

# A Civil Society Agenda for E-Shram

December 2021

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## 1. Introduction

On August 26, 2021, the Union Minister for Labour and Employment launched e-Shram, a national database portal for the targeted delivery of social security entitlements to India's unorganized workers. Despite constituting over 93% of India's workforce, unorganized workers have been left out of social protection nets. This category of workers, including platform and migrant workers, also face innumerable employment-related vulnerabilities in urban settings, which have been heightened in recent times by the economic shocks of the Covid-19 pandemic.

As an initiative that seeks to tackle the deep precarity and dearth of protection for unorganized workers, e-Shram is a welcome step. Just three months after the launch of the portal, close to 10 crore unorganized workers have registered as per official statistics.<sup>1</sup> However, the experiences of unions and workers' organizations on the ground have been marred by glitches in its technical infrastructure,<sup>2</sup> a stark digital divide and limited digital literacy.<sup>3</sup> The digital delivery of welfare also invites legitimate scrutiny about workers' privacy and data rights.

In a strategy meeting held on September 29, 2021, the Centre for Internet and Society (CIS) and IT for Change sought to enable a dialogue among trade union representatives, researchers, practitioners working on informal sector issues, and digital rights activists on their experiences with using the portal, along with the impediments they and their constituents have faced during this process. The list of participants is enclosed in Annexure 1.

Many of the issues discussed at the meeting continue to affect the efficiency of the roll-out of e-Shram. Therefore, this report, in addition to crystallizing discussions at the meeting, highlights challenges that

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<sup>1</sup> [https://www.business-standard.com/article/economy-policy/nearly-10-crore-unorganised-sector-workers-registered-on-e-shram-portal-121113001395\\_1.html](https://www.business-standard.com/article/economy-policy/nearly-10-crore-unorganised-sector-workers-registered-on-e-shram-portal-121113001395_1.html)

<sup>2</sup> <https://www.newsclick.in/glitches-e-SHRAM-portal-mar-process-registration-informal-workers>

<sup>3</sup> <https://thewire.in/government/eshram-portal-aadhaar-digital-india-unorganised-workers>

actors on the ground have faced, and proceeds to outline a broad set of recommendations from civil society organizations for the Ministry of Labour and Employment, Government of India, on how to strengthen the design and implementation of the e-Shram portal.

## 2. Issues with the Registration Process

The e-Shram website requires workers to self-register, and does not envision a role for either employers or the state in this process. To register, workers must upload their Aadhaar card linked to a functional mobile number and a bank account. Workers who are not registered on Aadhaar can visit the nearest Common Service Center and register through biometric authentication.

At the time of registration, they must provide personal details and select an occupational category from a list of 156 professions identified from the National Classification of Occupations (NCO), 2015. Once these steps are complete, the form can be submitted, after which the workers receive a PDF acknowledgment of the same. Workers must then wait to receive their e-Shram card.

Participants at the roundtable highlighted several issues that they faced while trying to facilitate registrations for their constituents:

### 2.1 Limited Modes of Registration

Currently, there are two main modes of registration: self-registration through the website and/or mobile app, and facilitated registration through Common Service Centres (CSCs) which include State Seva Kendras, Digital Seva Kendras, and Worker Facilitation Centres.

The first mode fails to consider low levels of digital access and digital literacy among unorganized sector workers, particularly women, migrant workers, and persons with disabilities. Self-registration is further impeded by limited attention to accessibility requirements in the portal's interface. Emerging data indicates that 80% of the registrations have taken place through CSCs, rather than self-registration.<sup>4</sup>

However, registration through CSCs is affected by long-standing issues of misaligned incentives, lack of public accountability and resource constraints.<sup>5</sup> These structural issues and the reliance on CSCs for

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<sup>4</sup> <https://economictimes.indiatimes.com/news/india/common-service-centres-log-more-than-80-informal-workers-registrations-on-e-shram-portal/articleshow/87828544.cms>

<sup>5</sup> <https://www.epw.in/journal/2012/06/commentary/critique-common-service-centre-scheme.html>

registration goals has led to workers being charged enrollment fees on the portal despite specific assurances of free registration.<sup>6</sup>

When we go to CSCs, to get one color print, we need to pay INR 30; when we need to print these cards required, we need to pay INR 50. The registration process for your e-Shram card in these CSCs can easily take 3 to 5 hours. Even after this process, if a person does not receive a card, will they have the incentive to come and try again?

**- Trade union representative**

Moreover, the registration was operationalized through CSCs without adequate accountability safeguards, and it is unclear who may be approached if there are lapses in, or denial of, service delivery. Due to these challenges, participants emphasized the need to expand the modes of registration beyond CSCs and self-registration to include greater public involvement and partnership. This could potentially happen through gram panchayats, helplines, labor offices, and employers' and state agencies. The registration process must allow for self-registration, registration by trade unions, and offline camps that facilitate registration. These camps can be set up at ration shops, schools, corporations, labor offices, and other facilities. Many participants also felt that mandating or incentivizing employers to register workers could be crucial in achieving last mile registrations.

## 2.2 De-facto Aadhaar-Linking and Resultant Exclusions

The registration process seems to assume that all workers have an Aadhaar card, which is linked to their mobile number and bank account. This is often not the case, especially when it comes to migrant workers who frequently change their mobile numbers. Participants highlighted several concerns about the de facto assumptions about Aadhaar-linked bank accounts and mobile number authentication processes that hindered registration, as highlighted below. Workers without an Aadhaar have been given the option of an alternative biometric authentication process at the nearest CSC, but this process does not seem to be accessible at the ground level.

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<sup>6</sup> FAQ 10, <https://www.eshram.gov.in/faqs>

A lot of these workers do not have a phone. For example, if there is a group of four workers, one of them will have a phone and that will be used to contact all of them. Therefore, a phone number linked to Aadhaar being a mandatory requirement is not really accessible. Further, people often get stuck at the OTP [One Time Password] stage of the website.

**- Trade union representative**

Parallel and simultaneous arrangements for enrollment, identification and bank account linking must be permitted, such as self-declaration affidavits. It cannot all be around Aadhaar.

**- Researcher**

De-linking payment transfers from the Aadhaar-enabled Payment System (AePS), which is part of the remuneration schemes developed under e-Shram also emerged as an important note of concern from the participants. Participants emphasized on the need to learn from the rejection or misdirection of the Mahatma Gandhi National Rural Employment Guarantee Act 2005 (MGNREGA) payments to beneficiaries caused by the AePS. Considering that as of October 2021, over 74% of the workers registered on e-Shram do not have bank accounts linked to Aadhaar, an alternative system, delinked from Aadhar seems necessary for preventing exclusions.<sup>7</sup>

Aadhaar-linked mobile and bank account verification becomes particularly challenging for women and transgender workers because many of them do not have their own bank accounts and mobile phones. Even if they do, many of them are dormant. Domestic workers, for example, heavily rely on cash.

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<sup>7</sup><https://theprint.in/india/governance/accounts-not-linked-to-aadhaar-are-likely-missing-out-on-subsidies-e-shram-data-shows/758078/>



Women have revealed that they are discouraged from registering [on the e-Shram portal] since many of them do not have the time to go through the hassle of registration. Often, the OTP would not come in their mobile phones, which was an issue. A lot of these women also do not have their own bank accounts. When these women were asked who has one, they would say their friend or their children do. They often did not have their own mobile phones and they would use their husbands'. There's also the problem of linking a mobile with an Aadhaar card and requiring an OTP. Often, they would try several times before the OTP came even once

- **Civil society representative**

### 2.3 Web Portal Design Glitches

Participants emphasized on the lack of technical capacity and user friendliness of the portal. Within a day of its launch, the portal crashed several times because it was unable to handle site traffic. Technical difficulties and issues with speed have continued to plague the portal, which have made registrations severely cumbersome. One participant from a union noted that they are only able to complete up to 5 registrations on days that the portal does not crash. Another participant from an organization working with street vendors and the urban poor stated that they tried to register late at night to avoid traffic and system crashes, but even then were not able to complete more than 7-8 registrations.

On the first day the website (portal) launched – 26th August – it crashed. We have found that women are not registering because they can't afford to waste time in repeated attempts and multiple registration failures

- **Civil society representative**

There are other issues with inputting data, such as discrepancies in the age range provided for workers. A participant recounted an instance where the portal showed the age range as 16-69 on one system and 15-59 on another. Discrepancies in the technical interface notwithstanding, these prescriptions also arbitrarily exclude workers who are not within the age limit, discounting their social security needs.

The e-Shram portal also requires OTP authentication. This is problematic on two levels: first, as previously stated, it is unlikely that every worker has their own mobile phone and number to receive the OTP; and

second, the participants have reported several instances where even workers with mobile phones did not receive the OTP due to technical glitches.

## 2.4 Lack of Clarity about Tangible Benefits of e-Shram Registration

There is an urgent need to spread awareness about the e-Shram portal among workers and provide clarity on the benefits that can be accessed after registration. There are several hurdles that make workers reluctant to register, including barriers to digital access, onerous documentation requirements, and technical issues.

The absence of apparent, tangible benefits was seen as another impediment to worker enrollment. First, it is not clear which central and state government schemes workers can access through enrolling on the portal. Furthermore, in the larger context of limited public dialogue on the specificity and quantum of entitlements for different categories of workers — especially considering differences in workplaces and employment relationships across categories — it is not evident to workers what they gain out of registration.

The most vulnerable category of migrant workers doesn't want to avail of this registration because for them it is just another registration drive. It is not going to accrue any benefits.

- **Human rights lawyer**

If workers have an e-Shram card, will they receive benefits from the state and the central Governments? We haven't received any answers.

- **Trade union representative**

## 3. Unclear and Exclusionary Scope of Coverage

### 3.1 Limited Imaginary of the Unorganized Sector

Registering on the e-Shram portal requires workers to choose from a list of 156 occupations identified from the NCO, 2015. However, this is not an exhaustive list and excludes gig workers, platform workers, home-based workers, auto drivers, and sex workers, among others. Prominent exclusions include occupations which are undertaken by women and workers from other marginalized groups including transgender workers. The response of the central government to these concerns is that workers can choose the “Others” option if their occupational category is not included, stating that the provided list is meant to be

indicative and not exhaustive. However, this option is far from satisfactory as it lumps several distinct categories together and does not facilitate access to social security measures targeted towards specific occupations. At the time of publishing this report, there has been no revision in the occupational categories included in the portal. Though there have been updates from labor department officials that a new occupational category ‘gig workers’ has been added, ground-level testimonies from trade union volunteers undertaking enrollment drives reveal that no real change has reflected on the portal, as of November 14, 2021.

Labor department officials from Karnataka conveyed to us that gig workers, including delivery agents, taxi drivers, and other service workers engaged with platforms would be added to the category of workers eligible for registration on the e-Shram portal. But as of November 14, 2021, this change does not seem to have been implemented. Our union conducts enrolment drives in various locations including in Bengaluru. Even now, when we try to feed in details about the category of gig work our union members are involved in, no option appears in the drop-down list of eligible categories. We have been advised to choose the 'Others' category if nothing else is suitable. But when we click 'Others', we are not able to enter ‘gig work’ as a subcategory, leading us to ask workers to try another time. Many workers travel great distances forgoing work and domestic duties to register on the e-Shram portal. Unless there is clarity on this big issue, many more of their working and non-working days stand to be wasted in unnecessary travel, not to forget the significant cost of travel spent by workers for this exercise.

**- Trade union representative**

The experience of being engaged in several occupations – either simultaneously or in quick succession – is also a reality of work in the informal economy. The portal fails to consider this factor because it does not permit workers to change or edit their occupational categories. There is also no transparency on how these occupational indicators interact with others, such as occupational information in pre-existing government-issued labor cards.

Suppose a labor card was issued to a worker as a construction worker, who, due to non-availability of work subsequently took up work as a plumber. Now, if the worker registers on the e-Shram portal as a plumber, instead, what happens to the benefits – such as for housing, marriage, and education – that accrue as a construction worker under the labor card?

**- Civil society representative**

Difficulties in enrolment are worrisome because there is no assurance from the government on how the eligibility of these excluded worker groups would be determined for occupation-specific social security benefits. The portal also asks workers to denote their primary and secondary occupations but the basis for differentiating between the two is not spelt out. The link between occupation and its allied social security benefits remains unclear.

Most importantly, the omission of unemployed workers from the target group of the portal is a major shortcoming given the high rate of unemployment among Indian youth, which has been exacerbated further by the pandemic. Thus, mandating that beneficiaries be “actively employed” disregards the lived reality for many workers in the informal economy – including gig and platform workers – who may be actively seeking jobs, or working intermittently and/or seasonally.

### 3.2. Lack of Integration with Existing Social Security Schemes

The portal in its current design lacks integration with existing social security schemes instituted by the central and state governments under various labor welfare boards such as those in the transport and construction sector. It is unclear whether these schemes would continue to operate in tandem with the e-Shram portal.

Further, there has been little clarity regarding the role of state governments in the governance and implementation of social security benefits through the e-Shram portal. While unions in states like Maharashtra, Uttar Pradesh, and New Delhi have campaigned to register workers on the e-Shram portal, the respective state governments have not been active in this regard. It was recommended that workers registered in existing databases should be automatically included in the portal without having to go through the entire registration process again.

The Code on Social Security, 2020 obliges employers to provide social security benefits in enterprises with 10 or more workers. However, the e-Shram portal, as it stands, does not collect information on enterprises and the number of workers. This raises the question of how benefits under the Code on Social Security, 2020 will be implemented through e-Shram. There is ambiguity regarding whether the government will restart the data collection process whenever schemes under the Code on Social Security 2020 are rolled out. Additionally, it is unclear how, if at all, the e-Shram database will be used by the National Social Security Board and State Unorganized Workers' Boards as prescribed under the Code. Creating disparate mechanisms for social security enrollment without clarity on routes for different schemes is increasing the burden of creating and linking multiple databases for government ministries while simultaneously intensifying the costs and risks of exclusion for individual workers.

We have all gone through this with the Aadhaar card and now we are going through this with the e-Shram portal in a similar way. First, you say get Aadhaar. Then you will come up and say that if you want to get social security, you need to have something else, and it goes on. In creating these multiple databases, we are losing sight of the idea that social security is a human right.

- **Civil society representative**

## 4. Issues of Workers' Data Rights

### 4.1 Lack of Transparency and Accountability Safeguards in Data Sharing and Use

The terms and conditions for collection and use of Aadhaar number and associated information on the e-Shram portal state that the demographic information being collected may be used for a broad range of purposes:

- Delivering the benefits of various schemes of departments and ministries of union and state governments framed for the welfare of citizens.
- Assessing worker eligibility for social security programs developed under the Code on Social Security, 2020 as well as other social security and welfare programs run by other Departments/Ministries of the central and state governments.
- Strengthening digital platforms to ensure good governance and prevent dissipation of social welfare benefits.

Participants observed that these over-broad terms and conditions underpinning data collection and processing through the e-Shram portal opened up a range of concerns pertaining to transparency and accountability. First, the blanket clause on re-use of data for strengthening digital platforms to ensure good governance was seen as highly likely to pave the way for the monetization of worker data through public private partnerships (PPPs) in welfare delivery unbounded by guardrails for public scrutiny and audit. Considering that in the Code on Social Security, much of the onus of financing schemes has been shifted from the government to corporations who perceive it more as corporate social responsibility (CSR), it is not too far-fetched to think of the mushrooming of PPPs that take over valuable data about the unorganized sector in India for new business modelling, in the guise of providing the service of effective welfare delivery.

Secondly, the terms and conditions on which inter-departmental data sharing of worker data from e-Shram will happen is not clarified. The consent form does mention that the overall data governance framework for e-Shram will be governed by the rubric of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 but this does not fully materialize.

The registration system collects worker information using a self-declaration system. What are the terms of who this database is shared with? E-Shram has taken its data protection framework from the 2016 Aadhaar Act. When there are limitations to what can be shared with other departments, and in the Aadhaar Act, the limitation of what can be shared with other departments is information that falls within the legal definition of demographic information. But e-Shram [its self-declaration form] says that demographic information can be shared.

- **Academic**

## 4.2. No Provisions for Workers' Rights to Data Access and Audit

Participants were deeply concerned by the fact that workers do not have the right to access, audit, edit, correct, or request deletions of their data. Without independent worker-led audits and a clear grievance redressal mechanism, this is a recipe for cascading exclusions.

With the e-Nirman card for construction workers in Gujarat, there is a construction welfare board accepting and rejecting the applications and a grievance redressal mechanism. But in e-Shram, if information collected is used to determine welfare eligibility, who is accountable? Who can we ask for an explanation?

#### - Civil society representative

Without a worker-led audit for the data infrastructure owned and operated by platforms, the utilization of such databases for creating a national portal on this scale could paradoxically end up skewed against worker interests. Creating a centralized database could also run into oft-discussed issues around a single point of failure leading to exclusion and ineffective service delivery pathways. As a result, many participants asserted the need for a decentralized governance framework for the portal as a whole, and for data management in particular, so that sensitive and private data could be managed and owned directly by workers. This could be done through the inclusion of workers' organizations and unions in a cooperativist database governance arrangement.

## 5. Recommendations

Based on the discussions at the roundtable, this section outlines a broad set of recommendations from civil society organizations for the Ministry of Labour and Employment, Government of India, on strengthening the design and implementation of the e-Shram portal for universal social security coverage.

### 5.1. Modes of Registration

- Expand modes of registration beyond self-registration and CSCs, through the inclusion of gram panchayats, labor offices, worker facilitation centers, and exclusive camps for awareness generation, and enrollment drives.
- Mandate and incentivize employers and firms to register all attached workers, including those in ancillary supply chains through benefits including tax rebates or easing requirements to access credit.
- Permit identity verification through modes beyond Aadhaar-based verification, including self-declaration affidavits for those workers who lack commonly prescribed government IDs.

- Ensure that Aadhaar-enabled payment transfers are not ‘mandatory by default’. Alternative modes of receiving welfare benefits must be an option that is made available to all workers enrolling on e-Shram, irrespective of whether they have an Aadhaar ID.
- Improve the technical stability of the web portal, especially crashes and slow speed of registrations stemming from the inability of servers to handle user traffic.
- Set up a 24X7 non-automated helpline operational in regional languages to address and provide solutions to grievances faced while registering on the portal.

## 5.2. Scope of Coverage

- Universalize access to social security and clarify the quantum and kinds of benefits which may be availed by workers registering under different occupational categories.
- Review the NCO, 2015 classification of occupations and use this updated version to expand portal dropdown categories, accounting for experiences from the ground about occupational categories that are being missed out in e-Shram enrollment drives.
- Address the technical glitches in entering data about ‘gig workers’ that have been highlighted by volunteers conducting enrollment drives on the ground.
- Expand coverage to include those workers who may be informally or contractually employed in formal establishments; as well as unemployed workers. Elderly workers, above the age of 60 years, must also be registered.

## 5.3. Transparency and Accountability Safeguards

- Develop a Standard Operating Procedure specifying personal data protection and data security safeguards, the specific entitlement schemes linked to the e-Shram portal, and rules governing the sharing of worker data with other government departments and private parties for platform development. This SOP has to be evolved through a comprehensive public consultation process.



- Suggestions from the Working People’s Charter<sup>8</sup> can serve as a good starting point in commencing this exercise.
- Institute a decentralized mechanism for welfare eligibility decision making with a strong role for local government agencies/worker welfare boards. Cooperativist data governance mechanisms where government representatives and worker organization representatives are jointly examining eligibility for various welfare schemes should also be explored to ensure greater accuracy of eligibility determination. An appellate mechanism should also be set up for prompt redressal of worker grievances.

#### 5.4. Workers’ Rights to Privacy, Data Access, and Audit

- Ensure that the consent procedure is meaningful by detailing the potential uses of worker demographic information, the terms and conditions for re-use and sharing, and instituting robust purpose limitation clauses.
- Guarantee all workers registering on the e-Shram portal the right to access, audit, and correct their personal data.
- Set up an acknowledgment and status update procedure after registration and an alert/notification about welfare eligibility under different schemes.

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<sup>8</sup> [https://workingpeoplescharter.in/media\\_statements/e-shram-portal-india-s-first-database-for-unorganized-workers-holds-great-promise/](https://workingpeoplescharter.in/media_statements/e-shram-portal-india-s-first-database-for-unorganized-workers-holds-great-promise/)

## Annexure 1

Centre for Internet & Society and IT for Change

Strategy Meeting on the e-Shram Portal

### List of participants<sup>9</sup>

1. Abdul Shakeel Basha, Basti Suraksha Manch (BSM)
2. Aditi Surie, Indian Institute of Human Settlements (IIHS)
3. Akbar Ali, Basti Suraksha Manch (BSM)
4. Anweshaa Ghosh, Institute of Social Studies Trust (ISST)
5. Archana V, Hasiru Dala
6. Bidyarani Devi, Azad Foundation
7. Charu Pragya, Tandem Research
8. Chinmayi Naik, Working People's Charter (WPC)
9. Dharmendra Kumar, Janpahal
10. Divya Varma, Aajeevika Bureau
11. Gautam Bhan, Indian Institute of Human Settlements (IIHS)
12. Geeta Menon, Domestic Workers Rights Union
13. Godsen Mohandoss, Public Services International (PSI)
14. Khush Vachhrajani, Social Accountability Forum for Action and Research (SAFAR)
15. Malavika Narayan, Women in Informal Employment: Globalizing and Organizing (WIEGO)
16. Marina Joseph, Youth for Unity and Voluntary Action (YUVA)
17. Mubashira Zaidi, Institute of Social Studies Trust (ISST)

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<sup>9</sup> Also includes participants who contributed their insights separately post the roundtable

18. Paaritosh Nath, Azim Premji University
19. Rajendran Narayanan, Azim Premji University (APU)
20. Rakhi Sehgal, Labor researcher and activist
21. Sanchita Sharma, Azad Foundation
22. Sangam Tripathy, International Transport Workers Federation (ITF)
23. Shaik Salauddin, Indian Federation of App-based Transport Workers (IFAT)
24. Shubham K, Aajeevika Bureau
25. Snehlata Shukla, Azad Foundation
26. Sonia George, Self Employed Women's Association (SEWA)
27. Spandan Pratyush, All India Gig Workers Union (AIGWU)
28. Suman Dasamahapatra, All India IT and ITeS Union (AIITEU)
29. Uma Rani Amara, International Labour Organization (ILO)
30. Umme Hani, Women's Voice
31. Usman Siddiqi, Indian Institute of Human Settlements (IIHS)

