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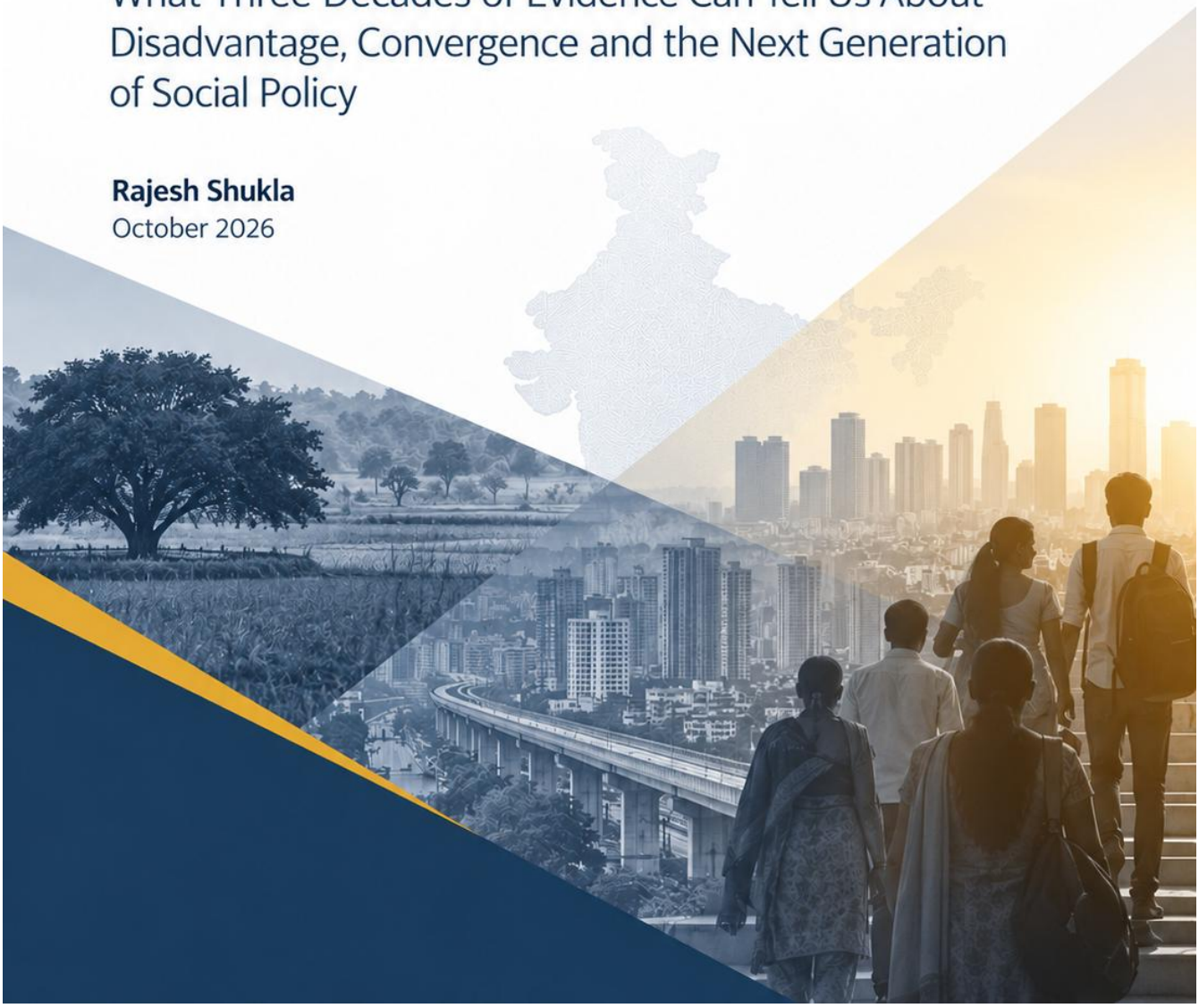
PEOPLE RESEARCH ON INDIA'S CONSUMER ECONOMY

Caste and Economic Mobility in a Changing India

What Three Decades of Evidence Can Tell Us About Disadvantage, Convergence and the Next Generation of Social Policy

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October 2026



Publication Details

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Published by

People Research on India's Consumer Economy (PRICE)

Suggested citation

Shukla, Rajesh (2026). Caste and Economic Mobility in a Changing India. People Research on India's Consumer Economy (PRICE).

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October 2026

Preface

This report examines how caste-linked economic disadvantage in India has changed as the economy itself has transformed. Its purpose is neither to argue that caste has disappeared nor to treat the social hierarchy as economically unchanged. It asks a more empirical question: where do social-group gaps persist, where have they narrowed, through which mechanisms, and at what stage of the mobility process?

The report brings together harmonised PRICE's ICE 360^0 household surveys evidence on education, occupation and income; official NSO consumption data; official evidence on assets and debt; and selected published research on intergenerational mobility, labour markets, credit and entrepreneurship. The original empirical core begins in 2004–05. Earlier evidence is used as historical context where definitions and social-group classifications are sufficiently clear.

Three disciplines guide the analysis. Progress is kept distinct from convergence. Cohort change is kept distinct from parent–child intergenerational mobility. And conditional gaps are treated as outcomes to explain, not as automatic estimates of discrimination. The result is a mobility framework that follows households from Access to Position, Reward, Living Standard, Accumulation and Transmission.

The report is intended as an evidence base for researchers, policymakers, institutions and businesses interested in India's changing social and economic structure. Its central proposition is that development has neither erased caste nor left its economic meaning unchanged.

Dr. Rajesh Shukla
Managing Director and CEO, PRICE

Contents

Executive Summary 7

Chapter 1 Caste and Economic Mobility: Why the Question Has Changed 10

Chapter 2 The Great Educational Transition 12

Chapter 3 From Education to Employment 15

Chapter 4 The Changing Income Hierarchy 18

Chapter 5 The Consumption Revolution 22

Chapter 6 Wealth and Accumulated Advantage 27

Chapter 7 Three Mobility Stories 31

Chapter 8 Geography, Urbanisation and Migration 34

Chapter 9 From One Generation to the Next 41

Chapter 10 Beyond Caste Averages: Economic Position, Opportunity and Unequal Rewards 45

Chapter 11 From Compensatory Policy to Mobility Policy 48

References and Source Notes 55

Technical Appendix Data, Harmonisation, Decomposition and State Mobility Diagnostics 56

List of Tables

Table ES1: Household income convergence 7

Table ES2: Households with a graduate or above (% of households) 7

Table ES3: Household expenditure convergence 8

Table ES4: The graduate–salaried intersection 8

Table 2.1: Graduate & Above: the upper-rung gap persists 12

Table 2.2: Higher-education participation has expanded 13

Table 3.1: Regular salaried employment: convergence, but a remaining hierarchy 15

Table 3.2: Among graduates, regular salaried employment is much less socially differentiated 16

Table 4.1: Household income relative to Others=100 18

Table 4.2: The timing of convergence, percentage-point change in relative income 19

Table 4.3: Conditional log-income gaps relative to Others 20

Table 4.4: Three-factor decomposition of change in relative household income. 20

Table 4.5: Two clocks of convergence 21

Table 5.1 | Mean MPCE across four official survey rounds. 22

Table 5.2: Median MPCE relative to Others=100 23

Table 5.3: Conditional log-MPCE gaps relative to Others 23

Table 5.4A | Phase I: mobility without consumption convergence 24

Table 5.4B | Phase II: broad-based convergence 24

Table 5.4C: Phase III: within-position convergence 25

Table 6.1: Asset catch-up, 2012 to 2018- RURAL 27

Table 6.2: Asset catch-up, 2012 to 2018- URBAN 28

Table 6.3: Land quantity is not land advantage 29

Table 6.4: Three economic clocks 30

Table 7.1: Three mobility profiles across the ladder. 31

Table 7.2: Similar direction, different mechanisms 33

Table 8.1: ST convergence differs sharply across places 35

Table 8.2: Urbanisation can accelerate convergence without guaranteeing parity 36

Table 8.3: Seven pathways through the mobility chain 39

Table 9.1: Three different meanings of generational change 42

Table 9.2: The mobility ladder becomes a transmission cycle 43

Table 10.1: Regular salaried employment as principal household income source, 2022–23. 46

India's Next Social Mobility Challenge

From narrowing caste gaps to widening economic opportunity

India has made substantial progress in reducing historical economic disparities. The next challenge is to turn improvements in education and living standards into productive employment, lasting economic security and better opportunities for the next generation.

SC 53 → 76	ST 47 → 66	OBC 69 → 87
Relative income	Relative income	Relative income

Weighted mean household income relative to Others = 100, 2004–05 to 2022–23.

WHAT THE EVIDENCE TELLS US

Education is expanding, but the higher education divide remains. Greater access has not yet ensured comparable entry into rewarding occupations.

Living standards have converged faster than accumulated wealth. Differences in property, savings and productive assets continue to affect resilience and opportunity.

Disadvantage is not uniform. SC households face unfinished transitions into higher qualifications and assets; ST households encounter strong spatial constraints; OBC averages conceal considerable diversity.

FIVE PRIORITIES FOR INCLUSIVE DEVELOPMENT

1. **Education outcomes.** Improve learning quality, graduate completion, relevant skills and transition into work.
2. **Productive opportunities.** Expand access to regular employment, professional careers and viable enterprise.
3. **Place sensitive policy.** Address connectivity, market access and service gaps in underserved regions, especially tribal areas.
4. **Asset creation and resilience.** Strengthen savings, housing, productive assets, responsible credit and protection against shocks.
5. **Measure mobility.** Track educational progression, occupational advancement, income, wealth and opportunities across generations.

THE CENTRAL POLICY IMPERATIVE

Diagnose where disadvantage persists, identify the mechanism, and match the policy response. Economic progress must become durable mobility, not simply higher current consumption.

Constitutional protections, affirmative action and measures against discrimination remain essential. A more precise economic mobility agenda should complement, not replace, these commitments.

Source: Rajesh Shukla (2026). "Caste and Economic Mobility in a Changing India", PRICE.

Executive Summary

India has experienced substantial but uneven convergence across broad social groups. Caste-linked disadvantage has weakened in several dimensions, but it has not disappeared; instead, its location and mechanism have changed as education, occupations, markets, cities and household living standards have transformed.

The report therefore asks a different question from the familiar binary of whether caste still matters. It asks where caste-linked disadvantage remains strongest, how it differs across Schedule Caste (SC), Schedule Tribe (ST) and Other Backward Caste (OBC) households, whether gaps arise from unequal access to better positions or from unequal outcomes within comparable positions, and whether gains in current living standards become durable enough to alter the starting point of the next generation.

Progress is not convergence. All major social groups have improved in absolute terms, but the distance between them has narrowed at different speeds. The report therefore separates absolute progress from relative convergence throughout.

Income gaps narrowed, but unevenly. With Others=100, weighted mean household income rose from 52.9 to 75.7 for SC households, 47.0 to 66.2 for ST households and 68.9 to 87.2 for OBC households between 2004–05 and 2022–23. The ST endpoint is the accepted corrected estimate.

Table ES1: Household income convergence

Social group	2004–05	2022–23	Change (points)
SC	52.9	75.7	22.8
ST	47.0	66.2	19.2
OBC	68.9	87.2	18.3
Others	**100.0**	**100.0**	**0.0**

Note: Weighted mean annual household income, expressed relative to Others=100 within each survey round.

Source: PRICE Research and Analysis (2026); 2004–05 estimates from Caste in a Different Mould (Shukla, Jain and Preeti); subsequent estimates based on PRICE's ICE 360° Survey (2022–23).

The educational divide has moved upward. Graduate-and-above attainment rises between 2004–05 and 2022-23 from about 3% to 9% for SC, 2% to 5% for ST, 5% to 13% for OBC and 15% to 23% for Others. Basic educational exclusion has weakened sharply; inequality is increasingly concentrated at the higher-education frontier.

Table ES2: Households with a graduate or above (% of households)

Social group	2004–05	2022–23	Change (points)
SC	3.0	9.0	6.0
ST	2.0	5.0	3.0
OBC	5.0	13.0	8.0
Others	**15.0**	**23.0**	**8.0**

Source: PRICE Research and Analysis (2026); 2004–05 estimates from Caste in a Different Mould (Shukla, Jain and Preeti); subsequent estimates based on PRICE's ICE 360° Survey (2022–23).

Education is a gateway, not the endpoint. Among graduates, differences in regular salaried employment are much smaller than differences in graduate attainment itself: by 2022-23 the shares are about 41% for SC, 40%

for ST, 38% for OBC and 43% for Others. This does not establish equality in job quality or wages, but it locates a large part of the occupational gap upstream in access to higher education.

Income and consumption have run on different convergence clocks. PRICE income evidence shows substantial early catch-up, especially for SC and ST households. Official NSO consumption evidence shows almost no relative convergence through 2011–12, followed by pronounced convergence thereafter. The report treats these as separate descriptive clocks rather than imposing a causal lag between them.

Convergence is not a straight line. In 2015–16 the SC, ST and OBC income ratios were 74.3, 69.8 and 81.4. In 2022–23 they stood at 75.7, 66.2 and 87.2. The ST relative position deteriorated between 2015–16 and 2022–23 even though it improved relative to 2004–05.

Consumption convergence was concentrated largely after 2011–12. Mean MPCE relative to Others changes little from 2004–05 to 2011–12: SC 54.8→55.1, ST 47.3→46.5 and OBC 65.5→66.5. By 2023–24 the ratios reach 68.9, 58.5 and 82.5 respectively. Convergence was therefore not a smooth two-decade process.

Table ES3: Household expenditure convergence

Social group	2004–05	2023–24	Change (points)
SC	54.8	68.9	14.1
ST	47.3	58.5	11.2
OBC	65.5	82.5	17.0
Others	**100.0**	**100.0**	**0.0**

Note: Weighted mean annual monthly per capita expenditure (MPCE), expressed relative to Others=100 within each survey round.
Source: PRICE Research and Analysis (2026); NSS 2004–05 and HCES 2023–24, MoSPI, GOI.

Education and salaried employment are increasingly coming together, but social gaps remain. Between 2004–05 and 2022–23, the proportion of households having at least one graduate member and depending mainly on regular salaried employment increased from 5.6% to 9.3% among SCs, 3.5% to 12.0% among STs, and 7.8% to 12.5% among OBCs. However, the corresponding share among Others was considerably higher at 21.1% in 2022–23. These findings suggest growing access to education-linked economic opportunities among disadvantaged groups, particularly STs, but also reveal a continuing gap in reaching more secure employment-based household positions.

Table ES4: The graduate–salaried intersection

Social group	2004–05	2022–23	Change (points)
SC	5.6	9.3	3.7
ST	3.5	12.0	8.5
OBC	7.8	12.5	4.7
Others	15.2	21.1	5.9

Note: Graduate = at least one household member has a graduate-level qualification; salaried = regular salaried work is the largest source of household income. The figures describe household characteristics, not the employment outcomes of individual graduates. Comparisons across survey rounds should be interpreted cautiously because of possible changes in survey definitions and occupational classifications.

Source: PRICE Research and Analysis (2026); 2004–05 estimates from Caste in a Different Mould (Shukla, Jain and Preeti); subsequent estimates based on PRICE's ICE 360° Survey (2022–23).

ST disadvantage is the most spatially persistent. ST households show substantial aggregate progress, but comparatively limited long-run within-position convergence and strong geographic variation. The evidence points to the importance of place, local opportunity structures and accumulated constraints alongside household capabilities.

Current living standards have converged further than accumulated economic advantage. Official asset evidence shows much larger social-group gaps in accumulated household resources than the contemporary consumption gaps. Income and consumption describe current flows; assets, property, savings and debt quality shape resilience, opportunity and the resources transmitted to the next generation.

The ladder has risen across generations, but relative persistence has not weakened uniformly. Younger cohorts are much better educated than older cohorts across all groups. That generational progress is distinct from parent–child mobility. Published intergenerational research suggests that the weakening of relative persistence differs by group, gender, place and period.

The next developmental frontier is category plus mechanism. Broad social categories remain essential for identifying historical disadvantage, but averages increasingly conceal different contemporary economic positions. The report therefore distinguishes endowment gaps, opportunity gaps and conversion gaps and asks where the constraint sits: Access, Position, Reward, Living Standard, Accumulation or Transmission.

From evidence to a mobility architecture

The policy implication is not that constitutional affirmative-action arrangements should be replaced by economic criteria or by a single mobility index. Constitutional entitlement, anti-discrimination, developmental targeting and social protection answer different questions. The report's contribution is complementary: developmental policy should identify where the mobility process is breaking down and match the intervention to that constraint.

Stage	Diagnostic question	Illustrative developmental focus
Access	Who reaches the capability?	School quality, higher education, skills, connectivity
Position	Who enters better economic roles?	Education-to-employment pathways, job access, enterprise
Reward	What return does the position generate?	Wages, earnings, market access, fair treatment
Living Standard	How does reward become welfare?	Consumption security, housing, essential services
Accumulation	Do gains become durable security?	Savings, property, productive assets, credit quality
Transmission	Does disadvantage reproduce across generations?	Early-life opportunity, education, family resilience

The report's final proposition is therefore simple: diagnose the stage, identify the mechanism, and match the instrument. India increasingly needs to understand not only who is disadvantaged, but where in the mobility process disadvantage is being produced.

Chapter 1

Caste and Economic Mobility: Why the Question Has Changed

India's economic transformation over the past three decades has fundamentally altered the opportunities available to households across social groups. Rising incomes, expanding education, urbanisation, diversification of employment and wider access to markets, infrastructure and financial services have created possibilities for economic advancement that were largely unavailable to previous generations. Historically disadvantaged communities have participated in this transformation, but a fundamental question remains: Has economic development merely improved their living standards, or has it also changed their relative position in India's economic hierarchy?

As basic education becomes more widespread, inequalities increasingly shift towards higher education, specialised skills and the quality of educational institutions. As employment opportunities expand, differences in access to regular salaried jobs, professional occupations and successful enterprises become more consequential. Similarly, improvements in income and consumption do not necessarily translate into comparable gains in property ownership, savings, financial security or opportunities for the next generation. The nature of economic disadvantage may therefore change even as its overall severity declines.

This distinction is important because economic progress and economic convergence are not synonymous. All social groups may experience improvements in education, income and living standards without the economic distance between them narrowing proportionately. Conversely, substantial convergence may occur in some dimensions while inequalities persist in others. Understanding India's development experience therefore requires examining not only how far historically disadvantaged communities have progressed, but also whether they are catching up with more advantaged groups, in which dimensions and at what pace.

Much of the existing discussion of caste inequality has focused on historical exclusion, social discrimination, educational representation, occupational differences and access to public opportunities. These remain essential concerns. However, India's changing economic structure calls for a broader assessment of how inherited social disadvantage interacts with contemporary economic opportunities and household outcomes.

Three developments make such an assessment particularly relevant.

First, the relationship between caste and economic opportunity is changing. Expanding education, employment outside agriculture and market participation have created new pathways for advancement. Yet access to these opportunities, the ability to benefit from them and the economic rewards they generate may differ considerably across social groups. The relevant question is increasingly not only who gains access, but who advances into more secure and rewarding economic positions.

Second, improvements in current living standards may conceal persistent inequalities in economic security. A household may achieve higher income and consumption without accumulating sufficient assets, savings or financial protection against economic shocks. Such differences matter because accumulated resources influence children's education, occupational choices, access to finance and future opportunities. Understanding mobility therefore requires examining both current economic wellbeing and the capacity to sustain economic gains across generations.

Third, broad social categories encompass diverse economic circumstances. Scheduled Castes (SC), Scheduled Tribes (ST) and Other Backward Classes (OBC) differ in their historical experiences, geographical concentrations and patterns of economic participation. Within each category, households also occupy widely varying positions in education, employment, income and wealth. National averages remain indispensable for measuring social group disparities, but they cannot fully explain the different pathways and constraints shaping economic advancement.

Against this background, the present study examines how the economic position of India's major social groups has changed over approximately two decades, where convergence has occurred and where inherited disadvantages continue to influence economic outcomes. It draws principally on harmonised household evidence from findings from Caste in a Different Mould (Shukla, Jain and Preeti); subsequent estimates based on PRICE's ICE 360° Surveys (2015-16, 2020-21and 2022–23) integrated household microdata. These studies supplemented by official NSO household consumption surveys spanning 2004–05 to 2023–24, official statistics on household assets and indebtedness, and established research on intergenerational economic mobility.

The research addresses four interrelated questions:

- How far have differences in education, occupation, household income and consumption between SC, ST, OBC and Others narrowed?
- Has improved access to education and more advantageous occupations translated into better economic outcomes?
- Where do significant disadvantages persist, particularly in higher education, employment quality, accumulated assets and geography?
- And what do these changing patterns imply for economic mobility across generations and for future development policy?

The distinctive contribution of this research lies in its integrated household perspective. Rather than treating caste inequality as a single measure of deprivation or a fixed social hierarchy, it examines how differences between social groups evolve across interconnected dimensions of economic wellbeing. It distinguishes improvements in absolute living standards from relative convergence, and changes in household economic positions from actual mobility between parents and children. The analysis also recognises that observed differences cannot automatically be attributed to discrimination or to the effects of particular policies. Detailed methodological definitions and limitations are presented in the technical appendix.

These distinctions are important for public policy. Measures addressing historical exclusion and discrimination remain essential, but they must be complemented by interventions that improve educational quality, access to productive employment, entrepreneurship, financial opportunities and asset creation. Understanding where economic gaps are narrowing and where they remain persistent can help identify the barriers that matter most for the next stage of inclusive development.

The central proposition of this report is that India's economic transformation has neither eliminated disadvantages associated with caste nor left their economic consequences unchanged. The nature, extent and mechanisms of disadvantage are evolving, and convergence remains uneven across social groups, economic outcomes and generations.

The question, therefore, is no longer simply whether caste matters, but how its influence on economic opportunities and outcomes has changed, where disadvantage persists, and what is required to make economic advancement more widely accessible and sustainable. Answering this question is essential to understanding India's changing social and economic landscape and shaping a more inclusive next phase of growth.

Chapter 2

The Great Educational Transition

2.1 The old educational divide is receding

Few changes have altered the economic meaning of caste in India as profoundly as the expansion of education. At the beginning of the period examined in this report, educational disadvantage among Scheduled Caste, Scheduled Tribe and Other Backward Class households was visible at almost every rung of the ladder. The most basic divide was whether a person entered and remained in education at all. Two decades later, that is no longer the whole story.

The transition is not one from inequality to equality. It is a transition in the location of inequality. Younger cohorts across social groups are much better educated than older cohorts, and the sharpest forms of basic educational exclusion have receded. Yet the gains become progressively less equal as the ladder rises. The contemporary divide is increasingly concentrated around completion of secondary education, entry into college and, above all, attainment of graduate-level qualifications.

This distinction matters because education performs two roles at once. It is a welfare outcome in its own right, but it is also an input into the next stages of economic mobility: access to regular employment, occupational position, earnings, asset accumulation and the opportunities available to the next generation. Where the educational gap sits on the ladder therefore shapes the form that economic disadvantage takes later.

2.2 The divide has moved upward

The clearest evidence comes from the changing share of adults with graduate-level education. Between 2004–05 and 2023, the proportion classified as Graduate & Above households rose from about 3 to 9 per cent among SCs, from 2 to 5 per cent among STs, from 5 to 13 per cent among OBCs and from 15 to 23 per cent among Others. Every group moved forward. But the movement did not eliminate the hierarchy.

Table 2.1: Graduate & Above: the upper-rung gap persists

Social group	2004–05	2022-23	Change (pp)
SC	3%	9%	+6
ST	2%	5%	+3
OBC	5%	13%	+8
Others	15%	23%	+8

Source: PRICE Research and Analysis (2026); 2004–05 estimates from Caste in a Different Mould (Shukla, Jain and Preeti); subsequent estimates based on PRICE's ICE 360° Survey (2022–23).

The important point is not simply that the disadvantaged groups remain below Others. It is that educational progress and educational convergence are not the same thing. A six-percentage-point rise for SC households represents substantial absolute progress, but the relative distance from a group that is itself continuing to advance can remain large. The same logic applies to ST and OBC households.

Reading the transition: The educational divide has not disappeared; it has moved upward. Mass access compresses some lower-rung differences, while scarcity increasingly shifts towards higher credentials.

2.3 The generational transformation is real—but incomplete

Age cohorts make the transformation especially visible. Younger Indians from every social group are far less likely to be illiterate than older Indians. This is one of the clearest signs that the social distribution of basic education has changed. But the upper end of the ladder tells a more sobering story.

Among 25–34 year-olds, Graduate & Above attainment is about 12 per cent for OBCs and 22 per cent for Others, compared with roughly 10 and 20 per cent respectively in the earlier benchmark. In other words, both groups moved upward while the absolute gap remained close to ten percentage points. The educational system produced progress without proportional convergence at this upper rung.

That finding is central to the report. It cautions against reading younger-cohort progress as evidence that family background or social origin no longer matters. Cohort comparisons tell us that successive generations occupy a higher educational position; they do not, by themselves, measure parent–child mobility

2.4 Official higher-education data corroborate expansion and the remaining gap

The household evidence is consistent with the much broader expansion recorded in India's higher-education system. According to the All-India Survey on Higher Education (AISHE), the national Gross Enrolment Ratio for ages 18–23 rose from 23.7 per cent in 2014–15 to 28.4 per cent in 2021–22. Over the same period, the SC GER rose from 18.9 to 25.9 per cent and the ST GER from 13.5 to 21.2 per cent. By 2021–22, the SC GER was only 2.5 percentage points below the all-category GER, while the ST gap remained substantially larger at 7.2 points.

Table 2.2: Higher-education participation has expanded

GER, age 18–23	2014–15	2021–22	Change (pp)
All categories	23.7	28.4	+4.7
SC	18.9	25.9	+7.0
ST	13.5	21.2	+7.7

Source: All India Survey on Higher Education (AISHE) 2021–22 and Annual Report 2023–24, Ministry of Education.

AISHE also records rapid growth in enrolment counts: between 2014–15 and 2021–22, SC enrolment rose by about 44 per cent and ST enrolment by about 65 per cent. Female enrolment grew even faster within both groups. These figures corroborate a major expansion of participation, but they should not be treated as identical to household attainment. GER measures current participation among the relevant age population; our household measure records attained education. The two sources answer different questions.

2.5 Gender complicates the story—in a productive way

The expansion of education has also altered the gender composition of participation. AISHE 2021–22 reports an all-India female GER of 28.5 per cent, marginally above the male GER of 28.3 per cent. Among SC students, female GER was 26.0 per cent compared with 25.8 per cent for males; among ST students it was 20.9 versus 21.4 per cent. These national averages do not imply that gender disadvantage has disappeared. They show instead that gender gaps vary sharply by educational stage, social group and geography.

This is consistent with the wider intergenerational literature, which finds that gender and geography remain important circumstances shaping educational mobility even when national participation expands. We therefore treat caste × gender as a cross-cutting lens rather than assuming a single female disadvantage of equal magnitude everywhere.

2.6 Education has become more valuable precisely as access has widened

The economic significance of the remaining higher-education gap is amplified by structural change. As basic schooling becomes more widespread, the labour-market distinction increasingly shifts towards higher secondary, technical and graduate credentials. The scarce credential moves upward. This is why a narrowing gap in basic education can coexist with a consequential gap in access to the jobs and occupations associated with higher qualifications.

The pattern also helps explain why convergence can appear faster in some material outcomes than in the opportunity structure that produces them. Electricity, bank accounts or mobile phones can become near-universal once infrastructure and prices cross a threshold. Graduate education is different: it requires years of prior progression, institutional capacity, household resources and successful conversion of earlier schooling into higher credentials. The mechanism is cumulative.

A proposition to carry forward: Where access becomes mass, social gradients can compress quickly. Where opportunity remains selective, cumulative and high-return, convergence is slower. In this report this is treated as a descriptive proposition to be tested across domains, not as a causal law.

2.7 The remaining frontier is not simply 'more schooling'

The policy implication of this transition is not that the unfinished task of basic education has become unimportant. Quality, completion and learning remain central. But the economic frontier of social-group convergence has shifted. The relevant questions increasingly concern who reaches higher secondary school, who enters and completes college, what subjects and institutions they enter, and whether the resulting qualifications carry comparable value in the labour market.

That distinction matters for how progress is monitored. Representation in enrolment is one indicator; completion, credential level, institutional quality and subsequent occupational conversion are others. A system can become much more inclusive at entry while retaining inequality in the educational positions that generate the highest economic returns.

For this reason, the next chapter does not ask whether education has expanded. It asks what happens after education is acquired.

2.8 From access to position

India's educational transition is therefore both a major success and an unfinished mobility story. The country has moved far from a structure in which basic educational exclusion sharply separated social groups. Younger cohorts across SC, ST and OBC households have climbed the educational ladder. Yet the upper rungs remain unevenly occupied, with ST households particularly distant and substantial higher-education gaps persisting for SC and OBC households as well.

The result is best described as a change in the location of disadvantage. The first great transition was getting more Indians onto the educational ladder. The next question is harder: once they climb it, do similar qualifications translate into similar economic opportunities?

CHAPTER 3

From Education to Employment

3.1 Education changes the probability of better work

India has moved a long way up the educational ladder, but that the upper rungs remain unevenly occupied. The next question is whether those credentials translate into economic position. Here the evidence becomes both more encouraging and more complicated.

Across the population as a whole, regular salaried employment remains socially differentiated. In 2004–05, about 13 per cent of SC workers, 8 per cent of ST workers and 15 per cent of OBC workers were in regular salaried employment, compared with 25 per cent among Others. By 2022-23 the corresponding shares were approximately 20, 15, 21 and 28 per cent. Every group advanced, and the absolute gaps narrowed, but the hierarchy did not disappear.

This matters because regular salaried work is not merely another occupational category. On average it is more closely associated with predictable earnings, formal employment relationships and access to the modern service and organised economy than casual labour. The social distribution of regular employment is therefore one important indicator of how educational progress is converted into economic opportunity.

3.2 The occupational gap has narrowed

The two-decade movement is substantial. SC regular salaried employment rose by roughly seven percentage points, ST by seven and OBC by six, while Others rose by about three points. The result is a narrower—but still visible—social gradient in access to regular work.

The convergence should not be read as a single labour-market mechanism. It can reflect changes in education, urbanisation, sectoral structure, state composition, the expansion of salaried occupations and differences in the age profile of workers. It may also reflect institutional and policy changes. Our repeated cross-sections identify the changing distribution of employment; they do not isolate the causal contribution of any one factor.

Table 3.1: Regular salaried employment: convergence, but a remaining hierarchy

Social group	2004–05	2022-23	Change (pp)
SC	13%	20%	+7
ST	8%	15%	+7
OBC	15%	21%	+6
Others	25%	28%	+3

Source: PRICE Research and Analysis (2026); 2004–05 estimates from Caste in a Different Mould (Shukla, Jain and Preeti); subsequent estimates based on PRICE's ICE 360° Survey (2022–23).

3.3 Among graduates, the social-group differences become much smaller

The most revealing comparison is obtained when we look only at graduates. In 2004–05, regular salaried employment among graduates was approximately 37 per cent for SCs, 26 per cent for STs, 29 per cent for OBCs and 39 per cent for Others. By 2022-23 the corresponding shares were about 41, 40, 38 and 43 per cent.

The contrast with the population-wide figures is striking. At the aggregate level in 2022-23, the gap between ST and Others in regular salaried employment was about 13 percentage points. Among graduates it was only

around three points. For SCs, the aggregate gap was around eight points; among graduates, about two. OBC graduates were about five points below Others.

Table 3.2: Among graduates, regular salaried employment is much less socially differentiated

Graduate workers	2004–05	2022-23	Change (pp)
SC	37%	41%	+4
ST	26%	40%	+14
OBC	29%	38%	+9
Others	39%	43%	+4

Source: PRICE Research and Analysis (2026); 2004–05 estimates from Caste in a Different Mould (Shukla, Jain and Preeti); subsequent estimates based on PRICE's ICE 360° Survey (2022–23).

This does not show that caste ceases to matter once a degree is acquired. It does show that the social gradient in obtaining a degree is much larger than the social gradient in regular salaried employment among those who have one. That distinction changes the diagnosis of where a substantial part of occupational inequality is produced.

The conversion insight: Once higher education is attained, social-group differences in access to regular salaried employment are substantially smaller than differences in the probability of attaining higher education itself. This is a descriptive finding, not a causal estimate of the effect of education.

3.4 The bottleneck is partly before the labour market

If graduate attainment remains strongly stratified while graduate access to regular salaried work is much less so, then one important bottleneck lies upstream: reaching the educational position from which better employment becomes more attainable.

The argument is not that higher education solves labour-market inequality. Rather, it is that unequal access to higher education is itself a major mechanism through which unequal occupational outcomes are generated. The ILO–IHD India Employment Report 2024 reaches a compatible conclusion from PLFS data: the share of youth in regular employment rises sharply with education, reaching 57.8 per cent among graduates and above in 2022, compared with 12.5 per cent among youth with less than primary education. The report also documents continuing social-group differences in access to regular, formal and higher-skill work.

The implication is straightforward: A policy debate concerned only with treatment after labour-market entry misses an important part of the conversion process. Who reaches the credential threshold matters enormously.

3.5 But a degree is not a guaranteed job

The graduate comparison also contains a warning. Even among graduates, only around four in ten in our household series are in regular salaried employment. Higher education improves the probability of regular work, but it does not guarantee it. Some graduates are self-employed, some work in other employment arrangements and some are outside employment or seeking work.

This is consistent with the wider Indian labour-market evidence. The India Employment Report 2024 highlights a paradox: more educated youth have substantially greater access to regular employment, but unemployment is also concentrated among educated youth. Education raises expectations and reservation wages, while the economy may not create enough suitable high-productivity jobs at the same pace as educational expansion.

The conversion problem is therefore twofold: unequal access to higher education across social groups, and an economy-wide shortage or mismatch of sufficiently attractive jobs for the growing number of educated workers.

3.6 Similar employment status does not imply similar employment quality

Our broad occupational categories necessarily compress important differences. Two graduates may both be classified as regular salaried workers while differing sharply in sector, occupation, contract security, establishment size, wages, benefits, career progression and location. Convergence in employment status is therefore not equivalent to convergence in job quality or reward.

This is why the analysis distinguishes Position from Reward. Educational attainment does not automatically translate into advantageous occupational positions, nor do similar occupational positions necessarily generate comparable incomes. The conversion of education and skills into employment opportunities and economic rewards may also be influenced by market conditions, social networks, institutional arrangements and other structural factors.

A concrete illustration is the transition from graduation to regular salaried employment. In 2022–23, 9.3% of SC households, 12.0% of ST households and 12.5% of OBC households had at least one graduate member and relied primarily on regular salaried employment, compared with 21.1% of households in the Others category. This illustrates how educational attainment and access to relatively secure employment can intersect differently across social groups. Importantly, these are household characteristics: the graduate member need not be the person earning the salaried income. The figures therefore do not measure the probability of an individual graduate obtaining salaried employment.

This distinction is also methodologically important. A persistent gap between social groups, even after accounting for educational attainment, cannot automatically be interpreted as evidence of discrimination. Such differences may reflect variations in the field and quality of education, work experience, geographical location, social networks, employment sector, occupational characteristics and other unobserved factors. Establishing discriminatory treatment requires more specific research designs capable of distinguishing unequal treatment from these alternative explanations.

3.7 ST convergence deserves a separate reading

The graduate result for ST households is particularly striking: regular salaried employment among graduates rises from roughly 26 per cent in 2004–05 to around 40 per cent in 2022-23, bringing it close to the SC and Others levels. Yet ST households remain the most disadvantaged group on graduate attainment and continue to show large gaps in consumption after education, occupation, geography and household characteristics are controlled for.

The combination tells us something important. Conditional convergence at one transition does not eliminate disadvantages accumulated elsewhere in the mobility process. For ST households especially, geography, access to institutions, local labour-market depth and accumulated economic resources remain central to the wider story.

This is why the report does not seek a single national caste coefficient. The mechanism of disadvantage differs by group and by stage.

3.8 From position to reward

The employment evidence leaves us with a more precise understanding of the mobility ladder. Education matters enormously. Social-group gaps in regular salaried work have narrowed, and among graduates they are considerably smaller than in the population overall. This suggests that expanding access to higher education can remove an important upstream constraint on occupational mobility.

But occupational convergence is not the end of the story. Similar employment status can coexist with different earnings, job quality and economic security. The next stage of the ladder is therefore Reward.

CHAPTER 4

The Changing Income Hierarchy

4.1 From position to reward

Education determines access to capabilities; employment places people in economic positions. Income is where those positions begin to acquire a measurable reward. It is therefore the first point in the mobility ladder at which many earlier inequalities—schooling, occupation, geography, household composition and access to productive opportunity—are jointly reflected in a single household outcome.

Over the past two decades, the income hierarchy across India's broad social groups has changed markedly. The direction is clear: SC, ST and OBC households all moved closer to the income level of Others. But the timing is not. The convergence was neither smooth nor simultaneous, and the three groups did not travel the same path.

This timing matters. Looking only at the first and last observations would suggest a simple story of steady catch-up. The intervening benchmarks reveal something more informative: much of the SC and ST convergence occurred relatively early, while OBC convergence continued over a longer period.

4.2 A hierarchy that narrowed

Setting the average household income of Others equal to 100 in each benchmark year gives a simple measure of relative economic position. In 2004–05, SC household income stood at 53, ST at 47 and OBC at 69. By 2022–23, the corresponding positions were 76, 66 and 87.

Table 4.1: Household income relative to Others=100

Social group	2004–05	2015–16	2020–21	2022–23
SC	52.9	74.3	72.0	75.7
ST	47.0	69.8	71.0	66.2
OBC	68.9	81.4	75.5	87.2
Others	**100.0**	**100.0**	**100.0**	**100.0**

Note: Weighted mean annual household income, expressed relative to Others=100 within each survey round.

Source: PRICE Research and Analysis (2026); 2004–05 estimates from Caste in a Different Mould (Shukla, Jain and Preeti); subsequent estimates based on PRICE's ICE 360° Surveys (2015-16, 2020-21and 2022–23).

The long-run gains are substantial but differentiated. Between 2004–05 and 2022–23, SC households gained 22.8 index points relative to Others, ST gained 19.2 points and OBC gained 18.3 points. The ST relative index falls from 69.8 in 2015–16 to 66.2 in 2022–23.

Progress versus convergence: Absolute income growth tells us whether a group became better off. The relative index tells us whether it closed the gap with Others. Both matter, but they answer different questions.

4.3 SC and ST catch-up was heavily front-loaded

The most revealing feature of the series is the period in which convergence occurred. Between 2004–05 and 2015–16, the SC relative-income index rose from 53 to 74 and the ST index from 47 to 70. By 2022–23, they

stood at 76 and 66 respectively. Thus, much of the measured SC and ST catch-up was concentrated before the final part of the period.

After 2015–16, the SC index rises from 74.3 to 75.7 while the ST index falls from 69.8 to 66.2; the OBC index increases from 81.4 to 87.2. The intervening 2020–21 round is reported separately because of pandemic disruption.

Table 4.2: The timing of convergence, percentage-point change in relative income

Group	2004–05→2022–23
SC	+23
ST	+19
OBC	+18

Note: Changes in the relative-income index, Others=100.

Source: PRICE Research and Analysis (2026); 2004–05 estimates from Caste in a Different Mould (Shukla, Jain and Preeti); subsequent estimates based on PRICE's ICE 360° Survey (2022–23).

This front-loading is important analytically. It means the contemporary SC/ST income gap cannot be understood simply as the residue of an unchanged historical hierarchy. There has already been substantial movement.

4.4 OBC convergence followed a different trajectory

OBC households start from a higher relative position than SC or ST households. The four-round weighted mean income ratio (Others=100) rises from 68.9 in 2004–05 to 81.4 in 2015–16, declines to 75.5 in 2020–21 and reaches 87.2 in 2022–23. These are independent survey cross-sections, not a panel.

This difference reinforces a central theme of the report: there is no single caste transition. SC, ST and OBC are administrative categories with different historical, occupational and geographical compositions. Their convergence paths should not be collapsed into one generic narrative of 'disadvantaged groups catching up'.

***Published longitudinal research reaches a compatible broader conclusion**:* income mobility differs across social groups and geography, with OBC households generally occupying an intermediate mobility position between forward-caste and SC/ST households.

4.5 Means, medians and the endpoint

Income measurement is unusually demanding in household surveys. Household income combines earnings from multiple people and sources, including self-employment and activities whose receipts and costs can be irregular, while group means are sensitive to the upper tail. The report therefore retains weighted mean income as the principal aggregate measure and uses weighted medians as a distributional robustness check.

The median results confirm substantial long-run movement but qualify the degree of recent convergence suggested by the means. In 2022–23, median household income relative to Others stood at about 73% for SC, 63% for ST and 79% for OBC households, compared with mean ratios of 76%, 66% and 87%. Recent convergence is therefore appreciably stronger in the mean than at the middle of the distribution for ST and OBC households.

Median robustness check —The mean remains the principal aggregate measure; medians show that recent convergence is less pronounced at the middle of the ST and OBC distributions.

4.6 Adjustment and the mechanisms of income convergence

Sequential weighted log-income regressions compare social groups after progressively accounting for education, occupation, state, rural/urban location, age, gender and household size. These models are not estimates of discrimination. Their purpose is to ask how much of the observed income hierarchy remains after a common set of observable socioeconomic positions is taken into account.

Table 4.3: Conditional log-income gaps relative to Others

Conditional income gap (%)	2004–05	2015–16	2020–21	2022–23
SC	-14.7	-9.3	-17.1	-3.4
ST	-19.2	-6.7	-23.1	-24.0
OBC	-6.7	-5.5	-15.8	-3.5

Note: Weighted M5 log-income specification; exact percentage transformation. Conditional associations are not discrimination estimates.

Source: PRICE Research and Analysis (2026); 2004–05 estimates from Caste in a Different Mould (Shukla, Jain and Preeti); subsequent estimates based on PRICE's ICE 360° Surveys (2015-16, 2020-21and 2022–23).

The gaps are SC −3.4%, ST −24.0% and OBC −3.5% (relative to Others); these are model-based conditional associations, not discrimination estimates. The evidence distinguishes observable changes in education–occupation composition from conditional income differences and report does not attribute specified percentages of convergence to composition or within-position reward changes.

Table 4.4: Three-factor decomposition of change in relative household income.

2004–05→2022–23 income	Total change	Composition	Within-position	Benchmark
SC	+23.10	+12.87	+9.05	+1.18
ST	+25.12	+25.60	−0.59	+0.11
OBC	+18.75	+8.91	+12.87	−3.02

Note: Common education × occupation support; symmetric Shapley decomposition. Components may differ slightly from aggregate headline ratios because decomposition uses common-support cells. Descriptive accounting, not causal attribution.

Source: PRICE Research and Analysis (2026); 2004–05 estimates from Caste in a Different Mould (Shukla, Jain and Preeti); subsequent estimates based on PRICE's ICE 360° Surveys (2015-16, 2020-21and 2022–23).

4.7 Income is the first clock—not the only one

The income trajectory becomes even more interesting when placed beside household consumption. The PRICE series shows substantial SC and ST income catch-up by 2010–16. The official NSO consumption series does not show a comparable early narrowing. Between 2004–05 and 2011–12, relative mean MPCE is virtually unchanged: SC moves from 54.8 to 55.1, ST from 47.3 to 46.5 and OBC from 65.5 to 66.5, with Others fixed at 100.

Consumption convergence becomes pronounced only later. By 2022–23, the corresponding ratios reach 65.8 for SC, 55.5 for ST and 79.7 for OBC. The two sources therefore describe different convergence chronologies.

Table 4.5: Two clocks of convergence

Measure	Early benchmark	Intermediate	Latest
PRICE income	**2004–05:** SC 53 | ST 47 | OBC 69	**2013-14:** 69 | 63 | 72	**2022–23:** 76 | 66 | 87
NSO consumption	**2004–05:** SC 55 | ST 47 | OBC 66	**2011–12:** 55 | 47 | 67	**2022–23:** 66 | 56 | 80

Note: PRICE income series and NSO CES/HCES consumption series. The measures are not combined into one statistical series.

Source: PRICE Research and Analysis (2026); 2004–05 estimates from Caste in a Different Mould (Shukla, Jain and Preeti); subsequent estimates based on PRICE's ICE 360° Surveys (2013-14, 2015-16 and 2022–23), and NSS Consumption Expenditure Surveys 2004–05, 2011-12 and HCES 2022–23, MoSPI, GOI.

The temptation is to describe consumption as 'lagging' income. We should resist that causal language. The surveys differ in concepts, measurement, timing and sampling. Income can also be more volatile than consumption, while households may smooth living standards through savings, borrowing, transfers or changes in household composition. The evidence establishes a chronology, not a causal transmission lag.

Evidence-safe conclusion	**Income catch-up appears earlier in the PRICE series, especially for SC and ST households, while their relative income positions change only modestly after 2015–16; OBC convergence continues more clearly. Consumption convergence becomes pronounced only after 2011–12.**

4.8 What the changing hierarchy tells us—and what it does not

Three conclusions survive the measurement cautions. **First,** the social-group income hierarchy has narrowed substantially. **Second,** the narrowing has been uneven across groups and periods. **Third,** convergence in income is not sufficient to establish convergence in living standards, wealth or intergenerational security.

These distinctions matter because income is a flow. A household with a higher current income may still have little accumulated wealth, limited savings, weak access to credit or a fragile employment base. Conversely, consumption can remain relatively stable despite temporary income shocks.

The changing income hierarchy is nevertheless a major part of India's mobility story. SC and ST households are no longer positioned at anything like the same relative income distance recorded in 2005. OBC households have moved closer still to Others. Yet the remaining gaps—and the different timing of convergence—show why national averages need to be unpacked by mechanism, geography and generation.

4.9 From reward to living standard

Income tells us what resources enter the household. It does not tell us fully how households live. The next stage of the mobility ladder therefore asks whether narrowing differences in economic reward translated into narrowing differences in consumption—and, crucially, when that happened.

CHAPTER 5

The Consumption Revolution

5.1 Living standards tell a different story from income

Income measures the flow of resources entering a household. Consumption tells us more directly how those resources translate into everyday living standards. It is therefore a different stage of the mobility process—and, in India's social-group transition, it runs on a strikingly different clock.

The official consumption record does not show a smooth two-decade narrowing. Between 2004–05 and 2011–12, SC, ST and OBC households experienced large increases in rupee consumption, but their positions relative to Others barely changed. The major convergence came later. By 2022–23, and again in 2023–24, the relative consumption hierarchy had compressed substantially.

This chronology is one of the most important findings in the report because it separates two phenomena that are often conflated: becoming better off and catching up.

5.2 Progress first; convergence later

In 2004–05, weighted mean monthly per capita expenditure was about ₹612 for SC households, ₹528 for ST households, ₹732 for OBC households and ₹1,116 for Others. By 2011–12, all four values had more than doubled in nominal terms. Yet relative positions were almost unchanged.

Table 5.1 | Mean MPCE across four official survey rounds.

Group	2004–05 MPCE	2011–12	2022–23	2023–24	2023–24 ratio
SC	₹612	₹1,436	₹4,364	₹4,792	68.9
ST	₹528	₹1,211	₹3,682	₹4,068	58.5
OBC	₹732	₹1,733	₹5,282	₹5,739	82.5
Others	₹1,116	₹2,605	₹6,630	₹6,958	100.0

Source: PRICE Research and Analysis (2026); NSS Consumption Expenditure Surveys 2004–05, 2011-12 and HCES 2022–23 and 2023-24, MoSPI, GOI.

The relative index makes the timing unmistakable. With Others set to 100, SC moves from 54.8 in 2004–05 to only 55.1 in 2011–12; ST slips from 47.3 to 46.5; OBC moves from 65.5 to 66.5. The first seven years therefore produced substantial absolute progress but almost no convergence.

After 2011–12 the pattern changes sharply. By 2022–23, SC reaches 65.8, ST 55.5 and OBC 79.7. In 2023–24 the ratios rise further to 68.9, 58.5 and 82.5. The one-year movement after 2022–23 should be read cautiously, but it reinforces rather than reverses the longer post-2011 direction.

The central chronology:
2004–05 → 2011–12: progress without relative consumption convergence.
2011–12 → 2022–23: broad-based convergence.
2022–23 → 2023–24: continued convergence, treated as corroborative because the interval is only one year.

5.3 The median confirms that this is not only an upper-tail story

Mean expenditure can be influenced by households at the upper end of the distribution. Weighted medians therefore provide an important robustness check. They tell the same broad story, although the relative positions are somewhat closer than at the mean.

Table 5.2: Median MPCE relative to Others=100

Median ratio, Others=100	2004–05	2011–12	2022–23	2023–24
SC	63.2	63.4	71.6	73.7
ST	54.7	53.2	59.3	60.6
OBC	72.8	74.1	82.7	83.7

Source: PRICE Research and Analysis (2026); NSS Consumption Expenditure Surveys 2004–05, 2011-12 and HCES 2022–23 and 2023-24, MoSPI, GOI.

For SC households, the median ratio is essentially unchanged between 2004–05 and 2011–12, then rises by more than eight points by 2022–23. ST shows a small early deterioration followed by later improvement. OBC again records its major relative gain after 2011–12. The convergence is therefore not an artefact of a small number of high-consuming households.

5.4 Raw convergence is stronger than conditional convergence

The aggregate ratios describe where groups stand. They do not tell us how much of the gap is associated with education, occupation, geography or household structure. Sequential weighted log-MPCE regressions provide that second perspective.

The gaps are SC −3.4%, ST −24.0% and OBC −3.5% (relative to Others); these are model-based conditional associations, not discrimination estimates.

Table 5.3: Conditional log-MPCE gaps relative to Others

M5 conditional gap (%)	2004–05	2011–12	2022–23	2023–24
SC	−17.0	−16.8	−15.2	−13.4
ST	−22.3	−24.9	−21.8	−21.6
OBC	−9.6	−11.9	−9.4	−8.8

Note: calculations from NSO CES/HCES unit records; weighted M5 log-MPCE specification.

Source: PRICE Research and Analysis (2026); NSS Consumption Expenditure Surveys 2004–05, 2011-12 and HCES 2022–23 and 2023-24, MoSPI, GOI.

Two conclusions follow. **First,** the raw convergence is substantially stronger than the convergence among households with similar observed socioeconomic characteristics. This means that changing education, occupation, geography and household composition are an important part of the aggregate story. **Second,** the residual pattern differs sharply by group. The SC conditional gap narrows modestly; the OBC gap remains around the high single digits; the ST gap remains large and persistent.

A necessary boundary: These regression residuals are conditional associations, not estimates of discrimination. They can contain unobserved job quality, local opportunity, assets, networks, prices, measurement error and other omitted factors.

5.5 The mechanism changed after 2011–12

The most revealing evidence comes from decomposing the change in each group's consumption position into three components.

- **The first is composition:** movement into different education and occupation positions.
- **The second is within-position convergence:** changes in relative consumption among households occupying the same broad socioeconomic cells.
- **The third is the benchmark component:** changes in the consumption rewards attached to the positions occupied by Others.

The decomposition is implemented symmetrically using a three-factor Shapley method, averaging over all possible orderings of the components. It is descriptive rather than causal, but it allows us to distinguish movement between positions from narrowing within positions.

Table 5.4A | Phase I: mobility without consumption convergence

2004–05 → 2011–12	Total change	Composition	Within-position	Benchmark
SC	+0.55	+3.76	+0.62	−3.83
ST	−0.80	+5.64	−3.62	−2.83
OBC	+1.01	+6.31	−0.25	−5.04

Source: PRICE Research and Analysis (2026); NSS Consumption Expenditure Surveys 2004–05 and 2011-12, MoSPI, GOI.

The first phase is striking. Composition improves for all three groups—strongly so for ST and OBC households—yet aggregate relative consumption barely moves. SC gains almost four points from composition, but this is largely offset by changes in the benchmark. ST records more than five points of composition improvement while within-position relative consumption deteriorates. OBC shows the same broad pattern: substantial positional mobility with almost no net convergence.

This is why the period is best described as mobility without consumption convergence. Historically disadvantaged households were moving into better socioeconomic positions, but those movements had not yet translated into a comparable narrowing of relative living standards.

Table 5.4B | Phase II: broad-based convergence

2011–12 → 2022–23	Total change	Composition	Within-position	Benchmark
SC	+10.70	+5.66	+3.21	+1.83
ST	+9.05	+2.76	+3.85	+2.44
OBC	+13.13	+6.90	+7.45	−1.22

Source: NSS Consumption Expenditure Survey 2011-12 and HCES 2022–23, MoSPI, GOI.

After 2011–12, the mechanism changes. Composition remains important, but within-position convergence becomes positive for all three groups. SC gains through both channels. ST, despite a smaller composition

contribution, records stronger within-position improvement than before. OBC shows the most powerful combination: almost seven points from composition and more than seven from within-position convergence.

This is qualitatively different from the earlier period. Households were not only moving into better positions; the relative living standards associated with those positions were also becoming less unequal.

5.6 The most recent year reinforces the direction—but should not carry the argument

Between 2022–23 and 2023–24, relative MPCE rises by roughly three points for each disadvantaged group: +3.05 for SC, +2.93 for ST and +2.81 for OBC. The Shapley results attribute much of this one-year improvement to within-position convergence, with smaller composition contributions.

Table 5.4C: Phase III: within-position convergence

2022–23 → 2023–24	Total	Composition	Within-position	Benchmark
SC	+3.05	+0.02	+2.10	+0.93
ST	+2.93	+0.65	+1.53	+0.75
OBC	+2.81	+0.94	+1.78	+0.09

Source: PRICE Research and Analysis (2026); HCES 2022–23 and 2023-24, MoSPI, GOI.

The direction is encouraging, but the interval is too short to define a new structural phase. In the report, 2023–24 should therefore be treated as corroboration of the post-2011 convergence pattern, not as evidence of a separate long-run regime.

5.7 Over two decades, mobility and within-position change both mattered

Across the full 2004–05 to 2023–24 period, SC relative consumption rises by 14.30 points, ST by 11.18 and OBC by 16.96. Composition contributes +8.75, +8.31 and +13.70 points respectively. Within-position convergence contributes +6.39 for SC, only +1.84 for ST and +8.59 for OBC. Benchmark changes offset part of the OBC gain and make smaller contributions for SC and ST.

Three mobility stories:

- **SC: broad-based convergence, combining positional movement and within-position improvement.**
- **ST: sizeable aggregate improvement, but more composition-driven and strongly shaped by geography.**
- **OBC: the strongest overall consumption convergence, combining structural mobility with substantial within-position catch-up.**

5.8 Why consumption may converge differently from income

PRICE income series records substantial SC and ST catch-up earlier than the official consumption series. The contrast is real as a chronology, but its mechanism cannot be inferred directly. Income and consumption are measured differently; income is more volatile; households can smooth consumption through savings, debt and transfers; and household size and local prices affect the conversion of resources into living standards.

The safe conclusion is therefore descriptive: India's social-group income and consumption hierarchies have narrowed on different observed timelines. That itself is economically meaningful. It warns against using a single outcome to describe 'caste convergence' and motivates the next stage of the report—accumulated advantage.

5.9 A revolution in living standards, not the end of disadvantage

The post-2011 consumption convergence is large enough to change the social map of everyday economic life. SC, ST and OBC households are materially closer to Others than they were at the beginning of the period, and

the change is visible at both the mean and the median. Yet substantial gaps remain, particularly for ST households.

More importantly, convergence in current consumption does not tell us whether households possess comparable capacity to absorb shocks, finance education, purchase property, invest in enterprise or transfer advantage to their children. Consumption is a flow of living standards. Economic security depends on stocks as well.

That distinction is the next frontier of the mobility ladder. If living standards have converged faster than accumulated assets, then the visible compression of consumption inequality may coexist with much larger differences in resilience and intergenerational opportunity.

CHAPTER 6

Wealth and Accumulated Advantage

6.1 The missing dimension in a story of convergence

Social-group income gaps have narrowed, and the official consumption record shows substantial post-2011 convergence in everyday living standards. But flows are not the whole economy of a household.

A family's economic position depends not only on what it earns or spends in a year, but also on what it owns. Land, housing, financial assets, productive capital and savings provide resilience against shocks, collateral for borrowing, resources for education and enterprise, and a platform from which the next generation begins. Wealth therefore carries the past into the present in a way that current income and consumption cannot.

This makes accumulated advantage a crucial test of how far caste-linked economic convergence has travelled. If current living standards have moved closer while asset positions remain much farther apart, then India may be experiencing genuine convergence in welfare without equivalent convergence in economic security.

6.2 The accumulation gap is much larger than the contemporary consumption gap

Official AIDIS evidence makes the contrast stark. In 2012, average household assets among rural SC and ST households were only about 30 per cent of the level recorded for Others; OBC households were at about 62 per cent. In urban India, SC households stood at only about 24 per cent, ST at 34 per cent and OBC at 46 per cent of the asset value of Others.

Table 6.1: Asset catch-up, 2012 to 2018- RURAL

Social Group	Rural ₹ lakh		Rural ratio		Change in rural ratio
	2012	2018	2012	2018	
ST	5.05	8.84	30	34	+4
SC	5.01	8.79	30	34	+4
OBC	10.30	16.45	62	63	+1
Others	**16.61**	**26.03**	**100**	**100**	**-**

Source: PRICE Research and Analysis (2026); NSO, AIDIS 2013 social-group results (assets as of 30 June 2012) and AIDIS 2019 (Report No. 588); social-group asset averages and ratios to Others (=100).

The comparison should not be read as a single statistical series: the dates differ and assets and consumption measure fundamentally different things. Its value is conceptual. Contemporary consumption positions—SC 69, ST 59 and OBC 83 relative to Others—are much closer than the asset positions recorded in the official wealth survey. The evidence therefore warns against equating convergence in current living standards with convergence in accumulated economic resources.

Table 6.2: Asset catch-up, 2012 to 2018- URBAN

Social Group	Urban ₹ lakh		Urban ratio		Change in urban ratio
	2012	2018	2012	2018	
ST	11.88	18.90	34	47	+13
SC	8.31	13.15	24	32	+8
OBC	16.25	21.20	46	52	+6
Others	**35.35**	**40.54**	**100**	**100**	**-**

Source: PRICE Research and Analysis (2026); NSO, AIDIS 2013 social-group results (assets as of 30 June 2012) and AIDIS 2019 (Report No. 588); social-group asset averages and ratios to Others (=100).

The distinction that matters: Income is a flow of resources. Consumption is a flow of living standards. Wealth is a stock of accumulated capacity. Households can look much closer on the first two dimensions while remaining far apart on the third.

6.3 There is evidence of asset catch-up—but from very unequal starting points

The later AIDIS round provides an important corrective to a simple story of wealth stagnation. By 2018, average assets had increased for all groups, and the relative positions of disadvantaged groups improved in several cases—especially in urban India.

In rural India, SC and ST move from roughly 30 to 34 per cent of the asset position of Others, while OBC remains around 62–63 per cent. Urban movement is stronger: SC rises from 24 to 32, ST from 34 to 47 and OBC from 46 to 52. The appropriate conclusion is therefore not that wealth gaps are frozen. It is that very large gaps coexist with signs of relative catch-up.

This distinction is central to the report's discipline. The evidence supports the proposition that accumulated advantage remains much more unequal than current living standards. It does not yet support a universal law that *'stocks always converge more slowly than flows'*. The asset evidence covers a different period and is subject to its own measurement conventions.

6.4 Land and property sit at the centre of accumulated advantage

AIDIS shows why wealth disparities are so persistent: land and buildings dominate household asset portfolios. In the 2012 survey, the average value of both land and buildings was higher for Others than for ST, SC and OBC households in rural as well as urban India. Rural average land value per household was ₹3.45 lakh for ST, ₹3.10 lakh for SC, ₹7.35 lakh for OBC and ₹12.89 lakh for Others; in urban India the corresponding values were ₹7.13 lakh, ₹4.34 lakh, ₹9.44 lakh and ₹14.51 lakh.

Physical land area tells a related but not identical story. The 2018–19 official land and livestock survey reports average rural land ownership per household of 0.242 hectares for SC, 0.586 for ST, 0.543 for OBC and 0.677 for Others. The ST figure illustrates an important warning: hectares are not the same as wealth. Location, irrigation, productivity, title security, connectivity and market value determine the economic meaning of land.

Table 6.3: Land quantity is not land advantage

Social group	Average rural land owned, 2018–19 (ha)	Interpretive caution
SC	0.242	Low quantity and, on average, lower asset value.
ST	0.586	Quantity can be relatively high while location/value/productivity remain constrained.
OBC	0.543	Intermediate position.
Others	0.677	Highest average area among the four groups.

Source: PRICE Research and Analysis (2026); NSO, Report No. 587, Situation Assessment of Agricultural Households and Land and Livestock Holdings of Households in Rural India, 2019.

6.5 Debt is not simply the opposite of wealth

A household balance sheet has two sides. Assets can create security, but debt can either finance mobility or deepen vulnerability. A home loan, education loan or business loan can accompany upward mobility; high-cost borrowing for consumption or emergencies can signal financial stress. Equally, very low recorded debt can reflect security—or exclusion from formal finance.

The 2012 AIDIS illustrates this ambiguity. In rural India, SC households had the highest debt–asset ratio among the four social groups, at 12.2 per cent, compared with 8 per cent for ST, 9 per cent for OBC and 7 per cent for Others. In urban India, SC households again had the highest debt burden at 18.5 per cent, while ST households had the lowest at 13 per cent. Yet the incidence of indebtedness followed a different pattern: AIDIS reported OBC households with the highest incidence in both rural and urban areas, while ST households had the lowest.

How to read debt: Low debt is not automatically a sign of strength, and high debt is not automatically a sign of distress. Economic security depends jointly on the asset base, the purpose and terms of borrowing, access to formal credit and the household's capacity to service debt.

6.6 Why accumulated advantage matters for mobility

Wealth changes the meaning of the same current income. Two households earning similar amounts can occupy very different economic positions if one owns a home, land or financial assets while the other has little collateral and high-cost debt. The first can absorb unemployment, finance a child's education, relocate for a job, invest in an enterprise or wait for a better employment opportunity. The second may have to convert every income shock immediately into lower consumption or new borrowing.

This is why the movement from income to consumption to wealth is not merely a change of indicator. It is a movement from current reward, to current welfare, to economic capacity. Accumulated advantage affects both resilience today and opportunity tomorrow.

It also helps explain why an emerging middle-income position should not automatically be equated with established middle-class security. For households experiencing first-generation upward mobility, current earnings may rise before property, savings, networks and inherited buffers have had time to accumulate.

6.7 The long shadow of accumulated inequality

Published historical wealth research using earlier AIDIS rounds reinforces the broader point that asset inequality cannot be reduced to current income differences. Studies of the 1990s and early 2000s find large wealth disadvantages for SC and ST households, with OBC households typically occupying an intermediate

position. They also show that much total wealth inequality lies within broad social categories, even while substantial average differences persist between them.

We use this literature as historical context rather than reconstructing a new long-run wealth series. That choice is methodological, not cosmetic. AIDIS asset definitions and valuation practices have changed across rounds. In particular, NSO cautions that the 2012–13 results are not strictly comparable with 2002–03 because of changes in asset coverage and valuation. A seamless thirty-year wealth trend would therefore imply more comparability than the official sources warrant.

6.8 Three economic clocks

The evidence assembled so far suggests that caste-linked economic mobility should be read through at least three clocks. The first is income: the flow of household reward. The second is consumption: the living standard households can sustain. The third is accumulated advantage: the stock of assets and financial security that determines resilience and the ability to invest in future opportunity.

Table 6.4: Three economic clocks

Clock	What it measures	What our evidence shows	What it cannot establish alone
Income	Current economic reward	Substantial convergence; SC/ST catch-up earlier, OBC more continuous.	Living standard, wealth or security.
Consumption	Current living standard	Little relative convergence through 2011–12; strong convergence thereafter.	Accumulated capacity or intergenerational advantage.
Assets / wealth	Accumulated economic capacity	Very large disparities remain, with some 2012–18 catch-up, especially urban.	A fully comparable 2004–24 wealth trajectory.

Source: PRICE conceptual synthesis of income, consumption and accumulation evidence.

The clocks do not need to move together. A household can experience higher income before accumulating property; consumption can be smoothed despite volatile earnings; asset appreciation can increase wealth without raising current consumption. For this reason, no single indicator can stand in for the full mobility process.

6.9 From accumulation to transmission

Wealth is where the mobility ladder begins to turn into a cycle. Assets acquired in one generation shape the starting conditions of the next: the quality and duration of education that can be financed, the neighbourhood in which a child grows up, the ability to migrate, the willingness to take entrepreneurial risk and the capacity to survive periods of low earnings.

This does not mean that asset differences mechanically determine children's outcomes. It means that accumulated resources are one channel through which economic advantage can persist even when current income and consumption gaps narrow.

The evidence therefore changes the interpretation of convergence. India has achieved meaningful narrowing in current economic outcomes, but the social groups enter the next generation with substantially different stocks of accumulated resources. Understanding whether those starting conditions are becoming less predictive of children's eventual position is the intergenerational question taken up later in the report.

CHAPTER 7
Three Mobility Stories

7.1 One hierarchy, three trajectories

National averages make the social-group hierarchy look deceptively simple. On most major economic outcomes, Others occupy the highest average position, followed by OBC, SC and ST households. But a ranking is not a mobility story. It tells us where groups stand at one point in time; it does not tell us how they arrived there, where convergence has occurred, or which constraints remain most important.

Once the evidence is read across the mobility ladder, the common hierarchy fragments into three different trajectories. SC households show substantial catch-up across income and consumption, with a meaningful contribution from both movement into better socioeconomic positions and narrowing differences within those positions. ST households also record large absolute gains, but their remaining disadvantage is more persistent after adjustment and more strongly intertwined with geography. OBC households begin from a higher economic position and show the strongest overall movement towards Others in income and consumption, while still retaining important gaps in higher education, occupational conversion and accumulated advantage.

The central lesson is therefore not that one group has 'done better' than another. It is that the architecture of disadvantage differs. The same policy instrument cannot be assumed to address a gap produced by educational access, a gap produced by spatial isolation, and a gap produced by unequal conversion of similar capabilities into economic rewards.

Table 7.1: Three mobility profiles across the ladder.

Mobility stage	SC	ST	OBC
Access — higher education	Graduate+ 3→9%; large progress, gap remains.	Graduate+ 2→5%; lowest upper-rung attainment.	Graduate+ 5→13%; strong progress, persistent gap to Others.
Position — regular salaried	13→20%; among graduates 41% in 2023.	8→15%; among graduates 40% in 2023.	15→21%; among graduates 38% in 2023.
Reward — income, Others=100	53→76; both structural mobility and within-position convergence.	47→66; convergence overwhelmingly composition-driven.	69→87; both mechanisms, with strong within-position convergence.
Living standard — MPCE	54.8→68.9; broad-based post-2011 convergence.	47.3→58.5; improvement, but conditional gap remains large.	65.5→82.5; strongest aggregate convergence.
Accumulation — assets	Large asset deficit; some 2012–18 catch-up.	Large asset deficit; land quantity does not imply equivalent value/opportunity.	Intermediate asset position; still far below Others.

Source: Authors' synthesis of PRICE, NSO CES/HCES and official AIDIS evidence.

Do not collapse the ladder into a score: A composite ranking would conceal the central result: each group faces a different combination of access, positional, reward, spatial and accumulation constraints. The report therefore compares profiles rather than assigning a mobility score.

7.2 The SC story: broad-based convergence, unfinished upper-rung mobility

The SC trajectory combines substantial catch-up in current economic outcomes with an unfinished transition at the upper end of the opportunity ladder. As observed the strong gains in education, regular salaried work, income and consumption, but graduate attainment and accumulated assets remain well below the levels for Others.

The mechanism is mixed. SC convergence reflects both movement into better socioeconomic positions and meaningful narrowing within broad positions. The remaining pressure points therefore sit increasingly in higher education, the conversion of credentials into high-quality opportunity, and the accumulation of durable economic security.

SC in one sentence: Substantial catch-up across current economic outcomes, powered by both positional mobility and within-position convergence, but with higher education and accumulated assets remaining important unfinished frontiers.

7.3 The ST story: progress constrained by place

The ST trajectory combines large absolute progress with the most persistent remaining disadvantage. Education, salaried employment, income and consumption have all improved, yet adjusted consumption gaps remain large and long-run convergence is much more composition-driven than for SC or OBC households.

Geography is inseparable from this pattern. Many ST households encounter thinner local labour markets, weaker connectivity and very different land and market environments. The central ST question is therefore not capability alone, but whether households can reach and convert advantageous positions within the opportunity structures available to them.

ST in one sentence: Large absolute progress and meaningful positional mobility, but persistent conditional disadvantage and a much stronger spatial dimension make ST mobility a distinct geography-and-opportunity story.

7.4 The OBC story: strongest aggregate convergence, greatest internal breadth

OBC households begin from a higher average economic position than SC or ST households and show the strongest aggregate convergence towards Others in current income and consumption. Both movement into better socioeconomic positions and within-position convergence contribute to that trajectory.

But OBC is also exceptionally broad in social, regional and economic terms. Strong convergence in the national mean therefore increases, rather than reduces, the importance of examining variation within the category. The analytical challenge shifts from documenting average catch-up to understanding who inside the category has moved, where, and with what degree of security.

OBC in one sentence: The strongest aggregate convergence in income and consumption, combining structural mobility with within-position catch-up, but within-category heterogeneity becomes increasingly important for interpreting the average.

7.5 The same outcome can conceal different mechanisms

The three trajectories demonstrate why convergence must be decomposed rather than merely measured. A ten-point improvement in a relative index can arise because households become better educated, enter different occupations, move to more productive locations, receive higher rewards within the same positions, or experience some combination of these changes.

Table 7.2: Similar direction, different mechanisms

2004–05→2023–24 MPCE	Total change	Composition	Within-position	Benchmark
SC	+14.30	+8.75	+6.39	−0.84
ST	+11.18	+8.31	+1.84	+1.03
OBC	+16.96	+13.70	+8.59	−5.33

Source: PRICE three-factor Shapley decomposition of NSO CES/HCES mean MPCE.

None of these components is a causal policy effect. Composition is repeated-cross-sectional change, not individual longitudinal mobility. Within-position cells are broad education × occupation categories, not perfectly matched households. The decomposition is valuable because it disciplines the question, not because it identifies a single cause.

7.6 Convergence does not erase hierarchy—and hierarchy does not erase progress

The three stories require two propositions to be held together. Historical disadvantage remains visible in the latest hierarchy, but that hierarchy is not static: the distances between groups have narrowed substantially and through different mechanisms. Persistent gaps should not be read as absence of progress, and convergence should not be read as disappearance of inherited disadvantage.

7.7 From national categories to India's geography

The national profiles are only the first layer. Each broad social category is distributed differently across states, rural and urban India, settlement systems and local labour markets. A national ST average, in particular, combines populations living in radically different opportunity environments. SC and OBC convergence also varies across state and urban contexts.

The next chapter therefore changes the unit of analysis. Instead of asking only how SC, ST and OBC compare nationally, it asks where convergence is occurring—and where disadvantage remains geographically concentrated.

CHAPTER 8

Geography, Urbanisation and Migration

8.1 Caste is experienced in places, not only categories

As we observed that SC, ST and OBC households follow different national mobility trajectories. Geography explains part of why. A household's opportunities are shaped by the state in which it lives, whether it is rural or urban, the local labour market, infrastructure, educational institutions, connectivity and the economic structure of the surrounding region.

This matters most visibly for ST households, whose national averages combine populations living in very different ecological and economic environments. But geography is not an ST-only issue. SC and OBC households also occupy different state and settlement systems, and the same social category can have very different relative living standards in different parts of India.

The implication is methodological as well as substantive: national convergence can coexist with persistent spatial pockets of disadvantage. A state can show rapid catch-up from a low base and still remain far from parity. Another can show little change simply because the group began relatively close to Others. We therefore read both the change and the latest level.

8.2 A map of convergence is not the same as a map of current disadvantage

The state matrix reveals four broad situations: catch-up from high disadvantage; persistent disadvantage; broadening from a stronger base; and already-closer positions with limited change. These are analytical descriptions, not legal or policy classifications. Their purpose is to prevent a common mistake—treating a large improvement as equivalent to a high current level.

For SC households, many high-reliability state-sector cells show sizeable consumption catch-up, but the latest relative position still varies widely. Urban SC households, for example, reach only about 60.8 per cent of Others in Jharkhand, 66.2 in Rajasthan and 67.4 in Odisha, while rural SC households in Andhra Pradesh–Telangana reach 87.4 and Madhya Pradesh 85.1. The geography of the remaining gap is therefore highly uneven.

The same distinction is even more important for ST households. In high-reliability cells, relative MPCE in the latest period ranges from around 58.3 in urban Chhattisgarh and 62.4 in urban Maharashtra to much higher positions elsewhere. Some places record strong catch-up from low starting points; others remain persistently distant. National ST averages flatten these differences.

How to read the state maps: A large positive change means convergence from the starting point. A high latest ratio means relative proximity today. The strongest interpretation uses both dimensions together.

8.3 The ST story is inseparable from geography

The national results already suggested that ST convergence is unusually composition-driven and that the adjusted consumption gap remains large. The state evidence strengthens the spatial interpretation. High-reliability ST cells are split between substantial catch-up and persistent disadvantage rather than clustering around one national trajectory.

Table 8.1: ST convergence differs sharply across places

(NSO mean MPCE relative to Others=100; selected high-reliability cells)

Illustrative ST cell	Sector	2004-05	2023-24	Change
Andhra Pradesh + Telangana	Rural	56.2	78.6	+22.4
Madhya Pradesh	Rural	56.8	73.1	+16.3
Gujarat	Rural	54.2	69.9	+15.7
Odisha	Rural	56.9	66.1	+9.2
Rajasthan	Rural	69.2	64.4	−4.8
Chhattisgarh	Urban	52.4	58.3	+5.9

Note: NSO mean MPCE relative to Others=100; selected high-reliability cells -selected state × sector cells meeting the report's reliability rules.

Source: PRICE Research and Analysis (2026); NSS Consumption Expenditure Surveys 2004–05 and 2011-12, MoSPI, GOI.

The variation is too large to treat ST disadvantage as a single national residual after education and occupation are controlled. Spatial concentration can affect access to schools, health services, transport, non-farm employment, markets and financial institutions simultaneously. Geography can therefore shape both the positions households reach and the rewards attached to those positions.

This does not establish that geography causes the entire ST gap. State and rural–urban categories remain broad, and tribal communities differ greatly within states. But it does establish that a national social-group coefficient is insufficient for understanding the pattern.

8.4 Does the city dilute caste disadvantage?

Urbanisation is often assumed to weaken traditional social constraints by expanding anonymity, labour-market depth, educational access and occupational choice. Our state comparisons suggest a more complicated answer. Urban areas often show faster convergence over time, but the latest urban relative position is not consistently higher than the rural position.

Among states with high-reliability observations in both sectors, urban SC convergence exceeds rural convergence in seven of twelve paired states. Yet the latest urban SC ratio is higher than the rural ratio in only two of those twelve states; the median urban–rural difference in the latest relative position is about −11.6 points. For OBC households, urban convergence exceeds rural convergence in all fourteen high-reliability paired states, but the latest urban relative position is higher in only two; the median latest urban–rural difference is about −4.7 points.

ST comparisons are fewer because reliable urban samples are thinner. Across seven high-reliability paired states, the median urban and rural latest positions are broadly similar, and there is no consistent urban advantage in convergence.

The urbanisation result: The city can change the trajectory without automatically eliminating the gap. Faster urban convergence and a lower urban relative position can coexist when disadvantaged groups start from a much lower urban base or when urban Others also occupy substantially higher consumption positions.

Table 8.2: Urbanisation can accelerate convergence without guaranteeing parity

Group	Paired high-reliability states	Urban change > rural	Urban latest > rural	Median urban–rural latest
SC	12	7	2	−11.6 pts
ST	7	2	3	−0.6 pts
OBC	14	14	2	−4.7 pts

Source: PRICE Research and Analysis (2026); PRICE paired-state summary from NSO CES/HCES high-reliability cells.

8.5 Why urban gaps can persist even when opportunities expand

There is no contradiction in faster urban convergence coexisting with lower relative urban positions. Cities raise the ceiling as well as the floor. They offer more colleges, formal jobs and market opportunities, but they also contain a more affluent comparison group. Relative disadvantage can therefore remain substantial even when absolute living standards are much higher.

Urban averages also combine very different kinds of households: long-established residents, first-generation migrants, informal workers, salaried professionals and households living in peripheral settlements with unequal access to housing and public services. Urbanisation changes the opportunity structure, but it does not place every group at the same point within it.

For OBC households this pattern is especially revealing. Their urban convergence is stronger than rural convergence in every high-reliability paired state in our matrix, yet their latest urban relative position is usually lower. The evidence is consistent with urbanisation broadening mobility while preserving a social gradient within the urban economy.

8.6 SC geography: broad catch-up, uneven destination

SC consumption convergence is geographically widespread, but its destination varies. High-reliability urban cells show particularly large improvements in Tamil Nadu, Madhya Pradesh and Karnataka, while several urban states remain below 70 per cent of the consumption level of Others. Rural SC positions are often closer, but they too vary materially across states.

This suggests that the SC national story—broad-based convergence—should not be mistaken for uniform spatial convergence. In some states the principal story is rapid catch-up from a low base; in others the remaining relative gap is still substantial despite improvement. State-specific diagnostics therefore add information that a national SC average cannot.

8.7 OBC geography: convergence is broad, but the urban gradient remains

OBC households display the strongest national consumption convergence, and the state matrix shows that this is not confined to one region. High-reliability urban cells record large gains in Tamil Nadu, Punjab, Karnataka, Andhra Pradesh–Telangana, Madhya Pradesh and Gujarat. Yet latest urban ratios remain below rural ratios in most paired states.

The OBC geography therefore reinforces two propositions. **First,** aggregate OBC convergence is broad enough to be economically significant. **Second,** the OBC category is too heterogeneous for its national average to be treated as a complete description of disadvantage. The interaction of state, settlement type, occupation and community becomes more important as the aggregate gap narrows.

8.8 Migration is part of the mechanism—but not identified by these data

Migration is one route through which households change their opportunity environment. Moving from a village to a town, from one district to another, or from a lower-productivity state to a stronger labour market can alter

access to jobs, education, networks and services. It is therefore conceptually central to the geography of mobility.

But repeated cross-sectional rural–urban comparisons do not identify the effect of migration. Urban households are a selected population: people who move differ from those who remain, and migrants differ in destination, duration, skill and social networks. A lower or higher urban caste gap cannot be interpreted as the causal effect of moving to a city.

In this report, migration is therefore treated as a mechanism to be investigated, not a causal result established by the core data. The safe empirical conclusion is about place: social-group convergence differs sharply across states and sectors, and urbanisation changes the pattern without uniformly erasing relative disadvantage.

8.9 From a national caste map to multiple local mobility regimes

The geographical evidence changes the meaning of the national hierarchy. Others > OBC > SC > ST remains a useful national summary, but it is not a map of every India. Some state-sector combinations are much closer to parity; others remain far behind. Some are converging rapidly; others show limited movement.

This is especially consequential for policy diagnosis. A persistent gap associated with remote geography, weak infrastructure and thin labour markets is not analytically identical to a gap within a large urban economy. The first may require spatial investment and connectivity alongside human-capital policy; the second may turn more on educational progression, occupational conversion, housing, networks and access to formal institutions. The evidence identifies different constraint environments; it does not prescribe a single policy instrument.

8.10 From state convergence to state diagnosis

National averages establish the broad direction of change, but they are less informative about where disadvantage now remains concentrated. The same relative consumption gap can arise from very different socioeconomic structures. In one state the principal difference may lie in access to higher education; in another educational differences may have narrowed while occupational positions remain unequal; elsewhere occupational positions may look similar but household income or living standards may still diverge.

This section therefore extends the geographical analysis from how much convergence has occurred to where along the mobility chain the remaining difference appears. It applies the framework used throughout this report: Access → Position → Reward → Living Standard. Access is represented by graduate-level attainment; Position by regular salaried employment; Reward by household income; and Living Standard by household consumption. Each indicator is expressed relative to Others within the same state and rural or urban sector, with Others=100.

The exercise is diagnostic rather than causal. A low education ratio does not establish that education is the sole cause of subsequent disadvantage; nor does a low income ratio demonstrate unequal treatment in the labour market. The purpose is narrower: to identify at which stage observed social-group differences are currently most visible, and whether that location differs across states, sectors and groups.

8.11 The first common pattern: disadvantage has moved upward towards higher education

Across the high-reliability state-sector observations, the most frequent relative deficit occurs at the Graduate+ threshold. This is consistent with the national evidence: expansion of basic and secondary education has altered the structure of educational disadvantage, but differences remain larger at the transition into higher education.

Urban ST households in Chhattisgarh illustrate the pattern. Graduate+ attainment is only around 35 per cent of the level among Others. Regular salaried employment is considerably closer, at about 78 per cent, but relative MPCE remains only 58.3. The latter has risen by only about six percentage points from its 2004–05 level of 52.4. The PRICE income sample for this cell is insufficient for reliable state-sector inference, so no income conclusion is drawn.

The broader ST geography reinforces the point. National ST averages combine places showing substantial catch-up with others where disadvantage remains persistent. For ST households in particular, geography and access to higher education remain tightly intertwined in the descriptive evidence.

8.12 Access is not the whole story: education must convert into position

A second pathway appears where educational access has improved but the transition into labour-market position remains weaker. Rural SC households in Karnataka illustrate this pattern. Graduate+ attainment stands at roughly 69 per cent of the Others level, while regular salaried employment is only around 54 per cent. By contrast, the 2022–23 PRICE mean household-income ratio is about 94 per cent, and the income robustness checks place it in broadly the same neighbourhood after trimming extreme observations.

The descriptive signal is therefore not simply low education. The sharper relative break appears between educational attainment and occupational position. Local labour-market structure, field and quality of education, networks, location, gender composition and the availability of formal employment can all mediate this transition. The present data do not identify which mechanism dominates; they identify where further investigation should begin.

8.13 Position and reward need not move together

The third pattern is more surprising. Similar occupational positions do not necessarily imply similar household economic rewards. Rural SC households in Maharashtra provide the clearest candidate. Regular salaried employment is approximately at the level of Others, yet mean household income in the PRICE data is only about 39 per cent of the Others level.

Because this difference is unusually large, it was subjected to additional robustness checks. The result does not disappear when the weighted median is used: the median ratio is about 35 per cent. Nor is it driven by a handful of high-income observations among Others: trimming the upper tail leaves the relative mean broadly unchanged. Pooling rural and urban Maharashtra also leaves a large SC income difference.

The result should nevertheless be interpreted cautiously. Household income reflects much more than the occupational category of one member: number of earners, type and stability of employment, self-employment and property income, household composition and other sources of earnings all matter. Regular salaried employment is itself a broad category. The finding therefore does not establish an earnings penalty or discrimination. It establishes a narrower point: occupational-category convergence need not translate mechanically into household-income convergence.

8.14 Reward and living standard can also diverge

A fourth pathway appears when current income and occupational position look relatively favourable but household living standards remain substantially behind. Urban ST households in Maharashtra provide the clearest example. Regular salaried employment is approximately 107 per cent of the Others level and the PRICE household-income ratio is about 97 per cent. The income finding is unusually stable: mean and median ratios are almost identical and remain so after trimming the income distribution.

Yet relative MPCE is only about 62 per cent of Others, virtually unchanged from its 2004–05 position. This divergence should not be interpreted as a simple income-to-consumption lag. PRICE and NSO are separate survey systems and repeated cross-sections rather than observations on the same households. Household

size and composition, housing costs, savings behaviour, accumulated assets and liabilities, and location within the urban economy can all separate current income from observed consumption. The contrast nevertheless shows why Reward and Living Standard need to remain separate stages in the analytical framework.

8.15 Convergence can be broad without being complete

Not every state pathway is characterised by a single large break. Urban OBC households in Tamil Nadu illustrate broader convergence: Graduate+ attainment is approximately 94 per cent of Others, regular salaried employment about 99 per cent, mean household income about 97 per cent, and MPCE about 90 per cent. Relative MPCE has increased by more than 30 percentage points over the long period. But the median income ratio remains lower than the mean, so the appropriate interpretation is broad convergence across several dimensions, not complete parity.

Rural OBC households in Assam provide a different pattern. Income comparisons are already at or above the Others benchmark across mean, median and tail-robust estimates, while consumption is also around parity. Little additional convergence should therefore not automatically be read as stagnation: the latest relative position matters alongside the size of the change.

Urban SC households in Uttar Pradesh illustrate why sector-specific findings require care. Their relative MPCE rises substantially but remains below three-quarters of Others, while Graduate+ attainment remains especially low. At the same time, the PRICE urban income comparison is substantially stronger. That income result survives several distributional checks at the urban level but becomes less pronounced when rural and urban households are pooled. The inference is therefore about the urban opportunity structure, not SC households across Uttar Pradesh as a whole.

Table 8.3: Seven pathways through the mobility chain

Illustrative pathway	State / group	Diagnostic signal	What the evidence asks us to investigate
Upstream access constraint	Chhattisgarh, Urban ST	Graduate+ especially low; MPCE persistently low	Higher-education progression and local opportunity structure
Access-to-position conversion	Karnataka, Rural SC	Education closer than regular salaried employment	Transition from education into employment
Position-to-reward disconnect	Maharashtra, Rural SC	Salaried position near parity; household income substantially lower	Earnings composition, number/type of earners and employment quality
Reward-living-standard divergence	Maharashtra, Urban ST	Income/position relatively close; MPCE remains low	Accumulated disadvantage and household balance-sheet factors
Broad convergence	Tamil Nadu, Urban OBC	Multiple stages relatively close	Whether convergence extends through the distribution
Urban-specific mixed pathway	Uttar Pradesh, Urban SC	Low Graduate+ and MPCE despite stronger urban income	Higher education and distribution of urban opportunity
Already-close position	Assam, Rural OBC	Income and consumption around/above parity	Avoid reading limited further convergence as failure

Note: Ratios compare each social group with Others=100 within the same state and sector. The cases are illustrative diagnostics, not state rankings or estimates of policy impact.

8.16 From national categories to local mobility regimes

Taken together, the cases change the interpretation of state variation. State differences are not merely differences in the size of social-group disadvantage. They are differences in where disadvantage is located along the mobility chain. For some populations the largest relative difference remains at higher education. For

others it appears in the conversion of education into occupational position. Elsewhere, occupational convergence coexists with weaker household rewards, or current income appears considerably closer than household living standards.

The implication is not that every state requires a different social-policy architecture. It is that the same national category can contain very different constraint environments. National averages remain indispensable for identifying broad inequality, but they are insufficient for locating the contemporary stage through which that inequality is reproduced.

For policy institutions, a mobility diagnostic therefore begins with three empirical questions: Which group? Where? At which transition? Only then should administrative, institutional and programme evidence be brought in to investigate why the observed transition is weak and which instruments are relevant. Household surveys identify the location of the problem; they do not, by themselves, establish the impact of a particular policy.

The next chapter shifts from place to time. Geography shapes where opportunity is available; family background shapes the starting point from which the next generation encounters it. The state-pathway analysis above shows that place also changes where the mobility chain is weakest. Chapter 11 asks whether generational progress is translating into weaker persistence from parents to children.

CHAPTER 9

From One Generation to the Next

9.1 A new generation has moved up

The most visible generational change in the report is educational. Younger Indians across every broad social group are markedly better educated than older Indians. Illiteracy has fallen sharply, secondary schooling has expanded, and graduate-level attainment has risen. The social structure of educational exclusion has changed within a generation.

For SC, ST and OBC households, this is a profound transformation. The younger cohorts entering adulthood today are much less likely to occupy the educational positions that characterised their parents' generation. This is genuine generational progress.

But generational progress is not the same as intergenerational mobility. A society can raise the educational level of almost everyone while preserving much of the relative ordering between families. If children from all backgrounds gain two rungs, the ladder has risen—but the distance between them may remain.

The distinction that governs this chapter

- **Cohort progress asks: are younger generations better educated than older ones?**
- **Intergenerational mobility asks: how strongly does a child's eventual position still depend on the position of his or her parents?**

9.2 The ladder has risen, but the upper rungs remain unequal

Our own cohort evidence shows why both questions are necessary. Among younger adults, graduate attainment has increased across social groups, but the gaps at the upper end remain substantial. For 25–34 year-olds in the harmonised PRICE series, OBC Graduate & Above attainment rises from roughly 10 to 12 per cent across the referenced benchmarks, while Others rise from about 20 to 22 per cent. Both groups move upward; the absolute gap remains close to ten percentage points.

The same broad pattern is visible in the full adult series: by 2022-23, Graduate & Above attainment is about 9 per cent among SC, 5 per cent among ST, 13 per cent among OBC and 23 per cent among Others. The educational divide has moved upward rather than disappeared.

These figures establish a change in the opportunity structure facing successive cohorts. They do not tell us whether a child born to poorly educated parents is now as likely to reach college as a child born to highly educated parents. That requires a different research design.

9.3 Absolute mobility and relative mobility can move differently

India's rapid educational expansion makes the distinction especially important. When the national supply of schooling and college places expands, absolute mobility can rise simply because more high-level positions exist. Relative mobility is the harder test: whether family origin becomes less decisive in determining who reaches those positions.

Table 9.1: Three different meanings of generational change

Concept	Question	What improvement looks like	Evidence used here
Cohort progress	Are younger cohorts better educated than older cohorts?	Higher attainment in younger age groups.	PRICE repeated cross-sections.
Absolute intergenerational mobility	Do children attain more education / better occupations than their parents?	More children exceed parental position.	Published parent–child mobility studies.
Relative intergenerational mobility	Does parental rank predict child rank less strongly?	Weaker persistence / more rank movement.	Published rank- and transition-based studies.

Source: PRICE conceptual distinction; intergenerational evidence.

9.4 What established intergenerational research tells us

The established literature does not support a simple conclusion that caste-linked intergenerational persistence has either disappeared or remained unchanged. Results differ by period, outcome, gender and mobility measure. That variation is itself informative.

Asher, Novosad and Rafkin (2024), using education-rank mobility across India, find that overall intergenerational educational mobility has been relatively low and broadly stable over long periods, while trajectories differ across social groups and places. Among sons, mobility improved for Scheduled Castes in their analysis; daughters generally show lower mobility than sons. The study also documents substantial geographic variation.

Sinha (2018), examining SC/ST men relative to non-SC/ST groups over 1983–2009, finds modest convergence in educational mobility but no comparable convergence in occupational mobility. Earlier research by **Hnatkovska, Lahiri and Paul (2013**) reach a more optimistic conclusion for 1983–2005, documenting convergence in intergenerational education, occupation and income outcomes.

These findings need not be forced into one verdict. They use different datasets, periods, populations and mobility concepts. Taken together, they show that generational educational expansion is much easier to establish than a uniform weakening of relative persistence across all dimensions.

Evidence-safe synthesis: India's opportunity structure has expanded dramatically. Evidence that family origin has become less predictive is more mixed—and varies by caste, gender, geography and the outcome being measured.

9.5 Caste and family background operate together

Caste is not transmitted to the next generation as an economic outcome by itself. It is embedded in a bundle of inherited circumstances: parental education, occupation, wealth, neighbourhood, social networks, school quality and geography. These circumstances shape the resources and opportunities available to children long before they enter the labour market.

This is why the framework developed in the report matters. Two families with similar current incomes can offer very different starting conditions if one owns a home, financial assets or productive property while the other has little accumulated wealth. Parental resources can finance longer education, private tuition, migration, job search and periods of unpaid preparation; they can also provide insurance against failure.

The intergenerational question is therefore not whether caste or class is the 'real' cause. It is how inherited social position interacts with inherited economic resources to shape the next generation's probability of reaching advantageous positions.

9.6 Gender changes the mobility ladder

The generational transition is also gendered. National higher-education participation has moved towards gender parity, and in some social categories female enrolment now matches or exceeds male enrolment. Yet intergenerational mobility research continues to find different trajectories for sons and daughters.

This apparent paradox is important. Expansion in female education can be rapid even while the conversion of parental background into daughters' educational, occupational and income outcomes remains distinctive. Marriage, location, labour-force participation, safety, household responsibilities and social norms can intervene between educational attainment and economic position.

For this reason, the report treats caste × gender as a cross-cutting dimension rather than assuming that a single caste coefficient describes the experience of men and women equally.

9.7 Geography shapes the inheritance of opportunity

As observed that the same social group occupies very different economic positions across states and rural–urban settings. Intergenerational research reaches a compatible conclusion: mobility itself varies substantially by place.

A child's family background is therefore inherited inside a local opportunity structure. Parental education may have different consequences where secondary schools are distant; the same degree may yield different opportunities in a thin rural labour market and a diversified city; family wealth may matter more where public services are weak.

This helps explain why ST intergenerational disadvantage cannot be reduced to a national caste gap. For many tribal households, social origin and spatial origin are intertwined. The reproduction of disadvantage may operate simultaneously through family resources and the opportunity environment surrounding the family.

9.8 From accumulated advantage to children's opportunity

The mobility ladder now turns fully into a cycle. Income affects consumption; savings and property contribute to accumulated advantage; accumulated advantage shapes children's education and opportunity; and those opportunities influence the income and wealth of the next generation.

Table 9.2: The mobility ladder becomes a transmission cycle

Inherited circumstances	→	Access	→	Position • Reward • Living standard • Accumulation	→	Transmission
Caste • parental background • gender • geography	→	Education • skills • networks	→	Occupation • income • consumption • assets	→	Next-generation starting point

Source: PRICE conceptual framework.

The important implication is that convergence in current consumption can occur faster than convergence in the mechanisms that reproduce advantage. A household may have moved much closer to the national consumption norm while still lacking the accumulated resources, networks or local opportunity environment enjoyed by a more established family.

This is one reason the report resists describing contemporary India as either unchanged or post-caste. The economic meaning of caste is changing because the distribution of education, occupations and living standards is changing. But the next generation still begins from unequal family and spatial starting points.

9.9 What would genuine intergenerational convergence look like?

A stronger form of convergence would require more than rising average attainment. It would mean that children from historically disadvantaged families increasingly reach similar educational and occupational ranks to children from advantaged families with comparable potential, and that parental education, occupation, wealth and location become less predictive of eventual outcomes.

That standard is demanding—and appropriately so. It shifts the focus from representation at one moment to the transmission process across generations. It also clarifies why the evidence needs to be multidimensional: educational mobility can improve while occupational mobility changes less; daughters can experience a different trajectory from sons; and states can differ substantially even within the same social group.

9.10 From inheritance to heterogeneity

The intergenerational perspective creates a further question. If some households within SC, ST and OBC categories are moving into higher educational, occupational and asset positions while others remain constrained by low parental resources and weak local opportunity structures, broad social categories may contain increasingly different contemporary economic positions.

The next chapter therefore moves from averages between categories to variation within them. The issue is not whether caste categories have ceased to matter. It is how much economic heterogeneity broad administrative categories now contain—and what that heterogeneity means for understanding persistent disadvantage.

CHAPTER 10

Beyond Caste Averages: Economic Position, Opportunity and Unequal Rewards

10.1 Convergence is substantial, but category averages are not enough

The estimates show that by 2022–23 average household income relative to Others (set at 100) reached 75.7 for Scheduled Castes (SC), 66.2 for Scheduled Tribes (ST) and 87.2 for Other Backward Classes (OBC). The separate official consumption series for 2023–24 places the corresponding mean consumption ratios at 68.9, 58.5 and 82.5. These represent substantial, although incomplete, convergence over the preceding two decades.

A national mean, however, cannot describe the range of economic circumstances within a category. Each group contains households with very different levels of schooling, occupations, earnings, property, financial reserves and access to urban labour markets. The strong aggregate OBC convergence is particularly important, but does not establish that every OBC community or household has converged. Among SC households, gains in income and consumption coexist with disadvantages in higher education and wealth. For ST households, differences in geography, connectivity and local opportunity are especially important.

This analysis establishes the importance of within-category economic differentiation; it does not establish that within-group income inequality has increased monotonically. That stronger claim would require validated trends in within-group Gini coefficients, percentile ratios and national distributional ranks.

10.2 Current living standards have converged faster than accumulated resources

Income and consumption measure current economic flows; land, housing, savings and financial assets measure accumulated resources. These dimensions need not converge at the same pace. In the 2023–24 consumption evidence, SC, ST and OBC mean consumption stood at approximately 69%, 59% and 83% of Others. Official 2018 asset evidence, by contrast, indicates much larger gaps: average rural SC and ST assets were roughly one-third of Others, while rural OBC assets were about three-fifths. Urban SC assets were around one-third, ST below one-half and OBC around one-half of the Others benchmark.

These statistics come from different surveys and reference years and are not a simultaneous comparison. They nevertheless reveal a critical structural distinction. A first-generation salaried household can improve consumption relatively quickly while still lacking inherited housing, property, savings and buffers against unemployment or illness. Another household at a similar income level may have substantial inherited assets and professional networks. Current income position therefore cannot be treated as equivalent to long-term economic security.

For policy, the implication is that progress in employment and living standards should be examined alongside access to housing, productive assets, affordable credit and financial resilience, without assuming that every household in the same income bracket faces the same constraints.

10.3 Education narrows the salaried employment gap, but does not eliminate unequal outcomes

The employment comparison is especially revealing. In 2022–23, regular salaried employment was the principal household income source for 20% of SC households, 15% of ST households, 21% of OBC households and 28% of Others. Among households in the graduate category, however, the respective shares were much closer: 41%, 40%, 38% and 43%.

Table 10.1: Regular salaried employment as principal household income source, 2022–23.

Social group	All households (%)	Graduate-category households (%)
SC	20	41
ST	15	40
OBC	21	38
Others	28	43

Note: Figures reported in the supplied chapters. Graduate category refers to a household education classification; the graduate member and salaried earner need not be the same person. The figures are not individual graduate employment probabilities.

Source: PRICE Research and Analysis (2026); PRICE ICE 360° Survey 2022-23.

The much smaller differences among graduate-category households indicate that unequal educational attainment is associated with an important part of the overall occupational divide. This should not be read as proof of equivalent jobs, wages, career progression or working conditions. Nor does it show that unequal treatment has disappeared.

A complementary household intersection reinforces the point: in 2022–23, 9.3% of SC, 12.0% of ST, 12.5% of OBC and 21.1% of Others households combined at least one graduate member with regular salaried employment as their principal income source. The much higher share for Others reflects differences in the joint distribution of educational attainment and salaried economic position, not the probability that a particular graduate was hired.

10.4 Adjusted consumption gaps remain substantial

The official 2023–24 consumption regressions provide a further test. After accounting for education, occupation, state, rural or urban location, age, gender and household size, estimated consumption gaps relative to Others remained approximately 13.4% for SC, 21.6% for ST and 8.8% for OBC households. These results show that convergence in aggregate means does not remove the differences observed among households with similar measured characteristics.

The remaining gaps may reflect unmeasured differences in education quality, job characteristics, assets, local prices, networks, health, household composition and other factors. Discriminatory treatment may also be relevant in particular settings, but cannot be quantified from a regression residual alone. Direct tests of differential treatment require research designs that compare otherwise similar applicants, borrowers or firms more credibly.

10.5 Markets and institutions affect the conversion of capabilities into rewards

Household capabilities do not automatically produce equivalent market outcomes. Graduates must obtain jobs; entrepreneurs must secure credit, suppliers and buyers; workers must convert skills into earnings. Differences may arise from initial resources, the opportunities available in a location, or the terms on which markets and institutions respond to participants.

The external literature provides more direct evidence on some of these mechanisms. **Thorat and Attewell (2007)** report less favourable employer responses to equally qualified Dalit and Muslim applicants in a correspondence study of private-sector recruitment. **Banerjee, Bertrand, Datta and Mullainathan (2009)**, using 3,160 fictitious résumés across 371 software and call-centre openings, find that caste-related callback patterns differ across the two sectors. These studies identify responses at particular recruitment stages and cannot be generalised to all Indian employment.

Credit research similarly demonstrates why account ownership or loan receipt alone is insufficient. Studies of small and unorganised enterprises report differences in formal borrowing access and, in some settings, loan amounts conditional on access. Research on disadvantaged entrepreneurship also highlights collateral, business networks, procurement and market position as potential constraints. Evidence on changes in proximity to bank branches suggests that improving institutional access can expand non-agricultural opportunities, although effects may differ between SC and ST households.

The appropriate conclusion is neither that markets inevitably reproduce caste disadvantage nor that expanding markets automatically equalise opportunity. Specific constraints and forms of unequal treatment must be established using the evidence suited to each question. Detailed study descriptions, qualifications and references are best retained in an accompanying evidence appendix.

10.6 Different patterns of disadvantage require differentiated developmental responses

The combined results reveal different contemporary patterns. SC households show meaningful convergence in current income and consumption alongside substantial remaining deficits in higher education and assets. ST households show improvement but remain especially affected by geography and unequal access to productive opportunity. OBC households are closest to Others in aggregate current outcomes, making internal economic diversity especially important for diagnosis.

Policy should therefore distinguish the constraint that a household faces. Some households need improved access to advanced education and skills; others require stronger connections to productive jobs, enterprise finance or markets; still others need opportunities to accumulate assets and withstand shocks. Social category identifies inherited patterns of disadvantage, while contemporary economic position helps locate immediate economic needs. These forms of information complement rather than replace one another.

This is not a proposal to substitute income tests for constitutional protections or to infer legal eligibility from economic survey distributions. Anti-discrimination safeguards, representation measures and developmental programmes have different purposes. The contribution of the evidence is to identify where improvements have occurred and which barriers remain most consequential.

India’s economic transformation has narrowed several broad caste-related gaps without producing uniform economic security or equal opportunities. The next challenge is to translate expanding capabilities into secure employment, fairer market opportunities and durable household assets, while recognising the different circumstances of SC, ST, OBC and Others households.

CHAPTER 11

From Compensatory Policy to Mobility Policy

The policy question has changed because the economy has changed. The evidence in this report points to a more differentiated structure of disadvantage than the one India confronted three decades ago. Basic access has widened, but the remaining constraints increasingly sit at higher education, conversion into better work and earnings, accumulated security, geography and transmission across generations.

The developmental question is therefore not only who is disadvantaged, but where in the mobility process the constraint sits and which instrument is suited to that mechanism.

Reservation and mobility policy answer different questions. Constitutional affirmative action and developmental mobility policy should not be collapsed into one instrument. The Supreme Court has treated Articles 15(4) and 16(4) as provisions directed towards substantive equality and the removal of structural barriers faced by disadvantaged groups (see Jaishri Laxmanrao Patil v. Chief Minister, 2021, and subsequent Supreme Court discussion). That constitutional purpose is broader than a household income test.

Mobility policy asks a different question: given a household's or community's present position in the economic process, what constraint is preventing further movement? Its instruments include school quality, higher-education preparation, skills, job matching, spatial connectivity, formal finance, enterprise support, social protection and asset-building.

The two architectures can therefore be complementary. One addresses historical exclusion, representation and substantive equality within the constitutional framework; the other addresses the contemporary economic mechanisms that influence whether households can move from access to security.

The mobility-policy architecture (Diagnose the stage before choosing the instrument)

Mobility stage	Diagnostic question	Typical constraint	Complementary intervention	Outcome to track
ACCESS	Who reaches the capability?	School quality, completion, higher-education entry, skills.	Learning recovery, transition support, scholarships, mentoring, digital access.	Completion and transition rates by group/place.
POSITION	Who enters advantageous positions?	Job information, occupational segregation, location, networks.	Career services, apprenticeships, placement, mobility support.	Education→occupation conversion.
REWARD	Do similar positions yield similar returns?	Job quality, wages, market access, institutional practices.	Pay transparency, enforcement, formalisation, market access.	Conditional earnings / job-quality gaps.
LIVING STANDARD	Does reward translate into secure welfare?	Household burden, health shocks, housing, service access.	Health/social protection, housing, public services.	Consumption resilience / vulnerability.
ACCUMULATION	Can households build assets and buffers?	Low surplus, weak formal finance, collateral, insecure property.	Savings, affordable credit, enterprise finance, asset-building.	Net assets, savings, debt quality, resilience.
TRANSMISSION	Does parental position remain predictive?	Unequal early-life resources, neighbourhoods, networks, inherited assets.	Early childhood, school quality, mentoring, geographic opportunity.	Parent→child mobility and opportunity gaps.

Source: PRICE mobility-policy framework. Illustrative developmental interventions; not a replacement for constitutional or statutory arrangements.

A crucial distinction: Constitutional entitlement and developmental targeting are not substitutes. Evidence on household income, assets or mobility can improve developmental diagnosis without being treated as a stand-alone rule for constitutional eligibility.

Policy principle 1 — Move from category-only diagnosis to mechanism-based diagnosis

Broad social categories remain essential for identifying historical disadvantage, but developmental diagnosis should also identify the mechanism producing the current gap. A deficit in educational attainment, a thin local opportunity structure and a conversion gap among similarly qualified people require different responses.

The practical rule is: retain category, add stage and mechanism.

Policy principle 2 — Treat higher education as the next major frontier

As basic educational exclusion recedes, the developmental frontier moves upward. Policy attention should increasingly track progression into and through higher education: preparation, affordability, completion, field and institution quality, and the transition from credential to opportunity.

Policy principle 3 — Focus on the education-to-employment conversion

Higher attainment matters only if it can be converted into economic position. Career information, apprenticeships, placement systems, professional networks, geographic mobility support and transparent recruitment can complement measures that expand access to education.

The key monitoring metric is the transition rate from a given educational position into the next advantageous economic position, disaggregated by group and place.

Policy principle 4 — Give tribal mobility a stronger spatial architecture

For ST households, social-group policy and place-based development need to be read together. Where labour markets, connectivity, schools, health services, finance and market access are thin, household capabilities cannot be converted fully into mobility.

The objective is not to substitute geography for social-group recognition, but to strengthen the opportunity environment in which mobility must occur.

Policy principle 5 — Build state-specific social mobility diagnostics

National averages should be complemented by state diagnostics that combine starting disadvantage, recent convergence and current relative position, and then locate the principal bottleneck along the mobility chain.

Such diagnostics are not rankings. Their purpose is to prevent a national programme from assuming that the same constraint dominates across very different state opportunity structures.

Policy principle 6 — Track outcomes within categories, not representation alone

Representation remains important, but developmental monitoring should also follow progression within broad categories: completion, employment conversion, earnings, asset accumulation, geographic mobility and intergenerational outcomes.

This does not redefine legal categories through household economics. It reveals whether opportunity is reaching households occupying different positions within them.

Policy principle 7 — Separate anti-discrimination, affirmative action, development and social protection

Different instruments address different failures. Anti-discrimination addresses unequal treatment; affirmative action operates within its constitutional and statutory framework; development policy builds capabilities and opportunity environments; social protection prevents shocks from reversing mobility.

They can reinforce one another, but should be assessed against the objectives and evidence appropriate to each instrument rather than collapsed into one policy test.

Four policy functions:

- **Anti-discrimination → fair treatment.**
- **Affirmative action → representation and substantive equality.**
- **Development policy → capabilities and opportunity.**
- **Social protection → resilience against downward mobility.**

Policy principle 8 — Redirect developmental effort as opportunities become mass-access

As an opportunity becomes widely accessible, developmental attention should move to the next scarce margin. School entry gives way to completion and learning quality; secondary education to higher education; degrees to employment conversion and job quality; financial accounts to meaningful use and credit.

This is a dynamic diagnostic rule, not a causal law: policy architecture should move when the bottleneck moves.

Policy principle 9 — Make accumulation an explicit mobility objective

Mobility should be judged not only by current income or consumption but by whether gains become durable security. Savings, housing, productive assets, affordable credit, insurance and secure property rights affect resilience and the capacity to invest in the next generation.

Accumulation is where current mobility begins to become transmitted advantage.

Policy principle 10 — Build a national social-mobility evidence system

India needs more comparable evidence linking the stages of mobility. A national evidence system should harmonise key social-group definitions and track transitions from education to occupation, occupation to earnings, earnings to assets, and parental position to children's outcomes, with sufficient state and rural–urban resolution.

The objective should not be a single mobility score, but a system capable of identifying where the chain is breaking, for whom, and whether that location changes over time.

A national mobility dashboard - A dashboard for mobility rather than a single measure of disadvantage

Domain	Core indicator	Diagnostic split	Question answered
Access	Higher-education completion	Group × gender × state × sector	Who reaches the capability?
Position	Regular/formal employment	Conditional on education	Who converts capability into position?
Reward	Income / earnings	Conditional on position + geography	Who converts position into reward?
Living standard	MPCE / vulnerability	Group × state × sector	Does reward translate into welfare?
Accumulation	Assets / savings / debt quality	Group × income position	Does welfare become security?
Transmission	Parent–child rank mobility	Group × gender × geography	Does advantage persist to the next generation?

Source: PRICE proposed mobility dashboard; transitions and conditional outcomes should not be collapsed into a single score.

From compensating disadvantage to enabling mobility. Mobility policy is an additive idea. It does not imply that historical disadvantage has ceased to matter, that constitutional affirmative action should be replaced, or that markets will automatically equalise outcomes once capabilities improve.

It asks developmental policy to do something additional: identify the contemporary constraint preventing the next step in mobility and match the response to that constraint.

The report's policy proposition: Preserve the constitutional distinction of affirmative action. Strengthen developmental policy around mobility. Diagnose the stage, identify the mechanism, match the instrument, and measure the transition to the next stage.

The question India should ask next. Three decades of evidence support neither a story of disappearance nor one of stasis. The evidence now resolves into three layers. Nationally, social-group disadvantage has narrowed, but unevenly. Mechanistically, convergence reflects different combinations of movement into better positions and narrowing differences within positions. Spatially, the remaining gap is located at different stages of the mobility chain across states, sectors and groups.

The next question is therefore not only which social group remains disadvantaged, but for which group, in which state, and at which stage of the mobility process disadvantage remains concentrated. In some places the principal divide lies in access to higher education; elsewhere in the conversion of education into employment, the translation of occupational position into household income, or the conversion of current economic position into living standards. These diagnostics identify where further investigation and policy attention may be warranted; they do not, by themselves, establish the causes of the observed gaps or the effects of particular policies.

Evidence Synthesis

Policy research synthesis and reproducibility note

Executive policy message

India's social-group economic hierarchy has narrowed substantially since 2004–05, but the pattern is differentiated: OBC households have approached the Other-household income benchmark most closely, SC households have made large relative gains, and ST households retain the deepest average and conditional disadvantage at the latest endpoint. The policy task is to diagnose whether disadvantage lies in reaching graduate education, obtaining higher-return employment, converting work into household income, or building durable financial security. Constitutional entitlements and anti-discrimination duties remain distinct from developmental targeting.

E1. Four-round weighted income evidence

Round	n	SC	ST	OBC	Others
2004-05	63,015	52.9	47.0	68.9	100.0
2015-16	60,332	74.3	69.8	81.4	100.0
2020-21	40,427	72.0	71.0	75.5	100.0
2022-23	43,005	75.7	66.2	87.2	100.0

Note: weighted mean reported annual household income, benchmarked to the mean for Others=100 within each round. Income comparisons are not inflation-adjusted levels; within-round ratios remove the need for cross-year rupee deflation.

E2. The graduate–salaried intersection

Round	SC (%)	ST (%)	OBC (%)	Others (%)
2004-05	5.6	3.5	7.8	15.2
2015-16	5.7	3.7	7.1	9.7
2020-21	3.0	1.9	2.8	3.2
2022-23	9.3	12.0	12.5	21.1

Graduate = at least one household member has a graduate-level qualification; salaried = regular salaried work is the largest source of household income. These attributes need not describe the same individual. Differences across rounds may reflect questionnaire and occupation coding changes and require cautious interpretation.

E3. Within-group inequality in reported income

Round	SC Gini	ST Gini	OBC Gini	Others Gini
2004-05	0.433	0.464	0.441	0.462
2015-16	0.361	0.379	0.347	0.379
2020-21	0.465	0.504	0.499	0.493
2022-23	0.380	0.417	0.431	0.400

Note: Gini coefficients describe the within-group distribution of reported household income. They are not measures of person-equivalised welfare. The 2020–21 distribution should be interpreted in its pandemic context.

E4. Conditional income differences

Round	SC gap (%)	ST gap (%)	OBC gap (%)	n
2004-05	-14.7 [-16.6, -12.9]	-19.2 [-21.8, -16.5]	-6.7 [-8.3, -5.0]	63,014
2015-16	-9.3 [-11.0, -7.4]	-6.7 [-9.2, -4.2]	-5.5 [-7.1, -3.8]	60,332
2020-21	-17.1 [-23.2, -10.5]	-23.1 [-30.4, -15.0]	-15.8 [-20.9, -10.5]	40,427
2022-23	-3.4 [-6.6, 0.1]	-24.0 [-27.4, -20.4]	-3.5 [-6.3, -0.6]	43,005

Note: Weighted regression of log reported household income on social group, household highest education, primary income occupation, state, sector and household size; reference group Others. Estimates transformed as 100×[exp(β)−1]. Brackets are HC1 heteroskedasticity-robust 95% intervals, not fully survey-design-adjusted intervals. These are descriptive associations, not discrimination or causal estimates.

Source (E1 to E4): PRICE Research and Analysis (2026); 2004–05 estimates from Caste in a Different Mould (Shukla, Jain and Preeti); subsequent estimates based on PRICE's ICE 360° Surveys (2015-16, 2020-21and 2022–23) integrated household microdata.

E5. Distinguishing current flows from accumulated resources

Official NSO consumption and AIDIS wealth data are retained as independent triangulation sources. Mean MPCE ratios to Others rise from 54.8 to 68.9 for SC, 47.3 to 58.5 for ST and 65.5 to 82.5 for OBC between 2004–05 and 2023–24. These official consumption results must not be read as matched observations with the PRICE income households. Reported survey savings are a flow indicator and are not equivalent to measured net wealth, property or financial resilience. Sources: NSS 61st Round, NSS 68th Round, HCES 2022–23 and HCES 2023–24; AIDIS 70th and 77th Rounds.

E6. Policy priorities and implementation tests

1. **Graduate completion and quality:** Track completion, field of study, institutional quality and first-generation graduates by social group and district; evaluate progression rather than enrolment alone.
2. **Education-to-employment conversion:** Measure placement into stable, higher-return jobs; distinguish job status, earnings, tenure, social insurance and enterprise returns.
3. **Spatially differentiated tribal development:** Prioritise place-based infrastructure, secondary and tertiary access, mobility, land and market connectivity; test district-level gaps instead of relying solely on national ST averages.
4. **Financial resilience and asset accumulation:** Monitor positive savings, net financial assets, productive property, debt service and shock buffers; do not infer wealth convergence from consumption convergence.
5. **Evidence infrastructure:** Create a repeated social-mobility dashboard with pre-registered definitions, accessible codebooks, survey-design uncertainty, reproducible code and district-level reliability thresholds.

E7. Publication evidence and limitations

- Source hierarchy: PRICE's ICE 360^0 Surveys on income and household position; NSO NSS/HCES for consumption; AIDIS for assets; AISHE for higher-education context; peer-reviewed studies for intergenerational mechanisms and market discrimination.
- Graduate status and principal salaried income are household attributes, not evidence that a graduate person obtained a salaried job.
- Policy implications are mechanisms to test, not identified treatment effects. Constitutional affirmative action, anti-discrimination enforcement, welfare protection and developmental mobility programmes serve complementary objectives.

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TECHNICAL APPENDIX

Data, Harmonisation, Decomposition and State Mobility Diagnostics

A1. Data sources and analytical architecture

The empirical analysis combines three household-survey systems. Household income is drawn from PRICE's ICE 360° rounds. Household consumption is drawn from official NSS/NSO Consumer Expenditure Survey and Household Consumption Expenditure Survey unit records. Education and occupation are harmonised into broad categories that can be compared consistently across rounds.

The core comparisons use four broad social groups—ST, SC, OBC and Others. Others is a residual reference category rather than a homogeneous social class. All descriptive estimates use survey weights. The analysis uses repeated cross-sections; changes in group averages should therefore not be interpreted as movements of the same households through time.

Evidence block	Survey / period	Primary use
Income	2004–05*; PRICE ICE 360° through 2022–23	Household income levels, regressions and income decomposition
Consumption	NSS CES 2004–05, 2011–12; NSO HCES 2022–23, 2023–24	MPCE convergence, rural–urban and state geography, consumption decomposition
State mobility chain	NSO 2023–24 + PRICE 2022–23 where reliable	Access → Position → Reward → Living Standard diagnostic
Robustness	Weighted medians, tail trimming, pooled-state sensitivity	Check whether selected state cases depend on skewness, outliers or sector definition

* 2004–05 income estimates from Caste in a Different Mould (Shukla, Jain and Preeti).

A2. Household income convergence

Survey round	SC	ST	OBC	Others
2004-05	52.9	47.0	68.9	100.0
2015-16	74.3	69.8	81.4	100.0
2020-21	72.0	71.0	75.5	100.0
2022-23	75.7	66.2	87.2	100.0

Note: Weighted mean annual household income, expressed relative to Others=100 within each survey round. Financial-year labels are used for consistency.

A3. Adjusted income gap

2022–23 indicator	SC	ST	OBC
Mean income ratio (Others=100)	75.7	66.2	87.2
Median income ratio (Others=100)	73.4	57.9	78.9
Adjusted income gap (%)	-3.4	-24.0	-3.5

Note: The adjusted gaps come from weighted log-income regressions controlling for harmonised education, occupation, sector, state, age, age-squared, gender and household size. They are conditional associations and should not be interpreted as measures of discrimination.

A4. Consumption convergence and the two clocks

Year	SC	ST	OBC	Others
2004–05	54.8	47.3	65.5	100
2011–12	55.1	46.5	66.5	100
2022–23	65.8	55.5	79.7	100
2023–24	68.9	58.5	82.5	100

Note: Weighted mean MPCE relative to Others=100. The series shows little relative convergence through 2011–12 and substantially stronger convergence thereafter. The 2022–23 to 2023–24 movement is a one-year comparison and is treated as corroborative rather than as a separate long-run phase.

Period / group	Total	Composition	Within-position	Benchmark
2004–05→2011–12 SC	+0.55	+3.76	+0.62	−3.83
2004–05→2011–12 ST	−0.80	+5.64	−3.62	−2.83
2004–05→2011–12 OBC	+1.01	+6.31	−0.25	−5.04
2011–12→2022–23 SC	+10.70	+5.66	+3.21	+1.83
2011–12→2022–23 ST	+9.05	+2.76	+3.85	+2.44
2011–12→2022–23 OBC	+13.13	+6.90	+7.45	−1.22

A5: Robustness audit of illustrative state cases

Case	n group	n Others	Mean ratio	Median ratio	Winsor 99	Winsor 95	Assessment
Andhra Pradesh — Rural ST	52	165	87.7	76.3	87.9	86.5	Sector estimate should be read with reliability rule.
Karnataka — Rural SC	360	173	93.8	85.0	93.9	94.7	Near-parity result robust; state aggregate is even closer to parity.
Maharashtra — Rural SC	259	142	39.2	34.6	39.2	37.9	Robust: very low ratio survives median, winsorisation and state aggregation.
Maharashtra — Urban ST	361	1025	96.5	96.3	96.8	96.5	Sector result robust across mean/median/winsorisation; state aggregate is much lower because rural ST differs.
Tamil Nadu — Urban OBC	342	584	96.9	80.2	96.9	100.2	Sector mean near parity; median remains lower. State mean exceeds parity. Broad-convergence wording should be qualified.
Uttar Pradesh — Urban SC	581	322	135.6	127.5	134.7	124.2	Mean advantage survives winsorisation/state aggregation; median falls below parity at state level. Use with caution.
Assam — Rural OBC	263	173	124.3	134.9	124.7	124.2	Above-parity result robust across mean, median, winsorisation and state aggregation.

A6: State mobility-chain diagnostic: high-reliability cells

The table below reports the complete high-reliability state-sector diagnostic. Ratios compare each group with Others=100 within the same state and sector. Income is shown only where a PRICE estimate is available; the diagnostic does not force an income interpretation where the cell is weak.

State-sector cells are classified **High** when the minimum unweighted cell size for the social group and Others at both endpoints is at least 100; Caution when it is 50–99; and Low when it is below 50. The main state-pathway discussion relies on **High-reliability NSO** cells. PRICE income is used as a corroborative Reward indicator only where its state-sector cell is sufficiently reliable.

The "**minimum stage**" is a descriptive screening device: among available high-reliability ratios it identifies the stage furthest below Others. Decomposition components describe accounting contributions on common support and are not estimates of policy effects.

Income and consumption come from separate survey systems and should not be read as a literal temporal sequence for the same households. State patterns are therefore best used to locate questions for further institutional and administrative investigation, not to attribute outcomes to particular state policies.

State	Sector	Social Group	NSO reliability	Graduate+	Regular salaried	Income	Income reliability	MPCE (2004-05)	MPCE (2023-24)	Change	Minimum stage	Minimum ratio
Andhra Pradesh + Telangana	Rural	SC	High	73.2	134.4	112.2	High	65.8	87.4	21.6	Access	73.2
		ST	High	48.7	57.5	111.0	High	56.2	78.6	22.4	Access	48.7
		OBC	High	75.9	110.5	93.7	High	76.7	92.5	15.9	Access	75.9
	Urban	SC	High	66.5	102.1	85.1	High	58.0	74.9	16.9	Access	66.5
		OBC	High	84.4	107.9	85.9	High	66.0	89.9	23.9	Access	84.4
Assam	Rural	SC	High	118.3	231.6	108.0	Low	94.0	98.9	4.9	Living standard	98.9
		ST	High	132.5	117.7	117.1	Caution	102.3	99.6	-2.7	Living standard	99.6
		OBC	High	157.3	240.7	124.3	High	105.4	101.6	-3.8	Living standard	101.6
	Urban	ST	High	87.2	114.1	82.4	Low	72.4	106.8	34.4	Access	87.2
		OBC	High	100.4	103.6	102.5	Caution	94.0	102.9	8.9	Access	100.4
Bihar	Rural	SC	High	25.8	67.7	78.7	Low	67.1	82.2	15.1	Access	25.8
		OBC	High	49.1	65.1	95.0	Low	81.4	91.3	9.9	Access	49.1
	Urban	SC	High	35.1	60.7	51.2	Caution	122.6	71.1	-51.6	Access	35.1
		OBC	High	62.0	70.2	74.8	Caution	78.7	89.0	10.3	Access	62.0
Chhattisgarh	Rural	SC	High	55.3	64.0	110.3	Caution	76.6	90.4	13.8	Access	55.3
		ST	High	31.3	30.0	79.7	Caution	63.6	73.9	10.3	Position	30.0
		OBC	High	62.6	65.6	80.7	Caution	77.7	85.9	8.3	Access	62.6
	Urban	ST	High	35.3	77.9	92.4	Low	52.4	58.3	5.9	Access	35.3
		OBC	High	55.3	101.5	82.2	High	58.9	78.1	19.2	Access	55.3
Gujarat	Rural	SC	High	56.2	116.5	51.7	Caution	59.6	72.2	12.6	Access	56.2
		ST	High	40.5	91.5	54.1	High	54.2	69.9	15.7	Access	40.5
		OBC	High	50.5	75.9	66.9	High	63.2	77.6	14.4	Access	50.5
	Urban	SC	High	52.1	120.9	82.4	High	71.4	73.2	1.8	Access	52.1
		ST	High	47.4	109.7	68.8	Caution	82.3	75.5	-6.9	Access	47.4
		OBC	High	63.4	104.2	162.1	High	58.9	79.8	20.9	Access	63.4

A6: State mobility-chain diagnostic… (Conti…)

State	Sector	Social Group	NSO reliability	Graduate+	Regular salaried	Income	Income reliability	MPCE (2004-05)	MPCE (2023-24)	Change	Minimum stage	Minimum ratio
Jharkhand	Rural	SC	High	52.9	86.3	67.1	Caution	79.8	81.9	2.1	Access	52.9
		ST	High	43.1	44.5	62.7	Caution	82.2	76.4	-5.8	Access	43.1
		OBC	High	114.2	74.7	77.1	Caution	89.3	94.7	5.4	Position	74.7
	Urban	SC	High	44.1	91.7	89.6	Low	54.7	60.8	6.1	Access	44.1
		ST	High	44.0	117.0	98.4	Low	53.6	75.6	21.9	Access	44.0
		OBC	High	65.9	74.0	109.8	Low	62.4	83.2	20.9	Access	65.9
Karnataka	Rural	SC	High	68.8	54.1	93.8	High	81.8	78.4	-3.4	Position	54.1
		ST	High	53.6	67.8	33.7	Caution	71.6	81.6	10.0	Access	53.6
		OBC	High	82.5	62.0	87.3	High	89.9	86.2	-3.7	Position	62.0
	Urban	SC	High	54.1	74.2	101.7	High	44.7	69.0	24.3	Access	54.1
		OBC	High	78.6	79.1	60.5	High	60.7	84.9	24.2	Reward	60.5
Kerala	Rural	SC	High	44.6	91.4	NA	Caution	60.0	70.2	10.2	Access	44.6
		OBC	High	73.1	97.3	NA	Caution	81.4	83.8	2.4	Access	73.1
	Urban	SC	High	52.6	85.8	NA	Caution	40.2	65.3	25.1	Access	52.6
		OBC	High	69.4	76.2	NA	Caution	63.9	73.2	9.3	Access	69.4
Madhya Pradesh	Rural	SC	High	37.5	54.3	76.8	High	63.4	85.1	21.8	Access	37.5
		ST	High	20.1	39.2	76.8	Caution	56.8	73.1	16.3	Access	20.1
		OBC	High	61.5	61.2	85.9	High	77.2	87.0	9.9	Position	61.2
	Urban	SC	High	48.3	96.5	72.4	High	45.7	74.6	28.9	Access	48.3
		ST	High	36.2	67.9	81.9	Low	56.5	72.5	15.9	Access	36.2
		OBC	High	59.1	89.3	94.2	High	57.6	80.5	22.9	Access	59.1
Maharashtra	Rural	SC	High	74.2	101.5	39.2	High	73.1	83.8	10.7	Reward	39.2
		ST	High	30.8	58.6	47.9	High	60.6	66.8	6.2	Access	30.8
		OBC	High	82.2	89.1	60.7	High	88.8	90.4	1.7	Reward	60.7
	Urban	SC	High	74.5	108.4	57.2	High	60.6	68.5	7.9	Reward	57.2
		ST	High	62.4	107.4	96.5	High	62.6	62.4	-0.2	Living standard	62.4
		OBC	High	87.4	103.9	88.2	High	70.0	78.6	8.6	Living standard	78.6
Odisha	Rural	SC	High	34.7	47.4	120.8	Low	67.7	79.6	11.9	Access	34.7
		ST	High	20.0	26.5	87.4	Low	56.9	66.1	9.2	Access	20.0
		OBC	High	53.1	54.5	85.1	Low	79.4	91.7	12.4	Access	53.1
	Urban	SC	High	44.5	82.7	91.4	Caution	58.4	67.4	8.9	Access	44.5
		ST	High	36.5	76.1	101.1	Low	62.6	69.5	6.9	Access	36.5
		OBC	High	74.9	84.4	125.2	Caution	74.4	88.9	14.4	Access	74.9
Rajasthan	Rural	SC	High	66.7	67.1	83.2	High	74.3	79.3	5.0	Access	66.7
		ST	High	46.6	59.5	48.8	Caution	69.2	64.4	-4.8	Access	46.6
		OBC	High	83.0	84.7	154.5	High	89.8	92.9	3.1	Access	83.0
	Urban	SC	High	37.1	73.1	53.5	Caution	57.7	66.2	8.5	Access	37.1
		OBC	High	56.1	83.0	69.3	Caution	70.8	80.3	9.5	Access	56.1

A6: State mobility-chain diagnostic… (Conti…)

State	Sector	Social Group	NSO reliability	Graduate+	Regular salaried	Income	Income reliability	MPCE (2004-05)	MPCE (2023-24)	Change	Minimum stage	Minimum ratio
Tamil Nadu	Urban	SC	High	60.3	80.1	57.4	High	35.0	68.9	33.9	Reward	57.4
		OBC	High	93.5	99.0	96.9	High	53.5	89.8	36.3	Living standard	89.8
Uttar Pradesh	Rural	SC	High	39.1	76.8	106.6	High	69.6	80.1	10.5	Access	39.1
		OBC	High	57.5	79.4	94.7	High	80.4	86.6	6.2	Access	57.5
	Urban	SC	High	44.4	91.8	135.6	High	56.6	73.8	17.2	Access	44.4
		OBC	High	54.7	72.3	90.1	High	63.1	75.6	12.4	Access	54.7
West Bengal	Rural	SC	High	83.7	88.9	88.9	High	91.7	91.7	0.1	Access	83.7
		ST	High	47.2	139.5	155.9	Low	74.8	80.8	6.1	Access	47.2
		OBC	High	105.3	84.8	103.1	Low	103.8	94.7	-9.1	Position	84.8
	Urban	SC	High	62.5	101.8	59.1	High	61.0	74.8	13.8	Reward	59.1
		OBC	High	66.5	84.1	62.2	High	83.8	81.3	-2.5	Reward	62.2

A7: Distributional convergence and the economic mobility ladder

Income inequality within social groups

Income dispersion declined markedly in every social group between 2004–05 and 2015–16. For example, the SC Gini fell from 0.433 to 0.361 and the OBC Gini from 0.441 to 0.347. The P90/P10 ratios also narrowed, indicating a reduced distance between households near the upper and lower ends of each group's income distribution.

By 2022–23, however, the Gini had risen again in all four categories, especially OBC (0.431) and ST (0.417). The OBC P90/P10 ratio increased from 4.78 in 2015–16 to 6.70, while the SC ratio rose from 4.99 to 6.00. This is a partial reversal of the earlier compression, not evidence that inequality rose continuously across the full period. In particular, SC and ST Ginis remained below their 2004–05 levels.

Table A1: Gini coefficients and percentile ratios, selected survey rounds

Survey	Group	Gini	P90/P10	P90/P50
2004–05	SC	0.433	6.49	2.96
	ST	0.464	7.22	3.47
	OBC	0.441	6.81	3.06
	Others	0.462	8.63	3.10
2015–16	SC	0.361	4.99	2.18
	ST	0.379	5.74	2.35
	OBC	0.347	4.78	2.28
	Others	0.379	5.96	2.50
2022–23	SC	0.380	6.00	2.50
	ST	0.417	6.08	2.85
	OBC	0.431	6.70	2.82
	Others	0.400	6.29	2.43

Note: Gini and percentile ratios are calculated within each social group; cross-round comparability depends on consistent income definitions and survey treatment.

Source: PRICE Research and Analysis (2026); 2004–05 estimates from Caste in a Different Mould (Shukla, Jain and Preeti); subsequent estimates based on PRICE's ICE 360° Surveys (2015-16 and 2022–23) integrated household microdata.

Why it matters for policy

National convergence in average income can coexist with uneven gains within each social category. Policies assessed only through group means may overlook households still concentrated in insecure or low-return livelihoods. Monitoring should therefore report income medians, lower and upper percentiles, and dispersion alongside average incomes, disaggregated by geography, education and occupation.

The policy priority is to broaden access to productive work, quality education, enterprise opportunities and financial resilience, especially for households at the lower end of each group's distribution. These data identify distributional patterns; they do not establish which policy or market changes caused them.

Key insight: Social-group convergence and within-group equality are distinct development objectives.

Position on the national household income ladder

Between 2004–05 and 2022–23, the proportion of SC households in the bottom national income quintile declined from 29.2% to 24.4%, while their presence in the top quintile rose from 10.2% to 16.4%. ST households experienced a larger reduction at the bottom, from 40.6% to 25.8%, and an increase at the top from 9.3% to 14.3%. These shifts indicate improvement in the relative income distribution of both groups over the longer period.

The path was not uniform. SC bottom-quintile representation increased from 21.7% in 2015–16 to 24.4% in 2022–23, while the ST top-quintile share fell from 16.8% to 14.3%. OBC households ended 2022–23 with 16.6% in the bottom and 21.6% in the top quintile. For Others, the top-quintile share fell from 30.8% to 23.9%, while the bottom share rose from 10.7% to 16.7%. The relative positions of groups are changing, but advantage has not disappeared.

Table A2: Share of each social group in the bottom and top national household income quintiles (%)

Survey	Social Group	Bottom 20% of national households	Top 20% of national households
2004–05	SC	29.2	10.2
	ST	40.6	9.3
	OBC	18.8	17.2
	Others	10.7	30.8
2015–16	SC	21.7	15.3
	ST	28.4	16.8
	OBC	16.3	21.0
	Others	12.4	30.1
2022–23	SC	24.4	16.4
	ST	25.8	14.3
	OBC	16.6	21.6
	Others	16.7	23.9

Note: These are the percentages of households within each social group that fall in the national bottom or top quintile in a given round. Repeated cross-sectional surveys do not follow the same households, so these changes are not individual mobility rates.

Source: PRICE Research and Analysis (2026); 2004–05 estimates from Caste in a Different Mould (Shukla, Jain and Preeti); subsequent estimates based on PRICE's ICE 360° Surveys (2015-16 and 2022–23) integrated household microdata.

Why it matters for policy

A national income ladder reveals information hidden by average income ratios: which groups are disproportionately represented among lower-income households and how their representation at the top is changing. The findings support tracking both upward representation and vulnerability to setbacks, rather than judging inclusion solely by rising mean incomes.

For SC and ST households, persistent overrepresentation in the bottom quintile points to the continuing relevance of education quality, stable livelihoods, regional connectivity and protection against shocks. The OBC distribution argues for recognising substantial variation within a broad category. Rising bottom-quintile representation among Others also shows why contemporary economic vulnerability should be measured across all groups, while retaining distinct attention to inherited disadvantage.

Key insight: Progress in the national income distribution is real but uneven, and policy needs to support both upward opportunity and economic security.

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