

CHAPTER 2

SOCIO-ECONOMIC STUDY OF INDIAN MUSLIMS

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CHAPTER-2

SOCIO-ECONOMIC STUDY OF INDIAN MUSLIMS

2.1 INTRODUCTION

The socio-economic fabric of democratic and secular India is more intricate because of various factors like segmentation into society which is unique to the country. The country has made remarkable progress in the field of economy and science during the last six decades. India is very proud to declare that it is one of the leading developing nations in the world and capable of being the most developed nation. But how is it possible, if some sections of its population are wadding almost in all spheres? There is no denying the fact that problems such as illiteracy, poverty, deprivation, malnutrition and lack of availability of social benefits are commonly shared by a large majority of the Indian population. However, different segments of the population are affected by these problems in varying degrees. The scale of economic, educational and social backwardness among Indian Muslims has a matter of significant public debate in recent years. The perception of deprivation is widespread among Muslims in India. The status of Indian Muslims must be judged in view of their contributions to the emerging strength of their own country like contributions of other religious communities. An improved and active participation of Indian Muslims in the dynamic life of the nation, particularly in the economic and educational spheres, can best assure the refinement of their relations as well as development. The situation of the Muslims in India and their participating in the process of the economic and social development can be observed from different government reports, surveys conducted by research organizations, reports of committees appointed by Governments and individual researchers. Nearly two and half decades ago, Prime Minister Mrs. Indira Gandhi constituted a 10-member high-power panel on minority, scheduled

castes SCs) and scheduled tribes (STs) and other weaker sections, headed by Dr. Gopal Singh. In its report submitted on June 14, 1983, the Dr. Gopal Singh committee maintained that there was a sense of discrimination prevailing among the minority and that it "must be eliminated, root and branch, if we want the minority to form an effective part of the mainstream", Muslims in India are lagging behind in almost all spheres particularly in two most important aspects (i.e., education and employment) in the process of modernity and the Muslims' backwardness has been confirmed in NSSO (61st round), Census of India - 2001 etc. Dr. Manmohan Singh, the Prime Minister of India, had set up on 9th March, 2005, a seven-member high-level committee headed by Justice Rajindar Sachar, former Chief Justice of Delhi High Court, in order to examine the social, economic and educational status of the Indian Muslims. The committee submitted its reports on 17th November, 2006 and placed in the parliament on 30th November 2006. While there is a widespread perception among Indian Muslims that they are lagging behind in socio-economic and educational fields and are deprived but there has been practically no systematic effort since independence was taken to analyze the socio-economic conditions of Indian Muslims ever before that Sachar Committee. To start with, it is the first systematic study of the Muslim community in independent India. Earlier commissions, including the Dr. Gopal Singh Committee, worked into issues relating to the Muslim community along with there relating to other segment of society, such as the SCs and STs and other weaker sections. Obviously Sachar Committee was expected to have an enhanced focus on the Muslim community and those have been reflected in its frame of references and examination processes.

The chapter consists of seven segments:

1. Demographic pattern of Indian Muslims along with other socio-religious communities (SRCs)
2. Educational conditions of Muslims in India
3. Economic and employment situations of Indian Muslims
4. Social and physical infrastructural facilities available to Muslims in India
5. Bank credit available to India's Muslims

6. Poverty, consumption and standard of living

7. Summing up

The above stated segments are discussed with secondary data collected from Census of India, survey reports of National Sample Survey Organisation (NSSO), different governments' reports, Dr. Gopal Singh Committee Report, reports of Sachar Committee. The socio-economic condition of Indian Muslims is judged by comparing with data of other socio-religious communities.

2.2 DEMOGRAPHIC PATTERN OF THE WORLD

Muslims constitute about 25 percent of the world's population and it is next to Christian population in the world. Muslims live in nearly every country of the world and exhibit hundreds of cultures and speak many different languages. About 9.75 percent of world's Muslim population live in India and is next to Indonesia (Census of India, 2001). Although as per projected figure of Census of India for 2004, India would be the third largest Muslim-population country after Indonesia and Pakistan.

This is worth noting that Muslim population growth is declining faster than the world's population growth. This can be found from table 2.1.

Table 2.1: Increase in total world's population and total world's Muslim population (estimated)

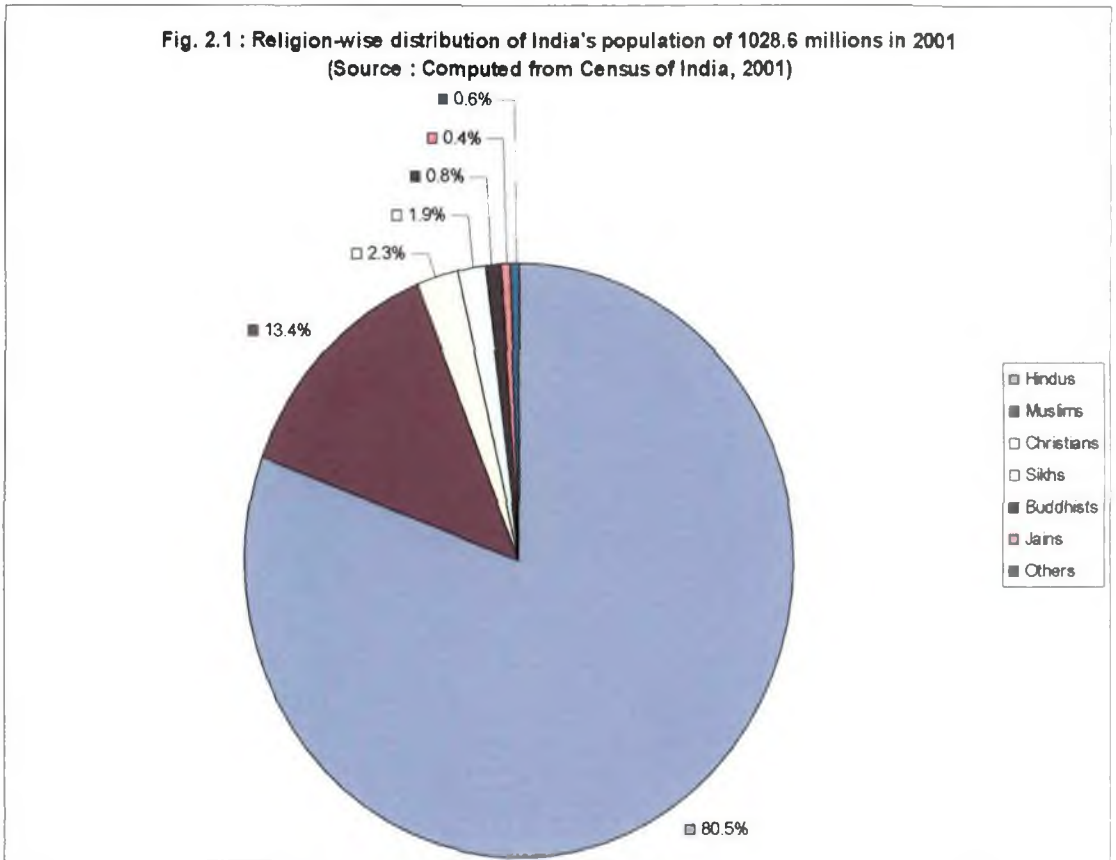
Time periods	Increase in world population (%)	Increase in Muslim population (%)	Difference(%age points)	Doubling (Year)
1970-2000	1.66	2.6	0.95	74
1990-2000	1.41	2.13	0.72	96
2000-2006.	1.22	1.9	0.68	103
2000-2025	1.03	1.64	0.61	115

Source: The World Christian Encyclopaedia (2000), David Barrett.

Table 2.1 clearly depicts that the growth rate of both the world's population and the Muslim population are declining, but the growth of Muslim population is declining faster and the gap between the world's population growth and the Muslims growth is getting narrower.

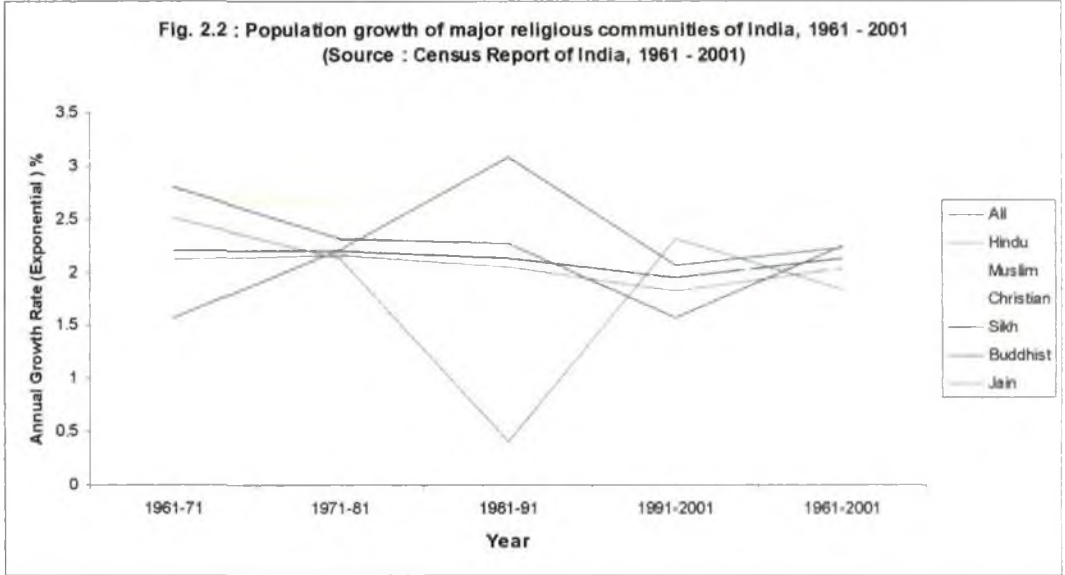
2.3 DEMOGRAPHIC PATTERN OF INDIA

Muslims in India constitute the second largest religious group next to Hindus and the largest minority. According to the 2001 Census, Muslim population in India is over 138 million (13.4 percent) out of India's total population of around 1029 million. India's population constitute as Hindus 80.5 percent, Muslims 13.4 percent, Christians 2.3 percent, Sikhs 1.9 percent, Buddhists 0.8 percent, Jains 0.4 percent and other 0.6 percent (Census of India-2001 and Appendix 2.1, page 56).



Population in India has large growth but the growth of Muslim population is higher than the average. The inter censal growth of India's population during 1991–2001 has a decreasing trend at 21.5 percent from 23.9 percent during the decade 1981–1991. Growth rate

of Hindus is falling from 22.7 percent to 19.9 percent i.e., 2.8 percentage points whereas growth rate of Muslims has a higher drop from 32.9 percent to 29.5 percent i.e., decrease of 3.4 percentage points between the two decadal periods. It indicates that both religious communities are on the convergence. Muslim growth rate is higher perhaps because of higher fertility rate and low mortality than the average of the nation.



It is observed that the growth rate of Muslims in North India is higher than the Southern part of India.

Muslims in India live in different parts of the country but their concentration varies to a great extent can be found in table 2.2.

Table 2.2: State-wise population of SRCs with male and female (in million)

Sl. no.	State/UT	Total population	Hindus		Muslims		%age of Muslim population
			Male	Female	Male	Female	
	All India	1028.6	428.7	398.9	71.4	66.8	13.4
1.	J & K	10.1	1.6	1.4	3.5	3.3	67.0
2.	Himachal Pradesh	6.1	3.0	3.0	0.07	0.05	2.0
3.	Punjab	24.4	4.9	4.1	0.2	0.2	1.6
4.	Uttaranchal	8.5	3.6	3.6	0.5	0.5	-
5.	Haryana	21.1	10.0	8.6	0.6	0.6	5.8
6.	Delhi	13.9	6.2	5.1	0.9	0.7	11.7
7.	Rajasthan	56.5	26.1	24.0	2.5	2.3	8.5
8.	Uttar Pradesh	166.2	70.8	63.2	16.0	14.7	18.2
9.	Bihar	83.0	36.1	33.0	7.1	6.7	15.9
10.	Assam	26.7	9.0	8.0	4.3	4.0	30.9
11.	West Bengal	80.2	30.0	28.0	10.5	9.8	25.2
12.	Jharkhand	26.9	9.6	8.9	2.0	1.8	-
13.	Orissa	36.8	17.6	17.1	0.4	0.4	2.1
14.	Chhattisgarh	20.8	9.9	9.8	0.2	0.2	-
15.	Madhya Pradesh	60.3	28.7	26.3	2.0	1.9	5.2
16.	Gujrat	50.7	23.5	21.6	2.4	2.2	9.1
17.	Maharashtra	96.9	40.5	37.4	5.4	4.8	10.6
18.	Andhra Pradesh	76.2	34.3	33.6	3.6	3.4	9.2
19.	Karnataka	52.9	22.5	21.8	3.3	3.2	12.2
20.	Lakshadweep	0.06	-	-	0.028	0.028	95.5
21.	Kerala	31.8	8.7	9.2	3.8	4.1	24.7
22.	Tamil Nadu	62.4	27.7	27.3	1.7	1.8	5.6

Source: Computed by using data available from Census of India, 2001

The States and Union Territories (UTs) in which the population is predominantly of Muslim community are Jammu and Kashmir (J & K) and Lakshadweep. In J & K, the Muslims constitute 67 percent of its total

population while in Lakshadweep; the population is almost entirely of Muslim community (96 percent).

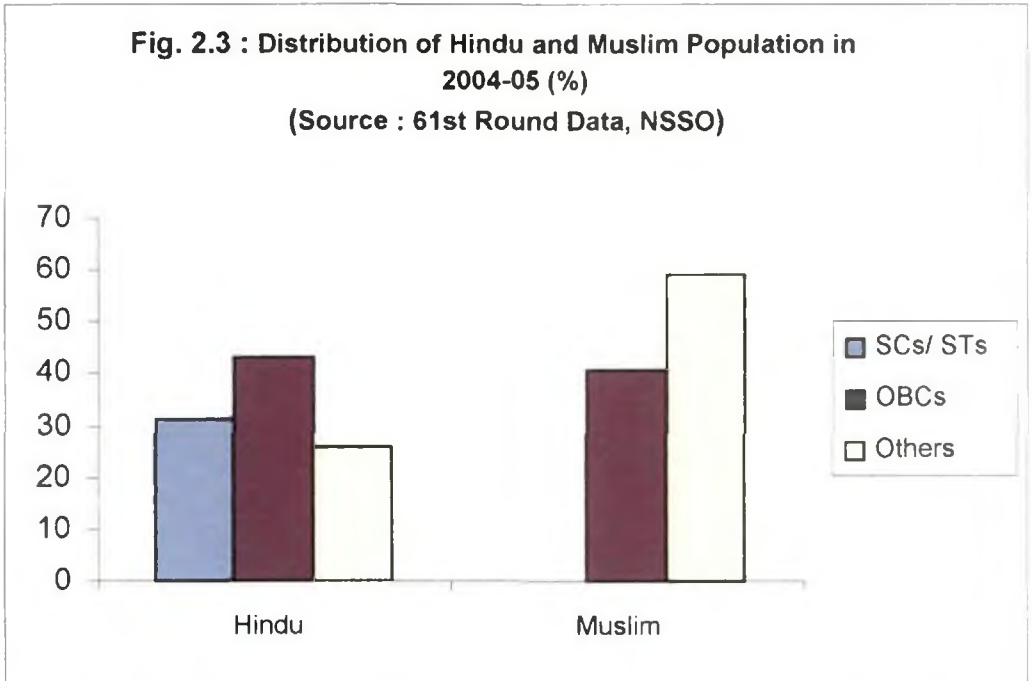
The states in which the proportion of the Muslim community exceeds the national average of 13.4 percent are Assam (30.9 percent), West Bengal (25.2 percent), Kerala (24.7 percent), Uttar Pradesh (18.2 percent) and Bihar (15.9 percent).

The states and union territory in which Muslims form 5 percent or more but less than the national average of 13.4 percent are Karnataka (12.2 percent), Delhi(11.7 percent), Maharashtra (10.6 percent), Andhra Pradesh (9.25 percent) Gujrat (9.1 percent), Rajasthan (8.5 percent) Madhya Pradesh (5.2 percent), Haryana (5.8 percent) and Tamil Nadu (5.6 percent).

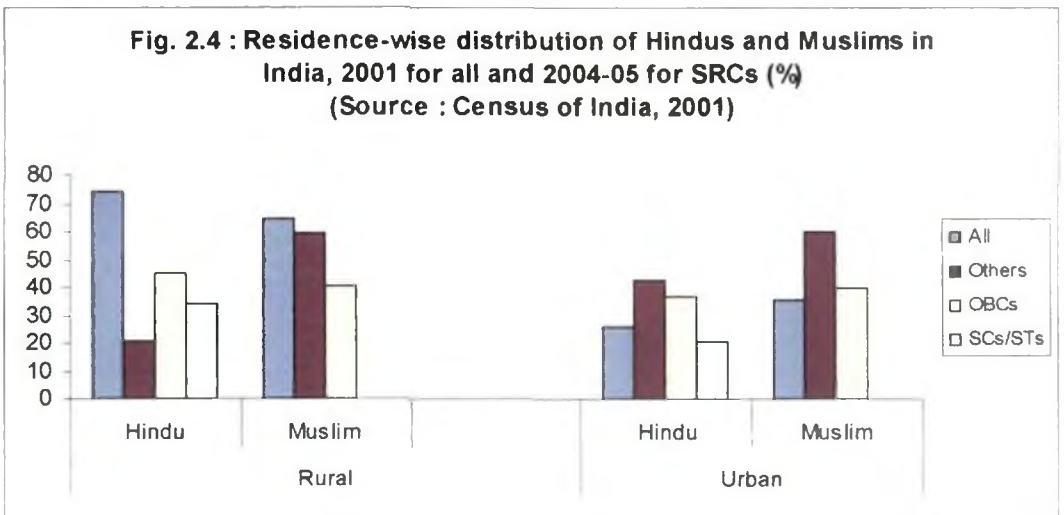
High concentration of Muslims is found in the eastern states of Assam and West Bengal and in the southern states of Kerala and Karnataka. According to the 2001 Census, 53 percent of Muslims in India, live in 4 states are UP (30.7 million), West Bengal (20.2 million), Bihar (13.7 million) and Assam (8.25 million). The other States and Union Territories individually account for a small number. Comparatively more educated, urban integrated and prosperous Muslims live in the Western and Southern states of India than in the Northern and Eastern ones, this could be due to partition when the more affluent and educated population migrated over the border, to Pakistan in the North and Bangladesh (formerly East Pakistan) in the East.

It is evident from the data of Appendix 2.1 (page.56) available from the NSSO, 61st round (2004-05) and data of 55th round (1999-2000) procured on caste affiliation in terms of SCs/STs and OBCs that 40.7 percent of Muslims belong to OBC category in 2004-05 whereas it was 31.7 percent in 1999-2000, the increase of 9 percentage points might be a effect of inclusion of more Muslims into OBC category. Hindus belong to OBC category at 43 percent and 38.3 percent for the corresponding periods, thus showing an increase of 4.7

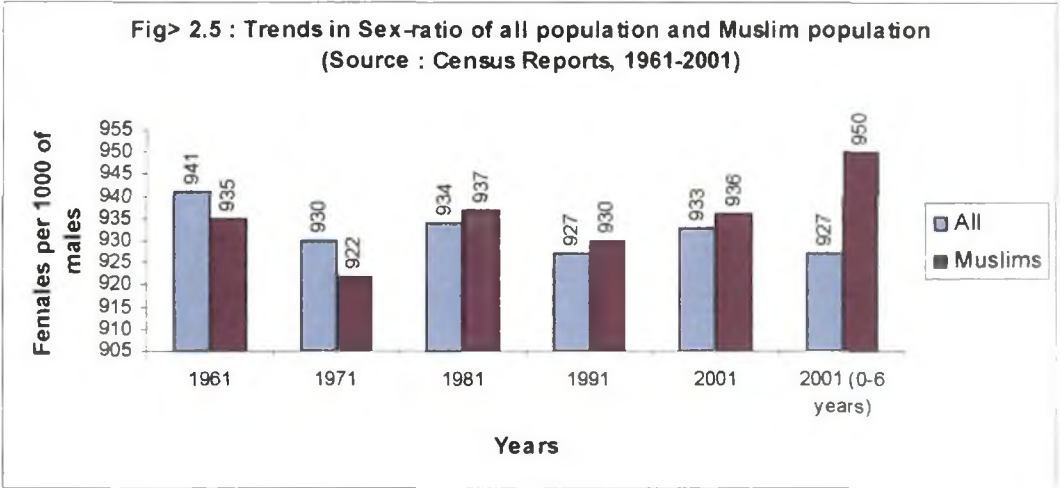
percentage points. Muslims have insignificant share of SCs and STs. That is why, Muslim SCs and STs are clubbed with OBC category for this study. Hindu SCs/STs are 31.2 percent (22.2 percent of SCs and 9.1 percent of STs) in 2004-05.



In 2001, the share of urban Muslim to total Muslim population was 35.7 percent against the national average of 27.8 percent [Figure 2.4]. Muslim population having an urban orientation can be found since 1961 (Appendix 2.2, page 57-8)



Sex ratio (female to 1000 males) in 2001 among Muslims is marginally better at 936 against national average of 933 [Figure 2.5] The sex ratio of 0-6 age group of Muslim children is very encouraging at 950 compared to national average of 927 (Appendix 2.3, page 59-60).



2.4 LITERACY AND EDUCATION

Education is one of the pillars towards modernity and it plays a vital role in the social and economic developmental process. The same is accepted and provided in the Constitution of India (Article 45, 21 and 21A). Every citizen of India has fundamental rights of getting education. Governments must provide enough infrastructural facilities for the education of Indian children irrespective of their affiliation to religion, caste, race and languages.

India's literacy rate [around 65 percent] remains considerably lower than the literacy rate of other Asian countries. This is shown in table 2.3.

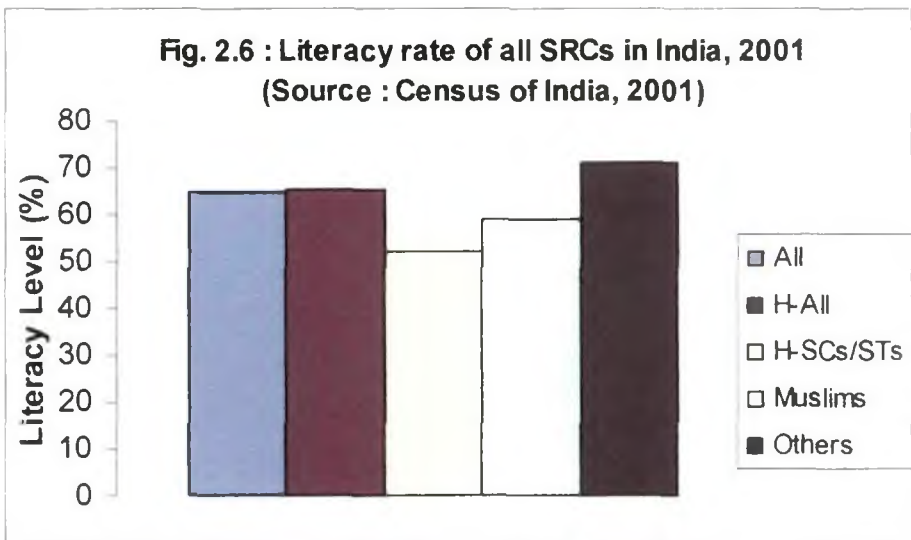
Table 2.3: Literacy in selected countries

Nation	Literacy rate (%)
Vietnam	92 (1999 census)
Sri Lanka	90 (1995 estimate)
Malaysia	84 (1995 estimate)
Indonesia	84 (1995 estimate)
Myanmar	74 (1995 estimate)
India	64.8 (2001 census)

Source: South Asian Voice, June, 2001

Note: if the latest figures were used for those nations, India's situation would appear even worse

According to the 2001 Census, literacy rate of India stands at 64.8 percent. The literacy rate has increased from 18.33 percent in 1951 to about 65 percent in 2001. This is despite the fact that during the major part of the last five decades, there has been exponential growth of the population at nearly 2 percent per annum. The male literacy rate is 75.3 percent in 2001 comparing to female of 53.7 percent, a gap of 21.6 percentage points. It is evident from Appendix 2.4 (page 61-2) that literacy rate is higher in urban areas (79.9 percent) than that of rural areas (59 percent), making a gap of 20.9 percentage points. There is also a need of quality education for securing effectual modernity which can contribute to the socio-economic progress of human beings in a meaningful way. Yet literacy is considered as a first step for human resource development.

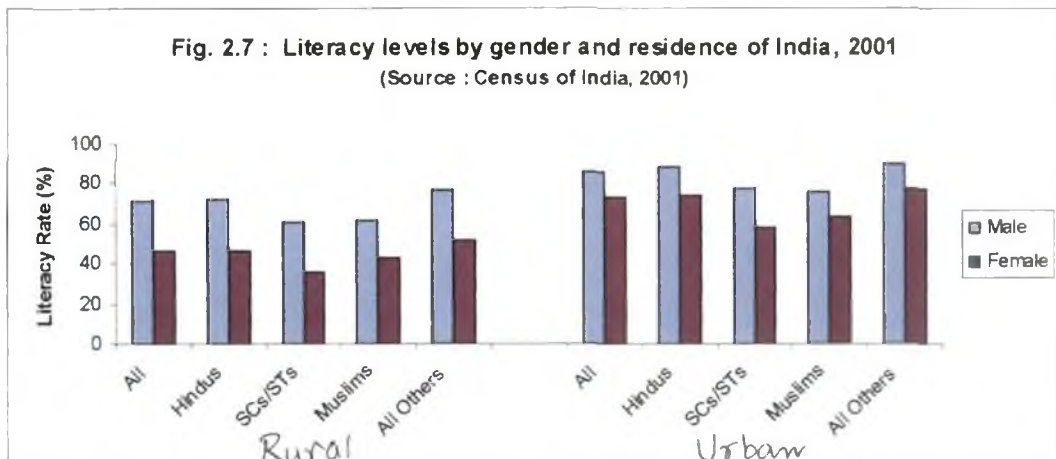


Literacy among Muslims is lower than most other SRCs (except SCs / STs) [figure 2.6] and is not increasing fast enough comparing to other SRCs. It appears (Appendix 2.5, page 63) that in 2001 the literacy among the Muslims is 59.1 percent which is higher than SCs/ STs (52.2 percent) but lower than Hindus (65.1 percent) and all other SRCs (70.8 percent). Literacy rate of Kerala is the highest at 91 percent and Bihar is the lowest at 47 percent. Literacy of Muslims in Kerala is 89.4 percent almost at par with state average of 91 percent but in Bihar it is only 42 percent, even much lower than the state average. It is evident from Appendix 2.4 (page 61-2) that literacy rate in urban population is 80 percent of which Hindus are 81 percent, Muslims are 70 percent, SCs/STs are 68 percent and the others compose 85 percent. Here also Muslim share is little bit better than SCs/STs but is less than the share of Hindus by 11 percentage points and also less than the national average by 10 percentage points.

There remains a difference of 7 percentage points in literacy between the male and female Muslims. A gloomy picture prevails in educational status of Muslims in rural India. It is observed that 59 percent of rural populace are literate of which male literacy rate is 71 percent and the females are 46 percent. In these areas, Muslim literacy is further low (53 percent) of which the male literacy is 62 percent and the female literacy is 43 percent which are better than SCs/STs but lower than the state average. A stark gap of male and female Muslim's literacy rate is discernible— by 19 percentage points.

Fig. 2.7 : Literacy levels by gender and residence of India, 2001

(Source : Census of India, 2001)



Muslim children aged between 6 and 14 enrolled in schools is lower (81.8 percent) than the national average (85.3 percent), even lower than Hindu OBCs (86 percent). The picture is the worst in Uttar Pradesh, where 69.4 percent of Muslim children enrol themselves compared with the state average of 82.2 percent. In Bihar, it is 65.8 percent as against 70.9 percent respectively. In Jharkhand, the same is 69.2 percent against 79.4 percent respectively and in Uttaranchal, 61.4 percent of Muslim children are enrolled against 90.4 percent of the state average.

It is observed (Appendix 2.6, page 64) that the percentage of Muslim children who have completed at least primary school education is 60.9 whereas the completion share amongst the SCs/STs is 61.4 percent in 2001 i.e., SCs/STs surpassed Muslim by 0.5 percentage point but if we consider completion proportion for the year 1948, we find the share of Muslim children was 18.2 percent and SCs/STs was 8.8 percent, meaning that the Muslim's proportion of completion of primary school was more by 9.4 percentage points and in 1971 the completion rate was more by 10.5 percentage points and in 1991, Muslim community was exceeded SCs/STs by 7.1 percentage points but SC/ST categories started to make ahead from 1999 and was exceeded the Muslims, for the first time, by 2.5 percentage points.

The above data clearly depicts that among others, SC/ST population has also been making ahead in education due to the effect of affirmative action. Financial assistance helps SC/ST population for obtaining

education and they are arriving at a position to reap the benefit of employment because of affirmative action (reservation quota).

Around 25 percent of Muslim children in the 6 – 14 age group have either never been to school or have dropped out at some stage. This proportion is higher than any other SRCs. The incidence of drop out is marginally higher over SCs /ST. But the incidence of “never attended school” is little lower than SCs/ STs. [Sachar Committee Report (2006), p 58]

Primary education and higher secondary attainment levels are also among the lowest for Muslims and inter-SRC differences rise at the school leaving stage. Graduate Attainment Rates (GARs) are also among the lowest and not converging with the average. All these factors are responsible for the large deficit in the attainment of higher education. The major problem appears to operate at the school level; once that hurdle of eligibility is crossed, differences in GARs across SRCs will narrow down substantially. As with other areas of education, participation of Muslims in employment oriented education like technical and engineering is also among the least.

The NSSO estimates age specific literacy rates from 61st round survey (2004-05). It is clear from the estimation that in recent years the literacy rate for the young SCs/STs have increased more than Muslims, while among persons of the old aged group (23+), Muslim community represents much higher literacy levels. With reference to literacy, younger age group of Hindu OBCs is doing better than Muslim community and the rate gaps from older to younger are widening between the two communities. It is noteworthy that among school going Muslim children, only 4 percent go to Madrasas. (Sachar Committee Report-2006, p 76)

2.5 ECONOMIC AND EMPLOYMENT CONDITIONS OF MUSLIMS

Another pillar towards modernity and economic progress apart from education is employment. Employment is the other major concern of the country. In India, low participation in government jobs disproportionate with share of population is observed. As compared to others, Muslim workers (especially women) are concentrated more in self-employed (home-based) activity and their share in regular

work, especially in the government, public sector and large private sector is very low.

The Muslim minority of India forms 13.4 percent for the country's total population, having a significant decadal growth and greater orientation toward urban areas. They have, however, negligible influence on the process of economic development of the country. A massive part of Muslim workforce seems to have taken shelter in the low paid unorganized sector showing a trend of isolation from the economic mainstream and scientific and technological advancement of the country. (Tables 2.6 and 2.7)

The issue of economic backwardness of Muslims of India has received attention of various organizations and scholars in the past, but in recent times Sachar committee has worked in detail on it and reports has been submitted to the Central Government. The Central Government and different State Governments have taken initiatives, yet slowly to redress the problems and improve the socio-economic conditions of Indian Muslims.

Data on the volume and nature of Muslim employment in the Indian economy were fragmented and weak before the 2001 census.

2.5.1 DATA USED AND METHODOLOGY

Employment status of the Muslim community is being analyzed with other SRCs for the age group 15-64 years of the workforce. As child labour force is also substantial (although illegal), we consider them as other age group, workforce means here workers engaged in principal and subsidiary works both.

Our analysis of economic and Employment conditions are based on data available from the Census Reports -2001 and the latest 61st round (2004-05) survey conducted by the National sample survey organization (NSSO). For judging the trend, we also consider the 50th round (1993-94) and 55th round (1999-2000) survey reports of NSSO. Work Participation Rate (WPR) is indicative as a measure of engagement in economic activity. Table 2.4 shows work participation rate of socio-religious categories.

Table 2.4: Work Participation Rate (WPR) by socio-religious categories, 2004-05 (principal and subsidiary status, 15-64 years)

Social Group		Urban	Rural	Male	Female	Total
Hindus	All Hindus	53.1	70.3	84.9	46.1	65.8
	SCs/STs	56.3	74.5	87.3	54.9	71.4
	OBCs	56.4	70.5	85.8	48.3	67.3
	UC	49	63.5	80.8	33.1	57.4
Muslims		51.1	57	84.6	25.2	54.9
Other Minorities		51.6	70.2	81.8	47.2	64.5
All		52.7	68.9	84.6	43.6	64.4

Source: 61st Round Survey (2004-05), NSSO.

It is evident from table 2.4 that Work Participation Rate (2004-05), of Muslim community is 54.9 percent in the age group of 15-64 years which is lower than all other SRCs- 65.8 percent of all Hindus, 71.4 percent of SCs/STs, 67.3 percent of OBCs, 57.4 percent of upper caste Hindus (UC) and even substantially lower than all SRC's of 64.4 percent. Muslim proportion of WPR is lower not because that Muslims are averse in participating in work but because of a dearth of opportunity for works for them and also low participation in activity of Muslim women (25.2 percent). WPR in urban area is low for almost all SRCs, but Muslim community (51.1 percent) is further lagging behind them except marginally better than Upper Caste Hindus (49 percent).

The WPR is the worst in rural areas. WPR of all communities is seen about 69 percent whereas WPR of Muslim community is 57 percent, trailing by 12 percentage points.

In rural areas the economic activity is chiefly agrarian. Muslim women do not seem to engage them in these activities. Moreover Muslim women are not allowed to participate in such

activities because of socio-cultural environment. Either they prefer to remain in the boundaries of houses or they are to remain bound by family members or by society.

It is seen in table 2.5 that around 27 percent of Muslim children are under 0-9 of year's age compared to 23 percent of all religious groups is also one of the factors for Muslim women to stay at home for child care. Proportion of Muslim women is lower than all other SRCs in the age group of most active 25+ years, is the another factor for low participation rate.

Table 2.5: Age-sex distribution of all population and Muslim population, India, 2001 (percent)

Age Group	All religions		Muslim	
	Male	Female	Male	Female
0-4	10.7	10.7	12.4	12.7
5-9	12.5	12.4	14.7	14.7
10-14	12.3	11.9	14.0	13.7
15-19	10.1	9.3	10.8	10.1
20-24	8.7	8.8	8.7	8.6
25-29	7.8	8.4	7.2	7.8
30-34	7.0	7.4	6.3	6.7
35-39	6.8	7.0	6.1	6.3
40-44	5.6	5.2	4.9	4.5
45-49	4.7	4.5	3.9	3.8
50-54	3.7	3.4	3.1	2.7
55-59	2.6	2.8	2.0	2.3
60-64	2.6	2.8	2.1	2.2
65 +	4.5	5.0	3.5	3.8
Age not stated	0.3	0.2	0.3	0.2
Total	100.0	100.0	100.0	100.0

Source: Census of India, 2001

2.5.2 ACTIVITY WISE DISTRIBUTION

Activity wise distribution among Hindus, Muslims and other Minorities is represented in table 2.6 of the next page.

Table 2.6: Distribution of male and female workers (%) in each socio-religious category by activity status, 2004-05, all workers (principal and subsidiary, aged 15-64 years)

Activity status	Hindu				Muslim	Other Minorities	All		
	All Hindu	SC/ST	OBC	UC					
	All								
Own account worker in household enterprise	29.6	55.3 percent	22.9	31.5	35.1	39.4	31.4	30.7	
Employer in household enterprise	1.1		0.3	0.9	2.5	1.4		2.5	1.2
Unpaid family worker in household enterprise	24.6		20.0	28.2	24.5	20.2		21.6	24.4
Regular wage/salaried	14.7	10.4	12.4	24.7	13.0	19.2	14.8		
Casual in public work	0.1	0.2	0.1	0.1	0.2	0.1	0.1		
Casual in other work	29.9	46.2	26.9	13.1	25.8	25.2	29.2		
Total	100	100	100	100	100	100	100		

Male

Own account worker in household enterprise	37.3	29.8	40.5	40.7	42.5	34.3	37.7
Employer in household enterprise	1.5	0.4	1.2	3.2	1.4	3.4	1.6
Unpaid family worker in household enterprise	14.2	10.2	16.5	15.4	13.5	13.6	14.1
Regular wage/salaried	18.1	13.0	15.6	28.0	14.9	21.7	17.9
Casual in public work	0.1	0.2	0.1	0.1	0.2	0.1	0.1

Casual in other work	28.8	46.4	26.2	12.6	27.5	27.0	28.6
Total	100	100	100	100	100	100	100

Female

Own account worker in household enterprise	14.9	59.7 percent	11.6	15	20.9	29.1	72.9 percent	26.5	16.6	60.8 percent
Employer in household enterprise	0.4		0.1	0.4	0.7	1.3		1.0	0.5	
Unpaid family worker in household enterprise	44.4		36.2	49.5	47.8	42.5		35.4	43.7	
Regular wage/salaried	8.2		6.0	6.6	16.0	6.9		15.0	8.6	
Casual in public work	0.2		0.2	0.2	0.2	0.0		0.1	0.2	
Casual in other work	31.9		46.0	28.3	14.5	20.1		22.0	30.4	
Total	100		100	100	100	100		100	100	

Source: NSSO, 61st Round (2004-05)

Table 2.6 shows that the share of Muslim workers engaged in self employment activities (mostly street vending, petty trades, household jobs, repairing works etc.) is comparatively higher and stands at 61 percent whereas the national average for the same is 56 percent and all Hindus stands at around 55 percent.

The share of female Muslim workers working in self employment activity is 73 percent as against female workers of all SRCs engaged in self employment at 60.8 percent and female Hindu workers at 59.7 percent. Share of Urban Muslims engaged in self employment is standing at 57.3 percent compared to workers for all SRCs at 44.6 percent, more by 12.7 percentage points. The same is more by 14.7 percentage points over Hindu workers.

2.5.3 REGULAR WAGE/SALARY AND CASUAL WORKERS IN PUBLIC WORKS

The share of regular wage/salary earners and casual workers in Muslim community is seen as 13.2 percent and the same is found at national level and all Hindus at 15 percent each, and upper caste Hindus at 25 percent.

The male Muslim workers in this segment have a share of 15 percent compared to 18 percent at national level and all Hindus each. The female Muslim workers in this segment could not achieve as well the same level with other SRCs.

2.5.4 WORKERS ENGAGED IN INFORMAL SECTOR/FORMAL SECTOR

It appears in table 2.7 that urban Muslim workers are engaged mostly in informal sector representing 92 percent against the national average at 79 percent. The share is even well above the share of SCs/STs (78.5 percent) and OBC Hindus (82 percent). Within the share of 92 percent of Muslims' engagement in informal sector, a major share (76 percent) is involved in male proprietary type-business which is in the nature of sub-contract type, realizing very low return.

Fig. 2.8 : Distribution of workers engaged in formal and informal sectors, 2004-05 (all workers aged 15 - 64 years)

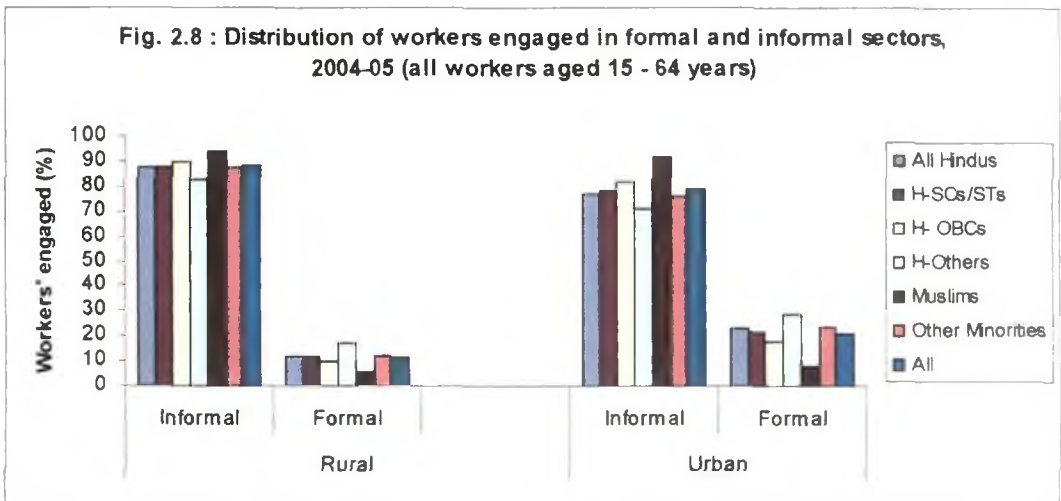


Table 2.7: Distribution of workers (%) in each socio-religious categories by enterprise-type in rural and urban areas, 2004-05, (all workers aged 15-64 years)

Category	Hindus				Mus- lims	Other Minori- ties	All
	All Hindus	SCs/ STs	OBCs	UC			
Urban							
Informal Sector:	76.9	78.5	82.2	71.4	92.1	76.4	79.1
Proprietary Male	59.2	58.6	65.7	53.6	76.2	55.4	61.5
Proprietary Female	5.7	6.3	5.9	5.2	7.4	5.5	5.9
Partnership with members of Same household	2.8	2.4	2.5	3.4	2.8	4.0	2.9
Partnership with members of Other household	2.3	1.5	2.3	2.6	1.4	2.8	2.2
Others	6.9	9.8	5.8	6.5	4.3	8.6	6.6
Formal Sector:	23.1	21.5	17.8	28.6	7.9	23.6	20.9
Government/Public sector	15.4	16.6	11.3	18.4	5.6	15.5	13.9
Public/Private Ltd Company	7.7	4.9	6.5	10.2	2.3	8.1	6.9
Total	100	100	100	100	100	100	100
Rural							
Informal Sector:	87.7	88.1	89.8	82.8	94.2	88.1	88.5
Proprietary Male	67.7	67.6	70.6	61.9	72.6	53.0	67.3
Proprietary Female	11.8	11.2	11.9	12.6	13.7	23.5	12.9
Partnership with members of Same household	1.7	1.5	1.7	1.9	1.6	4.9	1.9
Partnership with members of Other household	1.3	1.0	1.3	1.5	1.0	0.8	1.2
Others	5.2	6.7	4.3	4.9	5.2	5.8	5.2
Formal Sector:	12.3	11.9	10.2	17.2	5.8	11.9	11.5
Government/Public sector	9.0	8.8	7.2	13.0	4.8	9.7	8.5
Public/Private Ltd Company	3.3	3.1	3.0	4.2	1.0	2.2	3.0
Total	100	100	100	100	100	100	100

Source: NSSO, 61st Round (2004-05)

The rural Muslim workers engaged in informal sector are high as 94.2 percent compared to all India level of 88.5 percent. This is even higher than SCs/STs who have the share of 88 percent.

In the formal sector, the participation of Muslim workers is not encouraging statistically. This is true for both the male and the female Muslim workers. Muslim's share of total Muslim workers in formal sector, particularly jobs in government/public sector undertaking in urban areas is only 5.6 percent as against national average of 14 percent and against all Hindus of 15.4 percent. Even urban living SCs/STs have achieved a better position of 16.6 percent and Hindus (UC) account for 18.4 percent.

It is evident from table 2.8 below, showing NSSO, 61st Round Survey (2004-05) data, that as high as 92.6 percent of Muslim male workers work in informal sector comparing with a national average of 82.7 percent and 81 percent of Hindu male workers. Engagement in informal sector by Muslim female workers (88 percent) is almost at par with national average (89 percent). The dismal figures depict the participation of Muslim male workers in formal sector as of 7.4 percent, of which participation in government/public sectors stands at 5.6 percent and Public/Private Ltd. Co. of 1.8 percent. We find the participation of male work force in all India level is at 17.3 percent, of which in Government/ public sector, it is around 12 percent and in Public/Private Ltd. Co. of 5.4 percent. Therefore, a striking gap of roughly 10 percentage points is visible between the Muslim male formal sector work participants and the national average for the male formal work participant category.

Table 2.8: Distribution of workers (%) in each socio-religious categories by enterprise-type for male and female workers, 2004-05 (all workers aged 15-64 years)

	Hindus				Muslims	Other Minorities	All
	All Hindus	SCs/STs	OBCs	UCs			

Male

Informal Sector :	81.0	83.1	85.1	74.0	92.6	80.4	82.7
Proprietary Male	71.1	72.6	76.2	63.3	84.2	68	72.8
Proprietary Female	0.6	0.6	0.6	0.5	0.4	0.6	0.6
Partnership with members of same household	2.3	1.9	2.1	3.1	2.3	3.7	2.4
Partnership with members of other household	2.0	1.3	2.1	2.5	1.4	2.1	1.9
Others	5.0	6.7	4.1	4.7	4.2	5.8	4.9
Formal Sector :	19.0	16.9	14.9	26.0	7.4	19.6	17.3
Government/Public sector	12.9	12.8	9.9	16.9	5.6	13.6	11.9
Public/Private Ltd Company	6.1	4.1	5.0	9.1	1.8	6.1	5.4
Total	100	100	100	100	100	100	100

Female

Informal Sector :	88.3	89.4	91.1	82.3	95.3	87.9	89
Proprietary Male	44.8	44.3	49.8	37.1	38.4	30.4	42.8
Proprietary Female	32.2	32.1	32.0	32.8	47.7	42	34.8
Partnership with members of same household	1.8	1.6	1.8	1.9	1.8	5.9	2.2
Partnership with members of other household	0.9	0.8	0.9	1.0	0.4	0.9	0.8
Others	8.6	10.5	6.8	9.6	7.0	8.8	8.4
Formal Sector :	11.7	10.6	8.9	17.7	4.7	12.1	11.0
Government/Public sector	8.7	7.8	6.0	14	3.5	9.8	8.2
Public/Private Ltd Company	3.1	2.7	2.9	3.7	1.2	2.3	2.8
Total	100	100	100	100	100	100	100

Source: NSSO, 61st Round Survey (2004-05)

The male labour force from other minority groups work in formal sector is the highest (19.6 percent) and Hindu community shares at 19 percent as against Muslim community at 7.4 percent. The gloomy picture is not different in case of participation in public/private Ltd. Co. Almost the same situation prevails for female work force too. Female labour force from Muslim community in formal sector is accounted for 4.7 percent against all religious categories of 11 percent, other Minorities at 12.1 percent, SCs/STs of 10.6 percent and Hindu UCs of 17.7 percent. Only about 27 percent of Muslim workers in urban areas are engaged in regular work, while the shares of such workers among SCs and STs, OBCs and Hindu UCs are 40 percent 36 percent and 49 percent respectively. It is obvious that comparatively the better picture of SCs/STs is found because of the result of affirmative action (Reservation). Confinement of Muslim women within their homes and close to neighbourhood may be out of fear of ethnic conflict and the threat of violence, in addition to the traditional barriers to women's mobility as well as childcare and other household responsibilities. They feel secured to remain within the ghettos. Low participation of Muslim women in the field of employment is a great backlog for the development of Muslim community. Moreover large number of Muslims is not entitled the benefits of social security like provident fund, pension, gratuity, health care etc since they are mostly self occupied.

Over 3870 lakh people were engaged in different sectors of the Indian economy in 2004-05. According to the Economic Survey, 2005-06 about 270 lakh people were employed in the organized sector. Out of 270 lakhs, around 186 lakh (69 percent) persons were employed in the government departments and public sector units (PSUs), and the remaining 31 percent workers were employed in organized private sector. Table 2.9 below shows that 88.4 lakh employees are working in Central and State Government departments (excluding PSUs) of these the share of Muslims is 4.4 lakh employees or 4.9 percent. The lowest share is found at 2.2 percent in Banks and RBI. Muslim share is also found gloomy in employment at public sector units (PSUs) which is 7.2 percent of the total 14.3 lakh employees. Muslims share is comparatively better in state PSUs of 10.8 percent of a total 7.5 lakh employees.

Table 2.9: Muslim employees in Government sector employment

Departments/ Institutions reporting	Reported no. of employees	Reported number of Muslim employees	Muslims as percentage to of reported employees
State Level – Departments	4452851	278385	6.3
Railways	1418747	64066	4.5
Banks and RBI	680833	15030	2.2
Security Agencies	1879134	60517	3.2
Postal Service	275841	13759	5.0
Universities	137263	6416	4.7
All Reported Government			
Employment (Excludes PSUs)	8844669	438173	4.9
Central PSUs	687512	22387	3.3
States PSUs	745271	80661	10.8
All PSUs	1432783	103048	7.2

Source: Sachar Committee Report (Table 9.1, p 165).

Table 2.10 depicts the share of Muslims in All India civil services for the year 2006. Altogether 8827 officers are employed in IAS, IPS and IFS cadres. Of this 285 are Muslim officers i.e., 3.2 percent. Counting separately, the Muslim IAS, IPS and IFS officers' shares are 3 percent, 4 percent and 1.8 percent respectively.

Table 2.10: Share of Muslims in all India Civil Services - 2006

Service	All officers	No. of Muslim officers	Muslim as percentage to all officers	Unconfirmed names
Civil Service Officers: (IAS, IFS & IPS)	8827	285	3.2	10
Direct recruitment through competitive examination	6460	155	2.4	4
Promoted from state service	2367	130	5.5	6
Indian Administrative Service:	4790	142	3.0	4
Direct recruitment through competitive examination	3542	80	2.3	0
Promoted from state service	1248	62	5.0	4
Indian Foreign Service:	828	15	1.8	0
Direct recruitment	621	12	1.9	0
Grade I of IFS(B) personnel	207	3	1.4	0
Indian Police Service:	3209	128	4.0	6
Direct recruitment through competitive examination	2297	63	2.7	4
Promoted from state service	912	65	7.1	2

Source: Sachar Committee Report (Table 9.2, p 166)

Table 2.11 shows that the shares of Muslim participants in better-off formal administrative jobs and functions are low because only 4.9 percent (Muslim population in India is 13.4 percent) of all candidates who appeared in the written examination of civil services in the years 2003 and 2004 were Muslims and the success rate is at par with other SRCs. The graduates are eligible for appearing in the civil services examination. The share of Muslim graduates is 6.3 percent of total graduates which is lower than SCs/STs of 8.2 percent. The small number of Muslim candidates

appearing in the written examination is a cause of concern. There is a need of higher education and initiatives to appear in the examinations to improve Muslim participation in high rank government and non-government jobs for reducing discrimination with the community.

Table 2.11: Recommended candidates through the Union Public Service Commission (2003 and 2004)

Category	Total	Muslim candidates	Percentage of Muslim candidates
Appeared for main written Civil Services Exams.	11537	283	4.9
Selected for interviews	2342	56	4.8
Recommended candidates	835	20	4.8
Recommended candidates as percent of appeared for written examination	7.2	7.1	-
Recommended candidates as percent of selected For interview	35.7	35.7	-

Source: Sachar Committee Report (Table 9.3, p 166)

Only 3.2 percent of employment in security agencies (like CRPF, CISF, SSB and other agencies) is accounted for by the Muslims. The shares of Muslims and OBCs in this department are far below their share of population. The share of Muslim community is only 5 percent out of total employees in this department about 2.75 lakhs.

It appears from Table 2.12 that the Railway department employs a large number of employees of around 14.2 lakhs of which high position constitute 1.3 percent and low position of 98.7 percent. Muslims share even at low position stands at 5 percent (Muslim population 13.4 percent) as against SCs/STs of 22.5 percent and other Hindus of 66 percent. We find the similar gloomy picture in case of National Security Agencies which is a matter of concern because it is crucially linked to the sense of well being and security about life and assets perceived by the community. The share of

Muslims in public order and safety activity at the central level is most about 6 percent while that of Hindu upper castes is 42 percent. Only 4 percent of Muslims are engaged in defence related activities. Several reports, including the Srikrishna Commission Report on 1992-93 riots in Mumbai have stated that the police are often biased against Muslims and that special efforts are needed to recruit more persons from minority backgrounds as well as to de-communalise the police.

Table 2.12: Share of employment in Indian Railways according to SRCs (Total no. of employees: 14,18,747)

Category	All	Hindus			Muslims	Other Minorities
		All Hindus	SCs/ STs	Other Hindus		
Higher positions	1.3	92.8	18.2	74.6	3.0(22.4)	4.3
Lower positions	98.7	88.6	22.5	66.1	5.0(37.3)	6.4
Group 'A'	0.7	93.8	17.8	76.0	2.5(18.7)	3.7
Group 'B'	0.6	91.5	19.0	72.6	3.4(25.4)	5.0
Group 'C'	59.7	88.5	22.0	66.5	4.9(36.6)	6.5
Group 'D'	37.4	88.7	23.4	65.3	5.0(37.3)	6.3

Source: Sachar Committee Report (Appendix Table 9.1, p 359)

Note: Figures within parentheses are ratios of Muslims' share to their population

Muslims are engaged more than national average in manufactory of tobacco products, textiles and wearing apparel. Tobacco products i.e., mostly bidi manufacturing causes damage to health i.e. suffering from tuberculoses. Muslim workers are not even getting a minimum wage in such industries, besides being exposed to the clinical hazards of the work.

2.6 BANK CREDIT

A relatively high proportion of the Muslim workers (11 percent) including those among the OBC strata are engaged in wholesale and retail trade as merchants and shopkeepers and also as small manufacturers. This

is significantly higher than not only among SCs/STs but also among Hindu OBCs. One of the major problems that Muslims in general, and the entrepreneurs among them in particular, face in their business is the presence of inadequate credit facilities not only from Public Sector Banks (PuSBs) and Private Sector Banks (PrSBs), but also from Small Industries Development Bank of India (SIDBI) and National Bank for Agriculture and Rural Development (NABARD). It is observed that several areas with Muslim concentration happen to be marked as 'negative' or 'red' by the banks, where allowing loans is not advisable, presumable because of fear of low recovery. Such restrictions adversely affect entrepreneurs of the community not only on existing business but also on promoting new ventures. Major portion of Muslims engaged themselves in self employed jobs. They need more credit facility to improve and expand their activities for earning more.

Table 2.13 shows, priority sector advance in 44 Muslim concentrated districts where population share is 32.8 percent have bank accounts of 21.3 percent of total number of accounts in public sector banks (PuSBs) against 73.7 percent of Hindu community. Amount outstanding with Muslim borrowers is 7.9 percent (population share is 32.8 percent) of total amount outstanding as against 88.4 percent of Hindus (population share is 65.2 percent) if we consider co-efficient (CE) as shown in table 2.13.

$$CE = \frac{\text{Percentage of total on specific head}}{\text{Percentage share of population}} \times 100$$

We find that coefficient with respect to number of accounts in PuSBs is 65 percent which is far below the Hindus at 113 percent, with respect to amount outstanding to total outstanding for Muslims at 24 percent against Hindus of 136 percent. Thus, either the Muslims are given or have taken small amount of loan or recovery rate from Muslim borrower is good because outstanding per account shows Rs.20,343 for Muslim and Rs.64,865 for Hindus. The situations of bank credit from private sector banks (PrSBs) are not different, rather worst.

Table 2.13: Priority sector advances extended to SRCs by type of bank in India and 44 selected minority concentration districts (average of 5 years ending 31 March 2001 to 31 March 2005)

Parameter	Public Sector Banks			Private Sector Banks		
	Muslims	Other Minorities	Others	Muslims	Other Minorities	Others
[a] All Districts in India						
No. of Accounts (% to total)	12.2	8.1	79.7	11.3	10.5	78.2
Amount outstanding (% to total)	4.6	6.3	89.1	6.6	7.9	85.5
Amount outstanding per Account (Rs./Account)	19837	40686	59055	111634	201840	274911
%age Share in population	13.4	5.6	80.9	-	-	-
[b] 44 Minority concentration districts						
No. of Accounts (% to total)	21.3(65)	5.0	73.7(113)	20.7	14.9	64.4
Amount outstanding (% to total)	7.9 (24)	3.7	88.4(136)	9.9	7.7	82.4
Amount outstanding per Account (Rs./Account)	20343	40203	64665	108435	114971	330103
%age Share in Population	32.8	2.0	65.2	-	-	-

Source: Sachar Committee Report (Appendix Table 6.1, p 125).

Note: Figures in parentheses indicate percentages of coefficient (CE)

2.7 SOCIAL AND PHYSICAL INFRASTRUCTURE

There is no denying the fact that Muslims are poorly served with respect to social and physical infrastructure. According to the 2001 census, Muslim concentrated villages are not well served with pucca approach roads or local bus stops or such public amenities.

It affects on earnings because Muslims have less land and lower engagement in agricultural activity, rather they mostly engage them as artisans, casual workers and small traders like street vending in different towns, cities and villages. It needs quick and easy physical mobility by providing approach roads and bus services. Enough approach roads and bus stops will open up economic opportunities to them. Statistics of how Muslims are facing these problems can be found in table 2.14 below:

Table 2.14: Number of villages without basic facilities, all India, 2001

Facilities	Small (< 1000 population)			Medium (1000-2000 population)			Large (> 2000 population)		
	Within Muslim population, share of								
	< 9%	10-39%	40%+	< 9%	10-39%	40%+	< 9%	10-39%	40%+
	All India								
Education	44542	4676	4240	3667	1186	1078	906	423	382
Medical	193640	13051	11193	56813	9435	7130	18181	6191	4680
Post	168088	11670	11013	43838	7959	7111	11194	4398	4448
Bus Stop	172048	12410	10547	53199	10336	7898	22519	8859	6717
Proper Approach Road	133063	8496	7910	34124	5749	4970	10627	3644	3502
No. of Villages in the respective category	242549	16525	13840	103175	15648	11149	68537	18895	11763
Percentage of population (all)	87.7	6.8	5.5	23.2	2.6	74.2	26.7	3.3	70.0
Percentage of Muslim population	8.8	23.3	67.9	13.8	7.4	78.9	14.9	8.2	76.8

Source: Computed from Census of India, 2001

Table 2.14 depicts that small villages (less than 1000 population) in which Muslim population is more (above 10 percent) have very limited educational facilities where as villages with low share of Muslim living in them have more facilities for education, medical, post & telegraph. The

conditions of physical infrastructural facilities are going to be worst for medium villages (1000-2000 population) and large villages (more than 2000 population) in which the share of Muslim population is significant.

2.8 POVERTY AND STANDARD OF LIVING

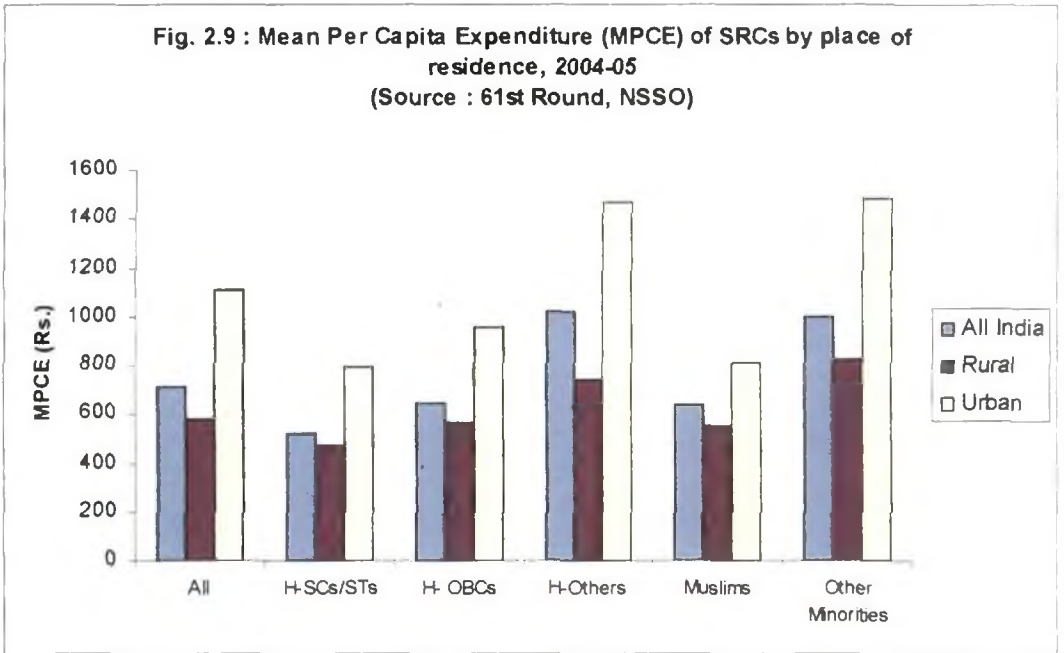
The 61st round data of the NSS show that 22.7(251 million people) percent of India's population was poor in 2004-05. India's people living below poverty line came down to 22.7 percent in 2004-05 from 55 percent of early 1970s. The SCs/STs together are very poor with a headcount ratio (HCR) of 35 percent. Muslims stand second with 31 percent of the people living below the poverty line. The incidence of poverty among OBC Muslims is close to that of the SCs/STs. Poverty among Muslims is the highest in urban areas with a HCR of 38.4 percent, marginally higher than SCs/STs. Even Hindu OBCs maintain poverty level at 21 percent which is close to national average of 22.7 percent. Where Hindu Upper Caste Religions (H-UCR) is 8.3 percent and other minorities (Christian, Buddhist, Jain and Sikh taken together) are 12.2 percent in this regard.

Overall urban and rural poverty at national level are almost at par. Rural poverty level of Muslims (26.9 percent) is comparatively better than in urban areas. Poverty among Muslim population in rural areas is modest with HCR of 26.9 percent, far better than SC/ST population of 34.8 percent but even lagging behind Hindu OBCs of 19.5 percent, Hindu UCs of 9 percent and other minorities of 14.3 percent. There is a great variation of poverty among Muslim community between urban and rural. Poverty among urban population is more than rural population by 11.5 percentage points on the basis of HCR.

It is evident from Appendices 2.7 (page 65-6) and 2.8 (page 67-8) that for urban Muslim population, the HCR of poverty declined from 53 percent in 1987-88 to 44 percent in 2004-05, a decline of 9 percentage points with a similar decline rate of national average from 38 percent to 29 percent i.e. 9 percentage points (based on 30 days consumption). If we consider poverty level of rural people, we find from Appendix 2.8 that decrease of poverty among Muslim people from 43 percent in 1987-88 to 33

percent in 2004-05, a decline of 10 percentage points, whereas a decline of 13 percentage points (from 54 percent to 41 percent) for SCs/STs, 12 percentage points (from 33 percent to 21 percent) for Hindu UCR and 12 percentage points (from 40 percent to 28 percent) for overall Hindus for the corresponding periods. Rate of decrease in poverty level of Muslims is much lower than other SRCs.

Appendix 2.9 (page 69) shows the Mean Per Capita Expenditure (MPCE) of urban Muslims for 2004-05 was Rs.804 as against the national figure of Rs1105. The MPCE of urban Muslims is marginally higher than SCs/STs of Rs.793, but almost half the MPCE of Hindu UCs of Rs.1469 and other SRCs (except Hindus) of Rs1485.



In case of rural areas, Muslim MPCE stands at Rs.553 compared to National MPCE of R 579, and substantially better than SCs/STs of Rs.468 but substantially lower than others SRCs (except Hindus) of Rs.823. The MPCE is lower for Muslim people because they have lower per capita income may be due to two factors—unemployment and lack of education.

2.8.1 GLARING INEQUALITY OF INCOME OF PERSONS

The MPCE within the range of 0-500, Muslims accounted for 30 percent of their population which share is equal to SCs/STs. Less than 20 percent of Muslim MPCE accounted for more than Rs.1000. Other minorities and Hindu UCs count less than 10 percent of their population each lies within MPCE Rs.0-500. More than 50 percent of their population each have MPCE above Rs.1000.

2.8.2 PER CAPITA INCOME OF ALL SRCs AND MUSLIMS IN INDIA

Per capita income of Muslims is lower because relatively higher number of persons engaged in home based jobs and in unorganized sector having casual type of work, resulting irregularity of income flows.

The Suffering becomes more acute due to inequality in consumption differentials. Taking Gini-Lorenz Ratio as an index of inequality found to be 0.33 for urban area during the sixth plan period. For 2004-05, inequality on account of MPCE for urban area was 0.36. It means that inequality in urban area has been increased since 6th plan. Gini-coefficient for MPCE in rural area is lower at 0.28 indicating that the degree of inequality in rural area is less than in urban areas.

In urban areas, Muslims and Hindu OBCs, have lower levels of expenditure than Hindu UCRs and other Minorities. Even they have lower level of consumption than the national level. Level of expenditure among Muslims is marginally better than Hindu SCs/STs.

We observe from Table 2.15 that 30.8 percent Muslims are living in low income group, 65 percent in middle income group and only 4.2 percent in high income group and their income levels are even lower than Hindu SCs/STs of 28.6 percent, 65.1 percent and 6.3 percent respectively.

Table 2.15: Distribution of SRCs (%) by income (expenditure) groups

SRC	Urban			Rural			Total		
	Low income	Middle income	High income	Low income	Middle income	High income	Low income	Middle income	High income
H-Gen	8.3	58.4	33.3	9.3	84.1	6.6	8.9	73.9	17.2
H-SCs/ STs	44.8	32.2	23.1	25.6	71.3	3.1	28.6	65.1	6.3
H-OBC	21.1	74.6	4.3	27.2	72.1	0.7	25.9	72.6	1.5
Muslims	38.6	53.1	8.3	26.9	70.8	2.2	30.8	65.0	4.2
M-Gen	35.7	54.2	10.1	26.1	72.3	1.6	29.3	66.2	4.4
M-OBCs	42.6	52.1	5.3	28.0	68.8	3.2	32.7	63.5	3.8
All- Others	11.8	53.7	34.5	13.8	74.7	11.5	13.2	68.6	18.2
Total	22.9	57.7	19.4	22.9	73.9	3.2	22.9	69.8	7.3

Source: NSSO, 61st Round (2004-05)

2.9 SUMMING UP

it is clearly evident from the above analyses that Muslims are educationally and economically backward.

The data clearly indicate that the rate of literacy among Muslims is only around 59 percent compared to the national average of 65 percent and all other SRCs (except Hindu SCs/STs). The Literacy among women is abysmally low. It is 50 percent (in urban areas 63 percent and in rural areas 43 percent) which is far below the national average and other SRCs (except Hindus SCs/STs).

Backwardness in education is a key concern for the community. Undoubtedly, endeavour for increasing literacy amongst Muslims (particularly of Muslim women) is the need of the hour but emphasis is also required to be given on quality and job oriented education for the economic development of the community at micro and macro level. Capability of reading and writing only cannot improve much of economic development.

Religious Muslim leaders and Heads of Muslim societies should also give more importance towards mainstream education vis-à-vis religious education particularly among Muslim women's education. What is alarming that 25 percent of Muslim children in the 6 to 14 age group have either never been to school or have dropped at some stage. (Sachar Committee Report, p 58)

Muslim population is lagging behind in economic front. The 61st round data of the NSS show that 22.7 percent of India's population was poor in 2004-05. Muslims are poor with Head Count Ratio (HCR) of 31 percent who are still living below the poverty line. The incidence of poverty among OBC Muslims is close to that of SCs/STs with a HCR of 35 percent.

A relatively high proportion of Muslim people (11 percent) including those among the OBC strata are engaged in wholesale and retail trade as merchants and shopkeepers; and also small manufacturers. One of the major problems that Muslims in general and the entrepreneurs among them in particular, face in their business is the presence of inadequate credit facility not only from public and private sector banks, but also from Small Industries Development Bank of India (SIDBI).

Around 60 percent of the Muslim workers are self employed in household enterprises. They are mostly engaged in certain industries such as tobacco and textile products, retail trade, street vending, repair and maintenance of motor vehicles, electrical machinery and apparatus manufacturing, artisan works, etc. as many as 92.1 percent of the Muslims are engaged in informal sector.

The engagements of Muslims in such works do not only pay them a low earning but they are also deprived of social benefits of provident fund, pension and health care etc. Muslim workers are worst affected by global effect because of their nature of jobs. Their participation in public and private sector jobs are significantly low. Their participation in high position is so low that they can not take part in policy making. It gives rise a scope for discrimination against Muslim population.

The above data show that poor physical and social infrastructure exist in villages with large Muslim population comparing to villages with large population of other SRCs. There is a need to provide such amenities in such areas so that Muslims can avail such amenities like education, health care and medical facilities, transport and communication which can improve their economic condition and standard of living.

Ghettoisation is also one of the great problems for Muslim community. Muslims can not avail improved physical and social infrastructure of other areas (place benefits). Ghettoisation of Muslim community is partly due to deep sense of insecurity. Cumulative effects of all these factors unfavourable to Muslim population give rise to poverty among them. Poverty levels show that the economic condition of Muslims in urban areas have not been improved much like the other SRCs. Muslim's consumption rate is low because of their lesser capability of expending for consumption due to low income which directs them for low quality of living.

APPENDICES

Appendix 2.1: Distribution of population according to SRCs(All India 1999-00 and 2004-05)

STATE	Population-2001 (Millions)	HINDUS						MUSLIMS				Others-population -2001%		
		Pop-2001 (%)	% SCs/STs		% OBCs		% General		Pop-2001 (%)	% OBCs *	% General -			
			1999-00	2004-05	1999-00	2004-05	1999-00	2004-05			1999-00		2004-05	
														1999-00
All India	1028.6	80.5	31.3	31.2	38.3	43.0	30.5	25.9	13.4	31.7	40.7	68.3	59.3	6.1
Urban	286.1	75.6	20.6	20.5	33.0	36.9	46.5	42.6	17.3	32.6	40.2	67.4	59.8	7.1
Rural	742.5	82.3	34.6	34.5	39.9	44.9	25.5	20.6	12.0	31.2	40.9	68.8	59.1	5.7

Source: NSSO 55th Round (Schedule 10) and 61st Round (Schedule 10) data. * A small percentage of SCs and STs included in this category

Appendix 2.2: Trends in urbanization—all population and Muslim population and Muslim population, India and selected states, 1961-2001.

India/State	1961		1971		1981		1991		2001	
	All	Muslim	All	Muslim	All	Muslim	All	Muslim	All	Muslim
India	18.0	27.1	19.9	28.8	23.7	34.0\$	25.7	35.5\$	27.8	35.7
West Bengal	24.5	14.1	24.7	13.7	26.5	15.1	27.5	15.7	28.0	16.8
Kerala	15.1	17.4	16.2	18.4	18.7	19.4	26.4	26.6	26.0	25.4
Uttar Pradesh incl. Uttaranchal	12.9	25.6	14.0	26.7	17.9	32.1	19.8	35.6	21.0	36.1
Bihar incl. Jharkhand	8.4	11.9	10.0	13.0	12.5	15.2	13.1	15.6	13.3	15.2
Assam	7.7	4.1	8.9	4.0	NA	NA	11.1	5.3	12.9	6.4
Jammu & Kashmir	16.7	15.2	18.6	17.1	21.1	20.4	NA	NA	24.8	22.1
Karnataka	22.3	43.6	24.3	48.0	28.9	53.6	30.9	55.5	34.0	59.0
Delhi	88.7	96.2	89.7	95.7	92.7	97.7	89.9	92.4	93.2	96.0
Maharashtra	28.2	55.1	31.2	59.0	35.0	61.2	38.7	66.9	42.4	70.0
Andhra Pradesh	17.4	44.9	19.3	47.4	23.3	52.8	26.9	58.2	27.3	58.1
Gujarat	25.8	51.8	28.1	54.2	31.1	56.6	34.5	58.5	37.4	58.7
Rajasthan	16.3	39.4	17.6	42.2	21.0	46.9	22.9	49.2	23.4	48.4

Madhya Pradesh incl. Chhattisgarh	14.3	53.7	16.3	55.6	20.3	59.8	23.2	63.9	24.8	63.5
Tamil Nadu	26.7	57.7	30.3	59.7	33.0	62.7	34.2	63.0	44.0	72.8
Orissa	6.3	37.4	8.4	30.6	11.8	37.7	13.4	39.3	15.0	41.7
Punjab incl. Haryana, Chandigarh	20.1	11.5	21.7	11.7	26.2	15.6	28.4	18.1	32.7	22.9
Uttar Pradesh	*	*	*	*	*	*	19.7	35.6	20.8	36.0
Uttaranchal	*	*	*	*	*	*	23.2	38.4	25.7	38.2
Bihar	*	*	8.0	10.9	9.8	12.7	10.4	13.1	10.5	12.4
Jharkhand	*	*	16.0	21.9	20.3	25.2	21.2	25.1	22.2	25.3
Madhya Pradesh	*	*	18.6	56.0	22.3	60.1	25.3	63.9	26.5	63.5
Chhattisgarh	*	*	10.4	51.1	14.7	57.1	17.4	63.4	20.1	62.9
Punjab	*	*	23.7	37.0	27.7	35.9	29.5	39.5	33.9	43.6
Haryana	*	*	17.7	3.9	21.9	7.7	24.6	9.9	28.9	14.5

§ Based on interpolated populations for Assam for 1981 and Jammu and Kashmir for 1991

Source: Computed from various census publications: India, Registrar General (1961, 1972, 1984, 1994 and 2004)

Appendix 2.3: Trends in sex-ratio, all population and Muslim population, India and large states, 1961-2001 (females per 1000 of males)

India/State	1961		1971		1981		1991		2001		2001 (ages only) 0-6	
	All	Muslim	All	Muslim	All	Muslim	All	Muslim	All	Muslim	All	Muslim
India	941	935	930	922	934	937 \$	927	930 \$	939	936	927	950
West Bengal	878	888	891	903	911	925	917	923	934	933	960	988
Kerala	1022	1032	1016	1009	1,032	1,036	1036	1048	1058	1082	960	959
Uttar Pradesh incl. Uttaranchal	909	922	879	878	885	903	879	897	961	916	916	935
Bihar incl. Jharkhand	994	1031	954	982	946	979	911	938	924	942	948	961
Assam	876	885	897	918	N.A.	N.A.	923	938	935	938	965	971
Jammu & Kashmir	878	864	878	872	892	882	N.A.	N.A.	892	927	941	980
Karnataka	959	939	957	935	963	953	960	952	965	957	946	950
Delhi	785	719	801	765	808	774	827	798	821	782	868	925
Maharashtra	936	983	930	885	937	908	934	983	922	889	913	940
Andhra Pradesh	981	969	977	964	975	961	972	958	978	961	961	959
Gujarat	940	955	934	946	942	957	934	947	920	937	883	913
Rajasthan	908	905	911	922	919	935	910	921	921	929	909	925
Madhya Pradesh incl. Chhattisgarh	953	907	941	913	941	929	831	924	937	931	943	942
Tamil Nadu	992	1022	978	994	977	1,005	974	999	987	1020	942	957
Orissa	1001	1008	988	968	981	949	971	938	972	948	953	965

Punjab incl. Haryana, Chandigarh	864	807	864	867	873	862	873	857	867	846	809	893
Uttar Pradesh	*	*	*	*	*	*	876	899	898	918	916	935
Uttaranchal	*	*	*	*	*	*	937	844	962	875	908	915
Bihar	*	*	957	992	948	987	907	942	919	943	942	958
Jharkhand	*	*	945	941	940	946	922	922	941	939	965	971
Madhya Pradesh	*	*	920	910	921	928	912	924	919	929	932	941
Chhattisgarh	*	*	998	947	996	937	985	923	989	943	975	954
Punjab	*	*	865	853	879	853	882	824	876	793	798	879
Haryana	*	*	867	874	870	870	865	872	861	870	819	875

§: Based on interpolated populations for Assam for 1981 and Jammu and Kashmir for 1991.

*: Not shown as breakdown for the state is not available. NA: Census was not conducted in the state in that year.

Source: Computed from various census publications: India, Registrar General (1961, 1972, 1984, 1994, 2004).

Appendix 2.4: State-wise literacy levels by gender (urban) - 2001

State	Urban All					Urban Male					Urban Female				
	All	Hindus	SCs/STs	Muslims	All Others	All	Hindus	SCs/STs	Muslims	All Others	All	Hindus	SCs/STs	Muslims	All Others
India (13.4)	80	81	88	70	85	86	88	78	76	86	73	74	58	63	78
West Bengal (25.2)	81	84	88	69	87	88	89	77	72	91	76	78	59	59	82
Kerala (24.7)	93	93	87	91	95	96	96	92	95	97	91	91	83	87	93
Uttar Pradesh (18.5)	70	76	58	55	81	77	83	69	61	87	62	68	45	47	73
Bihar (16.5)	72	74	50	84	77	80	82	61	71	85	63	64	37	57	68
Assam (30.8)	85	87	80	72	89	90	92	87	78	93	80	83	73	66	84
Jammu & Kashmir (6.7)	72	85	69	69	88*	80	91	77	72	93*	62	77	58	52	81*
Jharkhand (13.8)	79	79	68	78	84	87	88	74	84	91	70	70	59	71	76
Karnataka (12.2)	81	81	68	76	85	87	86	78	88	91	74	74	59	71	79
Uttaranchal (11.9)	81	86	73	69	88	87	91	82	67	93	75	79	62	51	83
Delhi (11.7)	82	83	71	67	87	87	88	81	72	91	75	76	59	99	81
Maharashtra (10.6)	85	86	77	80	88	91	92	87	85	93	79	88	68	75	82
Andhra Pradesh (9.2)	76	76	67	75	78	83	84	78	78	86	69	69	58	67	71
Gujarat (9.1)	82	82	73	76	84	88	89	83	84	99	75	75	63	68	77

Rajasthan (6.5)	76	78	61	84	83	86	88	77	76	92	65	60	44	50	74
Madhya Pradesh (6.4)	79	80	88	74	85	87	88	77	81	92	70	70	52	66	77
Haryana (5.8)	79	80	69	53	83	86	86	71	63	89	71	72	48	40	76
Tamil Nadu (5.6)	83	82	71	84	84	89	88	80	90	90	76	75	62	78	78
Orissa (2.1)	81	81	63	74	86	88	88	78	61	92	73	73	60	66	80
Himachal Pradesh (2.0)	89	90	82	73	91	92	93	88	73	94	85	85	74	72	88
Chhattisgarh (2.0)	81	79	70	86	83	89	89	82	92	91	71	69	58	80	74
Punjab (1.6)	79	80	62	55	84	60	83	69	60	87	74	75	54	48	80

Source: Estimated from Census of India (2001) Tables C9, C8-SCs and C8-STs

Figures within parentheses are % share of the Muslim population

Appendix 2.5: State-wise literacy levels, 2001

State	Total				
	All	Hindus	SCs/STs	Muslims	All Others
India (13.4)	64.8	65.1	52.2	59.1	70.8
West Bengal (25.2)	68.6	72.4	56.1	57.5	81.6
Kerala (24.7)	90.9	90.2	80.8	89.4	93.1
Uttar Pradesh (18.5)	56.3	58.0	46.2	47.8	62.2
Bihar (16.5)	47.0	47.9	28.5	42.0	52.6
Assam (30.9)	63.3	70.0	64.0	48.4	71.3
Jammu & Kashmir (67.0)	55.5	71.2	46.5	47.3	100.6
Jharkhand (13.8)	53.6	54.6	39.7	55.6	63.7
Karnataka (12.2)	66.6	65.6	51.5	70.1	71.1
Uttaranchal (11.9)	71.6	74.1	63.4	51.1	77.4
Delhi (11.7)	81.7	82.8	70.8	66.6	86.5
Maharashtra (10.6)	76.9	76.2	64.3	78.1	80.0
Andhra Pradesh (9.2)	60.5	59.4	48.9	68.0	63.3
Gujarat (9.1)	69.1	68.3	55.3	73.5	72.8
Rajasthan (8.5)	60.4	60.2	49.1	56.6	66.1
Madhya Pradesh (6.4)	63.7	62.8	48.7	70.3	71.7
Haryana (5.8)	67.9	69.4	55.4	40.0	72.9
Tamil Nadu (5.6)	73.5	72.0	62.1	82.9	75.8
Orissa (2.1)	63.1	63.3	45.2	71.3	74.0
Himachal Pradesh (2.0)	76.5	76.8	69.6	57.5	79.8
Chhattisgarh (2.0)	64.7	63.9	55.3	82.5	71.3
Punjab (1.6)	69.7	74.6	56.2	51.2	75.4

Source: Estimated from Census of India (2001) Tables C9, C8-SCs and C8-STs

Figures within parentheses are % share of the Muslim population

Appendix 2.6: Percentage who completed at least Primary School, 2001 (India &WB)

State	Year	Total			Male (Urban)			Female (Urban)			Male (Rural)			Female (Rural)		
		Muslim	SCs/STs	All Others	Muslim	SCs/STs	All Others	Muslim	SCs/STs	All Others	Muslim	SCs/STs	All Others	Muslim	SCs/STs	All Others
All India	2001	60.9	61.4	79.3	71.3	80.2	89.8	70.9	74.8	88.1	58.9	66.1	80.8	47.8	47.0	67.6
	1999	58.4	55.9	75.5	70.1	78.1	87.9	68.1	68.6	84.5	57.4	62.8	78.3	43.3	39.0	60.7
	1996	54.7	49.0	71.4	70.8	77.1	87.7	62.7	60.7	80.6	55.9	58.6	76.3	36.1	30.1	52.2
	1991	47.3	40.2	64.7	68.2	71.9	85.5	54.0	49.6	74.6	49.5	50.5	70.3	28.3	21.7	43.2
	1986	41.0	32.2	59.0	64.2	66.3	83.6	46.6	40.2	70.4	43.3	41.7	64.1	21.9	14.6	35.3
	1971	33.6	23.1	50.4	58.8	57.6	80.3	35.0	27.4	61.5	36.1	29.6	54.3	13.5	7.7	23.9
	1948	18.2	8.8	27.8	43.4	33.4	66.7	13.9	7.5	34.1	21.8	13.1	31.6	4.0	1.6	7.4
WB	2001	50.3	54.4	80.4	59.3	69.8	86.2	60.5	61.6	83.7	48.8	58.8	79.9	46.7	43.5	73.8
	1999	46.4	49.0	77.4	58.1	67.8	84.7	56.0	57.4	81.5	46.7	55.4	77.4	40.2	36.5	68.3
	1996	41.6	42.9	75.1	58.1	67.4	85.1	50.5	53.5	80.4	44.1	50.9	75.7	32.7	29.0	62.4
	1991	34.9	35.8	70.5	55.7	62.7	83.5	42.1	46.1	77.1	38.9	43.9	71.5	25.2	22.0	54.8
	1986	29.8	29.7	67.0	51.4	57.6	81.9	35.1	39.9	74.2	33.9	36.3	66.7	19.4	16.2	48.7
	1971	24.8	22.9	60.7	46.9	50.5	79.8	24.1	28.4	67.0	30.9	28.9	61.5	11.9	9.5	33.6
	1948	14.6	12.8	42.2	38.0	39.8	76.4	10.3	10.5	42.3	22.1	20.4	46.1	3.0	2.4	9.3

Source: Census of India, 2001

Appendix: 2.7: Poverty incidence (urban), 1987-88, 1993-94 and 2004-05

States	Total						Hindus						Muslims			All others								
	1987-88		1993-94		2004-05		All Hindus		SCs/ STs		All Others		1987-88		1993-94		2004-05		1987-88		1993-94		2004-05	
	2004-05	1993-94	1987-88	2004-05	1993-94	1987-88	2004-05	1993-94	1987-88	2004-05	1993-94	1987-88	2004-05	1993-94	1987-88	2004-05	1993-94	1987-88	2004-05	1993-94	1987-88	2004-05	1993-94	1987-88
All India	29	33	38	27	31	36	46	51	55	22	26	32	44	47	53	16	23	27	16	23	27	16	23	27
West Bengal	24	23	33	21	20	29	41	37	48	14	15	25	44	41	57	21	27	16	21	27	16	27	16	16
Kerala	23	24	45	24	25	44	41	32	61	21	24	42	31	27	56	12	21	39	12	21	39	12	21	39
Uttar Pradesh	32	35	40	27	31	33	46	57	49	22	25	30	43	46	58	5	7	31	5	7	31	5	7	31
Bihar	42	34	53	36	31	52	70	52	62	33	26	49	57	46	57	4	29	36	4	29	36	4	29	36
Assam	7	8	17	5	6	17	7	14	22	5	5	16	13	22	21	4	0	13	4	0	13	4	0	13
Jammu Kashmir	10	5	13	9	5	14	16	7	35	7	5	10	11	23	13	5	0	8	5	0	8	5	0	8
Jharkhand	22	-	-	20	-	51	-	-	12	-	-	44	-	-	28	-	-	-	-	-	-	-	-	-
Karnataka	33	40	49	30	36	46	54	61	65	24	30	42	49	58	64	16	23	35	16	23	35	16	23	35
Uttaranchal	17	-	-	16	-	31	-	-	12	-	-	27	-	-	0	-	-	-	-	-	-	-	-	-
Delhi	21	16	16	21	15	16	46	47	44	10	5	8	29	30	21	2	6	5	2	6	5	2	6	5

Maharashtra	33	35	35	28	32	33	43	57	61	24	28	28	55	50	48	30	32	34
Andhra Pradesh	34	38	45	32	37	42	48	47	55	27	35	40	49	49	57	22	26	40
Gujarat	18	28	40	16	25	37	21	42	57	15	22	32	34	47	54	2	23	27
Rajasthan	27	31	36	26	28	35	48	47	50	18	23	29	39	56	47	7	14	21
Madhya Pradesh	48	48	43	45	47	42	69	65	67	37	40	35	70	60	52	7	31	39
Haryana	21	16	18	21	16	19	40	25	38	16	14	14	46	40	0	1	23	10
Tamil Nadu	28	40	42	29	40	43	50	57	65	25	36	40	24	46	44	21	34	30
Orissa	50	41	43	49	40	42	74	57	62	42	35	37	51	68	69	51	24	37
Himachal Pradesh	4	9	7	4	10	7	6	21	15	3	7	3	1	0	0	0	0	9
Chattisgarh	46	-	-	47	-	50	-	-	45	-	-	62	-	-	11	-	-	-
Punjab	10	11	13	11	11	14	19	24	25	8	7	11	21	23	33	6	11	10
All other States	10	13	19	11	14	21	21	15	38	9	14	19	19	15	24	4	9	11

Source: Sachar Committee Report (2006)

Appendix 2.8: Poverty incidence (rural), 1987-88, 1993-94 and 2004-05

States	Total		Hindus				Muslims		All others		
	Urban	Rural	All Hindus	SCs/STs	All Others	2004-05	1993-94	1987-88	2004-05	1993-94	1987-88
All India	28	37	28	41	21	33	45	43	18	27	25
West Bengal	28	41	24	31	16	36	48	47	36	58	46
Kerala	13	25	13	24	10	17	32	37	7	21	14
Uttar Pradesh	34	42	33	45	28	37	43	47	49	6	29
Bihar	42	58	41	64	32	52	67	62	33	66	69
Assam	23	45	16	18	14	38	55	41	23	69	52
Jammu Kashmir	3	18	3	4	2	3	47	27	11	5	9
Jharkhand	43	-	41	-	-	-	51	-	-	-	-
Karnataka	24	30	25	36	20	27	34	31	1	24	30
Uttaranchal	15	-	15	-	-	-	21	-	-	-	-
Delhi	7	2	7	0	8	0	0	0	0	0	0
Maharashtra	32	38	31	94	24	28	43	42	47	51	57

Andhra Pradesh	11	16	21	11	16	21	21	27	33	7	11	17	10	12	27	10	24	22
Gujarat	20	22	28	21	22	29	32	31	41	15	17	23	13	16	20	19	37	23
Rajasthan	18	26	31	18	26	32	29	42	44	11	17	24	14	32	27	13	15	4
Madhya Pradesh	37	41	46	37	41	46	52	59	62	24	30	33	35	28	41	2	24	42
Henryana	13	28	15	12	26	15	26	45	30	7	18	9	26	53	31	9	33	7
Tamil Nadu	24	33	42	24	33	42	32	44	58	21	28	36	10	25	37	22	41	47
Orissa	47	59	59	47	59	54	65	62	73	33	40	43	26	41	34	75	68	79
Himachal Pradesh	8	30	16	8	31	16	15	42	20	5	26	15	4	36	4	9	12	6
Chattisgarh	43	-	-	43	51	-	-	36	-	-	42	-	-	34	-	-	-	-
Punjab	9	12	13	7	12	20	8	17	29	6	7	10	4	21	31	9	11	10
All other States	15	21	21	23	20	20	36	32	32	15	15	16	28	28	22	5	21	23

Source: Sachar Committee Report (2006)

Appendix 2.9: State level urban MPCE according to SRCs, 2004-05 (current prices)

States	All	Hindus				Muslims	All-Others
		All Hindus	SCs/STs	OBCs	General		
All India	1105	1139	793	955	1469	804	1485
West Bengal	1159	1214	784	1008	1385	748	2585
Kerala	1354	1363	836	1221	1883	1081	1670
Uttar Pradesh	880	976	668	796	1311	662	1405
Bihar	726	768	681	662	1027	559	708
Assam	1131	1113	888	994	1265	1199	1198
Jammu Kashmir	1115	1323	949	943	1489	991	1572
Jharkhand	1017	1038	681	877	1433	727	995
Karnataka	1138	1201	729	1007	1580	837	1501
Uttaranchal	1028	1033	768	785	1175	753	2657
Delhi	1419	1423	879	985	1788	1051	1924
Maharashtra	1228	1278	934	1061	1548	921	1399
Andhra Pradesh	1091	1134	851	970	1605	803	1195
Gujarat	1206	1227	1045	905	1470	875	1754
Rajasthan	945	979	744	871	1262	685	1254
Madhya Pradesh	893	902	599	782	1232	669	1801
Haryana	1183	1155	744	896	1420	1105	2151
Tamil Nadu	1166	1166	739	1123	2311	1020	1355
Orissa	790	795	558	697	1009	785	701
Himachal Pradesh	1422	1487	1151	1116	1658	869	1393
Chattisgarh	963	956	754	813	1396	590	1545
Punjab	1306	1241	919	961	1483	811	1469
All other States	1309	1294	908	994	1676	1112	1395

Source: NSSO, 61st Round, 2004-05