**Submission to the OHCHR Thematic Report to the Special Rapporteur on Extreme Poverty and Human Rights**

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**Introduction:**

The Government of India (GoI) claims that India’s efforts with the Sustainable Development Goals (SDGs) have been a trendsetter for the global village, with Indian news media hailing Prime Minister Narendra Modi as a [*Vishwaguru* (A teacher for the world)](https://asia.nikkei.com/Opinion/India-s-Modi-is-not-the-world-s-guru).

While there are beacons of hope, such as the establishment of the [International Solar Alliance (ISA)](https://www.cambridge.org/core/journals/transnational-environmental-law/article/soft-law-in-a-hard-shell-india-international-rulemaking-and-the-international-solar-alliance/9154D6AC033F6A028A00177F3826D509) and the institution of numerous schemes for lower-income households and women, they pale in comparison to the challenges that our brief report seeks to present – [increasing censorship](https://rsf.org/en/modi-ramps-online-censorship-india), astonishing levels of [religious, caste, and gender polarisation](https://carnegieendowment.org/2020/08/18/mounting-majoritarianism-and-political-polarization-in-india-pub-82434), attacks on cooperative federalism, [stifling of opposition](https://www.aljazeera.com/news/2023/12/19/why-141-india-opposition-mps-suspended-from-parliament#:~:text=More%20than%20100%20MPs%20have,calls%20'a%20complete%20purge'.&text=Forty%2Dnine%20Indian%20opposition%20lawmakers,for%20allegedly%20disrupting%20House%20proceedings.), [media oligarchism](https://berkleycenter.georgetown.edu/responses/in-modi-s-india-press-freedom-is-curbed-and-journalists-are-under-threat-for-doing-their-jobs) marked by [plummeting press freedom ranks](https://rsf.org/en/country/india), and opacity surrounding political funding, and the usage of consumer health data. Due to the word limit, we shall restrict our detailed analysis to challenges pertaining to the usage of consumer health data whilst trying to cover other necessary concerns.

**Theme:**

*Which measures have been adopted, if any, to ensure that growth primarily benefits the bottom 40 per cent of the population, following SDG target 10.1? Have other tools to assess progress towards reducing inequalities been designed and implemented?*

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1. **India and its tryst with SDGs**:

The Indian Government’s emphasis on ensuring its total commitment towards the SDGs, precisely Goal 10, stands on the pillars of inclusion, financial empowerment, and social security. The pillars mentioned above are paramount, especially for the bottom 40% if the Indian government wishes to progressively achieve and sustain income growth at a rate higher than the national average and ensure compliance with the SDGs by 2030.

Income inequality and the Non-Take Up of Human Rights, which deprives the bottom 40% of the population of the policy framework(s) needs to be addressed systematically. While speaking of income inequality, the aforementioned refers to the uneven distribution of income and allied opportunities, along with disparities in various sectors, including health status, food and social security, etc. Al.

1. **The Current Scenario**:

Mr. Mathew Hammil (UNESCAP) pointed out the growth of India's consumption concerning its bottom 40% population. Consumption was taken as one of the pivotal points, along with inequalities in terms of income, owing to the fundamental structure of SDG 10, which addresses the issue of inequality across borders. He observed that consumption growth has been slower in the last two surveys than in other South Asian countries. He notes that the country's uneven concentration of income and wealth and the dispersion between the rural and urban inequalities in the country. The author, taking ahead the arguments made by Dr Nagesh Kumar on the disparity of opportunities and outcomes, highlights the gaps in consumption regarding income levels. These gaps are to be considered by the Union and the state governments to frame policies for the sample size so concerned.

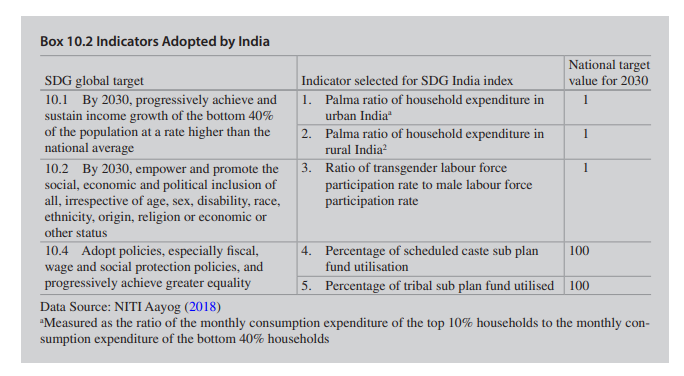
The issue of [economic vulnerability](https://competitiveness.in/wp-content/uploads/2022/05/Report_on_State_of_Inequality-in_India_Web_Version.pdf) is pivotal, owing to the high rate of poverty incidence and problems with accessibility and affordability.

The Indian government has adopted a myriad of schemes and measures at the national level, including the Pradhan Mantri Jan Dhan Yojana, Deen Dayal Upadhyay Grameen Kaushal Yojana and employment schemes like the Prime Minister Employment Generation Programme to eradicate the socio-economic gaps faced by the country.

**Table 10.1**



**Box 10.2**



As per the reports of [NITI Aayog from 2018](https://www.niti.gov.in/sites/default/files/2020-07/SDX_Index_India_Baseline_Report_21-12-2018.pdf), India has adopted the pointers mentioned above nationally, encompassing three out of the ten SDG targets for 2030. However, it is imperative to underscore that India’s statistical system faces [severe allegations of obscurity and political interference](https://carnegieendowment.org/2023/06/28/india-s-statistical-system-past-present-future-pub-90065). Additionally, [the Government has not conducted a population census in 12 years](https://www.bbc.com/news/world-asia-india-64282374) – leading to [information asymmetry](https://journals.sagepub.com/doi/10.1177/0149206318798026), a key hurdle in achieving SDG 10. At the cost of repetition, we have cause to affirm that the Government’s claims may not be reliable.

The Government claims that its performance has been entirely satisfactory in all the indicators mentioned above except for the ‘Palma ratio of household expenditure in urban India’ wherein India stands at 1.41, where the target stands at 1 (refer to Table 10.1 and Box 10.2). Figure ‘1.41’ points to the fact that the allegations that [wealth remains in the hands of affluent Indian industrialists](https://www.nytimes.com/2023/02/04/business/adani-modi-india.html) considered close to the establishment are true. In contrast, people with low incomes remain deprived of the schemes formulated by the government as long-term or short-term strategies for their upliftment.

Regarding the regional levels, the states and the Union Territories (**UTs**) are scored based on their performance of the SDG indicators out of 100. Based on the score, the states are then classified into three categories: achiever (100), front-runner (65-99), and aspirant (0-49). As per the NITI Aayog, in 2018, 29 states and UTs have fallen under the category of ‘front-runners’ while two states have been put under the aspirants category.

* ***Have other tools to assess progress towards reducing inequalities been designed and implemented?***

1. **ADDRESSING SDG 10.1 AND BEYOND**

Besides the measures above aimed at addressing SDG 10.1 and ensuring that growth benefits the bottom 40 per cent of the population, it is also pertinent to consider and discuss other similar tools that assess progress towards reducing inequalities.

1. **DEFINING TOOLS IN A BROADER CONTEXT AND THE COMPLEMENTARY RELATIONSHIP BETWEEN QUALITATIVE AND QUANTITATIVE TOOLS**

In this regard, it is pertinent to note that the term 'tools', in the context of this report, follows a broad definition, wherein the assessment of progress towards inclusive growth and reduction of inequalities necessitates a comprehensive understanding of the multifaceted nature of development. Hence, in this context, tools refer not only to the *quantitative measures* of human development but also to policies and government schemes mainly deemed qualitative.

Hence, in this regard, this paper adopts a broad definition of the term ‘tools’, encompassing both quantitative and qualitative measures adopted by a state to achieve income equality under SDG 10.1. There is a complementary relationship between quantitative and qualitative measures, with quantitative measures providing the numerical rationale or basis for policymakers to engage with and design the necessary tools and social policies to address income inequality. For example, the [Gini coefficient](https://corporatefinanceinstitute.com/resources/economics/gini-coefficient/) or the Gini index is a statistical measure of economic inequality in a population. Governments widely use it as a quantitative measure, and international organisations often use this tool to assess income distribution within a population over time. A decreasing Gini coefficient indicates progress in reducing inequalities.

1. **THE JAN DHAR AADHAR MOBILE (JAM) PROGRAMME AS AN ‘OTHER TOOL’.**

For example, [India's income inequality](https://www.unadap.org/post/india-s-stance-on-sdg-10-reduced-inequalities) Gini coefficient dropped from 36.8% in 2010 to 33.6% in 2015. The government of India is aligning its priorities with the Sustainable Development Goals of achieving greater equality and promoting the social, economic, and political inclusion of all by 2030 by focusing on the three-pronged Jan Dhan-Aadhaar-Mobile (JAM) program, which aims to empower the poor, empower the financially disadvantaged, and provide social security.

The  [Jan Dhan Aadhar Mobile (JAM)](https://theprint.in/economy/what-is-the-jan-dhan-account-aadhaar-mobile-trinity-has-it-aided-indias-war-on-poverty/1257768/) program is a government of India initiative that aims to deal with the leakage of government subsidies by linking the Jan Dhan accounts, Aadhar cards, and mobile numbers of Indian citizens. The JAM system combines the three techniques above to provide direct cash benefits to the bank accounts of the individuals selected as beneficiaries of the Government of India's DBT scheme. Hitherto, the implementation of the JAM program, the government's DBT system has operated at several levels, either through different complicated methods or in the form of separate subsidies. In addition to hurting the exchequer, this benefit transfer method did not ensure that the intended recipients received the benefits.  However, the implementation of the JAM program enables the deposit of funds directly into the beneficiaries' bank accounts, and it is estimated that due to the same, around 12.24 crore (122.4 million) people have been included under the social security cover of this scheme.

The [National Family Health Survey (NFHS)](https://rchiips.org/nfhs/) is a large-scale, multi-round survey conducted in a representative sample of households throughout India, which provides state and national information for India on fertility, infant and child mortality, the practice of family planning, maternal and child health, reproductive health, nutrition, anaemia, utilisation and quality of health and family planning services. NFHS has two specific goals:

1. To provide essential data on health and family welfare needed by the Ministry of Health and Family Welfare and other agencies for policy and programme purposes;
2. To provide information on important emerging health and family welfare issues.

The comprehensive scope of this survey has also brought numerous socio-economic inequalities to the fore. Studies have indicated that the extent of health inequalities is intensified when the increasing average income levels of the population coincide with a rise in income inequalities.

**JAM and NFHS: Challenges**

Though the number of enrolments under the JAM programme is encouraging, with about 12.24 crore (122.4 million) people under the social security coverage of the scheme, it is also pertinent to note that the Pradhan Mantri Jan Dhan Yojana (PMJDY) has also been remarked for its limitations. According to Singh et al. (2021), the [PMJDY scheme's failure](https://doi.org/10.1111/ecno.12186) can be attributed to two main factors: [low financial service usage and an increase in dormant accounts following its inception](https://www.epw.in/engage/article/financial-inclusion-india-achieving-quantity#:~:text=Poor%20usage%20of%20financial%20services,activeness%20of%20accounts%20under%20PMJDY.). The degree of financial inclusion in the activity of accounts under PMJDY needs to be evaluated. Additionally, it is also noted that awareness and behavioural assessments are two micro-level metrics that can be used to assess the quality of financial inclusion.

Research by S Dholakia reveals that there is opacity regarding the limits and modalities of the JAM and PM Jan Aarogya Yogna (PM-JAY) Scheme’s coverage. Additionally, our independent research reveals that two of the devices (namely – MFS 100 fingerprint sensor and MIS 100 Single Iris Scanner) used to record consumer data under all of the aforementioned schemes are almost entirely manufactured by [Mantra Softech](https://www.mantratec.com/) and marketed by [Sharada Business Solutions](https://www.sipune.com/), both of which are Gujarat-based companies with possible links to GoI and BJP functionaries.

Additionally, the GoI has awarded Persistent Systems Ltd, a company accused of links with operatives related to data-hacking app *Tek Fog* after [an investigative report by The Wire](https://thewire.in/tekfog/en/1.html), a contract to store and manage health data across 10 Indian states. Unfortunately, this report has now been removed. However, it is also a well-known fact that the [GoI faces serious allegations of misusing law enforcement agencies,](https://www.thehindu.com/news/national/14-opposition-parties-move-supreme-court-against-misuse-of-ed-cbi-by-government/article66656208.ece) such as the Enforcement Directorate (ED), against journalists and opposition figures. Whether that is the case [here](https://economictimes.indiatimes.com/news/india/delhi-police-conducts-raids-at-residences-of-the-wire-editors-electronic-evidence-seized/articleshow/95210732.cms?from=mdr) is unknown.

Additionally, the GoI cannot resolve the problems arising from Function Creep and the lack of Informed Consent, which are compounded by vague data regulations that bestow the GoI with sweeping powers.

1. Measuring the Building Blocks of Inequalities in India

India has periodically implemented tools that supplement the progress of SDG 10.1-oriented policy measures. The paper examines tools primarily designed and implemented by the central government through which the success of its SDG 10.1 measures is assessed, either explicitly or implicitly.

1. ***PLFS***

India enjoys a distinct advantage in the labour market due to the rapidly evolving age distribution of the population. However, an upward trajectory of the labour economy does not guarantee that the growth in job and income opportunities would also be equal to that of the working-age population or higher than that after wiping out the backlog of unemployment. Coupled with India’s 83% unorganised sector, most of which goes undocumented and unsurveyed, tracking inequality through numbers might be the tip of the iceberg. It might not adequately demonstrate the inequities within the labour market.

The Periodic Labour Force Survey (PLFS) is a crucial assessment tool developed by the government to document the inequality within the labour force. It is a quarterly survey launched and conducted by India’s National Sample Survey Office (NSSO). Its objectives are twofold:

1. To estimate the critical employment and unemployment indicators (viz. Worker Population Ratio, Labour Force Participation Rate, Unemployment Rate) in three months for the urban areas only in the ‘Current Weekly Status’ (CWS).
2. To estimate employment and unemployment indicators in both ‘Usual Status’ (ps+ss) and CWS in rural and urban areas annually.

PLFS covers various labour market characteristics, including activity status, industries, and earnings. During this survey, sample households are interviewed based on a random selection after due stratification of the households residing in the selected villages and urban blocks. The IMF attempted an analysis using PLFS as a tool to cover inequality changes based on earned income per capita in 2023.

1. ***Monthly Per Capita Expenditure***

In India, the NSSO periodically undertakes household consumer expenditure surveys, which capture the Monthly Per Capita Expenditure (MPCE) based on the recall data of the population. The MPCE data gives a broad idea of consumption inequalities. It is argued that compared to income, consumption is a better parameter to analyse the status of bottom deciles, as it, among other things, includes transfer payments received as safety nets, pension schemes, and differential of social assistance availed below market price, which is funded by central government and topped up by the states/ UTs.

**Conclusion:**

Towards the end, as we understand the nuances and analyse the data provided above, we find that the question concerning the policies about the socio-economic development of the bottom 40% of the population of the country has had somewhat of a mixed effect. It is crucial to propound [‘Infrastructural Thinking’](https://www.iilj.org/infrareg/) surrounding SDG 10 in India, for economic concerns are inextricably linked to the [ongoing arson on India’s social fabric](https://asiasociety.org/policy-institute/modis-india-rights-and-freedoms-erode-further-amid-covid-19) led by sectarian forces.

It is of prime importance that the GoI focuses on reducing structural inequities while focusing on the challenges mentioned in the introductory section, principally through the propagation of cooperative federalism, enforcement of the rule of law and adherence with *jus cogens*, adherence to international best standards on public procurement and consumer data management, and by making efforts to ensure [constitutional morality](https://thediplomat.com/2018/08/in-india-constitutional-secularism-comes-under-threat/) – such as secularism, by avoiding public spending in order to promote sectarian agendas.

Unless the aforementioned changes are made in earnest, complying with SDG 10 by the 2030 deadline is a pipe dream for India.