

White Paper: Samajik Nyaya Charcha 2025

Empowering India's Vulnerable Communities: Technology, Financial Inclusion and Pathways to Dignified Livelihoods

Executive Summary: The Department of Social Justice & Empowerment, Government of India, organized Samajik Nyaya Charcha 2025, bringing together leaders from government, private sector and civil society to explore innovative approaches for empowering marginalized communities in India. The convening focused on leveraging technology, financial inclusion, community-driven models, and educational pathways to create sustainable and dignified livelihoods for vulnerable populations.

The convening highlighted the transformative potential of technology when deployed with human-centered approaches, the importance of local champions and community trust, the need for cross-sector collaboration and the critical role of dignity and ownership in sustainable development models.

This white paper synthesizes the discussions, insights and recommendations from the five key sessions that addressed different dimensions of social justice and empowerment:

1. **Bridging the Digital Divide:** Exploring how technology can enhance welfare delivery while ensuring inclusion
2. **Solutions for a Tech-First MoSJE:** Examining innovative approaches combining human connection with technology
3. **Financial Inclusion for Vulnerable Communities:** Addressing barriers and opportunities in financial access
4. **Pathways to Greater Social Mobility:** Identifying tools and models to shape identities and build social capital
5. **Comprehensive Journeys Towards Dignified Livelihoods:** Exploring technology-enabled educational and skilling pathways

Introduction: Social mobility and economic empowerment for India's marginalized communities require multifaceted approaches that address historical biases, systemic barriers and resource constraints. The Samajik Nyaya Charcha 2025 convening created a platform for sharing insights, innovations and best practices to enhance the effectiveness of social justice initiatives.

The discussions recognized that, while digital transformation offers unprecedented opportunities for inclusion, meaningful progress requires addressing divides in access, awareness and value. The sessions emphasized that technology must serve as a bridge, not a barrier, with special attention to the needs of "the last person in the line."

The convening also underscored that financial inclusion goes beyond account access to encompass knowledge, skills and supportive infrastructure. Similarly, social mobility requires more than visibility—it demands access to opportunities and the tools to capitalize on them.

This document captures the collective wisdom of experts and practitioners working at the intersection of social justice, technology and development, providing actionable insights for policymakers, implementers, and stakeholders.

Session 1: Bridging the Digital Divide - Making Digital Inclusion Possible for Delivery and Welfare in India

Key Insights:

1. **Beyond Device Access:** While smartphone penetration has expanded rapidly in India, a new form of digital divide persists in awareness and utilization of technology's full potential, creating a gap in value and usage.
2. **Three-Tier Framework for Digital Inclusion:** Government interventions can be structured as:
 - **Direct Action:** Provision of services like schools, food delivery, and scholarships
 - **Enablement:** Building public digital infrastructure (e.g., UPI, Aadhaar) to foster innovation
 - **Incentivization:** Using technology to enable outcome-based tracking and targeted incentives
3. **User-Centric Design:** Given India's diversity of realities, languages, and access levels, solutions must be designed with empathy, adaptability, and local relevance.
4. **Infrastructure Challenges:** About 25% of India's population remains digitally unconnected, with barriers including energy access, connectivity, and regulatory hurdles.
5. **Intermediary Dependence:** Despite government portals, many citizens rely on cyber cafés or Common Service Centres (CSCs) to access digital services, indicating gaps in direct accessibility.

Recommendations:

1. Address the digital awareness divide through targeted outreach and education for marginalized communities.
2. Implement personalized, AI-driven approaches to proactively connect beneficiaries with relevant schemes, shifting from a pull-based to a push-based model.
3. Design digital inclusion frameworks that are empathetic, adaptable, and contextually relevant to diverse user needs.
4. Update and maintain high-quality demographic and service delivery data to maximize AI-based solutions' impact.
5. Streamline digital service delivery to reduce reliance on intermediaries, making government portals more directly accessible.
6. Invest in grassroots digital capacity building through apprenticeship programs and AI-powered solutions in local languages.

7. Foster public-private-civil society collaboration to effectively deploy digital tools for inclusion.

Session 2: Solutions & Innovations for a "Tech-first" MoSJE

Key Insights:

1. Last-Mile Inclusion: The core challenge for social justice is reaching the most marginalized communities, with many interventions failing due to limited understanding of communication gaps and systemic exclusion.
2. Community Resource Persons (CRPs): Local facilitators are essential bridges between technology, government schemes, and communities, with examples like banking correspondents and women's self-help groups.
3. Beyond Capital Subsidies: Direct financial grants are insufficient; successful models provide facilitation, capacity-building, and skilled human resources.
4. Successful Enterprise Models: The Startup Village Entrepreneurship Programme demonstrates how community monitoring and technical support enable high repayment rates and sustainable development.
5. Psychological and Social Inclusion: Interventions must address not just economic or digital divides, but also psychological inclusion and social identity.
6. Startups as Inclusion Catalysts: Indian startups are increasingly focused on building for the masses, leveraging domestic consumption strength and digital infrastructure.

Recommendations:

1. Invest in Community Resource Persons and local facilitators as bridges between technology, schemes, and marginalized communities.
2. Shift from capital subsidies to models providing sustained hand-holding, technical support, and capacity-building.
3. Adopt blended funding models with community oversight to ensure accountability and high repayment rates.
4. Encourage public-private partnerships that connect marginalized producers to markets while ensuring safeguards against exploitation.
5. Implement integrated, village-level planning rather than product-centric interventions.
6. Accelerate public-private collaboration to reach the most marginalized and enhance digital and financial inclusion.
7. Support startups building for lower-income and rural consumers, recognizing their role as inclusion catalysts.
8. Maintain momentum in mobile-first digital service delivery while ensuring universal access.

Session 3: Financial Inclusion for Vulnerable Communities

Key Insights:

1. Collaboration Gaps: Public-private collaboration in financial inclusion remains largely aspirational, with sectors operating in silos despite decades of discussion.
2. Structural Lending Barriers: Banks often avoid direct engagement in remote/high-risk geographies, relying on intermediaries that increase costs for vulnerable borrowers.
3. Alternative Credit Assessment: Financial institutions are increasingly using alternative data (mobile usage, transaction history) to assess creditworthiness, though inclusive finance must go beyond algorithms.
4. Three Pillars for Success:
 - o Financial knowledge: Basic accounting and money management
 - o Skilling: Capabilities that grow with increasing capital access
 - o Infrastructure: Access to roads, power, and basics that neither investors nor microfinance alone can provide
5. UPI's Evolution: The journey from UPI to UPI Lite (enabling transactions without internet) demonstrates the value of incremental innovation, with UPI Circle now offering more layered, accessible financial services.
6. Financial Literacy: Meaningful progress in financial literacy is recent and vital for safe digital participation and trust-building.

Recommendations:

1. Create genuine public-private partnerships, leveraging technology as an enabler rather than siloed operations.
2. Encourage banks to directly build infrastructure in underserved areas to reduce reliance on costly intermediaries.
3. Design inclusive finance programs combining alternative data, philanthropic support, and strong institutional engagement.
4. Clearly segregate incentives for financial returns versus social impact to maximize success in inclusion efforts.
5. Deliver financial knowledge, skilling, and infrastructure support through specialized institutions rather than expecting single organizations to provide all.
6. Channel more early-stage investment into startups focused on social benefit, not just market returns.
7. Intensify community-level financial literacy initiatives to support safe digital adoption and reduce vulnerability to fraud.
8. Continuously iterate and secure digital payment platforms, closing risk loops as new vulnerabilities emerge.

Session 4: Pathways to Greater Social Mobility for India's Vulnerable Communities

Key Insights:

1. Parental Aspirations: Parents in marginalized communities see education as the primary path to a better life, though practical constraints often force difficult choices influenced by gender or perceived ability.
2. Recognition and Certification: Simple acknowledgments like badges and certificates have powerful impacts on motivation and self-worth for marginalized individuals.
3. Digital Transformation: Widespread smartphone and WhatsApp access has enabled scalable, accessible educational content delivery, with platforms like Rocket Learning utilizing these channels and piloting AI-generated materials in local languages.
4. Data Ownership Model: Karya's approach empowers marginalized workers by granting them ownership of the data they generate, linking their income to the increasing value of this data.
5. Digital Asset Creation: Extending beyond data to other digital assets (e.g., recipes), allowing individuals to preserve cultural heritage while gaining income sources through models similar to NFTs and smart contracts.
6. Youth Aspirations: Young people in marginalized communities have broader aspirations than previous generations, shaped by digital connectivity that allows identity formation beyond traditional boundaries.
7. Digital Empowerment: Digital spaces enable marginalized youth to organize, advocate for their needs, and engage in discussions outside traditional gatekeepers' influence.

Recommendations:

1. Invest in early childhood education as it yields the highest returns for breaking cycles of disadvantage.
2. Implement widespread upskilling and certification programs for frontline workers and recognize informal skills.
3. Leverage digital platforms and AI to deliver modular, on-the-job learning in local languages.
4. Design policies providing differentiated support based on need, avoiding one-size-fits-all approaches.
5. Promote models granting marginalized communities ownership over data and digital assets they create.
6. Align training programs with emerging industries to prepare communities for future jobs.
7. Create digital spaces allowing marginalized youth to express aspirations, advocate for needs, and build confidence.
8. Invest in platforms highlighting success stories from marginalized communities to build resilience and shift narratives.
9. Enable ministries to act as allies by providing channels for youth input into policies and programs.

Session 5: Comprehensive Journeys Towards Dignified Livelihoods Preparedness

Key Insights:

1. Language Inclusion: Limited datasets for smaller Indian languages impact AI model performance and inclusivity, with initiatives like Bhashini crowdsourcing language datasets to capture regional variations.
2. Accessible Design: Digital systems and apps must be designed for low-cost devices, poor connectivity, and language diversity.
3. Trust Building: Community trust in skilling programs grows through endorsements from local champions and real-life success stories, not just advertisements.
4. Timely Placement: Youth who delay workforce entry after training often don't re-enter later, highlighting the importance of immediate placement.
5. Beyond Certification: Employers increasingly use additional filters beyond certification to assess real skills, emphasizing the need to match training with actual demand.
6. Scholarship Innovation: PhysicsWallah's "blue dot" model proactively matches students signaling need with aid, streamlining access to scholarships.
7. Digital Integration: There must be interoperability between public digital infrastructure (DigiLocker, banking, learning platforms) for seamless support.
8. Consumer-Centric Approach: End users' needs and dignity should drive livelihood interventions and skilling programs.
9. Market Alignment: Skilling must align with industry demand; supply-driven models risk irrelevance.

Recommendations:

1. Redesign digital systems with last-mile users in mind, ensuring inclusivity for all socioeconomic backgrounds.
2. Incentivize language data collection to improve AI inclusivity, especially for low-resource languages.
3. Use local champions and alumni to build trust and uptake of skilling programs.
4. Ensure programs impart actual, in-demand skills rather than just certificates.
5. Facilitate timely workforce entry post-training to maximize long-term employment.
6. Integrate government and private digital systems for end-to-end student support.
7. Leverage AI for personalized, scalable learning and financial support.
8. Reform credit delivery to reduce layers and costs, encouraging direct bank participation.
9. Use alternative data for better credit assessment and inclusion.
10. Complement capital with capacity building, mentorship, and market access for entrepreneurs.

Cross-Cutting Themes and Integrated Recommendations: Throughout the sessions, several overlapping themes emerged that point to integrated approaches for enhancing social justice and empowerment:

1. **Human-Centered Technology:** Design a national framework for technology deployment in social welfare that mandates human facilitation, accessibility testing with marginalized users, and continuous feedback mechanisms.
2. **Community Trust and Local Champions:** Establish a cadre of certified Community Digital Ambassadors drawn from marginalized communities, equipped with skills to bridge technological, financial and educational gaps.
3. **Ownership and Dignity:** Develop policy incentives for models that grant data and digital asset ownership rights to marginalized communities, creating sustainable income streams and financial independence.
4. **Cross-Sector Collaboration:** Create a Social Justice “Innovation Lab” bringing together government, private sector, civil society and community representatives to co-design, test, and scale solutions for persistent inclusion challenges.
5. **Education-to-Employment Continuity:** Build integrated education -skilling-employment digital platforms that provides personalized pathways, adaptive learning, skills recognition and job matching with special focus on marginalized communities.

Conclusion: The Samajik Nyaya Charcha 2025 convening provided valuable insights into how technology, financial inclusion and innovative models can enhance social justice and empowerment for India's vulnerable communities. The discussions revealed that effective solutions must combine technological innovation with human connection, respect community dignity, foster ownership and build trust.

Going forward, the Department of Social Justice & Empowerment can play a pivotal role in promoting cross-sector collaboration, evidence-based approaches and scaling of successful models. By implementing the recommendations from this convening, India can make significant progress toward ensuring that every citizen has access to dignified livelihood opportunities and pathways for social mobility.

The path to comprehensive social justice requires sustained commitment to inclusive design, community engagement and adaptability to diverse contexts. With technological tools now available to enhance reach and effectiveness, there is unprecedented opportunity to transform welfare delivery and create more equitable outcomes for all Indians.

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