Linking welfare distribution to land records: a case-study of the Rythu Bandhu Scheme in Telangana

Finance Research Group

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Structure of the presentation

- ► Objectives of the project
- ► Methodology and sample selection
- ► Key findings
- ► Learnings and takeaways

Objectives of the project

Setting the context

	Year	Annual amount	Eligibility
Centre	2018	6,000	Ownership of cultivable land of upto 2 hectares
Telangana	2018	5,000 per acre	Owners of agricultural land
Andhra Pradesh	2019	7,500	Owners and tenants of agricultural land
Odisha	2018	4,000	Owners and tenants of agricultural land

Table: 1. Farm income support schemes introduced in 2018-19

Objectives of the study

Lessons from Telangana on linking welfare distribution schemes to land records:

1. Extent and scope of land record reforms undertaken by Telangana before rolling-out the Rythu Bandhu Scheme (RBS).

2. Co-ordination mechanisms set up between state government departments.

3. Quantitative and qualitative state capacity.

4. Efficiency of a welfare distribution scheme linked to land records.

Literature review on RBS

- ▶ Policy brief about the Land Records Updation Programme (IIHS 2018).
- ▶ Study to evaluate the impact of phone-based monitoring on program implementation (Muralidharan et al. n.d.).
- ▶ Study of tenant farmers in the context of the RBS (Tata Institute of Social Sciences 2018).

Methodology and sample selection

Methodology and sample selection

1. State capacity at the level of the state, district and village.
    1.1 Revenue Department
    1.2 Agriculture Department
    1.3 Finance Department
    1.4 Integrated Tribal Development Agency (ITDA)
    1.5 Information Technology, Electronics and Communication

2. Perspectives of beneficiaries and non-beneficiaries

3. Estimation of exclusion and inclusion errors

Research tools
Desk research

- ► Legislative instruments: circulars and notifications
- ► Internal departmental circulars and instructions
- ► Other information in public domain.

Research tools (contd.)
Field research

Level	Method	Respondent profile
State	Pre-set questionnaires Largely open-ended	Senior-most available officers in each department
District	Pre-set questionnaires Largely open-ended	Senior-most available officers in each department
Village	Focused group discussions	1. Small and marginal farmers (≤ 5 acres) 2. Medium and large farmers (>5 acres) 3. Tenant farmers 4. Disputed cases/excluded from RBS
Error estimation	Village-level land records and beneficiary lists	NA

Table: 2. Research tools and respondent profiles

Sample selection

- ▶ Total No. of districts: 33
- ▶ Selected districts: Nalgonda and Warangal (R)

	Nalgonda	Warangal (Rural)	State avg.
Marginal farmers ($\leq$1 ha)	2,10,618	1,38,108	1,14,006
Small farmers (1$\geq$2 ha)	96,135	35,510	43,946
SC Population	3,21,496	1,38,846	2,07,889
ST Population	2,31,991	1,14,829	1,17,240

Table: 3. District selection parameters

- ▶ Scheduled areas of Warangal (R) - Jayashankar Bhupalpally - carved out into new district of Mulugu (February 2019)

Profile of Mulugu district:

- ► Concentration of tribal population: 235 out of 452 revenue villages, are notified as Scheduled Areas
- ► 70% area covered in forests:
    1. Applicability of *Telangana Land Reforms Act* 1973: prohibits transfer of land from tribals to non-tribals.
    2. Applicability of the *Forest Rights Act* 2006.
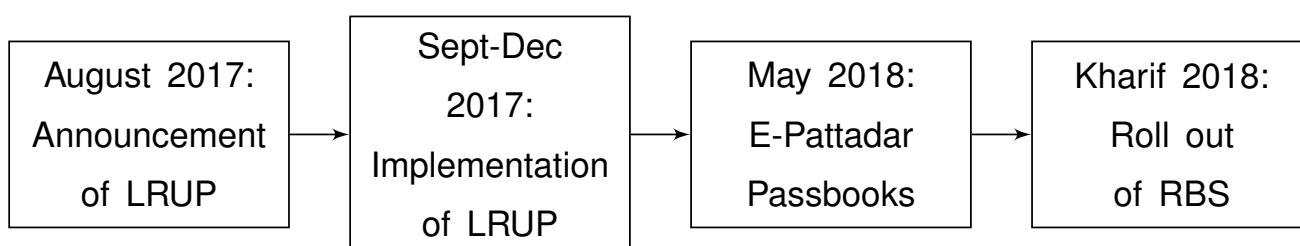
Village selection:

- ► Marrigudda (Nalgonda) - typical large village, proximity to collectorate office

- ► Shapally (Mulugu) - remote village, concentration of ST population

Key findings

Key findings

- Chronology of events
- Overview of the LRUP
- Overview of the RBS
- State capacity
- Citizen perspective
- Inclusion and exclusion error estimation

Chronology of events

August 2017: Announcement of LRUP	→	Sept-Dec 2017: Implementation of LRUP	→	May 2018: E-Pattadar Passbooks	→	Kharif 2018: Roll out of RBS

Overview of the Land Records Updation Program (LRUP)

Overview of LRUP
What did it entail?

1. Verification of existing land records with reality
2. Issuance of pattadar passbooks (PPBs) with security features, such as:
   - QR and bar codes
   - AADHAAR number
   - anti-copying features
3. Recording information about government land, forest land, wakf and endowment land.
4. A round of sada-bainama applications

Overview of LRUP (contd.)
Legislative amendments, 2017

Telangana Rights in Land and Pattadar Pass Books Act, 1971:

- ▶ Introduced e-records
- ▶ Electronic storage of records

Overview of LRUP (contd.)

State-level coverage

Unit	Coverage	Total	Coverage (%)
Districts	30	31	96.77
Mandals	568	584	97.26
Revenue Villages	10,823	Unclear	Unclear
Area (in acres)	2,38,18,551	2,76,94,830	86

Table: 4. Coverage of LRUP

Overview of LRUP (contd.)

Capacity

- ► Human resources:
  - ► 1,523 teams from revenue department
  - ► Average size of each team: 2-3 persons
- ► Capacity building and training:
  - ► District Collector training
  - ► Control rooms
  - ► Intra-departmental circulars issued by CCLA to officers in the revenue department.
- ► Budget:
  - ► District budget allocation: Rs. 2 cr. to each District Collector.
  - ► Expenditure and allocation in the state budget for land reforms.
- ► Technology:
  - ► Electronic database
  - ► Inter-operable and accessible

Overview of LRUP (contd.)

State-level outcomes

State-level LRUP outcomes: in acres and gunthas	
Total extent verified	2,38,53,248.36
Total extent clear	**2,28,77,333 (94.65)**
Total extent not clear	**9,75,915.34 (4.09)**
Details of land cleared	
Agricultural land cleared under LRUP	1,59,86,421.28
Area for which PPBs digitally signed & printed	**1,54,51,919.39 (96.65)**
Area for which PPBs not yet issued	5,34,501.29 (3.34)
Non-agricultural & govt. assets	68,90,542.02
State-level LRUP outcomes: in number of PPBs issued	
Total No. of Khatas covered	71,71,409
Total No. of cleared Khatas	**67,68,151 (94.37)**
Agriculture	60,00,509
NA/Govt.	7,67,642
Total No. of Khatas not cleared	**4,03,258 (5.62)**
No. of PPBs issued	**55,85,396 (93.08)**
No. of Khatas cleared for PPBs, but not yet digitally signed	4,15,113 (6.91)

Source: Report provided by the revenue department.

Table: 5. State-level outcomes under the LRUP

Overview of LRUP (contd.)

Scope of LRUP in the sample districts

	Nalgonda	**Mulugu**
No. of mandals	31	9
No. of revenue villages	564	452

Table: 6. LRUP coverage in the sample districts

Overview of LRUP (contd.)

District-level outcomes: Nalgonda

District-level LRUP outcomes: number of khatas in Nalgonda	
Total No. of Khatas covered	5,02,447
Total No. of Khatas cleared	**4,84,165 (96.36)**
Agricultural Khatas	4,51,928 (89.94)
Non-agricultural and govt. assets	32,237 (6.41)
Total No. of Khatas not cleared	**18,282 (3.63)**
LRUP outcomes: number of PPBs issued in Nalgonda	
No. of cleared agricultural Khatas	4,51,928
No. of PPBs issued	**4,19,274 (92.77)**
No. of Khatas cleared for PPBs, but not yet digitally signed	32,654 (7.22)

Source: Report provided by the Revenue Department.
No. in bracket represent percentages

Table: 7. LRUP district-level outcomes - Nalgonda

Overview of LRUP (contd.)

District-level outcomes: Mulugu

District-level LRUP outcomes: number of khatas in Mulugu	
Total No. of Khatas covered	86,839
Total No. of Khatas cleared	**85,523 (98.48)**
Agricultural Khatas	66,465 (76.53)
Non-agricultural and govt. assets	19,058 (21.94)
Total No. of Khatas not cleared	**1,316 (1.51)**
LRUP outcomes: number of PPBs issued in Mulugu	
No. of cleared agricultural Khatas	66,465
No. of PPBs issued	**58,055 (87)**
No. of Khatas cleared for PPBs, but not yet digitally signed	8,410 (12.65)

Source: Report provided by the Revenue Department.
No. in bracket represent percentages

Table: 8. LRUP district-level outcomes - Mulugu

Overview of LRUP (contd.)

District-level disputed khatas

► Disputed cases:

	State-level	Nalgonda	Mulugu
Total Khatas	71,71,409	5,02,447	86,839
Disputed Khatas	4,03,258 (5.62)	18282 (3.63)	1,316 (1.51)

Table: 9. Disputed cases under the LRUP

► Categories of disputes under LRUP:
  ► 33 categories of disputes
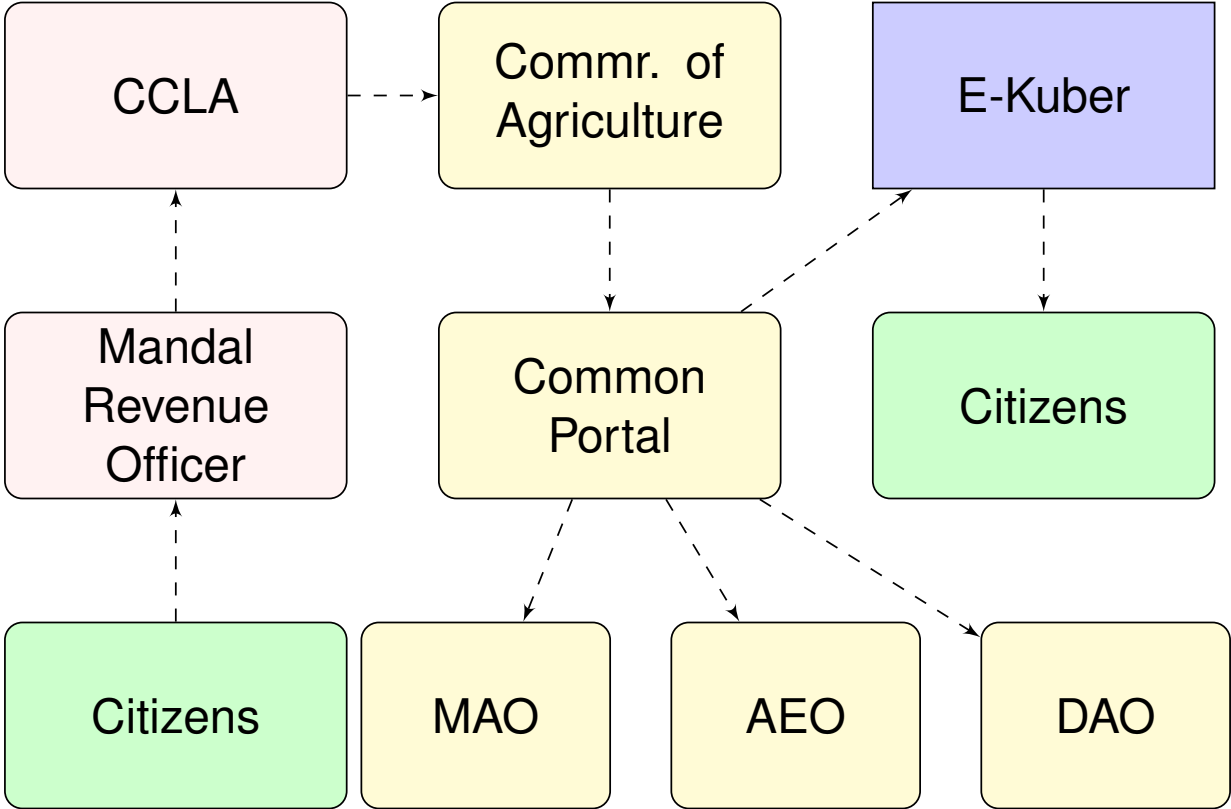 ► Eg. civil court cases, revenue court cases and disputes in succession.

Overview of the RBS

Overview of RBS

- Bi-annual payments
- Land owning farmers
- Excludes tenants
- No ceiling on the amount
- Does not require proof of utilisation
- Does not require registration by farmers

Overview of RBS

Process flow

Capacity

- ► Human resources:
    - ► Agriculture department - nodal
    - ► No separate capacity for operationalisation/ implementation of the RBS.
    - ► Capacity augmented in the period before rolling out RBS - 2000-2500 new recruits at the AEO level (1 AEO for every 2000 hectares).
    - ► Revenue department: district level capacity:

	Nalgonda	Mulugu
No. of Mandals	31	20
Joint Collector	3	0
Special Deputy Collector	3	0
District Revenue Officer	3	1
Tehsildar	40	9
Dy. Tehsildar	51	9
Village revenue officers (VROs)	371	72
Village revenue assistants (VRAs)	821	149
Miscellaneous staff	366	na

Table: 10. Revenue department capacity (sanctioned)

Capacity

- Capacity building and training:
    - No formal ongoing training mechanisms.
- Budget:
    - Rs. 12,000 cr. (2018-19)
    - No change despite increase in entitlement
- Technology:
    - Electronic database
    - Inter-operable and accessible

The ITDA in scheduled areas

Responsible for delivery of services and implementation of development programmes to tribals in scheduled areas.

- ▶ Responsible for issuing Recognition of Forest Rights (ROFR) certificates to forest dwellers under the *Forest Rights Act* 2006: co-ordination with the Gram Sabha, Forest Department, Tehsildar and District Collector.

- ▶ Initiation of a process for issuance of e-Pattadar passbooks.

- ▶ Responsible for maintaining a database of ROFR holders: Tehsildars and Forest Department have access to this database.

Citizen perspectives

Citizens' perspectives

FGD sample profile

	Aggregate	Marriguda	Shapally
Total	82	48	34
Beneficiaries	46	25	21
Non-beneficiaries	19	10	9
Tenants	17	13	4
	Aggregate	**Marriguda**	**Shapally**
Small & Marginal	29	16	13
Avg. annual expenditure (Rs.)	87,069	88,937	84,769
Medium & Large	17	9	8
Avg. annual expenditure (Rs.)	1,71,786	1,30,111	2,18,670

Table: 11. FGD sample profile

Citizens' perspective

Learnings from FGDs

1. Awareness

   Basic awareness among landholding farmers.

   Low awareness among tenants farmers.

   Government programmes, T.V., newspapers.

2. Operationalisation

   Lack of updation in tribal and forest areas.

   Updations without consultation.

   Pre-existing bank accounts.

3. Service delivery and implementation

   Benefits received in 1st season by all beneficiary famers.

   3rd season amounts have been delayed.

   Amounts adjusted against outstanding loans.

   Farmers prefer online transfers to cheque distribution.

Citizens' perspective: Learnings from FGDs (contd...)

4. End use and satisfaction

   Amount helpful but not sufficient.

   Amount used for agricultural purposes.

   Delays reduce effectiveness.

   Reduced indebtedness.

   Farmer suicides have reduced.

5. Grievance redressal

   Absence of clarity on procedure.

Inclusion and exclusion error estimation

Estimating inclusion and exclusion errors: Approach

	In Pahaani	In RBS
Right beneficiary	Yes	Yes
Inclusion error	No	Yes
Exclusion error	Yes	No

Table: 12. Matrix for inclusion and exclusion errors

► Village-level records for Marriguda and Shapally.

► Fields identified: name, type of holding, area and amount.

Method and validation checks

- ► Translated Pahani records
- ► Pattadars from the Phahani record
- ► Matched names from Pahaani records to RBS list
  - ► Validation exercise as data entry is not uniform across records maintained by different departments
  - ► Aggregated names and area
- ► Names present in Pahani, but not in RBS list: exclusion error
- ► Names present in RBS, but not in Pahani: inclusion error

Findings: Summary statistics

	Marriguda	Shapally
Total no. of entries in Pahani	3004	513
Uniques	1287	211
Number of Pattadars	849	128
Min. land holding (acres)	0.005	0.01
Max. land holding (acres)	13.59	4.11
Avg. land holding (acres)	0.79	0.75
Median land holding (acres)	0.23	0.24

Table: 13. Profile of Pattadars and their landholding

Findings: Error estimation

	Marriguda	Shapally
No. of inclusion and exclusion errors		
No. of Pattadars in Pahani	849	128
No. of beneficiaries in RBS list	662	144
Exclusion error	187	0
Inclusion error	0	16

Findings: Error estimation

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No. of Pattadars in Pahani	849	128
No. of beneficiaries in RBS list	662	144
Exclusion error	187	0
Inclusion error	0	16
No. of Pattadars with area discrepancy		
No. with area discrepancy	348	57
No. with no area discrepancy	314	87

Findings: Error estimation

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No. of Pattadars in Pahani	849	128
No. of beneficiaries in RBS list	662	144
Exclusion error	187	0
Inclusion error	0	16
No. of Pattadars with area discrepancy		
No. with area discrepancy	348	57
No. with no area discrepancy	314	87
Extent of area discrepancy (in no. of persons)		
Discrepancy of upto +/- 0.5 acres	83	10
Discrepancy of +/- $0.5 \geq 1$ acre	124	24
Discrepancy of +/- $1 \geq 2$ acres	77	17
Discrepancy +/- >2 acres	64	6
Avg. area discrepancy (in acres)	-0.55	-0.17

Table: 14. Estimation of errors

1. Area discrepancy is the area recorded in the Pahani less area recorded in the RBS beneficiary list.

2. Some ROFR holders in Shapally may have been included in the RBS beneficiary list.

Findings: Error estimation (contd.)

	Marriguda	Shapally
Area under inclusion error (acres)		
Area of wrong beneficiaries	31.67	6.1
Surplus area of right beneficiaries	383.22	39.35
Total area wrongly included	414.89	45.45

Findings: Error estimation (contd.)

	Marriguda	Shapally
Area under inclusion error (acres)		
Area of wrong beneficiaries	31.67	6.1
Surplus area of right beneficiaries	383.22	39.35
Total area wrongly included	414.89	45.45
Area under exclusion error (acres)		
Deficit area of right beneficiaries	48.41	14.01

Table: 15. Estimated area errors

Estimated excess payout in the sample villages

Total area wrongly included (acres)	460.34
Marriguda	414.89
Shapally	45.45
Total annual payout for sample villages (INR)	1,78,28,052
Marriguda	1,48,39,746
Shapally	29,88,306
Annual excess payout for sample villages (INR)	46,03,400 (25.82)
Marriguda	41,48,900 (27.95)
Shapally	4,54,500 (15.20)

Table: 16. Excess payout in the sample villages

1. Nos. in brackets indicate percentages and have been rounded off beyond two decimal points.
2. For the purpose of calculation of the total pay-outs, we have included the pay-outs made to 26 beneficiaries who are holders of ROFR certificates.
3. This is on the basis of the beneficiary lists prepared for Kharif 2019.

Learnings and takeaways

State capacity

1. Bulk of heavy-lifting for operationalisation of RBS was done through the LRUP

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2. No change in the RBS budget despite increase in entitlement

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   ▶ Allow real-time updation and access of status of delivery of service
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   ▶ Accessible by the public

Citizen services

4. For the first two seasons, beneficiaries expressed relatively higher levels of satisfaction compared to Kharif 2019.

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5. Citizens expressed relatively higher levels of satisfaction with RBS compared to PM-Kisan.

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5. Citizens expressed relatively higher levels of satisfaction with RBS compared to PM-Kisan.

6. Citizens expressed dissatisfaction with the dispute resolution process.

4. Amount sufficiency: 11.45% of the average annual expenditure for small and marginal farmers and 5.82% of the average annual expenditure for medium and large farmers

Error estimation

1. Design of the scheme - few design exclusions and no ceilings
2. Average area discrepancy is low, but leans towards surplus area being erroneously included - the negative average
3. Error in terms of absolute number of beneficiaries is low.
   - Unclear if the exclusion error in Marriguda is on account of disputed land.
4. There are estimated excess payouts on account of inclusion errors, both area-wise and beneficiary-wise in both villages.

Thank you.

http://ifrogs.org/

References

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