar, R., & Chakrabarty, K. (2009). *Financial inclusion*. New Delhi: Academic Foundation.

- Korpi, W., & Palme, J. (1998). The paradox of redistribution and strategies of equality: Welfare state institutions, inequality, and poverty in the Western countries. *American Sociological Review*, 63(5), 661-687.
- Labour Code. (2018). *Labour Code on Social Security*. Ministry of Labour and Employment, Government of India. Retrieved May 4, 2018, from <https://labour.gov.in/sites/default/files/SS%20Code%202018-02-28%20FOR%20UPLOADING.pdf>
- Leroy, J., Ruel, M., & Verhofstadt, E. (2009). The Impact of Conditional Cash Transfer Programmes on Child Nutrition: A Review of Evidence Using a Programme Theory Framework. *Journal of Development Effectiveness*, 1, No 2, 103-29.
- Levitt, P., Lloyd, C., Mueller, A., & Viterna, J. (2017). Transnational social protection: setting the agenda. *Oxford Development Studies*, 45(1), 2-19. Retrieved from <http://dx.doi.org/10.1080/13600818.2016.1239702>
- Liu, Y., & Barrett, C. B. (2013). Heterogeneous pro-poor targeting in India's Mahatma Gandhi Rural Employment Guarantee Scheme. *Economic and Political Weekly*, 48(10), 46-53.
- Maps of India. (2020). *Maps of India*. Retrieved November 17, 2020, from <https://www.mapsofindia.com/maps/assam/assam-district.htm>
- Masiero, S. (2015). Redesigning the Indian Food Security System through E-Governance: The Case of Kerala. *World Development*, 67, 126-137.
- Mauss, M. (1954). *The Gift: The Form and Reason for Exchange in Archaic Societies*. London: Routledge.
- MGNREGA. (2005). *The Mahatma Gandhi National Rural Employment Guarantee Act, 2005*. Retrieved March 15, 2021, from Ministry of Rural Development, Government of India: [https://www.nrega.nic.in/netnrega/mgnrega\\_new/Nrega\\_home.aspx](https://www.nrega.nic.in/netnrega/mgnrega_new/Nrega_home.aspx)
- MGNREGA. (2021, March 15). *MGNREGA at a glance*. Retrieved March 15, 2021, from MGNREGA MIS, Ministry of Rural Development, Government of India: [http://mnregaweb4.nic.in/netnrega/all\\_lvl\\_details\\_dashboard\\_new.aspx?Fin\\_Year=2020-2021&Digest=ueg/HtV54GGJ8ZQ6GUB2ew](http://mnregaweb4.nic.in/netnrega/all_lvl_details_dashboard_new.aspx?Fin_Year=2020-2021&Digest=ueg/HtV54GGJ8ZQ6GUB2ew)
- Mkandawire, T. (2005, December). Targeting and Universalism in Poverty Reduction. (*Social Policy and Development Programme Paper Number 23*). United Nations Research Institute for Social Development.
- Mookherjee, D., & Ray, D. (2008). A Dynamic Incentive-based Argument for Conditional Transfers. *Economic Record*, 84, S2-S16.
- MoRD. (2011, June 30). MGNREGA Audit Scheme Rules. Ministry of Rural Development, Government of India. Retrieved August 14, 2021, from

<http://mnregaweb4.nic.in/netnrega/SocialAudit/guidelines/document/MGNREGS%20Audit%20of%20Scheme%20Rules,%202011.pdf>

MoRD. (2016, December 19). Auditing Standards for Social Audit. Ministry of Rural Development, Government of India. Retrieved August 13, 2021, from [https://nrega.nic.in/netnrega/writereaddata/Circulars/1948Social\\_Audit\\_.pdf](https://nrega.nic.in/netnrega/writereaddata/Circulars/1948Social_Audit_.pdf)

MoRD. (2018). *Master Circular- A Guide For Programme Implmentation FY 2018-19*. Retrieved May 16, 2019, from [https://nrega.nic.in/Netnrega/WriteReaddata/Circulars/AMC\\_2018-19\\_nk\\_v3\\_21.03.18.pdf](https://nrega.nic.in/Netnrega/WriteReaddata/Circulars/AMC_2018-19_nk_v3_21.03.18.pdf)

MoRD. (2019). *Proceedings and Recommendations of the National Seminar on Social Audit of Rural Development Programmes*. NIRD&PR, Centre for Social Audit, Hyderabad. Retrieved from [http://nirdpr.org.in/nird\\_docs/rss/socaudit-rs240420.pdf](http://nirdpr.org.in/nird_docs/rss/socaudit-rs240420.pdf)

MoRD. (2020). *MGNREGA State-wise Financial Report from 2014-15 to 2018-19*. Retrieved December 13, 2021, from Ministry of Rural Development, Government of India: <https://rural.nic.in/sites/default/files/MGNREGA%20State-wise%20Financial%20Report%20from%202014-15%20to%202018-19.pdf>

Mukhopadhyay, H., & Sharan, M. (2015). The National Rural Employment Guarantee Scheme in Rajasthan: Rationed funds and their allocation across villagers. *Economic and Political Weekly*, 50(6), 52-62.

Mukundan, N. (2009). *Rural Development and Poverty Eradication in India*. New Delhi: New Century Publications.

Muralidharan, K., Niehaus, P., & Sukhtankar, S. (2016). Building state capacity: Evidence from biometric smartcards in India. *The American Economic Review*, 106(10), 2895-2929.

Murshid, N. (2016, June). Assam and the Foreigner Within. *Asian Survey*, 56(3), 581-604. Retrieved Nov 01, 2021, from <https://www.jstor.org/stable/10.2307/26364374>

Nahlen, L., Clark, J., & Alnwick, D. (2003). Insecticides- Treated Bed-Nets. *American Journal of Tropical Medicine and Hygiene*, 64(4).

Nair, V. (2018). An eye for an I: recording biometrics and reconsidering identity in postcolonial India. *Contemporary South Asia*, 26(2), 143-156.

Nandy, D. (2018, November 5). *MGNREGA is failing: 10 reasons why*. Retrieved December 15, 2018, from DownToEarth: <https://www.downtoearth.org.in/blog/economy/mgnrega-is-failing-10-reasons-why-62035>

Narayanan, S. (2011, May 21). A Case for Reframing the Cash Transfer Debate in India. *Economic & Political Weekly*, XLVI(20).

- Narayanan, S., Das, U., Liu, Y., & Barrett, C. (2017). The "Discouraged Worker Effect" in Public Works Programs: Evidence from MGNREGA in India. *World Development*, 100, 31-44.
- NCRL. (1991). *Report of the National Commission on Rural Labour*. New Delhi: National Commission on Rural Labour. Retrieved from <https://www.indianlabourarchives.org/bitstream/123456789/190/1/Report%20of%20the%20National%20Commission%20on%20Rural%20Labour.pdf>
- NIPFP. (2012). A cost-benefit analysis of Aadhaar. *NIPFP Macro/Finance*, pp. 1-32.
- NIRD&PR. (2018). *Social Audit Units in India: Current Status*. Hyderabad: Centre for Social Audit, National Institute of Rural Development and Panchayati Raj. Retrieved from [http://nirdpr.org.in/nird\\_docs/socialaudit/csa030718.pdf](http://nirdpr.org.in/nird_docs/socialaudit/csa030718.pdf)
- Niyogi, D. G. (2017, August 31). *Is Jharkhand's ambitious Aadhaar linkage derailing MGNREGA?* Retrieved September 11, 2017, from DownToEarth: <https://www.downtoearth.org.in/news/governance/welfare-interrupted-58472>
- Norton, A., Conway, T., & Foster, M. (2001). *Social Protection Concepts and Approaches: Implications for Policy and Practice in International Development*. Centre for Aid and Public Expenditure. London: Overseas Development Institute. Retrieved May 3, 2018, from <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.197.7208&rep=rep1&type=pdf>
- NRC. (2015). *NRC*. Retrieved from Office of the State Coordinator of National Registration (NRC) Assam, Government of Assam: <http://nrcassam.nic.in/index-M.html>
- Oberlander, L., & Brossman, M. (2014, January). Discussion Papers on Social Protection-Electronic Delivery Methods of Social Cash Transfers. Retrieved September 2, 2018, from <https://www.giz.de/expertise/downloads/giz2014-en-electronic-delivery-methods-of-social-cash-transfers.pdf>
- OECD. (2009). Making economic growth more pro-poor: the role of employment and social protection. In OECD(Ed.), *Promoting Pro-poor Growth: Social Protection*. Paris.
- Oxford Reference. (2008). Declaration of Philadelphia. Oxford University Press. Retrieved November 17, 2017, from <https://www.oxfordreference.com/view/10.1093/oi/authority.20110803095705910>
- PIB. (2020, September 15). *Implementation of MGNREGS during COVID-19 Pandemic*. Retrieved December 13, 2021, from Press Information Bureau, Government of India: <https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1654684>
- Rajasekhar, D., Suchita, J., Madheswaran, S., & Karanth, G. (2006). *Design and Management of Social Benefits for Unorganised Workers in Karnataka: A study*. Bangalore: Department of Labour, Government of Karnataka.

- Ravallion, M. (2003). Targeted Transfers in Poor Countries: Revisiting the Trade-Offs and Policy Options. (*Policy Research Working Paper No. 3048*). Washington DC: World Bank.
- Registrar General of India. (2011). *District Census Handbook*. Retrieved October 13, 2020, from Registrar General of India, Ministry of Home Affairs, Government of India: <https://www.census2011.co.in/census/state/assam.html>
- Sainsbury, D. (1996). *Gender Equality and Welfare State*. Cambridge: Cambridge University Press.
- Sarkar, S. (2014). The unique identity (UID) project, biometrics and re-imagining governance in India. *Oxford Development Studies*, 42, 516–533.  
doi:10.1080/13600818.2014.924493
- Sarma, M., & Pais, J. (2011). Financial inclusion and development. *Journal of international development*, 23(5), 613-628.
- Schady, N., & Jose, R. (2007). *Are Cash Transfers Made to Women Spent Like Other Sources of Income*. World Bank, Washington, DC.
- Schubert, B. (2004). *The Pilot Social Cash Transfer Scheme, Kalomo District, Zambia*. Berlin: Chronic Poverty Research Centre. Retrieved from [https://www.chronicpoverty.org/uploads/publication\\_files/WP52\\_Schubert.pdf](https://www.chronicpoverty.org/uploads/publication_files/WP52_Schubert.pdf)
- Sen, A. (1981). *Poverty and Famines: An Essay on Entitlement and Deprivation*. New York: Oxford University Press.
- Sen, A. (1992). *The political economy of targeting*. Washington, DC: World Bank.
- Sen, A. (2000). *Development As Freedom*. New Delhi: Oxford University Press.
- Sharma, A. (2018, June 12). Banking on Direct Benefits Transfer . New Delhi: Financial Express. Retrieved 09 27, 2019, from <https://www.financialexpress.com/opinion/banking-on-direct-benefits-transfer/1202344/>
- Sharma, R. (2010). Identity and the UIDAI: A Response. *Economic and Political Weekly*, 101-103.
- Skoufias, E., Davis, B., & Vega, S. (2001). Targeting the Poor in Mexico: An Evaluation of the Selection of Households into PROGRESA. *World Development*, 29(10), 1769-84.
- Smith, G., MacAuslan, I., Butters, S., & Tromme, M. (2011). *New Technologies in Cash Transfer Programming and Humanitarian Assistance*. Oxford: Cash Learning Partnership (CaLP), Oxfam House. Retrieved September 05, 2019, from <https://oxfamilibrary.openrepository.com/bitstream/handle/10546/558591/tr-new-technologies-cash-transfer-010111-en.pdf?sequence=6&isAllowed=y>

- Sood, A., & Baruah, A. (2017, January 7). The New Moral Economy- Demonetisation, Digitalisation and India's Core Economic Problems. *Economic & Political Weekly*, LII(No 1), 31-36.
- Southworth, & Herman, M. (1945). The Economics of Public Measures to Subsidised Food Consumption. *Journal of Farm Economics*, 27(1), 38-66.
- Srivastava, P. (2004). *Poverty Targeting in Asia: Country Experience of India*. Tokyo: Asian Development Bank Institute.
- Srivastava, R. (2013). *A Social Protection Floor for India*. Geneva: International Labour Organisation.
- Statham, C. (2012, August). Making the Case for Mobile Money: A Look at Social Cash Transfers for Development. USAID FIELD Brief 19. Retrieved September 14, 2021, from [https://www.fhi360.org/sites/default/files/media/documents/FIELD\\_Brief%20No%2019\\_Mobile%20Money\\_FINAL\\_8.27.12.pdf](https://www.fhi360.org/sites/default/files/media/documents/FIELD_Brief%20No%2019_Mobile%20Money_FINAL_8.27.12.pdf)
- Subramanya, R. (2015). *Modi's Radical Plan to remake welfare in India*. Retrieved from Foreign Policy: <http://foreignpolicy.com/2015/05/26/narendra-modi-radical-plan-to-reform-welfare-in-india-labor/>
- Sunesson, S., Blomberg, S., Edebalk, P., Harrysson, L., Magnusson, J., Meeuwisse, A., . . . Salonen, T. (1998). The flight from universalism. *European Journal of Social Work*, 1(1), 19-29. doi:10.1080/13691459808414720
- Svedberg, P. (2012). Reforming or replacing the public distribution system with cash transfers? *Economic and Political Weekly*, 53-62.
- Swaminathan, M. (1996, June 29). Structural Adjustment, Food Security and System of Public Distribution of Food. *Economic and Political Weekly*, 1665-1672.
- The Hindu. (2021). *Two years since NRC, lakhs still remain in limbo*. Guwahati: The Hindu. Retrieved Nov 1, 2021, from <https://www.thehindu.com/news/national/two-years-since-nrc-lakhs-still-remain-in-limbo/article36201266.ece>
- The Indian Express. (2021). *Two years of Assam NRC: Lakhs make it to list, but struggle for Aadhaar*. Guwahati: The Indian Express. Retrieved Nov 1, 2021, from <https://indianexpress.com/article/north-east-india/assam/two-yrs-of-assam-nrc-lakhs-make-it-to-list-but-struggle-for-aadhaar-7477212/>
- Thurow, L. (1974). Cash versus In-Kind Transfers. *American Economic Review*, 64(2), 190-195.
- UIDAI. (2012). *Report of the task force on an Aadhaar-enabled unified payment infrastructure*. New Delhi: Government of India. Retrieved January 02, 2019, from [https://dea.gov.in/sites/default/files/Report\\_Task\\_Force\\_Aadhaar\\_PaymentInfra.pdf](https://dea.gov.in/sites/default/files/Report_Task_Force_Aadhaar_PaymentInfra.pdf)

- UIDAI. (2016). *UIDAI official website*. Retrieved April 17, 2017, from <https://uidai.gov.in/>
- UN. (2008). *General comment No. 19: The right to social security (Art. 9). Doc. E/C.12/GC/19*. Geneva: United Nations Economic and Social Council, Committee on Economic and Cultural Rights. Retrieved May 7, 2018, from [http://tbinternet.ohchr.org/\\_layouts/treatybodyexternal/Download.aspx?symbolno=E%2fC.12%2fGC%2f19&Lang=en](http://tbinternet.ohchr.org/_layouts/treatybodyexternal/Download.aspx?symbolno=E%2fC.12%2fGC%2f19&Lang=en)
- UNDP. (2010). *Rights-based Legal Guarantee as Development Policy: The Mahatma Gandhi National Rural Employment Guarantee Act*. United Nations Development Programme India. Retrieved March 12, 2022, from [https://www1.undp.org/content/dam/india/docs/rights\\_based\\_legal\\_guarantee\\_as\\_development\\_policy\\_mgnrega.pdf](https://www1.undp.org/content/dam/india/docs/rights_based_legal_guarantee_as_development_policy_mgnrega.pdf)
- UNDP. (2014). *Humanity divided: Confronting inequality in developing countries*. New York: United Nations Development Programme. Retrieved May 7, 2018, from <http://www.undp.org/content/undp/en/home/librarypage/poverty-reduction/humanity-divided--confronting-inequality-in-developing-countries.html>
- UNRISD. (2010). *Combating poverty and inequality: Structural change, social policy and politics*. Geneva: United Nations Research Institute for Social Development. Retrieved May 7, 2018, from <http://www.unrisd.org/publications/cpi>
- Upadhyay, V. (2008, Spring). Ethnic Polarisation And Human Security. *World Affairs: The Journal of International Issues*, 12(1). Retrieved Nov 01, 2021, from <https://www.jstor.org/stable/10.2307/48504877>
- Vanaik, A., & Siddhartha. (2008). Bank Payments: End of Corruption in NREGA? *Economic and Political Weekly*, 43(17), 33-39.
- Vincent, K., & Cull, T. (2011). Cell phones, electronic delivery system and social cash transfers: Recent evidence and experience from Africa. *International Social Security Review*(64(1)), 37-51.
- Vivshanth, W. (2012). *Technology Enabled Transformation of the Public Sector: Advances in E-Government*. Hershey: Information Science Reference.
- Walle van de, D. (1998, August). Targeting Revisited. *The World Bank Research Observer*, 13(2), 231-48.
- Weiss, J. (2004). *Poverty Targeting in Asia: Experiences from India, Indonesia, the Phillipines, Peoples' Republic of China and Thailand*. Tokyo: Asian Development Bank Institute.
- World Bank. (1990). *World Development Report 1990 : Poverty*. New York: Oxford University Press.

- World Bank. (2000). *World Development Report 2000/2001: Attacking Poverty*. Washington DC: World Bank.
- World Bank. (2009). *World Development Report 2009*. Washington D.C: World Bank.
- World bank. (2012). *Global Payments System Survey*. Retrieved June 19, 2017, from World Bank: <http://www.worldbank.org/en/topic/paymentsystemsremittances/brief/gpss>
- World Bank. (2014). *World Development Report 2014: Risk and opportunity – Managing risk for development*. Washington, DC: World Bank. Retrieved May 7, 2018, from [https://siteresources.worldbank.org/EXTNWDR2013/Resources/8258024-1352909193861/8936935-1356011448215/8986901-1380046989056/WDR-2014\\_Complete\\_Report.pdf](https://siteresources.worldbank.org/EXTNWDR2013/Resources/8258024-1352909193861/8936935-1356011448215/8986901-1380046989056/WDR-2014_Complete_Report.pdf)
- Wright, R., Tekin, E., Topalli, V., McClellan, C., Dickinson, T., & Rosenfeld, R. (2014). *Less Cash, Less Crime: Evidence from the Electronic Benefit Transfer Program*. National Bureau of Economic Research. NBER Working Paper 1996.

