

**Report 2020**

# **Study Report on Inter Group Inequality in Wealth Ownership in India**

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**Supported by:  
Rosa Luxemburg Stiftung**

This publication is sponsored by the Rosa-Luxemburg-Stiftung with funds of the Federal Ministry for Economic Cooperation and Development of the Federal Republic of Germany. This publication or parts of it can be used by others for free as long as they provide a proper reference to the original publication.

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**Study Report**  
**on**  
**Inter Group Inequality in Wealth**  
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# Acknowledgement

This research has been completed with the support of many individuals. We are thankful to our partner Rosa Luxemburg Stiftung for partnering with us and providing financial support and encouragement. We express our gratitude to Mr Jakob Littman, Resident Representative, Rosa Luxemburg, South Asia for his constant support and motivation. We are also thankful to Mr Tauqueer A. Sabri, programme manager, RLS, South Asia for providing all possible administrative and research support during the entire period of this study. We also express our gratitude to various academic experts and social activists for providing valuable suggestions to improve the study.

We specially thank Prof Achin Chakrabarty, Prof Aseem Prakash, Prof Amaresh Dubey, Prof R P Mamgain, Prof Thangraj, Prof Amit Thorat, Prof Anuradha Banerjee, and Prof S. Madheswaran for their valuable suggestions. The authors are also grateful to various academicians, research scholars, policy makers, social activists and others who actively participated in the dissemination conference of the study and provided useful inputs during different sessions of the conference. We also express our thanks to Dr G C Pal, Director, IIDS for constant guidance and support throughout this study and the project.

We are also grateful to the administrative and financial staff of IIDS and RLS, South Asia for providing financial and technical support. We are thankful to Ms Sudha Passi for meticulously copy editing this study report.

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# Executive Summary

The increasing inequality is a major concern world wide. India is no exception to this given the fact that historically the Indian society is structurally divided on the caste line. With increasingly availability of the data has made it possible to quantify the divide clearly in terms of various economic and non-economic development indicators such as poverty, income, land ownership, employment and unemployment, undernourishment, educational achievements, and atrocities against Scheduled Castes (SCs) and Scheduled Tribes (STs). The studies have shown that the SCs and STs are lagging behind in terms of any of the development indicators as compared to any other groups. A brief review on the issue related to intergroup wealth ownership and inequality in India along with the asset specific intergroup inequality. The studies on wealth inequality are largely confined to the issue of interpersonal wealth inequality, while the issue of intergroup inequality is discussed in the context of caste system in India. However, the group formation in India is neither exclusive to the caste or social groups per se nor exclusively formed based on the religious identity. But, it is the combination of both caste and religion. This provides us a framework for a deeper analysis of the intergroup wealth inequality to understand how wide and intense is the inequality between the highest and lowest groups in India.

Thus, an attempt in this report has been made to examine the intergroup inequality in wealth ownership and changes in the intergroup wealth inequality. In addition to this, this report also analyses the intergroup inequality in land ownership, house ownership, and business ownership, and changes in the intergroup inequality in land ownership, house ownership, and business ownership. The specific objectives are to examine the intergroup wealth ownership and inequality in India and across States; to track the changes in the wealth ownership and wealth inequality in India and across States; to evaluate the intergroup land ownership and inequality in India and States; to examine the changes in the intergroup land ownership and inequality; to evaluate the intergroup house ownership and inequality in India and States; to map the changes in the intergroup house ownership and inequality; to evaluate the intergroup ownership and inequality in the Private enterprises in India and States; to examine the changes in the intergroup ownership and inequality in the private enterprises. These objectives are analysed based on various surveys conducted by National Sample Survey Organisation (NSSO) and Economic Census. The report analysed data from the NSSO survey on debt and investment, housing condition, land and livestock and economic census.

The intergroups are defined based on the interaction between social groups and religious groups. These groups include Scheduled Castes (SCs), Scheduled Tribes (STs), Hindu Other Backward Castes (HOBBCs), Hindu High Castes (HHCs) and Muslim. The remaining households are included under the category of Rest. The intergroup wealth inequality is analysed by using different measures that includes distribution shares, wealth share, dissimilarity index, Gini coefficient, Lorenz curve, and decomposition of inequality. Given these objectives, data and the methodology, the major findings and the policy recommendations for equitable distribution of wealth are discussed in this chapter.

This report covers eighteen chapters covering intergroup inequality in wealth ownership, changes in the intergroup inequality and the intergroup inequality in specific assets such as the land, housing and businesses.

### **High Interpersonal Wealth Inequality**

The household level wealth comprises various assets namely land, building, livestock, farm and non-farm equipment, transportation, finance and gold. These collectively amounted to ₹ 358,354 billion in 2013. The total wealth in rural areas was worth ₹ 160,600 billion while in urban areas it was worth ₹ 197,753 billion. Thus, the total wealth in urban areas was higher than in rural areas.

The concentration of wealth among the top percentile groups is quite high. Top 0.1% households own 12 percent of the total wealth, top 1% own 26 percent while top 20% own 77 percent of the total wealth. The inequality measures also show a high level of gini ratio to about 72 percent which is again higher to 73 percent in urban areas and 68 percent in rural areas.

Thus, the wealth inequality in India is extremely high to the extent that, as per the Palma ratio, the top 10% households own 18 times higher share of wealth as compared to bottom 40% which is further higher to 35 times in urban areas and less to 10 times in rural areas.

### **High Intergroup Wealth Inequality**

The intergroup wealth inequality is measured based on the distribution of wealth across socio-religious groups in India. It indicates a high intergroup wealth inequality. Of the total wealth, highest wealth is owned by the HHCs to about 41 percent followed HOBCs own about 31 percent in 2013. The wealth ownership is lowest among SCs, STs and Muslims. STs own 3.7 percent wealth, SCs own 7.3 percent and Muslim 8 percent. A similar kind of pattern is exist in rural and urban areas with highest wealth ownership in rural areas among HOBCs and in urban areas among HHCs.

The extent of intergroup inequality in wealth ownership is so much high that HHCs own almost a double wealth as compared to their household share. The HOBCs also own a higher share of wealth in India but their wealth ownership is relatively less as compared to their household share. In fact, wealth ownership among HOBCs is high as compared to their household share in rural areas but it is less in urban areas. The SCs, STs and Muslim have substantially less wealth ownership as compared to their household share. This is also true in the case of rural and urban areas where the SC, ST and Muslims have less wealth ownership as compared to their households share.

The decomposition of generalised entropy index by socio-religious groups is estimated to understand the contribution of within and between group inequality in overall inequality. The contribution of within group wealth inequality is more than 88 percent in the total wealth inequality and the remaining around 12 percent is contributed by the between group inequality in 2013. In comparison to the previous AIDIS survey conducted in 2003, the contribution of

the between group inequality has increased substantially from 8.2 per cent to 12.1 percent. Thus, the contribution of the between group inequality is also a major cause of concern from the policy perspective.

The contribution of between inequality is even higher in rural areas as compared to that of in urban areas. The decomposition of generalised entropy index by socio-religious groups in rural areas indicates the contribution of the between inequality in the overall inequality is 14.5 per cent in 2013 which increased from 10.3 percent in 2003. In urban areas, the contribution of between inequality was 5.1 percent in 2003 and increased to 8.3 percent in 2013.

Thus, the contribution of between group inequality is high in India in general and particularly in urban areas. There is also increased over last one-decade from 2003 to 2013 in the contribution of the between group inequality.

### **Asset Specific Intergroup Inequality in Wealth Ownership**

The asset specific intergroup inequality is discussed in the context of land, building and private business. The land and building forms the major share of the total wealth in India accounting about 90 percent.

Intergroup inequality in the ownership of land, building and private businesses is substantially high. In India, HHCs own 35.3 percent and HOBCs own 34.7 percent of the total wealth. However, SCs own 7.1 percent, STs own 4.2 percent and Muslim own 7.7 percent land. In rural areas, the agricultural land is distributed unequally to the extent that the share of marginal farmers and landless farmers belongs to SCs and STs.

A similar case is also existing for the ownership of building. Of the total building in India, highest 51.4 percent are owned by the HHCs followed by 23.4 percent by HOBCs. The share of building owned by STs are lowest to 2.7 percent, followed by 7 percent among STs, 8.5 percent among Muslim. However, the differences in the ownership of building is largely location, quality and size of the houses owned. The SCs and SCs own largely a bad quality and small houses in rural areas or in the slum areas in urban locations; while the HHCs own good quality and large houses located in the main market areas.

The ownership of the private enterprises also differs across social groups. A large share of private enterprises is owned by the HHCs and HOBCs in India, but the ownership of SCs, STs and Muslim is substantially less. The HHCs have 15.9 percent points higher share of enterprises more than STs, 12.5 percent points more than SCs, and 11.4 percentage points that Muslim. The ownership of private enterprises among HHCs and Muslim is higher in urban areas than rural areas but in the case of SC, ST, HOBC have higher ownership of enterprises in rural areas. In addition to this, enterprises owned by SC and STs are own account enterprises and does the activity having less profitability that that of HHCs.

## **Wealth Distribution and Inequality at States Level**

India is a geographically vast country. Across 36 states in India, the top five states in terms of highest wealth ownership are Maharashtra, Uttar Pradesh, Kerala, Tamil Nadu, and Haryana. States like Maharashtra and Uttar Pradesh hold high total wealth as these are geographically vast compared to other states.

The per household wealth holding among Scheduled castes (SCs) is substantially lower as compared to Hindu High Castes (HHCs) across states. The range of excess per household wealth holding among HHCs as compared to SCs varies from 1.5 times in Himachal Pradesh to almost nine times in Telangana and Haryana. In Maharashtra also, HHCs households hold six times more wealth as compared to SCs. In eight states namely, Madhya Pradesh, Punjab, Gujarat, Tamil Nadu, Uttar Pradesh, Jharkhand, Andhra Pradesh, and Bihar, HHC households hold three times more wealth than SC households. The remaining states have two to three times more HHCs per household wealth as compared to that of SCs. Similar is the case of STs who holds substantially less wealth per household as compared to HHCs. The highest difference is found in Maharashtra where HHCs' per household wealth is 11 times more as compared to STs' per household wealth while in West Bengal the difference is seven times, and in Telangana, Bihar and M.P. it is six times less for ST households as compared to HHC households.

## **Policy Suggestions**

Since there is no sign of reduction in the intergroup wealth inequality, a more group specific policy intervention will require to alter the situation and it cannot be left to be corrected by the development. This is because the contribution of the intergroup inequality has increasingly bearing on the overall wealth inequality. The international experience to reduce the intergroup inequality would be help in designing the group specific policy to improve the wealth ownership. The US, Malaysia and South Africa have not only implemented the affirmative action policy but they have gone beyond to bridge the gap that includes financial support to set up businesses, investment in the education, and lastly the reparation. In India also, there is a need to think along with these lines. In specific terms, these policies should address the issue of low land ownership, low ownership and quality of housing condition and enhancing the entrepreneurship. New ways need to be created by funding to buy the equities in the corporates and maintaining the caste compositions in the management bodies of the corporate institutions.

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# Introduction

## 1.1 Background

The last few decades have seen an increasing interest in growing inequality in income distribution and levels of living standards among people both among the academia and public in general. The biggest concern about inequality is the consequences it has on income distribution for the poor. If we go back a few decades, several pioneering studies have brought to fore the problem of rising inequalities in personal income distribution in USA and the European societies: The *Economics of Inequality* by Tony Atkinson in 1975 and Amartya Sen's *On Economic Inequality* in 1973. Further in 2015, Atkinson's pathbreaking work on measurement, causes, and consequences of inequality and poverty highlighted the economic inequalities in United Kingdom and United States. In 2015, Joseph Stiglitz's *The Great Divide: Unequal Societies and What We can do about Them* dispelled the notion of USA as a great equitable economy by shedding light on immense inequality in income distribution as a result of 'irresponsible policies—deregulation, tax cuts, and tax breaks for the (top) one percent—that are turning the American dream into an ever more unachievable myth.' But the book that has shaken the western nations and taken the world by storm are French economist Thomas Piketty's *Capital in the Twenty-First Century* that covers both US and European countries. This book not only points to the problem of growing inequalities in the western world but also challenges its model of economic development that has led to the inequalities and reverses the earlier thinking on economic growth from the point of poverty. Piketty had expressed concern about the omission of the problem of inequalities in developing countries. Perhaps to compensate for this omission, he along with India-born American economist Dr A. Banerjee has examined rising income and wealth inequalities in India. In fact, in his *Capital and Ideology* (2019), Piketty has touched on wealth and income inequalities in developing economies like India and Brazil.

The problem of inequalities in India has been a subject of enquiry and concern for quite some time (Himanshu, 2007; Vakulabharanam, 2010). However, the rapid rise in income inequalities in the recent years has caused great concern among policy makers. From the literature it is clear that the issue of inter-personal inequalities in income has received considerable attention by researchers. However, the greatest underlying cause --inter-group inequalities which is a unique feature of Indian society has not received as much attention as it deserves. The diversity of India's population by caste, ethnicity, religion, and other social identities is a major determining factor in income and wealth disparities. Sadly, this diversity in social-identity unfortunately coincides with disparities in income and living standards of people along group-specific lines. The differentials in human development across ethnic, caste, and religious groups

have induced demands for group-specific policies for the lower or deprived castes, indigenous groups or tribes, and religious minorities. In the studies on policies for inter-group disparities, the main issue is to know the causes of inequalities in income and standards of living, between say, the low caste and high caste; tribal and non-tribal; and religious minorities and majority. One of the reasons of income (and human development) disparities between various social and religious groups is the inequality in the ownership of income earning capital assets, or simply put, inequality in the ownership of wealth and property. However, despite the critical role of ownership of wealth in income inequality and subsequent inequalities in the levels of standard of living, studies on inter-group wealth inequalities have received less attention.

## **1.2 Review of Literature**

A brief review on available literature on wealth inequality in India is discussed as under. The attempt is to review asset specific studies which mostly cover, housing, and enterprises in the country.

### **1.2.1 Wealth, Income, and Consumption Inequality**

There is growing interest among the academia in understanding wealth inequality in India, especially in the context of the implementation of the economic reforms introduced in 1991. In India, a large body of research on inequality is based on the consumption expenditure surveys (CES) by National Sample Survey Office (NSSO) every five years (Tripathi, 2016; Himanshu, 2019). Additionally, the India Human Development Survey (IHDS) collected information on household incomes in 2004-05 and 2011-12. A number of studies have investigated income inequality (Desai et al. 2010; Azam and Shariff, 2011; Mishra and Parmar, 2017 and Himanshu, 2019 and have reported high levels of income inequality in India based on the Gini ratio. Wide differences have been reported between consumption-based inequality and income-based inequality. The consumption inequality in India, based on the NSSO consumption expenditure survey, was 0.38 in 2004-05 and 0.37 in 2011-12; while the income inequality, based on IHDS, is about 0.54 in both 2004-05 and 2011-12. Thus, income inequality is higher than consumption inequality in India given the fact that the poor tend to spend a large share of their income on consumption; while the non-poor spend lesser parts of their income on consumption.

The differences in wealth inequality as compared to consumption-based inequality and income-based inequality are alarming. It is mostly because wealth is a stock concept and built over the period of time; while income is a flow concept which is the outcome of education, skill, age factors and so on. Wealth is accumulated over longer periods of time by purchasing assets from the earnings or savings, inheriting wealth or assets, or receiving assets in the form of gifts or through the transfer from the state (Malghan and Swaminathan, 2017; p. 5). The CES data provide detailed information on consumption expenditure which researchers have relied up on to estimate inequality as a proxy indicator for income inequality. However, inequality based on consumption expenditure is also quite high in the country; to the level that India ranks 89 among 186 countries in the world. The income inequality in India has also been increasing during the last three decades after the introduction of 1991 reforms (Himanshu, 2020).

### 1.2.2 Studies on Wealth Inequality

The studies investigating wealth inequality have been mostly undertaken on the basis of NSSO data on All India Debt and Investment Survey (AIDIS) for the period 1991 to 2003 (Jaydev et al., 2007, Zacharias and Vakulabharanam 2011) and 1991 to 2013 (Sarma et al. 2017; Bharati, 2018), and also based on 2013 AIDIS unit level data (Tagade et al., 2018). A few other studies have also used other sources of data such as the National Family Health Survey (NFHS) (Mishra and Joe, 2020), and income tax data (Banerjee and Piketty, 2005). There are also studies on wealth inequality based on primary data (Swaminathan, 1988, Swaminathan and Rawal, 2011). Many of these studies have covered a range of issues including interpersonal inequality as well as intergroup inequality estimating the absolute and relative distribution of wealth. They have used standard inequality measures such as Gini ratio, Lorenz curve, centile groups, and decomposition of inequality.

The studies show that wealth inequality in India is substantially high with marginal variation between rural and urban areas, and has been rising over the last few decades. Measured on the basis of AIDIS unit level data for the period 1992 to 2013, wealth inequality shows a rising trend: There was a marginal drop in 2003 but it rose substantially in 2013 (Sarma et al, 2017 Bharti, 2018). The Gini ratio which was 0.68 in 1992 dropped to 0.65 in 2003 but rose to 0.74 in 2013. Wealth inequality has been showing an increasing trend over the years in both rural and urban areas but it is always lower in rural areas than urban areas. The rising wealth inequality is being attributed to substantial increase in the concentration of wealth in the top centiles rather than the lower or bottom ones (Bharti, 2018). Bharti (2018) notes that ‘the top 10 percent population had 45 percent of the total (India) wealth in 1981 which increased to about 58 percent in 2013 with the major jump of 10 percentage points during 2002 to 2013’ (p. 17).

Further examination of reasons for increasing concentration in the upper centile groups is not possible from the AIDIS survey data and therefore needs to be explored from other sources that provide better understanding of the economy. Gandhi and Walton (2012) unfold the factors determining higher concentration of wealth among top centiles based on the annual billionaires list compiled by *Forbes*. According to them (ibid)

*Increasing concentration of wealth among billionaires in India goes hand in hand with economic growth. The ratio of total billionaire wealth to gross domestic product (GDP) rose from around one percent in the mid-1990s to 22 percent at the peak of the boom in 2008 and was still 10 percent of GDP in 2012... About 60 percent of the total billionaires own 49 percent of the total billionaires’ wealth in 2012 from rent thick sectors such as real estate, infrastructure, construction, mining, telecom, cement and media (pp.10-12).*

Thus, consumption, income, and wealth inequalities vary substantially. In fact, inequality measured using consumption, income, and wealth data is high, and it has been increasing over the years in India because of increasing concentration of wealth in the upper centile groups.

The sources of wealth accumulation among the upper centile groups is largely rent based.

### 1.2.3 Studies on Intergroup Wealth Inequality

In India, caste plays major role in deciding economic outcomes although it is considered to be a non-economic player. It is a system, dating back to 3000 years, that decides duties and rights of an individual born into a particular group. The duties and rights are not equally assigned to each group, but in a manner that duties and rights are inversely proportional to each other. The groups that are placed at the higher levels of the social order have been assigned higher rights and privileges along with increasingly lesser duties; while the groups that are placed below the higher ones have been assigned higher duties along with increasingly lesser rights. In this meticulous framework of ‘graded inequality’, there are two more features that are important to understand the system completely. One; no group is equal to the other, each is placed at a different rung such that there is one group that occupies the top position with maximum rights and privileges and least duties, and one at the lowest position with least rights and privileges and maximum duties. Two; the duties and rights are applicable to the group and members of that group have to follow the rules, and there is no exit and entry into the group, which is decided by virtue of birth—an imposed genetic trait called caste. The caste has produced one of the world’s most hierarchically unequal systems which Dr. B.R. Ambedkar (1936; 1916) analyzed carefully in terms of the graded inequality. The consequences of the caste system are enormous; impacting the distribution of resources in an unequal manner without any possibility of change, producing discrimination and social exclusion.

The consequences are evident in economic, social, and political spheres: Poverty is highest among Scheduled Castes (SCs) or the ex-untouchables who are placed at the bottom of the hierarchy, followed by Other Backward Castes (OBCs) comprising traditional farmers and artisans, while it is lowest among two high castes, comprising the educated *Brahmins* and Warrior *Khastriyas* (Thorat and Dubey, 2012 and Borroah et al., 2014). The levels of income also indicate a similar pattern with lowest monthly per capita consumption expenditure among SCs followed by OBCs and highest among high castes (Borroah et al., 2014). The reason behind this hierarchical pattern of inequality across social groups in India could be attributed to the representational mismatch in the ownership of income earning assets. The SCs are less likely to own income generating assets while the high castes are more likely to own these assets. To make it clear, the SCs have low representation in the ownership of land and businesses and high representation in casual labour in agriculture and non-agriculture sectors (Thorat and Sabharwal, 2009 and Borroah et al., 2014). On the contrary, the high castes are more represented in ownership of land and businesses and high representation in the regular salaried employment (Thorat et al, 2016). Thus, ownership of assets and the kind of employment these two contrasting groups are entitled to have a huge bearing on the outcome variables. However, there are not many studies that have examined wealth ownership in the framework of caste. The few studies that have examined wealth ownership across social groups in India have shown less ownership of assets among SCs and indigenous people or Scheduled Tribes (who are not technically part of the caste system), and also mapped the trends over the last two decades from

1992 to 2013 (Zacharias and Vakulabharanam, 2011; Anand and Thampi, 2016; Bharati, 2018; Tagade et. al., 2018).

Gandhi and Walton (2012) clearly substantiate the caste angle from the billionaires list published by *Forbes*:

*Twenty eight out of the 46 billionaires in 2012 are from the traditional merchant classes such as Baniyas and Marwaris, Parsis, and Sindhis. A number belong to upper caste communities including Brahmins, and Khatris (Kshatriyas). A smaller group come from other backward and lower castes such as Nadar, Jat and Reddy. There is one Muslim and no Dalit (SC) (p. 12).*

Thus the top wealth owning groups in India largely hail from the upper castes and there is no place for Scheduled Castes (STs) and Scheduled Tribes (SCs). Ajit et al. (2012) explore caste dominance in the Indian corporate based on the OSIRIS database which provides information on about 4,000 Indian firms listed in the Indian and overseas stock exchanges for 2010. The study reports that ‘92.6 percent of the members of the Indian corporate belong to the upper castes, of which 44.6 percent alone belongs to the Brahmin community, and Other Backward Castes constitutes only 3.8 percent and SC/ST constitute 3.5 percent’ (Table 1, p. 41). It concludes that ‘caste diversity is non-existent in the Indian corporate sector dominated by the forward (upper) caste – indicating that it is a small and closed world’ (p. 42).

### **1.2.3 Studies on Asset Specific Inequality**

Wealth is considered as ‘the capital which is referred to produced durable assets in the classical economics that increases the value of production such as machinery, while economists also traditionally refer to financial assets as capital’ (Pender et al. 2012, p. 535). The concept of the wealth has expanded further to include various other assets which may be categorized into visible and invisible assets. The visible assets may include land and building or housing; while the invisible assets may include the human capital and social capital.

The AIDIS data provides information on different assets such as land, building, agricultural equipment, non-agricultural equipment, financial assets and gold. Keeping this mind, we will review studies on some of these asset ownerships in the context of intergroup inequality in India. The review of literature here is presented for ownership of housing and private enterprises.

#### ***Inequality in house ownership***

Research studies undertaken by various scholars have pointed out that social identity plays a crucial role in determining the social and economic opportunities (Borooah et.al, 2015). Social exclusion and discrimination based on social identity is one of the important reasons for high deprivation and poverty among marginalised social groups particularly ownership of housing. The marginalised social groups have benefitted less than other groups from poverty reduction, particularly in the last two decades. Urban inequality among various social groups has also increased during last the two decades (Thorat and Dubey, 2012). Thus, group- specific barriers faced by socially excluded communities make them more vulnerable than the poor from other

social groups. Thorat et.al (2015) comprehensively discussed how social identities plays crucial role in accessing rental housing market in urban India. Similar pattern is also observed in ownership of housing. Discussing the housing inequalities, Ahmed S (2012) points out that poor living standard and dilapidated housing condition is higher for socially disadvantaged section. This is may not only be attributed to low income level but also social identity. The return from ownership of housing is also lower for scheduled caste.

### ***Inequality in business or private enterprises***

Entrepreneurship is vital for economic growth (Markin, Swab, & Marshall, 2017) and is responsible for the creation of wealth inequality in society (Choi, 1999). Understanding inequality in entrepreneurship is important because it affects income inequality notably, although the relationship is paradoxical since income inequality and entrepreneurship move together (Atems & Shand, 2018). Studies suggest that entrepreneurship favours those at the upper end of income distribution because of existing surplus capital at their disposal; hence high income inequality coexists with high inequality in entrepreneurship (Lecuna, 2019). Inheritance also plays a vital role in determining entrepreneurship. Individuals born into wealthy families have considerable financial resources which improve the probability of self employment (Fairlie & Krashinsky, 2012). Given the profound inequality based on social and economic circumstances existing side by side with high economic growth, India is a classic example for analysing inequality in entrepreneurship.

There are a few studies investigating inequality in the ownership of private enterprises. Thorat and Sadana (2009), based on evidence from the published Economic Census and NSSO data, have confirmed the continuing inter-caste disparity in ownership of private enterprises. Iyer et al (2013) using three rounds of the Indian Economic Census data have documented that the differences are widespread, but they have decreased modestly between 1990 and 2005. Their results suggest that SCs and STs generally operate smaller enterprises, mainly household businesses assisted by family labour, with a low capital base and traditional technology. Coad and Tamvada (2012) have used the third MSME (micro, small and medium enterprises) census to explore determinants of firm growth and various types of barriers faced by small enterprises.

### **1.3 Issues and Objectives**

In the previous sections, we reviewed literature on the issue related to intergroup wealth ownership and inequality in India along with the asset specific intergroup inequality. The studies on wealth inequality are largely confined to the issue of interpersonal wealth inequality, while the issue of intergroup inequality is discussed in the context of caste system in India. However, the group formation in India is neither exclusive to the caste or social groups per se nor exclusively formed based on the religious identity. But, it is the combination of both caste and religion. This provides us a framework for a deeper analysis of the intergroup wealth inequality to understand how wide and intense is the inequality between the highest and lowest groups in India.

The wealth is comprised of various assets. The major assets include land and building. While

some other assets are sector specific such as farm and non-farm. Keeping this in mind, we have reviewed a few asset specific studies to understand the intergroup inequality therein. These asset specific studies related to land, housing, and entrepreneurs have been studied from the perspective of deprivation to these assets. However, these assets are substantial part of the total wealth ownership. A separate analysis of these assets does not provide a holistic understanding of the wealth ownership. Therefore, intergroup inequality in these assets have been included in this report to understand how inequality is further intensified the overall wealth inequality.

With this backdrop, we attempt to examine the intergroup inequality in wealth ownership and changes in the intergroup wealth inequality. In addition to this, this report is also analyses the intergroup inequality in land ownership, house ownership, and business ownership, and changes in the intergroup inequality in land ownership, house ownership, and business ownership. The specific objectives are as follows

1. To examine the intergroup wealth ownership and inequality in India and across States
2. To track the changes in the wealth ownership and wealth inequality in India and across States
3. To evaluate the intergroup land ownership and inequality in India and States
4. To examine the changes in the intergroup land ownership and inequality
5. To evaluate the intergroup house ownership and inequality in India and States
6. To map the changes in the intergroup house ownership and inequality
7. To evaluate the intergroup ownership and inequality in the Private enterprises in India and States
8. To examine the changes in the intergroup ownership and inequality in the private enterprises.

### **1.4 Overview of the report**

This report is organised into eighteen chapters. Chapter 1 introduces the background of the study, brief review of the literature and objectives. Chapter 2 discusses the data and methodology used in this report. Chapter 3 to 8 analyses various issues related to intergroup inequality based on the All India Debt and Investment Survey. The asset specific intergroup inequality is discussed in the chapters between 9 to 17. These assets specific wealth distribution includes analysis of intergroup land ownership and inequality based on the NSSO survey on land and livestock, intergroup inequality in ownership of building based on the NSSO survey of housing condition, and the intergroup inequality in the ownership of private business. The last chapter 18 discusses the major findings and makes policy recommendations.

## Data and Methodology

### 2.1 Introduction

In Chapter 1, a brief account of the literature review on wealth inequality and its implications have been discussed and presented along with issues to be investigated in this report. The main objectives of the report are to investigate intergroup wealth inequality in India across various socio-religious groups, to analyze the changes in the distribution of and inequality in wealth ownership, and to examine the intergroup inequality by the types of assets such as the land, housing, and private enterprises. These objectives have been analyzed on the basis of official data from various rounds of surveys by National Sample Survey Office (NSSO) such as debt and investment survey, situation assessment (of farmers) survey, economic census survey, surveys on unincorporated non-agricultural enterprises (excluding construction), and employment and unemployment survey. An overview of the data used for analyses and the methodology used in this report are explained in this chapter.

### 2.2 Overview of the Sources of Data

In this report, six different sources of data from NSSO and Economic Census have been used. The details of these data sets are provided in Table 2.1.

The first set of data from NSSO comprises the All India Debt and Investment Survey (AIDIS) for the years 1993, 2003, and 2013 which covers a span of two decades. It is the main source of information on wealth available within the country. In this survey, NSSO collects information on major household assets, liabilities, and the capital expenditure in the household sector. The AIDIS survey collects information on assets that include physical assets such as land, buildings, livestock, farm and non-farm equipment, durable household assets, and financial assets such as shares, deposits, and loans receivables. So far seven rounds of survey have been completed since the first round was conducted in 1951-52 till the most recent round in 2012-13. From 1991-92, information on cash owned by the households on the date of the survey is also included under financial assets of the household. The physical assets are valued at the current market prices existing in their locality.

The second set of NSSO data used in the report is based on the Land and Livestock Holding Survey for the year 2013 which is conducted across rural India on various aspects of agricultural households and their farm related activities. It provides data on ownership of land in rural areas.

The third set of data used is collected by NSSO on Drinking Water, Sanitation, Hygiene and Housing Conditions in India for the period between 2012 and 2018. It covers a range of

variables related to housing such as ownership, quality and size of the house, location in term of rural and urban setting, and slum and non-slum.

**Table 2.1: Data sources used in the report**

S. No.	Source of Data	Title of the Survey	Years	Indicators
1.	NSSO 48 <sup>th</sup> round NSSO 52 <sup>th</sup> round NSSO 70 <sup>th</sup> round	All India Debt and Investment Survey	1992 2003 2013	Ownership of Wealth, and asset types
2.	NSSO 70 <sup>th</sup> round	Land and Livestock Holdings Survey	2013	Land Ownership Distribution of Households by land size Share of own landholding Gini Index
3.	NSSO 69 <sup>th</sup> Round NSSO 76 <sup>th</sup> Round	Drinking Water, Sanitation, Hygiene and Housing Conditions in India	2011-12 2018	Ownership of House, quality of house, location of house, size of house
4.	5 <sup>th</sup> and 6 <sup>th</sup> Economic Census	Economic Census	2005 & 2013	Ownership of Private proprietary Enterprises, Types of Private proprietary Enterprises
5.	NSSO 61st round NSSO 68th round	Employment and Unemployment Survey	2004-05 2011-12	Number of households
6.	NSSO 73rd round	The Survey on unincorporated non-agricultural enterprises	2015-16	Ownership of Unincorporated non-agricultural Enterprises, Types of Unincorporated non-agricultural Enterprises

**Source:** Authors Preparation

The fourth data set comes from Economic Census surveys conducted in 2005 and 2013. These are called fifth, and sixth economic censuses. An economic census is the complete count of all entrepreneurial unit located within the country. These surveys include information on ownership of private enterprises, types of enterprises such as own account enterprises, or establishment, and directory and non-directory enterprises.

The fifth set of data is from the Employment and Unemployment Survey conducted by NSSO in 2011-12.

The last sixth data set comes from NSSO surveys on the Survey on unincorporated non-agricultural enterprises for the period 2015-16.

Thus, the analyses of various aspects of intergroup inequality in this report are based on the various sources of data collected since 1991. However, the structural framework of socio-religious groups for the analyses is used uniformly, as discussed in the subsequent section.

## 2.3 Methodology

The intergroup wealth inequality has been analyzed based on multiple sources of data from large-scale household surveys; therefore the objectives and indicators differ from one source to another. The objective of the AIDIS is to collect the information on household wealth thus, it contains a wide range of assets owned by households in both rural and urban areas. However, to analyze ownership of land and housing, data from other NSSO surveys are also used while ownership of business is analyzed on the basis of economic census and survey on unincorporated non-agricultural enterprises. These surveys collect information by different characteristics of the households. In order to facilitate the understanding of intergroup wealth inequality in India, the studies have largely used the social and religious group variable.

Traditionally, information on social groups is collected for three major groups namely Scheduled Castes (SC), Scheduled Tribes (STs) and Others (which includes non-SC/ST households). The post-2000 large surveys extended this social group variable by including Other Backward Castes (OBCs) and making Others as non-SC/ST/OBC group. Thus, the comparison of social groups since the 1990s till the recent surveys may be made excluding OBCs as a separate category; while the comparison can be made using the OBCs as a separate group for the surveys conducted after 2000. However, these categories are also not homogeneous in nature. For example, the SCs in Maharashtra or in Punjab are not similar even though they are formerly untouchable groups because the religions they follow differ substantially. A large section of SCs in Maharashtra follows Buddhism while in Punjab they follow Sikhism. Similar is the case for OBCs; they not only comprise Hindus but also they fall under the category of Muslim. In the case of Others, a major share of households are Hindus, but they too fall under the category of Muslim and Christian. Thus, the social groups are not homogenous in nature and follow diverse religions. Comparing social groups may not unfold the glaring wealth inequalities in India where caste plays a major role. Therefore, the intersection between the social groups and religious groups provides more homogenous categories for understanding intergroup wealth inequalities in India. Based on this, the report has analyzed intergroup wealth inequalities across socio-religious groups, viz. 1. Schedule Tribes (ST), 2. Scheduled Castes (SCs, which includes Hindu, Buddhist, and Sikh as these religions are entitled to benefits of the reservation policy), 3. Hindu Other Backward Castes (HOBCs), 4. Hindu High Castes (HHCs) and 5. Rest that includes households not covered under the afore-mentioned categories.

In this report, we have used percentage distribution of wealth, average wealth ownership, distribution of wealth by percentile groups, as well as dissimilarity index (inequality of a particular group with respect to Hindu high castes, the most privileged group in the caste order hierarchy. In addition to this, we have also used a few statistical measures such as Lorene curve, Gini coefficient, and decomposition of inequality to strengthen evidence where required. An overview of some such measures is discussed as under.

### 2.3.1 Lorenz Curve

A Lorenz curve is a simple graphical representation of wealth distribution. It is a graph of the cumulative proportion of wealth against the cumulative (ordered) proportion of households or

individuals. To get a Lorenz curve we first order the households or population from the lowest wealth to the highest wealth. Then, on the y-axis we plot the cumulative proportion of wealth owned for each cumulative proportion of household or population, where the x-axis reflects the cumulative proportion of the population. If wealth is distributed equally across households or population size of  $n$ , then everyone owned  $1/n$  of the total wealth. In this case, our Lorenz curve would be the  $45^\circ$  straight line graph. In reality, this is not the case. Some households own less than  $1/n$  of the total wealth. As a result, a Lorenz curve is a convex curve. The closer a Lorenz curve is to the  $45^\circ$  line, the lower is the level of inequality. We compare different wealth distributions using the concept of Lorenz dominance. We say distribution of 'A' Lorenz dominates distribution 'B' if the Lorenz curve for distribution 'A' is above (that is closer to the  $45^\circ$  line) the Lorenz curve for distribution 'B' at all points. In this case, it can be said that the level of inequality is clearly lower for distribution 'A' than 'B'. However, there is also a possibility that the Lorenz curves for two distributions cross each other; then it is not possible to compare the extent of inequality between two distributions based on the Lorenz curve. In such cases, it is better to use a generalised Lorenz curve or other inequality indices such as the Gini coefficient to compare inequality between two distributions.

### 2.3.2 Gini Coefficient

The Gini coefficient is one of the most widely used inequality measures and can be calculated from a Lorenz curve. It is the ratio of the area between the Lorenz curve and the line of equality, to the entire area below the line of equality. The mathematical formula for the Gini coefficient can be stated as follows:

$$G = \frac{\sum_{i=1}^N \sum_{j=1}^N \frac{|y_i - y_j|}{2N^2\mu}}$$

Where,  $y$  indicates the wealth of individual  $i$  and individual  $j$  respectively,  $\mu$  is mean wealth ownership, and  $N$  is household or population size. The Gini coefficient ranges from zero to one where zero indicates a situation of perfect equality where wealth is equally distributed across households in a society; while coefficient one indicates a situation of perfect inequality where one household or person owns the entire wealth. Both of these situations do not exist in real world.

### 2.3.3 Decomposition of Inequality

The Generalised Entropy indicators have the property of additive. Therefore, they can be decomposed by population sub-groups and expressed as a weighted sum of a within-group and a between-group component. The within component accounts for the inequality that exists inside each group whereas the between component accounts for the inequality that exists across groups. The Generalised Entropy computed over the entire population,  $GE\alpha$ , can then be expressed as:

$$GE_{\alpha} = \underbrace{\sum_{k=1}^K \frac{n_k}{n} \left( \frac{\bar{y}_k}{y} \right)^{\alpha} GE_{\alpha}(X_k)}_{\text{Within Group Inequality}} + \underbrace{GE_{\alpha}(U_{k=1}^K X_k)}_{\text{Between Group Inequality}}$$

where  $GE_{\alpha}(X_k)$  is the value of the GE indicator computed for the households belonging to sub-group  $X_k$ :

$$GE_{\alpha}(X_k) = \frac{1}{\alpha(\alpha-1)} \frac{1}{n_k} \sum_{i=1}^{n_k} \left( \left( \frac{y_i}{\bar{y}_k} \right)^{\alpha} - 1 \right)$$

and  $GE_{\alpha}(U_{k=1}^K X_k)$  is the between-group component, given by:

$$GE_{\alpha}(U_{k=1}^K X_k) = \frac{1}{\alpha(\alpha-1)} \frac{1}{n} \sum_{k=1}^K \left( \left( \frac{\bar{y}_k}{y} \right)^{\alpha} - 1 \right)$$

The within component is calculated as the weighted sum of the value of the indicator in each of the  $K$  sub-groups. The between-group component is calculated as the value of the indicator of a distribution with  $K$  elements, each having as net wealth the mean of net wealth in the corresponding group and as weight the population share of the corresponding group.

### 2.3.4 Atkinson's class of inequality

Renowned British economist Sir Anthony Barnes Atkinson<sup>1</sup> proposed a welfare-based inequality measure called the Atkinson's class of inequality measures. The formula for Atkinson's class of inequality measure is given by—

$$I = 1 - \left[ \frac{1}{N} \sum_{i=1}^N \left( \frac{y_i}{\mu} \right)^{(1-\epsilon)} \right]^{\frac{1}{1-\epsilon}}$$

wherein  $y$  indicates individual income,  $\mu$  is the mean income, and  $N$  is population size. The parameter in the Atkinson class of inequality measures represents an inequality aversion parameter and can take values between zero and infinity. The most commonly used values are 0.5, 1.5, 1 or 2. The choice of these parameters is somewhat arbitrary. Greater values of the aversion parameter imply that social welfare is more sensitive to a shift in the income of a poorer individual than it is to the same shift affecting a richer individual (Shifa and Ranchhod, 2019).

<sup>1</sup> Also popular as Tony Atkinson

## Social Group Inequalities in Wealth Ownership

### 3.1 Introduction

The world is experiencing a huge rise in wealth inequality, particularly after the 1990s when a number of developing countries entered the free market economy wherein the influence of the market in economic activities has increased while that of the State has declined. In India too, market has become the prime influencing factor of economic activities. Ownership of wealth is a major determinant of economic security and therefore, understanding the pattern of wealth ownership and wealth inequality becomes important in understanding the distributional aspects and their impact on the socio-economic situation of the poor (Zacharias and Vakulabharanam, 2009; Anand and Thampi, 2016; Tagade et al., 2018; Bharati, 2018). The issues concerning wealth distribution are not only confined to understanding interpersonal wealth inequality but also understanding intergroup inequality. This is because the market is not non-discriminatory. It plays an important role in employing discriminatory practices through resourceful discriminatory stakeholders (Thorat and Attewell, 2007). Thus, the issue of social group wealth inequality is of utmost importance from the perspective of policy making to pave the way for economic equality without which social equality cannot be established.

In this chapter, therefore, an attempt has been made to understand the intergroup inequality in wealth ownership across various identity groups in India based on the caste and religious background in 2013. The total household wealth is analysed using per household wealth and distribution of wealth. This chapter comprises five sections, including the background in the first section. The second section discusses the data and methodology used for the analysis. The third section provides demographic distribution across social and religious groups. The fourth section covers the issue of distribution of asset while the fifth section provides an understanding of the distribution of wealth by different types of assets. The concluding section discusses the major findings.

### 3.2 Data and Methodology

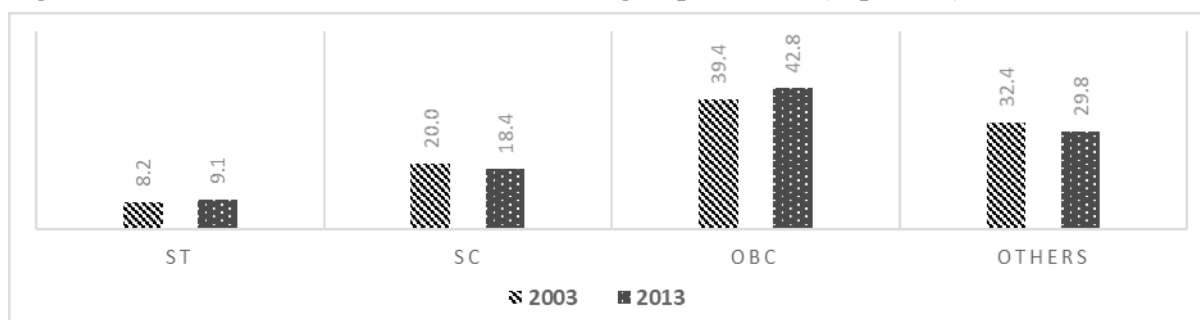
This chapter tries to understand intergroup inequality in wealth ownership in India across various castes and religions. For the purpose, the analysis is carried out on the basis of household level information on various physical and financial assets provided in the All India Debt and Investment Surveys (AIDIS) 2012-13 of the National Sample Survey Office (NSSO) -70<sup>th</sup> round, and from similar surveys during the 59<sup>th</sup> round in 2003 and 48<sup>th</sup> round in 1992 (Refer

the size of sample households in Annexure Table 3.1A and Table 3.2A). In 2013, a total of 110,800 households were surveyed which is substantially higher than those surveyed in 1992 (15,401) but less as compared to the number of households surveyed in 2003 (1,43,272). These surveys collect information on physical wealth such as land, building, farm and non-farm equipment, and transport equipment; and information on financial wealth such as shares, term deposits, and receivables. In this chapter, social group wealth ownership is analyzed based on average household assets and distribution of wealth.

### 3.3 Demographic Diversity

The Indian population is categorized on the basis of various distinctions that could be seldom seen in any other nation. One such distinctive feature is caste which decides the social identity of an individual. As discussed in Chapter 1, each caste or social group is accorded a higher/lower status as compared to other groups, which cannot be compared solely on the basis of the endowment factors without considering the social background. The outcome of this hierarchical sequencing is that some groups come to occupy a lower status at the expense of those accorded a higher status. Such graded inequality could not be achieved without demographic dominance. Thus, it is necessary to look into the demographic composition of the Indian population to understand which groups are dominant and which are not (Figure 3.1 and Table 3.3A).

**Fig. 3.1: Distribution of households across social groups in India (in percent)—2003 and 2013**



**Source:** AIDIS, 2003 and 2013

The estimated households in India are broadly divided into four groups or categories based on social background of the households for AIDIS, namely – Scheduled Tribes (STs), Scheduled Castes (SCs), Other Backward Castes (OBCs) and Others (comprising higher caste who are not the part of other three groups). Among these four groups, OBCs and Others enjoy numerical domination in terms of the household share. The share of OBC households was 42.8 percent and Others was 29.8 percent in 2013. On the contrary, the share of ST households was 9.1 percent and SCs 18.4 percent. Moreover, the dominance of either OBCs or Others was maintained in both rural and urban areas. Of the surveyed rural households, 43.8 percent were OBCs while 23.6 percent households belonged to Others category. In urban area, however, the percentage share of OBC and Others households was almost same at 41.0 and 41.3 respectively. The remaining SC and ST households constitute a minority together sharing 27 percent households which is again substantially low in urban areas (around 18 percent) as against 30 percent in rural areas.

The next significant social difference among Indian households is based on the religion followed by them notwithstanding their caste identity. The details of the household share by religious groups in India are provided in Table 3.4A. Table 3.1 depicts the demographic composition by socio-religious groups in India in 2003 and 2013. These groups are STs, SCs (includes SCs belonging to Hindu, Buddhist, and Sikh households), Hindu OBCs, Hindu High Castes (HHCs), Muslims, and the remaining households under the category of Rest comprising mostly Christians, Zoroastrians, etc.

**Table 3.1: Distribution of households across Socio-religious groups in India (in percent)—2003 and 2013**

Socio-religious groups	2003			2013		
	Rural	Urban	Total	Rural	Urban	Total
ST	10.2	3.0	8.2	12.0	3.6	9.1
SC(HBS)	21.6	14.2	19.6	20.3	13.7	18.0
HOBC	36.7	28.2	34.4	37.7	31.9	35.7
HHC	19.0	35.6	23.6	16.7	32.7	22.3
Muslim	9.7	14.1	10.9	11.2	13.6	12.0
Rest	2.7	4.9	3.3	2.1	4.5	2.9
Total	100.0	100.0	100.0	100.0	100.0	100.0

*Source:* AIDIS, 2003 and 2013

*Note:* SC(HBS)- SCs including Hindu, Buddhist, and Sikhs; HOBC- Hindu Other Backward Class; HHC- Hindu high castes

The HOBCs are demographically predominant with a population share of 35.7 percent in 2013. They are followed by HHC accounting for 22.3 percent of the population. SCs constitute 18 percent, Muslim 12 percent, and STs 9.1 percent. In rural areas, HOBCs have the highest share of households (37.7 per cent) while HHCs dominate in urban areas (32.7 per cent). The combined share of HOBCs and HHC households in India stands 58 percent.

Thus, HHCs and HOBCs are demographically the dominant groups in India while SCs, STs and Muslims are in a minority.

### 3.4 Intergroup inequality in Wealth

In this section, the intergroup wealth inequality is analysed using the per household wealth and the share of wealth. Also, the wealth distribution is analysed by various types of the assets that includes land, building. Livestock, farm and non-farm equipment, gold and financial assets.

In the beginning to proceed for analysing the social group wealth inequality, it is desirable to look into the absolute wealth in India and also across Socio-religious groups. The ownership of total wealth by Indian households comprises land, building, livestock, farm and non-farm equipment, transport equipment, gold and financial wealth. These collectively amounted to ₹ 358,354 billion in 2013 (Annexure Table 3.5A). The total wealth in rural areas was worth ₹ 160,600 billion while in urban areas it was worth ₹ 197,753 billion. Thus, the total wealth in urban areas was higher than in rural areas.

The total wealth owned across socio-religious groups varied substantially. The highest amount of wealth was owned by HHCs at ₹ 146,394 billion. While ST held the least amounts that is ₹ 13,268 billion almost 11 times less than that owned by HHCs. SCs, who are at the bottom of the social ladder, owned cumulative wealth worth ₹ 26,134 billion, which is six times less than that of HHCs. Muslims owned total wealth worth ₹ 28,707 billion which is five times less than HHCs. The HOBCs owned total wealth worth ₹ 110,520 billion which is closest to the amount of wealth owned by HHCs as compared to all other groups. Thus, the intergroup inequality in wealth ownership is substantially high in India with HHCs owning maximum wealth as compared to all other groups.

As seen in Table 3.1A, more wealth is parked in urban areas as compared to rural areas. However, the total wealth owned in rural areas is higher as compared to urban areas for all socio-religious groups except HHCs.

In rural areas, the highest amount of wealth is owned by HOBCs at ₹ 62,952 billion which is higher than the total wealth owned by HHCs in rural areas at ₹ 42,338 billion. STs own least amount of total wealth worth ₹ 9,544 billion which is seven times less than HOBCs and four times less than HHCs in rural areas. SCs own total wealth worth ₹ 16,163 billion and Muslim own worth of ₹ 14,379 billion. The wealth owned by SCs and Muslim is four times less than owned by HOBCs.

In urban areas, the highest (₹ 104,057 billion) amount of total wealth is owned by HHCs worth of billion. STs own total wealth worth of ₹ 3,724 billion which is 28 times less than HHCs. SCs own total wealth worth of ₹ 9,971 billion which is 10 times less than HHCs. Muslim own total wealth worth of ₹ 14,329 568 billion which is seven times less than HHCs. HOBCs own total wealth worth of ₹ 47,568 billion which is twice lesser than HHCs wealth ownership. Thus, HHCs have the highest total wealth ownership in general and particularly in urban areas. HOBCs own marginally higher wealth than HHCs in rural areas but they own lesser wealth than HHCs in urban areas. The intergroup inequality in wealth ownership is very high in urban areas as compared to rural areas.

### **3.4.1 Wealth Ownership Per Household**

The total wealth ownership sometimes may mislead the inferences; therefore, a standardized way to analyse wealth ownership would be assessing per household wealth ownership. The average household asset ownership across socio-religious groups varies considerably (Table 3.2).

In 2013, per household wealth ownership in India was ₹ 1504 thousand varying substantially in rural and urban areas with ₹ 1,037 thousand and ₹ 2,369 thousand, respectively. The average household wealth was highest among HHCs having ₹ 2,773 thousand. It was substantially higher than that of HOBCs which was further higher as compared to SCs, STs and Muslims. HOBCs per household wealth ownership was worth ₹ 1296 thousand; while it was ₹ 613 thousand among STs, and lowest at ₹ 612 thousand among SCs. The per household wealth ownership is

1.1 times higher among HHC as compared to that of the combined per household wealth owned by other three groups viz. HOBCs, SCs and STs. Thus, the SCs and STs have substantially less per household wealth ownership as compared to HOBCs and Others. Moreover, HOBCs also have substantially less per household wealth ownership as compared to HHCs.

Thus, per household wealth ownership varied substantially across socio-religious group in India with highest among HHCs and lowest among STs, SCs, Muslim and HOBCs.

**Table 3.2: Per household asset owned across Socio-religious groups in India at current prices (In ₹ 000')- 2013**

<b>Caste, Tribe and Religious Groups</b>	<b>Rural</b>	<b>Urban</b>	<b>Total</b>
<b>ST</b>	513	1227	613
<b>SC(HBS)</b>	517	871	612
<b>HOBC</b>	1074	1783	1296
<b>HHC</b>	1657	3819	2773
<b>Muslim</b>	822	1263	995
<b>Rest</b>	4668	4826	4753
<b>Total</b>	1037	2369	1504

*Source:* AIDIS, 2013

In rural and urban areas, per household wealth ownership varied substantially among various socio-religious groups. Also, it was high in urban areas across all socio-religious groups as compared to rural areas. Per household wealth is highest among HHC households in both rural and urban areas unlike total wealth ownership which was highest among HOBCs in rural areas.

The STs and SCs were among groups with lowest per household wealth ownership in both rural and urban areas. The STs owned per household wealth worth of ₹ 513 thousand in rural areas and ₹ 1227 thousand in urban areas. The SCs owned per household wealth worth of ₹ 517 thousand in rural areas and ₹ 817 in urban areas. They were followed by Muslims. The HOBCs ownership of wealth per household was less than that of HHCs but more than SCs and STs. The HHCs owned per household wealth worth of ₹ 1657 thousand in rural areas and ₹ 3819 in urban areas.

Thus, per household wealth ownership clearly reflects the graded inequality in Indian society. The highest per household wealth is owned by HHC households but as we go by the norms of the caste system, we find that per household wealth ownership reduces substantially from the higher to lower castes; HOBCs have lesser less than HHCs but more than SCs and STs and even compared to Muslims.

### **3.4.2 Ownership of Wealth**

The ownership of wealth is analysed by looking into the share of wealth across socio-religious groups in India and compared with the share of the households to track the unequal ownership.

### 3.4.2.1 Distribution of Wealth

The distribution of wealth across socio-religious groups in India provides a clear understanding of the intergroup inequality (Table 3.3). Of the total wealth in India, the highest 40.9 percent is owned by HHCs. Their share in urban wealth is also the highest at 52.6 percent while in rural areas they own 26.4 percent of the total wealth. The lowest share of wealth is owned by STs (3.7 percent) followed by SCs at 7.3 percent. Muslims have marginally higher proportion of wealth ownership (8.0 percent) as compared to SCs, but it is substantially lower than that of HHCs and HOBCs (30.8 percent).

**Table 3.3: Wealth ownership and household share across Socio-religious groups in India (In percent)—2013**

Socio-religious groups	Wealth Ownership			Households Share		
	Rural	Urban	Total	Rural	Urban	Total
ST	5.9	1.9	3.7	12.0	3.6	9.1
SC(HBS)	10.1	5.0	7.3	20.2	13.7	17.9
HOBC	39.2	24.1	30.8	37.9	31.9	35.8
HHC	26.4	52.6	40.9	16.5	32.6	22.2
Muslim	9.0	7.2	8.0	11.3	13.6	12.1
Rest	9.5	9.2	9.3	2.1	4.5	2.9
Total	100.0	100.0	100.0	100.0	100.0	100.0

*Source:* AIDIS, 2013

Thus, at the all India level, the distribution of wealth is highest among HHCs and HOBCs. Now we turn to understand the wealth ownership in rural and urban areas. Before this, it would be desirable to understand wealth ownership in rural and urban areas at aggregate level as well as across socio-religious groups. In India, of the total wealth, 44.8 percent is concentrated in rural areas and the remaining 55.2 percent in urban areas (Table 3.6A). There is also a large variation among socio-religious groups in owning wealth in rural and urban areas. Hindu high castes own 28.9 percent of their total wealth in rural areas while STs own highest (71.9) percent of their wealth in rural areas. Conversely, HHCs have their maximum wealth (71.1 percent) in urban areas while STs have just 28.1 percent of their wealth in urban areas. The SCs, HOBCs, and Muslims also own higher shares of their wealth in rural areas as compared to their brethren in urban areas (Table 3.6 A).

### Wealth Ownership in Rural and Urban India

The ownership of wealth in rural and urban areas shows a clearly skewed nature of wealth distribution towards high castes. First, we discuss the ownership of wealth in rural areas across socio-religious groups following in urban areas. In rural areas, the HOBCs possess the highest share of total wealth at 39.2 percent followed by 26.4 percent by HHCs. The STs and SCs own 5.9 percent and 10.1 percent of the total wealth respectively. Muslims have nine percent of rural wealth ownership.

In urban areas, the highest wealth ownership is among HHCs at 52.6 percent followed by HOBCs at 24.1 percent. Again, the lowest share of urban wealth is possessed by STs (1.9 percent) followed by SCs (five percent) and Muslims (7.2 percent).

Thus, share of wealth ownership is highest among HHCs. They also have the advantage of having highest share of wealth in urban areas. The HOBCs have highest share of wealth in rural areas. The SCs, STs and Muslim possess substantially less share of wealth than the aforementioned groups. However, this data also does not specifically inform how much intergroup inequality exists in wealth ownership. Therefore, the share of wealth owned by each group needs to be compared with their share of households.

### **Wealth Ownership w.r.t. Household Share**

In Table 3.3, the shares of wealth and shares of households across socio-religious groups in India are compared to understand which groups had higher or lesser share of wealth ownership as compared their household share in 2013. The household share is higher than their shares in ownership of wealth for all socio-religious groups except HHCs. The HHCs own almost double the share of wealth as compared to their household share. HHCs constitute 22.2 percent of the total households, but they own 40.9 percent of the total wealth in India. By comparison, the shares of SCs, STs, and Muslims in wealth ownership are substantially less than their household shares in population. SCs own 7.3 percent of the total wealth as against their 17.9 percent in total households share. STs own 3.7 percent of the total wealth but their households share is 9.1 percent. Muslims own 8.0 percent total wealth as compared to their 12.1 percent households share. HOBCs also have a lower share of wealth ownership (30.8 percent) as compared to their household share (35.8 percent).

Thus, the shares of wealth owned by SCs, STs, HOBCs, and Muslims are substantially less than their household percentage shares in population. Simply put, it means that access to and distribution of resources and means is not equitable, as every group is entitled to a fair share of resources in proportion to its share in population. However, this is not the case for HHCs who own almost double the wealth share than their household share.

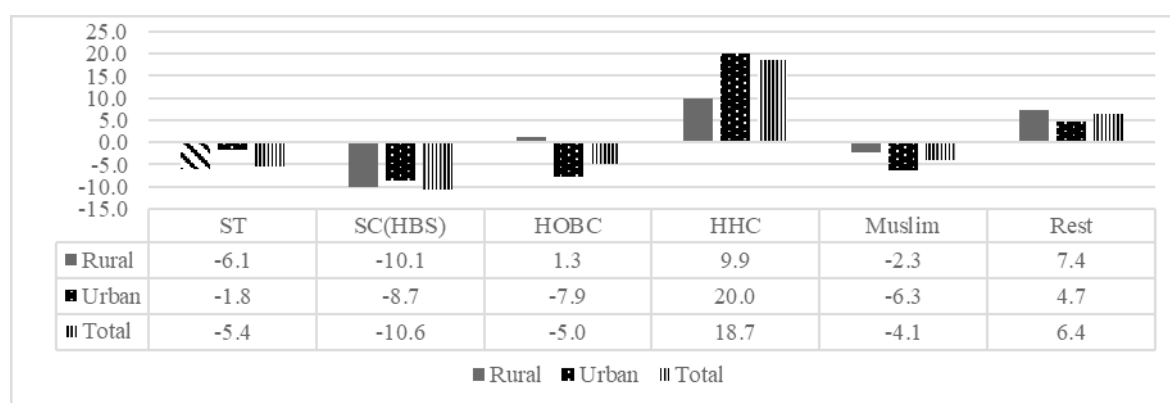
In rural and urban areas also a similar kind of situation exists as observed in the all India level. In rural areas, HHCs and HOBCs have higher wealth ownership as compared to their household shares, whereas the SCs, STs, and Muslims own less wealth than their household share. The HHCs own 26.4 percent of the total wealth as compared to 16.5 percent household share while HOBCs own 39.2 percent of wealth as compared to their household share of 31.9 percent. STs own 5.9 percent wealth as compared to 12 percent household share, SCs own 10.1 percent wealth as compared to 20.2 percent households share and Muslims own nine percent wealth as compared to their 11.3 percent household share. In urban areas, only HHCs own higher proportion of wealth as compared to their household share. They own 52.6 percent of the total wealth as compared to their 32.6 percent household share. The lowest share of wealth as compared to the household share is that of STs, followed by SC, HOBC and Muslim. STs own 1.9 percent wealth as compared to 3.6 percent of the household share, SCs own 5 percent

wealth as compared to 13.7 percent household share, HOBCs own 24.1 percent wealth as compared to 31.9 percent household share and Muslim own 7.2 percent wealth as compared to 13.6 percent household share.

Thus, the wealth ownership is relatively less as compared to households share among SCs, STs and Muslims in rural and urban areas both; while it is less among HOBCs in urban areas. The share of wealth is higher than household share only among HHCs in both rural and urban areas. This is better substantiated by estimating the percentage gap in the share of households and share of wealth ownership across socio-religious groups in India (Figure 3.2).

Figure 3.2 depicts the gap in the share of households and share of wealth across socio-religious groups in India. The negative percentage gap indicates higher proportion of households as compared to the percentage share of wealth owned by each socio-religious group; while positive share indicates a contrasting feature where the wealth ownership is higher than household share. Positive percentage gap is observed among HHCs, irrespective of the area of residence and among HOBCs in rural areas indicating they own higher share of wealth as compared to their household share in the respective location. However, the negative percentage gaps are clearly seen in the case of STs, SCs and Muslims in rural and urban areas both and among HOBCs in urban areas. The differences in household share and wealth ownership are high among SCs as compared to other social groups ranging from about -10 percentage points in rural areas to -9 percentage points in urban areas. Wealth ownership is substantially higher among HHCs as compared to their household share ranging from about 10 percentage points in rural areas to 20 percentage points in urban areas.

**Figure 3.2: Gap between household share and share of wealth across Socio-religious groups in India (percentage points) — 2013**



*Source:* AIDIS, 2013

Thus, the intergroup inequality in wealth ownership is substantially high with HHCs owning substantially high share of wealth as compared to their households share while wealth ownership is substantially less among other groups.

### 3.5 Distribution of Wealth by types of Assets

In this section, the attempt is made to understand the distribution of wealth by different type of assets in India by sector, socio-religious groups and states in 2013. The information on

different types of assets includes namely land, building, livestock, farm equipment, non-farm equipment, transportation, financial assets and gold.

### 3.5.1 Distribution of wealth by Type of Asset in Total, rural and urban areas

Table 3.4 shows the size of different types of assets in India in terms of percentage share. Of the total wealth, land constitutes 56.3 percent, building 33 percent, gold 3.7 percent financial assets 3.3 percent and livestock, farm and non-farm equipment less than one percent in India. Thus, land and building together constitutes almost 90 percent of the total wealth in India.

**Table 3.4: Share of Wealth by Sectors across Type of Assets in India (in percent) — 2013**

Type of Assets	Rural	Urban	Total
Land	69.9	45.2	56.3
Building	20.2	43.3	33.0
Livestock	1.6	0.1	0.8
Farm	0.4	0.0	0.2
Non-farm	0.2	0.7	0.5
Transport	2.0	2.4	2.2
Finance	1.7	4.6	3.3
Gold	3.8	3.6	3.7
Total Wealth	100.0	100.0	100.0

*Source:* AIDIS, 2013

A similar kind of situation exists in rural and urban areas. However, it is desirable to discuss the composition of wealth by type of asset across rural and urban areas in India. Table 3.5 shows the share of wealth by type of assets across sectors in India for 2013. Of the total wealth in India, rural area accounts about 45 percent wealth while remaining 55 percent is located in urban areas. Thus, a high proportion of wealth is concentrated in urban areas as compared to rural areas. However, this is not equally true across type of asset where a farm based wealth is more concentrated in rural areas while the urban areas have a higher share non-farm based assets.

The households in rural areas hold a higher proportion of assets such as land, livestock and farm equipment; while in urban areas households own a higher proportion of assets such as building, non-farm equipment, transportation and financial assets.

In rural areas, the share of land is 55.7 percent, livestock is 92.8 percent, farm equipment is 91 percent, non-farm equipment is 20.9 percent, transport is 40.9 percent financial asset is 23.5 percent and gold are 46.2 percent. In urban areas the share of asset holding is highest in 79.1 percent for nonfarm equipment followed by financial asset 76.5 percent, building 72.5 percent, transport 59.1 percent, gold 55.2 percent, land 44.3 percent and livestock 7.2 percent and farm equipment is 9 percent.

**Table 3.5: Share of Wealth by Type of Assets across Sectors in India (in percent) — 2013**

Type of Assets	Rural	Urban	Total
Land	55.7	44.3	100.0
Building	27.5	72.5	100.0
Livestock	92.8	7.2	100.0
Farm	91.0	9.0	100.0
Non-farm	20.9	79.1	100.0
Transport	40.9	59.1	100.0
Finance	23.5	76.5	100.0
Gold	46.2	53.8	100.0
Total Wealth	44.8	55.2	100.0

*Source:* AIDIS, 2013

The distribution of different types of assets in rural and urban areas vary according to the farm and non-farm sector specific assets. The share of land constitutes highest about 70 percent in rural areas followed by building 20.2 percent, gold 3.8 percent, transport 2 percent, finance 1.7 percent and livestock 1.6 percent. In urban areas, land constitute 45.2 percent and building constitute 43.3 percent. The share of finance is 4.6 percent, gold 3.6 percent and transport 2.4 percent in urban areas.

Thus, the share of farm based assets higher than in urban areas. The land asset is dominant in rural areas but the share of building is high in urban areas. Of the total assets land constitutes highest share followed by building, gold, transport, finance, livestock, farm and non-farm equipment.

The ownership of wealth by type of wealth in rural and urban areas are not similar in nature. The ownership of wealth in rural areas are largely dominated by the land asset and other farm based assets such as farm equipment, livestock; while the ownership of wealth in urban areas is dominated by building and land both along with non-farm based assets such as non-farm equipment, transport and finance.

There is a difference in the ownership of wealth type of asset in rural and urban areas. In rural areas, land constitutes 69.9 percent and building constitute 20.2 percent. However, in urban areas, land constitute 45.2 percent and building constitute 43.3 percent. Among other assets, the farm based assets are more in rural areas and non-farm based assets are more in urban areas. The farm based assets such as livestock (1.6 percent), and farm equipment (0.4 percent) constitutes more in rural areas; but in urban areas non-farm equipment (0.7 percent), transportation (2.4 percent) and financial assets (4.6 percent) are more.

### **3.5.1 Distribution of wealth by socio-religious groups across Type of Asset**

The wealth ownership is high among HHCs followed by HOBCs and lowest is among SCs, STs and Muslim. However, it is also important to know what kind of assets each group is owning. The assets specific to farm and non-farm sector are distributed differently in rural and urban areas with relatively higher share of farm specific assets in rural areas and non-farm specific assets in urban areas. In this section, the aim is to discuss the distribution assets across

socio-religious groups in India to know how different kinds of assets are distributed across socio-religious groups (Table 3.6). In India, share of wealth across types of assets by socio-religious groups are presented in Table 3.6 shows that the share of land asset is high across socio-religious groups in India. Of the total asset owned across socio-religious groups, the highest share of land is owned by STs owning 63.6 percent and HOBCs owning 63.3 percent. Of the total asset owned by STs, building forms 23.7 percent, 2.6 percent livestock, transport 2.5 percent, finance 3.5 percent and gold 3.4 percent. The HOBCs own 25 percent building, finance 2.8 percent and 4.7 percent gold. Of the total asset owned by SCs, 55.2 percent is in the form of land asset, 31.9 percent building, finance 3.9 percent and 5 percent gold. Muslim own 54.4 percent land, 35 percent building, 2.5 percent finance and 2.5 percent transport and 4.3 percent gold. The HHCs own 48.6 percent land, 41.5 percent building, 2.3 percent transport, 3.8 percent finance and 2.8 percent gold. Thus, the land and building are the major share of wealth across socio-religious groups. However, unlike other socio-religious groups in India the share of land and building in the total wealth owned by HHCs does not vary substantially.

**Table 3.6: Share of Wealth by Socio-religious groups across Type of Assets in India (in percent) — 2013**

Caste, Tribe and Religious Groups	Land	Building	Livestock	Farm	Non-farm	Transport	Finance	Gold	Total
ST	63.6	23.7	2.6	0.5	0.2	2.5	3.5	3.4	100.0
SC(HBS)	55.2	31.9	1.3	0.3	0.3	2.2	3.9	5.0	100.0
HOBC	63.3	25.0	1.1	0.3	0.6	2.2	2.8	4.7	100.0
HHC	48.6	41.5	0.4	0.1	0.5	2.3	3.8	2.8	100.0
Muslim	54.4	35.0	0.6	0.1	0.6	2.5	2.5	4.3	100.0
Rest	66.4	24.6	0.3	0.2	0.5	2.0	3.2	2.8	100.0
Total	56.3	33.0	0.8	0.2	0.5	2.2	3.3	3.7	100.0

*Source:* AIDIS, 2013

Table 3.7 shows the distribution of wealth across different types of assets by socio-religious groups in rural and urban areas of India. Of the total wealth in rural areas across socio-religious groups in rural Indian is constituted largely in the form of land and the building is much less. But in urban areas, the share of land and building does not vary substantially.

In rural areas, the highest share of land form the wealth of the HHCs owning about 75 percent followed by 16.3 percent building. The SCs own lowest share of land in their wealth portfolio owing 58.7 percent followed by 29.3 percent in the form of building. In urban areas, STs have highest share of land in their wealth portfolio constituting 65.7 percent followed by 22.1 percent building. The wealth portfolio of the HHCs constitute 37.9 percent in the form of asset followed by 51.8 percent in the form of building. The portfolio of SCs constitute 49.4 percent land and 36.1 percent building. Muslim have 45.3 percent land and 43 percent building. Thus, land is dominating wealth across socio-religious groups in rural and urban areas both. However, the HHCs have comparable share of land and building ownership, while other groups have higher share of land and lesser share of building in their portfolio.

**Table 3.7: Share of Wealth by Socio-religious groups across Type of Assets in Rural and Urban India (in percent) — 2013**

Socio-religious Groups	Land	Building	Livestock	Farm	Non-farm	Transport	Finance	Gold	Total
<b>Rural</b>									
ST	65.7	22.1	3.6	0.6	0.1	2.3	2.1	3.5	100.0
SC(HBS)	58.7	29.3	2.0	0.4	0.3	2.1	2.4	5.0	100.0
HOBC	68.8	20.8	1.7	0.5	0.3	2.0	1.6	4.3	100.0
HHC	74.9	16.3	1.2	0.4	0.2	2.0	1.8	3.2	100.0
Muslim	63.4	27.0	1.2	0.2	0.4	2.0	1.9	4.0	100.0
Rest	81.5	11.8	0.6	0.3	0.1	2.3	1.2	2.1	100.0
Total	69.9	20.2	1.6	0.4	0.2	2.0	1.7	3.8	100.0
<b>Urban</b>									
ST	58.2	28.0	0.2	0.1	0.3	2.9	7.3	3.0	100.0
SC(HBS)	49.4	36.1	0.2	0.0	0.3	2.5	6.5	5.0	100.0
HOBC	56.0	30.6	0.2	0.1	1.1	2.4	4.5	5.2	100.0
HHC	37.9	51.8	0.0	0.0	0.6	2.4	4.6	2.7	100.0
Muslim	45.3	43.0	0.1	0.0	0.9	3.0	3.1	4.6	100.0
Rest	53.8	35.3	0.1	0.0	0.8	1.8	4.9	3.4	100.0
Total	45.2	43.3	0.1	0.0	0.7	2.4	4.6	3.6	100.0

*Source:* AIDIS, 2013

### 3.5.1 Distribution of wealth across socio-religious groups by Type of Asset

The wealth portfolio across socio-religious group are dominated by land followed by building in India. However, this does not indicate the ownership of different assets by socio-religious groups. Table 3.8 shows the share of different assets owned by socio-religious groups in India. Of the total land, the highest share is owned by HHCs followed by HOBCs and lowest is among STs, SCs and Muslim. The HHCs own 35.3 percent of land, HOBCs own 34.7 percent, Muslim own 7.7 percent, SCs own 7.1 percent and STs own 4.2 percent. Of the total building, the highest 51.4 percent is owned by HHCs followed by 23.4 percent HOBCs and lowest 2.7 percent is owned by STs, followed by 7 percent by SCs and 8.5 percent by Muslim. The highest share of livestock and farm equipment are owned by HOBCs followed by HHCs. The highest share of nonfarm equipment and gold are owned by HHCs and HOBCs both. Similarly, highest share of financial assets and transport are owned by HHCs followed by HOBCs. Thus, the highest ownership of different assets is with HHCs and HOBCs and less share is among STs, SCs and Muslim.

## Social Group Inequalities in Wealth Ownership

**Table 3.8: Share of Wealth across Socio-religious groups by Type of Assets in India (in percent) — 2013**

Caste, Tribe and Religious Groups	Land	Building	Live-stock	Farm	Non-farm	Transport	Finance	Gold	Total
ST	4.2	2.7	12.9	8.1	1.2	4.1	3.9	3.4	3.7
SC(HBS)	7.1	7.0	12.4	9.1	3.8	7.2	8.6	9.9	7.3
HOBC	34.7	23.4	44.0	41.9	38.4	30.0	26.3	39.1	30.8
HHC	35.3	51.4	19.9	28.0	38.4	41.5	46.3	31.3	40.9
Muslim	7.7	8.5	6.9	5.4	9.7	8.8	6.0	9.2	8.0
Rest	11.0	6.9	4.0	7.6	8.4	8.4	8.9	7.1	9.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

*Source:* AIDIS, 2013

The distribution of different assets in rural and urban areas across socio-religious groups are presented in Table 3.9. Similar to the national scenario, the share of wealth by different types of assets are higher among HHCs followed by among HOBCs in both rural and urban areas.

**Table 3.9: Share of Wealth across Socio-religious groups by Type of Assets in Rural and Urban India (in percent) — 2013**

Socio-religious Groups	Land	Building	Live-stock	Farm	Non-farm	Transport	Finance	Gold	Total
<b>Rural</b>									
ST	5.6	6.5	13.6	8.5	3.1	6.6	7.0	5.5	5.9
SC(HBS)	8.5	14.5	12.6	9.6	10.6	10.1	13.7	13.2	10.1
HOBC	38.5	40.3	43.7	41.8	47.5	38.7	36.3	44.4	39.2
HHC	28.2	21.2	19.5	27.3	21.5	25.4	26.8	22.4	26.4
Muslim	8.1	12.0	6.7	5.0	13.6	8.6	9.6	9.3	9.0
Rest	11.1	5.5	3.9	7.8	3.6	10.6	6.6	5.2	9.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Urban</b>									
ST	2.4	1.2	3.8	4.0	0.7	2.3	3.0	1.6	1.9
SC(HBS)	5.5	4.2	9.7	3.7	2.0	5.2	7.1	7.1	5.0
HOBC	29.8	17.0	47.9	42.8	36.0	24.0	23.2	34.6	24.1
HHC	44.1	62.9	23.9	34.6	42.9	52.7	52.3	38.9	52.6
Muslim	7.3	7.2	9.2	8.8	8.7	9.0	4.8	9.2	7.2
Rest	10.9	7.5	5.5	6.1	9.7	6.8	9.6	8.7	9.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

*Source:* AIDIS, 2013

In rural areas, HOBCs own highest 38.5 percent of land followed by HHCs 28.2 percent. The lowest share of land is 5.6 percent owned by STs followed by Muslim 8.1 percent and SC 8.5 percent. Similar to this, the highest share of building, livestock, farm and non-farm equipment, transportation, financial assets, and gold are owned by HOBCs followed by HHCs in rural areas. The lowest share is owned by SC, ST and Muslim.

In urban areas, highest 44.1 percent of land is owned by HHCs followed by HOBCs 38.5 percent. The lowest 2.4 percent land is owned by STs followed by SCs 5.5 percent and Muslim

7.3 percent. Similar pattern is observed the case of other assets except for livestock where the highest share is owned by HOBCs but again the share ownership is less among SC, ST and Muslim.

### 3.5 Summary

This chapter has attempted to understand the intergroup inequality in wealth ownership across socio-religious groups in India based on the AIDIS unit level data for 2013. The intergroup inequality in wealth ownership is analysed based on the per household wealth, percentage distribution of total wealth, distribution of wealth by types of assets across socio-religious groups.

In India, the demographic diversity is huge along with some of the socio-religious groups dominates in rural and urban areas. The share of households belonging to HOBCs and HHCs is high in India accounting to 35.7 percent and 22.3 percent respectively. They also dominate in rural and urban areas. The SCs constitute 18 percent of the total households, Muslim 12 percent and ST 9.1 per cent.

The per household asset ownership is ₹ 1504 thousand varying from lowest ₹ 1037 thousand in rural areas to ₹ 2369 thousand in urban areas. It varies substantially across socio-religious groups from lowest among SC, ST and Muslim to highest among HHCs and HOBCs. The HHCs have highest ₹ 2773 thousand per household asset followed by ₹ 1296 thousand among HOBCs and lowest ₹ 612 thousand among SCs and ₹ 613 thousand among STs. The Muslim also have less per household asset ownership to ₹ 995 thousand. Similar patterns are also observed in rural and urban areas.

Of the total wealth, highest wealth is owned by HHCs to about 41 percent. HOBCs own about 31 percent of the total wealth in India. The lowest wealth 3.7 percent is owned by STs followed by 7.3 by SCs and 8 percent by Muslim. In fact comparing with their household share bring glaring picture of intergroup inequality. The household share is higher than their shares in wealth owned for all socio-religious groups except HHCs. The HHCs own almost double the share of wealth as compared to their household share. HHCs constitute 22.2 percent of the total households, but they own 40.9 percent of the total wealth in India. By comparison, the shares of SCs, STs, and Muslims in wealth ownership are substantially less than their household shares in population. SCs own 7.3 percent of the total wealth as against their 17.9 percent in total households share. STs own 3.7 percent of the total wealth but their households share is 9.1 percent. Muslims own 8.0 percent total wealth as compared to their 12.1 percent households share. HOBCs also have a lower share of wealth ownership (30.8 percent) as compared to their household share (35.8 percent). A similar scenario is also observed in rural and urban areas. The wealth ownership is substantially less as compared to households share among SCs, STs and Muslims in rural and urban areas both; while it is less among HOBCs only in urban areas. The share of wealth is higher than household share only among HHCs in both rural and urban areas.

The intergroup inequality in wealth ownership across socio-religious groups is also looked by type of wealth. The farm specific assets are concentrated in the rural areas while the non-farm specific assets in urban areas. Moreover, land is a major component of wealth in rural areas and building in urban areas. Invariantly these also forms the major component of the wealth portfolio across socio religious groups. However, the HHCs and HOBCs have the explicit ownership of different type of assets in India irrespective of the location.

To sum up, wealth ownership is substantially high among HHCs followed by HOBCs, and least among SCs, STs and Muslim. The extent of intergroup inequality is quite high. In fact, wealth ownership among HHCs is double than their household share. But the SCs, STs and Muslim own substantially less wealth as compared to their household shares. In fact the HOBCs have less wealth ownership as compared to their households share but the difference is marginal. However, the SCs, STs and Muslim have a substantially less wealth ownership as compared to their household share. Even the different type of assets is largely owned by HHCs and HOBCs leaving SC, ST and Muslim almost entirely asset less.

### Annexure Tables Chapter 3

**Table 3.1A: Sample households across social groups in India: 1992, 2003, and 2013**

Social Groups	1992			2003			2013		
	Rural	Urban	Total	Rural	Urban	Total	Rural	Urban	Total
ST	5,217	1,118	6,335	12,643	3,055	15,698	11,748	3,801	15,549
SC	6,601	2,465	9,066	18,775	7,594	26,369	11,346	6,879	18,225
OBC	NA	NA	NA	34,718	18,364	53,082	24,306	18,698	43,004
Others	NA	NA	NA	25,047	23,076	48,123	14,735	19,287	34,022
OBC+Others	24,578	17,004	41,582	59,765	41,440	1,01,205	39,041	37,985	77,026
Total	11,818	3,583	15,401	91,183	52,089	1,43,272	62,135	48,665	1,10,800

*Source:* AIDIS (1992, 2003 and 2013)

**Table 3.2A: Sample households across socio-religious in India: 2003 and 2013**

Socio-religious groups	2003			2013		
	Rural	Urban	Total	Rural	Urban	Total
ST	12,643	3,055	15,698	11,748	3,801	15,549
SC(HBS)	18,460	7,322	25,782	11,155	6,707	17,862
HOBC	30,246	14,650	44,896	20,943	14,237	35,180
HHC	17,324	16,926	34,250	10,365	14,635	25,000
Muslim	9,643	7,544	17,187	6,059	7,167	13,226
Rest	2,876	2,596	5,472	1,865	2,118	3,983
Total	91,192	52,093	1,43,285	62,135	48,665	1,10,800

*Source:* AIDIS (2003 and 2013)

Inter Group Inequality in Wealth Ownership in India

**Table 3.3A: Distribution of households across social groups in India: 1992, 2003, and 2013 (in percent)**

Social Groups	1992			2003			2013		
	Rural	Urban	Total	Rural	Urban	Total	Rural	Urban	Total
ST	11.0	3.0	8.9	10.2	3.0	8.2	12.0	3.6	9.1
SC	21.6	12.6	19.2	22.0	14.6	20.0	20.7	14.1	18.4
OBC	NA	NA	NA	41.1	34.7	39.4	43.8	41.0	42.8
Others	NA	NA	NA	26.7	47.7	32.4	23.6	41.3	29.8
OBC+Others	67.4	84.4	71.9	67.8	82.4	71.8	67.4	82.2	72.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: AIDIS (1992, 2003 and 2013)

**Table 3.4A: Percentage share of households across religious groups in India (In percent)— 2003 and 2013**

Religious Groups	2003			2013		
	Rural	Urban	Total	Rural	Urban	Total
Hindu	85.25	79.40	83.65	84.28	80.32	82.90
Muslim	9.79	14.18	10.99	11.40	13.63	12.18
Christian	2.39	3.21	2.62	2.10	3.52	2.60
Sikh	1.55	1.66	1.58	1.39	1.42	1.40
Jain	0.08	0.69	0.25	0.06	0.42	0.19
Buddhist	0.61	0.71	0.64	0.53	0.57	0.54
Zoroastrian	0.01	0.02	0.01	0.00	0.00	0.00
Others	0.32	0.12	0.27	0.23	0.12	0.19
Total	100	100	100	100	100	100

Source: AIDIS, 2003 and 2013

**Table 3.5A: Total wealth owned across social groups in India at current prices (In ₹ Billion) — 2013**

Socio-religious Groups	Rural	Urban	Total
ST	9544	3724	13268
SC(HBS)	16163	9971	26134
HOBC	62952	47568	110520
HHC	42338	104057	146394
Muslim	14379	14329	28707
Rest	15224	18105	33329
Total	160600	197753	358354

Source: AIDIS, 2013

## Social Group Inequalities in Wealth Ownership

**Table 3.6A: Distribution of wealth in rural and urban areas by socio-religious groups in India (in percent)— 2013**

<b>Socio-religious Groups</b>	<b>Rural</b>	<b>Urban</b>	<b>Total</b>
<b>ST</b>	71.9	28.1	100.0
<b>SC(HBS)</b>	61.8	38.2	100.0
<b>HOBC</b>	57.0	43.0	100.0
<b>HHC</b>	28.9	71.1	100.0
<b>Muslim</b>	50.1	49.9	100.0
<b>Rest</b>	45.7	54.3	100.0
<b>Total</b>	44.8	55.2	100.0

*Source:* AIDIS, 2013

## Concentration of Wealth Ownership across Social Groups

### 4.1 Introduction

The social group inequality in wealth ownership is analysed in the previous chapter indicating a highest share of wealth owned by Hindu High Castes (HHCs) and Hindu Other Backward Castes (HOBCs). In this chapter, attempt is made to analyse concentration of wealth ownership in India across socio-religious groups. The analysis will also cover the concentration of wealth by type of wealth across socio-religious groups. To measure the concentration of wealth in India, we rely on distribution of wealth based on centile groups, Gini coefficient and Lorenz curve. Further Gini coefficient is decomposed based on General Entropy Decomposition method to find out the contribution of within and between group inequality in the overall inequality. For the purpose, the analysis is carried out on the basis of household level information on various physical and financial assets provided in the All India Debt and Investment Surveys (AIDIS) 2012-13 of the National Sample Survey Office (NSSO) -70<sup>th</sup> round. The social groups are defined based on the social groups and religious groups in India. These includes Scheduled Tribes (ST), Scheduled Castes (SC) that includes Hindu, Buddhist and Sikh households, HOBCs, HHCs and Rest. This chapter comprises four sections, including the background. The second section concentration of wealth followed by the concentration of by the type of assets. The concluding section discusses the major findings.

### 4.2 Concentration of Wealth

The concentration of wealth is analysed by analysing percentile share, Gini coefficient, Lorenz curve and decomposition of inequality.

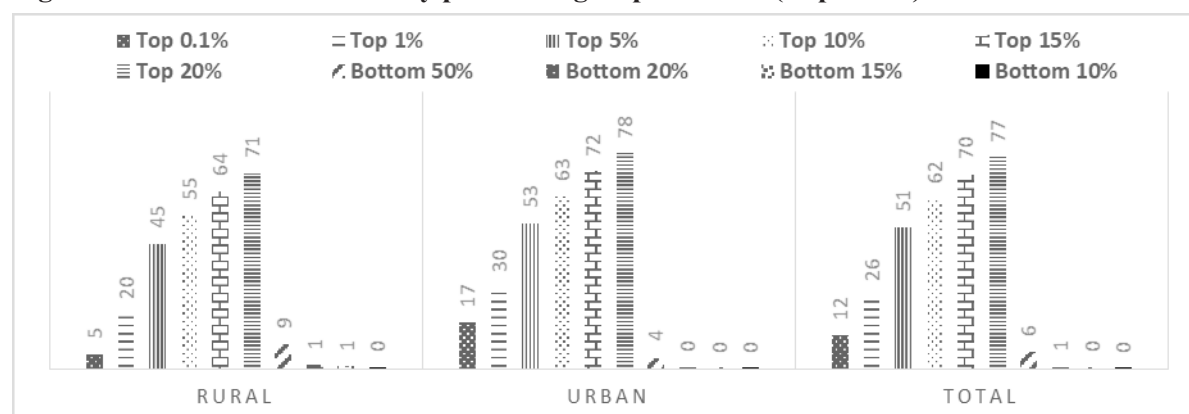
#### 4.2.1 Percentile share of Wealth Ownership

The percentile share of wealth is employed to understand the extent of interpersonal and social group wealth inequality in India. Figure 4.1 indicates the share of wealth by top and bottom percentile groups that include Top 0.1%, Top 1%, Top 5%, Top 10%, Top 15%, Top 20%; Bottom 50%, Bottom 20%, Bottom 15%, and Bottom 10%.

In India, the top 0.1 percent own 12 percent of the total wealth which ranges from five percent in rural areas to 17 percent in urban areas. The Top 1% owns 26 percent of wealth ranging

from 20 percent in rural areas to 30 percent in urban areas. Further, Top 5% own more than half of the total wealth in India, which is less in rural areas but more in urban areas. Top 20% owns 77 percent of the total wealth in India, which is even higher in urban areas at 78 percent and less in rural areas at 71 percent. On the contrary, wealth ownership is substantially low among bottom percentile groups. In fact the Bottom 50% own only six percent of the total wealth which ranges from nine percent in rural areas to four percent in urban areas. Bottom 20% owns a meagre one percent of the total wealth. Thus, the interpersonal wealth inequality is substantially high with a small segment of 0.1 percent households owning 12 percent of the total wealth while 20% own 77 percent wealth. The interpersonal inequality is marginally less in rural areas as compared to that in urban areas, nevertheless it is substantially high.

**Fig. 4.1: Distribution of wealth by percentile groups in India (In percent) — 2013**



**Source:** AIDIS, 2013

The distribution of wealth by percentile groups across socio-religious groups presented in Table 4.1 indicates a high concentration of wealth in the hands of the top percentile groups. However, it varies substantially with highest concentration of wealth among the Top 0.1% of the households belonging to HHCs and substantially less among SCs, STs, HOBCs and Muslims. The Top 0.1% HHCs hold 15 percent of their wealth while the Top 0.1% among SC and STs hold four percent of their wealth. Among HOBCS, the top 0.1% holds five percent wealth while the Top 0.1% Muslims holds six percent of their wealth. Further, the Top 1% households belonging to HHCs hold highest 29 percent wealth as compared to 15 percent among SCs, 17 percent among STs, 18 percent each among HOBCs and Muslims. This pattern of high concentration of wealth among HHCs and lowest among SCs is clearly seen even further among the Top 5% to 20% households: The Top 20% households belonging to HHCs hold 75 percent of wealth, but it is lowest 67 percent among SCs, 68 percent among STs, 69 percent among HOBCs and 71 percent among Muslims. Thus, the largest wealth inequality is observed among HHCs and lowest is among SCs. This is also clear from the Lorenz curve that shows the wealth inequality among SCs and HHCs (Figure 4.2). It shows that the curve for SC is closer to the line of equality as compared to the curve for HHCs.

**Table 4.1: Distribution of wealth by percentile groups across socio-religious groups in India (In percent) — 2013**

Percentile Groups	ST	SC(HBS)	HOBC	HHC	Muslim	Rest	All
Top 0.1%	4	4	5	15	6	5	12
Top 1%	17	15	18	29	18	20	26
Top 5%	37	36	39	48	39	43	51
Top 10%	51	50	52	60	54	59	62
Top 20%	68	67	69	75	71	75	77
Bottom 50	10	10	9	6	7	5	6
Bottom 40	6	6	5	3	4	3	3
Bottom 30	3	3	3	2	2	1	1
Bottom 20	1	1	1	1	1	1	1

*Source:* AIDIS, 2013

*Note:* SC(HBS)- SCs including Hindu, Buddhist, and Sikhs; HOBC- Hindu Other Backward Class; HHC- Hindu high castes

#### 4.2.2 Gini, Lorenz Curve and Decomposition of Wealth Inequality

Distribution of wealth by percentile groups was discussed in the previous section. It indicated a high concentration of wealth in the upper tail. Top 0.1 households own 120 times more wealth than their household share which declines as we go down. Top 1% owns 26 times more wealth as compared to their household share, while the top 20 percent owns 4.5 times higher share of wealth than their household share. In order to bring more accuracy in understanding wealth inequality, the social group inequality is measured using the Gini ratio, Lorenz curve, and Decomposition of wealth inequality in this section. Gini index<sup>1</sup> and Lorenz curves are widely used measures of inequality. In Table 4.2 gini ratios for wealth inequality across socio-religious groups in India are presented. In India, gini ratio for total wealth is 72 percent indicating a high inequality in wealth ownership. The inequality in wealth ownership is even higher in urban areas (73 percent), and marginally less in rural areas (68 percent). The gini ratio estimated for wealth without including gold shows a higher level of gini. The gini ratio for wealth excluding gold is 73 percent that ranges from 69 percent in rural areas to 74 percent in urban areas. This is because gold is widely owned by households irrespective of their economic and social status. The quantity of gold may not be huge among some households because of their economic status, but at least a small quantity is possessed due to social status. The social status of owning gold can be understood from the proscription on untouchables to own precious ornaments.

The Palma ratio and Atkinson Index are estimated for wealth ownership in India (Table 4.1A). The Palma ratio is the wealth share of the top 10 percent divided by that of the bottom 40 percent. Palma ratio indicates how much wealth does the top 10 percent own as compared to the bottom 40 percent. The higher the value higher will be the inequality and vice versa. Atkinson proposed a welfare-based inequality measure called the Atkinson's class of inequality measures.

The results of the Palma index show that the top 10% own 18 times more wealth than the bottom 40 percent of households. There is a wide variation between rural and urban areas.

<sup>1</sup>It measures the extent to which the distribution within an economy deviates from a perfectly equal distribution. However, the Gini's main limitation is that it is not easily decomposable or additive. Also, it does not respond in the same way to income transfers between people in opposite tails of the income distribution as it does to transfers in the middle of the distribution. Furthermore, very different income distributions can present the same Gini coefficient.

The top 10 percent own 35 times more wealth in urban areas and 10 times more in rural areas as compared to bottom 40 percent households. The other measure estimated is the Atkinson's class of inequality measure. The values of the Atkinson index vary from zero to one, the value of 0.72 is close to one indicating a high level of wealth inequality in India. The Atkinson index measures the welfare loss to a society due to inequality. For example, the index value of 0.72 would mean that about 72% of the current wealth is lost (wasted) due to inequality. In other words, the society would need only 28 percent of the current wealth to achieve the same level of social welfare if all wealth was distributed equally. The values of the Atkinson index vary from 0.68 in rural areas to 0.73 in urban areas indicating high wealth inequality in urban areas as compared to that in rural areas. Thus, the society would require higher percentage of wealth in rural areas to maintain the current social welfare as compared to that in urban areas.

**Table 4.2: Gini ratio for wealth inequality across socio-religious groups in India— 2013**

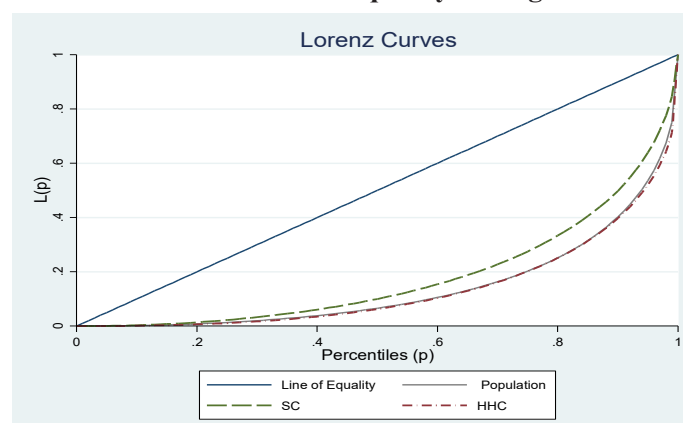
Socio-religious Groups	Rural	Urban	Total
ST	0.591	0.654	0.647
SC(HBS)	0.593	0.659	0.637
HOBC	0.630	0.679	0.660
HHC	0.684	0.732	0.728
Muslim	0.656	0.691	0.681
Rest	0.731	0.717	0.724
Total	0.683	0.726	0.720
Excluding Gold <sup>^</sup>	0.693	0.737	0.730

*Source:* AIDIS, 2013

*Note:* Gini Ratio of Total Wealth excluding Gold

Thus, the wealth inequality is high in India with high concentration of wealth in the top percentiles. The wealth inequality is particularly high in urban areas as compared to rural areas. It is also high among HHCs while less among SCs. This can be further substantiated from the Lorenz curve estimated for SCs and HHCs where the Lorenz curve for SCs is closer to line of equality as compared to that of HHCs (Figure 4.2). However, overall inequality is manifested by both within group inequality and between group inequality.

**Fig. 4.2: Lorenz curve for wealth inequality among SC vs HHCs— 2013**



*Source:* AIDIS, 2013

Table 4.3 shows the decomposition of generalised entropy index by socio-religious groups in India. The overall wealth inequality is contributed by the within group inequality and between group inequality. The within group inequality contributes 88.2 percent of the total wealth inequality in India; while between group inequality is 11.8 percent. The contribution of between group inequality is substantially high (15.35 percent) in rural areas as compared to urban areas (8.22 percent).

**Table 4.3: Decomposition of generalised entropy index by socio-religious groups in India— 2013**

Sector	Within Group Inequality	Between Group Inequality
Rural	84.65	15.35
Urban	91.78	8.22
Total	88.20	11.80

*Source:* AIDIS, 2013

### 4.3 Concentration of wealth by type of wealth

The concentration of wealth is high in the hands of the HHCs in India. However, the wealth constitutes different kinds of assets and there could be a variation in the concentration of wealth by type of assets across socio-religious groups depending on the nature of the asset. These assets include land, building, livestock, farm equipment, non-farm equipment, transport, financial assets and gold. Among these different types of assets financial assets includes share or equities, deposits and receivables. In this section, we attempt to understand the concentration of wealth by type of assets by analysing gini coefficient and decomposition of inequality by different type of assets.

#### 4.3.1 Gini Coefficient by type of wealth

Table 4.4 indicates the inequality levels by type of assets across socio-religious groups in India measured by Gini Index. The overall wealth inequality is 0.72 in India. The gini coefficient measured across type of assets shows a higher level of ratio as compared to compost wealth inequality except for gold. The gini coefficient for gold is 0.71 while for other it ranges from 0.77 for building to 0.97 for non-farm equipment. In Indian context, the investment in gold is considered as the non-productive, although possessing it is considered as a social status. It is also gifted in various ceremonies such as marriages and birthdays etc. Secondly, it can be purchased even in small quantity. However, this is not the case for other assets which can not be purchased below a certain amount of quantity and therefore, they are more likely to be distributed unequally. In fact, gini coefficient for livestock (0.89), farm equipment (0.92), non-farm equipment (0.97), transport (0.89) and finance (0.87) is substantially higher than that of land (0.79) and building (0.77).

In rural areas, Gini coefficient is less for building than the overall wealth while it is higher in other types of assets where it ranges from 0.70 for gold and highest 0.98 for non-farm equipment. In the previous chapter, it was observed that the share of building in rural areas was much lower than urban areas accounting to 27.5 percent and 72.5 percent respectively. Thus, rural area accounts for a substantially less building assets. The NSSO survey on housing

condition shows that the ownership of good houses in rural areas is substantially low to 38.3 percent as compared to 60.2 percent in urban areas. Similarly, the ownership of bad houses are 13 percent in rural areas as compared to 7 percent in urban areas in 2018 (See chapter 11 on Housing Ownership for detail).

In urban areas, similar to the national scenario, the Gini coefficient for gold is less than the overall inequality. The Gini coefficient for gold is 0.70 and for total wealth it is 0.73 in urban areas; while for other type of assets it is higher than total wealth which ranges from lowest 0.79 for building to highest 0.98 for farm equipment.

Thus, the gini ratio is higher in the case of sector specific assets such as livestock, farm equipment, non-farm equipment and finance in India as well as in rural and urban areas.

**Table 4.4: Gini Coefficient by type of Assets across socio-religious groups in India— 2013**

Socio-religious Groups	Land	Building	Live-stock	Farm	Non-farm	Transport	Finance	Gold	Total
ST	0.72	0.69	0.74	0.87	0.96	0.91	0.88	0.74	0.65
SC(HBS)	0.73	0.66	0.84	0.92	0.97	0.90	0.90	0.68	0.64
HOBC	0.75	0.67	0.81	0.91	0.97	0.88	0.87	0.68	0.66
HHC	0.79	0.82	0.87	0.94	0.96	0.85	0.83	0.68	0.73
Muslim	0.77	0.69	0.88	0.94	0.95	0.91	0.88	0.73	0.68
Rest	0.80	0.75	0.86	0.93	0.99	0.82	0.83	0.68	0.72
All	0.79	0.77	0.83	0.92	0.97	0.89	0.87	0.71	0.72

*Source:* AIDIS, 2013

Gini coefficient by type of wealth is also estimated across socio-religious groups (Table 4.4, 4.5 and 4.6). The result at the national level indicates that the Gini coefficient by types of wealth across socio-religious group is high. In most of the assets such as land, building, livestock and gold, the Gini coefficient is higher among HHCs and HOBCs than SCs, STs and Muslim.

A similar pattern is observed in rural and urban areas where in some of the types of asset has shown a higher level of assets among HHCs while in some case it is higher among SC, ST and Muslim. In the case of farm and non-farm equipment in rural areas, the Gini coefficient vary marginally across socio-religious groups. The Gini coefficient for farm equipment vary from lowest 0.96 among Muslim and 0.97 among ST, SC and HHC to highest 0.98 among HOBCs. The Gini coefficient for non-farm equipment vary from lowest 0.85 among STs and 0.86 among HOBC to highest 0.89 among Muslim. The land asset shows a higher Gini coefficient among HHCs (0.76), for building (0.62), transport (0.93), finance (0.88) and gold (0.75) among Muslim. The Gini coefficient is lowest for land (0.68) and livestock (0.69) among STs, for building (0.54) among SCs, for transport (0.88), finance (0.85) and gold (0.65) among HHCs. Thus, the inequality is high among the HHCs in land and building, but low in transport, finance and gold. However, inequality is higher among SC, ST and Muslim in the case of transport, finance and gold while less in the case of land and building.

**Table 4.5: Gini Coefficient by type of Assets across socio-religious groups in Rural India— 2013**

Socio-religious Groups	Land	Building	Live-stock	Farm	Non-farm	Trans-port	Finance	Gold	Total
ST	0.68	0.60	0.69	0.85	0.97	0.92	0.89	0.72	0.59
SC(HBS)	0.72	0.54	0.76	0.88	0.97	0.91	0.89	0.67	0.59
HOBC	0.73	0.55	0.71	0.86	0.98	0.89	0.86	0.66	0.63
HHC	0.76	0.57	0.71	0.87	0.97	0.88	0.85	0.65	0.68
Muslim	0.74	0.62	0.79	0.89	0.96	0.93	0.88	0.75	0.66
Rest	0.79	0.59	0.74	0.89	0.98	0.83	0.84	0.71	0.73
All	0.77	0.59	0.73	0.88	0.98	0.91	0.88	0.70	0.68

Source: AIDIS, 2013

In urban areas, the Gini coefficient vary marginally across socio-religious groups in the assets such as livestock, farm equipment, non-farm equipment and transport. The Gini coefficient is high in the case of land (0.80), building (0.82) among HHCs, while it is highest in the case of finance (0.88) and gold (0.77) among Muslim and STs, respectively.

Thus, wealth inequality is high across assets in India. Inequality in gold is less than average inequality, in building in rural areas and gold in urban areas are less than that of at the national average of inequality. The livestock, farm equipment, non-farm equipment and transport have shown a high level of inequality across socio-religious groups with marginal differences. In in the case of land in both rural and urban areas, and building in urban areas shows a high level of inequality among HHCs. The SCs and STs have shown less inequality in land and building.

**Table 4.6: Gini Coefficient by type of Assets across socio-religious groups in Urban India — 2013**

Socio-religious Groups	Land	Building	Live-stock	Farm	Non-farm	Trans-port	Finance	Gold	Total
ST	0.75	0.70	0.91	0.94	0.94	0.84	0.76	0.77	0.65
SC(HBS)	0.75	0.72	0.95	0.98	0.96	0.88	0.86	0.67	0.66
HOBC	0.78	0.71	0.95	0.97	0.96	0.86	0.83	0.67	0.68
HHC	0.80	0.82	0.98	0.98	0.94	0.83	0.78	0.67	0.73
Muslim	0.79	0.69	0.96	0.98	0.94	0.89	0.88	0.71	0.69
Rest	0.81	0.78	0.97	0.97	0.98	0.80	0.79	0.65	0.72
All	0.80	0.79	0.96	0.98	0.96	0.86	0.82	0.70	0.73

Source: AIDIS, 2013

### 4.3.2 Decomposition of wealth inequality by type of Assets

In India, the social group wealth ownership as well as by type of assets as found in the previous chapter. In fact, inequality measures also indicate high level of inequality across socio-religious groups. This is also true in the case of different types of assets where the some of the assets such as farm and non-farm equipment, livestock, transport and finance have shown a high level of inequality with marginal differences across socio-religious groups. However, the inequality in

land, building and gold have revealed relatively less inequality but high social group variations. Thus, there is scope to understand how much overall asset specific inequality is contributed due to within group inequality and how much due to social group inequality. Therefore, the General Entropy of asset specific inequality is decomposed to estimate the contribution of within and between group inequality in the overall inequality and presented in Table 4.7.

The land and building are major assets that constitutes around 90 percent of the total wealth in India. In these two assets Gini coefficient is relatively less, particularly in rural areas. The decomposition results however show a higher level of between group inequality. The between group inequality contributes 14 percent in overall land inequality in India and 14.4 percent in overall building inequality. In rural areas, between group inequality is even higher in land asset contributing 16.8 percent while it contributes 7.9 percent in the overall inequality of building. In urban areas, between group inequality for land is 7.9 percent and for building 9.8 percent of the respective overall inequality. In other types of assets contribution of between group inequality is not much high. Thus, contribution of between group inequality is substantially high in the case of land and building in India.

**Table 4.7: Generalised Entropy Decomposition of Gini Coefficient by type of Assets across socio-religious groups in India—2013**

Type of Assets	Total		Rural		Urban	
	Within Group Inequality	Between Group Inequality	Within Group Inequality	Between Group Inequality	Within Group Inequality	Between Group Inequality
<b>Land</b>	86.0	14.0	83.2	16.8	92.1	7.9
<b>Building</b>	85.6	14.4	92.1	7.9	90.2	9.8
<b>Livestock</b>	99.8	0.2	96.4	3.6	94.7	5.3
<b>Farm</b>	92.5	7.5	93.4	6.6	95.5	4.5
<b>Non-farm</b>	97.9	2.1	95.8	4.2	91.4	8.7
<b>Transport</b>	96.3	3.7	95.4	4.6	96.9	3.1
<b>Financial</b>	96.6	3.4	97.5	2.5	96.6	3.4
<b>Gold</b>	98.9	1.1	93.5	6.5	94.3	5.7
<b>All</b>	88.2	11.8	84.7	15.4	91.8	8.2

*Source:* AIDIS, 2013

#### 4.4 Summary

This chapter has attempted to understand the concentration of wealth ownership in India and across socio-religious groups based on the AIDIS unit level data for 2013. To measure concentration of wealth ownership, the percentile shares, Gini coefficient, Lorenz curve, decomposition of overall inequality have used.

The concentration of wealth among the top percentile groups is quite high. The top 0.1% households own 12 percent of the total wealth, top 1% own 26 percent while top 20% own 77 percent of the total wealth. The inequality measures also show a high level of Gini ratio to about 72 percent which is again higher (73 percent) in urban areas as against 68 percent in rural areas. Thus, wealth inequality in India is extremely high; to the extent that, as per the Palma ratio, the top 10% households own 18 times higher share of wealth than the bottom 40 percent of the population. The Palma ratio show higher wealth inequality in urban areas wherein the top 10 percent own 35 times more wealth than the bottom 40 percent. In rural areas the top 10 percent owns 10 times more wealth than the bottom 40 percent.

The social group wealth inequality explains why wealth inequality is so much high in the country. In the Indian context, on the ladder of caste system, the high castes possess very high entitlements, which gradually diminish as we go down the ladder towards the base of the caste system populated by the Scheduled Caste or Dalits (ex-untouchables). Thus, concentration of wealth ownership is substantially high among HHCs followed by HOBCs, and least among SCs, STs and Muslims. The extent of social group inequality is quite high. In fact, wealth ownership among HHCs is double than their household share. But the SCs, STs and Muslim own substantially less wealth as compared to their household shares. The decomposition of generalised entropy index reveals contribution of within group and between group inequality in the overall inequality. The between group inequality contributes 11.8 percent to the total inequality in India which ranges from 8.2 percent in urban areas to 15.4 percent in rural areas. Thus, both interpersonal and social group wealth inequalities are substantially high in India.

In this chapter, we also analysed the concentration of wealth by type of wealth that indicates land and building constitute major wealth in India. Land and Building constitutes about 90 percent of the total wealth. The concentration of wealth by types of assets also indicates a higher share of different assets are owned by HHCs and HOBCs. The SC, ST and Muslim own substantially less share of different types of assets. The inequality measured by Gini coefficient also shows a higher level of inequality in different type of assets. However, Gini coefficient is relatively less in land, building and gold as compared to other types of assets. The decomposition of Gini index indicates that contribution of the between group inequality in the overall inequality of land and building is substantially high to more than 14 percent, while in the case of other assets it is less.

Thus, the concentration of wealth is substantially high in the top quintile households. In addition to this, the caste plays important role in deciding the ownership of wealth. The HHCs have higher ownership of wealth irrespective of any kind of wealth while the SC and STs have less ownership. The overall inequality is not only influenced by the within group inequality but also it is substantially contributed by between group inequality.

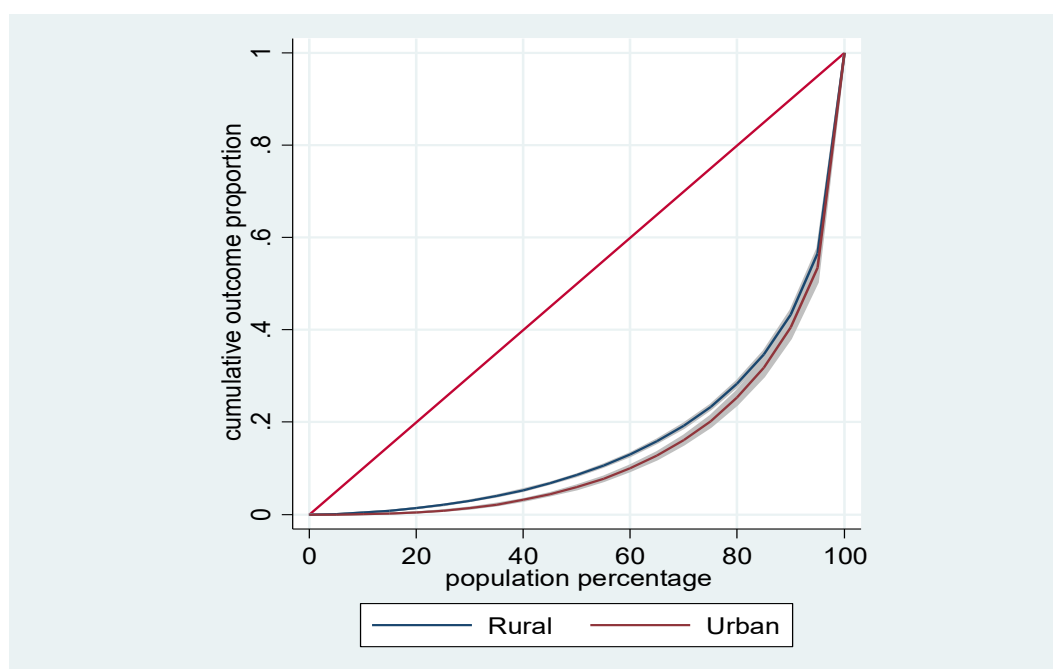
# Annexure Tables Chapter 4

**Table 4.1A: Wealth by percentile groups and socio-religious groups in India (In percent) — 2013**

Percentile Groups	Rural	Urban	Total
Top 0.1%	5	17	12
Top 1%	20	30	26
Top 5%	45	53	51
Top 10%	55	63	62
Top 15%	64	72	70
Top 20%	71	78	77
Bottom 50%	9	4	6
Bottom 20%	1	0	1
Bottom 15%	1	0	0
Bottom 10%	0	0	0
Palma Ratio	10	35	18
Gini Ratio	68	73	72
Atkinson Index	78	92	87

Source: AIDIS, 2013

**Fig. 4.1A: Lorenz Curve for Wealth Ownership in Rural and Urban India— 2013**



Source: AIDIS, 2013

## Changes in Social Group Wealth Ownership

### 5.1 Introduction

A highly skewed ownership of wealth in favour of certain groups leaving others entirely wealthless is the key finding of the previous chapter. The distribution of wealth across various socio-religious group is highly unequal with Hindu Higher Castes (HHCs) owning more wealth in 2013 than all other groups (SCs, STs and HOBCs) put together. For a better understanding of the economic disparities among various groups in the present there is a need to investigate wealth ownership inequalities among them in the past. Also required is a deeper understanding of the relative socio-economic inequalities among different groups in the current times, and inequalities between groups and wealth ownership among them. Thus, this chapter particularly tries to understand the changes in the absolute and relative distribution of wealth across different social and religious groups in India over a period of two decades beginning 1992. The chapter is divided into six main sections. Major issues taken up in this chapter have been highlighted in this section while the data sources and methodology are discussed in the second section. The changes in the absolute and relative distribution are discussed in the third and fourth sections respectively, and the key findings are summarized in the last section.

### 5.2 Data and Methodology

This chapter tries to understand the changes in ownership of wealth in India from the perspective of caste and religion. The analysis, for this purpose, is based on household level information on various physical, non-physical, and financial wealth provided in the 48th (1992), 59th (2003), and 70th (2013) rounds of the 'All India Debt and Investment Survey (AIDIS)' of National Sample Survey Office (NSSO). In 2013, a total of 110,800 households were surveyed as compared to 15,401 households surveyed in 1992, and 143,272 households surveyed in 2003 (refer Annexure Table 3.1A and Table 3.2A in Chapter 3). Based on these three rounds we will be discussing the changes in the absolute and relative ownership of wealth across socio-religious groups in the country. These surveys collect information on physical wealth such as land, building, farm and non-farm equipment and transport equipment; and information on financial wealth such as shares, deposits and receivables. In this chapter, wealth ownership is analyzed on the basis of three main indicators i.e. total household wealth, average household wealth, and distribution of wealth. In order to make the comparison over the period, the value of wealth has been deflated using the Wholesale Price Index (WPI) at 2011-12.

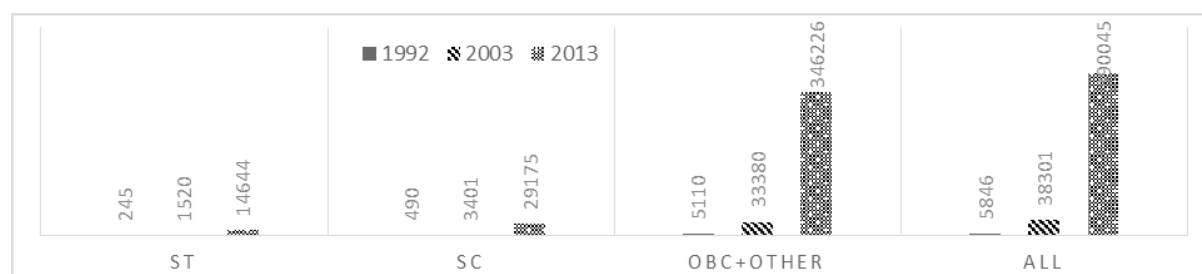
### 5.3 Changes in Wealth Ownership in India

The AIDIS data provide rich information on household wealth ownership spanning two decades i.e. 1992 to 2003 and from 2003 to 2013. It provides information on different types of assets such as land, buildings or real estate, livestock, farm equipment, non-farm equipment, transport, financial assets and gold. The changes in wealth ownership over the last two decades have been seen in terms total wealth ownership and per household wealth ownership, distribution share of households' wealth owned, and distribution of wealth by percentile groups.

#### 5.3.1 Changes in the absolute wealth ownership between groups

The changes in the wealth ownership are discussed by looking at the total wealth ownership and average household wealth ownership during the last two decades from 1992 to 2013. We also disaggregated the trend into two periods, viz. 1992 to 2003 and 2003 to 2013. The ownership of total wealth by Indian households comprises both physical and financial wealth. These collectively amount to ₹ 390,045 billion in 2013 (Figure 5.1). As compared to previous decades, there has been a substantial increase in the total worth of the wealth in the country as a whole. The total wealth in India increased by 67 times during 1992 to 2013 and 10 times during 2003 to 2013. However, differences pertaining to increase of wealth ownership among various groups are stark: social groups with low wealth ownership comprise Scheduled Castes (SCs) and Scheduled Tribes (STs) whereas high wealth ownership groups are represented by Other Backward Classes (OBCs) and Others or HHCs.

**Fig. 5.1: Estimated total wealth across social groups in India at constant prices at 2011-12 (In ₹ Billion) in 1992, 2003, and 2013**



**Source:** AIDIS, 1992, 2003 and 2013

**Note:** The total wealth in 2013 does not include non-deposit wealth to make comparable with the previous rounds.

The value of the wealth in India has increased substantially during the study period and it is pertinently captured in the compound annual growth rate presented in Table 5.1. The growth rates are presented for the period — 1992 to 2013, and further this period is divided into 1992 to 2003 and 2003 to 2013; and also across social groups. The total wealth in India has grown at the annual rate of 23.4 percent. The growth in total wealth is higher for OBC and Others. It increased at the rate of 23.5 percent per annum during 1992 to 2013 for OBCs and Others, but it increased at marginally less (22.7) percent each for SCs and STs. The growth in the household wealth is higher in the second decade from 2003 to 2013 as compared to the previous decade from 1992 to 2003. It increased at the rate of 20.7 percent per annum during 1992-2003 and 26.1 percent during 2003 to 2013. This is consistent with economic growth that

has been experienced in India between these two decades. Between 1992 to 2003 India's GDP was six percent which further increased to eight percent during 2003 to 2015 (Aiyar, 2016). Interestingly, the annual growth rate in the wealth owned by the SCs was marginally higher than Others during 1992-2003 even though aggregately the growth rate was less as compared to that in the subsequent decade which registered high growth rate among Others and less among SCs and STs.

**Table 5.1: Average annual growth in household wealth across social groups in India (%) — 1992-2013, 1992-2003, and 2003-2013**

Social Groups	1992-2013	1992-2003	2003-2013
ST	22.7	20.0	25.4
SC	22.7	21.4	24.0
Others^	23.5	20.6	26.4
All	23.4	20.7	26.1

*Source:* AIDIS, 1992, 2003 and 2013

*Note:* includes both OBCs and Others.

The wealth has increased substantially in India during the last two decades and also across social groups with a relatively higher growth in the wealth among SCs when the overall growth was less, and it was relatively less when the overall growth in the wealth was high. More data on the growth in wealth ownership across socio-religious groups is presented in Tables 5.2 and 5.3. During 2003 to 2013, wealth in India has increased from ₹ 38,303 billion to ₹ 390,045 billion at the rate of 26.1 percent per annum. The growth in urban wealth ownership was rapid as compared to that in rural areas: Urban wealth has increased from ₹ 13,895 billion to ₹ 213,600 billion at the rate of 31.4 percent; while rural wealth increased from ₹ 24,408 billion to ₹ 176,445 billion at the rate of 21.9 percent.

**Table 5.2: Estimated total wealth ownership across social groups in India (at 2011-12 prices) (₹ in Billion) — 2003, and 2013**

Socio-religious Groups	2003			2013		
	Rural	Urban	Total	Rural	Urban	Total
ST	1285	235	1520	10588	4056	14644
SC(HBS)	2485	856	3341	17871	10764	28635
HOBC	8908	3235	12143	68155	50202	118358
HHC	7659	7085	14744	47525	113819	161344
Muslim	1893	1189	3081	15488	15245	30732
Rest	2178	1295	3473	16818	19514	36332
Total	24408	13895	38303	176445	213600	390045

*Source:* AIDIS, 2003 and 2013

*Note:* 1. The total wealth in 2013 does not include non-deposit wealth to make it comparable with earlier rounds. 2. SC(HBS)- SCs including Hindu, Buddhist, and Sikhs; HOBC- Hindu Other Backward Class; HHC- Hindu high castes

The absolute as well as relative wealth ownership across socio-religious groups vary substantially. During 2003 to 2013, the highest annual growth in wealth ownership is seen among HHCs in India; from ₹ 14,744 billion to ₹ 161,344 billion at a compound annual growth rate (CAGR) of 27 percent. Since share of HHC households is dominant in urban area, their wealth was substantially higher as compared to other groups in rural and urban areas where it increased at a CAGR of 20 percent and 32 percent respectively. The increase in the wealth ownership is lowest among SC households wherein it increased from ₹ 3,341 billion to ₹ 28,635 billion at a CAGR of 24 percent, ranging from about 22 percent in rural areas to 29 percent in urban areas.

**Table 5.3: Compound annual growth rate (CAGR) in total wealth ownership in India (%) —2003-2013**

Socio-religious Groups	Rural	Urban	Total
ST	23.5	33.0	25.4
SC(HBS)	21.8	28.8	24.0
HOBC	22.6	31.5	25.6
HHC	20.0	32.0	27.0
Muslim	23.4	29.1	25.9
Rest	22.7	31.2	26.5
Total	21.9	31.4	26.1

*Source:* AIDIS, 2003 and 2013

### 5.3.2 Changes in Per Household Wealth Ownership

The second important indicator that needs to be looked into is per household wealth ownership. In Table 5.4, per household wealth ownership across social groups is presented while in Table 5.5 the annual growth rate is presented. As in total wealth ownership, per household wealth ownership also varies substantially across social groups irrespective of the location of the household. The annual growth however does not vary much across social groups. The per household wealth in India in 1992 was ₹ 36,978 which increased to 1,626,112 at the rate of 20.8 percent per annum. Across social groups, the per household wealth ownership is high among OBCs and Others (combined) as compared to SCs and STs. The OOs owned wealth worth ₹ 44,981 per household in 1992, which increased to ₹ 228,706 in 2003 and ₹ 1,989,138 in 2013. The annual growth rate for OBC and Others together was 20.9 percent during 1992 and 2013, while it was 17.7 percent during 1992 and 2003, and 24.1 percent during 2003 and 2013. In 2003 and 2013, the per household wealth ownership of Others is higher than OBCs. The OBCs owned per household wealth worth ₹ 173,168 in 2003 increasing at the rate of 23 percent per annum to ₹ 1,373,286 in 2013; while it was substantially higher among Others owning per household wealth worth ₹ 296,112 and ₹ 2,874,080 during same period, respectively which increased at the rate of 25.5 percent per annum.

**Table 5.4: Per household wealth ownership across social groups in India (at 2011-12 prices) (₹) — 1992, 2003, and 2013**

Social Groups	1992			2003			2013		
	Rural	Urban	Total	Rural	Urban	Total	Rural	Urban	Total
ST	17050	20897	17393	85208	141901	90813	567031	1333068	674354
SC	15860	17469	16138	77466	108662	83681	562482	932118	661728
OBC	NA	NA	NA	164897	199262	173168	1155133	1808145	1373286
Others	NA	NA	NA	268220	337654	296112	1865253	3950325	2874080
OO@	43420	48447	44981	205570	279388	228706	1403962	2883451	1989138
Total	34553	43726	36978	165087	250379	188366	1130054	2551212	1626112

*Source:* AIDIS, 1992, 2003 and 2013

*Note:* @ Abbreviation “OO” is used to denote OBCs and Others.

**Table 5.5: Annual growth in per household wealth ownership across social groups in India (%) — 1992-2013, 1992-2003 and 2003-2013**

Social Groups	1992-2013			1992-2003			2003-2013		
	Rural	Urban	Total	Rural	Urban	Total	Rural	Urban	Total
ST	19.1	23.1	20.1	17.5	21.1	18.0	20.9	25.1	22.2
SC	19.5	22.0	20.4	17.2	20.1	17.9	21.9	24.0	23.0
OBC	NA	NA	NA	NA	NA	NA	21.5	24.7	23.0
Others	NA	NA	NA	NA	NA	NA	21.4	27.9	25.5
OO@	19.0	22.7	20.9	16.8	19.1	17.7	21.2	26.3	24.1
Total	19.1	22.5	20.8	16.9	19.1	17.7	21.2	26.1	24.1

*Source:* AIDIS, 1992, 2003 and 2013

*Note:* @ Abbreviation “OO” is used to denote OBCs and Others.

Thus, the per household wealth ownership in India has increased substantially during the period under study at the rate of almost 21 percent. The increase in the household wealth in urban areas has been higher than that in rural areas. The growth rate has also been increasing at varying degrees across social groups although it is marginally high among OBC and Others as compared to SCs and STs. Between OBCs and Others, per household wealth ownership is higher among Others. The gap in the growth rate between SC/STs vs OBC and Others has increased over the years. Further disaggregation provides much more clarity on the unequal distribution of the wealth in India (Table 5.6 and Table 5.7). The per household wealth ownership among HHCs has increased from ₹ 307,689 in 2003 to ₹ 3,013,009 in 2013 at the rate of 26 percent per annum. The annual growth in per household wealth ownership among SC, OBCs, and Muslims is 23 percent during the same period.

**Table 5.6: Per household wealth ownership across socio-religious groups in India (at 2011-12 prices) (₹) — 2003 and 2013**

Socio-religious Groups	2003			2013		
	Rural	Urban	Total	Rural	Urban	Total
ST	85208	141901	90813	567031	1333068	674354
SC(HBS)	77809	108877	83944	564256	937720	663606

## Changes in Social Group Wealth Ownership

Socio-religious Groups	2003			2013		
	Rural	Urban	Total	Rural	Urban	Total
HOBC	164180	206789	173716	1157787	1880208	1383212
HHC	272006	358532	307689	1817552	4153782	3013009
Muslim	131834	151780	138875	884903	1343213	1065189
Rest	536914	472090	510755	5132710	5200726	5169019
Total	165083	250375	188361	1130054	2551212	1626112

*Source:* AIDIS (2003 and 2013)

**Table 5.7: Annual growth rate in per household wealth ownership across socio-religious groups in India (%) — 2003-2013**

SRG	Rural	Urban	Total
ST	21	25	22
SC(HBS)	22	24	23
HOBC	22	25	23
HHC	21	28	26
Muslim	21	24	23
Rest	25	27	26
Total	21	26	24

*Source:* AIDIS (2003 and 2013)

In rural areas, the annual growth in the per household wealth ownership across socio-religious groups vary marginally during 2003 to 2013. The per household wealth ownership among SC and HOBCs increased at the rate of 22 percent per annum; while it increased at the rate of 21 percent per annum among ST, HHC and Muslim.

In urban areas the annual growth in per household wealth ownership is higher than that in rural areas. The annual growth in per household wealth ownership is highest among HHCs to 28 percent followed by 25 percent among HOBCs; while it is lowest among SCs and Muslim at 24 percent and 25percent among STs.

Thus, the annual growth in rural areas is less than that of in urban areas. The highest annual growth is observed among SCs in rural areas and among HHCs in urban areas.

## 5.4 Changes in Distribution Wealth Ownership

The distribution of wealth ownership is studied in terms of distribution of wealth by aggregate level as well as by percentile groups.

### 5.4.1 Changes in Wealth Distribution across Socio-Religious Groups

The share of total wealth is substantially less among SCs and STs as compared to OBCs and Others (OOs). Of the total wealth in India, the SCs had been holding 8.4 percent in 1992, and that increased marginally to 8.9 percent in 2003 (Table 5.6). However, their percentage in total wealth declined to 7.4 percent in 2013. The annual growth in the distribution of wealth clearly indicates that the unequal distribution of wealth has worsened over the period. The

wealth holding of SC households during 1993-2013 declined at the rate of 0.6 percent annually. The decline in the wealth ownership of SCs during 1993 to 2013 could be explained from the decline of 1.7 percent during 2003-2013. In the earlier decade during 1993-2003, wealth ownership of SCs has increased at the rate of 0.6 percent. Among STs, the wealth ownership has declined from 4.2 percent to 3.8 percent at the rate 0.6 percent during 1993 to 2013. Among OOs, the wealth ownership has increased marginally from 87.4 percent to 88.8 percent during the same period. The information on wealth ownership among OBCs and Others are available separately for the years 2003 and 2013 which shows that it declined among OBCs marginally from 36.2 to 36.1 percent while it increased from 51 percent to 52.6 percent for Others during the same period. Thus, the ownership of SCs, STs and OBCs has declined over the period, but it has increased in the case of Others or higher castes.

**Table 5.6: Distribution of wealth ownership across social groups in India (%)—1992, 2003, and 2013**

Social Groups	1992			2003			2013		
	Rural	Urban	Total	Rural	Urban	Total	Rural	Urban	Total
ST	5.4	1.4	4.2	5.3	1.7	4.0	6.0	1.9	3.8
SC	9.9	5.0	8.4	10.3	6.3	8.9	10.3	5.2	7.5
OBC	NA	NA	NA	41.1	27.6	36.2	44.7	29.0	36.1
Others	NA	NA	NA	43.4	64.4	51.0	39.0	63.9	52.6
OO@	84.6	93.5	87.4	84.4	92.0	87.2	83.7	92.9	88.8
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

*Source:* AIDIS, 1992, 2003 and 2013

*Note:* @ Abbreviation “OO” are used to denote OBCs and Others.

A contrasting situation is seen in rural and urban areas during the last two decades. In rural and urban areas, wealth ownership has marginally increased in the case of SCs and STs but declined in the case of OOs. The wealth ownership in rural areas among STs has increased from 5.4 percent to 6.0 percent at the rate of 0.5 percent per annum during 1993 to 2013 and among SCs it has increased from 9.9 percent to 10.3 percent during the same period. However, there is a marginal decline in the wealth ownership of OOs during the same period. As against the case found at aggregate level in India, the rural wealth ownership of OBCs has increased from 41.1 percent to 44.7 percent during 2003 to 2013 at the rate of about one percent per annum, but declined among Others from 43.4 percent to 39 percent at the rate of 1.1 percent.

**Table 5.7: Annual growth rate of wealth ownership across social groups in India (in %)—1992-2013, 1992-2003, and 2003-2013**

Social Groups	1992-2013			1992-2003			2003-2013		
	Rural	Urban	Total	Rural	Urban	Total	Rural	Urban	Total
ST	0.5	1.4	-0.6	-0.3	1.6	-0.6	1.3	1.2	-0.6
SC	0.2	0.1	-0.6	0.4	2.3	0.6	0.0	-2.0	-1.7
OBC	NA	NA	NA	NA	NA	NA	0.9	0.5	0.0
Others	NA	NA	NA	NA	NA	NA	-1.1	-0.1	0.3
OO@	-0.1	0.0	0.1	0.0	-0.2	0.0	-0.1	0.1	0.2

*Source:* AIDIS, 1992, 2003 and 2013

*Note:* @ Abbreviation “OO” are used to denote OBCs and Others.

Unlike in rural areas, the situation of wealth ownership among SCs and STs in urban areas has increased, though it is marginal. The wealth ownership of STs in urban areas increased from 1.4 percent in 1992 to 1.7 percent in 2003 and further to 1.9 percent in 2013 (Table 5.6). The annual growth in the wealth ownership of STs was relatively high in urban areas at 1.4 percent during 1993 to 2013; but in the first decade it showed a growth rate of 1.6 per cent and declined between 2003 and 2013 to 1.2 percent per annum (Table 5.7). The wealth ownership of SCs in urban areas increased from five percent in 1992 to 6.3 percent in 2003 but later declined to 5.2 percent in 2013. Among OBCs and Others, the wealth ownership in urban areas has declined from 93.5 percent to 92 percent and later increased to 92.9 percent. Within this group, the wealth ownership of OBCs increased from 27.6 percent to 29 percent and declined for Others from 64.4 percent to 63.9 percent during 2003 to 2013.

Further details of changes in wealth ownership among various social and religious groups are provided in Table 5.8 and Table 5.9 for the period between 2003 and 2013. We may compare here a few groups which have not been disaggregated above. Broadly it is clear that the wealth ownership has increased among HHCs, but declined among other groups such as STs, SCs, HOBCs, and Muslims. It means that the share of HHCs in the distribution of wealth in India has increased while that of other groups has declined. The wealth ownership of HHCs has increased from 38.5 percent to 41.4 percent during 2003 to 2013 at the rate of about one percent every year. As against this, the wealth ownership of SCs (who include only Hindu, Buddhist, and Sikh SCs) has declined from 8.7 percent to 7.3 percent at an annual rate of 1.7 percent, from 31.7 percent to 30.3 percent for HOBCs, and 8.0 percent to 7.9 percent among Muslims during the same period.

**Table 5.8: Distribution of wealth ownership across socio-religious groups in India (%) — 2003 and 2013**

	2003			2013		
	Rural	Urban	Total	Rural	Urban	Total
ST	5.3	1.7	4.0	6.0	1.9	3.8
SC(HBS)	10.2	6.2	8.7	10.1	5.0	7.3
HOBC	36.5	23.3	31.7	38.6	23.5	30.3
HHC	31.4	51.0	38.5	26.9	53.3	41.4
Muslim	7.8	8.6	8.0	8.8	7.1	7.9
Rest	8.9	9.3	9.1	9.5	9.1	9.3
Total	100.0	100.0	100.0	100.0	100.0	100.0

*Source:* AIDIS 2003 and 2013

In rural and urban areas, the sharing of wealth ownership has changed differently. The share of HOBCs has substantially increased in the rural areas from 36.5 percent to 38.6 percent during 2003 to 2013. However, the share of HHCs in the wealth ownership has declined in rural areas but increased in urban areas. The share of wealth ownership among HHCs in rural

areas declined from 31.4 percent to 26.9 percent at the annual rate of 1.5 percent and increased in urban areas from 51 percent to 53.3 percent during the same period. The wealth ownership of SCs declined marginally in rural areas from 10.2 percent to 10.1 percent but the decline was much higher at the rate of two percent per annum in urban areas from 6.2 percent to five percent. Similarly, in the case of Muslims, their wealth ownership has increased from 7.8 percent in 2003 to 8.8 percent in 2013 in rural areas at the rate of 1.2 percent but declined in urban areas from 8.6 percent in 2003 to 7.1 percent in 2013 at the rate of 1.8 percent per annum.

**Table 5.9: Annual Growth in Distribution of Wealth Ownership across socio-religious groups in India (%) — 2003-2013**

Socio-religious Groups	Rural	Urban	Total
ST	1.3	1.2	-0.6
SC(HBS)	-0.1	-2.0	-1.7
HOBC	0.6	0.1	-0.4
HHC	-1.5	0.4	0.7
Muslim	1.2	-1.8	-0.2
Rest	0.7	-0.2	0.3
Total	0.0	0.0	0.0

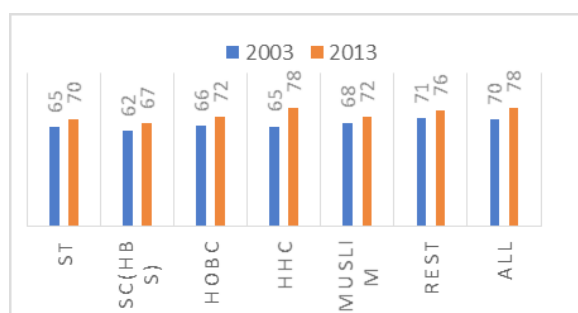
Source: AIDIS 2003 and 2013

Thus, the wealth ownership in rural areas is dominated by HOBCs and HHCs but there is a marginal shift in the sharing of the wealth across socio-religious groups. The wealth ownership in rural areas is declining among HHCs and it is increasing among other groups such as STs, SCs, HOBCs and Muslims at varying degrees. Contrary to the trend in rural areas, wealth ownership is increasing among HHCs and HOBCs in urban areas, but declining among SCs and Muslims.

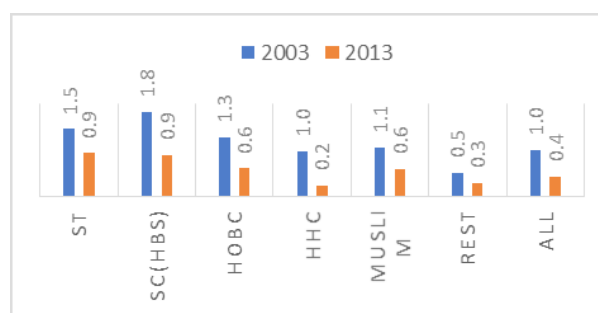
## 5.4.2 Changes in Wealth Distribution by Quintile Groups

The relative distribution of wealth may also be analyzed on the basis of percentile groups. Distribution of wealth among the top 20 percent is shown in Figure 5.2 and Bottom 20 percent is depicted in Figure 5.3 (refer Table 5.1A for detail). In India, wealth holding among the top 20 percent quintile is 70 percent in 2003 and that has increased to 78 percent in 2013; while the wealth holding of the Bottom 20 percent quintile declined from one percent to 0.4 percent during the same period.

**Fig. 5.2: Share of wealth holding by top 20% households across socio-religious groups in India (%) - 2003 and 2013**



**Fig. 5.3: Share of Wealth Holding by Bottom 20% Households across Socio-religious Groups in India (%) - 2003 and 2013**



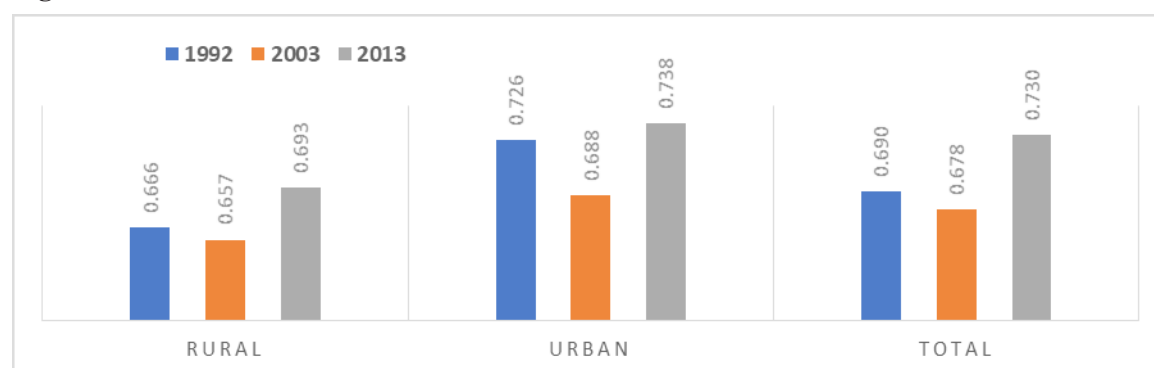
The wealth ownership among top 20 percent is also high and less among bottom 20 percent across all socio-religious groups. The top 20 percent quintile of SCs had 62 percent of the total wealth owned by SCs in India in 2003, which increased to 67 percent in 2013. The concentration of wealth among top 20 percent SC households is lowest as compared to other groups. Also, the bottom 20 percent quintile of SCs held 1.8 percent of the group wealth in 2003, and that decreased to less than 1 percent in 2013. The top 20 percent of Muslim households had 68 percent wealth in 2003 which increased to 72 percent in 2013. During the period between 2003 and 2013, the share of wealth holding among top 20 percent increased substantially among HHCs from 65 percent to 78 percent and among HOBCs from 66 percent to 72 percent. Also, the bottom 20 percent hold less than one percent of these groups' wealth, which was around one per cent for HHCs and HOBCs in 2003 and further declined by 2013.

Thus, the wealth holding among the top 20 percent has increased substantially in India from 70 percent to 78 percent during 2003 to 2013. It has also increased substantially across socio-religious groups. The higher concentration of wealth is shown across socio-religious groups ranging from lowest 67 percent among SCs to highest 78 percent among HHCs in 2013. Wealth holding among bottom 20% is substantially low and declined from 1.0 to 0.4 percent during 2003 to 2013. It has also declined across all socio-religious groups ranging from 0.2 percent among HHCs to around 0.9 percent each among SCs and STs in 2013.

### 5.4.3 Changes in Gini ratio

The Gini ratio is a summary measure of inequality. The Gini ratio for wealth rural, urban and India is presented in Figure 5.4 for 1992, 2003, and 2013. The Gini ratio for wealth is substantially high in India. It was 0.69 in 1992 which declined marginally to 0.678 in 2003 but sharply increased to 0.73 in 2013. The Gini index is relatively low in rural areas as compared to urban areas. In rural areas, the Gini ratio was 0.67 in 1992 which marginally declined in 2003 to 0.66 but later increased to 0.69 in 2013. In urban areas, the Gini index was 0.73 in 1992 which declined to 0.69 in 2003, but further increased to 0.74 in 2013.

**Fig. 5.4: Gini ratio in India – 1992, 2003, and 2013**



As mentioned earlier, the inequality in wealth holding is high and aptly captured through the share of wealth holding by top 20% and bottom 20% households and also through the Gini index. The Gini index is also presented for socio-religious groups to understand the level

of inequality by each group (Table 5.10). The Gini index for all socio-religious groups has increased except for STs. The Gini index for STs declined from 0.661 to 0.653 during 2003 to 2013. It has marginally increased in the case of SCs from 0.616 to 0.652 during the same period. The Gini for HHCs increased from 0.651 to 0.736 and for HOBCs it increased from 0.639 to 0.674. In the case of Muslims it increased from 0.65 to 0.692 during the same period.

**Table 5.10: Gini ratio in India across socio-religious groups– 1992, 2003 and 2013**

Socio-religious Groups	2003			2013		
	Rural	Urban	Total	Rural	Urban	Total
ST	0.628	0.681	0.661	0.598	0.660	0.653
SC(HBS)	0.594	0.639	0.616	0.606	0.673	0.650
HOBC	0.613	0.675	0.639	0.643	0.696	0.674
HHC	0.621	0.666	0.651	0.693	0.741	0.736
Muslim	0.651	0.650	0.652	0.664	0.703	0.692
Rest	0.703	0.676	0.691	0.738	0.731	0.735
All	0.657	0.688	0.678	0.693	0.737	0.730

*Source:* AIDIS 2003 and 2013

The share of wealth owned by top 20 percent vs bottom 20 percent and the Gini ratio clearly indicates that high level of inequality exists in wealth ownership across socio-religious groups. However, it does not indicate how much social group inequality is contributing to the total inequality. The overall inequality can be decomposed into within-group inequality and between-group inequality to understand their contribution in the total inequality in the wealth ownership (Table 5.11). The decomposition of the generalised entropy index by socio-religious groups indicates the relative contribution of the within-group and between-group inequality. It clearly indicates that the contribution of within-group inequality in the total inequality has declined over the period from 91.7 percent in 2003 to 88 percent in 2013; while the contribution of between-group inequality has increased from 8.2 percent to 12.1 percent during the same period. Within-group inequality is higher in urban areas as compared to rural areas while between-group inequality is high in rural areas as compared to urban areas. However, within-group inequality is showing a declining trend and between-group inequality is showing an increasing trend in both rural and urban areas. Thus, between-group inequality is increasingly shaping the overall wealth inequality in India. In other words, the share of asset ownership is increasingly concentrating among certain sections of the society.

**Table 5.11: Decomposition of the Generalised Entropy Index by socio-religious groups (%) — 2003 and 2013**

Sector	2003		2013	
	Within Group Inequality	Between Group Inequality	Within Group Inequality	Between Group Inequality
Total	91.7	8.2	88.0	12.1
Rural	89.7	10.3	85.6	14.5
Urban	94.9	5.1	91.8	8.3

*Source:* AIDIS, 2003 and 2013

## 5.5 Changes by Types of Wealth

The AIDIS unit level data provides information of wealth by different types. These are namely land, building, livestock, farm equipment, non-farm equipment, transport, financial assets and gold. In this section, we will analyse the changes in the social group inequality in wealth ownership by types of assets. Before this, it would be desirable to examine the changes in the wealth ownership by type of assets at the aggregate level in India.

### 5.5.1 Changes in wealth by type of assets at aggregate level

In India, the value of the wealth increased substantially during 1992 to 2013 at the rate of 23.3 percent from ₹ 6087 billion to ₹ 403,148 billion (See Table 5.2A and 5.3A). The increase in the size of wealth in India was higher in urban areas as compared to that in rural areas. The share of wealth by type of assets are presented in Table 5.12 for the period 1992, 2003 and 2013. It shows that the highest share of wealth accounted for land to 56.3 percent in 2013 that declined from 57.2 percent in 1992 and marginally increased from 56 percent in 2003. The second highest share of wealth accounted by building to 33 percent in 2013 which increased from 28.4 percent in 1992 and 29.9 percent in 2003. Thus, the share of wealth in the total wealth has declined marginally in India during 1992 to 2003 while the share of building increased at the rate of less than one percent. The changes in the share of building was higher during 2003 to 2013 at 0.98 percent as compared to 0.51 percent during previous decade that is 1992 to 2003.

**Table 5.12: Share and changes in Wealth by types of Assets in India during 1992, 2003 and 2013 (in percent)— Total, Rural and Urban**

Types of Assets	Share in Total Wealth (%)			Changes (%)		
	1992	2003	2013	1992 to 2013	1992 to 2003	2003 to 2013
Land	57.2	56.0	56.3	-0.08	-0.20	0.04
Building	28.4	29.9	33.0	0.75	0.51	0.98
Livestock	2.5	1.5	0.8	-5.84	-5.34	-6.35
Farm	1.7	1.4	0.2	-9.79	-1.83	-17.11
Non-farm	0.7	0.8	0.5	-1.71	0.48	-3.85
Transport	1.9	2.4	2.2	0.89	2.43	-0.62
Finance	3.8	5.2	3.3	-0.62	3.24	-4.34
Gold	3.9	2.9	3.7	-0.24	-2.86	2.46
Total	100	100	100	0.00	0.00	0.00

*Source:* AIDIS, 1992, 2003 and 2013

The share of other assets such as livestock, farm and non-farm equipment, transport, finance and gold contribute a small proportion of total wealth in India. The share of gold is 3.7 percent, finance is 3.3 percent and transport are 2.2 percent. The remaining assets are less than one percent each. During 1992 to 2013, the share of farm, non-farm, livestock, finance and gold declined marginally; while the share of transport increased at the rate 0.89 percent.

### 5.5.2 Changes in wealth by type of assets in rural and urban areas

The land and building are two major assets India accounts almost 90 percent of the total assets. Their distribution in rural and urban areas differs (Table 5.13). The share of land is highest to 55.7 percent in rural areas and the share of building is highest in urban areas to 72.5 percent in 2013. During 1992 to 2013, the share of assets in rural and urban areas have changed substantially.

In rural areas, the share of land declined from 78.9 percent to 55.7 percent during 1992 to 2013 at the rate of -1.7 percent (Table 5.14). The decline was substantially higher during 2003 to 2013 that declined at the rate of -2.7 percent. The share of building also declined drastically from 52.9 percent in 1992 to 27.5 percent in 2013 at the rate of -3.2 percent and the highest decline occurred at the rate of -6 percent during 2003 to 2013. The other assets have also declined but at a marginal rate.

In urban areas, the share of land increased substantially from 21.1 percent to 44.3 percent during 1992 to 2013 at the rate of 3.8 percent. The increase was much higher during 2003 to 2013 at the rate of 5.3 percent. Similar is the case for building that increased from 47.1 percent to 72.5 percent at the rate of 2.2 percent per annum. The share of other assets in urban areas have increased in small proportion.

**Table 5.13: Share of Wealth by type of wealth across Sector (in percent)— 1992, 2003 and 2013**

Type of Assets	Rural			Urban		
	1992	2003	2013	1992	2003	2013
Land	78.9	73.6	55.7	21.1	26.4	44.3
Building	52.9	51.3	27.5	47.1	48.7	72.5
Livestock	94.3	94.4	92.8	5.7	5.6	7.2
Farm	94.7	93.8	91.0	5.3	6.2	9.0
Non-farm	30.8	30.0	20.9	69.2	70.0	79.1
Transport	45.2	37.9	40.9	54.8	62.1	59.1
Finance	24.7	29.1	23.5	75.3	70.9	76.5
Gold	57.2	56.1	46.2	42.8	43.9	53.8
Total	68.3	63.5	44.8	31.7	36.5	55.2

**Table 5.14: Changes in the Distribution of Wealth by type of wealth across Sector (in percent)— 1992, 2003 and 2013**

Type of Assets	Rural			Urban		
	1992 to 2013	1992 to 2003	2003 to 2013	1992 to 2013	1992 to 2003	2003 to 2013
Land	-1.7	-0.7	-2.7	3.8	2.3	5.3
Building	-3.2	-0.3	-6.0	2.2	0.3	4.1
Livestock	-0.1	0.0	-0.2	1.2	-0.2	2.6
Farm	-0.2	-0.1	-0.3	2.7	1.6	3.8
Non-farm	-1.9	-0.3	-3.5	0.7	0.1	1.2
Transport	-0.5	-1.7	0.8	0.4	1.3	-0.5
Finance	-0.2	1.6	-2.1	0.1	-0.6	0.8
Gold	-1.1	-0.2	-1.9	1.2	0.3	2.1
Total	-2.1	-0.7	-3.4	2.8	1.4	4.2

Thus, the share of wealth in terms of any type of assets have gone down in rural areas and it increased in the urban areas. Since the wealth is largely in the form of land and building, there is substantial changes in the share of these two assets in rural and urban areas.

Now, it would be interesting to look into the share of wealth by type of assets in rural and urban areas separately to understand which of the assets are dominated in the total assets. As found in the aggregate level, the share of land is highest in both rural and urban areas.

In rural areas, the share of land constitutes 69.9 percent of the total asset in rural areas in 2013. The second largest asset is building that accounts 20.2 percent. The share of land has increased from 66 percent to 69.9 percent at the rate of 0.3 percent while the share of building declined from 22 percent to 20.2 percent during 1992 to 2013 at the rate of -0.4 percent. There is also a major change have been occurred in other assets in rural areas. The share of livestock has declined from 3.5 percent in 1992 to 1.6 percent in 2013 at the rate of 3.9 percent per annum. The share of farm equipment declined from 2.3 percent to 0.4 percent during the same period at the rate of 8.1 percent as well as the share of non-farm equipment declined at the rate of 1.6 percent. However, there is a increase in the share of transport, finance and gold.

In urban areas, the share of land increased at the rate about one percent from 38.1 percent in 1992 to 45.2 percent in 2013. Also, there is an increase in the share of building from 42.2 percent to 43.3 percent during the same period. The other assets have gone down at varying degree.

### **5.5.3 Changes in Social group wealth ownership by type of assets**

The changes in the distribution of wealth by type of assets are presented in Table 5.15 for the period 2003 and 2013. The distribution of wealth has changed differently across socio-religious groups in India. It shows that the share of land and building owned by SCs have gone down substantially at the rate of -1.2 percent and -3.7 percent during 2003 to 2013. In addition to this, the share of non-farm equipment and financial assets owned by SCs have decreased at the rate of less than one percent. However, the share of assets owned by SCs have increased in the case of farm equipment (3.8 percent), livestock (0.2 percent), transport (3.6 percent), transport (3.6 percent) and gold (1.2 percent). Among STs, there is no change in the ownership of land while the share of building declined at the rate of -2.6 percent per annum, nonfarm equipment declined at -4.2 percent, and the share of livestock increased at 1.9 percent, farm increased at 5 percent, transport 4 percent, and finance and gold increased at the rate of 1.5 percent each. In the case of HOBCs, the ownership of assets declined for building (-2.2 percent), while increased for other types of assets.

Among HHCs, the ownership of building increased at the rate of 2.6 percent while it increased for other assets. The ownership of building declined at the rate of -1.3 percent among Muslim, but increase in all other type of assets. Thus, the ownership of SCs have declined substantially in both land and building, while the share of land owned by HHCs has declined marginally and share of building increased substantially.

**Table 5.15: Changes in the Share of Wealth by Socio-religious groups across Type of Assets in India (in percent) — 2003 to 2013**

Socio-religious groups	Land	Building	Livestock	Farm	Non-farm	Transport	Finance	Gold	Total
ST	0.7	-1.0	-4.0	-12.4	-7.3	4.0	-2.3	4.6	0.0
SC(HBS)	0.7	-1.0	-4.4	-12.4	-2.7	4.8	-3.0	5.6	0.0
HOBC	0.7	-0.9	-5.6	-16.4	-2.3	-0.2	-3.5	3.9	0.0
HHC	-1.0	3.0	-8.7	-18.7	-5.8	-1.9	-5.5	0.1	0.0
Muslim	0.3	-0.3	-6.1	-15.8	-1.5	0.8	-1.9	3.4	0.0
Rest	0.8	-0.2	-7.9	-21.3	-3.8	-3.0	-4.6	1.5	0.0
Total	0.0	1.0	-6.3	-17.1	-3.8	-0.6	-4.3	2.5	0.0

### 5.5.4 Changes in Social group wealth ownership by type of assets in rural and urban areas

In India, the wealth ownership differs in rural and urban areas. Land ownership is high in rural areas and building ownership is high in urban areas. So, wealth ownership by type of assets across socio-religious groups in rural and urban areas are discussed in this section to understand what changes have occurred during 2003 to 2013 by different type of assets. We discuss first the changes in the asset ownership in rural areas followed by in urban areas.

In rural areas, land acquire a largest share of wealth followed by building. The ownership of wealth across different types of assets have increased among STs (Table 5.16). The highest increase occurred in the case of farm equipment owned by STs in rural areas at the rate of 5.2 percent followed by transport (3.7 percent), non-farm equipment (3.3 percent), finance and gold (3 percent each), building and livestock (2 percent each), and land (0.9 percent). The ownership of wealth among SCs has declined for land by 0.5 percent per annum, but increased in the case of other type of assets. In the case of HBCs, the share of assets has declined for building but increased for other type of assets. Among HHCs, the ownership of all the assets have declined over the years in rural areas. In the case of Muslim, the share of building declined but in other assets it has increased. Thus, the share of assets in rural areas has declined in the case of land among HHCs and SCs, but increased among other groups. In the case of building, the ownership has declined only in the case of HHCs.

**Table 5.16: Changes in the Share of Wealth by Socio-religious groups across Type of Assets in Rural India (in percent) — 2003 to 2013**

Socio-religious groups	Land	Building	Livestock	Farm	Non-farm	Transport	Finance	Gold	Total
ST	0.4	-1.0	-2.5	-11.1	-2.1	6.2	-1.4	5.8	0.0
SC(HBS)	0.4	-1.1	-2.8	-10.9	0.2	7.7	-2.4	6.0	0.0
HOBC	0.7	-1.6	-3.4	-14.7	-4.1	4.1	-2.1	4.3	0.0
HHC	1.1	-2.9	-3.5	-14.1	-6.3	3.0	-4.5	3.0	0.0
Muslim	0.4	-0.9	-4.2	-14.8	1.2	1.8	0.0	3.7	0.0
Rest	1.1	-3.3	-5.1	-18.8	-9.7	1.4	-5.4	0.9	0.0
Total	0.7	-1.8	-3.2	-14.4	-4.0	3.7	-3.0	4.0	0.0

In urban areas, the ownership of asset ownership has declined in the case of building (-2.3 percent) and non-farm equipment (-8.2 percent) among STs, but increased in the case of other type of assets (Table 5.17). Among SCs, the ownership of livestock (0.7 percent), farm equipment (4.8 percent) and transport (3 percent) has increased but other assets has declined. Among HOBs, the ownership of building (-2 percent), and transport (-1.1 percent) has declined and increased in other type of assets. The ownership of assets among HHCs has increased in building (1.9 percent) and transport, but decreased in other types of assets. Among Muslim, the ownership of land, building and farm equipment has declined. Thus, in urban areas, the ownership of assets has gone down in land and building among SCs and among HHCs it is in the case of land.

## 5.6 Convergence vs. Divergence in Social group Wealth Ownership

The issue of convergence in wealth ownership is important for the reason that wealth has increased substantially across socio-religious groups in India with marginal difference in the annual growth rate. In fact, annual growth rate during 1992 to 2003 was marginally higher among SCs as compared to other social and religious groups. So, we expect some convergence in the ownership of wealth across social and religious groups in the country. In order to see whether there any sign of convergence has been observed over the years, the gap in the share of wealth ownership and share of households are estimated (Table 5.14 and Table 5.15). Two major observations can be obtained from Table 5.14. First, the gap between the share of wealth and share of households is negative for STs, SCs, and OBCs, while it is positive for OOs (OBCS and Others) in all the periods. It means that the share of households is higher than the share of wealth ownership among SCs and STs, and also among OBCs. But the case is other way round among OOs whose wealth ownership is higher than their household share. Second, the differences between the wealth ownership and household shares have been increasing over the period from 1992 to 2013 among SCs and STs. Among SCs the gap has increased form -10.8 percentage points in 1992 to -11.1 percentage points in 2003, and it has further declined to -10.9 percentage points in 2013. Among STs, the differences are less that of SCs. The differences in the share of wealth and households have increased from -4.3 percentage points to -5.3 percentage points. The case of OOs is altogether different as compared to SCs and STs that the differences are in favour of them with wealth ownership higher than the household share that increased from 15.6 percentage points to 16.2 percentage points.

**Table 5.14: Gap between share of wealth and households across social groups— 1992, 2003, and 2013**

SRG	Share of Households (%)			Share of Wealth (%)			Percentage Difference between Share of Wealth and Households		
	1992	2003	2013	1992	2003	2013	1992	2003	2013
ST	8.9	8.2	9.1	4.2	4.0	3.8	-4.7	-4.3	-5.3
SC	19.2	20.0	18.4	8.4	8.9	7.5	-10.8	-11.1	-10.9
OBC	NA	39.4	42.8	NA	36.2	36.1	NA	-3.2	-6.7
Others	NA	32.4	29.8	NA	51.0	52.6	NA	18.5	22.9
OO@	71.9	71.8	72.6	87.4	87.2	88.8	15.6	15.4	16.2

**Source:** AIDIS, 1992, 2003 and 2013

**Note:** @ Abbreviation “OO” is used to denote OBCs and Others.

The gap between the share of wealth ownership and household share across socio-religious groups are estimated for 2003 and 2013 (Table 5.15). The share of wealth ownership is consistently higher than households share of HHCs and the gap is increasing over the years. The wealth ownership among HHCs was about 15 percentage points higher than their household share in 2003 which increased to 19 percentage points in 2013. The gap has increased because of the increasing wealth ownership among HHCs in urban areas which has increased from 15.4 percentage points to 20.5 percentage points during the same period, while the gap has gone down in the rural areas from 12.3 percentage points to 10.2 percentage points. Contrary to wealth ownership among HHCs, the share of wealth ownership is less than share of households among SCs, STs, and HOBs. The gap among STs increased from -4.3 percentage points to -5.3 percentage points during 2003 and 2013; while among SCs it was stagnant around -10.9 percentage points, among HOBs, it increased from -2.7 percentage points to -5.3 percentage points, and among Muslim it increased from -2.9 percentage points to -4.1 percentage points.

Thus, wealth ownership is consistently high among HHCs as compared to their household share during the last decade and it is also high among OOs during 1992 to 2013. However, shares of wealth ownership of SCs, STs, and HOBs are consistently less as compared to their household share, irrespective of the location of their residences either in rural areas or in urban areas.

**Table 5.15: Gap between share of wealth and households across socio-religious groups— 2003 and 2013**

Socio-religious Groups	2003			2013		
	Rural	Urban	Total	Rural	Urban	Total
ST	-4.9	-1.3	-4.3	-6.0	-1.7	-5.3
SC(HBS)	-11.4	-8.0	-10.9	-10.2	-8.7	-10.7
HOB	-0.2	-4.9	-2.7	0.9	-8.3	-5.3
HHC	12.3	15.4	14.9	10.2	20.5	19.0
Muslim	-2.0	-5.6	-2.9	-2.4	-6.4	-4.1
Rest	6.2	4.4	5.7	7.4	4.7	6.4

*Source:* AIDIS, 2003 and 2013

## 5.7 Summary

This paper examines changes in social group wealth inequality over last two decades covering 1992, 2003 and 2013 based on the AIDIS unit level data. The changes in social group wealth inequality has been analysed at the aggregate and disaggregate level and looked into the conversion in the social group wealth ownership. The findings of this paper clearly indicate that there is substantial growth in the wealth during 1992 to 2013. This was the period when Indian economic growth was more than 6 percent. However, social group inequality in terms of absolute and relative wealth ownership is substantially high with HHCs owning highest wealth and SCs, STs and Muslim owning least share of wealth. Over last two decades, there is no change in the social group wealth inequality. In fact, it has worsened over the years. The between group inequality has increased while the within group inequality has gone down.

## Changes in Social Group Wealth Ownership

The AIDIS provides information on different types wealth. Among these, land and building constitute largest share of the total wealth in India and it is largely consolidated among HHCs owning almost double of their household share. The social group inequality in wealth ownership has increased over the period leaving no sign of social group conversion in wealth ownership.

Since there is no sign of reduction in the social group wealth inequality, a more group specific policy intervention will require to alter the situation and it cannot be left to be corrected by the development. This is because the contribution of the social group inequality has increasingly bearing on the overall wealth inequality. The international experience to reduce the social group inequality would be help in designing the group specific policy to improve the wealth ownership. The US, Malaysia and South Africa have not only implemented the affirmative action policy but they have gone beyond to bridge the gap that includes financial support to set up businesses, investment in the education, and lastly the reparation. In India also, there is a need to think along with these lines.

### Annexure Tables Chapter 5

**Table 5.1A: Share of wealth by quintile groups across socio-religious groups in India (%) - 2003 and 2013**

Quintile Groups	ST	SC(HBS)	HOBC	HHC	Muslim	Rest	All
	2003						
Bottom 20%	1.5	1.8	1.3	1.0	1.1	0.5	1.0
20-40	5.2	5.7	4.7	4.4	4.0	2.5	3.8
40-60	10.0	10.5	9.7	9.7	8.8	7.1	8.2
60-80	18.6	19.6	18.7	19.6	18.3	19.1	17.1
Top 20%	64.8	62.3	65.7	65.3	67.8	70.8	69.9
	2013						
Bottom 20%	0.9	0.9	0.6	0.2	0.6	0.3	0.4
20-40	4.1	4.3	3.4	2.1	3.4	1.9	2.5
40-60	8.2	9.4	7.9	5.9	7.6	5.9	6.0
60-80	16.4	18.2	16.6	14.1	16.7	16.1	13.5
Top 20%	70.3	67.1	71.5	77.7	71.7	75.8	77.6

**Source:** AIDIS, 2003 and 2013

**Table 5.2A: Size of Wealth by types of Assets in India during 1992, 2003 and 2013**  
(₹ in Billion)— Total, Rural and Urban

Sector	Land	Building	Livestock	Farm	Non-farm	Transport	Finance	Gold	Total
<b>1992</b>									
Rural	2745	914	144	95	14	52	57	135	4156
Urban	736	815	9	5	30	63	173	101	1932
Total	3480	1729	153	101	44	114	230	236	6087
<b>2003</b>									
Rural	16261	6054	542	509	90	357	596	642	25050
Urban	5844	5738	32	34	210	584	1453	502	14397
Total	22105	11792	574	543	299	941	2049	1144	39447
<b>2013</b>									
Rural	126326	36583	2824	773	432	3698	3158	6881	180675
Urban	100595	96305	219	77	1635	5340	10279	8022	222473
Total	226922	132889	3043	850	2067	9038	13437	14903	403148

*Source:* AIDIS, 1992, 2003 and 2013**Table 5.3A: Changes in Wealth by type of Assets in India during 1992 to 2013- Total, Rural and Urban**

Sector	Land	Building	Livestock	Farm	Non-farm	Transport	Finance	Gold	Total
<b>1992 to 2013</b>									
Rural	21.1	20.3	16.0	11.0	18.9	23.8	22.3	21.7	20.8
Urban	24.0	27.0	17.5	14.2	22.0	24.9	22.7	24.5	26.8
Total	23.2	24.2	16.1	11.2	21.2	24.4	22.6	23.0	23.3
<b>1992 to 2003</b>									
Rural	19.5	20.8	14.1	18.2	20.8	21.3	26.5	16.9	19.7
Urban	23.0	21.6	13.9	20.2	21.3	25.0	23.7	17.4	22.2
Total	20.3	21.2	14.1	18.3	21.1	23.5	24.5	17.1	20.5
<b>2003 to 2013</b>									
Rural	22.8	19.7	18.0	4.3	17.0	26.3	18.1	26.8	21.8
Urban	32.9	32.6	21.2	8.6	22.8	24.8	21.6	31.9	31.5
Total	26.2	27.4	18.2	4.6	21.3	25.4	20.7	29.3	26.2

*Source:* AIDIS, 1992, 2003 and 2013

## Inequalities in Wealth Ownership across States

### 6.1 Introduction

The growing unequal wealth distribution across socio-religious groups in India is a cause of major concern. Not only has the gap in the absolute distribution of wealth among various groups not changed, but the relative distribution of wealth among them are also showing increasing signs of inequality, as seen in the previous Chapter. Since India is a geographically vast and culturally diverse country, it would be worthwhile to examine the distribution of wealth across its states too. In this chapter, we look into the behaviour of the distribution of wealth across states along with the social and religious groups. As a framework to understand wealth distribution, an attempt has been made to first understand absolute distribution of wealth followed by its relative distribution. For this purpose, we analyze major states to understand household wealth ownership at state level and also across socio-religious groups within each state. Wherever possible, we have also attempted to look into the trends in wealth ownership.

This chapter is further divided into the following sections, viz. wealth ownership across states and socio-religious groups, distribution of wealth across states and socio-religious groups, and Summary.

### 6.2 Distribution of Wealth across States

In this section, the distribution of wealth has been measured in terms of the total wealth owned and per household wealth across states and socio-religious groups in India.

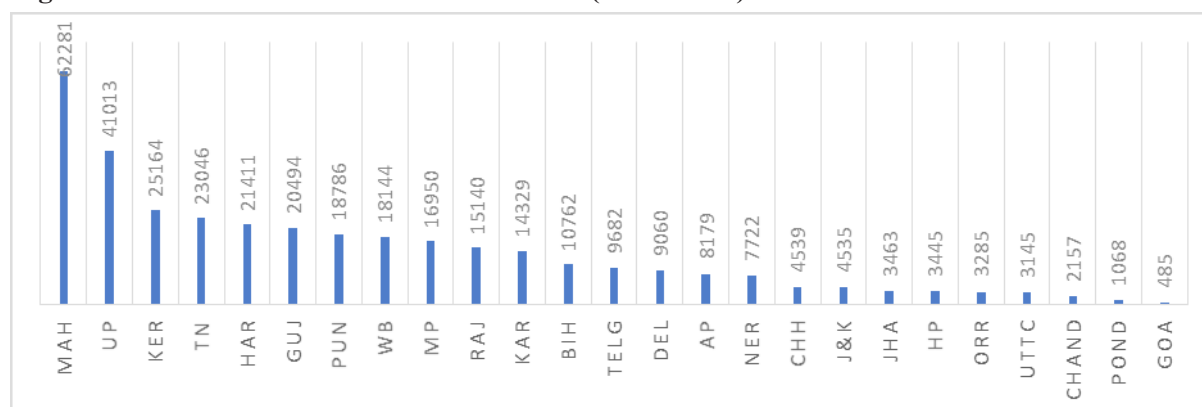
#### 6.2.1 Total Wealth and Per Household Wealth Ownership across States

Figure 6.1 provides information about the total wealth in major states. The top five states in terms of highest wealth are Maharashtra, Uttar Pradesh, Kerala, Tamil Nadu, and Haryana. States like Maharashtra and Uttar Pradesh hold high total wealth as these are geographically vast. Households in Maharashtra hold maximum wealth worth ₹ 62,281 billion followed by households in Uttar Pradesh holding ₹ 41,013 billion.

The trends in the total wealth, per household wealth and share of wealth across major states in India are provided in Table 6.1. To make the comparison between different periods, the estimates are deflated by wholesale price index at 2011-12. Over the years from 1992 to 2013, there has been a considerable shift in the ranking of the states in holding total wealth. Thus,

Maharashtra, Uttar Pradesh, Kerala, Tamil Nadu, and Haryana are the top five wealth holding states in 2013, but the case was different in 1992 and 2003. Maharashtra holds first position in 2013 but it was in the second position in the earlier years of study; U.P. shifted from the first place in 1992 and 2003 to second place in 2013, while Kerala shifted drastically from eleventh position in 1992 to fourth position in 2003 and third in 2013. Tamil Nadu slipped from the sixth position in 1992 to the seventh position in 2003 but rose to the fourth place in 2013. The position of Madhya Pradesh shifted from fourth to third from 1992 to 2003, but it declined to 5th position in 2013. Thus, the position of the states has been shifting over the period in terms of the total wealth. This could be due to changes in financial wealth holdings rather than physical wealth holdings.

**Figure 6.1: Total wealth across states in India (₹ in Billion) - 2013**



Source: AIDIS 2013

**Table 6.1: Total wealth ownership and per household wealth in major Indian states (at 2011-12 prices)—1992, 2003 and 2013**

States	Total Wealth (₹ Billion)			Per HH Wealth (₹)		
	1992	2003	2013	1992	2003	2013
Maharashtra	5754	39690	698433	37642	191289	2954970
Uttar Pradesh	11113	57886	495439	46652	193490	1432329
Kerala	3032	22372	282053	58080	331937	3567817
Tamil Nadu	3426	21298	256573	24255	129252	1324844
Madhya Pradesh	3870	25685	240968	59178	193462	1551710
Haryana	3173	18446	240400	95260	422972	4657697
Gujrat	2736	21823	229818	36922	223057	2015047
Punjab	3190	22337	209513	99447	483670	3886736
West Bengal	3046	17594	202803	22928	107888	85230
Andhra Pradesh	3053	21147	197671	20650	109499	906675
Rajasthan	3841	21008	169683	50301	228061	1473853
Karnataka	2829	17714	160366	35174	169224	1183236
Bihar	4408	19997	159625	32076	112636	746551
Delhi	1853	8445	101124	93790	304633	2956345
NER	1086	6927	86265	20690	103044	948627
J&K	317	5883	50859	52731	431430	2653983
Himachal Pradesh	444	3915	38667	42267	290133	2478472

## Inequalities in Wealth Ownership across States

States	Total Wealth (₹ Billion)			Per HH Wealth (₹)		
	1992	2003	2013	1992	2003	2013
Orissa	1031	4890	35605	15469	63812	387389
Chandigarh	66	1165	24214	37211	359099	10300629
Pondicherry	52	458	11988	30679	199739	3727756
Goa	153	971	5415	72969	281831	2079943
<b>Total</b>	<b>58510</b>	<b>359938</b>	<b>3900452</b>	<b>36981</b>	<b>177004</b>	<b>1636758</b>

**Source:** AIDIS 2013

**Note:** Chhattisgarh is merged with Madhya Pradesh, Jharkhand is merged with Bihar, Telangana is merged with AP and Uttarakhand is merged with Uttar Pradesh in 2013.

Table 6.2 presents the per household wealth ownership across socio-religious groups in major states in India in 2013. The per household wealth holding among Scheduled castes (SCs) is substantially lower as compared to Hindu High Castes (HHCs) across states. The range of excess per household wealth holding among HHCs as compared to SCs varies from 1.5 times in Himachal Pradesh to almost nine times in Telangana and Haryana. In Maharashtra also, HHCs households hold six times more wealth as compared to SCs. In eight states namely, Madhya Pradesh, Punjab, Gujarat, Tamil Nadu, Uttar Pradesh, Jharkhand, Andhra Pradesh, and Bihar, HHC households hold three times more wealth than SC households. The remaining states have two to three times more HHCs per household wealth as compared to that of SCs. Similar is the case of STs who holds substantially less wealth per household as compared to HHCs. The highest difference is found in Maharashtra where HHCs' per household wealth is 11 times more as compared to STs' per household wealth while in West Bengal the difference is seven times, and in Telangana, Bihar and Madhya Pradesh, it is six times less for ST households as compared to HHC households.

**Table 6.2: Per household wealth ownership across socio-religious groups in major Indian states: 2013**

State	ST	SC(HBS)	HOBC	HHC	Muslim	Rest	Total
Chandigarh	1069411	1924221	1086510	8368515	281035	27016511	9176976
Haryana	2764587	711874	2749852	6069391	1368783	8482265	4148308
Punjab	1419628	708605	1071675	2985562	714748	7150917	3485114
Kerala	1379049	1250148	3086585	4152381	2465455	4423055	3183168
Delhi	976727	1277967	1688586	3621033	931798	5099251	2648689
Maharashtra	490536	830125	1451119	5217058	1275255	7299842	2635029
J&K	1680732	1264051	1086927	2315755	2945869	1795173	2366228
Himachal Pradesh	2750821	1652855	2128248	2478862	1110699	3472584	2208205
Goa	807192	824337	874930	1286937	2757544	3590003	1861177
Gujarat	723682	749882	1597487	3123832	1169711	3686745	1796914
Uttarakhand	796007	545473	1622176	1540826	1667707	2702199	1385899
Madhya Pradesh	457243	598487	1571366	2539143	1138736	10283519	1367578
Rajasthan	1167471	697902	1648808	1774375	767473	2064223	1315055

## Inter Group Inequality in Wealth Ownership in India

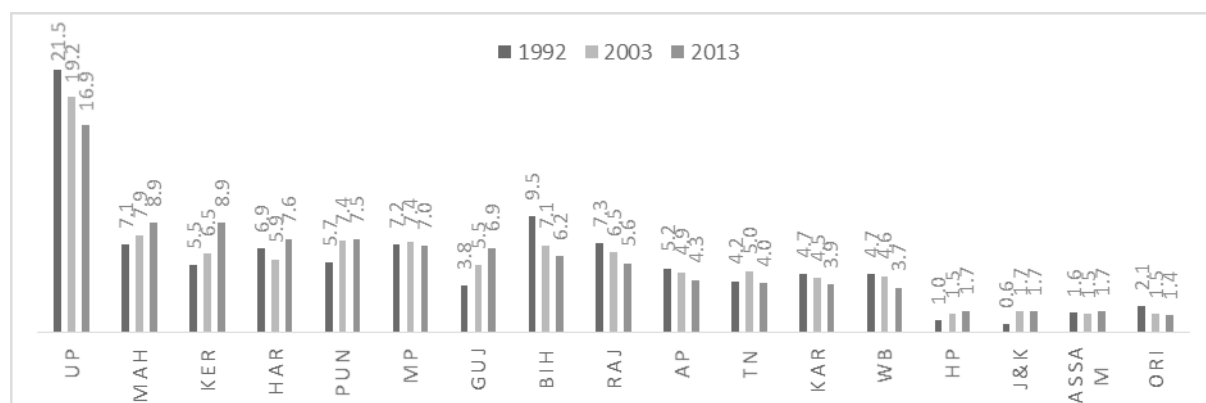
State	ST	SC(HBS)	HOBC	HHC	Muslim	Rest	Total
Uttar Pradesh	1052874	608981	1322840	2235397	904687	4104392	1268954
Tamil Nadu	395551	517930	1289880	2075207	1040533	2206821	1190032
Telangana	608355	431715	810375	3683824	1152866	486974	1142066
Karnataka	612954	609460	1051877	1561074	802094	1654283	1057213
Chhattisgarh	438036	742578	972800	2262841	1070368	2203184	911966
West Bengal	219959	476089	819486	1529658	471425	1681162	883738
Assam	745590	629249	747839	1793279	462707	271033	843407
Arunachal Pradesh	921270	381161	583148	660214	175008	444056	810415
Jharkhand	609593	353316	743640	1279822	419070	436131	666648
Bihar	191499	306489	770984	1085352	509532	845224	664866
Andhra Pradesh	225624	289691	543498	1034221	658455	467895	613860
Tripura	236145	302318	451833	538137	489948	126691	369506
Orissa	221634	220323	368328	614390	560216	652669	357414
Total	600455	591518	1237771	2691537	953019	4616728	1453126

Source: AIDIS 2013

### 6.3 Share of Wealth across States

The percentage share of wealth across states is depicted in Figure 7.2 for last two decades from 1992 to 2013. For the purpose of the study, states have been classified into four groups—those with declining wealth holding, those with increasing wealth, states with no pattern, and states with no change in the wealth holding. The states with declining wealth holding include U.P., Bihar, Rajasthan, Karnataka, AP, WB and Odisha. U.P. was holding the highest 21.5 percent of total wealth in India in 1992, which declined to 19.2 percent in 2003, and further declined to 16.9 percent in 2013. This has also been discussed in the previous section while discussing total wealth holding and per household wealth holding. The states with increasing wealth holding include Maharashtra, Kerala, Punjab and Gujarat. Maharashtra has shown an increasing trend from 7.1 per cent in 1992 to 8.9 per cent in 2013. There are some states which have not shown any particular pattern.

**Figure 6.2: Distribution of wealth in Rural areas across major states in India (%) - 1992, 2003 and 2013**



Source: AIDIS 2013

### 6.3.1 Share of Households w.r.t. Share of Wealth holdings across socio-religious groups

Table 6.3 presents the share of households and the share of wealth holdings across socio-religious groups by each state in India in 2013. In India and also across states, there is a mismatch between the share of wealth and share of households. Some of the groups are overrepresented substantially in holding wealth as compared to their household shares. The difference in the shares of wealth holdings and shares of households is substantially higher in the case of SCs, STs, and HHCs. The SC and STs are underrepresented in wealth holding as compared to their household share, but HHCs are overrepresented substantially across states. Haryana, Punjab, and Maharashtra are the states with high differences wherein the share of wealth holding by SCs is much lower than their household share ranging from 5.8 to 1.8 times. Similar is the case of STs, who have much less share of wealth holdings as compared to their household share in many states. For example, in states like Maharashtra, West Bengal, Bihar, Tamil Nadu, and Madhya Pradesh, the wealth share of STs is 5.4 to three times less than their household shares in the respective states. In some states, HOCBs also hold less wealth as compared to their household share. These states are Punjab, Maharashtra, and Haryana where the gap between household share and wealth share of HOCBs ranges from 1.5 to 3.3 times. Similarly the share of wealth owned by Muslims is also substantially low in many states like Punjab, Haryana, and Maharashtra.

Only in the case of HHCs, their share of wealth holding is higher as compared to their household share in most of the states, but it is the other way round for all other groups in varying degrees.

**Table 6.3: Share of households and share of wealth in rural areas by states across socio-religious groups in India: 2013 (in per cent)**

State	% Share	ST	SC(HBS)	HOCB	HHC	Muslim	Rest	Total
Delhi	Wealth	0.6	8.9	7.2	71.9	4.4	7.0	100
	HH	1.6	18.5	11.3	52.6	12.4	3.7	100
Haryana	Wealth	0.4	2.6	18.9	71.1	1.5	5.5	100
	HH	0.6	15.1	28.5	48.6	4.5	2.7	100
Maharashtra	Wealth	1.8	4.0	17.8	66.5	4.9	5.0	100
	HH	9.5	12.6	32.3	33.6	10.2	1.8	100
West Bengal	Wealth	1.4	13.7	5.7	65.1	13.3	0.8	100
	HH	5.5	25.4	6.2	37.6	24.9	0.4	100
Uttarakhand	Wealth	1.6	6.5	12.4	64.6	13.5	1.5	100
	HH	2.8	16.6	10.6	58.1	11.2	0.7	100
Chandigarh	Wealth	0.2	2.4	0.7	59.9	0.1	36.7	100
	HH	1.3	11.5	6.2	65.7	2.8	12.5	100
Himachal Pradesh	Wealth	6.5	20.3	16.8	54.5	0.4	1.6	100
	HH	5.2	27.1	17.4	48.6	0.7	1.0	100
Andhra Pradesh	Wealth	2.6	9.9	33.3	48.8	4.4	1.0	100
	HH	7.1	20.9	37.6	29.0	4.1	1.4	100

### Inter Group Inequality in Wealth Ownership in India

State	% Share	ST	SC(HBS)	HOBC	HHC	Muslim	Rest	Total
Gujarat	Wealth	5.9	3.9	34.6	48.3	5.6	1.8	100
	HH	14.6	9.2	38.9	27.8	8.6	0.9	100
Telangana	Wealth	4.4	5.9	37.5	44.4	6.5	1.3	100
	HH	8.2	15.6	52.9	13.8	6.5	3.0	100
Assam	Wealth	12.9	6.7	22.6	41.0	15.9	0.8	100
	HH	14.6	9.0	25.5	19.3	29.0	2.5	100
J&K	Wealth	7.2	5.2	1.2	33.7	51.3	1.4	100
	HH	10.1	9.7	2.7	34.4	41.2	1.9	100
Goa	Wealth	0.3	2.2	7.6	33.5	3.5	53.0	100
	HH	0.6	5.0	16.1	48.4	2.3	27.5	100
Karnataka	Wealth	2.5	10.1	42.5	33.1	8.1	3.7	100
	HH	4.4	17.5	42.7	22.4	10.6	2.4	100
Uttar Pradesh	Wealth	1.0	11.2	41.6	33.0	11.7	1.5	100
	HH	1.2	23.2	40.0	18.7	16.4	0.5	100
Orissa	Wealth	14.6	10.4	40.7	31.7	2.3	0.3	100
	HH	23.5	16.9	39.5	18.4	1.4	0.2	100
Tripura	Wealth	20.0	19.3	19.5	30.7	10.5	0.1	100
	HH	31.3	23.6	15.9	21.1	7.9	0.2	100
Madhya Pradesh	Wealth	7.8	7.7	41.0	30.1	5.0	8.4	100
	HH	23.4	17.6	35.7	16.2	6.0	1.1	100
Chhattisgarh	Wealth	15.1	10.7	45.0	24.5	3.1	1.6	100
	HH	31.5	13.1	42.2	9.9	2.7	0.6	100
Rajasthan	Wealth	12.0	12.2	44.7	23.2	5.2	2.7	100
	HH	13.5	23.0	35.6	17.2	8.9	1.7	100
Jharkhand	Wealth	31.8	4.1	30.5	21.8	11.7	0.2	100
	HH	34.7	7.7	27.4	11.3	18.6	0.2	100
Punjab	Wealth	0.2	7.4	1.4	19.5	0.2	71.3	100
	HH	0.5	36.3	4.6	22.7	1.2	34.8	100
Kerala	Wealth	0.8	3.0	33.1	19.0	17.8	26.4	100
	HH	1.7	7.6	34.2	14.5	23.0	19.0	100
Bihar	Wealth	0.9	7.9	60.8	18.0	12.4	0.0	100
	HH	3.2	17.2	52.4	11.0	16.1	0.0	100
Arunachal Pradesh	Wealth	77.7	0.6	0.8	16.0	0.2	4.7	100
	HH	68.3	1.3	1.1	19.6	1.1	8.6	100
Tamil Nadu	Wealth	0.3	8.7	68.5	6.5	6.1	9.9	100
	HH	0.8	19.9	63.2	3.8	7.0	5.4	100
Total	Wealth	3.7	7.3	30.4	41.4	7.9	9.3	100
	HH	100	100	100	100	100	100	100

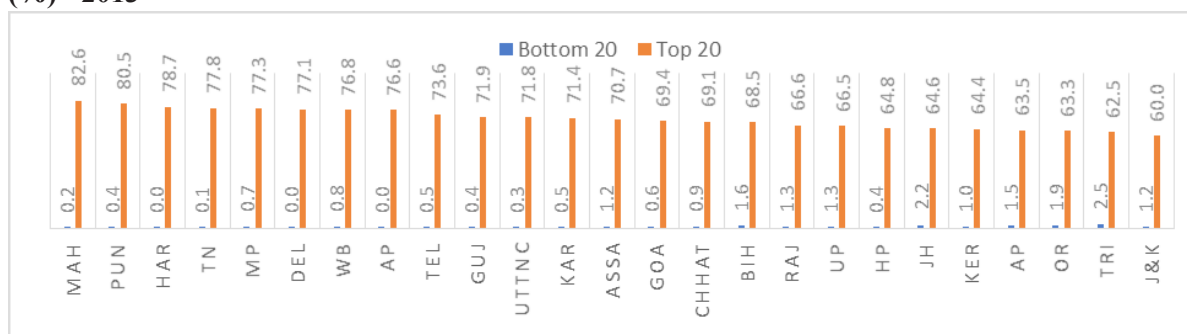
*Source:* AIDIS 2013

### 6.3.2 Wealth Distribution by Percentiles

Figure 6.3 provides information on the share of wealth owned by Top 20% and Bottom 20% households across states in India. It clearly indicates that most of the richer states with high

total wealth have the higher concentration of wealth in the hands of their top 20% households as against the low share of wealth holdings among the bottom 20% households. In Maharashtra and Punjab the top 20% households hold more than 80 percent of the total wealth, while Haryana, Tamil Nadu, Madhya Pradesh, and Delhi are states wherein the top quintile holds between 75 and 80 percent of the wealth holdings. The lowest 65 percent and less wealth share holding by top 20% are the states of Himachal Pradesh, Jharkhand, Kerala, Andhra Pradesh, and Odisha.

**Figure 6.3: Bottom 20 vs. top 20 households in ownership of wealth across states in India (%) - 2013**

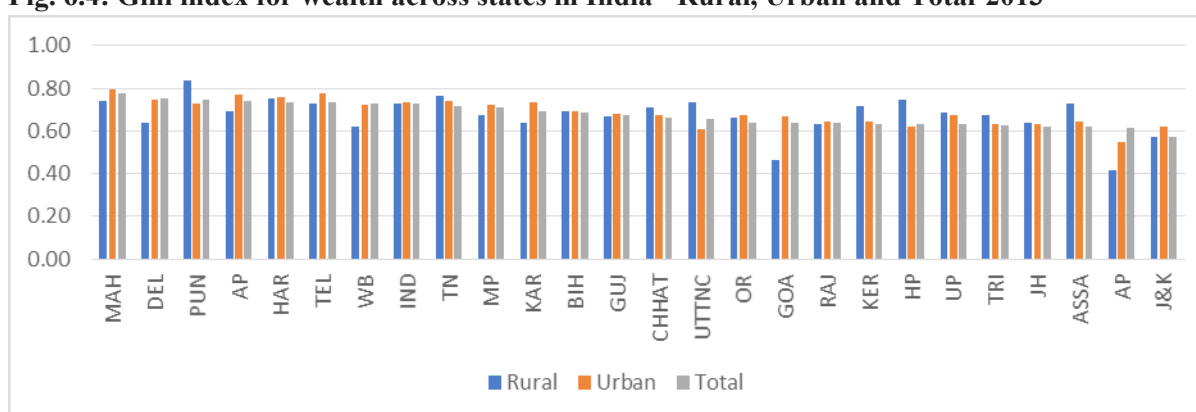


Source: AIDIS 2013

### 6.3.3 Gini Ratio for Wealth Distribution across States

The gini ratio for wealth distribution across states is given in Figure 6.4. It clearly shows that Maharashtra, Punjab, and Delhi have high inequality in wealth ownership. The second important observation is that the Gini ratio is relatively less in rural areas as compared to urban areas in most states. Some states like Punjab, Haryana, Tamil Nadu, Bihar, Chattisgarh, Uttarakhand, Kerala, Himachal Pradesh, and Uttar Pradesh have high inequality in wealth ownership in rural areas as compared to the urban areas of respective states.

**Fig. 6.4: Gini index for wealth across states in India - Rural, Urban and Total-2013**



Source: AIDIS 2013

## 6.4 Summary

In this chapter, an attempt has been made to understand the trends in wealth distribution in terms of absolute and relative ownership across major states in India, and in some respect across socio-religious groups. The absolute distribution across states in 2013 indicates that

geographically large states like Maharashtra, Uttar Pradesh, Kerala, Tamil Nadu, and Haryana dominate in total wealth holding because of physical wealth such as geographical area. However, over the years there has been shift in the top states in term of total wealth ownership. States like UP lost its first position that it was holding in 1992 to states like Maharashtra and Kerala which have progressed in other aspects of wealth like financial wealth. Similar is the case in terms of per household wealth ownership. Across socio-religious groups, some states have higher differences between SC/STs and HHCs in total wealth holding, while some states have lesser differences. States like Maharashtra have higher differences between both ST and SCs vs HHCs. Other states such as M.P., Punjab, Gujarat, Tamil Nadu, Uttar Pradesh, Jharkhand, Andhra Pradesh, and Bihar also have higher differences between SCs and HHCs. The HOBs also have less wealth ownership as compared to HHCs.

The relative distribution of wealth in terms of the share of wealth owned by each state in India shows that the relative position of the states has substantially changed during the period 1992 to 2013. Maharashtra shifted from second position to the first position while the position of U.P. has declined but the position of Kerala improved substantially. Across socio-religious groups, most of the states have shown that the SCs, STs, and HOBs are underrepresented in wealth ownership; while HHCs are over-represented. However, the degree of unequal distribution of wealth with respect to household share varies from state to state depending on the demographic combination. There is not much relationship between the level of development and equal distribution as not many changes have occurred in the share of wealth distribution across socio-religious groups. The legacy of unequal wealth distribution has further intensified with time and development.

## Annexure Table 5

**Table 6.1A: Distribution of wealth in major states of India – 1992, 2003 and 2013**

States	Total Wealth (In ₹ Billion)			Per HH Wealth (In ₹)			% of Wealth		
	1992	2003	2013	1992	2003	2013	1992	2003	2013
Maharashtra	5754	39690	698433	2248167	191289	2954970	9.8	11.0	17.9
Uttar Pradesh	11113	57886	495439	46652	193490	1432329	19.0	16.1	12.7
Kerala	3032	22372	282053	58080	331937	3567817	5.2	6.2	7.2
Tamil Nadu	3426	21298	256573	24255	129252	1324844	5.9	5.9	6.6
Haryana	3173	18446	240400	95260	422972	4657697	5.4	5.1	6.2
Gujarat	2736	21823	229818	36922	223057	2015047	4.7	6.1	5.9
Punjab	3190	22337	209513	99447	483670	3886736	5.5	6.2	5.4
West Bengal	3046	17594	202803	22928	107888	987794	5.2	4.9	5.2
Madhya Pradesh	3870	25685	240968	25317	153673	1387132	6.6	7.1	6.2
Rajasthan	3841	21008	169683	50301	228061	1473853	6.6	5.8	4.4
Karnataka	2829	17714	160366	35174	169224	1183236	4.8	4.9	4.1
Bihar	4408	19997	159625	32076	112636	746551	7.5	5.6	4.1
Delhi	1853	8445	101124	93790	304633	2956345	3.2	2.3	2.6
Andhra Pradesh	3053	21147	197671	20650	109499	906675	5.2	5.9	5.1
Assam	763	4143	57729	20217	88584	940293	1.3	1.2	1.5

### Inequalities in Wealth Ownership across States

States	Total Wealth (In ₹ Billion)			Per HH Wealth (In ₹)			% of Wealth		
	1992	2003	2013	1992	2003	2013	1992	2003	2013
J&K	317	5883	50859	52731	431430	2653983	0.5	1.6	1.3
Himachal Pradesh	444	3915	38667	42267	290133	2478472	0.8	1.1	1.0
Orissa	1031	4890	35605	15469	63812	387389	1.8	1.4	0.9
Chandigarh	66	1165	24214	37211	359099	10300629	0.1	0.3	0.6
Pondicherry	52	458	11988	30679	199739	3727756	0.1	0.1	0.3
Goa	153	971	5415	72969	281831	2079943	0.3	0.3	0.1
North East Region	1086	6927	86265	6343	103044	948627	1.9	1.9	2.2
Total	58510	359938	3900452	36981	177004	1626112	100	100	100

*Source:* AIDIS 2013

**Table 6.2A: Gini index across states in India - Rural, Urban and Total-2013**

States	Rural	Urban	Total
Chandigarh	0.66	0.84	0.84
Maharashtra	0.74	0.80	0.77
Pondicherry	0.68	0.69	0.77
Delhi	0.64	0.75	0.75
Punjab	0.84	0.73	0.75
Andhra Pradesh	0.69	0.77	0.74
Haryana	0.75	0.76	0.74
Telangana	0.73	0.78	0.73
West Bengal	0.62	0.72	0.73
Tamil Nadu	0.77	0.74	0.71
Madhya Pradesh	0.68	0.73	0.71
Sikkim	0.62	0.74	0.69
Karnataka	0.64	0.73	0.69
Bihar	0.69	0.69	0.69
A&N	0.73	0.70	0.68
Gujarat	0.67	0.68	0.68
Meghalaya	0.62	0.71	0.67
D&D	0.65	0.74	0.67
Chhattisgarh	0.71	0.67	0.66
Uttarakhand	0.74	0.61	0.66
D&N	0.77	0.72	0.65
Mizoram	0.63	0.60	0.65
Orissa	0.66	0.68	0.64
Goa	0.46	0.67	0.64
Rajasthan	0.63	0.64	0.64
Kerala	0.71	0.64	0.63
Himachal Pradesh	0.75	0.62	0.63
Uttar Pradesh	0.69	0.68	0.63
Tripura	0.67	0.63	0.63
Jharkhand	0.64	0.63	0.62

### Inter Group Inequality in Wealth Ownership in India

States	Rural	Urban	Total
Assam	0.73	0.65	0.62
Andhra Pradesh	0.42	0.55	0.62
J&K	0.58	0.62	0.58
Manipur	0.65	0.54	0.57
Lakshadweep	0.63	0.44	0.46
Nagaland	0.57	0.47	0.42
India	0.73	0.74	0.73

*Source:* AIDIS 2013

**Table 6.3A: Share of wealth by quintile groups across states in India (in %)- 2013**

States	0-20	20-40	40-60	60-80	80-100
J&K	1.2	6.0	12.1	20.8	60.0
Himachal Pradesh	0.4	3.7	9.7	21.4	64.8
Punjab	0.4	1.7	4.3	13.1	80.5
Chandigarh	0.0	0.3	1.5	8.9	89.2
Uttarakhand	0.3	3.5	7.9	16.5	71.8
Haryana	0.0	1.1	4.2	16.0	78.7
Delhi	0.0	0.2	5.7	16.9	77.1
Rajasthan	1.3	5.0	9.6	17.5	66.6
Uttar Pradesh	1.3	4.8	9.4	18.0	66.5
Bihar	1.6	4.0	8.2	17.7	68.5
Sikkim	0.0	1.7	7.3	14.4	76.6
Andhra Pradesh	1.5	5.0	10.6	19.3	63.5
Nagaland	3.2	9.6	15.2	21.3	50.7
Manipur	2.6	6.7	12.2	21.4	57.1
Mizoram	0.7	3.3	6.7	14.7	74.5
Tripura	2.5	6.4	10.3	18.2	62.5
Meghalaya	1.2	3.2	6.5	12.8	76.2
Assam	1.2	4.4	8.7	14.9	70.7
West Bengal	0.8	3.0	6.3	13.1	76.8
Jharkhand	2.2	6.3	9.7	17.3	64.6
Orissa	1.9	5.7	10.7	18.4	63.3
Chhattisgarh	0.9	4.2	8.9	17.0	69.1
Madhya Pradesh	0.7	2.8	5.6	13.7	77.3
Gujrat	0.4	2.9	7.4	17.5	71.9
D&D	0.0	0.2	1.3	19.8	78.8
D&N	0.1	0.9	7.1	24.5	67.3
Maharashtra	0.2	1.5	4.5	11.1	82.6
Andhra Pradesh	0.0	1.7	6.5	15.2	76.6
Karnataka	0.5	3.5	8.0	16.7	71.4
Goa	0.6	4.8	9.3	15.9	69.4
Lakshadweep	2.8	8.2	11.9	18.5	58.6
Kerala	1.0	5.0	10.1	19.5	64.4
Tamil Nadu	0.1	1.8	5.9	14.3	77.8
Pondicherry	0.0	0.6	5.2	11.8	82.3
A&N	0.2	2.3	9.7	21.0	66.8
Telangana	0.5	2.7	7.1	16.1	73.6

*Source:* AIDIS 2013

## Inequality in Wealth Ownership in Rural areas across States

### 7.1 Introduction

The distribution of wealth in rural areas has declined over the years in India from 68.7 percent in 1992 to 63.7 percent in 2003 and further to 45.2 percent in 2013. Similarly, the inequalities in the wealth ownership in terms of Gini ratio has increased during 1993 to 2013 from 0.67 to 0.69. The contribution of the between socio-religious group inequalities in the total wealth inequality is substantially high as compared to urban areas. However, as discussed in the earlier chapter on the wealth distribution and inequality across states in India indicates a large variation across states in terms of the wealth distribution and inequalities. Since India is a geographically vast and culturally diverse country, it would be worthwhile to examine the distribution of wealth in rural areas across its states separately. In this chapter, we look into the behaviour of the distribution of wealth in rural India across states along with the social and religious groups. As a framework to understand wealth distribution, an attempt has been made to first understand distribution of wealth and the inequalities therein in terms of Gini ratio. For this purpose, we analyze major states to understand household wealth ownership at state level and also across socio-religious groups within each state. Wherever possible, we have also attempted to look into the trends in wealth ownership.

This chapter is further divided into the following sections, viz. wealth ownership across states and socio-religious groups, distribution of wealth across states and socio-religious groups, and Summary.

### 7.2 Distribution of Wealth in Rural areas across States

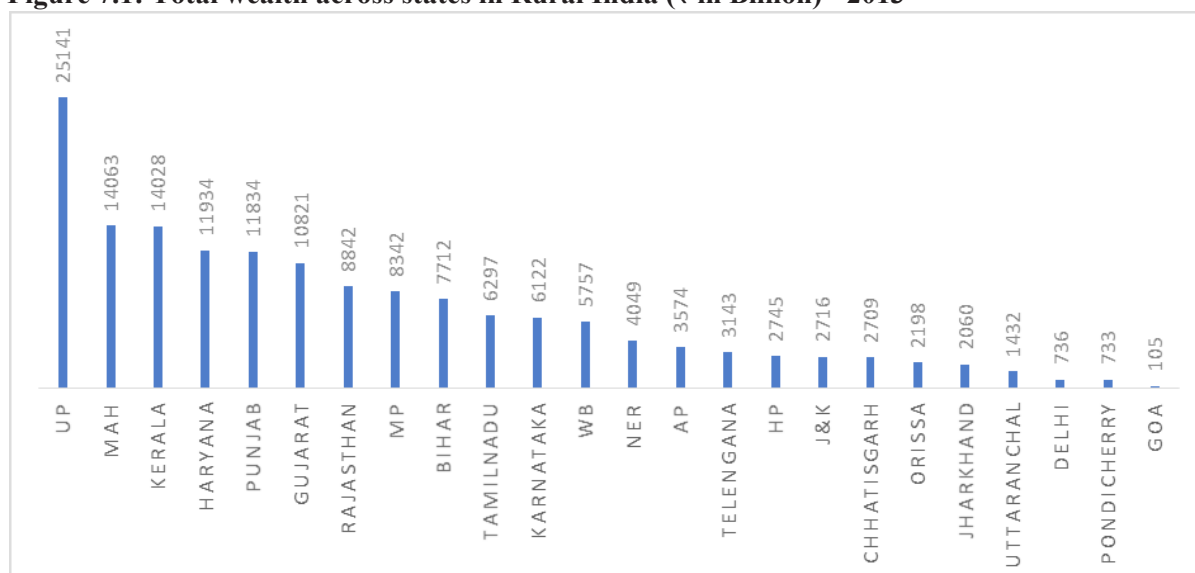
In this section, the distribution of wealth has been measured in terms of the total wealth owned and per household wealth in rural areas across states and socio-religious groups in rural India.

#### 7.2.1 Total Wealth and Per Household Wealth Ownership in rural areas across States

Figure 7.1 provides information about the total wealth in major states. The top five states in terms of highest wealth are Uttar Pradesh, Maharashtra, Kerala, Haryana and Punjab. States like Uttar Pradesh and Maharashtra hold high total wealth as these are geographically vast. Households in Uttar Pradesh hold maximum wealth worth ₹ 25, 411 billion followed by households in Maharashtra holding ₹ 14,063 billion.

The trends in the total wealth, per household wealth and share of wealth across major states in India are provided in Table 7.1. To make the comparison between different periods, the estimates are deflated by wholesale price index at 2011-12. Over the years from 1992 to 2013, there has been a considerable shift in the ranking of the states in holding total wealth. Thus, Uttar Pradesh, Maharashtra, Kerala, Haryana and Punjab are the top five wealth holding states in 2013, but the case was different in 1992 and 2003. Rural UP holds first position in all the years. Maharashtra was in the fifth position in 1992 that shifted to second position in 2003 and 2013; while Bihar shifted from second position in 1992 to fifth position in 2003 and lost in 2013. Madhya Pradesh was in fourth position in 1992 and 2013 and Rajasthan was in third position in 1992, but lost their position in the subsequent years. Thus, the position of the states has been shifting over the period in terms of the total wealth in rural areas. This could be due to changes in financial wealth holdings rather than physical wealth holdings.

**Figure 7.1: Total wealth across states in Rural India (₹ in Billion) - 2013**



Source: AIDIS 2013

**Table 7.1: Total wealth ownership and per household wealth in Rural areas of major Indian states (at 2011-12 prices) — 1992, 2003 and 2013**

Major States	Total Asset (In Billion ₹)			Per HH Asset (₹)		
	1992	2003	2013	1992	2003	2013
Uttar Pradesh	863	4347	29827	45805	186224	1156963
Maharashtra	287	1799	15786	1519313	152186	1261018
Kerala	221	1466	15708	55699	293591	3057319
Haryana	276	1347	13420	112771	427958	5191741
Punjab	228	1687	13307	109198	565055	4829683
Madhya Pradesh	289	1673	12424	30231	128311	1017219
Gujarat	153	1237	12161	31543	197865	2071119
Bihar	381	1606	10970	32240	104457	615844
Rajasthan	293	1481	9929	50730	210993	1200314

## Inequality in Wealth Ownership in Rural areas across States

Major States	Total Asset (In Billion ₹)			Per HH Asset (₹)		
	1992	2003	2013	1992	2003	2013
Andhra Pradesh	210	1108	7521	18562	77792	552692
Tamil Nadu	168	1137	7034	18595	103186	751446
Karnataka	191	1010	6869	34263	144498	887119
West Bengal	190	1037	6447	20014	85229	456049
Himachal Pradesh	40	346	3082	41560	289364	2326074
J&K	26	380	3049	51405	364304	2217748
Assam	65	336	2958	18856	80742	563390
Orissa	85	342	2456	14645	51709	314507
Delhi	21	66	828	154303	163536	12514121
Goa	9	39	117	73560	212056	1168733
Total	4020.7	22638.4	176445.2	34543	153115	1130054

**Source:** AIDIS 2013

**Note:** Chhattisgarh is merged with Madhya Pradesh, Jharkhand is merged with Bihar, Telangana is merged with Andhra Pradesh and Uttarakhand is merged with Uttar Pradesh in 2013.

Table 7.2 presents the per household wealth ownership across socio-religious groups in rural areas of major states in India in 2013. The per household wealth holding among Scheduled castes (SCs) is substantially lower as compared to Hindu High Castes (HHCs) across states. The HHCs hold highest 13.4 times higher per household wealth as compared to SCs in rural areas of Haryana. It is also higher in other states such as Punjab, MP, UP, Bihar. Similar is the case of STs who holds substantially less wealth per household as compared to HHCs. The highest difference is found in Gujarat, Bihar and MP where HHCs' per household wealth is 5 times more as compared to STs' per household wealth.

**Table 7.2: Per household wealth ownership across socio-religious groups in rural areas of major Indian states (In ₹): 2013**

State	ST	SC(HBS)	HOBC	HHC	Muslim	Rest	Total
Delhi	5578519	5080274	12479716	16889957	12517	NA	11126311
Pondicherry	NA	7983316	6042213	4647	300	3813884	5660454
Haryana	12435509	569591	3138313	7631751	894912	5561460	4616859
Punjab	1676481	718293	1677060	5316066	742151	8262171	4295371
Kerala	1433848	1189937	2710394	3349083	2410751	3638651	2730348
Chandigarh	307778	259420	2524743	1561082	237664	19232662	2636497
Lakshadweep	2406785	NA	NA	NA	NA	NA	2406785
Himachal Pradesh	3005157	1469881	2166060	2269299	2269661	3585710	2071601
J&K	1773207	1091759	1645179	1946876	2313322	1815622	1976131
D&N	2528614	NA	1239107	19599	NA	854342	1954633
Gujarat	754638	1081014	1702258	4262688	1489843	140886	1842843
Nagaland	1237066	560278	NA	NA	841000	481226	1226813
Maharashtra	403978	572469	1298906	1557255	1002883	892245	1123431

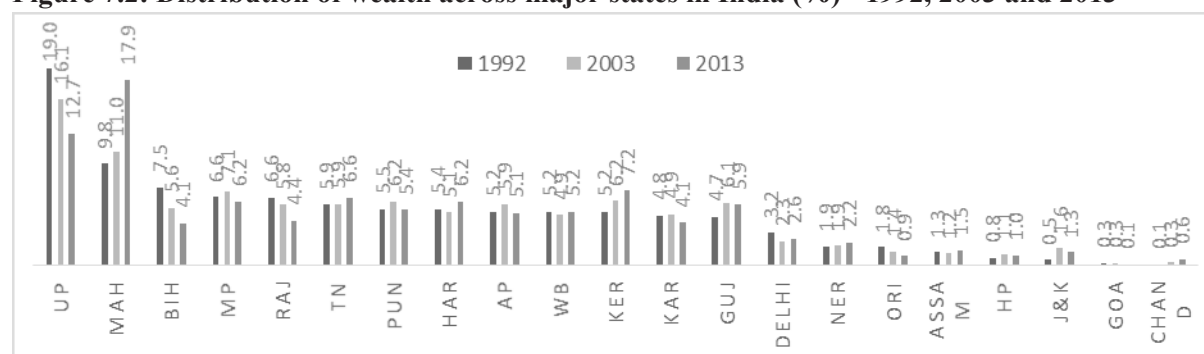
## Inter Group Inequality in Wealth Ownership in India

State	ST	SC(HBS)	HOBC	HHC	Muslim	Rest	Total
Rajasthan	699980	576337	1474882	1387841	661292	2127373	1068880
Goa	NA	154019	284388	969469	6101114	1121541	1044089
Uttar Pradesh	663759	560315	1148690	1733005	839843	4326724	1041901
Madhya Pradesh	408156	562602	1325104	2141748	1378577	3624558	985249
Uttarakhand	367304	467149	936721	812894	2174551	3104870	867938
Arunachal Pradesh	904577	NA	NA	674455	145145	409878	816195
Karnataka	565720	475798	895047	1036422	647236	1013595	790654
D&D	438876	1071441	788724	8010	401794	NA	727070
Chhattisgarh	422938	916143	867729	1363947	472491	NA	722860
Sikkim	803077	206680	676033	173396	0	416690	699876
A&N	922514	211576	811085	501273	910554	472879	693623
Tamil Nadu	464013	412081	783232	1191838	632806	437294	672660
Meghalaya	680437	48607	192029	200894	228486	299350	646642
Telangana	648594	369443	700113	1014306	448810	362977	637509
Manipur	459361	1028788	833258	531843	569286	649681	614259
Jharkhand	612977	346163	582513	944786	327736	358257	548988
Bihar	169085	225693	643929	944799	432533	845224	548464
Assam	483904	542052	579236	576802	429630	265553	503499
Andhra Pradesh	157344	271285	431410	629482	279857	220350	411939
West Bengal	183203	393535	565396	465923	381126	166025	407297
Mizoram	372393	NA	NA	227443	NA	215309	369845
Odisha	198526	211928	296561	458901	216988	124529	281427
Tripura	209511	237742	337517	310880	504830	110654	278635
Total	504662	502867	1032253	1618913	789567	4566697	1006985

*Source:* AIDIS 2013

### 7.3 Share of Wealth across States

The percentage share of wealth across states is depicted in Figure 7.2 for last two decades from 1992 to 2013. For the purpose of the study, states have been classified into four groups— those with declining wealth holding, those with increasing wealth, states with no pattern, and states with no change in the wealth holding. The states with declining wealth holding include U.P., Bihar, Rajasthan, Karnataka, and Odisha. U.P. was holding the highest 19 percent of total wealth in India in 1992, which declined to 16.1 percent in 2003, and further declined to 12.7 percent in 2013. This has also been discussed in the previous section while discussing total wealth holding and per household wealth holding. The states with increasing wealth holding include Maharashtra, Tamil Nadu, Kerala, and Gujarat. Maharashtra has shown an increasing trend from 9.8 per cent in 1992 to 17.9 per cent in 2013. There are some states which have not shown any particular pattern. These include Haryana, Punjab, and Assam. In addition to this, few states such as West Bengal and Himachal Pradesh have shown almost no change in their wealth holdings.

**Figure 7.2: Distribution of wealth across major states in India (%) - 1992, 2003 and 2013**


Source: AIDIS 2013

### 7.3.1 Share of Rural Households w.r.t. Share of Wealth holdings across socio-religious groups

Table 7.3 presents the share of households and the share of wealth holdings across socio-religious groups by each state in rural India in 2013. In rural India and also across rural areas of states, there is a mismatch between the share of wealth and share of households. Some of the groups are overrepresented substantially in holding wealth as compared to their household shares. The difference in the shares of wealth holdings and shares of households is substantially higher in the case of SCs, STs, and HHCs. The SC and STs are underrepresented in wealth holding as compared to their household share, but HHCs are overrepresented substantially across states. In rural Punjab, the highest difference exists in the ownership of asset as compared to share of household. SC households in rural Punjab holds 7.5 percent wealth as compared to their 45 percent share. Similar situation is exist in other states such as Haryana, Delhi, UP, Rajasthan, Bihar, Tamil Nadu where the wealth ownership is substantially low among SCs as compared their household share. Differences in the household share and wealth share among SCs ranges from more than 10 to 15 percent in these states. The differences in the wealth share and households ranges between 6 percent to 10 in the states like Maharashtra, Telangana, MP, AP, Karnataka and Uttarakhand.

Similar is the case of STs, who have much less share of wealth holdings as compared to their household share in many states. For example, in states like Madhya Pradesh, Chhattisgarh, Gujarat, Manipur, and Maharashtra, the wealth share of STs is substantially less to 18 percentage points to 10 percentage points as compared to their household shares in the respective states. In some states, HOBCs also hold less wealth as compared to their household share. These states are Punjab, Gujarat, and Haryana where the gap between household share and wealth share of HOBCs ranges from 2 to 10 percentage points. Similarly, the share of wealth owned by Muslims is also substantially low in many states like Delhi, Haryana, and Jharkhand.

Only in the case of HHCs, their share of wealth holding is higher as compared to their household share in most of the states, but it is the other way round for all other groups in varying degrees.

**Table 7.3: Share of households and share of wealth by states across socio-religious groups in India: 2013 (in per cent)**

State	Share	ST	SC(HBS)	HOBC	HHC	Muslim	Rest	Total
J&K	% Wealth	11.5	5.9	1.4	30.8	48.2	2.3	100
	% HHs	12.8	10.7	1.7	31.3	41.2	2.5	100
Punjab	% Wealth	0.3	7.5	1.3	8.5	0.3	82.2	100
	% HHs	0.7	45.0	3.2	6.9	1.5	42.7	100
Chandigarh	% Wealth	0.1	0.9	19.0	35.3	0.4	44.3	100
	% HHs	0.9	9.1	19.8	59.7	4.4	6.1	100
Uttarakhand	% Wealth	1.5	10.8	8.0	56.0	21.6	2.1	100
	% HHs	3.5	20.1	7.5	59.8	8.6	0.6	100
Haryana	% Wealth	0.6	2.1	19.9	71.6	1.2	4.6	100
	% HHs	0.2	17.4	29.3	43.3	6.0	3.8	100
Delhi	% Wealth	0.7	12.7	10.5	76.1	0.0	0.0	100
	% HHs	1.4	27.7	9.4	50.1	11.3	0.0	100
Rajasthan	% Wealth	11.1	13.2	55.4	13.0	4.3	3.1	100
	% HHs	17.0	24.4	40.1	10.0	6.9	1.5	100
Uttar Pradesh	% Wealth	0.8	13.9	49.1	24.0	10.9	1.2	100
	% HHs	1.3	25.9	44.5	14.4	13.6	0.3	100
Bihar	% Wealth	1.1	7.3	61.0	17.5	13.1	0.0	100
	% HHs	3.6	17.7	52.0	10.1	16.6	0.0	100
Sikkim	% Wealth	58.0	0.7	37.9	0.8	0.0	2.6	100
	% HHs	50.5	2.5	39.2	3.4	0.1	4.3	100
Arunachal Pradesh	% Wealth	82.5	0.0	0.0	12.5	0.1	4.8	100
	% HHs	74.4	0.0	0.0	15.2	0.8	9.6	100
Nagaland	% Wealth	99.4	0.1	0.0	0.0	0.1	0.5	100
	% HHs	98.5	0.1	0.0	0.0	0.2	1.2	100
Manipur	% Wealth	35.4	7.9	38.6	6.1	8.0	4.0	100
	% HHs	47.4	4.7	28.5	7.0	8.7	3.8	100
Mizoram	% Wealth	99.0	0.0	0.0	0.2	0.0	0.8	100
	% HHs	98.4	0.0	0.0	0.3	0.0	1.4	100
Tripura	% Wealth	28.1	18.9	18.8	17.2	16.9	0.1	100
	% HHs	37.3	22.1	15.5	15.4	9.4	0.2	100
Meghalaya	% Wealth	97.5	0.0	0.1	0.3	1.8	0.3	100
	% HHs	92.7	0.3	0.4	1.0	5.1	0.6	100
Assam	% Wealth	14.7	9.6	30.2	16.4	27.6	1.5	100
	% HHs	15.3	8.9	26.3	14.3	32.4	2.9	100
West Bengal	% Wealth	3.1	27.8	8.2	34.3	26.6	0.0	100
	% HHs	6.8	28.7	5.9	30.0	28.4	0.1	100
Jharkhand	% Wealth	44.0	5.3	27.5	11.4	11.5	0.2	100
	% HHs	39.4	8.4	25.9	6.7	19.3	0.3	100
Orissa	% Wealth	17.9	13.2	43.2	25.2	0.5	0.0	100
	% HHs	25.4	17.5	41.0	15.5	0.6	0.0	100

### Inequality in Wealth Ownership in Rural areas across States

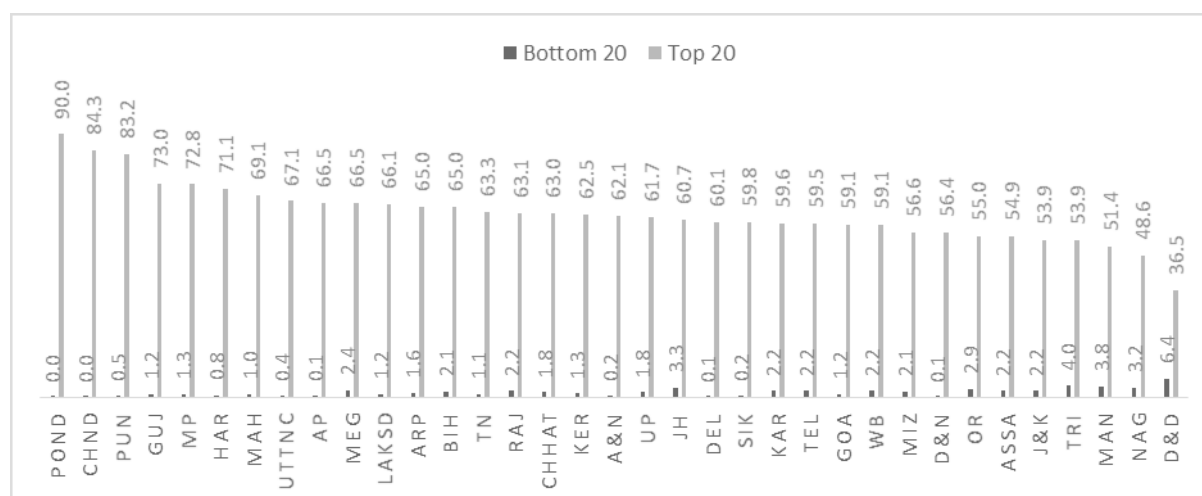
State	Share	ST	SC(HBS)	HOBC	HHC	Muslim	Rest	Total
Chhattisgarh	% Wealth	21.7	15.4	53.9	7.9	1.1	0.0	100
	% HHs	37.0	12.2	44.9	4.2	1.7	0.0	100
Madhya Pradesh	% Wealth	12.8	11.1	49.9	22.7	2.6	0.8	100
	% HHs	30.9	19.4	37.1	10.5	1.9	0.2	100
Gujarat	% Wealth	9.8	4.6	44.3	38.3	3.0	0.0	100
	% HHs	23.9	7.9	47.9	16.6	3.7	0.0	100
D&D	% Wealth	3.7	0.1	90.9	0.0	5.2	0.0	100
	% HHs	6.2	0.1	83.8	0.5	9.4	0.0	100
D&N	% Wealth	99.4	0.0	0.0	0.2	0.0	0.3	100
	% HHs	76.9	0.0	0.0	22.4	0.0	0.7	100
Maharashtra	% Wealth	5.6	6.3	43.3	39.2	5.4	0.2	100
	% HHs	15.6	12.3	37.5	28.3	6.0	0.3	100
Andhra Pradesh	% Wealth	3.5	16.6	39.4	38.9	1.2	0.4	100
	% HHs	9.2	25.2	37.6	25.4	1.8	0.8	100
Karnataka	% Wealth	4.0	14.0	51.5	24.5	5.1	0.8	100
	% HHs	5.7	23.2	45.5	18.7	6.3	0.6	100
Goa	% Wealth	0.0	0.7	2.4	41.9	13.3	41.7	100
	% HHs	0.0	5.0	8.8	45.1	2.3	38.8	100
Lakshadweep	% Wealth	100	0.0	0.0	0.0	0.0	0.0	100
	% HHs	100	0.0	0.0	0.0	0.0	0.0	100
Kerala	% Wealth	1.2	3.7	31.1	15.6	23.3	25.2	100
	% HHs	2.2	8.5	31.3	12.7	26.3	18.9	100
Tamil Nadu	% Wealth	0.8	15.9	76.4	1.2	4.6	1.1	100
	% HHs	1.1	26.0	65.6	0.7	4.9	1.7	100
Pondicherry	% Wealth	0.0	29.4	68.3	0.0	0.0	2.3	100
	% HHs	0.0	20.8	64.0	9.3	2.4	3.4	100
A&N	% Wealth	34.4	0.1	24.7	21.7	7.5	11.6	100
	% HHs	25.9	0.2	21.1	30.1	5.7	17.0	100
Telangana	% Wealth	11.3	11.4	59.3	13.9	2.2	1.9	100
	% HHs	11.1	19.7	54.0	8.7	3.1	3.3	100
Total	% Wealth	6.0	9.9	39.0	26.5	8.9	9.7	100
	% HHs	12.0	20.2	37.9	16.5	11.3	2.1	100

*Source:* AIDIS 2013

### 7.3.2 Rural Wealth Distribution by Percentiles

Figure 7.3 provides information on the share of wealth owned by rural Top 20% and rural Bottom 20% households across states in India. It clearly indicates that most of the richer states with high total wealth have the higher concentration of wealth in the hands of their top 20% households as against the low share of wealth holdings among the bottom 20% households. In rural areas of Punjab, the top 20% households hold more than 83 percent of the total wealth, while Gujarat, Haryana, Madhya Pradesh are states wherein the top quintile holds more than 70 percent of the wealth holdings.

**Figure 7.3: Bottom 20 vs. top 20 households in ownership of wealth across states in Rural India (%) - 2013**

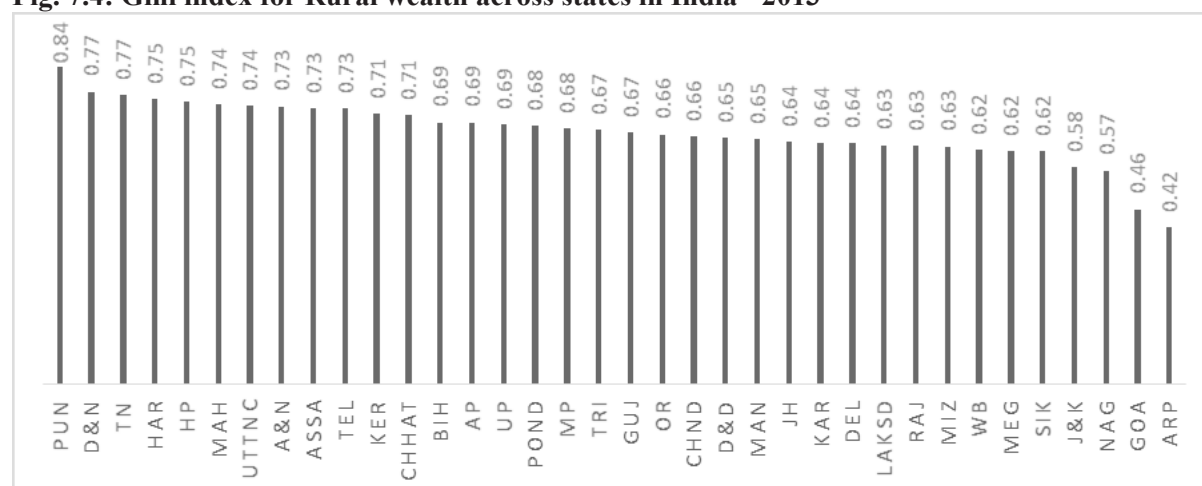


Source: AIDIS 2013

### 7.3.3 Gini Ratio for Rural Wealth Distribution in across States

The gini ratio for wealth distribution across states is given in Figure 7.4. It clearly shows that Punjab, Tamil Nadu, Haryana, Himachal Pradesh and Maharashtra have high inequality in wealth ownership. The lowest rural wealth inequality is observed in Arunachal Pradesh, West Bengal and Rajasthan.

**Fig. 7.4: Gini index for Rural wealth across states in India - 2013**



Source: AIDIS 2013

## 7.4 Summary

In this chapter, an attempt has been made to understand the rural wealth distribution across major states in India, and in some respect across socio-religious groups. The wealth distribution in rural areas across states in 2013 indicates that the states like Uttar Pradesh, Maharashtra, Kerala, Karnataka and Punjab dominate in total wealth holding. UP has highest total wealth over the years. However, the ranking of other states has changed in term of total wealth ownership. Bihar was in the second position and Rajasthan was in the third position in 1992, but they did not appear in the subsequent years even in top five states. Maharashtra shifted from fifth

position in 1992 to second position in 2003 and 2013. Across socio-religious groups in rural areas, some states have higher differences between SC/STs and HHCs in total wealth holding, while some states have lesser differences. The HOBCs also have less wealth ownership as compared to HHCs.

The share of wealth owned by each state in rural India shows that the relative position of the states has substantially changed during the period 1992 to 2013. The states with declining share of wealth includes states like UP, Bihar Rajasthan, Karnataka and Odisha. UP was holding highest 19 percent of total wealth in India in 1992 which declined to 16.1 percent in 2003 and further declined to 12.7 percent in 2013. The states with increasing wealth holding include Maharashtra, TN, Kerala and Gujarat. Across socio-religious groups in rural areas, most of the states have shown that the SCs, STs, and HOBCs are underrepresented in wealth ownership; while HHCs are over-represented. However, the degree of unequal distribution of wealth with respect to household share varies from state to state depending on the demographic combination. There is not much relationship between the level of development and equal distribution as not many changes have occurred in the share of wealth distribution across socio-religious groups. The legacy of unequal wealth distribution has further intensified with time and development.

## Inequality in Wealth Ownership in Urban areas across States

### 8.1 Introduction

The distribution of wealth in urban areas has increased over the years in India from 31 percent in 1992 to 36 percent in 2003 and further to 55 percent in 2013. Similarly, the inequalities in the wealth ownership in terms of Gini ratio is high in urban areas and increased marginally during 1993 to 2013 from 0.73 to 0.74. The contribution of the between socio-religious group inequalities in the total wealth inequality is relatively less as compared to rural areas. However, as discussed in the earlier chapter on the wealth distribution and inequality across states in India at aggregate level and also in urban areas indicates a large variation across states in terms of the wealth distribution and inequalities. Since India is a geographically vast and culturally diverse country, it would be worthwhile to examine the distribution of wealth in urban areas in India across states. In this chapter, we look into the behaviour of the distribution of wealth in urban India across states along with the social and religious groups. As a framework to understand wealth distribution, an attempt has been made to first understand distribution of wealth and the inequalities there in in terms of Gini ratio. For this purpose, we analyze major states to understand household wealth ownership at state level and also across socio-religious groups within each state. Wherever possible, we have also attempted to look into the trends in wealth ownership.

This chapter is further divided into the following sections, viz. wealth ownership across states and socio-religious groups, distribution of wealth across states and socio-religious groups, and Summary.

### 8.2 Distribution of Wealth in Urban areas across States

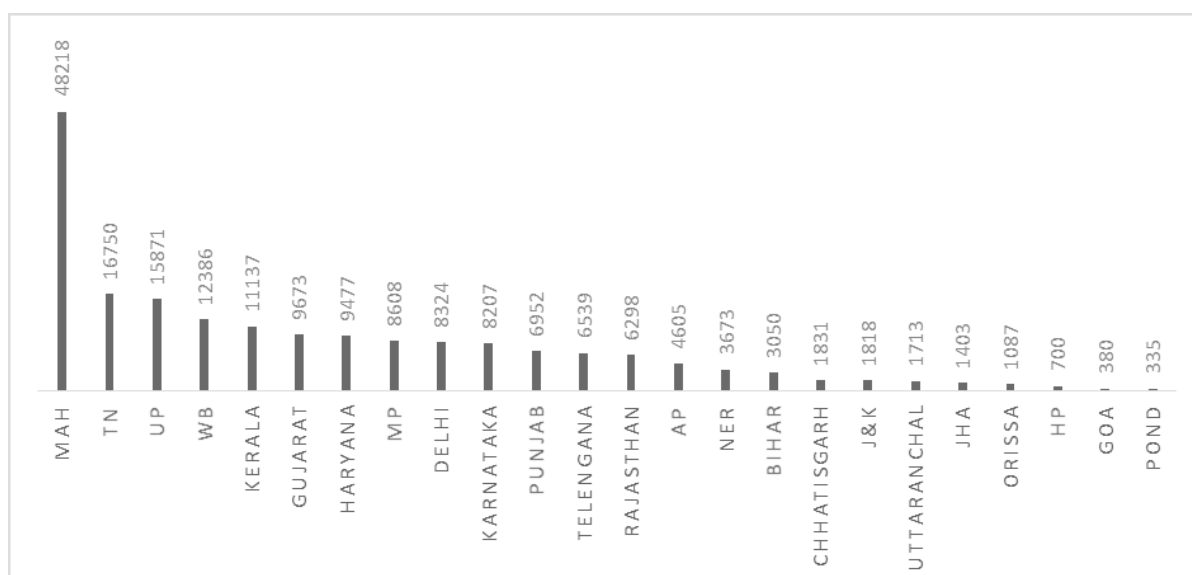
In this section, the distribution of wealth has been measured in terms of the total wealth owned and per household wealth in urban areas across states and socio-religious groups in urban India.

#### 8.2.1 Total Wealth and Per Household Wealth Ownership in Urban areas across States

Figure 8.1 provides information about the total wealth in major states. The top five states in terms of highest wealth are Maharashtra, Tamil Nadu, Uttar Pradesh, West Bengal, and Kerala. States like Maharashtra and Tamil Nadu hold high total wealth as these are highly urbanised states. Households in Maharashtra hold maximum wealth worth ₹ 48,218 billion followed by households in Tamil Nadu holding ₹ 16,750 billion.

The trends in the total wealth, per household wealth and share of wealth across major states in urban India are provided in Table 8.1. To make the comparison between different periods, the estimates are deflated by wholesale price index at 2011-12. Over the years from 1992 to 2013, there has been a considerable shift in the ranking of the states in holding total wealth. Thus, Maharashtra, Tamil Nadu, Uttar Pradesh, West Bengal, Kerala are the top five wealth holding states in urban areas in 2013, but the case was different in 1992 and 2003. Urban Maharashtra holds the top position over the years in terms of the total wealth ownership. Urban Uttar Pradesh shifted from second position in 1992 and 2003 to third position in 2013. Tamil Nadu shifted to third position in 1992 to fourth position in 2003 and second position in 2013. Thus, the position of the states has been shifting over the period in terms of the total wealth in urban areas. This could be due to changes in financial wealth holdings rather than physical wealth holdings.

**Figure 8.1: Total wealth across states in Urban India (₹ in Billion) -2013**



Source: AIDIS 2013

**Table 8.1: Total wealth ownership and per household wealth in Urban areas of major Indian states (at 2011-12 prices) — 1992, 2003 and 2013**

States	Total Asset (In Billion ₹)			Per HH Asset (In ₹)		
	1992	2003	2013	1992	2003	2013
Maharashtra	289	2170	54058	4293352	243037	4862328
Tamil Nadu	175	993	18623	34247	181859	1861281
Uttar Pradesh	249	1359	17797	49853	216870	2173076
West Bengal	115	723	13834	30179	174353	2163188
Kerala	83	771	12498	65567	441674	4515425
Gujrat	120	946	10821	47161	267622	1955545
Haryana	41	498	10620	46747	410045	4121890
Madhya Pradesh	98	788	9630	17148	261535	2451870
Delhi	164	778	9285	89274	328822	2767915
Karnataka	92	761	9168	37219	218935	1577865
Punjab	91	547	7645	81281	334957	2900898

# Inter Group Inequality in Wealth Ownership in India

States	Total Asset (In Billion ₹)			Per HH Asset (In ₹)		
	1992	2003	2013	1992	2003	2013
Telangana	0	0	7152	NA	NA	2016347
Rajasthan	91	620	7039	48959	282731	2172032
Andhra Pradesh	96	1007	5094	27415	198625	1096155
Bihar	60	265	3423	31072	184166	1609782
Assam	12	78	2815	33562	151617	3163519
Chandigarh	6	113	2396	39154	381864	10579854
Chhattisgarh	0	108	2043	NA	162226	1660273
J&K	6	209	2037	59556	648861	3760931
Uttarakhand	0	83	1920	NA	268357	3098060
Jharkhand	0	129	1570	NA	136642	1088315
Orissa	18	147	1105	20912	140595	799081
Himachal Pradesh	5	45	784	49032	296123	3337881
Goa	7	58	424	72201	363559	2650686
Pondicherry	4	36	375	35584	247855	1950650
Meghalaya	2	30	302	75832	484970	2499980
Manipur	2	24	278	45411	237002	1673544
Mizoram	1	24	208	292	421005	2317119
Nagaland	1	15	202	29322	271697	2167037
Tripura	2	15	151	40983	153008	747712
Sikkim	0	3	85	26274	221892	1875355
Arunachala Pradesh	0	1	49	6755	42226	885564
Total	1830	13355	213600	43763	240647	2551212

**Source:** AIDIS 2013

**Note:** Chhattisgarh is merged with MP, Jharkhand is merged with Bihar, Telangana is merged with AP and Uttarakhand is merged with UP in 2013.

Table 8.2 presents the per household wealth ownership across socio-religious groups in urban areas of major states in India in 2013. The per household wealth holding among Scheduled castes (SCs) is substantially lower as compared to Hindu High Castes (HHCs) across states. The HHCs hold highest more than seven times higher per household wealth as compared to SCs in Telangana, Chhattisgarh and Maharashtra. It is also higher in other states such as Gujarat, Haryana and Andhra Pradesh. Similar is the case of STs who holds substantially less wealth per household as compared to HHCs. The highest difference is found in Telangana, Maharashtra and Tamil Nadu where HHCs' per household wealth is more than 7.7 times more as compared to STs' per household wealth.

**Table 8.2: Per household wealth ownership across socio-religious groups in major Indian states (in ₹): 2013**

State	ST	SC(HBS)	HOBC	HHC	Muslim	Rest	Total
Chandigarh	1089265	1974076	893881	8603001	283633	27157913	9425894
Maharashtra	1061047	1110034	1693958	8157593	1398879	7863390	4337061
Kerala	1122905	1410882	3640638	5212550	2626069	5857310	4023711
Haryana	418269	904745	2336939	4811308	2316464	15517792	3678210
J&K	792079	1910447	642006	3003281	4552496	1485803	3356102

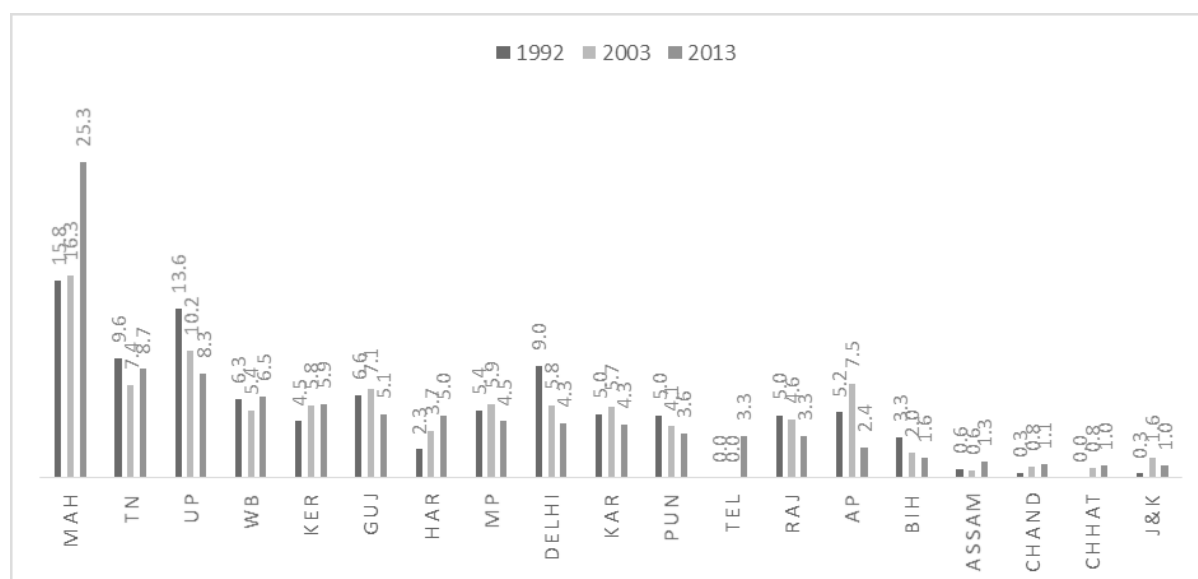
### Inequality in Wealth Ownership in Urban areas across States

State	ST	SC(HBS)	HOBC	HHC	Muslim	Rest	Total
Himachal Pradesh	593504	3642960	1785027	3286668	496100	624833	2978542
Assam	2903382	1089733	1987408	3904508	1160425	490558	2848416
Uttarakhand	5423402	1098355	2340557	3706254	1018827	2188125	2764654
Punjab	702081	691903	725385	2557737	661407	5273622	2638002
Lakshadweep	2655235	NA	NA	NA	NA	NA	2631170
Delhi	893142	1164446	1511995	3371998	948300	NA	2481554
Goa		1237439	1032627	1464372	751226	6543212	2372967
Meghalaya	2394178	7378611	261127	1348189	739214	659507	2224904
Madhya Pradesh	909070	708241	2174700	2852035	1073222	11362677	2191726
Mizoram	2088902	NA	NA	NA	NA	464672	2067778
Rajasthan	5669613	1087636	2384716	2052195	900266	1951491	1943393
Uttar Pradesh	2566345	850271	2182097	2918563	1009306	3907808	1937938
West Bengal	447677	767062	1308503	2826952	800764	2013610	1936885
Nagaland	1957511	NA	NA	NA	1022303	1193065	1932720
Telangana	457822	604082	971373	5241238	1429296	697973	1843466
Gujarat	558188	490685	1415898	2619603	1077763	3709277	1748175
Pondicherry	NA	2677974	1657463	1432748	2356926	2048784	1744911
Sikkim	1149862	574633	2894949	1013912	143806	365930	1676966
Tamil Nadu	262627	699311	1800572	2159631	1248363	2530317	1674056
Manipur	1201178	1083634	1667804	1609174	708947	1796467	1493531
Chhattisgarh	554796	339660	1393410	2683746	1641200	NA	1487957
Bihar	1354860	957541	1564028	1647113	1150633	NA	1434693
Karnataka	748675	1027554	1295918	2039605	880988	1763536	1412451
Andhra Pradesh	591307	356300	753452	1573476	811893	627048	990821
Jharkhand	594144	380132	1093315	1525987	688558	1222839	972704
Arunachal Pradesh	995516	NA	NA	640600	209049	625647	793133
Odisha	480004	281183	896893	1001015	766758	733318	786640
Tripura	519817	469211	788952	830481	348562	184592	668593
Total	1188403	836109.9	1690881	3715095	1205082	4660418	2285135

*Source:* AIDIS 2013

### 8.3 Share of Wealth across States

The percentage share of wealth across states is depicted in Figure 8.2 for last two decades from 1992 to 2013. For the purpose of the study, states have been classified into four groups—those with declining wealth holding, those with increasing wealth, states with no pattern, and states with no change in the wealth holding. The states with declining wealth holding include U.P., Gujarat, Punjab, Rajasthan and Bihar. U.P. was holding 13.6 percent of total wealth in India in 1992, which declined to 10.2 percent in 2003, and further declined to 8.3 percent in 2013. The states with increasing wealth holding include Maharashtra which shown an increasing trend from 15.8 per cent in 1992 to 25.3 per cent in 2013. There are some states which have not shown any particular pattern.

**Figure 8.2: Distribution of wealth in urban areas across major states in India (%) - 1992, 2003 and 2013**

Source: AIDIS 2013

### 8.3.1 Share of Urban Households w.r.t. Share of Wealth holdings across socio-religious groups

Table 8.3 presents the share of households and the share of wealth holdings across socio-religious groups by each state in urban India in 2013. In urban India and also across urban areas of states, there is a mismatch between the share of wealth and share of households. Some of the groups are overrepresented substantially in holding wealth as compared to their household shares. The difference in the shares of wealth holdings and shares of households is substantially higher in the case of SCs, STs, and HHCs. The SC and STs are underrepresented in wealth holding as compared to their household share, but HHCs are overrepresented substantially across states. In urban areas of Haryana and Chhattisgarh, wealth owned by SCs is substantially less than their household share. In urban areas of Haryana and Chhattisgarh, SC households own more than four times less wealth as compared to their household share. The SC households in urban Haryana constitute 12.9 percent but they own 3.2 percent of wealth. Similarly, in urban Chhattisgarh, SC households constitute 16 percent but they own 3.7 percent wealth. Similar situation is existing in other states where the proportion of SC households is substantially higher than their wealth ownership. For example, in urban Maharashtra, 12.8 percent SC households own 3.3 percent of total wealth; the share of SC household in urban Punjab is 27.3 percent but they own 7.2 percent wealth; the share of SC household in urban Gujarat is 10.7 percent but they own three percent wealth; the share of SC household in urban West Bengal is 18 percent but they own 7.1 percent wealth; and the share of SC household in urban TN is 14.2 percent but they own 5.9 percent wealth.

Similar is the case of STs, who have much less share of wealth holdings as compared to their household share in many states. For example, in states like Jharkhand, Orissa, MP, Chhattisgarh, Gujarat, and Maharashtra, the wealth share of STs is substantially less as compared to their household shares in the respective states. In some states, HOBs also hold less wealth as

### Inequality in Wealth Ownership in Urban areas across States

compared to their household share. These states are Telangana, Maharashtra, Goa, Andhra Pradesh Assam and Gujarat where the gap between household share and wealth share of HOBCs ranges from 6 to 24 percentage points. Similarly, the share of wealth owned by Muslims is also substantially low in many states like UP and Maharashtra.

Only in the case of HHCs, their share of wealth holding is higher as compared to their household share in most of the states, but it is the other way round for all other groups in varying degrees.

**Table 8.3: Share of households and share of wealth by states across socio-religious groups in Urban India: 2013 (in per cent)**

State		ST	SC(HBS)	HOBC	HHC	Muslim	Rest	Total
West Bengal	% Wealth	0.6	7.1	4.6	79.4	7.1	1.2	100
	% HH	2.4	18.0	6.8	54.4	17.2	1.1	100
Maharashtra	% Wealth	0.7	3.3	10.3	74.5	4.8	6.5	100
	% HH	2.7	12.8	26.5	39.6	14.9	3.6	100
Himachal Pradesh	% Wealth	0.7	18.6	6.9	73.3	0.5	0.1	100
	% HH	3.6	15.2	11.5	66.4	3.1	0.3	100
Uttarakhand	% Wealth	1.7	3.0	16.0	71.7	6.6	0.9	100
	% HH	0.9	7.6	18.9	53.5	18.0	1.2	100
Delhi	% Wealth	0.6	8.6	6.9	71.5	4.8	7.7	100
	% HH	1.6	18.3	11.3	52.6	12.4	3.7	100
Haryana	% Wealth	0.1	3.2	17.6	70.6	1.9	6.7	100
	% HH	1.0	12.9	27.6	53.9	3.0	1.6	100
Assam	% Wealth	11.1	3.8	14.7	66.6	3.7	0.1	100
	% HH	10.9	9.9	21.1	48.6	9.1	0.4	100
Chandigarh	% Wealth	0.2	2.4	0.5	60.2	0.1	36.6	100
	% HH	1.4	11.6	5.6	65.9	2.8	12.7	100
Gujarat	% Wealth	1.5	3.0	23.8	59.5	8.5	3.7	100
	% HH	4.7	10.7	29.3	39.7	13.8	1.8	100
Telangana	% Wealth	1.0	3.2	27.1	59.0	8.6	1.0	100
	% HH	4.1	9.9	51.4	20.8	11.1	2.7	100
Andhra Pradesh	% Wealth	1.9	4.7	28.5	56.6	6.8	1.5	100
	% HH	3.2	13.0	37.5	35.6	8.3	2.4	100
A&N	% Wealth	0.3	2.3	25.4	52.1	6.0	14.0	100
	% HH	4.9	5.5	11.6	58.6	11.4	8.1	100
Tripura	% Wealth	9.0	19.8	20.4	49.1	1.7	0.1	100
	% HH	11.5	28.2	17.3	39.5	3.2	0.2	100
Chhattisgarh	% Wealth	5.4	3.7	32.0	49.0	6.1	3.9	100
	% HH	14.6	16.0	34.2	27.2	5.5	2.6	100
Uttar Pradesh	% Wealth	1.3	6.8	29.9	47.2	12.9	2.0	100
	% HH	1.0	15.4	26.6	31.3	24.8	1.0	100
Orissa	% Wealth	7.8	4.9	35.8	44.7	5.8	0.9	100
	% HH	12.8	13.6	31.4	35.2	6.0	1.0	100

### Inter Group Inequality in Wealth Ownership in India

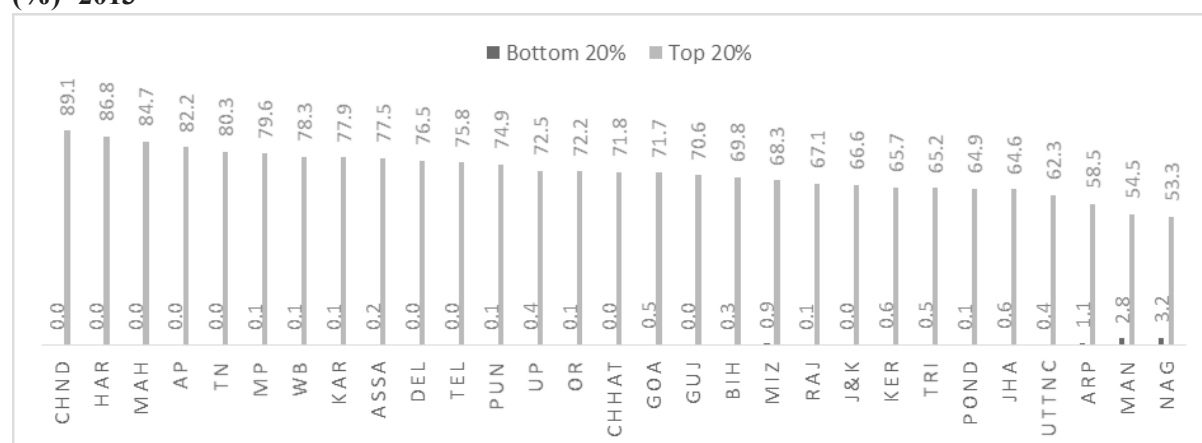
Karnataka	% Wealth	1.4	7.2	35.8	39.5	10.2	5.9	100
	% HH	2.6	9.9	39.0	27.4	16.4	4.7	100
Punjab	% Wealth	0.1	7.2	1.6	38.1	0.2	52.8	100
	% HH	0.2	27.3	5.9	39.3	0.8	26.4	100
J&K	% Wealth	0.8	4.1	1.0	38.1	55.8	0.2	100
	% HH	3.4	7.2	5.3	42.6	41.2	0.4	100
Rajasthan	% Wealth	13.1	10.9	29.7	37.5	6.5	2.2	100
	% HH	4.5	19.4	24.2	35.5	14.1	2.2	100
Madhya Pradesh	% Wealth	3.0	4.4	32.4	37.3	7.2	15.7	100
	% HH	7.2	13.7	32.7	28.6	14.8	3.0	100
Jharkhand	% Wealth	13.7	2.3	34.9	36.9	12.0	0.1	100
	% HH	22.5	5.8	31.1	23.5	17.0	0.1	100
Goa	% Wealth	0.4	2.6	9.0	31.2	0.8	56.1	100
	% HH	1.0	5.1	20.7	50.5	2.4	20.3	100
D&N	% Wealth	44.1	0.2	24.7	30.6	0.3	0.0	100
	% HH	22.6	1.3	17.6	54.3	3.2	1.0	100
Arunachal Pradesh	% Wealth	62.9	2.4	3.3	26.6	0.5	4.3	100
	% HH	50.1	5.1	4.4	33.0	2.0	5.4	100
Kerala	% Wealth	0.2	2.1	35.7	23.2	10.9	27.9	100
	% HH	0.9	5.9	39.5	17.9	16.7	19.2	100
Bihar	% Wealth	0.4	9.7	60.1	19.3	10.6	0.0	100
	% HH	0.5	14.5	55.1	16.8	13.2	0.0	100
Sikkim	% Wealth	14.6	0.7	66.5	16.0	0.3	1.9	100
	% HH	21.3	2.1	38.5	26.5	3.1	8.5	100
D&D	% Wealth	14.7	1.4	54.0	15.2	14.3	0.3	100
	% HH	22.1	3.4	13.8	54.5	5.9	0.2	100
Meghalaya	% Wealth	72.8	12.0	0.2	13.6	1.2	0.3	100
	% HH	67.6	3.6	1.7	22.4	3.5	1.2	100
Manipur	% Wealth	13.5	2.3	61.4	12.1	3.9	6.8	100
	% HH	16.8	3.2	55.0	11.2	8.1	5.7	100
Tamil Nadu	% Wealth	0.1	5.9	65.5	8.5	6.7	13.2	100
	% HH	0.5	14.2	60.9	6.6	9.0	8.8	100
Pondicherry	% Wealth	0.0	6.7	71.4	6.0	3.3	12.6	100
	% HH	0.0	4.4	75.2	7.3	2.4	10.8	100
Nagaland	% Wealth	98.8	0.0	0.0	0.1	1.0	0.0	100
	% HH	97.5	0.0	0.2	0.3	2.0	0.0	100
Mizoram	% Wealth	99.5	0.0	0.4	0.0	0.0	0.2	100
	% HH	98.5	0.0	0.9	0.0	0.0	0.7	100
Lakshadweep	% Wealth	99.9	0.0	0.1	0.0	0.0	0.0	100
	% HH	99.0	0.0	1.0	0.0	0.0	0.0	100
Total	% Wealth	1.9	5.0	23.6	53.2	7.1	9.1	100
	% HH	27.7	37.6	42.6	70.6	49.7	53.9	54.9

**Source:** AIDIS 2013

### 8.3.2 Urban Wealth Distribution by Percentiles

Figure 8.3 provides information on the share of wealth owned by urban Top 20% and urban Bottom 20% households across states in India. It clearly indicates that most of the richer states with high total wealth have the higher concentration of wealth in the hands of their top 20% households as against the low share of wealth holdings among the bottom 20% households. The top 20% of the households in the urban areas of Chandigarh, Haryana, Maharashtra, Andhra Pradesh and Tamil Nadu hold more than 80 percent of the total wealth. In another 12 states, top 20% holds 70 percent to 80 percent of the total wealth.

**Figure 8.3: Bottom 20 vs. top 20 households in ownership of wealth across states in Urban India (%) - 2013**

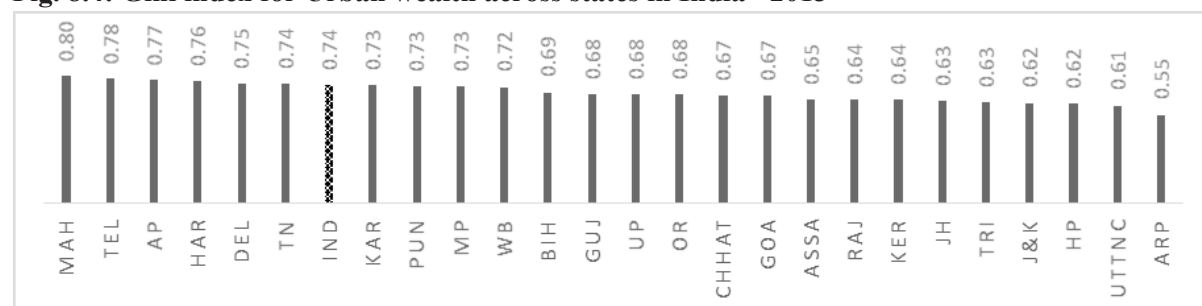


Source: AIDIS 2013

### 8.3.3 Gini Ratio for Urban Wealth Distribution in across States

The gini ratio for urban wealth distribution across states is given in Figure 8.4. It clearly shows that urban Maharashtra has highest Gini ratio across states in India. The gini ratio is 0.80 in urban Maharashtra. In six states namely Maharashtra, Telangana, Andhra Pradesh, Haryana, Delhi and Tamil Nadu have higher gini ratio as compared to national average of gini ratio 0.74.

**Fig. 8.4: Gini index for Urban wealth across states in India - 2013**



Source: AIDIS 2013

## 8.4 Summary

In this chapter, an attempt has been made to understand the urban wealth distribution across major states in India, and in some respect across socio-religious groups. In 2013, top five states in terms of highest wealth are Maharashtra, TN, UP, WB, and Kerala. States like Maharashtra and Tamil Nadu hold high total wealth as these are highly urbanised states. Households in

Maharashtra hold maximum wealth worth ₹ 48,218 billion followed by households in TN holding ₹ 16,750 billion. However, over the years there has been shift in the top states in term of total wealth ownership Urban Maharashtra holds the top position over the years in terms of the total wealth ownership. Urban UP shifted from second position in 1992 and 2003 to third position in 2013. TN shifted to third position in 1992 to fourth position in 2003 and second position in 2013. Similar is the case in terms of per household wealth ownership. Across socio-religious groups, some states have higher differences between SC/STs and HHCs in total wealth holding, while some states have lesser differences. The HHCs hold highest more than seven times higher per household wealth as compared to SCs in Telangana, Chhattisgarh and Maharashtra. It is also higher in other states such as Gujarat, Haryana and Andhra Pradesh. Similar is the case of STs who holds substantially less wealth per household as compared to HHCs. The highest difference is found in Telangana, Maharashtra and Tamil Nadu where HHCs' per household wealth is more than 7.7 times more as compared to STs' per household wealth.

The intergroup inequality in the wealth ownership in urban areas of the Indian states is substantially high. It shows that the SCs, STs, and HOBCs are underrepresented in wealth ownership; while HHCs are over-represented. However, the degree of unequal distribution of wealth with respect to household share varies from state to state depending on the demographic combination. There is not much relationship between the level of development and equal distribution as not many changes have occurred in the share of wealth distribution across socio-religious groups. The legacy of unequal wealth distribution has further intensified with time and development.

## Inequalities in Land Holding in India

### 9.1 Introduction

Access to land in an agriculture-based rural economy is important for the reason that land is a primary means and instrument of production. The social distribution of land in a village economy determines the economic position and power relations between different social groups. However, ownership holdings of land showed that in most of the states in country, the proportion of land owned by under developed caste was much lower than their share in total population. The reason behind it is the limited access to agricultural land and other capital assets is both due to the historical legacy associated with restrictions imposed by the caste system and the ongoing discrimination in land and other related economic spheres. Hence, the inequality in land ownership across different castes and states within the country is a concern in itself for inclusive developmental policy interventions and it is the aim of this chapter.

### 9.2 Data and Methods

To fulfil the above said objective the present study used secondary data source collected by National Sample Survey Office on Land and Livestock Holdings for the agriculture year July 2012-June 2013. The survey has been carried out across rural India on various aspect of agricultural household and their farm-related activities. The survey was carried out in two visits. Visit one for *kharif* season (July to December 2012) and visit two for the Rabi season (January to June 2013). During the first visit, a total of 35604 and during second visit a total of 35337 households were interviewed across the country. The information collected in this survey was related to different indicators of ownership holding, operational holding, pattern in land use, detailed types of crop production/animal farming activities of the households, seasonal variation in household operational holding, ownership of livestock, etc can be generated for the rural areas of the country.

The group inequality is measured along social and religion line. As data provides information on social group and religion separately, we have created six groups Scheduled Caste (SC), Scheduled Tribe (ST), Hindu Other Backward Classes (Hindu OBC), Hindu High Caste (Hindu HC) and Rest (all other who are not either of any social group and religion). Based on the operational size of landholding, households were categorized into six farm size categories- Landless: Less than 0.002 Hectares; Marginal: 0.002 Hectares to 1.000 Hectares; Small: 1.000 Hectares to 2.000 Hectare; Semi-Medium: 2.000 Hectares to 4.000 Hectares; Medium: 4.000 Hectares to 10.000 Hectares; Large: More than 10.000 Hectares.

Further, to understand economic inequality we have also calculates share of land among the selected top and bottom percentile groups. Those groups have been created based on land holding of the surveyed households. Finally, we have calculated Gini Index for total and own land for country as a whole and for each of the group also to understand the persisting inequality in the land distribution in rural India.

### 9.3 Average Land Size in Rural India

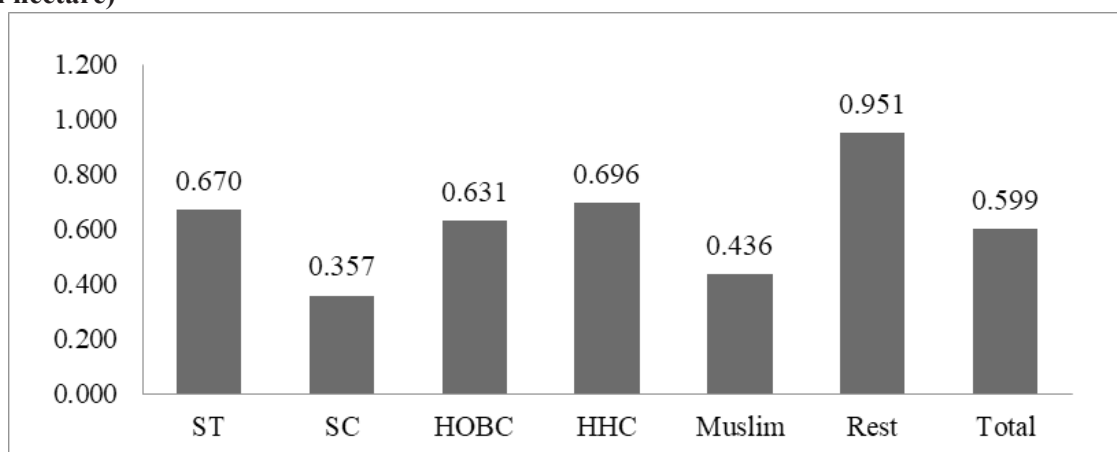
Average Land holding per household in rural India was close to 0.60 hectare in 2013. This varied from a very low of 0.36 hectare/households among SC, 0.44 hectare/household among Muslim to a high of 0.70 hectare/household among Hindu high caste (Figure 9.1). The average land holding among different groups by land size category has been provided into Table 9.1. Among the marginal category, it was found low of 0.19 hectare among SC household to a high of 0.32 hectare among Hindu high caste. However, the average marginal land holding size was found 0.37 hectare among ST households. Size of medium land holding was 5.40 hectare varied from 5.20 hectare among SC households to 5.45 hectare among Hindu high caste. The average size of large land holding was 15.40 hectare varied from 12.65 hectare among SC households to 19.96 hectare among Hindu OBC (Table 9.1).

**Table 9.1: Average land across socio-religious groups by land Size in India (In hectare)**

Social Religious Groups	Marginal	Small	Semi-medium	Medium	Large	Total
ST	0.374	1.399	2.469	5.519	NF	0.670
SC	0.191	1.327	2.509	5.207	12.652	0.357
Hindu OBC	0.305	1.363	2.495	5.446	19.956	0.631
Hindu HC	0.318	1.375	2.532	5.323	12.411	0.696
Muslim	0.225	1.364	2.566	5.430	12.952	0.436
Rest	0.339	1.354	2.599	5.429	14.165	0.951
Total	0.294	1.37	2.51	5.399	15.360	0.599
NF: Not Found						

**Source:** Land and Livestock Survey, 2013

**Figure 9.1: Average land Size per household across socio-religious Groups in Rural India, 2013 (In hectare)**



**Source:** Land and Livestock Survey, 2013

## 9.4 Share of Households by Land Size

Table 9.2 represents the household holdings by land size category across the socio-religious groups. The analysis is based on the information available for the second visit to the households in rural India during January-June 2013. A total of 6.3 percent households were landless during 2013 having either no land or less than 0.002 hectare. Highest of 85 percent of agricultural households were marginal farmers having land upto one hectare. There were 6.3 percent small and 2.3 percent semi-medium farmers. Close to only one percent farmers were found in medium and large land holdings.

**Table 9.2: Share of Household by Land Size Category and Socio-Religious Groups in Rural India, 2013 (%)**

Socio-religious groups	Landless	Marginal	Small	Semi-medium	Medium	Large	Total	HH (N)
ST	7.37	81.88	8.22	2.26	0.27	0.00	100	18527207
SC	7.15	88.74	2.94	0.98	0.18	0.01	100	31247852
Hindu OBC	5.69	84.15	6.87	2.56	0.70	0.04	100	60170222
Hindu HC	5.35	79.33	10.05	3.99	1.17	0.11	100	25748271
Muslim	7.25	89.17	2.56	0.92	0.08	0.03	100	16781473
Rest	2.17	83.29	8.86	3.88	1.77	0.03	100	3186174
Total	6.22	84.53	6.34	2.29	0.57	0.04	100	155661199

*Source:* Land and Livestock Survey, 2013

Across the different groups; the highest of landless farmers were among SC, ST and Muslims, each one having more than 7 percent landless farmers. The low of 5.3 percent landless farmers were among Hindu high caste. Among the marginal land size category, highest of SC (89%), ST (82%) and Muslims (88%) are falling in it against a low of 79 percent among Hindu high caste. Among SC and Muslim only 2 percent households were having small size land holding compared to 10 percent among Hindu high caste. Above the small size category only close to 1 percent household found as compare to more than 5 percent among Hindu high caste in rural India.

**Table 9.3: Share of Household across Land Size Category and Socio-Religious Groups in Rural India, 2013 (%)**

Socio-religious groups	Landless	Marginal	Small	Semi-medium	Medium	Large	Total
ST	14.10	11.53	15.43	11.72	5.53	0.00	11.90
SC	23.06	21.07	9.31	8.61	6.27	3.39	20.07
Hindu OBC	35.34	38.48	41.84	43.08	46.85	42.58	38.65
Hindu HC	14.23	15.52	26.20	28.80	33.58	45.46	16.54
Muslim	12.56	11.37	4.36	4.31	1.45	7.04	10.78
Rest	0.71	2.02	2.86	3.47	6.31	1.53	2.05
India	100	100	100	100	100	100	100
India (HH)	9686825	131576080	9874133	3568395	893819	61948	155661199

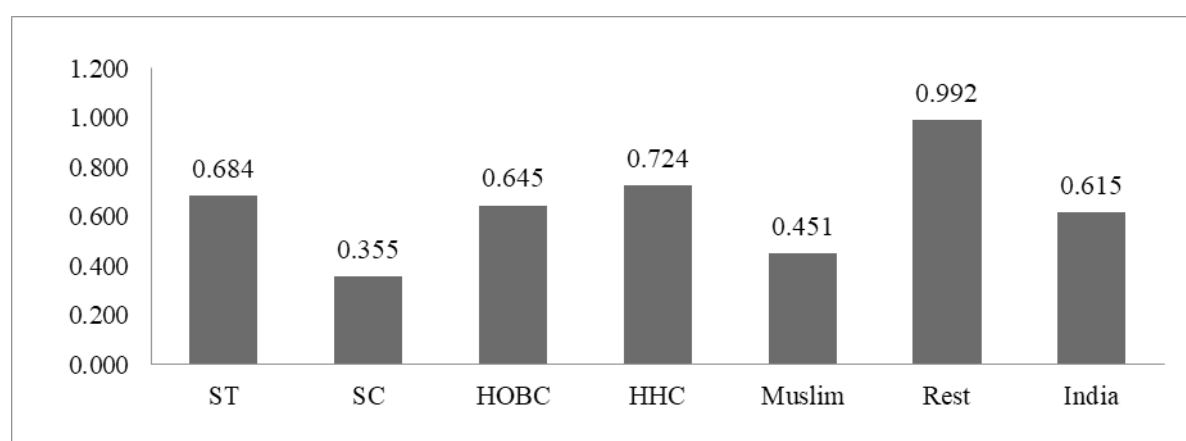
*Source:* Land and Livestock Survey, 2013

Share of different group within each of the land size category is provided into Table 9.3. Although across all the land size category, share of Hindu OBC and Hindu high caste is found high but as we move towards semi-medium to large land category share of SC, ST and Muslims decreases more than their share in the total households. Like in medium category of land size, only 5 percent ST and 6 percent SC were having land whereas it was less than 2 percent Muslim found in medium size land category. In large land size category, none of ST households having any land, whereas only 3 percent HH households were found in large land size category.

**Table 9.4: Share of Own Land in Total land area across socio-religious groups in India, 2013**

Socio-religious groups	Area own	Area Leased In	Area Otherwise	Area leased out	Area Total	Area Total (In hectare)
ST	88.5	6.4	2.6	2.5	100	13110241
SC	79.7	15.6	2.3	2.4	100	10134467
Hindu OBC	86.2	9.3	0.5	4.0	100	42669583
Hindu HC	86.2	8.2	0.7	5.0	100	26306125
Muslim	86.7	10.8	0.1	2.5	100	5709616
Rest	76.2	18.7	1.3	3.8	100	3838953
Total	85.5	9.7	1.0	3.8	100	101768984

**Figure 9.2: Average Own Land among Socio-Religious Groups in India (In Hectare)**



## 9.5 Share of Own Land in Total Land in Rural India

Share of own land in total land occupied by each group is provided into Table 9.4. It is observed that close to 85 percent of rural households reported for own land out of the total land they have at the time of the survey. Close to 10 percent were having leased in land and 4 percent were reported for leased out land. Across the socio-religious groups, the lowest of own land found among SC households as close to four-fifth were having own land as against of 86 percent among high caste. Moreover, the share of leased-in land was found highest among the SC and Muslim households. The average own land is also provided for each of the group and it is found that the SC household occupied average of only 0.355 hectare per household compared to 0.724 hectare per households among Hindu high caste. Although share of own land among Hindu OBC was found close to the Hindu high caste but the average own land among the group found 0.645 hectare (Figure 9.2).

## 9.6 Economic Inequality in Land Holding

The economic inequality in landholding in rural India based in quintile/deciles and percentile is provided into table 5 onwards. We have created economic percentile categories based on the total own land area possesses by the households. In Table 9.5, the economic inequality in land holding is provided based on five quintile groups. As with the increasing economic well-being the average size of land holding also increases. As among the bottom 20 percent the average own land holding is only 0.006 hectare which increase to 1.43 hectares among 4<sup>th</sup> quintile whereas among the 5<sup>th</sup> quintile the average own land size found 3.75 hectares. The share of each quintile increases as we move from bottom to top. Among the bottom 20 percent the share of total land found even less than one percent which increased to 25 percent among third quintile which increased to 47 percent among the 5<sup>th</sup> quintile or can say among 80-100 percent households.

**Table 9.5: Details on Own Land by Quintile Groups in Rural India, 2013**

Quintile Group	Mean own land (Hectare)	Share (In %)
Bottom 20 %	0.006	0.29
20-40 %	0.123	7.09
40-60 %	0.646	25.30
60-80 %	1.423	20.13
Top 20 %	3.750	47.20
India	0.593	100

*Source:* Land and Livestock Survey, 2013

**Table 9.6: Details on Own Land by Deciles Groups in Rural India, 2013**

Deciles groups	Mean own land (Hectare)	Share (In %)
Bottom 10 %	0.003	0.06
10-20 %	0.009	0.23
20-30 %	0.035	0.97
30-40 %	0.204	6.12
40-50 %	0.502	11.99
50-60 %	0.869	13.30
60-70 %	1.206	8.20
70-80 %	1.624	11.92
80-90 %	2.195	11.98
Top 10 %	4.942	35.22
India	0.593	100

*Source:* Land and Livestock Survey, 2013

We have further disaggregated the economic categorisation from quintile to deciles group to deepen the issue of persisting economic inequality in rural India and has been provided into Table 9.6. It is observed that as we move from bottom to top the inequality increases more as the concentration of land is within a small proportion of households. As among the bottom deciles group (bottom 10 %) the average own land is very measure of only 0.006 hectares. For the sixth deciles group, the average land size is 1.42 hectares which found highest of 3.75

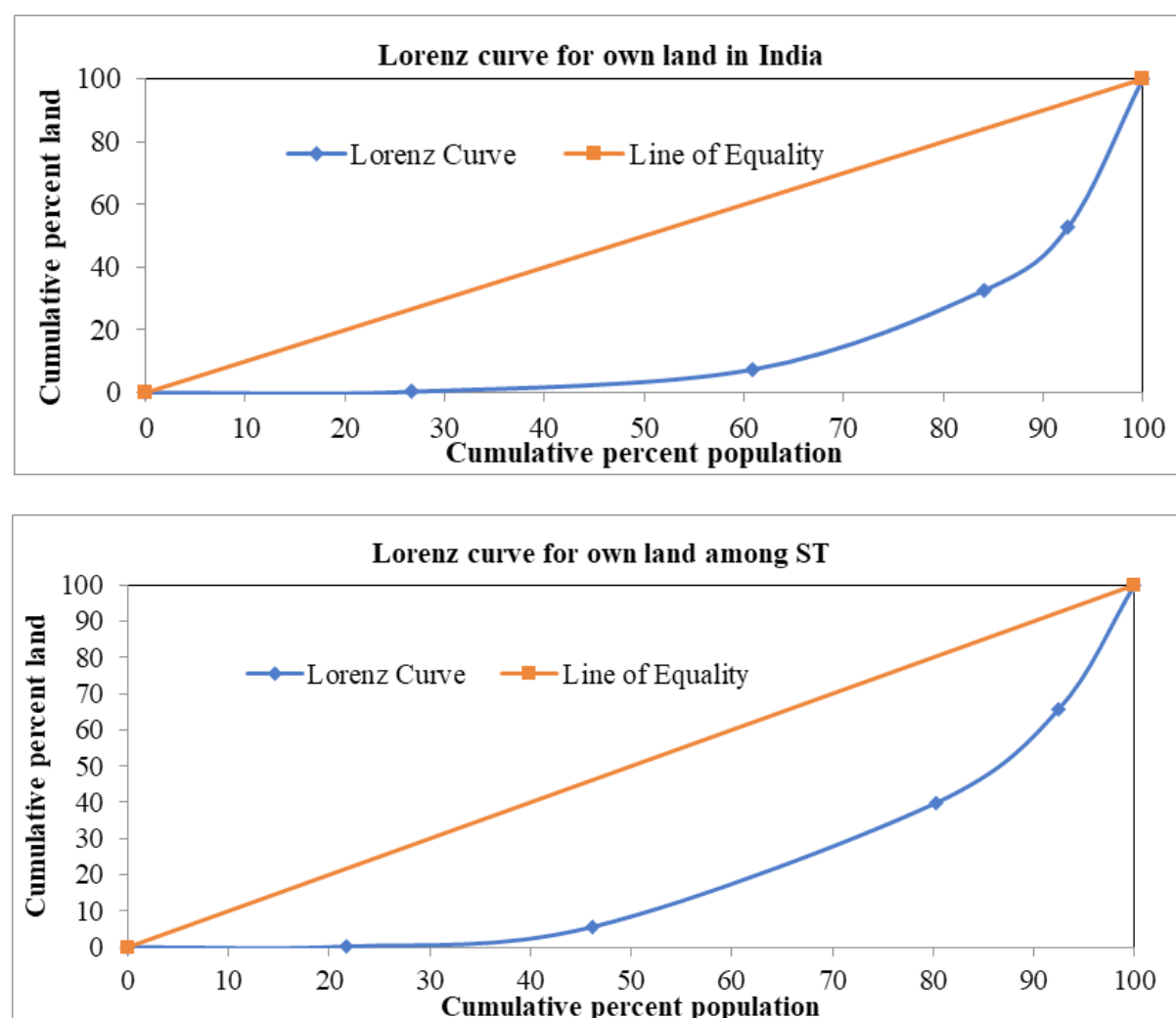
hectares among the top 10 percent. The share by each deciles group has also been calculated and provided into Table 9.11. As the bottom 10 percent contribute even less than 0.1 percent of the total land area which increased to 12 percent for 5<sup>th</sup> deciles group and a high of 35 percent by 10<sup>th</sup> deciles or we can say the top 10 percent.

**Table 9.7: Gini Index for land in India, 2013**

Socio-religious Groups	Total Land	Own Land
ST	0.49	0.58
SC	0.61	0.73
Hindu OBC	0.60	0.68
Hindu High Caste	0.56	0.64
Muslim	0.63	0.71
India	0.61	0.69

*Source:* Author calculation based on NSS land data, 2013

**Figure 9.3 A: Lorenz curve for own land in rural India for ST, SC and country, 2013**



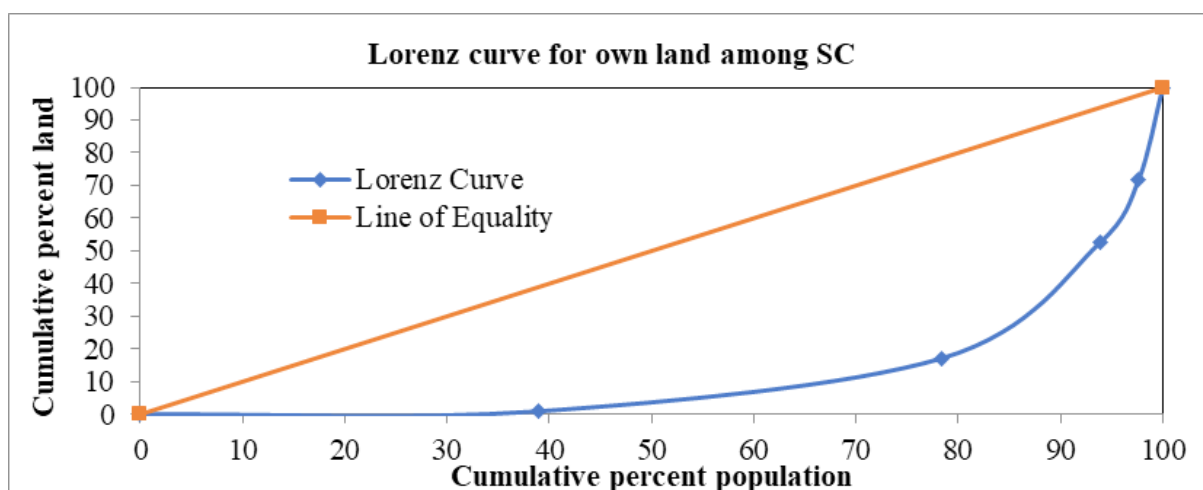
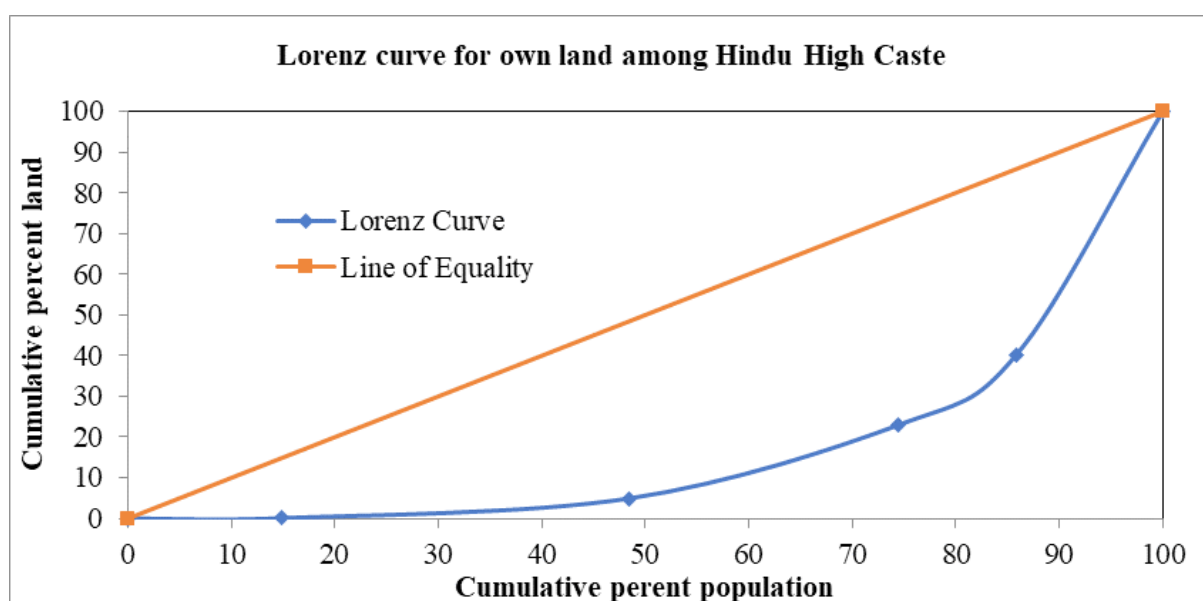
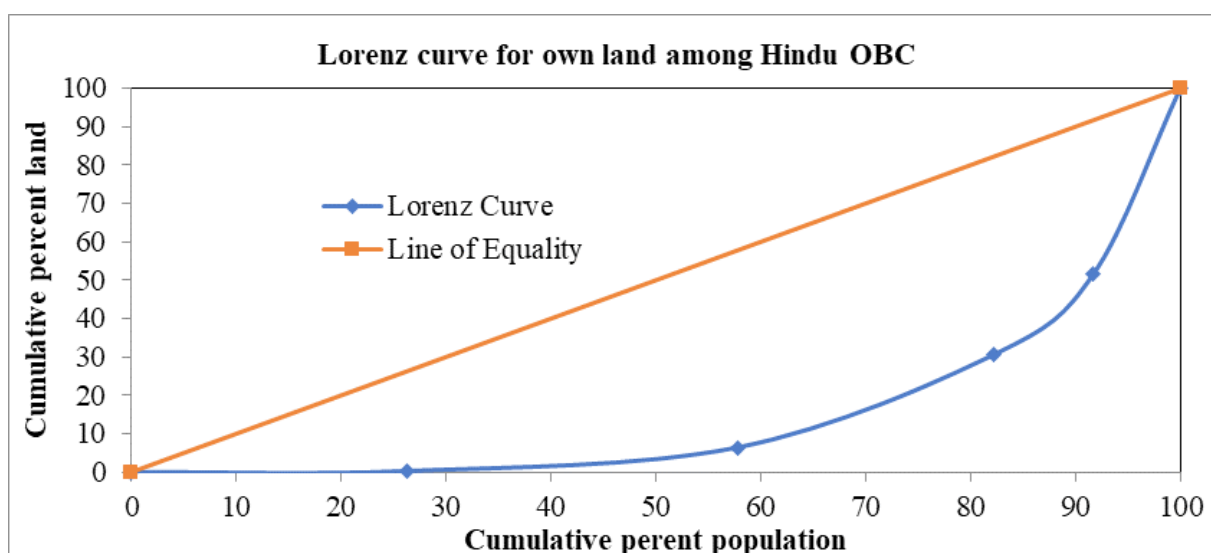
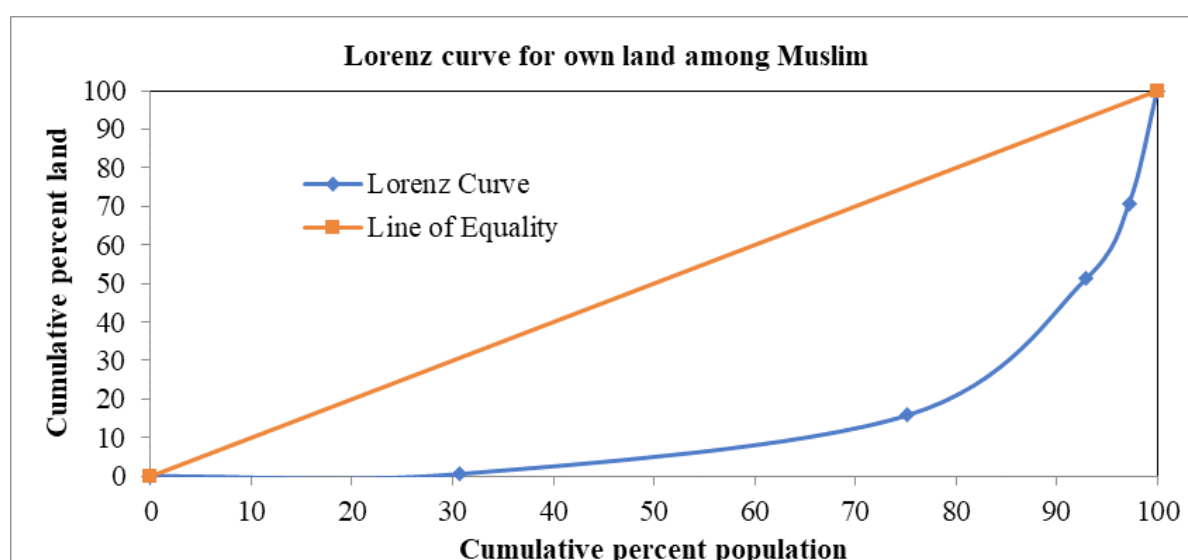


Figure 9.3B: Lorenz curve for own land in rural India for Hindu OBC, Hindu High Caste and Muslim, 2013

**Lorenz Curve for Own Land in India**





The widely used measures for estimating inequality across the studies are the Gini, Log Mean Deviation and Theil Index. However, the Log Mean Deviation and Theil Index can be used when there are no zeros or negative values. Hence, in this study we have calculated Gini index to reveal the inequality in land holdings in India and across the groups. The Gini index has calculated for both- total land and own land area and presented into Table 9.7. The inequality is more prevalent in own land area compared to the total land area among the households in rural India. The index values are found 0.61 and 0.73 respectively (Table 9.7). The within group inequality for total land is found bit more among Muslim (0.63), close to national average among SC and Hindu OBC. Whereas found less among Hindu High caste (0.56) and Lowest of 0.49 among ST. However, in case of Own land, the inequality is more prevalent among SC (0.73) and Muslim (0.71) households and lowest among ST (0.58) household and can be found in Table 9.7. We have also generated Lorenz curve for each group and country as well on own land and can be observed into figure 9.3.

## 9.7 Summary

The inequality in land ownership across different castes and states within the country is a concern in itself for inclusive developmental policy interventions and this chapter tried to accumulate evidences on it, using land and livestock holding data collected by national sample survey organisation into 2013. The national average of land area is found 0.59 hectare per household. The average land size found lowest of 0.36 hectares among SC followed 0.43 hectares among Muslim households. Highest land size was among Hindu high caste (0.70 hectares). The average size varied from 0.29 hectares for marginal category to 5.40 hectares for medium and 15.36 hectares for large category of land size. The household holdings by land size category, a total of 6.3 percent households were landless during 2013 having either no land or less than 0.002 hectare. Highest of 85 percent of agricultural households were marginal farmers having land upto one hectare. There were 6.3 percent small and 2.3 percent semi-medium farmers. Close to only one percent farmers were found in medium and large land holdings. Across the different groups; the highest of landless farmers were among SC, ST and Muslims, each one having more than 7 percent landless farmers. The low of 5.3 percent

landless farmers were among Hindu High Caste. Above the small size category only close to 1 percent household found as compare to more than 5 percent among Hindu high caste in rural India. Share of own land in total land occupied by each group revealed that close to 85 percent of the rural households were occupying own land at the time of the survey. Close to 10 percent were having leased in land and 4 percent were reported for leased out land. Across the socio-religious groups, the lowest of own land found among SC households as close to four-fifth were having own land as against of 86 percent among high caste. The average own land is found only 0.355 hectare per household among SC compared to 0.724 hectare per households among Hindu high caste. As with the increasing economic well-being the average size of land holding also increases. As among the bottom 20 percent the average own land holding is only 0.006 hectare which increase to 1.43 hectares among 4<sup>th</sup> quintile whereas among the 5<sup>th</sup> quintile the average own land size found 3.75 hectares. However, among the top 10 percent, the average land size was close to 5.0 hectares. The economic inequality across the state also reflects the varying nature as per the economic classification and the most of the land is concentrated among the top percentiles. Hence, we have also calculated Gini index for total land and own land and observed that the inequality is more among SC and Muslims and lowest among the ST. The Gini values for the country are found 0.61 and 0.69 for total and own land respectively as is evident from the analysis of this chapter.

## Inequalities in Land Holding across States

### 10.1 Introduction

The one of the important assets for wealth creation is land and plays major role in rural areas as most of the household income generation depends on the land. As the previous chapter was focussed on the land inequality at national level followed by within and between group inequalities. As across the country, all the states are not equally developed having differential composition of rural and urban population. However, in the rural areas across the states, agricultural lands are not equally distributed. So, it is also important to explore the land inequality across the state. Hence, this chapter shaped to understand average land size followed by share of own land across the states followed by inequality in possession of land.

### 10.2 Data and Methods

The details of data and method have been discussed in the previous chapter. In this chapter results and finding has been discussed.

### 10.3 Average Land Size across States

The section average land holding size by land size category for different state is provided into Table 10.1. The average land holding across the state varied from 0.027 hectare in Lakshadweep to 1.090 hectare in Rajasthan. In 14 states average land size found between 0.20 hectare and 0.50 hectare. Some of the major states within this are West Bengal, Himachal Pradesh, Bihar, Jharkhand, Uttar Pradesh, Kerala etc. Within 0.51 to 1.00 hectare there are 19 states and some of them are Tamil Nadu, Andhra Pradesh, Madhya Pradesh, Maharashtra, Haryana, Punjab, Karnataka, Gujarat etc. Among the different land size category, average size of marginal landholding varied from a low of only 0.029 hectare in union territory of Lakshadweep to a high of 0.486 hectare in north eastern state Nagaland. Upto 0.25 hectare there are 13 states and some of important are Himachal Pradesh, Kerala, Bihar, Punjab etc. Rest of the states are lying between 0.25 and 0.50 hectares.

Size of small holding varied between 1.214 in Goa to 1.60 hectare in Nagaland. Between 1.2 hectare and 1.3 hectare there are 7 states. Within 1.3 hectare and 1.4 hectare there are 19 states and some of them are Punjab, Kerala, Tamil Nadu, Himachal Pradesh, Maharashtra, and Madhya Pradesh. The average size of semi-medium land holding varied from 2.05 hectare in Goa to 2.84 hectare in Nagaland. 21 states lying below the 2.50 hectares and rest were found within above than that. Average size of medium holding varied between 4.02 hectare and 7.5

## Inequalities in Land Holding across States

hectares across the states. There are 10 states within 4.0 and 5.0 hectares, 15 states between 5.0 hectares and 6.0 hectares, 5 states found between 6.0 hectares and 7.0 hectares. There was only one state found in more than 7.0 hectares size category. However, there were 5 states where no medium holding is found. In case of small and semi-medium this number of state was 3. There are only 8 states where large land holding is found and their size varied between 10.01 hectares and 23.88 hectares. Those states are Gujarat (10.01 hectares), Punjab (10.12 hectares), Maharashtra (10.41 hectares), Madhya Pradesh (12.01 hectares), Rajasthan (16.70 hectares), Haryana (18.22 hectares) and Kerala (23.88 hectares). The details can be found in Table 10.1.

**Table 10.1: Average land by land size category across states in Rural India, 2013 (In hectare)**

State	Marginal	Small	Semi-medium	Medium	Large	Total
J&K	0.253	1.281	2.428	7.500	NF	0.371
Himachal Pradesh	0.160	1.361	2.870	5.600	NF	0.225
Punjab	0.234	1.327	2.498	5.499	10.117	0.853
Chandigarh	0.197	1.328	2.423	6.091	NF	1.044
Uttarakhand	0.165	1.414	2.670	4.047	NF	0.277
Haryana	0.308	1.443	2.492	5.782	18.212	0.823
Delhi	0.342	1.340	2.618	NF	NF	0.546
Rajasthan	0.356	1.422	2.754	6.019	16.695	1.090
Uttar Pradesh	0.282	1.353	2.568	5.035	NF	0.449
Bihar	0.202	1.372	2.463	4.616	NF	0.289
Sikkim	0.334	1.218	2.741	6.855	NF	0.464
Arunachal Pradesh	0.449	1.589	2.671	4.649	NF	0.890
Nagaland	0.486	1.603	2.836	4.500	NF	0.886
Manipur	0.448	1.368	2.269	5.662	NF	0.733
Mizoram	0.457	1.411	2.317		NF	0.949
Tripura	0.292	1.372	2.418	5.610	NF	0.387
Meghalaya	0.470	1.300	2.220	4.725	NF	0.696
Assam	0.415	1.372	2.433	4.982	NF	0.858
West Bengal	0.158	1.262	2.324	NF	NF	0.195
Jharkhand	0.283	1.331	2.463	4.249	NF	0.424
Orissa	0.268	1.296	2.408	5.861	NF	0.352
Chhattisgarh	0.437	1.257	2.356	5.870	NF	0.751
Madhya Pradesh	0.372	1.394	2.586	5.159	12.090	0.782
Gujarat	0.360	1.439	2.633	5.490	10.008	0.897
Daman & Diu	0.065	NF	NF	NF	12.000	0.259
Dadra & Nagar Haveli	0.210	NF	NF	4.020	NF	0.237
Maharashtra	0.361	1.380	2.513	5.014	10.410	0.818
Andhra Pradesh	0.319	1.337	2.371	5.157	NF	0.591
Karnataka	0.359	1.345	2.412	5.101	NF	0.875
Goa	0.168	1.214	2.050	6.800	NF	0.334
Lakshadweep	0.029	NF	NF	NF	NF	0.027
Kerala	0.219	1.345	2.691	4.909	23.877	0.459
Tamil Nadu	0.261	1.344	2.454	5.221	NF	0.588
Pondicherry	0.237	1.306	2.466	6.885	NF	0.577
A&N Islands	0.394	1.503	2.369	4.034	NF	0.761
Telangana	0.355	1.319	2.264	5.110	NF	0.728
<b>India</b>	<b>0.294</b>	<b>1.370</b>	<b>2.510</b>	<b>5.399</b>	<b>15.360</b>	<b>0.599</b>

*Source:* Land and Livestock Survey, 2013

### 10.4 Share of Households by Land Size Category

Share of households by land size category across the state has been presented into Table 10.2. A total of 6.2 percent households are landless with highest of 85 percent are marginal households. Small and semi-medium households are close to 8.6 percent. Medium and large households constitute even less than one percent nationally. Within the landless category there are 20 states/UTs where share of households are less than the national average and in the rest of the states/UTs, the share is more. However, the landless households varied from a less than one percent in north-eastern states, other small states and UTs like Mizoram, Tripura, Assam, Goa, Lakshadweep etc. On the other hand the highest share of landless households in small states and UTs. Like, close to 47 percent households in Daman & Diu are landless and it was 25 percent and 23 percent in Chandigarh and Pondicherry. The high percentage of landless households in major states found in Punjab (8.2%), Karnataka, (9.3%), Maharashtra (12.1%) and Gujarat (13.6%). Within the marginal category, the share was 53 percent in Daman & Diu and 60 percent in Nagaland to 97 percent in Tripura to 99 percent in Lakshadweep. There are 19 states where share of marginal households are found lower than the national average and some of the important states found within it was Maharashtra (66%), Gujarat (68%), Karnataka (70%), Rajasthan (74%), Haryana (76%), Telangana (679%, Punjab (80%). In Uttar Pradesh, Tamil Nadu, Himachal Pradesh, Bihar, Jharkhand, Odisha, Kerala, West Bengal the share of marginal households were above than 90 percent.

**Table 10.2: HH by land size category across states in India (%)**

State/UT	Landless	Marginal	Small	Semi-medium	Medium	Large	Total HH (lakh)
Jammu & Kashmir	1.92	95.92	1.89	0.26	0.00	0.00	13.75
Himachal Pradesh	6.53	91.95	1.44	0.05	0.02	0.00	13.22
Punjab	8.25	79.61	6.93	3.66	1.52	0.03	27.55
Chandigarh	25.48	71.77	1.90	0.35	0.50	0.00	0.09
Uttarakhand	18.18	79.22	1.75	0.80	0.05	0.00	16.49
Haryana	7.48	75.96	12.51	3.53	0.52	0.01	25.84
Delhi	11.51	80.85	7.12	0.53	0.00	0.00	0.66
Rajasthan	3.71	74.06	10.30	8.30	3.02	0.61	82.74
Uttar Pradesh	5.49	90.56	3.33	0.47	0.14	0.00	240.83
Bihar	5.47	93.77	0.59	0.10	0.06	0.00	140.53
Sikkim	9.99	87.45	1.97	0.57	0.02	0.00	1.15
Arunachal Pradesh	1.35	67.38	23.92	6.44	0.91	0.00	1.64
Nagaland	8.41	60.10	22.74	8.64	0.11	0.00	4.12
Manipur	3.34	82.69	11.39	2.36	0.22	0.00	2.56
Mizoram	0.28	69.55	23.95	6.22	0.00	0.00	0.94
Tripura	0.63	97.77	1.42	0.17	0.01	0.00	6.62
Meghalaya	0.68	91.73	6.97	0.58	0.04	0.00	4.68
Assam	0.65	87.13	10.61	1.55	0.06	0.00	52.28
West Bengal	3.63	96.16	0.20	0.01	0.00	0.00	141.16
Jharkhand	1.42	95.14	2.93	0.48	0.03	0.00	37.43

### Inequalities in Land Holding across States

State/UT	Landless	Marginal	Small	Semi-medium	Medium	Large	Total HH (lakh)
Orissa	3.89	94.08	1.69	0.33	0.01	0.00	78.17
Chhattisgarh	4.85	84.80	8.39	1.75	0.21	0.00	37.47
Madhya Pradesh	6.45	75.86	12.31	3.70	1.58	0.10	84.76
Gujarat	13.58	67.68	11.66	6.02	1.05	0.01	58.80
Daman & Diu	46.82	53.15	0.00	0.00	0.00	0.02	0.18
D & N Haveli	11.11	88.78	0.00	0.00	0.11	0.00	0.27
Maharashtra	12.11	66.65	14.51	5.16	1.56	0.01	124.24
Andhra Pradesh	9.89	78.94	7.90	3.18	0.09	0.00	83.53
Karnataka	9.30	70.32	13.75	5.55	1.09	0.00	78.07
Goa	0.89	96.35	2.33	0.21	0.21	0.00	1.00
Lakshadweep	0.81	99.19	0.00	0.00	0.00	0.00	0.05
Kerala	2.98	95.91	0.90	0.17	0.04	0.00	51.31
Tamil Nadu	4.18	91.01	3.55	1.15	0.11	0.00	93.56
Pondicherry	23.02	75.58	0.98	0.40	0.02	0.00	1.30
A&N	4.53	84.18	8.39	2.60	0.29	0.00	0.53
Telangana	6.22	79.03	10.70	3.32	0.73	0.00	49.09
<b>India</b>	<b>6.22</b>	<b>84.53</b>	<b>6.34</b>	<b>2.29</b>	<b>0.57</b>	<b>0.04</b>	<b>1556.61</b>

*Source:* Land and Livestock Survey, 2013

There are 18 state very small households found more than the national average. It was 7 percent in Punjab to 24 percent in Mizoram. In many major states it found varied between low of 1.5 percent in Himachal Pradesh, to 3.5 percent in Tamil Nadu, 10 percent in Rajasthan, 11.7 percent in Gujarat, 12.5 percent in Haryana, 13.8 percent in Karnataka to 14.5 percent in Maharashtra. There are 19 states/UTs where semi-medium households are either not found or were less than one percent. There were only 5 states where more than 5 percent household were found within semi-medium category and some important states are Maharashtra (5.1%), Karnataka (5.5%), Gujarat (6%), and Rajasthan (8%). There are 28 states and UTs where there are either no medium households or even less than one percent. There are only 6 states where medium households found and those were Gujarat (1.1%), Punjab (1.5%), Maharashtra (1.6%) and Rajasthan (3%). There are 29 states/UTs where there are no large households at all and in remaining 7 states/UTs, it was less than one percent (Table 10.2).

### 10.5 Share of Area Owned in Total Area by State

Share of own land in the total land area in each state/UT has also calculated and can be found into Table 10.3. The share of own land in total land area at the national level found close to 86 percent. There are 17 states/UTs having the own land share less than the national average. The lowest share is only 32 percent in Puducherry and highest of 98 percent in Jammu & Kashmir and Nagaland. The other states having own land share less than the national average are Andhra Pradesh (60%), Punjab (70%), Bihar (75%), Tamil Nadu (82%), and Karnataka (85%). The states having own land share more than the national average are Kerala (87%), Himachal Pradesh (92%), Gujarat(92.4%), Maharashtra (95%), Goa (96%) etc.

**Table 10.3: Share of own land in total land area across state in India, 2013 (%)**

State/UT	Area Own	Area Leased In	Area Otherwise	Area Leased Out	Area Total (Hectare)
Jammu & Kashmir	97.8	0.1	0.2	1.8	594175
Himachal Pradesh	92.0	5.1	0.1	2.8	537795
Punjab	70.5	23.1	0.1	6.3	2227982
Chandigarh	83.9	4.0	0.1	12.1	1001
Uttarakhand	93.8	4.0	0.3	1.9	546450
Haryana	77.8	13.9	1.8	6.4	2323218
Delhi	75.0	17.3	0.0	7.8	30909
Rajasthan	85.3	7.2	0.1	7.4	13049439
Uttar Pradesh	88.5	7.3	0.3	4.0	12557926
Bihar	74.8	20.2	0.9	4.0	4217705
Sikkim	78.9	17.6	0.2	3.3	47794
Arunachal Pradesh	94.4	1.7	3.3	0.6	203218
Nagaland	97.8	1.1	0.0	1.1	492276
Manipur	80.6	7.3	8.4	3.7	170611
Mizoram	94.8	1.6	2.7	1.0	87577
Tripura	86.8	4.5	4.1	4.6	232704
Meghalaya	91.7	4.0	0.1	4.2	373160
Assam	90.5	4.2	3.9	1.5	3545442
West Bengal	82.6	13.8	0.7	2.8	2823790
Jharkhand	92.9	1.8	0.0	5.3	1789042
Orissa	76.6	15.8	2.6	5.1	3609790
Chhattisgarh	84.0	9.1	3.4	3.6	3351533
Madhya Pradesh	92.4	4.9	0.4	2.2	10041783
Gujarat	92.4	5.6	1.0	1.1	5034956
Daman & Diu	95.0	3.7	1.2	0.0	404
Dadra & Nagar Haveli	57.1	33.9	8.9	0.1	7826
Maharashtra	95.0	3.4	0.8	0.9	11710504
Andhra Pradesh	60.6	32.4	3.0	4.0	6329315
Karnataka	85.5	6.2	0.5	7.8	7030062
Goa	95.9	3.5	0.6	0.0	17157
Lakshadweep	92.9	6.8	0.0	0.0	266
Kerala	87.4	8.4	2.2	2.0	1152228
Tamil Nadu	82.5	13.4	0.7	3.3	3701494
Pondicherry	32.0	67.6	0.2	0.2	18321
A&N	71.2	13.1	13.9	1.9	28829
Telangana	85.9	13.5	0.0	0.6	3882302
<b>India</b>	<b>85.5</b>	<b>9.7</b>	<b>1.0</b>	<b>3.8</b>	<b>101768984</b>

*Source:* Land and Livestock Survey, 2013

## 10.5 Economic Inequality in Land across States

The economic inequality provides evidences for unequal development and has been presented for selected top and bottom categories into Table 10.4. The table provide evidence on share of the selected category into total own land area. In this table we have included for top 20 percent, 10 percent, 5 percent and finally top one percent. On the other end, we have also calculated the for bottom 20 percent, 10 percent and 5 percent for each of the state. Within the top 20 percent the share varied from a low of only 8 percent in West Bengal to a high of 69 percent in Rajasthan and 74 percent in Delhi. Most of the large north and south Indian states like Gujarat, Maharashtra, Punjab, and Haryana etc having more than 50 percent share. Share of top 10 percent varied from only 4 percent in West Bengal to high of 60 percent in Rajasthan. Further narrowing down to top 5 percent, the concentration was a low of one percent in Mizoram to high of 50 percent in Rajasthan. However, among the top one percent 28 states found. A highest of 25 percent of total land found among top 1 percent households in Rajasthan. Moving on the other end, within the bottom 20 percent the share in total land was even less than one percent in most of states, except for 6 states. Out of six states, only 2 states seem having share of 9 percent and 15 percent in total land. The details about the bottom 10 percent and bottom 5 percent can be observed in Table 10.4.

**Table 10.4: State wise share of own land by percentile group in India, 2013 (%)**

State	Top				Bottom		
	20%	10%	5%	1%	20%	10%	5%
Jammu & Kashmir	13.5	7.1	5.2	2.9	0.1	0.0	0.0
Himachal Pradesh	20.5	13.6	8.8	3.3	0.1	0.0	0.0
Punjab	68.2	50.4	41.5	18.3	0.4	0.0	0.0
Chandigarh	45.2	36.1	36.1	14.2	0.2	0.0	0.0
Uttarakhand	23.0	14.2	9.9	3.7	0.2	0.1	0.1
Haryana	64.3	41.5	28.4	5.3	0.3	0.0	0.0
Delhi	74.2	47.5	38.3	NF	0.6	0.3	0.3
Rajasthan	68.6	59.8	49.8	25.5	0.1	0.0	0.0
Uttar Pradesh	33.7	23.7	14.0	6.6	0.3	0.1	0.1
Bihar	27.0	14.9	9.0	4.2	1.2	0.2	0.2
Sikkim	17.7	9.0	2.8	0.6	0.1	0.0	0.0
Arunachal Pradesh	56.8	29.1	12.7	2.1	0.0	0.0	0.0
Nagaland	44.0	26.7	17.4	NF	0.0	0.0	0.0
Manipur	19.4	6.7	3.0	0.9	0.1	0.0	0.0
Mizoram	25.1	7.8	1.3	NF	0.1	0.0	0.0
Tripura	13.1	4.2	1.9	0.1	0.1	0.0	0.0
Meghalaya	25.6	8.0	3.1	2.1	0.0	0.0	0.0
Assam	23.1	11.5	4.1	0.3	0.1	0.0	0.0
West Bengal	7.7	4.2	1.7	0.3	1.0	0.2	0.2
Jharkhand	24.1	14.8	11.5	9.0	0.2	0.1	0.1
Odisha	18.1	12.1	6.0	1.0	0.4	0.1	0.1
Chhattisgarh	36.3	20.1	10.8	2.7	0.2	0.0	0.0
Madhya Pradesh	60.8	48.8	42.2	19.7	0.1	0.0	0.0
Gujarat	59.4	47.6	32.2	9.8	0.2	0.1	0.1
Daman & Diu	17.7	17.7	17.7	15.4	15.1	3.9	3.9
D & Nagar Haveli	19.9	5.3	1.1	NF	0.0	NF	NF

## Inter Group Inequality in Wealth Ownership in India

State	Top				Bottom		
	20%	10%	5%	1%	20%	10%	5%
Maharashtra	58.9	45.3	32.4	9.5	0.2	0.1	0.1
Andhra Pradesh	49.4	35.1	28.0	11.3	0.4	0.0	0.0
Karnataka	53.4	35.3	27.7	12.1	0.2	0.1	0.1
Goa	42.3	18.0	18.0	NF	1.0	0.0	0.0
Lakshadweep	NF	NF	NF	NF	0.4	NF	NF
Kerala	13.8	8.8	4.3	0.2	0.1	0.0	0.0
Tamil Nadu	39.8	28.5	19.3	4.7	1.1	0.1	0.1
Puducherry	23.1	14.9	13.9	NF	9.2	0.5	0.5
A & n islands	39.8	33.2	29.6	NF	NF	NF	NF
Telangana	45.2	32.0	23.9	4.3	0.3	0.1	0.1
India	47.2	35.2	26.3	10.6	0.3	0.1	0.1

**Source:** Land and Livestock Survey, 2013

The inequality in total land and own land across the state has also been calculated using Gini index and the coefficient value has provided into Table 10.5. The inequality is found very low to low either in north-eastern states, small states or union territories with some exceptions. However, the larger state or agriculture prominent states found having high inequality. There are 26 states/UTs having Gini value less than the national average. The lowest Gini value found in Mizoram (0.319), followed by Sikkim (0.346) and Manipur (0.351). The Gini values between 0.500 to 0.600 found in Kerala, West Bengal, Himachal Pradesh, Karnataka, Uttar Pradesh, Bihar, Haryana and Maharashtra. Among the larger states, the Gini values for total land found highest into Tamil Nadu (0.684) and Punjab (0.711). In case of inequality in own land, the index value varied between 0.382 in Mizoram to highest of 0.790 in the state of Punjab. However, the Gini value for own land for country is found 0.690.

**Table 10.5: Gini Index for States and UTs in Rural India, 2013**

State/UTs	Total land	Own land
Jammu & Kashmir	0.426	0.441
Himachal Pradesh	0.514	0.523
Punjab	0.711	0.790
Chandigarh	0.798	0.840
Uttarakhand	0.562	0.576
Haryana	0.583	0.705
Delhi	0.795	0.837
Rajasthan	0.514	0.607
Uttar Pradesh	0.578	0.647
Bihar	0.583	0.734
Sikkim	0.346	0.403
Arunachal Pradesh	0.361	0.397
Nagaland	0.405	0.408
Manipur	0.351	0.506
Mizoram	0.319	0.382
Tripura	0.456	0.522
Meghalaya	0.450	0.487
Assam	0.462	0.498
West Bengal	0.509	0.594

## Inequalities in Land Holding across States

State/UTs	Total land	Own land
Jharkhand	0.527	0.544
Orissa	0.450	0.612
Chhattisgarh	0.434	0.513
Madhya Pradesh	0.582	0.630
Gujarat	0.632	0.688
Daman & Diu	*	*
Dadra & Nagar Haveli	0.401	0.414
Maharashtra	0.597	0.630
Andhra Pradesh	0.478	0.737
Karnataka	0.558	0.645
Goa	0.707	0.734
Lakshadweep	*	*
Kerala	0.501	0.530
Tamil Nadu	0.684	0.758
Pondicherry	0.676	0.806
A&N	*	*
Telangana	0.603	0.658
<b>India</b>	<b>0.610</b>	<b>0.690</b>
<b>*No data found in all wealth quintiles</b>		

*Source:* Land and Livestock Survey, 2013

### 10.6 Summary

This chapter explored state level inequality in average land and own land share followed by economic inequality using Gini Index. The average land holding across the states/UTs varied from 0.027 hectare in Lakshadweep to 1.090 hectare in Rajasthan. In 14 states average land size found between 0.20 hectare and 0.50 and within 0.51 to 1.00 hectare there are 19 states. Among the different land size category, average size of marginal landholding varied from a low of only 0.029 hectare in union territory of Lakshadweep to a high of 0.486 hectare in north eastern state Nagaland. Upto 0.25 hectare there are 13 states and some of important are Himachal Pradesh, Kerala, Bihar, Punjab etc. Rest of the states are lying between 0.25 and 0.50 hectares.

A total of 6.2 percent households are landless with highest of 85 percent are marginal households. Small and Semi-medium households are close to 8.6 percent. Medium and large households constitute even less than one percent nationally. Within the landless category there are 20 states/UTs where share of households are less than the national average and in the rest of the states/UTs, the share is more.

The share of own land in total land area at the national level found close to 86 percent. There are 17 states/UTs having the own land share less than the national average. The lowest share is only 32 percent in Puducherry and highest of 98 percent in Jammu & Kashmir and Nagaland. The inequality based on Gini value across the states reveals varying inequality. The Gini index value of inequality is found very low to low either in north-eastern states, small states or union territories with some exceptions. However, the larger state or agriculture prominent states found having high inequality in rural part of the country.

## Social Group Inequality in Ownership of Housing in India

### 11.1 Introduction

Housing is one of the most essential needs after the food and clothing. However, it is also one of the most expensive among all basic needs. Due to its cost-intensive nature, access to housing is one of the most important challenges in addressing housing poverty in most developing and under-developed countries. Housing is also the manifestation of the socio-economic condition of a society and the households comprising it. Deprivation in access to housing is not only determined by the insufficient supply of affordable housing but also an outcome of prevailing property. Poverty and income inequality also result in deprivation, and unequal access to housing, basic amenities, and other basic infrastructure. Socially and economically weaker sections of the society find it difficult to access decent housing and basic amenities due to non-affordability and social constraints. Substantial proportion of poor and low-income households find shelter in dilapidated shanties, and unfit housing structures such as slums and squatter settlements.

A housing owned by a household is both a *shelter* and an *asset*. The former addresses one of the most basic needs of households: living under a roof. The latter refers to housing being a vehicle for wealth accumulation. Households invest a large part of their income in the housing owned by them which become assets for them. Apart from this, the housing owned by households not only works as wealth for them but is also a major liability.

Housing and land constitute a very large share in the wealth ownership. However, inter-group inequality in wealth ownership is also directly related to inequality in the ownership of housing by households. Inequality in ownership of housing is not only determined by the market factors but also social discrimination and residential segregation, especially in India.

The study in this chapter seeks the following objectives:

- To analyze the inter-group inequality in ownership of housing in India
- To analyze the inequality in ownership of housing by areas: Slum and non-slum
- To examine the inequality in ownership of housing by housing conditions
- To discuss inter-group inequality in ownership of housing by size of dwelling and period since the housing has been constructed.

The chapter is organized into six sections. The sources for the study and the methodology used for analyses are described in section two. Section three pertains to the analysis of ownership of fixed assets of major socio-religious group in the country, in terms of percentage shares and absolute value. Section four explores the distribution of housing assets in the country as a whole in terms of its nature of ownership (tenurial status), locality, quality, size, age (period since construction) and use (residential, commercial, or other). Section five examines the inter-group inequality in the ownership of housing assets by making an in-depth group-wise comparison of ownership of housing assets along the afore-mentioned parameters. Section six provides the key findings of the study and makes policy suggestions to address the vexed issue.

## **11.2 Data Source and Methodology**

The present study is based on secondary data taken from the surveys conducted by the National Sample Survey office (NSSO). The data for inequality in ownership of housing has been taken from the following surveys:

- All India Debt and Investment Survey (AIDIS, 2013)
- NSS 69<sup>th</sup> Round on Drinking Water, Sanitation, Hygiene and Housing Condition in India, 2012
- NSS 76<sup>th</sup> Round on Drinking Water, Sanitation, Hygiene and Housing Condition in India, 2018

The chapter analyzes inequality in housing ownership for India for two time periods, viz. 2012-13 and 2017-18. The study is based on the following indicators:

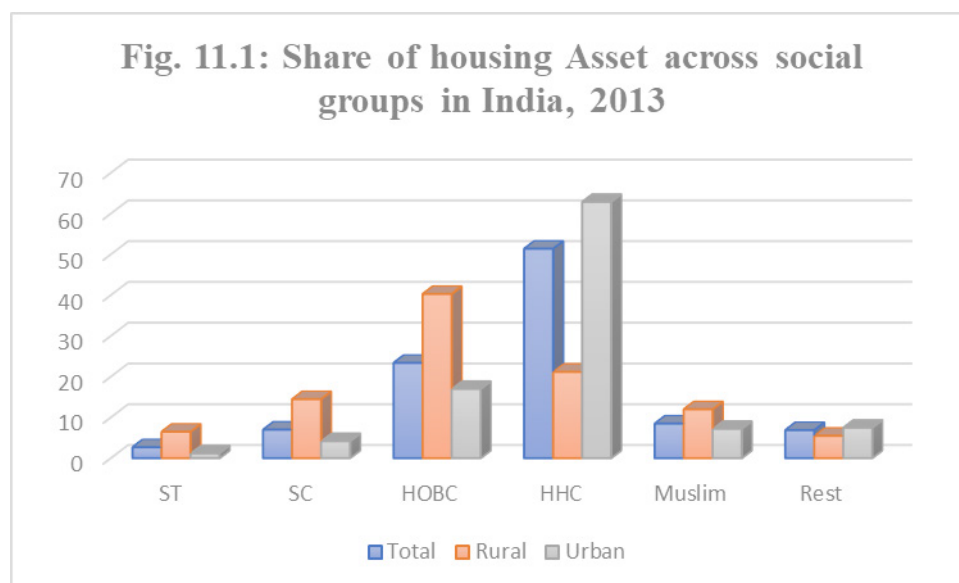
- Ownership of Housing (both freehold and leasehold have been combined for ownership of housing).
- Area type of housing unit: slum, non-slum
- Condition of the house (housing): good, satisfactory, and bad
- Floor Area of housing unit (square feet)
- Period since the date of construction (of the housing)
- Use of the housing structure (housing)

These indicators have been comprehensively analyzed in different sections of the chapter.

## **11.3 Ownership of Housing Assets across Socio-religious Groups in India**

In this section, ownership of housing assets across socio-religious groups in India has been analyzed. The figure 11.1 clearly indicates that ownership of housing asset is highly unequal among various social groups. The figure clearly shows that share of ownership of housing asset is lowest for scheduled tribe followed by scheduled caste. This is evident at aggregate level, rural and urban level. Share of housing asset is highest among OBCs followed by high caste in rural areas. However, disparity is highest in urban areas where high caste own as high as 63 percent of total value of housing assets among all social groups. Scheduled caste and scheduled tribe own less than five percent of the total value of housing assets in India. Similarly, HOBC

households own less than 20 percent of total value of housing assets in India and Muslim households own less than 10 percent of housing assets in India.



**Source:** All India Debt and Investment Survey (AIDIS, 2013)

The above analysis makes it clear that housing constitute a very large share of fixed assets in both rural and urban areas and there exists a very high-degree of inter-group inequality in the ownership of these assets. Thus, it becomes imperative to further analyze the nature of ownership of the housing, quality of housing, its location, size, duration since construction, and the use of the housing.

## 11.4 Ownership of Housing Assets: All India Analysis

### 11.4.1 Ownership of Housing in India: Tenurial Status

The nature of ownership of a housing or its tenurial status is also a significant indicator of household income and economic status. Tenure status may be defined as the manner in which a house is held or owned. Tenure status of a housing is a complex feature in which the status of land on which the house is constructed plays a very important role. Since land is the most important and costly input in housing construction, availability and market price of the land determines the cost of housing and its affordability. The tenure status of the housing also determines the right of its occupants to use and develop the house and also the right to inherit or transfer. Tenure status of the households in urban areas is often associated with the stage of migration and household income. New migrants in a city often do not have adequate income to afford to own a house and therefore, they primarily take shelter through the rental housing market. Gradually, the migrants manage to increase their income and the household size also grows in due course of time. With improved economic condition and increase in the number of household members, migrants shift from rented accommodation to their owned housing.

For the purpose of this study the tenurial status of housing has been categorized viz. own, rented, and other. Ownership status – both freehold and leasehold– have been taken as owned households while households living in rented accommodation other than government quarters

have been considered as rented accommodation. Dwelling units with written contracts and those without written contracts have also been considered as rented accommodation. ‘Other’ type of households includes those living in hired quarters and other type of dwellings.

The data regarding tenurial status of households across the country is presented in Table 11.1. It shows that the proportion of households living in own houses is overwhelmingly higher for rural areas (93.3 percent) than urban areas (61.2 percent). Almost 35 percent of the urban households in India live in rented houses. The proportion of households in rented accommodation is higher in urban areas, the reason primarily being, the presence of a large proportion of migrant households in cities and towns and high prices of housing. Therefore, quite a large section of urban households is not able to own their houses and depend on rental housing market. As a result quite a large share of their income goes toward paying rent and does not adding to their assets.

**Table 11.1: Tenurial status of households in India: 2018 (in percent)**

Sector	Own	Rented	Others
Rural	93.3	5.1	1.6
Urban	61.2	35.4	3.4
Total	83.1	14.7	2.2

*Source:* NSSO, 76<sup>th</sup> round, 2018

#### 11.4.2 Ownership of Housing by Locality: Slum and Non-slum

Ownership of a housing by its geographical location also determines the value of housing assets. A housing located on prime land and in plush location commands quite a high value in the housing market while one in poor environs such as a slum adds little value to the housing asset. In this section, location of the housing asset has been categorized into slum and non-slum areas. Analysis of the percentage distribution of households owning house by areas of location clearly indicate that nearly 11 percent of households who own their houses reside in slums in urban areas (Table 11.2). The state or government policy on slums does not recognize location in slums in rural areas. Therefore, the analysis in this section is based only on slums in urban areas. Inter-group analysis of location of housing in slums and non-slum location further explains the inequality in ownership of housing assets.

**Table 11.2: Ownership of housing by locality in India: 2018 (in percent)**

Sector	Slum	Non-Slum	Total
Rural	0	100	100
Urban	11.0	89.0	100
Total	3.5	96.5	100

*Source:* NSSO, 76<sup>th</sup> round, 2018

#### 11.4.3 Ownership of Housing by Quality

It is often understood that the ownership status of households provides better quality of life and better access to basic amenities for households. The value of housing assets is also determined by the quality of the housing. In this section, the condition of housing in terms of good, satisfactory, and bad has been analyzed on the basis of data presented in Table 11.3.

**Table 11.3: Ownership of housing by quality: 2018 (in percent)**

Sector	Housing Condition		
	Good	Satisfactory	Bad
Rural	38.3	48.6	13.0
Urban	60.2	32.8	7.0
Total	45.3	43.6	11.1

Source: NSSO, 76<sup>th</sup> round, 2018

Analysis of the data indicates that the proportion of households living in good housing condition is quite high (60 percent) in urban areas in comparison to rural areas (38 percent). Nearly half of the proportion of rural households live in satisfactory housing condition, while the share of bad quality housing in rural areas is nearly double that of urban areas.

#### 11.4.4 Ownership of housing by dwelling size

Size of dwelling is important in determining wealth-inequality in the housing sector as size indicates the value of the housing/dwelling. For this study, the size of dwelling has been divided into four categories: less than 500 sq ft, 500-700 sq feet, 700-900 sq feet and more than 900 sq feet. The analysis, based on data in Table 11.4, indicates that nearly 70 percent of owned houses fall in the smallest category of less than 500 sq feet area. This holds true for rural as well as urban households. Only less than 10 percent own-dwelling households are in the biggest category of more than 900 sq feet area.

**Table 11.4: Ownership of housing by dwelling size: 2018 (in percent)**

Sector	Size of Dwelling unit in Square feet			
	<500 sq ft	500-700 sq ft	700-900 sq ft	Above 900 sq ft
Rural	70.0	15.6	7.5	6.8
Urban	69.4	15.4	7.6	7.6
Total	69.8	15.6	7.6	7.1

Source: NSSO, 76<sup>th</sup> rounds, 2018

#### 11.4.5 Ownership of Housing by Period Since Construction

The period lapsed since the construction of a housing is a significant factor in determining its asset value. Thus, it is an important indicator in determining the wealth of a household and inter-group inequality. In this section, ownership of housing by period since construction has been discussed. Table 11.5 indicates that nearly 30 percent urban and 28 percent rural houses have been constructed in the last one decade. Also, more than half of the households (54 percent) are residing in housings that are not more than 20 years old, while one fourth households are living in housings that are between 20 and 40 years old.

**Table 11.5: Ownership of housing by period since construction: 2018 (in percent)**

Sector	Period					
	< 5years	5-10 years	10-20 years	20-40 years	40-60 years	Above 60 years
Rural	10.5	17.7	24.5	25.9	14.6	6.5
Urban	9.4	20.6	27.9	26.0	10.8	4.6
Total	10.3	18.4	25.3	26.0	13.7	6.1

Source: NSSO, 76<sup>th</sup> round, 2018

### 11.4.6 Use of Housing Owned by Households

The wealth ownership of a household is also influenced by the nature of use of its housing asset. In this section, the nature of use of housing units for residential and residential cum commercial use has been analyzed (Table 11.6). The data show that a big majority of housings are largely used for residential purposes in both rural and urban areas although relatively the share of only residential housing is 87 percent in urban areas and 91.5 percent in rural areas. However, nearly 12 percent housing in urban areas are being used for both residential and commercial purposes which is larger than rural areas.

**Table 11.6: Use of housing structure owned by households in India: 2018 (in percent)**

Sector	Use of Housing Structure		
	Residential Only	Residential cum Commercial	Residential cum others
Rural	91.5	7.1	1.4
Urban	86.9	12.1	1.1
Total	90.0	8.7	1.3

*Source:* NSSO, 76<sup>th</sup> round, 2018

## 11.5 Inter-group Inequality in Ownership of Housing

### 11.5.1 Inter-group Equalities in Nature of Ownership (Tenurial Status) of Housing

As discussed earlier in this chapter, inter-group (socio-religious) inequality is quite prominent in both rural and urban areas. The tenurial status of housing owned by different socio-religious groups has been analyzed to further explain the extent of inequality in wealth ownership in India. The analysis has been done at the aggregate, rural and urban levels.

#### *Tenurial status of households across socio-religious groups: aggregate level*

Analysis of tenurial status of housing assets at the aggregate level shows that among all social groups, the highest (89 percent) SC households have housing units owned by them. In contrast, 80 percent of HHC households own their housing units (Table 11.7), which is the lowest among all groups. Similarly, ST (88 percent) and Muslims (86 percent) also own higher proportions of housing assets than HHC and HOBC (85 percent). Thus, at the aggregate level, ownership of housing is higher for marginalized social groups such as ST, SC and Muslims than the privileged upper caste groups.

**Table 11.7: Tenurial status of households across social groups- 2018 (aggregate) (in percent)**

Social Groups	Own	Rented	Others
ST	87.7	7.3	5.0
SC	88.6	8.9	2.5
HOBC	84.9	13.8	1.3
HHC	80.1	18.8	1.1
Muslims	86.2	12.1	1.6
Total	85.0	13.1	1.9

*Source:* NSSO, 76<sup>th</sup> round, 2018

***Tenurial status of households across socio-religious groups: rural level***

If we analyze the ownership of housing in rural areas, it is quite clear from Table 11.8 that more than 90 percent of households living in rural areas do not take rental accommodation but build their own dwellings with the meagre resources they have. Thus, the ownership of housing is higher for rural areas than urban areas across all groups.

**Table 11.8: Tenurial status of households: rural, 2018 (in percent)**

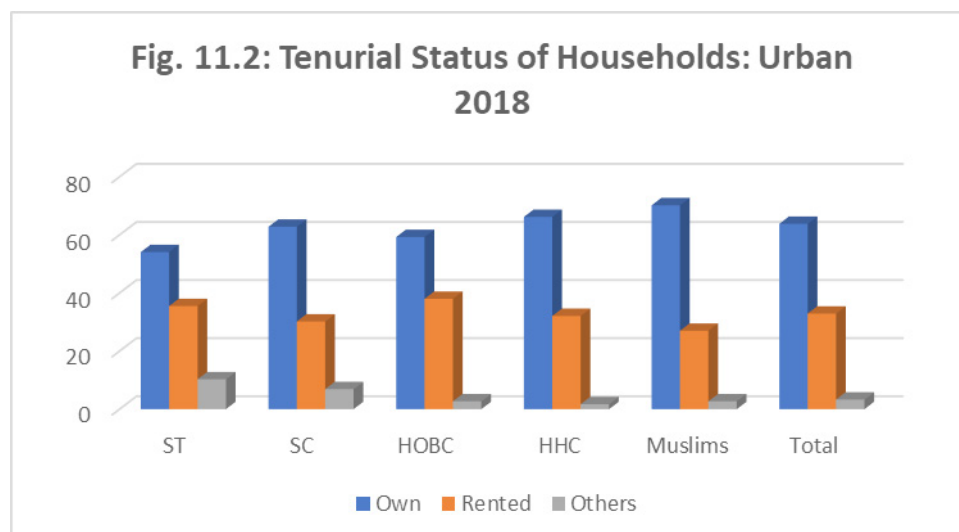
Social Groups	Own	Rented	Others
ST	93.8	2.1	4.1
SC	96.9	2.0	1.1
HOBC	96.4	2.9	0.64
HHC	95.2	4.3	0.47
Muslims	96.4	2.7	0.94
Total	96.0	2.8	1.2

Source: NSSO, 76<sup>th</sup> round, 2018

The proportion of households owning house is slightly higher for SCs and Muslims in comparison to higher caste households. The pattern of rented housing is lower for rural area for all social groups.

***Tenurial status of households across socio-religious groups: urban level***

The analysis of ownership of housing for urban areas shows that the ownership of housing is lower for urban areas than rural areas across all groups. The data in Table 11.9 clearly indicate that ownership of housing is highest (70 percent) for Muslim followed by HHC and (66 percent) and SC (63 percent). Among all social groups, households owning house is lowest among ST.



Source: NSSO, 76<sup>th</sup> rounds, 2018

**Table 11.9: Tenurial status of households: urban, 2018 (in percent)**

Social Groups	Own	Rented	Others
ST	54.1	35.5	10.3
SC	62.8	30.2	6.9

## Social Group Inequality in Ownership of Housing in India

Social Groups	Own	Rented	Others
HOBC	59.3	38.0	2.7
HHC	66.2	32.1	1.7
Muslims	70.2	27.0	2.7
Total	63.8	32.9	3.3

*Source:* NSSO, 76<sup>th</sup> round, 2018

### 11.5.2 Social Group wise Ownership of Housing in Slum and Non-slums

The data given in Table 11.10 clearly indicate that nearly 13 percent of housing owned by ST and SC are located in urban slum areas while less than five percent of HHC households and just six percent of HOBC households have their own dwellings in slum areas. As discussed in the previous section, the proportion of housing units owned by households is higher for marginalized social groups but larger proportions of these households are located in slums reflecting on the poor quality of their housing. Similarly, nearly seven percent of housings owned by Muslim households are located in slums.

**Table 11.10: Ownership of housing across social groups in slum and non-slum: 2018 (in percent)**

Social Groups	Slum	Non-Slum	Total
ST	13.5	86.5	100
SC	13.2	86.8	100
HOBC	6.1	93.9	100
HHC	4.6	95.4	100
Muslims	6.9	93.1	100
Total	7.3	92.7	100

*Source:* NSSO, 76<sup>th</sup> round, 2018

### 11.5.3 Social-group wise Ownership of Housing by Quality

As discussed earlier, the condition of a housing determines its asset value for its owners. In this section we have analyzed the housing assets owned by households across major socio-religious groups in India. Although the ownership of housing is higher for marginalized social groups, yet quite a large proportion of these housings may hardly be considered as housing due to their bad and de-lapidated conditions particularly in rural areas and slums. The condition of the housing has been categorized as good, satisfactory and bad and the analysis has been done at aggregate, rural, and urban levels separately.

#### *Social group wise ownership of housing by quality: aggregate level*

The data given in Table 11.11 clearly indicate high inter-group inequality in the ownership of good housings in the country. The analysis shows that highest 56 per cent of high caste households own housings with good housing condition while less than one third ST and SC households own housings in good condition.

**Table 11.11: Social group wise ownership of housing by quality: aggregate, 2018 (in percent)**

Social Groups	Housing Condition		
	Good	Satisfactory	Bad
ST	29.8	49.7	20.5
SC	31.6	50.8	17.7
HOBC	43.9	45.4	10.8
HHC	56.3	36.9	6.7
Muslims	39.1	48.7	12.2
Total	42.7	45.1	12.2

*Source:* NSSO, 76<sup>th</sup> round, 2018

Nearly 40 percent of Muslim households own housing with good condition. Table 11.11 also indicates that highest proportions of households with bad housing condition are among ST (20.5 percent) and SC (18 percent) households. Lowest proportion of households with bad housing is reported for Hindu high caste with only seven percent total households residing in housings with bad condition.

### ***Social-group-wise ownership of house by housing quality: rural***

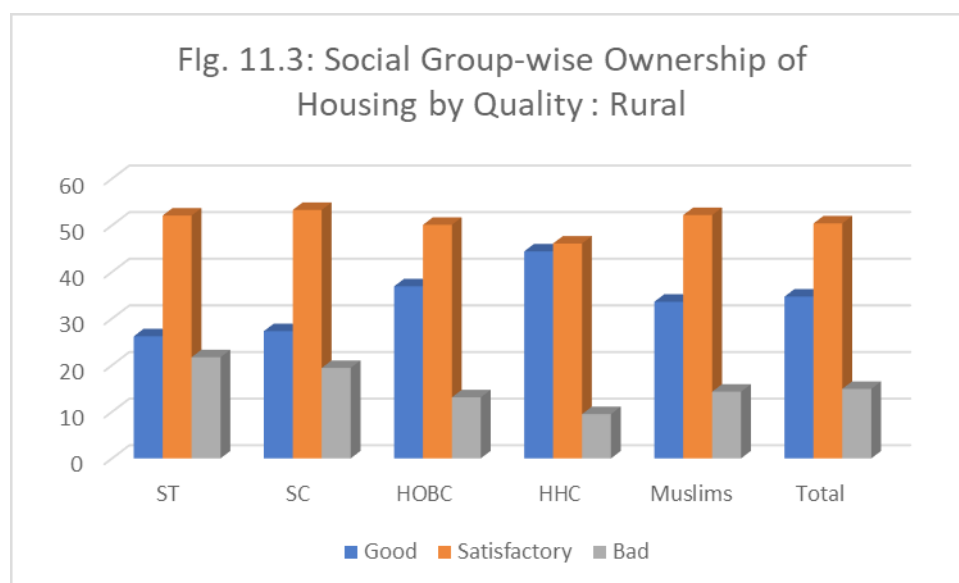
In this sub-section, the ownership of house by housing condition in rural areas has been analyzed. The data given in Table 11.12 clearly indicate that the proportion of households owning good housing condition is highest for high caste followed by other backward caste. However, only one fourth proportion of scheduled caste and scheduled tribe households own house with good condition in rural areas. Consequently, the proportion of households owning housing with bad condition is higher for marginalized social groups, wherein almost one fifth of SC as well as ST households are residing in dwellings that are classified as bad (with least amenities).

**Table 11.12: Social group wise ownership of housing by quality: rural, 2018 (in percent)**

Social Groups	Housing Condition			
	Good	Satisfactory	Bad	Total
ST	26.2	52.1	21.7	100
SC	27.3	53.3	19.4	100
HOBC	36.9	50.1	13.1	100
HHC	44.4	46.1	9.5	100
Muslims	33.6	52.2	14.3	100
Total	34.7	50.4	14.9	100

*Source:* NSSO, 76<sup>th</sup> round, 2018

The data also indicate that more than half of the housings owned by all social groups except upper caste are in satisfactory. The proportion of households owning bad housing condition is lowest for upper castes: 9.5 percent for HHC and 13.1 percent for HOBC.



Source: NSSO, 76<sup>th</sup> round, 2018

Thus, we can conclude that although quite a large proportion of rural households among SC and ST own their housings, their quality is bad for a large proportion of structures.

### ***Social-group-wise ownership of house by housing quality: urban***

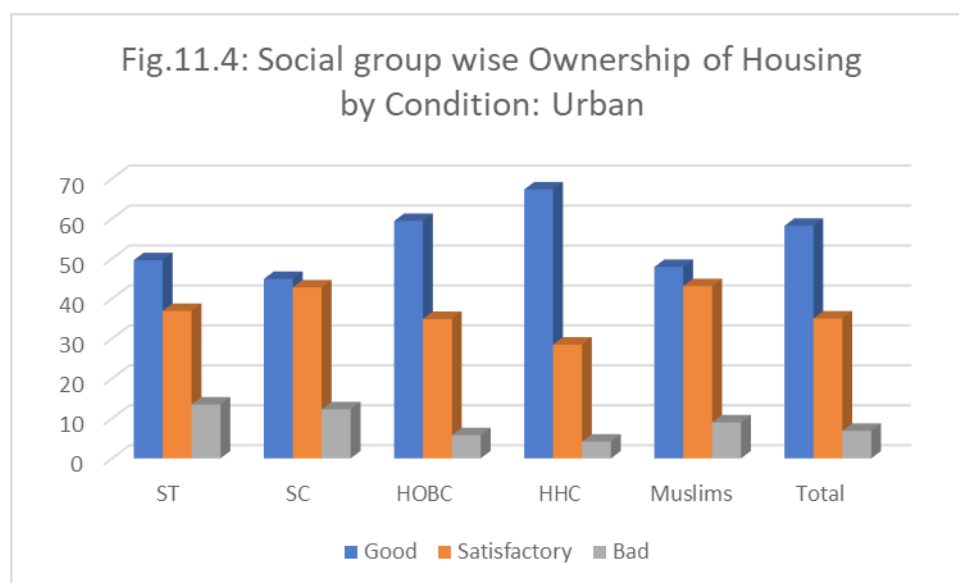
The analysis of the housing condition owned by housings across different social groups indicate that the percentage of households with good housing condition is higher for urban in comparison with rural areas (Table 11.13). The pattern is observed for all social groups in India. Also, in keeping with the trends in rural areas, we find that the proportion of households with good housing condition is lowest (45 percent) for SC households followed by Muslim households at 48 percent and half of ST households having housings in good condition.

**Table 11.13: Social group wise ownership of housing by quality: urban, 2018 (in percent)**

Social Groups	Housing Condition		
	Good	Satisfactory	Bad
ST	49.6	36.9	13.5
SC	44.9	42.8	12.3
HOBC	59.4	34.9	5.8
HHC	67.3	28.5	4.2
Muslims	47.9	43.1	9.0
Total	58.2	35.0	6.9

Source: NSSO, 76<sup>th</sup> round, 2018

The proportion of households with good housing condition is reported highest for high caste where nearly two third of HHC households own good housings. Thus, the proportion of households with bad housing condition is lowest for upper caste Hindus, and highest for ST (13.5 percent) and SC (12.3 percent).



Source: NSSO, 76<sup>th</sup> round, 2018

#### 11.5.4 Ownership of Housing by Size

As discussed in Section 11.4.4, the value of a housing asset is determined not only by its condition but also the size. In this section, we have analyzed ownership of housing asset by its size for all the major socio-religious groups. For the purpose of this study, the housing size has been divided into four sizes viz. less than 500 sq feet, 500-700 sq feet, 700-900 sq feet and more than 900 sq feet area. The analysis had been done at the aggregate, rural and urban levels.

##### *Social group-wise ownership of housing by size: aggregate level*

Data for social-group wise ownership of housing by size (Table 11.16), at aggregate level, show that the proportion of households having household size less than 500 sq feet is highest among marginalized social groups i.e. SC (71 percent), ST (65 percent), and Muslims (62 percent) while it is among the lowest for high caste (50 percent) and HOBC (58.5 percent).

**Table 11.14: Social-group-wise ownership of housing by size: aggregate level, 2018 (in percent)**

Social Groups	Size of Housing			
	<500 sq ft	500-700 sq ft	700-900 sq ft	Above 900 sq ft
ST	65.0	18.6	9.0	7.4
SC	70.7	17.2	6.5	5.6
HOBC	58.5	21.7	10.4	9.4
HHC	50.4	21.4	12.7	15.5
Muslims	61.8	19.6	9.3	9.4
Total	59.5	20.2	10.0	10.4

Source: NSSO, 76<sup>th</sup> round, 2018

In fact, proportion of households living in smallest housing size group i.e. less than 500 sq feet decreases from the lower to upper castes. Thus, the highest share of SC households (71 percent) live housings less than 500 sq feet, followed by 58 percent HOBC households as compared

to 50 percent HHC households residing in structures less than 500 sq feet. Thus, inter-group inequality is very prominent as far as the size of housing units owned by different social groups is concerned. It is seen in Table 11.14 that more than 60 percent households from SC, ST, and Muslims own housing size less than 500 sq feet. However, the proportion of households with housing size more than 900 sq feet is highest for high caste at 15.5 percent.

### ***Social group-wise ownership of housing by size: rural***

In this sub-section, the ownership of housing by its size in rural areas has been analyzed. The data given in Table 11.15 clearly indicate that highest 70 percent of SC rural households have an average dwelling unit size of less than 500 sq ft. Similarly, more than 60 per cent households from ST and Muslims communities own housing size less than 500 sq feet. The proportion of households owning housings with biggest (more than 900 sq feet) size is highest (14 percent) for high caste followed by HOBC at 9.6 percent.

**Table 11.15: Social group wise ownership of housing by size: rural, 2018 (in percent)**

Social Groups	Size of Housing			
	<500 sq ft	500-700 sq ft	700-900 sq ft	Above 900 sq ft
ST	63.9	19.7	9.2	7.3
SC	70.1	17.9	6.6	5.4
HOBC	56.6	23.1	10.8	9.6
HHC	48.4	23.7	13.5	14.4
Muslims	60.0	21.3	10.2	8.6
Total	59.0	21.3	10.1	9.6

**Source:** NSSO, 76<sup>th</sup> rounds, 2018

While the lowest five percent SC households own more than 900 sq ft area. The proportion of households owning housing size more than 900 sq feet is lowest for SC.

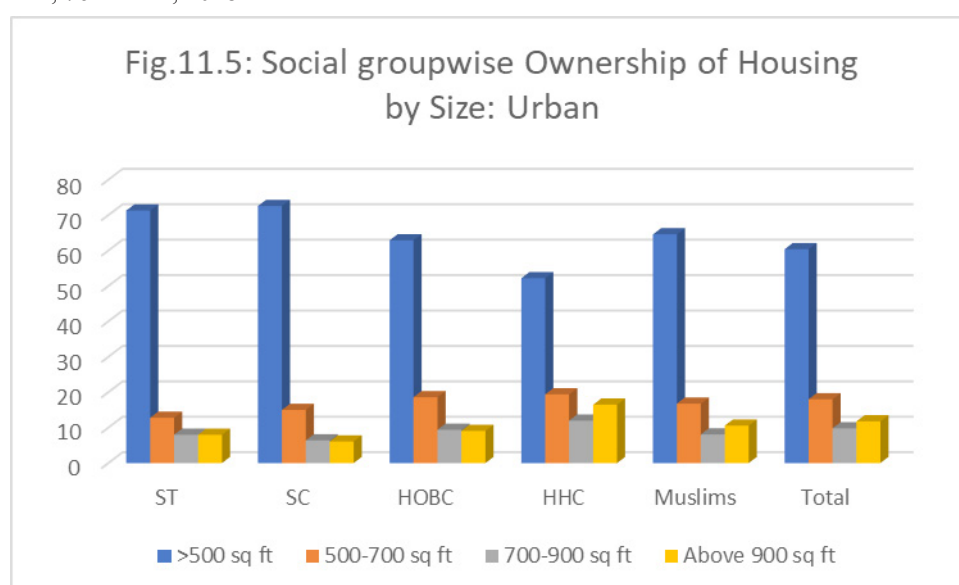
### ***Social-group wise ownership of housing by size: urban***

The social-groups wise analysis of household ownership of housing by house size in urban areas clearly shows that proportion of households living in less than 500 sq feet is higher than the rural areas among all groups (Table 11.16). In urban areas as well, more than 70 percent SC and ST households own very small size dwelling/housings that are less than 500 square feet in size. High inter-group inequality is prevalent in the size of housing units owned with the traditionally powerful and privileged HHC owning the highest share (16.5 percent) of big housings and the lowest share (52 percent) of the smallest size housings. Further, two third Muslim households own less than 500 sq feet size housing. As we move towards housing/ dwellings of bigger areas, the proportion of HHC households becomes the highest in all categories. Among the high dwelling size categories, the proportion of SC households is reported to be lowest.

**Table 11.16: Social-group wise ownership of housing by house size: Urban, 2018 (in percent)**

Social Groups	Size of Housing			
	< 500 sq ft	500-700 sq ft	700-900 sq ft	Above 900 sq ft
ST	71.3	12.8	8.0	8.0
SC	72.6	15.0	6.4	6.1
HOBC	62.9	18.6	9.4	9.1
HHC	52.2	19.4	12.0	16.5
Muslims	64.6	16.8	8.1	10.6
Total	60.4	18.0	9.8	11.8

Source: NSSO, 76<sup>th</sup> round, 2018



Source: NSSO, 76<sup>th</sup> rounds, 2018

Thus, the analysis in this section reveals that the size of the housing owned by marginalized social groups is very low in comparison to High caste and OBC at all levels -- aggregate, rural and urban.

### 11.5.1 Social Group-Wise Ownership of Housing by Period since Construction

As discussed earlier, the value and quality of housing units owned is also determined by how old the dwelling unit is. In this section, social-group wise ownership of housing by period since its construction has been analyzed for rural, urban, and aggregate level.

#### *Social group-wise ownership of housing by period: aggregate*

Analysis at the aggregate level indicates that the highest 11.3 percent of the housing units were built in the last five years by ST followed by Muslims and SC (Table 11.17). More than one quarter of housing units by different social groups are between 10 and 20 years old. The analysis of the table indicates towards inter-group inequalities.

## Social Group Inequality in Ownership of Housing in India

**Table 11.17: Social group-wise ownership of housing by period: Aggregate 2018 (in percent)**

Social Groups	Period Since Construction (in years)					
	0-5	5-10	10-20	20-40	40-60	Above 60
ST	11.3	22.0	27.1	25.1	9.9	3.7
SC	9.8	22.4	29.2	26.1	8.3	3.7
HOBC	9.3	22.7	29.4	25.0	9.0	3.8
HHC	8.5	21.5	29.3	25.9	8.8	4.9
Muslims	10.5	23.1	30.1	23.7	7.4	3.8
Total	9.6	22.4	29.2	25.2	8.7	4.0

*Source:* NSSO, 76<sup>th</sup> round, 2018

The data given in Table 11.17 also shows that the highest proportion of housings (29 percent) owned by all social groups have been built between 10 and 20 years. Nearly one-fourth of the housings owned by all social groups have been built 20-40 years back. The proportion of housings built more than 60 years ago is less than five percent for all social groups.

### ***Social group-wise ownership of housing by period: rural***

The analysis of the age of housing units owned by different social groups for rural areas according to data presented in Table 11.18 shows that ST and Muslim households have the highest proportions (11 percent) of housings which were constructed less than five years prior to the NSS survey, which means these units have been built between 2013 and 2018. The table also indicates that nearly 28 percent of the housings owned by all groups are between 10 and 20 years old, while approximately one fourth of housing units for all social groups have been built between 20 and 40 years.

**Table 11.18: Social group-wise ownership of housing by period: rural, 2018 (in percent)**

Social Groups	Period Since Construction (in years)					
	0-5	5-10	10-20	20-40	40-60	Above 60
ST	11.5	21.6	26.8	25.2	10.1	4.0
SC	9.8	21.9	29.5	26.1	8.3	3.9
HOBC	9.2	22.2	28.9	25.4	9.6	4.1
HHC	8.8	20.4	27.9	26.7	9.5	5.8
Muslims	11.0	23.2	29.9	22.9	8.0	3.9
Total	9.8	22.0	28.8	25.4	9.1	4.2

*Source:* NSSO, 76<sup>th</sup> round, 2018

Similar proportion for all social groups can be observed in the 20-40 years old housing categories. The proportion of households owning the housing which were built more than 60 years ago is very low (less than five percent for all social groups except HHC wherein this proportion is slightly higher).

### ***Social group-wise ownership of housing by period: urban***

For the urban areas also, the highest 10 percent of total dwellings for SC was built in the last five years preceding the survey (Table 11.19). They are followed closely by OBC and Muslims as far as ownership of housing units built in last five years is concerned. Social group wise

analysis indicates very little inter-group inequality pertaining to the period since construction of the housing units. For ST nearly one third housing units have been built between 10-20 years while nearly one fourth proportion each have been built either between 5 and 10 years or between 20 and 40 years.

**Table 1.19: Social group-wise ownership of housing by period: Urban, 2018 (in percent)**

Social Groups	Period Since Construction (in years)					
	0-5	5-10	10-20	20-40	40-60	Above 60
ST	9.1	26.2	30.0	24.2	7.7	1.8
SC	10.0	25.0	27.3	25.9	8.0	2.8
HOBC	9.8	24.4	30.9	23.6	7.2	2.7
HHC	8.1	22.9	31.2	24.7	7.9	3.6
Muslims	9.3	23.1	30.5	25.4	6.1	3.6
Total	9.1	23.7	30.4	24.7	7.5	3.1

*Source:* NSSO, 76<sup>th</sup> round, 2018

For the SC, nearly one fourth proportion of the housing units were built in last 5-10 years and similar proportions of housings are also reported for the 10-20 years and 20-40 years periods. Less than 10 percent housing owned by almost all social groups have been built between 40 and 60 years and less than five percent of the housings owned by all social groups have been built more than 60 years ago.

### 11.5.6 Use of Housing Owned by Households of Different Social Groups

The wealth and utility of housing units depends upon whether it is owned for residential purposes only, or for residential as well as commercial purposes. In this section, the use of housing units owned by different social groups has been analyzed at aggregate, rural and urban levels.

#### *Use of housing owned by households: aggregate*

Analysis at the aggregate level indicates inter-social group inequality (refer Table 11.20). More than 90 percent of households among all social groups use their housing units only for residential purposes. However, the proportion of only residential use is highest (nearly 96 percent) for SC and ST while it is 93 percent among HHC and Muslims and 95 percent among HOBC. In contrast, the proportion of owned housing units used for residential as well as commercial purposes is highest for HHC and Muslims households among all social groups.

**Table 11.20: Social Group wise use of owned housing: Aggregate, 2018 (in percent)**

Social Groups	Use of Housing			
	Residential Only	Residential cum Commercial	Residential cum others	Total
ST	96.1	3.2	0.7	100
SC	96.5	2.7	0.87	100
HOBC	95.3	3.9	0.78	100
HHC	93.3	5.8	0.96	100
Muslims	93.4	5.5	1.07	100
Total	94.9	4.2	0.85	100

*Source:* NSSO, 76<sup>th</sup> round, 2018

Nearly one percent of the housings owned by all social group are being used for residential cum other purposes. Thus, a very high proportion of housings owned by all social groups is being used for residential use.

### ***Use of housing owned by households: rural***

Analysis of use of housing units by different social groups in rural areas indicates moderate social group in-equality. The data in Table 11.21 show that although more than 95 percent of housings owned by all social groups in rural India are used for residential purposes only, the highest 97.7 percent belong to SC households, only two percent of whom use their housings for commercial and other purposes also.

**Table 11.21: Social group wise use of owned house: rural, 2018 (in percent)**

Social Groups	Use of Housing			
	Residential Only	Residential cum Commercial	Residential cum others	Total
ST	96.6	2.8	0.52	100
SC	97.7	1.5	0.77	100
HOBC	96.9	2.4	0.71	100
HHC	95.6	3.2	1.25	100
Muslims	95.7	3.4	0.86	100
Total	96.7	2.5	0.8	100

*Source:* NSSO, 76<sup>th</sup> round, 2018

Thus, SC households have lowest proportion of housing as wealth/income generating assets. In rural areas, HHC and Muslims have higher (nearly three percent for both groups) proportion of their housing units being put to commercial and other uses as compared to other social groups.

### ***Use of housing owned by households: urban***

If we compare the proportion of housings owned by different social groups for residential purpose only in urban area with rural area, the rural-urban disparity is quite prominent. In comparison with rural areas, higher proportions of housings owned by almost all social groups are used for other than residential purposes only (Refer Table 11.22). The urban areas provide better opportunities to allow households to use their housing for commercial purposes.

**Table 11.22: Social Group wise use of owned house: urban, 2018 (in percent)**

Social Groups	Use of housing			
	Residential Only	Residential cum Commercial	Residential cum others	Total
ST	93.2	5.1	1.67	100
SC	92.6	6.2	1.2	100
HOBC	92.0	7.1	0.93	100
HHC	91.1	8.2	0.68	100
Muslims	89.8	8.9	1.39	100
Total	91.5	7.5	0.96	100

*Source:* NSSO, 76<sup>th</sup> round, 2018

However, this is mainly affected by location of the housing and, of course, with quality. The data given in Table 11.22 clearly indicates that among all social groups Muslims and HHC have more than eight percent of their housing units being used for residential as well as commercial purposes. Among all social groups ST households have lowest (nearly five percent) proportion of housings being used for both residential as well as commercial purposes.

### **11.6 Summary**

In this chapter inter-group inequalities in ownership of housing assets have been analyzed. The analyses in the chapter clearly illustrate that across group inequality in ownership of housing asset is very high. Marginalized social groups particularly in urban areas own very low proportion of the value of housing assets. The findings also show that ownership of housing is quite good for marginalized social groups particularly in rural areas. However, the value of the housing owned by these groups is far lower than upper caste and OBCs. Thus, despite higher ownership of house by SC and ST, their shares in the value of housing assets in rural and urban areas remain miniscule. Also, the proportion of good quality housing units owned by the marginalized social groups is lower in comparison to high caste. Further, a significant proportion of the housings/dwellings owned by marginalized social groups are located in slum areas thereby adding very low values to their housing assets. Inequalities are also quite acute in the size of the housings owned by various groups; a very high proportion of the housing owned by marginalized social groups is in the very small size category. Thus, analyses in this chapter clearly indicate substantial inequalities in the ownership of housing asset not only in terms of value but also quality, size and use.

## Social Group Inequality in Ownership of Housings across States

### 12.1 Introduction

Distribution in the ownership of housing assets is very unequal for different social groups in India. As observed in the previous chapter, it is established that not only is the ownership of housing asset quite unequal but its quality and geographical location is also very diverse for various social groups. Socially marginalized groups not only have very low proportions of ownership of housing assets but these are also very poor in terms of quality. Thus, it is imperative to analyze the state-wise variation in ownership of housing assets in India. In this chapter, we have also examined the variation in terms of the quality (good, satisfactory, and bad) of the housing assets. The ratio of ownership of housing assets for different social groups with respect to Hindu High Castes has also been calculated to analyze the inequality in ownership distribution and access to quality housing.

This study is based on the National Sample Survey Office (NSSO) 76<sup>th</sup> round on drinking water, sanitation, hygiene and housing conditions in India, 2018. The study has analyzed the aforementioned aspects of housing assets in detail for all states and union territories in the country at the aggregate, rural, and urban levels. The chapter is organized in six sections. The state-wise ownership of housing assets is taken up in the second section. The third section focuses on the quality of housing assets across the country. The fourth and fifth sections explore the ownership of housing assets by various groups and their access to quality housing in various parts of the country. The inter-group inequality on ownership and quality of housing assets has also been examined in these sections. The last section summarizes the key findings of the study.

### 12.2 State wise Ownership of Housing Assets

Ownership of housing is very diverse across various states. In this section, distribution of housings across different states in India has been analyzed. The data in Table 12.1 clearly indicate large scale state wise variations in the ownership of housings across the country. In Bihar and Uttar Pradesh, almost all households living in rural areas own their housing. The table also indicates that in most states, more than 90 percent of rural households own the housings in which they reside. Thus, rental housing is reported to be very low in most states. However, there are few states and union territories which are exceptions to this trend. For example, in

Chandigarh, Delhi, and Daman and Diu, the proportion of households living in own housing is significantly low at 19.5, 55, and 51 percent respectively.

However, as seen in the previous chapter, owning of housing in urban areas is very costly and a very large proportion of households are not able to afford it. Thus, at the national level we find only 64 percent of urban households in India living in own housing. The range of ownership among urban households varies from a highest of 93 percent in Manipur to the lowest 25 percent in Himachal Pradesh. States like Sikkim, Arunachal Pradesh, Meghalaya, Andhra Pradesh, Karnataka and Telangana have less than half the households in urban areas living in their own housing. Tamil Nadu and Odisha have close to 50 percent urban households living in own housings. Only the states of Tripura, Uttarakhand, Kerala, and Jammu and Kashmir have more than 80 percent households owning their housing in urban areas while in Punjab, Uttar Pradesh, Bihar, Mizoram, West Bengal, Chhattisgarh, Madhya Pradesh, and Goa have more than 70 percent urban households owning housing. In the union territories, ownership of housing among urban households ranges from a low of around 11 percent in Daman and Diu and Dadra and Nagar Haveli to almost 96 percent in Lakshadweep and 71 percent in Puducherry. In Chandigarh also only 45 percent urban households live in their own housing.

**Table 12.1: State wise distribution of ownership of housing in India (in percent)**

State/UT	Rural	Urban	Total
Jammu & Kashmir	98.5	81.0	94.2
Himachal Pradesh	89.9	25.3	81.1
Punjab	97.4	71.8	86.6
Chandigarh	19.5	44.7	43.5
Uttarakhand	97.3	81.5	92.7
Haryana	95.7	69.4	85.6
Delhi	55.1	56.9	56.9
Rajasthan	98.1	69.8	90.5
Uttar Pradesh	98.8	72.1	92.1
Bihar	99.6	72.6	96.6
Sikkim	87.8	32.2	69.9
Arunachal	85.9	31.0	72.8
Nagaland	93.9	64.7	84.8
Manipur	97.1	93.1	95.8
Mizoram	94.2	72.5	83.6
Tripura	98.3	86.3	95.5
Meghalaya	96.8	45.9	87.0
Assam	94.1	69.4	90.3
West Bengal	96.1	74.2	88.8
Jharkhand	98.2	60.5	88.9
Odisha	91.5	54.0	84.8
Chhattisgarh	98.1	79.1	94.2
Madhya Pradesh	98.6	72.0	91.1
Gujarat	95.5	68.9	82.5

## Social Group Inequality in Ownership of Housings across States

State/UT	Rural	Urban	Total
Daman & Diu	51.0	11.1	15.9
Dadra & Nagar Haveli	82.3	11.2	36.4
Maharashtra	95.4	66.9	82.6
Andhra Pradesh	86.4	43.4	71.8
Karnataka	94.1	48.7	73.7
Goa	84.1	71.3	76.1
Lakshadweep	97.8	96.2	96.4
Kerala	93.5	84.6	89.2
Tamil Nadu	94.1	53.3	73.5
Puducherry	71.7	71.8	71.8
Andaman & Nicobar	80.8	42.1	58.7
Telangana	95.3	44.1	71.4
Total	96.0	63.8	85.0

*Source:* NSSO 76<sup>th</sup> Round, 2018

Among the major states in India, Sikkim (70 percent), Telangana (71 percent), Andhra Pradesh (72 percent), Arunachal Pradesh (73 percent) and Karnataka (74 percent) have significantly lower proportion of households owning housing assets than the national average of 85 percent. Analysis at the aggregate level indicates that Jammu and Kashmir, Uttarakhand, Rajasthan, Uttar Pradesh, Bihar, Manipur, Tripura, Assam, Chhattisgarh, Madhya Pradesh and Lakshadweep have more than 90 percent households residing in the housing own by them. However, Daman and Diu and Chandigarh have very low proportion of households residing in the housings owned by them. In Delhi also, more than 45 percent of households do not live in own housing and reside in rented accommodation. Thus, the inter-state difference in ownership of housing is very vast in the country.

### 12.3 Quality of Housing owned by Households in India

The quality of a housing asset is not only crucial in determining its value but also influences the quality of life of the household residing in it. In this section, we analyze the quality of housing owned by households in India at the rural, urban and aggregate level.

#### 12.3.1 Quality of Housing owned by Households in India: Aggregate Level

The data in Table 12.2 clearly indicate huge inter-state variation in the quality of housing assets owned by households. At the aggregate level, Puducherry (83 percent), Kerala (74 percent), and Lakshadweep (72 percent) have significantly high proportion of households owning good quality of housings as compared to other states. Goa, Andhra Pradesh, Tamil Nadu, Telangana, Sikkim, Mizoram, Nagaland, Arunachal Pradesh, Himachal and Uttarakhand have more than half of the households owning good quality housings. Among all states, ownership of good quality housing is lowest for Manipur (22 percent). Tripura, Assam, Bihar, Jharkhand, Odisha, Dadra and Nagar Haveli have less than 30 percent households owning good quality housings. Ownership of bad quality housing is the highest in Odisha and Jharkhand where more than 20 percent households own bad quality of housing. Uttar Pradesh, Bihar, Tripura, West Bengal,

Daman & Diu, and Dadra & Nagar Haveli also have quite high proportion of households owning bad quality of housing.

**Table 12.2: Quality of housing owned by households in India: Aggregate (in percent)**

State/UT	Good	Satisfactory	Bad	Total
Jammu & Kashmir	39.9	53.6	6.5	100.0
Himachal Pradesh	50.1	44.1	5.8	100.0
Punjab	49.3	43.0	7.8	100.0
Chandigarh	65.0	25.1	9.9	100.0
Uttarakhand	50.2	43.8	6.0	100.0
Haryana	49.0	43.2	7.8	100.0
Delhi	43.5	49.0	7.5	100.0
Rajasthan	44.8	46.9	8.2	100.0
Uttar Pradesh	30.3	52.8	16.9	100.0
Bihar	28.6	55.6	15.8	100.0
Sikkim	57.7	40.8	1.5	100.0
Arunachal Pradesh	52.9	41.5	5.6	100.0
Nagaland	55.2	38.8	6.1	100.0
Manipur	22.0	64.9	13.1	100.0
Mizoram	56.4	33.6	10.1	100.0
Tripura	27.8	54.9	17.2	100.0
Meghalaya	48.7	47.7	3.6	100.0
Assam	29.5	63.2	7.4	100.0
West Bengal	42.1	41.1	16.7	100.0
Jharkhand	26.2	53.6	20.2	100.0
Odisha	29.7	46.6	23.7	100.0
Chhattisgarh	36.6	51.0	12.3	100.0
Madhya Pradesh	31.1	51.2	17.7	100.0
Gujarat	48.3	42.7	9.0	100.0
Daman & Diu	38.3	42.2	19.5	100.0
Dadra & Nagar Haveli	24.1	58.5	17.4	100.0
Maharashtra	38.2	47.7	14.1	100.0
Andhra Pradesh	58.8	32.9	8.3	100.0
Karnataka	57.5	37.5	5.0	100.0
Goa	60.6	33.3	6.1	100.0
Lakshadweep	72.5	24.4	3.1	100.0
Kerala	74.1	20.1	5.8	100.0
Tamil Nadu	58.7	37.0	4.4	100.0
Puducherry	82.7	14.6	2.7	100.0
Andaman & Nicobar	34.4	54.8	10.8	100.0
Telangana	60.9	32.4	6.7	100.0
<b>Total</b>	<b>42.7</b>	<b>45.1</b>	<b>12.2</b>	<b>100.0</b>

**Source:** NSSO 76<sup>th</sup> Round, 2018

**12.3.2 Quality of Housing Owned by Households in India: Rural**

The data presented in Table 12.3 clearly indicate that the proportion of households owning good quality housing is lower for all states in comparison to corresponding figures at the aggregate level. Chandigarh, Lakshadweep, Kerala, Puducherry, Andhra Pradesh, Sikkim, Arunachal Pradesh, and Nagaland have more than 50 percent households owning good quality housing in rural areas. The situation, however, is quite worrisome in Jharkhand, Madhya Pradesh, Odisha, Assam, Manipur, Uttar Pradesh and Bihar where just about one fourth households have access to good quality housing. These states are also reported to have quite high proportion of households owning bad quality of housing in rural areas. Odisha, Jharkhand, Tripura, and Madhya Pradesh have more than 20 percent households owning bad quality of housing in India. Interestingly, none of the households in rural areas of the union territories of Lakshadweep and Chandigarh own bad quality of housing. Sikkim also reports very low proportion of households owning bad quality of housing.

**Table 12.3: Quality of housing owned by rural households in India (in percent)**

State/UT	Good	Satisfactory	Bad	Total
Jammu & Kashmir	35.7	57.2	7.1	100.0
Himachal Pradesh	49.0	45.5	5.5	100.0
Punjab	44.2	47.3	8.5	100.0
Chandigarh	91.5	8.5	0.0	100.0
Uttarakhand	38.5	53.9	7.6	100.0
Haryana	44.1	47.4	8.5	100.0
Delhi	32.9	62.0	5.1	100.0
Rajasthan	38.8	51.4	9.8	100.0
Uttar Pradesh	26.1	54.9	19.0	100.0
Bihar	25.2	57.5	17.3	100.0
Sikkim	53.6	44.6	1.8	100.0
Arunachal Pradesh	50.5	43.8	5.7	100.0
Nagaland	54.4	38.5	7.2	100.0
Manipur	19.3	67.7	13.1	100.0
Mizoram	41.4	40.4	18.2	100.0
Tripura	22.0	57.7	20.3	100.0
Meghalaya	44.1	52.6	3.2	100.0
Assam	25.5	66.8	7.7	100.0
West Bengal	35.5	45.0	19.5	100.0
Jharkhand	20.3	56.4	23.3	100.0
Odisha	24.5	49.1	26.4	100.0
Chhattisgarh	32.4	54.0	13.5	100.0
Madhya Pradesh	22.0	56.1	22.0	100.0
Gujarat	40.0	51.1	8.9	100.0
Daman & Diu	39.9	54.5	5.6	100.0
Dadra & Nagar Haveli	16.9	61.3	21.7	100.0
Maharashtra	28.8	53.4	17.7	100.0

## Inter Group Inequality in Wealth Ownership in India

State/UT	Good	Satisfactory	Bad	Total
Andhra Pradesh	54.4	35.6	10.0	100.0
Karnataka	46.7	46.2	7.1	100.0
Goa	49.8	37.2	13.0	100.0
Lakshadweep	81.4	18.4	0.0	100.0
Kerala	70.6	22.2	7.1	100.0
Tamil Nadu	49.1	44.1	6.7	100.0
Puducherry	77.4	17.5	5.1	100.0
Andaman & Nicobar	23.7	61.6	14.7	100.0
Telangana	49.5	40.6	9.9	100.0
Total	34.7	50.4	14.9	100.0

*Source:* NSSO 76<sup>th</sup> Round, 2018

### 12.3.3 Quality of housing owned by households in India: Urban

Table 12.4 presents data on the quality of housing owned by households in urban India. It clearly indicates that the proportion of households owning good quality of housing is higher in urban areas in comparison to rural areas in India. This pattern is observed for almost all the states and union territories. Puducherry, Kerala, Uttarakhand, Karnataka, Telangana and Lakshadweep have more than 70 percent households owning good quality of housing in urban areas. Similarly, Jammu & Kashmir, Himachal, Punjab, Haryana, Rajasthan, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Mizoram, Meghalaya, Assam, Tamil Nadu, and West Bengal reported to have more than 50 percent households owning good quality housing in urban areas. As far as ownership of bad housing is concerned, Manipur, Chandigarh, Uttar Pradesh, West Bengal, Jharkhand, Odisha, Daman & Diu, and Dadra and Nagar Haveli are reported to have more than 10 percent households owning bad quality housing.

**Table 12.4: Quality of housing owned by urban households in India (in percent)**

State/UT	Good	Satis-factory	Bad	Total
Jammu & Kashmir	52.7	42.8	4.6	100
Himachal Pradesh	57.5	34.8	7.7	100
Punjab	56.2	37.0	6.8	100
Chandigarh	63.6	26.0	10.4	100
Uttarakhand	79.0	18.9	2.2	100
Haryana	56.7	36.6	6.7	100
Delhi	43.8	48.7	7.5	100
Rajasthan	61.3	34.6	4.1	100
Uttar Pradesh	42.9	46.4	10.7	100
Bihar	55.5	39.9	4.6	100
Sikkim	66.2	32.9	0.9	100
Arunachal	60.5	34.1	5.4	100
Nagaland	56.9	39.5	3.6	100
Manipur	27.7	59.3	13.0	100
Mizoram	72.2	26.4	1.4	100
Tripura	47.1	45.9	7.0	100

## Social Group Inequality in Ownership of Housings across States

Meghalaya	67.6	27.3	5.0	100
Assam	51.8	42.8	5.4	100
West Bengal	55.2	33.5	11.3	100
Jharkhand	44.1	45.1	10.8	100
Odisha	53.4	35.2	11.5	100
Chhattisgarh	52.8	39.5	7.7	100
Madhya Pradesh	54.5	38.7	6.7	100
Gujarat	57.0	33.9	9.1	100
Daman & Diu	38.1	40.5	21.4	100
Dadra & Nagar Haveli	28.0	57.0	15.0	100
Maharashtra	49.7	40.6	9.7	100
Andhra	67.4	27.5	5.1	100
Karnataka	70.7	26.7	2.6	100
Goa	67.1	30.9	2.0	100
Lakshadweep	71.4	25.1	3.5	100
Kerala	77.7	17.8	4.5	100
Tamil Nadu	68.1	29.9	2.0	100
Puducherry	86.5	12.6	1.0	100
Andaman & Nicobar	42.4	49.7	7.8	100
Telangana	74.0	23.1	2.9	100
Total	58.2	35.0	6.9	100

*Source:* NSSO 76<sup>th</sup> Round, 2018

### 12.4 Social group wise ownership of Housing in India

While examining inter-group inequality in ownership of housing in India in the previous chapter, it is seen that the underprivileged and marginalized social groups have lower percentage of ownership of housing in comparison to the privileged and upper caste social groups. Therefore, it is necessary to analyze the state-wise variation of ownership of housings for all social groups. In the present section, ownership of housing for different social groups has been analysed for all states and union territories at the aggregate, rural, and urban levels.

#### 12.4.1 Distribution of ownership of housing across social groups: Aggregate level

The data given in Table 12.5 indicate the ownership of housing for different social groups in various states and union territories. As far as scheduled tribe (ST) is concerned, ownership of housing is quite high in Jammu and Kashmir, Rajasthan, Bihar, Manipur, Tripura, Meghalaya, West Bengal, Jharkhand, Chhattisgarh, Madhya Pradesh and Kerala where more than 90 percent ST households own their residential housing. However, this aspect is quite worrisome for STs in Chandigarh, Daman & Diu, and Delhi where less than half of the proportion of these households does not own the housing in which they reside. As far as ownership of housing for scheduled caste (SC) is concerned, it is quite diverse across states. In states like Jammu and Kashmir, Uttarakhand, Rajasthan, Uttar Pradesh, Bihar, Manipur, Tripura, West Bengal, Odisha, Chhattisgarh, and Madhya Pradesh more than 90 percent of SC households own the housing in which they are residing. But ownership of housing among SC households is significantly low (less than 50 percent) in states like Goa, Arunachal Pradesh, Mizoram, Meghalaya, and

the union territories of Daman and Diu, Andaman and Nicobar islands. For the Hindu Other Backward Class (HOBBC) social group, ownership of housing is pretty good in Himachal Pradesh, Rajasthan, Uttar Pradesh, Bihar, Manipur, Tripura, West Bengal, Jharkhand, Odisha, Chhattisgarh, Madhya Pradesh and Kerala where more than 90 percent households own the housing in which they live. Ownership of housing is very low among HOBBC households in Meghalaya, Arunachal Pradesh, Daman & Diu, and Dadra and Nagar Haveli where less than 20 percent of these households own their housing. Similar pattern is also observed for Hindu high caste households. The data Table 12.5 also indicate that Muslims households living in Jammu & Kashmir, Uttarakhand, Rajasthan, Uttar Pradesh, Bihar, Tripura, Meghalaya, Assam, West Bengal, Jharkhand, Lakshadweep and Kerala have more than 90 percent ownership of their residential premises.

**Table 12.5: Social-group wise ownership of housing in India: Aggregate (in percent)**

State/UT	ST	SC	HOBBC	HHC	Muslims
Jammu & Kashmir	97.6	94.2	81.1	89.0	96.6
Himachal Pradesh	76.3	86.9	91.8	75.4	81.1
Punjab	73.0	89.1	71.2	79.2	48.6
Chandigarh	29.9	50.1	41.7	40.2	38.1
Uttarakhand	66.8	93.7	82.2	93.4	96.6
Haryana	86.6	86.2	88.8	85.6	68.9
Delhi	44.1	62.4	57.5	58.5	40.8
Rajasthan	94.5	90.5	92.0	83.2	91.9
Uttar Pradesh	86.0	94.2	92.7	88.1	91.8
Bihar	97.7	98.1	96.4	93.8	98.0
Sikkim	79.2	66.9	73.7	1.4	14.5
Arunachal Pradesh	89.1	36.2	12.9	25.7	3.3
Nagaland	87.0	54.7	64.1	10.1	58.1
Manipur	97.7	99.1	95.7	93.1	88.2
Mizoram	84.2	22.5	NA	66.4	29.3
Tripura	95.1	96.0	97.5	93.4	96.7
Meghalaya	91.2	37.5	5.3	48.1	90.3
Assam	95.8	85.9	83.5	85.4	98.2
West Bengal	92.3	91.7	90.4	84.3	90.9
Jharkhand	90.4	90.4	90.2	72.8	92.5
Odisha	80.5	91.9	90.4	77.1	55.6
Chhattisgarh	94.3	95.0	95.6	88.0	79.0
Madhya Pradesh	94.1	92.6	92.6	84.6	84.6
Gujarat	87.4	82.7	80.6	80.6	85.9
Daman & Diu	16.3	5.9	13.0	21.4	58.1
Dadra & Nagar Haveli	90.5	0.0	6.5	15.5	18.5
Maharashtra	87.3	83.6	84.6	80.8	79.6
Andhra	69.8	78.0	72.2	68.6	67.0
Karnataka	76.9	80.8	76.2	65.8	69.1
Goa	80.0	18.2	68.2	79.2	71.0

## Social Group Inequality in Ownership of Housings across States

State/UT	ST	SC	HOBC	HHC	Muslims
Lakshadweep	96.4	NA	NA	NA	96.4
Kerala	94.2	86.4	90.1	86.5	89.1
Tamil Nadu	67.5	81.6	72.9	56.1	55.8
Puducherry	79.0	73.7	73.2	56.3	60.9
Andaman & Nicobar	72.6	39.1	75.7	59.0	11.3
Telangana	79.8	75.0	73.6	61.4	67.2
Total	87.7	88.6	84.9	80.1	86.2

*Source:* NSSO 76<sup>th</sup> Round, 2018

### 12.4.2 Social-group inequality in ownership of housing: Aggregate level

In this section, social group inequality in the ownership of housing has been analyzed. Inequality has been analyzed by calculating ratio of ownership of housings by different social groups with respect to ownership of the conventionally most privileged Hindu high caste (HHC) group. Data in Table 12.6 clearly indicate that ownership of housing by ST is higher than HHC in Jammu & Kashmir, Rajasthan, Arunachal Pradesh, Nagaland, Mizoram, Meghalaya, Assam, West Bengal, Jharkhand, Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Dadra & Nagar Haveli, Maharashtra, Karnataka, Kerala, Puducherry and Telangana. In other states, ownership of housing by ST is either equal to HHC or lower than that. Similarly, ownership of housing by SC is higher or equal to HHC households in most states except in Mizoram, Meghalaya, Daman & Diu, Goa, and Andaman & Nicobar. In Goa, ownership of housing by HHC is nearly four times higher than SC households. For HOBC also, the ownership of housing is higher than HHC in the states of Himachal Pradesh, Rajasthan, Nagaland, Mizoram, Meghalaya, West Bengal, Jharkhand, Odisha, Chhattisgarh, Madhya Pradesh, Andhra Pradesh, Karnataka, Tamil Nadu, and Telangana and the union territories of Puducherry, and Andaman and Nicobar islands. The ownership of housing among Muslim households is lower than HHC in Punjab, Haryana, Delhi, Arunachal Pradesh, Manipur, Mizoram, Odisha, Chhattisgarh, and Andaman & Nicobar islands. It is noteworthy that ownership of housing for Hindu high caste is almost eight times higher than that of Muslim households in Arunachal Pradesh.

**Table 12.6: Ratio of ownership of housing of social groups w.r.t. HHC: Aggregate**

State/UT	ST	SC	HOBC	Muslims
Jammu & Kashmir	0.9	0.9	1.1	0.9
Himachal Pradesh	1.0	0.9	0.8	0.9
Punjab	1.1	0.9	1.1	1.6
Chandigarh	1.3	0.8	1.0	1.1
Uttarakhand	1.4	1.0	1.1	1.0
Haryana	1.0	1.0	1.0	1.2
Delhi	1.3	0.9	1.0	1.4
Rajasthan	0.9	0.9	0.9	0.9
Uttar Pradesh	1.0	0.9	1.0	1.0
Bihar	1.0	1.0	1.0	1.0
Sikkim	0.0	0.0	0.0	0.1

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State/UT	ST	SC	HOBC	Muslims
Arunachal Pradesh	0.3	0.7	2.0	7.7
Nagaland	0.1	0.2	0.2	0.2
Manipur	1.0	0.9	1.0	1.1
Mizoram	0.8	3.0	NA	2.3
Tripura	1.0	1.0	1.0	1.0
Meghalaya	0.5	1.3	9.0	0.5
Assam	0.9	1.0	1.0	0.9
West Bengal	0.9	0.9	0.9	0.9
Jharkhand	0.8	0.8	0.8	0.8
Odisha	1.0	0.8	0.9	1.4
Chhattisgarh	0.9	0.9	0.9	1.1
Madhya Pradesh	0.9	0.9	0.9	1.0
Gujarat	0.9	1.0	1.0	0.9
Daman & Diu	1.3	3.6	1.6	0.4
Dadra & Nagar Haveli	0.2	NA	2.4	0.8
Maharashtra	0.9	1.0	1.0	1.0
Andhra Pradesh	1.0	0.9	0.9	1.0
Karnataka	0.9	0.8	0.9	1.0
Goa	1.0	4.4	1.2	1.1
Lakshadweep	NA	NA	NA	NA
Kerala	0.9	1.0	1.0	1.0
Tamil Nadu	0.8	0.7	0.8	1.0
Puducherry	0.7	0.8	0.8	0.9
Andaman & Nicobar	0.8	1.5	0.8	5.2
Telangana	0.8	0.8	0.8	0.9
Total	0.9	0.9	0.9	0.9

*Source: NSSO 76<sup>th</sup> Round, 2018*

#### 12.4.3 Distribution of Ownership of Housing across Social Groups: Rural

The distribution of ownership of housing among households of various social groups in rural India has been examined. The data in Table 12.7 indicate a higher trend of ownership of housing for all social groups in rural areas than the national aggregate. In rural areas, households do not have sufficient income to pay rent for their dwellings. Therefore, they try to build their own house with whatever means they have. The analysis on quality of housing later will further explain this pattern. Among ST households, most states/UTs have more than 90 percent ownership of their housing except for Chandigarh, Uttarakhand, Haryana, Delhi, Sikkim, Odisha, Daman & Diu, Andhra Pradesh, Karnataka, and Goa. Similarly, more than 90 percent SC households have ownership of their residential premises except in states/UTs like Chandigarh, Delhi, Sikkim, Meghalaya, Daman & Diu, and Andhra Pradesh. The trend holds good for Hindu OBC also in most states and UTs except in Chandigarh, Arunachal Pradesh, Daman and Diu, and Goa where less than half of HOBC households in rural areas do not own their own housing. As for HHC households, they have quite a good proportion of households owning their housing in almost

all states and UTs except in Chandigarh, Delhi, Sikkim, Arunachal Pradesh, Sikkim, Nagaland, and Daman and Diu. The HHC ownership of housing in these places is less than 40 percent, with Chandigarh registering less than one percent for HHC housing ownership. Similarly, Muslim households living in Jammu and Kashmir, Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, UP, Bihar, Tripura, Meghalaya, Assam, West Bengal, Jharkhand, Madhya Pradesh, Chhattisgarh, Gujarat, Maharashtra, Kerala, Lakshadweep, Tamil Nadu and Telangana have more than 90 percent Muslim households owning their housings. They have significantly low proportion of housing ownership in states/UTs like Delhi (28.6 percent), Sikkim (46.6), Arunachal Pradesh (5.2 percent), Daman & Diu (18.2 percent) and Goa (25.5 percent).

**Table 12.7: Social-group wise Ownership of Housing in India: Rural**

State/UT	ST	SC	HOBC	HHC	Muslims
Jammu & Kashmir	99.4	99.4	94.0	96.1	99.2
Himachal Pradesh	90.4	95.4	97.3	84.5	100.0
Punjab	100.0	97.6	94.9	91.5	91.2
Chandigarh	0.0	86.5	3.4	0.6	0.0
Uttarakhand	64.4	95.7	94.1	99.4	98.1
Haryana	89.3	93.2	97.0	97.8	95.5
Delhi	23.4	79.2	76.7	38.1	28.6
Rajasthan	98.1	98.3	98.7	97.5	94.9
Uttar Pradesh	96.8	99.1	98.7	99.2	97.9
Bihar	100.0	99.5	99.7	99.8	99.7
Sikkim	89.4	86.5	90.2	5.4	46.6
Arunachal Pradesh	97.5	92.0	17.2	40.0	5.2
Nagaland	95.2	100.0	100.0	22.4	67.2
Manipur	99.5	97.7	96.3	100.0	84.8
Mizoram	94.1	100.0	NA	NA	NA
Tripura	98.3	98.6	98.6	97.2	99.0
Meghalaya	97.2	17.8	NA	95.7	100.0
Assam	99.0	96.9	86.0	92.4	99.8
West Bengal	93.9	97.2	99.1	94.3	96.3
Jharkhand	97.7	99.0	98.6	92.7	99.4
Odisha	83.8	95.1	96.6	92.2	66.7
Chhattisgarh	96.0	98.6	99.7	100.0	100.0
Madhya Pradesh	97.8	98.2	98.9	99.2	100.0
Gujarat	92.1	96.3	96.9	96.9	96.2
Daman & Diu	83.1	39.0	58.2	25.1	18.2
Dadra & Nagar Haveli	98.4	0.0	0.0	0.0	60.4
Maharashtra	94.7	94.0	96.0	96.5	93.2
Andhra Pradesh	77.4	86.9	88.4	86.8	80.6
Karnataka	96.1	96.7	94.4	91.5	88.5
Goa	80.3	100.0	65.5	85.1	25.5
Lakshadweep	97.8	NA	NA	NA	97.8
Kerala	95.8	91.6	92.9	94.7	91.5

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State/UT	ST	SC	HOBC	HHC	Muslims
Tamil Nadu	93.7	96.1	93.2	92.3	92.0
Puducherry	100.0	80.8	67.6	NA	68.5
Andaman & Nicobar	97.2	79.5	90.1	81.4	0.0
Telangana	92.6	96.0	95.0	97.0	98.5
Total	93.8	96.9	96.4	95.2	96.4

*Source:* NSSO 76<sup>th</sup> Round, 2018

### 12.4.4 Social-group Inequality in Housing Ownership: Rural

The inequality in ownership of housing across various social groups in rural areas of all states and union territories has been analysed. Inequality has been calculated for different socio-religious groups vis-à-vis Hindu upper caste (HHC) households. The data in Table 12.8 clearly indicate that ownership of housing in comparison with HHC is lower for ST in Uttarakhand, Haryana, Delhi, Uttar Pradesh, Odisha, Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Andhra Pradesh, Goa and Telangana. Among all these states, ST households living in Delhi are reported to have highest inequality in comparison to Hindu upper caste. Similarly, in most of the states ownership of housing for SC is higher than Hindu upper caste except in Uttarakhand, Haryana, Manipur, and Meghalaya. In Meghalaya, the ownership of housing is nearly five times higher for HHC in comparison to SC. Social group inequality for Hindu OBC in comparison to HHC is lower in most states except Arunachal Pradesh where ownership of housing is more than two times higher for HHC in comparison to HOBCs. Inequality in ownership of housing for Muslims in comparison to HHC is very high in Arunachal Pradesh and Goa.

**Table 12.8: Ratio of Ownership of Housing among various groups w.r.t. HHC: Rural**

State/UT	ST	SC	HOBC	Muslims
Jammu & Kashmir	0.97	0.97	1.02	0.97
Himachal Pradesh	0.93	0.89	0.87	0.85
Punjab	0.91	0.94	0.96	1.00
Chandigarh	NA	0.01	0.17	NA
Uttarakhand	1.54	1.04	1.06	1.01
Haryana	1.09	1.05	1.01	1.02
Delhi	1.63	0.48	0.50	1.33
Rajasthan	0.99	0.99	0.99	1.03
Uttar Pradesh	1.02	1.00	1.00	1.01
Bihar	1.00	1.00	1.00	1.00
Sikkim	0.06	0.06	0.06	0.12
Arunachal Pradesh	0.41	0.44	2.33	7.64
Nagaland	0.24	0.22	0.22	0.33
Manipur	1.00	1.02	1.04	1.18
Mizoram	NA	NA	NA	NA
Tripura	0.99	0.99	0.99	0.98
Meghalaya	0.98	5.37	NA	0.96
Assam	0.93	0.95	1.07	0.93

### Social Group Inequality in Ownership of Housings across States

State/UT	ST	SC	HOBC	Muslims
West Bengal	1.00	0.97	0.95	0.98
Jharkhand	0.95	0.94	0.94	0.93
Odisha	1.10	0.97	0.95	1.38
Chhattisgarh	1.04	1.01	1.00	1.00
MP	1.01	1.01	1.00	0.99
Gujarat	1.05	1.01	1.00	1.01
Daman & Diu	0.30	0.65	0.43	1.38
Dadra & Nagar Haveli	0.00	NA	NA	0.00
Maharashtra	1.02	1.03	1.01	1.04
Andhra	1.12	1.00	0.98	1.08
Karnataka	0.95	0.95	0.97	1.03
Goa	1.06	0.85	1.30	3.33
Lakshadweep	NA	NA	NA	NA
Kerala	0.99	1.03	1.02	1.03
TN	0.99	0.96	0.99	1.00
Puducherry	NA	NA	NA	NA
Andaman & Nicobar	0.84	1.02	0.90	NA
Telangana	1.05	1.01	1.02	0.99
Total	1.01	0.98	0.99	0.99

*Source:* NSSO 76<sup>th</sup> Round, 2018

#### 12.4.5 Distribution of Ownership of Housing across Social groups: Urban

In this section, social group wise ownership of housing in urban India has been discussed. The data in Table 12.9 clearly indicate that marginalized social groups ST and SC have lower proportion of ownership of housing than Hindu upper castes. For ST living in urban areas, the proportion of ownership of housing is quite good in Jammu & Kashmir, Uttarakhand, Haryana, Manipur, Mizoram, West Bengal, Chhattisgarh, Goa, Lakshadweep and Kerala where more than 70 percent households own their residential housings. The situation, however, is worrisome in Himachal Pradesh, Chandigarh, Delhi, Uttar Pradesh, Tripura, Jharkhand, Odisha, Maharashtra, Andhra Pradesh and Karnataka where less than 50 percent of ST urban households do not own housings in which they live. The worst situation is reported in Himachal Pradesh where only five percent of the urban ST households have their own housing. As far as SC is concerned, Punjab, Uttarakhand, Haryana, Uttar Pradesh, Bihar, Manipur, Tripura, West Bengal, Odisha, Chhattisgarh, Madhya Pradesh, and Kerala have more than two third households owning their residential housings. The ownership of housing for SC households is pretty low in Himachal Pradesh, Sikkim, Arunachal Pradesh, Nagaland, Daman and Diu, Andhra Pradesh, Karnataka, and Telangana where less than half of the SC households living in urban areas do not own their housing. Similarly, more than two third proportion of HOBC living in Jammu & Kashmir, Rajasthan, Uttar Pradesh, Bihar, Manipur, Tripura, Assam, West Bengal, Jharkhand, Chhattisgarh, Madhya Pradesh, Goa, Kerala and Puducherry live in their own housings. The ownership of housing for HOBC is significantly low in Himachal Pradesh (18 percent), Sikkim (34 percent), Meghalaya (5.3 percent), Daman & Diu, Dadra & Nagar

Haveli (nearly seven percent each). In the states of Andhra Pradesh, Karnataka and Telangana, and Chandigarh the HOBC ownership of housing is in the range of 40 to 50 percent. Hindu high caste reports quite better situation of ownership of housing in Jammu & Kashmir, Punjab, Uttarakhand, Haryana, Uttar Pradesh, Bihar, Manipur, Mizoram, Tripura, Assam, West Bengal, Chhattisgarh, Madhya Pradesh and Kerala. However, ownership of housing for high caste is very in Himachal Pradesh (26 percent), Chandigarh (42.9 percent), Arunachal Pradesh (two percent), Meghalaya, Daman & Diu (21 percent), Dadra & Nagar Haveli (16 percent). Muslims too have quite good proportion of ownership of housing in the urban areas of Jammu and Kashmir, Uttarakhand, Rajasthan, Uttar Pradesh, Bihar, Manipur, Tripura, Gujarat and Kerala where their ownership of housings exceeds 80 percent. Ownership of housing for Muslims is very low in Punjab, Haryana, Delhi, Sikkim, Arunachal Pradesh, Mizoram, Meghalaya and Andaman & Nicobar Islands.

**Table 12.9: Social-group wise Ownership of Housing in India: Urban**

State/UT	ST	SC	HOBC	HHC	Muslims
Jammu & Kashmir	76.9	62.9	69.6	77.6	85.0
Himachal Pradesh	5.0	26.6	17.9	26.1	49.3
Punjab	48.6	66.3	53.9	76.6	28.5
Chandigarh	32.4	48.4	45.2	42.9	38.3
Uttarakhand	74.5	76.0	57.6	82.7	92.8
Haryana	66.2	66.0	64.6	75.0	37.4
Delhi	44.5	61.9	56.7	58.9	40.9
Rajasthan	56.4	63.3	68.2	67.0	88.4
Uttar Pradesh	48.5	67.6	66.7	73.6	81.3
Bihar	66.7	77.8	70.7	66.5	84.4
Sikkim	49.6	40.6	34.4	NA	10.7
Arunachal Pradesh	54.3	17.6	NA	1.9	2.6
Nagaland	67.6	45.4	50.2	NA	NA
Manipur	86.7	100.0	95.2	82.0	98.3
Mizoram	74.0	NA	NA	66.4	29.3
Tripura	33.1	89.4	94.7	89.7	83.3
Meghalaya	58.3	59.4	5.3	17.5	7.6
Assam	63.9	62.5	66.2	73.1	71.6
West Bengal	82.0	74.3	70.0	75.8	69.4
Jharkhand	42.9	58.5	68.2	59.0	62.3
Odisha	45.8	73.7	52.0	50.5	35.4
Chhattisgarh	74.0	78.6	78.1	83.5	71.8
Madhya Pradesh	54.0	77.6	71.5	69.2	77.3
Gujarat	67.4	65.4	59.4	72.3	80.9
Daman & Diu	0.0	2.3	7.6	20.7	70.8
Dadra & Nagar Haveli	34.9	0.0	7.3	16.0	NA
Maharashtra	47.2	65.9	65.8	67.3	72.2
Andhra Pradesh	29.0	48.4	41.5	43.1	52.1
Karnataka	45.8	46.0	46.7	46.4	57.2

## Social Group Inequality in Ownership of Housings across States

State/UT	ST	SC	HOBC	HHC	Muslims
Goa	78.8	0.0	70.9	77.1	74.5
Lakshadweep	96.2	NA	NA	NA	96.2
Kerala	71.8	77.0	87.6	79.5	87.1
Tamil Nadu	36.4	51.3	54.2	51.1	50.1
Puducherry	31.0	57.5	76.9	56.3	57.9
Andaman & Nicobar	60.1	0.0	51.5	45.5	13.7
Telangana	53.9	39.2	41.2	43.2	56.4
Total	54.1	62.8	59.3	66.2	70.2

*Source:* NSSO 76<sup>th</sup> Round, 2018

### 12.4.6 Inequality across Socio-religious Groups in Housing Ownership: Urban

Social inequality in the ownership of housing in urban India is very high for ST in Himachal Pradesh and Tripura where it is five times higher for Hindu high caste and more than two times higher for HHC in Tripura. Ownership of housing is higher for ST than HHC in the states of Mizoram, Meghalaya, West Bengal and Telangana. Similarly, for SC, the inequality is marginally higher in Jammu & Kashmir, Punjab and Assam than in other states and UTs. SC-HHC inequality is the highest in Daman & Diu. Inequality for Hindu OBC is higher in the states of Himachal Pradesh, Punjab, Uttarakhand, Haryana, Meghalaya, and the UTs of Daman & Diu and Dadra and Nagar Haveli. Inequality for Muslim with respect to (w.r.t) HHC is relatively high in Punjab, Haryana, Mizoram and Meghalaya wherein more than twice the proportion of HHC households than Muslim households has ownership of their housings.

**Table 12.10: Ratio of Ownership of Housings among social groups w.r.t. HHC: Urban**

State/UT	ST	SC	HOBC	Muslims
Jammu & Kashmir	1.0	1.2	1.1	0.9
Himachal Pradesh	5.2	1.0	1.5	0.5
Punjab	1.6	1.2	1.4	2.7
Chandigarh	1.3	0.9	0.9	1.1
Uttarakhand	1.1	1.1	1.4	0.9
Haryana	1.1	1.1	1.2	2.0
Delhi	1.3	1.0	1.0	1.4
Rajasthan	1.2	1.1	1.0	0.8
Uttar Pradesh	1.5	1.1	1.1	0.9
Bihar	1.0	0.9	0.9	0.8
Sikkim	0.0	0.0	0.0	0.0
Arunachal Pradesh	0.0	0.1	NA	0.7
Nagaland	0.0	0.0	0.0	NA
Manipur	0.9	0.8	0.9	0.8
Mizoram	0.9	NA	NA	2.3
Tripura	2.7	1.0	0.9	1.1
Meghalaya	0.3	0.3	3.3	2.3
Assam	1.1	1.2	1.1	1.0
West Bengal	0.9	1.0	1.1	1.1

## Inter Group Inequality in Wealth Ownership in India

State/UT	ST	SC	HOBC	Muslims
Jharkhand	1.4	1.0	0.9	0.9
Odisha	1.1	0.7	1.0	1.4
Chhattisgarh	1.1	1.1	1.1	1.2
Madhya Pradesh	1.3	0.9	1.0	0.9
Gujarat	1.1	1.1	1.2	0.9
Daman & Diu	NA	9.0	2.7	0.3
Dadra & Nagar Haveli	0.5	NA	2.2	NA
Maharashtra	1.4	1.0	1.0	0.9
Andhra Pradesh	1.5	0.9	1.0	0.8
Karnataka	1.0	1.0	1.0	0.8
Goa	1.0	NA	1.1	1.0
Lakshadweep	NA	NA	NA	NA
Kerala	1.1	1.0	0.9	0.9
Tamil Nadu	1.4	1.0	0.9	1.0
Puducherry	1.8	1.0	0.7	1.0
Andaman & Nicobar	0.8	NA	0.9	3.3
Telangana	0.8	1.1	1.0	0.8
Total	1.2	1.1	1.1	0.9

*Source:* NSSO 76<sup>th</sup> Round, 2018

### 12.5 Quality of Housing Owned by Different Social Groups in India

The quality of housing owned by different social groups in India has been analyzed in this section. Quality of housing has been classified into three categories: Good, satisfactory and bad. The analysis has been done for different states at the aggregate, rural and urban levels.

#### 12.5.1 Quality of Housing Owned by Different Social Groups: Aggregate

The data for quality of housing owned by different social groups has been given in Table 12.11. It clearly indicates that ownership of good quality housing for ST households is among the highest in Chandigarh (92 percent) and Puducherry (79 percent). Significantly, ST household ownership of good housing is less than one fourth in the states of Jammu & Kashmir, Punjab, Haryana, Uttar Pradesh, Manipur, Tripura, West Bengal, Jharkhand, Odisha, Chhattisgarh, Madhya Pradesh and Maharashtra. The proportion of satisfactory quality of ownership of housing is high for all social groups and in all the states and union territories. Ownership of bad quality of housing among ST is reported to be highest in Uttar Pradesh (37.5 percent) and Haryana (36.1 percent).

For SC, ownership of good housing is low in all states and union territories except Sikkim, Nagaland, Mizoram, and Meghalaya. In Bihar, Uttar Pradesh and Odisha nearly one fourth of the housing owned by SC is bad in quality. The data given in Table 12.11 also clearly indicate that the proportion of ownership of housing is comparatively higher for HOBC and upper caste in most of the states. Ownership of good quality of housing for OBC is relatively high in Puducherry, Kerala, Tamil Nadu, and Telangana. The ownership of good quality of housing

## Social Group Inequality in Ownership of Housings across States

for HHC is high in Sikkim, Telangana, Kerala, Tamil Nadu, Andhra Pradesh and Karnataka. For Muslims, Puducherry, Mizoram, and Kerala have very high proportions of ownership of good housing.

**Table 12.11: Quality of housing owned by different social groups across states: Aggregate**

State/UT	ST			SC			HOBC			HHC			Muslims		
	G	S	B	G	S	B	G	S	B	G	S	B	G	S	B
Jammu & Kashmir	10.7	69.8	19.5	31.4	55.6	13.0	38.4	57.4	4.2	55.7	41.2	3.1	33.6	59.0	7.4
Himachal Pradesh	28.4	54.9	16.7	40.5	53.2	6.4	42.2	52.3	5.5	60.3	35.1	4.5	54.0	41.9	4.0
Punjab	20.0	62.5	17.4	32.3	52.4	15.4	43.8	49.6	6.6	64.6	33.4	2.0	38.6	45.3	16.0
Chandigarh	92.4	7.6	0.0	39.6	50.1	10.3	54.2	26.8	19.0	82.2	14.6	3.2	33.9	40.0	26.1
Uttarakhand	50.7	49.3	0.0	23.9	61.3	14.8	55.6	36.7	7.8	62.8	33.4	3.8	39.1	60.6	0.3
Haryana	24.1	39.7	36.1	35.2	57.1	7.8	42.9	47.3	9.8	61.0	34.0	5.0	46.2	40.0	13.8
Delhi	37.2	52.2	10.6	31.5	55.1	13.4	45.9	46.9	7.2	52.9	43.4	3.7	24.1	60.5	15.4
Rajasthan	33.2	52.9	13.9	36.3	52.6	11.1	47.3	46.3	6.4	63.2	33.2	3.5	39.1	51.7	9.1
Uttar Pradesh	17.9	44.6	37.5	21.4	54.3	24.3	29.9	54.5	15.6	48.2	45.9	5.9	28.8	54.0	17.2
Bihar	26.3	53.1	20.7	15.9	61.1	23.1	30.1	54.3	15.5	47.6	48.2	4.2	25.9	58.5	15.6
Sikkim	50.4	47.3	2.3	75.9	24.1	0.0	59.2	39.5	1.3	82.9	17.1	0.0	47.6	46.8	5.6
Arunachal Pradesh	52.5	41.9	5.6	33.4	66.1	0.5	53.7	45.6	0.8	49.8	41.1	9.1	68.8	31.2	0.0
Nagaland	55.0	39.0	6.1	73.9	26.1	0.0	0.0	72.1	27.9	45.7	40.0	14.3	19.9	69.3	10.8
Manipur	22.5	67.4	10.2	16.9	80.3	2.8	25.7	59.6	14.7	28.7	59.1	12.2	14.2	63.1	22.6
Mizoram	56.7	33.7	9.5	71.3	17.1	11.6	NA	NA	NA	33.2	0.0	66.4	85.6	14.4	0.0
Tripura	17.6	56.0	26.4	29.6	56.3	14.1	29.4	57.5	13.1	41.5	47.4	11.0	28.7	55.7	15.7
Meghalaya	51.0	46.3	2.8	65.9	34.2	0.0	84.9	6.8	8.4	32.6	55.7	11.6	21.0	75.5	3.5
Assam	26.8	67.4	5.8	30.2	60.7	9.1	27.9	64.2	7.8	44.6	49.8	5.6	23.7	67.9	8.3
West Bengal	21.7	48.6	29.7	35.6	44.3	20.1	42.4	40.6	17.0	53.8	34.3	11.9	38.0	45.0	17.0
Jharkhand	16.7	53.6	29.8	21.2	61.6	17.2	28.9	53.7	17.4	49.1	42.2	8.7	29.7	53.4	16.9
Odisha	24.3	47.0	28.6	20.0	49.1	31.0	29.9	48.7	21.5	45.1	40.1	14.8	35.1	48.5	16.4
Chhattisgarh	23.0	63.0	14.0	40.0	42.8	17.2	39.7	49.1	11.2	70.3	25.3	4.4	29.9	59.0	11.1
Madhya Pradesh	21.5	46.5	32.0	21.4	57.4	21.2	31.6	54.0	14.4	47.6	45.0	7.4	42.2	45.9	11.9
Gujarat	37.9	47.6	14.5	38.6	43.3	18.1	40.5	50.0	9.5	68.5	28.2	3.3	41.5	51.8	6.7
Daman & Diu	7.6	82.9	9.5	53.5	7.3	39.1	37.2	41.4	21.4	64.6	32.1	3.3	16.1	82.5	1.4
Dadra & Nagar Haveli	14.5	65.1	20.4	23.9	76.1	0.0	23.6	66.2	10.2	39.7	41.5	18.8	13.1	34.2	52.7
Maharashtra	20.7	55.4	23.9	31.1	48.3	20.5	40.6	45.1	14.3	44.4	46.3	9.4	28.7	56.6	14.7
Andhra	55.7	32.7	11.6	46.3	41.7	12.0	59.6	33.1	7.3	70.9	23.0	6.1	56.3	35.4	8.3
Karnataka	56.8	37.7	5.5	43.2	49.9	6.9	56.3	37.6	6.1	70.1	27.2	2.7	53.2	43.1	3.8
Goa	34.5	42.9	22.6	42.8	57.2	0.0	35.7	52.2	12.1	64.0	31.6	4.3	59.7	38.6	1.7
Lakshadweep	72.5	24.4	3.1	NA	NA	NA	NA	NA	NA	NA	NA	NA	72.5	24.4	3.1
Kerala	54.4	30.1	15.5	50.2	32.8	17.0	71.8	22.5	5.7	79.5	16.0	4.5	84.2	13.9	1.9
Tamil Nadu	56.2	35.9	7.8	43.2	48.8	8.0	62.3	34.4	3.4	79.0	21.0	0.0	69.9	27.6	2.5
Puducherry	79.0	21.0	0.0	66.3	18.1	15.6	83.4	15.7	0.9	89.2	10.8	0.0	96.3	3.7	0.0
Andaman & Nicobar	18.1	62.8	19.2	0.0	100.0	0.0	36.0	62.7	1.3	42.5	52.1	5.4	28.9	27.6	43.4
Telangana	39.6	40.1	20.3	56.1	32.8	11.2	59.2	35.4	5.4	82.3	17.0	0.7	65.5	30.2	4.3
Total	29.8	49.7	20.4	31.6	50.8	17.6	43.9	45.4	10.8	56.3	36.9	6.7	39.1	48.7	12.2

**Note:** G = Good; S = Satisfactory; B = Bad

**Source:** NSSO 76<sup>th</sup> Round, 2018

### 12.5. 2 Social Group Inequality in Ownership of Good Quality Housing: Aggregate

In this subsection, social group inequality in the ownership of good housing in India has been analysed at the aggregate level. The data in Table 12.12 indicate one pattern in nearly all states and union territories i.e. the ratio for ownership of good housing is higher for HHC than SC, ST, HOBC and Muslims. Only a few states are exceptions to this pattern. In comparison to ST, the ownership of good housing for HHC is more than two times higher in Jammu & Kashmir, Himachal Pradesh, Punjab, Haryana, Uttar Pradesh, Tripura, West Bengal, Jharkhand, Chhattisgarh, Madhya Pradesh, Maharashtra, and Telangana. It is also higher than two in the union territories of Dadra and Nagar Haveli, Andaman and Nicobar Islands, and Daman and Diu. Similarly, in comparison to SC also, the HHC ownership of good housing is almost or more than double in the states of Punjab, Chandigarh, Uttarakhand, Uttar Pradesh, Bihar, Jharkhand, Odisha, and Madhya Pradesh. For OBC also, their ownership of good housing is lower than HHC but not as other caste group. It does not exceed two in any state or union territory. The data regarding ownership of good housing is higher for HHC in comparison to Muslims in all states except Arunachal Pradesh, Mizoram, Kerala, and Puducherry. Ownership of good housing is more than two times higher for HHC than Muslims in Delhi.

**Table 12.12: Ratio of good housing owned by different social groups: Aggregate**

State/UT	ST	SC	HOBC	Muslims
Jammu & Kashmir	5.2	1.8	1.5	1.7
Himachal Pradesh	2.1	1.5	1.4	1.1
Punjab	3.2	2.0	1.5	1.7
Chandigarh	0.9	2.1	1.5	2.4
Uttarakhand	1.2	2.6	1.1	1.6
Haryana	2.5	1.7	1.4	1.3
Delhi	1.4	1.7	1.2	2.2
Rajasthan	1.9	1.7	1.3	1.6
Uttar Pradesh	2.7	2.3	1.6	1.7
Bihar	1.8	3.0	1.6	1.8
Sikkim	1.6	1.1	1.4	1.7
Arunachal Pradesh	0.9	1.5	0.9	0.7
Nagaland	0.8	0.6	NA	2.3
Manipur	1.3	1.7	1.1	2.0
Mizoram	0.6	0.5	NA	0.4
Tripura	2.4	1.4	1.4	1.5
Meghalaya	0.6	0.5	0.4	1.6
Assam	1.7	1.5	1.6	1.9
West Bengal	2.5	1.5	1.3	1.4
Jharkhand	2.9	2.3	1.7	1.7
Odisha	1.9	2.3	1.5	1.3
Chhattisgarh	3.1	1.8	1.8	2.3
Madhya Pradesh	2.2	2.2	1.5	1.1

### Social Group Inequality in Ownership of Housings across States

State/UT	ST	SC	HOBC	Muslims
Gujarat	1.8	1.8	1.7	1.7
Daman & Diu	8.5	1.2	1.7	4.0
Dadra & Nagar Haveli	2.7	1.7	1.7	3.0
Maharashtra	2.1	1.4	1.1	1.5
Andhra Pradesh	1.3	1.5	1.2	1.3
Karnataka	1.2	1.6	1.2	1.3
Goa	1.9	1.5	1.8	1.1
Lakshadweep	NA	NA	NA	NA
Kerala	1.5	1.6	1.1	0.9
Tamil Nadu	1.4	1.8	1.3	1.1
Puducherry	1.1	1.3	1.1	0.9
Andaman & Nicobar	2.3	NA	1.2	1.5
Telangana	2.1	1.5	1.4	1.3
Total	1.9	1.8	1.3	1.4

*Source:* NSSO 76<sup>th</sup> Round, 2018

### 12.5.3 Quality of Housing Owned by different social groups in India: Rural

In this subsection, quality of housing for different social groups has been analyzed at rural level in different states and union territories. The data for quality of housing owned by rural households of different social groups is provided in Table 12.13. It indicates that ownership of good quality of housing is low in all states. It is noteworthy that among all the states, social inequality in ownership of housing is highest in Jammu & Kashmir where ownership of good housing is very low for ST, SC, HOBC and Muslims while it is comparatively better for Hindu upper caste. Among the ST households, ownership of good quality housing is comparative lower in all the states except in the national capital Delhi and the union territory of Lakshadweep. Ownership of bad quality of housing is high for SC in Uttarakhand, Uttar Pradesh, Jharkhand, West Bengal, Odisha, Maharashtra and Madhya Pradesh. For SC, the ownership of good quality housing is less than 50 percent in most states except in Sikkim and Meghalaya. Similarly, nearly one third rural SC households in Odisha, and nearly one-fourth in Bihar and Uttar Pradesh have ownership of bad quality of housing. For OBC households, the ownership of good housing is more than 70 percent in Chandigarh, Kerala, and Puducherry. In nine states viz. UP, Bihar, Manipur, Tripura, Assam, Jharkhand, Odisha, Madhya Pradesh, and Goa the ownership of good quality housing for rural HOBC households is less than 30 percent. In rest of the country it varies between 31 percent and 70 percent. Their proportion of ownership of bad quality housing is low for most states except Nagaland (100 percent), Odisha and Jharkhand where it is more than 20 percent.

Among the HHC, who have the highest share of good quality housing in rural households, the share of bad quality rural housing is least in the country at 9.5 percent. Ownership of bad quality housing is more than 10 percent for HHC in Arunachal Pradesh, Manipur, Tripura, West Bengal, Jharkhand, Odisha, Chhattisgarh, Madhya Pradesh, Maharashtra, and Goa. Among the Muslim Households, ownership of good quality housing is less than 50 percent in most of the

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states except Chandigarh, Himachal Pradesh, Haryana, Arunachal Pradesh, Andhra Pradesh, Kerala and Telangana. Ownership of bad quality of housing for Muslims is highest in Sikkim at 53 percent for states and around 60 percent in Dadra and Nagar Haveli among union territories.

**Table 12.13: Quality of housing owned by different social groups in India: Rural**

State/UT	ST			SC			HOBC			HHC			Muslims		
	G	S	B	G	S	B	G	S	B	G	S	B	G	S	B
Jammu & Kashmir	6.7	72.3	21.0	25.8	59.6	14.6	36.1	59.8	4.1	51.5	44.6	3.9	31.6	61.0	7.4
Himachal Pradesh	23.8	61.0	15.2	40.8	52.6	6.6	41.0	54.4	4.6	59.0	36.6	4.5	60.5	39.5	0.0
Punjab	32.5	38.5	29.0	29.1	55.9	14.9	41.2	51.6	7.2	57.1	40.9	2.0	24.7	59.8	15.5
Chandigarh	0.0	100.0	0.0	96.5	3.5	0.0	95.5	4.5	0.0	89.0	11.0	0.0	100.0	0.0	0.0
Uttarakhand	35.4	64.6	0.0	19.3	65.2	15.5	49.3	43.8	6.9	48.9	45.2	5.9	29.9	70.1	0.0
Haryana	17.1	43.4	39.5	29.1	62.9	8.0	44.5	46.6	8.9	54.4	39.2	6.4	60.9	28.5	10.7
Delhi	73.4	26.6	0.0	37.7	52.9	9.4	39.2	55.2	5.6	27.1	70.9	2.0	14.1	75.7	10.2
Rajasthan	29.9	55.9	14.2	30.9	56.2	12.9	44.4	48.2	7.4	53.3	42.3	4.3	31.9	55.4	12.8
Uttar Pradesh	16.2	49.9	33.9	19.9	54.4	25.7	27.4	55.7	16.9	35.9	55.9	8.2	27.0	53.9	19.1
Bihar	22.9	54.9	22.2	14.9	61.5	23.7	27.0	56.0	17.0	41.5	53.7	4.8	22.7	60.0	17.3
Sikkim	44.8	52.8	2.3	80.1	19.9	0.0	58.6	39.9	1.5	82.9	17.2	0.0	46.6	0.0	53.4
Arunachal Pradesh	49.6	45.2	5.2	39.1	58.8	2.1	38.5	60.5	1.0	47.0	41.0	12.1	50.0	49.9	0.0
Nagaland	54.1	38.6	7.3	0.0	100.0	0.0	0.0	0.0	100.0	67.3	32.7	0.0	21.7	71.0	7.3
Manipur	21.9	66.8	11.3	10.7	89.3	0.0	18.4	68.0	13.5	24.3	58.5	17.2	11.8	69.2	19.0
Mizoram	41.9	40.5	17.6	0.0	48.4	51.6	NA	NA	NA	NA	NA	NA	NA	NA	NA
Tripura	16.8	55.7	27.5	24.6	60.4	14.9	25.5	59.2	15.3	25.3	57.7	17.0	27.5	54.7	17.9
Meghalaya	46.3	50.6	3.2	100.0	0.0	0.0	NA	NA	NA	9.6	84.8	5.6	14.2	81.9	3.9
Assam	26.0	68.3	5.8	24.8	66.0	9.2	25.4	66.4	8.2	34.6	59.2	6.3	22.3	69.2	8.6
West Bengal	18.0	51.5	30.5	32.1	46.3	21.6	34.7	46.4	18.8	44.4	39.6	16.0	36.9	45.4	17.7
Jharkhand	14.4	53.8	31.9	17.4	64.5	18.1	23.6	56.0	20.4	28.1	56.2	15.7	27.8	56.0	16.2
Odisha	23.3	48.2	28.5	17.0	49.2	33.8	25.8	51.0	23.2	33.8	46.0	20.2	30.5	49.7	19.8
Chhattisgarh	22.4	63.2	14.4	40.5	41.9	17.6	36.8	51.8	11.4	55.8	27.9	16.3	30.8	42.1	27.1
Madhya Pradesh	19.8	46.9	33.3	13.7	61.4	24.9	25.6	57.7	16.8	23.1	64.3	12.6	29.2	47.2	23.6
Gujarat	35.2	50.8	14.0	35.2	51.1	13.7	34.4	57.7	7.9	61.9	34.7	3.4	37.0	61.7	1.4
Daman & Diu	39.0	30.0	31.1	26.4	73.4	0.0	49.8	47.2	3.0	16.4	74.9	8.9	24.9	69.4	5.7
Dadra & Nagar Haveli	14.0	62.7	23.3	31.5	68.7	0.0	29.6	70.4	0.0	0.0	100.0	0.0	39.6	0.0	60.4
Maharashtra	15.9	58.3	25.7	25.0	53.4	21.6	33.4	49.7	16.9	32.9	54.2	12.9	25.5	57.4	17.2
Andhra Pradesh	55.4	32.5	12.1	43.7	45.4	10.8	57.2	33.4	9.4	61.9	29.2	8.9	52.2	37.9	10.0
Karnataka	52.5	43.2	4.3	40.1	51.1	8.9	46.6	44.8	8.5	51.5	44.5	4.0	45.7	50.0	4.3
Goa	19.1	53.0	28.0	0.0	100.0	0.0	22.2	61.1	16.8	58.5	30.7	10.8	25.5	66.4	8.1
Lakshadweep	81.4	18.4	0.0	NA	NA	NA	NA	NA	NA	NA	NA	NA	81.4	18.4	0.0
Kerala	52.7	30.7	16.6	44.1	36.3	19.6	72.3	21.9	5.8	73.7	21.6	4.7	83.8	14.0	2.2
Tamil Nadu	54.9	31.4	13.7	39.2	51.7	9.0	53.3	41.3	5.4	71.6	28.4	0.0	44.2	43.2	12.6
Puducherry	100.0	0.0	0.0	56.1	24.8	19.1	81.2	17.5	1.2	NA	NA	NA	100.0	0.0	0.0
Andaman & Nicobar	52.2	47.7	0.0	0.0	100.0	0.0	11.1	86.8	2.1	27.4	58.4	14.2	100.0	0.0	0.0
Telangana	26.3	49.1	24.7	48.3	36.4	15.3	50.9	41.9	7.2	69.5	29.2	1.3	51.3	41.6	7.1
Total	26.2	52.1	21.7	27.3	53.3	19.4	36.9	50.1	13.1	44.4	46.1	9.5	33.6	52.2	14.2

**Note:** G = Good; S = Satisfactory; B = Bad

**Source:** NSSO 76<sup>th</sup> Round, 2018

**12.5.4 Social group inequality in ownership of good quality housing: Rural**

In this section, inter-group inequality in ownership of good housing in rural India has been discussed based on data presented in Table 12.14. It shows that for ST inequality in ownership of good housing is very high in Jammu & Kashmir, Haryana, and Goa where the HHC ownership of good housing is more than three times than that of ST households. Inequality in ownership of good housing for ST is among the lowest in Delhi, Meghalaya, and Andaman and Nicobar islands. Inequality in ownership of good housing for SC is among the highest in the states of Jammu & Kashmir, Punjab, Uttarakhand, Bihar, Manipur and Odisha where HHC households have nearly two times higher ownership of good housing than SC. Inequality for OBC is also observed in most states/UTs except in Chandigarh, Uttarakhand, Delhi, Tripura, Madhya Pradesh, and Daman & Diu. Similarly, Muslim households in rural India also have inequality in access to good housing in most states except Chandigarh, Haryana, Arunachal Pradesh, Tripura, Meghalaya, Madhya Pradesh, Daman & Diu, Kerala, and Andaman and Nicobar Island where they are better off than HHC households.

**Table 12.14: Ratio of Good Housing owned by different social groups w.r.t. HHC: Rural**

State	ST	SC	HOBC	Muslims
Jammu & Kashmir	7.7	2.0	1.4	1.6
Himachal Pradesh	2.5	1.4	1.4	1.0
Punjab	1.8	2.0	1.4	2.3
Chandigarh	NA	0.9	0.9	0.9
Uttarakhand	1.4	2.5	1.0	1.6
Haryana	3.2	1.9	1.2	0.9
Delhi	0.4	0.7	0.7	1.9
Rajasthan	1.8	1.7	1.2	1.7
Uttar Pradesh	2.2	1.8	1.3	1.3
Bihar	1.8	2.8	1.5	1.8
Sikkim	1.8	1.0	1.4	1.8
Arunachal Pradesh	0.9	1.2	1.2	0.9
Nagaland	1.2	NA	NA	3.1
Manipur	1.1	2.3	1.3	2.1
Mizoram	NA	NA	NA	NA
Tripura	1.5	1.0	1.0	0.9
Meghalaya	0.2	0.1	NA	0.7
Assam	1.3	1.4	1.4	1.6
West Bengal	2.5	1.4	1.3	1.2
Jharkhand	2.0	1.6	1.2	1.0
Odisha	1.5	2.0	1.3	1.1
Chhattisgarh	2.5	1.4	1.5	1.8
Madhya Pradesh	1.2	1.7	0.9	0.8
Gujarat	1.8	1.8	1.8	1.7
Daman & Diu	0.4	0.6	0.3	0.7

### Inter Group Inequality in Wealth Ownership in India

State	ST	SC	HOBC	Muslims
Dadra & Nagar Haveli	NA	NA	NA	NA
Maharashtra	2.1	1.3	1.0	1.3
Andhra Pradesh	1.1	1.4	1.1	1.2
Karnataka	1.0	1.3	1.1	1.1
Goa	3.1	NA	2.6	2.3
Lakshadweep	NA	NA	NA	NA
Kerala	1.4	1.7	1.0	0.9
Tamil Nadu	1.3	1.8	1.3	1.6
Puducherry	NA	NA	NA	NA
Andaman & Nicobar	0.5	NA	2.5	0.3
Telangana	2.6	1.4	1.4	1.4
<b>Total</b>	1.7	1.6	1.2	1.3

*Source:* NSSO 76<sup>th</sup> Round, 2018

#### 12.5.5 Quality of Housing Owned by different social group in India: Urban

In this subsection, quality of housing for urban households of different social groups has been analyzed in different states and union territories across the country. The data for quality of housing owned by different social groups has been given in Table 12.15. Analysis of the pattern of quality of housing owned by different social groups indicates that ownership of good quality of housing is better in urban areas than rural areas in almost all states. For ST households, higher proportions (more than 70 percent) of ownership of good quality housing are seen in Uttarakhand, Goa, Chandigarh, Haryana, Rajasthan, Bihar, Mizoram, Meghalaya, and Kerala. ST household ownership of bad quality of housing is zero to two percent in Chandigarh, Uttarakhand, Bihar, Sikkim, Mizoram, Meghalaya, Kerala, Goa, Kerala, and Puducherry. The ownership of good quality housing for SC urban households is very good (more than 60 percent) in Jammu & Kashmir, Uttarakhand, Sikkim, Nagaland, Mizoram, Kerala, Telangana, and Puducherry. SC household ownership of bad quality of housing is reported to be the highest in Gujarat 24 percent. Among the HOBC urban households, ownership of good quality housing is an impressive more than 70 percent in the states of Arunachal Pradesh, Telangana, Kerala, Karnataka, and Tamil Nadu. Among all the social groups, the ownership of good quality housing is highest for HHC in most states. It is more than 80 percent in the states of Uttarakhand, Sikkim, Andhra Pradesh, Karnataka, Kerala, Tamil Nadu and Telangana. Consequently, ownership of bad housing is the lowest for HHC urban households at 4.2 percent in the country as a whole and in most of the states except Maharashtra, West Bengal and Odisha and four northeastern states, where HHC ownership of bad quality housing exceeds its national average. Among major states, ownership of good quality housing for Muslim households is quite high (more than 70 percent) in Arunachal Pradesh, Kerala, Tamil Nadu, Telangana, Mizoram, Meghalaya and Puducherry. Nearly one third proportion of Muslim households in Nagaland and Manipur own bad quality of housings.

## Social Group Inequality in Ownership of Housings across States

**Table 12.15: Quality of housing owned by different social groups in India: Urban**

State/UT	ST			SC			HOBC			HHC			Muslims		
	G	S	B	G	S	B	G	S	B	G	S	B	G	S	B
Jammu & Kashmir	58.3	40.1	1.7	65.9	31.1	3.0	40.5	55.3	4.2	62.6	35.7	1.7	42.8	49.8	7.4
Himachal Pradesh	51.6	24.3	24.1	38.4	57.2	4.4	58.1	24.2	17.7	67.7	27.4	4.9	43.2	46.0	10.8
Punjab	8.8	84.3	7.0	40.6	42.8	16.6	45.7	48.2	6.1	66.2	31.8	2.0	45.2	38.5	16.3
Chandigarh	100.0	0.0	0.0	36.9	52.3	10.8	50.4	28.9	20.7	81.7	14.8	3.5	33.6	40.1	26.2
Uttarakhand	100.0	0.0	0.0	63.1	27.6	9.3	68.6	22.0	9.4	87.6	12.3	0.1	61.5	37.3	1.2
Haryana	77.0	12.1	10.9	53.0	40.0	7.0	38.2	49.2	12.5	66.7	29.6	3.8	28.9	53.5	17.6
Delhi	36.6	52.6	10.8	31.3	55.2	13.5	46.2	46.6	7.3	53.5	42.8	3.8	24.3	60.3	15.4
Rajasthan	69.1	20.9	10.0	55.3	40.0	4.7	57.4	39.5	3.0	74.5	22.8	2.7	47.5	47.5	4.9
Uttar Pradesh	23.7	26.5	49.7	29.6	53.8	16.6	40.4	49.4	10.2	64.5	32.7	2.8	31.8	54.2	14.0
Bihar	71.7	28.3	0.0	30.2	55.5	14.3	54.4	41.2	4.4	75.3	23.5	1.2	50.8	46.9	2.2
Sikkim	66.6	31.3	2.0	70.2	29.8	0.0	60.7	38.5	0.8	82.9	17.1	0.0	47.8	52.3	0.0
Arunachal	64.9	27.8	7.2	31.5	68.5	0.0	100.0	0.0	0.0	54.4	41.3	4.3	76.1	23.9	0.0
Nagaland	57.1	39.7	3.2	88.9	11.1	0.0	0.0	100.0	0.0	28.2	45.8	26.0	8.3	57.9	33.8
Manipur	25.9	70.6	3.5	20.6	74.8	4.6	32.7	51.4	15.9	35.6	60.2	4.2	21.5	45.1	33.5
Mizoram	72.1	26.7	1.2	91.9	8.1	0.0	NA	NA	NA	33.2	0.0	66.4	85.6	14.4	0.0
Tripura	33.9	62.3	3.8	42.7	45.2	12.0	40.1	52.8	7.2	57.8	37.1	5.1	35.7	61.8	2.5
Meghalaya	76.4	23.0	0.6	27.8	72.2	0.0	84.9	6.8	8.4	47.4	37.0	15.5	78.6	21.4	0.0
Assam	34.9	59.0	6.2	41.5	49.5	9.0	45.2	49.4	5.4	62.5	33.2	4.3	49.5	46.1	4.3
West Bengal	45.5	30.0	24.5	46.8	38.0	15.2	60.5	26.7	12.7	61.8	29.9	8.4	42.2	43.3	14.4
Jharkhand	31.6	52.2	16.2	35.2	51.2	13.6	42.6	47.9	9.6	63.7	32.5	3.8	38.1	41.7	20.2
Odisha	35.7	34.9	29.4	36.3	48.4	15.4	55.4	34.2	10.4	64.9	29.7	5.4	43.4	46.3	10.3
Chhattisgarh	29.7	60.1	10.2	37.6	46.9	15.5	51.8	38.1	10.2	75.7	24.3	0.0	29.6	64.8	5.6
Madhya Pradesh	39.9	42.3	17.7	41.8	46.7	11.5	51.4	42.0	6.6	73.6	24.6	1.9	48.4	45.3	6.3
Gujarat	49.2	34.3	16.5	42.9	33.3	23.8	48.4	40.1	11.6	71.8	24.9	3.3	43.6	47.1	9.3
Daman & Diu	0.0	95.7	4.3	56.5	0.0	43.5	35.6	40.7	23.6	73.1	24.6	2.3	13.4	86.6	0.0
Dadra & Nagar Haveli	18.0	82.0	0.0	22.7	77.3	0.0	22.8	65.6	11.6	40.9	39.7	19.4	1.3	49.4	49.4
Maharashtra	46.8	39.3	13.9	41.8	39.6	18.6	52.4	37.7	9.9	54.3	39.4	6.3	30.4	56.2	13.4
Andhra	57.2	33.9	8.9	55.0	29.4	15.6	64.1	32.4	3.4	83.4	14.3	2.3	60.7	32.7	6.5
Karnataka	63.7	28.8	7.5	49.9	47.4	2.6	71.9	26.0	2.1	84.1	14.2	1.7	57.8	38.7	3.5
Goa	100.0	0.0	0.0	52.3	47.7	0.0	49.7	43.1	7.2	66.0	32.0	2.1	62.3	36.5	1.2
Lakshadweep	71.4	25.1	3.5	NA	NA	NA	NA	NA	NA	NA	NA	NA	71.4	25.1	3.5
Kerala	77.7	22.3	0.0	61.0	26.5	12.5	71.4	23.0	5.6	84.6	11.1	4.3	84.6	13.7	1.7
Tamil Nadu	57.8	41.4	0.8	51.5	42.7	5.8	70.5	28.0	1.5	80.0	20.0	0.0	74.0	25.1	0.9
Puducherry	31.0	69.0	0.0	89.6	2.6	7.7	84.8	14.5	0.6	89.2	10.8	0.0	94.9	5.1	0.0
Andaman & Nicobar	0.9	70.3	28.8	0.0	100.0	0.0	77.8	22.2	0.0	51.6	48.3	0.1	13.8	33.5	52.7
Telangana	66.7	22.0	11.3	69.3	26.5	4.2	71.7	25.5	2.8	88.9	10.8	0.4	70.4	26.3	3.3
Total	49.6	36.9	13.5	44.8	42.8	12.3	59.3	34.9	5.8	67.3	28.5	4.2	47.9	43.1	9.0

**Note:** G = Good; S = Satisfactory; B = Bad

**Source:** NSSO 76<sup>th</sup> Round, 2018

### 12.5.6 Social Group Inequality in ownership of good quality housing: Urban

In this subsection, social group inequality in ownership of good quality of housing in urban India has been analyzed Based on data given in Table 12.16. It shows that inequality in ownership of ownership of good quality housing for ST vis-à-vis HHC is the highest in Punjab where

Hindu HC ownership of good quality housing is almost eight times that of ST. Other states/UTs wherein HHC ownership of quality housing is nearly double that of STs' include Uttar Pradesh, Tripura, Assam, Jharkhand, Odisha, Chhattisgarh, Madhya Pradesh, Gujarat, Andhra Pradesh, and Andaman and Nicobar. Similarly, for SC, inequality in access to good housing is very high in Himachal Pradesh, Punjab, Chandigarh, Delhi, Uttar Pradesh, Bihar, Meghalaya, Jharkhand, Odisha, Chhattisgarh, Madhya Pradesh, Gujarat, Andhra Pradesh and Karnataka. In these states ownership of good housing is more than 1.5 times higher for the Hindu high caste in comparison to SC. Inequality in access to the ownership of good housing for HOBC is reported in all states except Arunachal Pradesh, Meghalaya, and the union territory of Andaman and Nicobar islands. Inequality for Muslims is reported to be the highest in Dadra and Nagar Haveli. In Haryana, Delhi, Uttar Pradesh, Nagaland and Chhattisgarh ownership of good housing is more than two times higher for HHC as compared to Muslim urban households. Thus, in urban areas, inequality in ownership of good housing is reported for all the socio-religious groups in comparison to Hindu upper caste.

**Table 12.16: Ratio of good housing owned by different social groups w.r.t. HHC: Urban**

State/UT	ST	SC	HOBC	Muslims
Jammu & Kashmir	1.1	0.9	1.5	1.5
Himachal Pradesh	1.3	1.8	1.2	1.6
Punjab	7.5	1.6	1.4	1.5
Chandigarh	0.8	2.2	1.6	2.4
Uttarakhand	0.9	1.4	1.3	1.4
Haryana	0.9	1.3	1.7	2.3
Delhi	1.5	1.7	1.2	2.2
Rajasthan	1.1	1.3	1.3	1.6
Uttar Pradesh	2.7	2.2	1.6	2.0
Bihar	1.1	2.5	1.4	1.5
Sikkim	1.2	1.2	1.4	1.7
Arunachal Pradesh	0.8	1.7	0.5	0.7
Nagaland	0.5	0.3	NA	3.4
Manipur	1.4	1.7	1.1	1.7
Mizoram	0.5	0.4	NA	0.4
Tripura	1.7	1.4	1.4	1.6
Meghalaya	0.6	1.7	0.6	0.6
Assam	1.8	1.5	1.4	1.3
West Bengal	1.4	1.3	1.0	1.5
Jharkhand	2.0	1.8	1.5	1.7
Odisha	1.8	1.8	1.2	1.5
Chhattisgarh	2.5	2.0	1.5	2.6
Madhya Pradesh	1.8	1.8	1.4	1.5
Gujarat	1.5	1.7	1.5	1.6
Daman & Diu	NA	1.3	2.0	5.5
Dadra & Nagar Haveli	2.3	1.8	1.8	32.2

### Social Group Inequality in Ownership of Housings across States

State/UT	ST	SC	HBC	Muslims
Maharashtra	1.2	1.3	1.0	1.8
Andhra Pradesh	1.5	1.5	1.3	1.4
Karnataka	1.3	1.7	1.2	1.5
Goa	0.7	1.3	1.3	1.1
Lakshadweep	0.0	NA	NA	0.0
Kerala	1.1	1.4	1.2	1.0
Tamil Nadu	1.4	1.6	1.1	1.1
Puducherry	2.9	1.0	1.1	0.9
Andaman & Nicobar	54.6	NA	0.7	3.7
Telangana	1.3	1.3	1.2	1.3
Total	1.4	1.5	1.1	1.4

*Source:* NSSO 76<sup>th</sup> Round, 2018

## 12.6 Summary

This chapter has analyzed the ownership of housings for different social groups across all states and union territories in India. Apart from analyzing the ownership of housings at the aggregate, rural and urban levels, the study has also focused on ownership in terms of the quality of housing. For this the quality of housing has been classified into good, satisfactory and bad categories and comprehensively discussed in the chapter. Inequality in ownership of housing as well as access to good quality housing among various socio-religious groups in comparison to the most privileged Hindu High Caste group has been examined in detail at the aggregate, rural and urban levels.

The analyses in the chapter establish that ownership of housing is higher in rural areas in comparison to urban areas. However, the quality of housing owned by different social groups is better in urban areas than rural areas. This pattern is common to most of the states and union territories in India. For the marginalized social group such as ST and SC, the ownership is not very low but quality of housing is a major differential as inequality in the ownership of good housing is higher for these social groups as compared to inequality between HHC and HBC. Similar pattern has also been observed for Muslim households. Thus, the analysis indicates that marginalized social groups somehow manage to build their dwellings with whatever resources they have but their quality remains a major issue.

## Changes in Inequalities in Ownership of Housing in India

### 13.1 Introduction

The present chapter examines changes in inequalities in the ownership of housing assets among major socio-religious groups in India. As discussed in the previous two chapters, there are huge inter-group inequalities in the ownership of housing among various groups both at the national and states levels. The central and state governments have introduced various policies and schemes to provide housing to marginalized social groups. Therefore, it would be imperative to examine the efficacy of these efforts by analyzing whether inequalities in the ownership of housing have reduced or widened. The analysis in this chapter is based on two official data sets of the National Sample survey office (NSSO) viz.

- NSS 69<sup>th</sup> Round on Drinking Water, Sanitation, Hygiene and Housing Condition in India, 2012
- NSS 76<sup>th</sup> Round on Drinking Water, Sanitation, Hygiene and Housing Condition in India, 2018

The change in inequalities in the group-wise ownership of housing has been analyzed for the period 2012 to 2018. Simple percentage change has been calculated to measure the changes in the ownership of housing by different social groups in India. In addition to the brief introductory section, this chapter is further organized into three more sections. The second section focuses on the changes in ownership of housing assets across the country in terms of nature of ownership (tenurial status), locality, quality, size, age (period since construction) and use (economic value added to the housing by virtue of its use). The third section focuses on the changes in the ownership of housing assets among major social groups that have occurred during the study period. The highlights of the findings are summarized in the last section.

### 13.2 Changes in Inequalities of ownership of housing: All India analysis

In this section, we have analyzed the changes in the ownership of housing at all India level that have occurred between the 69<sup>th</sup> NSS round in 2012 and the 76<sup>th</sup> NSS round in 2018. The section also discusses change in the condition of the housing assets and other significant factors such as size, location, age, and use that contribute towards adding value to the housing asset.

#### 13.2.1 Change in Nature of Ownership of housing 2012 -2018

In this section, change in the ownership of housing between 2012 and 2018 has been analyzed. As far as ownership of housing units is concerned, the data in Table 13.1 clearly indicates that

the percentage of households living in their own housing has gone up in both rural as well as urban areas although the change in rural areas is higher than in urban areas. As a natural consequence, the proportion of those living in rented housings has also reduced in rural and urban areas.

**Table 13.1: Change in the Ownership of housing 2012-2018 (in percent)**

Sector	2012			2018		
	Own	Rented	Others	Own	Rented	Others
Rural	93.3	5.1	1.6	96.0	2.8	1.2
Urban	61.2	35.4	3.4	63.8	32.9	3.3
Total	83.1	14.7	2.2	85.0	13.1	1.9

*Source:* NSS 69<sup>th</sup> round, 2012 and NSS 76<sup>th</sup> round, 2018

### 13.2.2 Change in Ownership of Housing by Locality 2012 -2018: Slum- Non-slum

From the data given in Table 13.2 it is clear that there is improvement in terms of locality of the housing i.e. the proportion of housings owned in slums have declined from 11 percent in 2012 to seven percent in 2018 while the corresponding figure in the non-slum areas has witnessed an increase from 89 percent in 2012 to 93 percent in 2018.

**Table 13.2: Change in ownership of housing by locality 2012-2018 (in percent)**

Sector	2012		2018	
	Slum	Non-Slum	Slum	Non-Slum
Rural	0	100	0	100
Urban	11.0	89.0	7.3	92.7
Total	3.5	96.5	2.5	97.5

*Source:* NSS 69<sup>th</sup> round, 2012 and NSS 76<sup>th</sup> round, 2018

### 13.2.3 Change in the Ownership of Housing by Condition 2012-2018

There has been a noticeable change in the housing condition (good, satisfactory, and bad) in both rural and urban areas during the period under study. Contrary to expectations, the proportion of housing units categorized as good has declined both in rural and urban areas (Table 13.3). Consequently, the proportion of owned housing in bad condition has increased by two percentage points in rural areas from 13 percent in 2012 to 15 percent in 2018 and at the aggregate level from 11 percent in 2012 to 12 percent in 2018. However, the proportion of bad condition housings has remained almost constant during the period under study.

**Table 13.3: Change in the Ownership of Houses by Housing Condition 2012-2018**

Sector	2012			2018		
	Good	Satisfactory	Bad	Good	Satisfactory	Bad
Rural	38.3	48.6	13.0	34.7	50.4	14.9
Urban	60.2	32.8	7.0	58.2	35.0	6.9
Total	45.3	43.6	11.1	42.7	45.1	12.2

*Source:* NSS 69<sup>th</sup> round, 2012 and NSS 76<sup>th</sup> round, 2018

On comparing Tables 13.1 and 13.3 we find that despite an increase in the ownership of housings, the proportion of own housing with good condition has declined in both rural and

urban areas. A worrisome aspect of this change is that the decline in the proportion of good housing has happened despite a decrease in the ownership of housing in slum localities (as seen in Table 13.2).

### 13.2.4 Change in the Ownership of housing by Size of Dwelling, 2012-2018

In this section, change in the ownership of houses by size of dwelling units has been analyzed. It is noteworthy in Table 13.4 that the proportion of households owning housing size less than 500 sq feet has declined in 2018 which means that the average size of dwellings has increased during the study period. Table 13.4 also indicates that the proportions of housing units with dwelling size 500-700 sq feet has increased in 2018.

**Table 13.4: Change in the Ownership of Houses by Size of Dwelling 2012-2018 (in percent)**

Sector	2012				2018			
	<500 sq ft	500-700 sq ft	700-900 sq ft	Above 900 sq ft	<500 sq ft	500-700 sq ft	700-900 sq ft	Above 900 sq ft
Rural	70.0	15.6	7.5	6.8	59.0	21.3	10.1	9.6
Urban	69.4	15.4	7.6	7.6	60.4	18.0	9.8	11.8
Total	69.8	15.6	7.6	7.1	59.5	20.2	10.0	10.4

**Source:** NSS 69<sup>th</sup> round 2012 and NSS 76<sup>th</sup> rounds 2018

Similarly, housing units with size between 700-900 sq feet and more than 900 sq feet have also witnessed an increase in ownership in 2018. In fact, our analysis shows that the proportions of ownership of housing units for all sizes except the lowest category of under 500 sq feet have shown growth. This pattern is observed both in rural and urban areas.

## 13.3 Inter-group Inequality in Changes in Ownership of Housing: 2012 -2018

In this section, change in the ownership of housing by social groups has been examined for the last two rounds of NSSO data i.e. for 69<sup>th</sup> survey round in 2012 and NSS 76<sup>th</sup> survey round in 2018. The simple percentage change has been calculated for analyzing the change in the ownership of housing by different social groups in terms of tenurial status, locality of the housing, its quality, size, period since construction and use. These changes have been analyzed at the aggregate, rural and urban levels.

### 13.3.1 Social Group-wise Change in Nature of Ownership (Tenurial Status) of Housing

#### *Social group-wise change in ownership of housing: aggregate*

The data given in Table 13.5 shows the positive change in the ownership of housings (tenurial status owned) for all social groups in India. The analysis of the change in the ownership of housing at aggregate level indicates that highest positive change in the ownership of housing was recorded for Muslims followed by OBC while the lowest positive change in the ownership of housing was recorded for ST.

**Table 13.5: Percentage change in ownership of housing by social group, 2012-2018: aggregate**

Social Groups	2012	2018	Percentage Change
ST	87.6	87.7	0.11
SC	86.5	88.6	2.43
HOBC	82.7	84.9	2.66
HHC	78.9	80.1	1.52
Muslims	83.7	86.2	2.99
Total	83.1	85.0	2.29

*Source:* NSS 69<sup>th</sup> round, 2012 and NSS 76<sup>th</sup> round, 2018

In comparison to high caste, change in the ownership of housing is higher for SC. However, the proportion of households owning the housing is highest for SC and lowest for HHC in 2018.

### ***Social group-wise change in ownership of housing: rural***

The data in Table 13.6 reflects inter-group inequality for change in the ownership of housing by social groups between 2012 and 2018 in rural India. The highest change in the ownership of housing is noted in Hindu OBC followed by HHC. Contrary to this the lowest change is seen in the ownership of housing for ST followed by Muslims.

**Table 13.6: Percentage change in ownership of housing by social group, 2012-2018: rural**

Social Groups	2012	2018	Percentage Change
ST	92.2	93.8	1.74
SC	94.7	96.9	2.32
HOBC	92.8	96.4	3.90
HHC	92.7	95.2	2.70
Muslims	94.3	96.4	2.23
Total	93.3	96.0	2.89

*Source:* NSS 69<sup>th</sup> round, 2012 and NSS 76<sup>th</sup> round, 2018

Thus, analysis in this sub-section shows that there are positive changes in the ownership of housing for all social groups in rural India. However, the ownership of housing remains highest for SC and lowest for ST both in 2012 and 2018.

### ***Social group-wise change in ownership of housing: urban***

Analysis of change in the ownership of housing units for social groups in urban areas shows a very interesting picture. Data given in Table 13.7 suggests that ST recorded negative growth in ownership of housing during the study period. This indicates that the proportion of ST owning housing units in urban area has declined in 2018 in comparison to 2012. For other social groups positive changes in the ownership of housing has been observed.

**Table 13.7: Percentage change in ownership of housing by social group, 2012-2018: urban**

Social Groups	2012	2018	Percentage Change
ST	56.4	54.1	-4.1
SC	60.4	62.8	4.0
HOBC	57.5	59.3	3.1
HHC	63.5	66.2	4.3
Muslims	64.0	70.2	9.7
Total	61.2	63.8	4.2

*Source:* NSSO 69<sup>th</sup> round, 2012 and NSSO 76<sup>th</sup> round, 2018

Table 13.7 also indicate that highest positive change in the ownership of was recorded in Muslims (9.7 percent) followed by HHC. However, the proportion of households owning their housing units in urban areas remains highest for Muslims and lowest for ST in 2012 as well as 2018.

### 17.3.2 Social Group-wise Change in Ownership of Housing in Slum and Non-slum

The data given in Table 13.8 indicates that all social groups have seen a decline in their ownership of housing units in slum areas which means that ownership of housings has increased in non-slum localities and decreased in slum localities, which is a positive indicator.

**Table 13.8: Percentage Change in group-wise Ownership of Housing by locality, 2012-2018**

Social Groups	2012		2018		Percentage Change
	Slum	Non-slum	Slum	Non-slum	Slum
ST	14.5	85.5	13.5	86.5	-6.9
SC	20.5	79.5	13.2	86.8	-35.6
HOBC	9.5	90.5	6.1	93.9	-35.8
HHC	7.0	93.0	4.6	95.4	-34.3
Muslims	15.6	84.4	6.9	93.1	-55.8
Total	11.0	89.0	7.3	92.7	-33.6

*Source:* NSS 69<sup>th</sup> round, 2012 and NSS 76<sup>th</sup> round, 2018

However, we observe significant inter-group inequality in decline in ownership of housing in slums. Among all social groups lowest decline was recorded for scheduled tribes and highest for Muslim households. Interpretation of the table 13.8 shows that change in the ownership of housing in slums is almost similar for scheduled caste, Hindu OBC and Hindu high caste and the change in also negative.

### 13.3.3 Social Group-wise Change in Ownership of Housing by Quality

As discussed earlier, quality of housing units is crucial in determining the value of housing assets. Analysis in the previous sections indicates an increase in the ownership of housing unit for all social groups and decline in the ownership of housing units in slums. In this regard, we also need to analyze the change in the quality of housing.

#### *Social group-wise change in ownership of housing by quality: aggregate*

At the aggregate level, we have observed a decline in the ownership of good quality housing units for all social groups except ST households (Table 13.9). It is noteworthy that Muslim households recorded decline in the ownership of both good quality as well as bad quality housing units. Contrary to Muslim households, ST households recorded an increase in the ownership of good quality housing and bad quality housings.

**Table 13.9: Percentage change in group-wise ownership of housing by quality 2012-2018: aggregate**

Social Groups	2012			2018			Percentage Change		
	Good	Satisfactory	Bad	Good	Satisfactory	Bad	Good	Satisfactory	Bad
ST	28.4	56.5	15.2	29.8	49.7	20.5	4.9	-12.0	34.9
SC	33.4	49.3	17.2	31.6	50.8	17.7	-5.4	3.0	2.9
HOBC	46.0	44.0	10.1	43.9	45.4	10.8	-4.6	3.2	6.9
HHC	61.0	33.0	6.1	56.3	36.9	6.7	-7.7	11.8	9.8
Muslims	40.6	46.7	12.8	39.1	48.7	12.2	-3.7	4.3	-4.7
Total	45.3	43.6	11.1	42.7	45.1	12.2	-5.7	3.4	9.9

*Source:* NSSO 69<sup>th</sup> round 2012 and NSSO 76<sup>th</sup> rounds 2018

It is also noteworthy that the proportion of households owning good housing remains highest for HHC and lowest for ST in both 2012 and 2018. While ownership of housing with bad condition was highest for SC at 17 percent in 2012, ST recorded the highest proportion of households owning bad housing unit in 2018 at 20.5 percent. Except Muslim households, all other social groups witnessed increase in the proportion of the ownership of bad quality housing.

### ***Social group-wise change in ownership of housing by quality: rural***

The data given in Table 13.10 indicate that except for ST, all social groups recorded decline in proportion of household owning good quality housing asset. For rural areas, we also notice an increase in the ownership of housing with bad quality. The highest adverse change in quality of housing is observed for ST where nearly 35 percent increase was recorded in ownership of housing units with bad quality. Muslim rural households have seen a marginal decrease in the ownership of housing units with bad quality between 2012 and 2018.

**Table 13.10: Percentage change in group-wise ownership of housing by quality, 2012-2018: rural**

Social Groups	2012			2018			Percentage Change		
	Good	Satisfactory	Bad	Good	Satisfactory	Bad	Good	Satisfactory	Bad
ST	24.6	59.4	16.0	26.2	52.1	21.7	6.5	-12.3	35.6
SC	30.9	51.6	17.6	27.3	53.3	19.4	-11.7	3.3	10.2
HOBC	40.1	48.2	11.7	36.9	50.1	13.1	-8.0	3.9	12.0
HHC	52.1	39.8	8.1	44.4	46.1	9.5	-14.8	15.8	17.3
Muslims	35.7	49.5	14.8	33.6	52.2	14.3	-5.9	5.5	-3.4
Total	38.3	48.6	13.0	34.7	50.4	14.9	-9.4	3.7	14.6

*Source:* NSS 69<sup>th</sup> round, 2012 and NSS 76<sup>th</sup> round, 2018

However, the ownership of good quality housing remains highest for HHC and lowest for ST in both 2012 and 2018. Similarly, while ownership of housing units in bad condition was highest for SC in 2012, ST recorded highest proportion of households owning bad housing units in 2018.

### ***Social group-wise change in ownership of housing by quality: urban***

Analysis of change in quality of housing for urban areas also indicates decrease in proportion of households owning good quality units (Table 13.11). This trend is observed for all social

groups except SC households who recorded an increase in the ownership of good quality housing units. SC households have also recorded highest decline in the ownership of bad quality of housing units during the five-year study period.

**Table 13.11: Percentage change in group-wise ownership of housing by quality, 2012-2018: urban**

Social Groups	2012			2018			Percentage Change		
	Good	Satisfactory	Bad	Good	Satisfactory	Bad	Good	Satisfactory	Bad
ST	54.1	36.4	9.5	49.6	36.9	13.5	-8.32	1.37	42.11
SC	41.7	42.2	16.2	44.9	42.8	12.3	7.67	1.42	-24.07
HOBC	60.7	33.3	6.0	59.4	34.9	5.8	-2.14	4.80	-3.33
HHC	70.9	25.4	3.7	67.3	28.5	4.2	-5.08	12.20	13.51
Muslims	49.6	41.5	8.9	47.9	43.1	9.0	-3.43	3.86	1.12
Total	60.2	32.8	7.0	58.2	35.0	6.9	-3.32	6.71	-1.43

**Source:** NSS 69<sup>th</sup> round, 2012 and NSS 76<sup>th</sup> round, 2018

Contrary to SC households, ST households witnessed adverse change in the quality of housing unit as they recorded highest decline in ownership of good quality housing and highest increase in the ownership of bad quality housing units between 2012 and 2018. However, the proportion of households owning good quality housing remains high for HHC in 2012 and 2018. Thus, the pattern in urban areas is similar to rural areas as far as owning of good quality housing is concerned.

### 13.3.4 Social Group-wise Change in Ownership of Housing by Size

Like the quality of a housing unit, its size also plays a significant role in determining its asset value. The analysis in the previous section at national level shows that quite a large proportion of households from all social groups own housing units less than 500 square feet. In this subsection, the change in the ownership of housing by dwelling size during 2012 to 2018 has been analyzed for major socio-religious groups.

#### *Group-wise change in ownership of housing by size of dwelling: aggregate*

At the aggregate level, we observe an increase in the proportion of households having larger dwelling sizes (Table 13.12). The analysis shows that there has been a decline in the proportion of households owning smallest housing size i.e. less than 500 sq feet. Despite this positive change, the dwelling size of more than half of the households in all social groups continues to be less than 500 sq feet. At the aggregate level, SC households have recorded the highest percentage increase in the proportion of households owning dwelling size of more than 500 sq feet.

**Table 13.12: Percentage change in group-wise ownership of housing by size 2012-2018: aggregate**

Social Groups	2012				2018				Percentage Change			
	Size of Dwelling				Size of Dwelling				Size of Dwelling			
	Less than 500 sq ft	500-700 sq ft	700-900 sq ft	Above 900 sq ft	Less than 500 sq ft	500-700 sq ft	700-900 sq ft	Above 900 sq ft	Less than 500 sq ft	500-700 sq ft	700-900 sq ft	Above 900 sq ft
ST	71.7	15.4	6.5	6.5	65.0	18.6	9.0	7.4	-9.3	20.8	38.5	13.8
SC	82.6	10.4	4.3	2.8	70.7	17.2	6.5	5.6	-14.4	65.4	51.2	100.0
HOBC	70.1	16.4	7.1	6.4	58.5	21.7	10.4	9.4	-16.5	32.3	46.5	46.9
HHC	59.4	19.5	10.5	10.6	50.4	21.4	12.7	15.5	-15.2	9.7	21.0	46.2
Muslims	72.7	13.4	7.6	6.3	61.8	19.6	9.3	9.4	-15.0	46.3	22.4	49.2
Total	69.8	15.6	7.6	7.1	59.5	20.2	10.0	10.4	-14.8	29.5	31.6	46.5

Source: NSS 69<sup>th</sup> round, 2012 and NSS 76<sup>th</sup> round, 2018

However, the proportion of households owning housing size below 500 sq feet remains highest for SC and lowest for the high caste. HHC continue to have the highest proportion of households owning dwelling units of more than 900 sq feet in size.

#### ***Group-wise change in ownership of housing by size of dwelling: rural***

Table 13.13 shows that there has been a decline in the proportion of housing size below 500 square feet for all social groups in 2018 in rural areas. The highest decline has been observed for HHC and lowest for ST households. The analysis also shows that Hindu high caste and Hindu OBC have higher proportion of household owning larger dwelling sizes. Although, the percentage increase in the proportion of households owning housing size more than 900 square feet is highest for SC households, their proportion remains low.

**Table 13.13: Percentage change in group-wise ownership of housing by size 2012-2018: rural**

Social Groups	2012				2018				Percentage Change			
	Size of Dwelling				Size of Dwelling				Size of Dwelling			
	Less than 500 sq ft	500-700 sq ft	700-900 sq ft	Above 900 sq ft	Less than 500 sq ft	500-700 sq ft	700-900 sq ft	Above 900 sq ft	Less than 500 sq ft	500-700 sq ft	700-900 sq ft	Above 900 sq ft
ST	71.6	15.4	6.5	6.5	63.9	19.7	9.2	7.3	-10.8	27.9	41.5	12.3
SC	82.1	10.5	4.6	2.8	70.1	17.9	6.6	5.4	-14.6	70.5	43.5	92.9
HOBC	68.8	16.9	7.4	6.8	56.6	23.1	10.8	9.6	-17.7	36.7	45.9	41.2
HHC	59.9	19.8	10.7	9.6	48.4	23.7	13.5	14.4	-19.2	19.7	26.2	50.0
Muslims	71.1	14.3	8.0	6.6	60.0	21.3	10.2	8.6	-15.6	49.0	27.5	30.3
Total	70.0	15.6	7.5	6.8	59.0	21.3	10.1	9.6	-15.7	36.5	34.7	41.2

Source: NSS 69<sup>th</sup> round, 2012 and NSS 76<sup>th</sup> round, 2018

However, the proportion of households owning housing size below 500 sq feet remains highest for SC and lowest for HHC both in 2012 and 2018. Further, HHC continues to own highest proportion of households owning units in the largest size category of more than 900 sq feet both in 2012 and 2018.

***Group-wise change in ownership of housing by size of dwelling: urban***

Analysis of the change in the ownership of housing by social group and dwelling size in urban areas shows similar trends as seen for aggregate and rural areas (Table 17.14). Decrease in the proportion of households owning dwelling units less than 500 square feet. All social groups have experience this positive shift but the change is lowest for ST households and the highest for Muslims followed by Hindu OBC. It is interesting to note that SC households have recorded an increase in the ownership of dwelling size for all categories of dwelling size except in the smallest category of less than 500 sq ft size of dwelling.

**Table 13.14: Percentage Change in group-wise Ownership of Housing by size 2012-2018: Urban**

Social Groups	2012				2018				Percentage Change			
	Size of Dwelling				Size of Dwelling				Size of Dwelling			
	Less than 500 sq ft	500-700 sq ft	700-900 sq ft	Above 900 sq ft	Less than 500 sq ft	500-700 sq ft	700-900 sq ft	Above 900 sq ft	Less than 500 sq ft	500-700 sq ft	700-900 sq ft	Above 900 sq ft
ST	72.2	15.2	6.5	6.1	71.3	12.8	8.0	8.0	-1.2	-15.8	23.1	31.1
SC	84.0	10.3	3.2	2.5	72.6	15.0	6.4	6.1	-13.6	45.6	100.0	144.0
HOBC	73.5	15.2	6.3	5.1	62.9	18.6	9.4	9.1	-14.4	22.4	49.2	78.4
HHC	58.9	19.1	10.3	11.7	52.2	19.4	12.0	16.5	-11.4	1.6	16.5	41.0
Muslims	75.7	11.6	6.8	5.9	64.6	16.8	8.1	10.6	-14.7	44.8	19.1	79.7
Total	69.4	15.4	7.6	7.6	60.4	18.0	9.8	11.8	-13.0	16.9	28.9	55.3

*Source:* NSS 69<sup>th</sup> round, 2012 and NSS 76<sup>th</sup> round, 2018

However, similar to rural areas, in urban areas also, the proportion of households owning less than 500 sq feet remains highest for SC and lowest for HHC in 2012 as well as 2018.

**13.3.5 Change in Group-wise Ownership of Housing by Period since Construction**

The age of the dwelling units also constitutes an important indicator in analyzing the value of housing assets. In this sub-section, we examine the group-wise change in the ownership of housing by their age (period since construction) between 2012 and 2018 at aggregate, rural and urban levels.

***Change in group-wise ownership of housing by period since construction: aggregate***

At the aggregate level, the proportions of dwelling units built in last five years have declined for all social groups except ST whereas, the proportions of housing units built between 5-10 years have increased for all social groups (Table 13.15). More than 60-year old housing units have witnessed a decline in ownership among all social groups.

**Table 13.15: Change in group-wise ownership of housing by age 2012-2018: aggregate**

Social Groups	2012						2018					
	Period Since Built (in years)						Period Since Built (in years)					
	0-5	5-10	10-20	20-40	40-60	Above 60	0-5	5-10	10-20	20-40	40-60	Above 60
ST	9.2	18.5	24.4	28.1	14.2	5.3	11.3	22.0	27.1	25.1	9.9	3.7
SC	11.0	17.2	26.1	26.7	13.3	5.5	9.8	22.4	29.2	26.1	8.3	3.7
HOBC	10.6	18.3	23.8	25.8	14.6	6.6	9.3	22.7	29.4	25.0	9.0	3.8
HHC	8.5	18.9	27.0	24.9	13.2	6.9	8.5	21.5	29.3	25.9	8.8	4.9
Muslims	11.2	19.4	25.3	25.8	13.1	5.0	10.5	23.1	30.1	23.7	7.4	3.8
Total	10.3	18.4	25.3	26.0	13.7	6.1	9.6	22.4	29.2	25.2	8.7	4.0

*Source:* NSS 69<sup>th</sup> round, 2012 and NSS 76<sup>th</sup> round, 2018

Figures in Table 13.15 also show that while highest proportion (25.3 percent) of house owned by different social groups falls in the category 20-40 years in 2012, in 2018 the highest proportion (29.2 percent) of housings are between 10 and 20 years old.

### ***Change in group-wise ownership of housing by period since construction: rural***

The data in Table 13.16 shows the group-wise change in the ownership of housing by age (period since construction) for rural areas in India. The proportion of housings built in the last five years has increased only for ST households while other social groups have witnessed declines. However, for rural areas the proportion of housing units of more than 60 years age has declined for all social groups in 2018 in comparison to 2012.

**Table 13.16: Change in group-wise ownership of housing by age 2012-2018: rural**

Social Groups	2012						2018					
	Period Since Built (in years)						Period Since Built (in years)					
	0-5	5-10	10-20	20-40	40-60	Above 60	0-5	5-10	10-20	20-40	40-60	Above 60
ST	9.0	18.5	24.4	28.1	14.3	5.5	11.5	21.6	26.8	25.2	10.1	4.0
SC	11.0	16.8	25.8	26.5	14.0	5.6	9.8	21.9	29.5	26.1	8.3	3.9
HOBC	10.7	17.5	23.2	25.6	15.5	7.2	9.2	22.2	28.9	25.4	9.6	4.1
HHC	8.7	17.4	25.2	25.2	15.0	8.2	8.8	20.4	27.9	26.7	9.5	5.8
Muslims	12.3	19.7	24.4	25.4	13.1	4.9	11.0	23.2	29.9	22.9	8.0	3.9
Total	10.5	17.7	24.5	25.9	14.6	6.5	9.8	22.0	28.8	25.4	9.1	4.2

*Source:* NSS 69<sup>th</sup> round, 2012 and NSS 76<sup>th</sup> round, 2018

Similar to aggregate level, for rural areas as well, higher proportion of housings owned by different social group falls in the 20-40 years category in 2012, while the category of 10-20 year old housings is the highest in 2018.

### ***Change in group-wise ownership of housing by period since construction: urban***

The comparative data for group-wise change in the ownership of housings in terms of their age (period since construction) has been given in Table 13.17. In urban areas, the proportion of owned housing units built in the last five years (2012 to 2018) has declined for all social groups except Muslim households which have recorded a marginal increase. In comparison to 2012,

the proportion of owned housing units with 5-10 years age has increased for all social groups in 2018. For the next category i.e. 10-20 years, the proportion has increased for all social groups except for SC households, which have seen no change in the study period. It is also clear from Table 13.17 that proportion of housing units with age more than 60 years had declined for all social groups.

**Table 13.17 Change in group-wise ownership of housing by age 2012-2018: urban**

Social Groups	2012						2018					
	Period Since Built (in years)						Period Since Built (in years)					
	0-5	5-10	10-20	20-40	40-60	Above 60	0-5	5-10	10-20	20-40	40-60	Above 60
ST	11.6	18.1	24.7	27.5	13.5	3.7	9.1	26.2	30.0	24.2	7.7	1.17
SC	11.2	18.8	27.3	27.6	10.0	4.7	10.0	25.0	27.3	25.9	8.0	2.83
HOBC	10.0	21.6	26.0	26.5	10.7	4.4	9.8	24.4	30.9	23.6	7.2	2.74
HHC	8.3	21.4	29.9	24.5	10.4	4.8	8.1	22.9	31.2	24.7	7.9	3.67
Muslims	8.2	18.6	27.7	26.7	13.1	5.1	9.3	23.1	30.5	25.4	6.1	3.62
Total	9.4	20.6	27.9	26.0	10.8	4.6	9.1	23.7	30.4	24.7	7.5	3.18

*Source:* NSS 69<sup>th</sup> round, 2012 and NSS 76<sup>th</sup> round, 2018

### 13.3.6 Change in Group-wise Ownership of Housing by use of Housing Unit

The use of the housing units owned by different social groups is important in analyzing the value of their housing assets. In this section, change in the group-wise ownership of housing by its use has been analyzed. The analysis has been done at aggregate, rural, and urban levels.

#### *Change in group-wise ownership of housing by use of housing unit: aggregate*

In this section, the use of the housing units owned by different social groups has been analyzed at the aggregate level. The data in Table 13.18 shows an overall increase in the proportion of housings being used for residential purposes and decline in the use of housings being used for residential cum commercial purposes. However, there exists inter-group in-equality in change of use of dwelling units.

**Table 13.18: Percentage Change in group-wise Ownership of Housing by use 2012-2018: aggregate**

Social Groups	2012			2018			Percentage Change		
	Residential Only	Residential cum Commercial	Residential cum others	Residential Only	Residential cum Commercial	Residential cum others	Residential Only	Residential cum Commercial	Residential cum others
ST	89.12	9.01	1.86	96.1	3.2	0.7	7.8	-64.5	-62.4
SC	92.9	5.8	1.35	96.5	2.7	0.87	3.9	-53.4	-35.6
HOBC	91.1	7.7	1.17	95.3	3.9	0.78	4.6	-49.4	-33.3
HHC	88.1	10.8	1.08	93.3	5.8	0.96	5.9	-46.3	-11.1
Muslims	88.5	9.9	1.6	93.4	5.5	1.07	5.5	-44.4	-33.1
Total	90.0	8.7	1.3	94.9	4.2	0.85	5.4	-51.7	-34.6

*Source:* NSS 69<sup>th</sup> round, 2012 and NSSO 76<sup>th</sup> round, 2018

The data given in Table 13.18 indicate that decline in use of dwelling units for residential cum commercial purposes is higher for ST and SC in comparison to other social groups. This also indicates a declining trend of the use of dwelling units as income earning assets for these to marginalized sections of society.

#### **Change in group-wise ownership of housing by use of housing unit: rural**

In this section, change in the use of housing units owned by different social groups has been analyzed. The data in Table 13.19 clearly indicate that the use of dwelling units owned by different social groups for residential cum commercial purposes has declined for all social groups in rural areas. However, the decline is highest for marginalized social groups viz. SC followed by ST.

**Table 13.19: Percentage change in group-wise ownership of housing by use, 2012-2018: rural**

Social Groups	2012			2018			Percentage Change		
	Residential Only	Residential cum Commercial	Residential cum others	Residential Only	Residential cum Commercial	Residential cum others	Residential Only	Residential cum Commercial	Residential cum others
ST	89.4	8.9	1.8	96.6	2.8	0.52	8.1	-68.5	-71.1
SC	93.8	5.0	1.2	97.7	1.5	0.77	4.2	-70.0	-35.8
HOBC	92.3	6.4	1.4	96.9	2.4	0.71	5.0	-62.5	-49.3
HHC	90.1	8.6	1.4	95.6	3.2	1.25	6.1	-62.8	-10.7
Muslims	91.5	7.0	1.5	95.7	3.4	0.86	4.6	-51.4	-42.7
Total	91.5	7.1	1.4	96.7	2.5	0.8	5.7	-64.8	-42.9

**Source:** NSS 69<sup>th</sup> round, 2012 and NSS 76<sup>th</sup> round, 2018

Use of dwelling unit for residential purposes only has also increased for all social groups. Among them, ST households have recorded highest percentage increase in use of dwelling unit for residential purpose only.

#### **Change in group-wise ownership of housing by use of housing unit: urban**

Analysis of change in use of dwelling units owned by different social groups in urban areas also indicates the trend of increase in use of dwelling units for residential purposes only (Table 13.20). For urban areas also, use of dwelling units for residential cum commercial purposes has declined for all social groups in urban areas.

As seen in Table 13.20, among all social groups, the highest decline in use of dwelling units for residential cum commercial purposes is recorded for ST households followed by Muslim households.

**Table 13.20: Percentage change in group-wise ownership of housing by use, 2012-2018: urban**

Social Groups	2012			2018			Percentage Change		
	Residential Only	Residential cum Commercial	Residential cum others	Residential Only	Residential cum Commercial	Residential cum others	Residential Only	Residential cum Commercial	Residential cum others
ST	87.6	10.1	2.4	93.2	5.1	1.67	6.4	-49.5	-30.4
SC	90.0	8.3	1.7	92.6	6.2	1.2	2.9	-25.3	-29.4
HOBC	88.0	11.2	0.73	92.0	7.1	0.93	4.5	-36.6	27.4
HHC	85.9	13.4	0.74	91.1	8.2	0.68	6.1	-38.8	-8.1
Muslims	83.0	15.2	1.8	89.8	8.9	1.39	8.2	-41.4	-22.8
Total	86.9	12.1	1.1	91.5	7.5	0.96	5.3	-38.0	-12.7

*Source:* NSS 69<sup>th</sup> round, 2012 and NSS 76<sup>th</sup> round, 2018

### 13.4 Summary

This chapter has examined the change in inter-group inequalities between 2012 and 2018 in the ownership of housing units in terms of various factors that determine their asset value. The analyses have been done for all major social groups at aggregate, rural and urban levels. The findings of the chapter show that although there has been an increase in the ownership of housing for all social groups, inequalities remain high for marginalized groups. Despite higher proportion of ownership of housing units among SC and ST as compared to higher caste groups, their ownership of housing with good condition remains very low. The proportions of housing located in slums have also declined for all social groups although it remains higher for the marginalized groups. The analyses in the chapter also show an increase in the proportion of housing units with higher size and decrease in the proportion of housing with smaller size. However, SC and ST have the highest proportion of ownership of housing units in the smallest size category of less than 500 sq ft area. The use of the housing units for residential cum commercial purposes has decline for all social groups but here again, the decline is higher for the marginalized social groups.

Thus, to conclude we can say that there has been some improvement in the ownership of housing and size among various socio-religious groups, but the marginalized ones (SC and ST) have less proportion of good housing and highest proportion of small housing size. This not only has a bearing on the value of the housing assets owned by the households but also reflects on the poor living standard of such groups.

## **Social Group Inequalities in Ownership of Private Enterprises in India**

### **14.1 Introduction**

Entrepreneurship is vital for economic growth (Markin, Swab, & Marshall, 2017) and is responsible for the creation of wealth inequality in society (Choi, 1999). Understanding inequality in entrepreneurship is important because it affects income inequality notably, although the relationship is paradoxical since income inequality and entrepreneurship move together (Atems & Shand, 2018). Studies suggest that entrepreneurship favours those at the upper end of income distribution because of existing surplus capital at their disposal; hence high income inequality coexists with high inequality in entrepreneurship (Lecuna, 2019). Inheritance also plays a vital role in determining entrepreneurship. Individuals born into wealthy families have considerable financial resources which improve the probability of self employment (Fairlie & Krashinsky, 2012). Given the profound inequality based on social and economic circumstances existing side by side with high economic growth, India is a classic example for analysing inequality in entrepreneurship.

There are a few studies investigating inequality in the ownership of private enterprises. Thorat and Sadana (2009), based on evidence from the published Economic Census and National Sample Survey data, confirm the continuing inter-caste disparity in ownership of private enterprises. Iyer et al (2013) using three rounds of the Indian Economic Census data document that the differences are widespread, but they have decreased modestly between 1990 and 2005. Their results suggest that SCs and STs generally operate smaller enterprises, mainly household businesses assisted by family labour, with a low capital base and traditional technology. Coad and Tamvada (2012) use the third MSME (micro, small and medium enterprises) census to explore determinants of firm growth and various types of barriers faced by small enterprises.

The current study, based on the Sixth Economic Census undertaken by Central Statistical Organization, 2012-13, contributes to understanding the inequality in ownership of private enterprises in India. The main objectives of this study are to analyze the overall pattern of ownership of private enterprises and distribution of enterprises by own account and establishment and industrial and service sectors in India. The analysis also focuses on the intra group inequality in the ownership of private enterprises, and inequality in the ownership of own account and establishments, and industries and service related enterprises. In order to substantiate the results obtained from the Economic Census, the National Sample Survey

Office (NSSO) data on unincorporated non-agricultural sector has also been analyzed. In order to capture regional variation in the ownership pattern and intra group inequality, state level analysis has also been undertaken. The study also examines the pattern of different kinds of activities. The analysis captures the percentage share of different groups in total private enterprises and percentage of different types of enterprising comprising total enterprises. In order to analyze inequality in the ownership of enterprises, the number of private enterprises per thousand households is calculated. The data for calculating the number of households is taken from NSSO data on employment and unemployment, 2011-12 which is close to the sixth Economic Census data, 2012-13. The analysis has been undertaken at three levels- aggregate level, across socio religious groups and across regions based on rural-urban and state level analysis. It is based on the overall ownership of the private enterprises and ownership of different types of enterprises as well.

## **14.2 Data & Methodology**

The study is mainly based on the Economic Censuses of India conducted by the Central Statistical Organisation (CSO). It is a complete count of all entrepreneurial units located within the geographical boundaries of the country. It covers all enterprises except those directly involved in growing crops. It is a complete census and covers both manufacturing and services. It also includes information on enterprises in the unorganized or informal sector of the economy.

Apart from the economic census the NSSO data on employment and unemployment is also used for calculating the total number of households for the years 2004-05 and 2011-12. This data has been adjusted with the population census for a better approximation of the total number of households.

The variables used for the analysis are percentage of the total enterprises across different categories, and number of enterprises per thousand households, the former representing the composition of the ownership of enterprises across different groups while the latter represents the status of ownership. Inequality in the ownership of enterprises across groups is calculated on the basis of the number of enterprises across per thousand households of the respective groups.

The analysis covers the ownership of enterprises across rural and urban areas, and across social groups. The social groups covered are: Scheduled Tribes (ST), Scheduled Castes (SC), Other Backward Castes (OBC) and Others (High Castes). The information on religion is not given in the fifth economic census. So, the analysis of inequality in ownership is completely based on social groups.

The analysis also covers the total number of enterprises. Apart from this, the ownership across different types of enterprises such own account enterprises and establishments are also discussed. Establishments are enterprises that hire or engage workers for running the enterprises while OAE is solely managed by owners. The sector distribution of the enterprises such as agriculture, industrial and service is analyzed. Apart from this the ownership of different types

of industrial activities are also analyzed in order to examine identity-based segregation in the ownership of the private enterprises.

### 14.3 Pattern of the ownership of Private enterprises

The pattern of ownership of private enterprises in India is represented in Table 14.1. The data show that private enterprises are highly concentrated in rural areas; nearly 59 percent enterprises in rural areas and 41 percent in urban areas. The number of private enterprises per 1000 households is also higher in rural areas than urban areas; 308 per 1000 households and 215 in urban areas.

The OAEs constitute the major share of total enterprises. Nearly 76 percent of the enterprises are OAE while 24 percent are establishment. The number of private enterprises per thousand households is higher in OAE than establishment- 141 enterprises per thousand households are OAE while establishment are 44 per thousand households. Almost one fourth or 25 percent of the private enterprises are concentrated in the agricultural sector while manufacturing sector constitutes the lowest share of private enterprises, 21 percent. The share of service sector comprising almost 55 per cent enterprises is the highest. Higher concentration of the service sector is reflected from the number of enterprises per thousand households also. The service sector comprises 101 enterprises per thousand households while the corresponding figures for agriculture and manufacturing sectors respectively are 46 and 38 per thousand households.

According to the data, OAE constitute 82 percent of the total enterprises while the corresponding share of the establishment is 18 percent only. The service sector constitutes 67 percent of the total non-agricultural unincorporated enterprises while the manufacturing sector constitutes just 33 percent of such enterprises (Table 14.2).

The disaggregation by activities (Table 14.3) shows trade, livestock, and manufacturing as the top three activities comprising more than 70 percent of the enterprises. Trade constitutes 32 percent of the private enterprises, livestock 21 percent, and manufacturing sector comprises 19 percent of the private enterprises.

**Table 14.1: Private enterprises in India, 2012-13**

Rura/Urban	Rural + Urban	
	Share (%)	Number (per 1000 hhd)
Rural	59	116
Urban	41	67
Total	100	185
<b>OAE &amp; Establishment</b>		
OAE	76.4	141
Establishment	23.6	44
Total	100	185
<b>Share, Manufacturing/Services, 2012</b>		
Agriculture	24.7	46
Industrial	20.8	38
Services	54.5	101
Total	100	185

*Source:* Sixth Economic Census, 2012-13

**Table 14.2: Unincorporated non-agricultural Enterprises**

Rural/Urban	Share (%)
Rural	49.7
Urban	50.3
Total	100
Sector	
Industrial	32.9
Services	67.1
Total	100
OAE/Establishment	
OAE	82
Establishment	18
Total	100

*Source:* National Sample Survey on unincorporated non- agricultural enterprises, 2015-16

**Table 14.3: Private enterprises by activities, 2012-13**

Activities	Share	Activities	Share (%)
Agriculture related	1.2	Water supply, sewerage, waste management, and remediation	0.25
Livestock	21.4		
Forestry & logging	1.1	Construction	1.8
Fishing & aquaculture	0.9	Trade	32.3
Mining & quarrying	0.1	Transport and storage	5.4
Manufacturing	18.7	Accommodation & food	4.2
Electricity, gas, steam, AC	0.06	Others	12.6
Total			100

*Source:* Sixth Economic Census, 2012-13

#### 14.4 Inter-group inequality in ownership of Private Enterprises

This section discusses inequality in the ownership of private enterprises by social and religious groups at the aggregate level and in rural and urban areas. The pattern of inequality by types of enterprises viz. OAE & establishment and sector-wise (agriculture, industrial and service sector) is also examined from the data in Tables 14.4 and 14.5.

In aggregate, the share of Hindu High Castes (HHC) is highest in the ownership of private enterprises at 27.5 percent. The urban location improves their ownership notably. Their share is higher in urban areas than rural areas, 34 percent and 22.9 percent respectively indicating the rural-urban gap of 11.1 percent. The ownership in terms of number of private enterprises per thousand households also shows that the HHCs are positioned at the top at aggregate level. They own 233 private enterprises per thousand households. This number is higher in urban areas than rural by six enterprises per thousand households. However in the urban areas, the number of private enterprises per thousand households is highest among Muslims at 274 as compared to 236 per thousand households for HHCs, although the latter continue to be at the top in rural areas with 230 enterprises per thousand households.

**Table 14.4: Percentage share in ownership of OAE and Establishment enterprises by location and across socio-religious groups, 2012-13**

Social Groups	Rural	Urban	R+U	R-U gap
ST	7.0	3.1	5.4	3.9
SC	12.5	9.8	11.4	2.7
HOBC	36.1	26.7	32.2	9.4
HHC	22.9	34	27.5	-11.1
Muslim	11.5	17.1	13.8	-5.6
HC-ST	15.9	30.9	22.1	-15
HC-SC	12.5	24.2	16.1	2.7
HC-MS	11.4	16.9	13.7	-5.5

**Source:** Sixth Economic Census, 2012-13

**Note:** Abbreviations: ST- Scheduled Tribes, SC –scheduled caste, HOBC- Hindu Other Backward class, HHC- Hindu High caste, HC-ST- gap between High Caste and ST, HC-SC- gap between High caste and SC, HC-MS- gap between High Caste and Muslim

**Table 14.5: Inequality in ownership of private enterprises per thousand households, 2012-13**

Social groups	Rural	Urban	Total	Inequality	R-U gap
	Per thousand households				
SC	98	160	114	2.0	-62
ST	101	193	114	2.0	-92
HOBC	156	185	165	1.4	-29
HHC	230	236	233	-	-6
Mus.	171	274	211	1.1	-103
<b>Total</b>	<b>165</b>	<b>224</b>	<b>185</b>	<b>1.3</b>	<b>-59</b>
HC-SC	132	76	119	-	-62
HC-ST	129	43	119	-	86
HC-MS	59	-38	22	-	97
Inequality					
HC/SC	2.4	1.5	2.0	-	-
HC/ST	2.3	1.2	2.0	-	-
HC/Muslim	1.4	0.86	1.1	-	-

**Source:** Sixth Economic Census, 2012-13

**Note:** Abbreviations: ST- Scheduled Tribes, SC –scheduled caste, HOBC- Hindu Other Backward class, HHC- Hindu High caste, HC-ST- gap between High Caste and ST, HC-SC- gap between High caste and SC, HC-MS- gap between High Caste and Muslim

The share of SC is lowest among caste groups. They own just 11.4 percent of the private enterprises. Their share is even less in the urban areas at 9.8 percent as compared to rural areas where they own 12.5 percent of the enterprises registering a gap of 2.7 percentage points. However, their inequality vis-à-vis the High Castes is lower in rural areas than urban areas. In aggregate, the ownership gap between High Caste (HC) and SC is 16 percent which reduces to 12.5 percent in rural areas but increases to 24.2 percent in urban areas. This pattern is observed from the number of enterprises per thousand households as well. The rural-urban gap is also higher between HC-SC than the gap between HC and OBC.

The STs have been found to be the most vulnerable group so ethnicity is taken into consideration. They own just 5.4 percent of the total enterprises at aggregate level. Like SCs, their share declines further in urban areas to 3.1 percent as compared to 7.0 percent in rural areas thus logging a gap of 4.9 percentage points. The share of HC is higher than ST by 22.1 percentage points at aggregate level; this gap reduces to 15.9 percent in rural areas but nearly doubles to 30.9 percent in urban areas. The number of ST enterprises per thousand households is 114 at aggregate level. The rural-urban gap is very sharp among them. In fact, this gap (92) is highest after that of Muslims (103). The inequality with High Castes is remarkably higher in rural areas than urban areas.

The percentage ownership share of the OBC at 32.2 per cent is highest across all groups. Moreover, their share is higher in rural areas (36.1 per cent) than 26.7 per cent in urban areas. However, their share is highest only in rural areas whereas the share of HC is about six percentage points higher than OBC in urban areas. So far the number of enterprises per thousand households is concerned, OBC with an ownership of 165 enterprises per thousand households are in the middle among social groups. The number among them is higher than that of SC/ST (114 for each per thousand households) but lower than HC/Muslims. Further, the number is higher in urban areas than rural areas despite the share being higher in rural areas than urban areas. In fact, OBC are located in the middle of the ladder in terms of rural urban gap also, the gap being lower than that of SCs (62), STs (92) and Muslims (103) but lower than HC (six). The inequality with respect to HC is lower (68) than that of SC/ST (119). The inequality between OBC and HC is higher in rural areas (74) than in urban areas (51).

The Muslims own 13.8 percent of the total enterprises at the aggregate level. Like HC, their share is also higher in urban areas than the rural areas. However, the gap from the HC is also higher in urban areas than rural areas. Thus, urban location might improve their percentage share but their position vis-à-vis HHC deteriorates in urban areas. The number of enterprises per thousand household is highest among them after HC at aggregate level. However, this number is highest among Muslims across all the groups in urban areas though HC perform better than them in rural areas.

#### **14.5 Own Account Enterprises- Entrepreneurship at subsistence level**

The ownership of the OAE, in India, may be used as a proxy of ownership of enterprise for subsistence only. These enterprises do not hire employees and are based on single employees who are also owners. Establishments are private enterprises which hire employees. The ownership of these enterprises may be used as a proxy of owning viable enterprises. Table 14.6 provides data on the distribution of ownership of OAEs and establishments among social and religious groups in the country.

It is seen that the proportion of OAE is higher among STs, SCs, and OBCs than HHC wherein 81 to 85 percent of the private enterprises among each of the aforementioned groups are OAE. In contrast, the share of OAE among private enterprises owned by HHCs is 71 percent. And if one were to see the percentage share of OAEs across various groups, it is merely six percent

## Social Group Inequalities in Ownership of Private Enterprises in India

for ST, 12 per cent for SCs and 34 percent for OBCs in comparison to 26 percent of HHC. As for Muslims, 66 percent of private enterprises among them are OAEs. They constitute only 14 per cent of the total enterprises. On the contrary, the proportion of establishment is higher among HC (33.3 percent) than SC/ST (8.3/3.5 percent respectively) indicating profit-based entrepreneurship being highly concentrated among them. The percentage share of SC/ST worsens in establishment than OAE while opposite is true for HC: While one third of private establishments are owned by HHC, only 29 percent of private enterprises owned by HHCs are establishment. In contrast 17 per cent of private enterprises owned by SC are establishment whereas their presence in establishments is only eight percent. Similarly for STs, 15.3 percent of their private enterprises are establishment whereas it makes up only 3.5 percent of total establishments. This indicates that a high share SC/ST own enterprises for subsistence only while the HC own them for profit-oriented entrepreneurship. The share is lower among ST/SC in establishment than their share in OAE also. Their gap with HC is higher in establishment than OAE. The share of establishment among OBC is slightly higher (19.2 per cent) than SC and ST. The share of establishment among Muslims is highest (34.2 percent) than all other groups.

**Table 14.6: Inequality in ownership of OAE and Establishment enterprises, 2012-13**

2012	Share (vertical %)	Share (horizontal %)	Per thousand households	Inequality
<b>OAE</b>				
ST	5.9	84.7	96	1.7
SC	12.4	82.9	95	1.8
HOBC	34.1	80.8	133	1.2
HHC	25.7	71.4	166	
Muslim	14	65.8	163	0.8
<b>Total</b>	<b>100</b>	<b>76.4</b>	<b>141</b>	<b>1.2</b>
HC-ST (gap)	19.8	-13.3	70	-
HC-SC(gap)	13.3	-11.5	71	-
HC-MS(gap)	11.7	-5.9	3	-
<b>Establishment</b>				
2012	Share (vertical %)	Share (horizontal %)	Per thousand households	Dissimilarity Index
ST	3.5	15.3	18	3.8
SC	8.3	17.1	20	3.4
HOBC	26.2	19.2	32	2.1
HHC	33.3	28.6	67	
Muslim	13.2	34.2	48	1.4
<b>Total</b>	<b>100</b>	<b>23.6</b>	<b>44</b>	<b>1.5</b>
HC-ST (gap)	-29.8	13.3	49	-
HC-SC (gap)	-25.0	11.5	47	-
HC-MS (gap)	-20.1	-5.9	19	-

**Source:** Sixth Economic Census, 2012-13

Notes: Abbreviations: ST- Scheduled Tribes, SC –scheduled caste, HOBC- Hindu Other Backward class, HHC- Hindu High caste, HC-ST- gap between High Caste and ST, HC-SC- gap between High caste and SC, HC-MS- gap between High Caste and Muslim

The number of enterprises per thousand households also strengthens the evidence of existence of caste based inequality in the ownership for both types of private enterprises. In case of HHC, the number of OAEs as well as establishments per thousand households is the highest at 166 and 67 respectively. The number of establishments per thousand households among OBC, ST and SC is less than that of Muslims (48), even though the latter's percentage share (13.2) among establishments is less than that of HOBCs (26.2 percent) but more than SCs and STs. It is to note that inequality among social groups in OAEs is relatively lower than the inequality among them at the aggregate level. The number of OAEs per thousand households is highest among HHC, higher than Muslims also. The number among Muslims and HHC is higher than the average. The SC and ST continue to remain on the lowest rung of the ladder. The inequality with respect to HHC shows the prevalence of highest inequality for ST followed by SC and OBC. The inequality between Muslims and HC is relatively low. Also, inequality is higher in establishment than OAE for every group.

#### 14.6 Industrial and Service Sectors

The ownership of private enterprises also differs by sectors (Refer Tables 14.7, 14.8 and 14.9). ST own 4.8 percent of the private enterprises in the industrial sector while the corresponding figure is 4.2 percent in service sector. Though the share is roughly same in both sectors but the service sector comprises higher share of the total enterprises among them than the industrial sector. The industrial sector constitutes 18.5 percent of the total enterprises among ST while the corresponding share is 42.2 percent for the service sector, the remaining 39.3 percent enterprises are concentrated in agricultural sector. The number of enterprises per thousand households also shows remarkably higher concentration of enterprises in service sector than industrial sector- 48 and 21 respectively. However, inequality with respect to HHC is also higher in service sector compared to the industrial sector. The HHC comprise thrice the number of enterprises per thousand households than ST in services sector while the corresponding ratio is 1.9 in the industrial sector.

**Table 14.7: Share of private enterprises in industrial sector across social groups, 2012**

Socio-religious group	R+U <sup>^</sup> (Row %)	col* (%)	Per thousand households	Inequality
ST	4.8	18.5	21	1.9
SC	12.3	22.3	25	1.6
HOBC	32.5	21.0	35	1.1
HHC	22.4	17.0	40	
Muslim	19.7	29.7	63	0.5
Total/Aggregate	100	20.8	38	1.0

**Source:** Sixth Economic Census, 2012-13

**Note:** <sup>^</sup>Rural + Urban; corresponds to group share of private enterprises in industrial sector.

\*col: proportion of private industrial enterprises in social group

**Table 14.8: Share Services, Social group (row %), 2012**

Socio-religious group	R+U (Row %)	Col%	Per thousand households	Inequality
ST	4.2	42.2	48	3.0
SC	10.8	51.4	59	2.4
HOBC	29.1	49.3	81	1.8
HHC	31.1	61.7	144	
Muslim	14.7	57.9	122	1.2
Total	100	54.5	101	1.4

**Source:** Sixth Economic Census, 2012-13

**Note:** ^Rural + Urban; corresponds to group share of private enterprises in service sector.

\*col: proportion of private industrial enterprises in social group

**Table 14.9: Percentage share of social groups in unincorporated non-agricultural enterprises, 2015**

Socio-religious group	Unincorporated non agricultural enterprises			OAE	Establishment
	Industry	Service	Total		
ST	4.0	3.6	3.7	4.2	1.7
SC	12.7	11.6	11.9	13.4	5.5
OBC	54.1	48.2	50.2	51.3	44.9
Others	28.4	35.9	33.4	30.5	46.9
NK	0.68	0.78	0.74	0.7	0.98
Total	100	100	100	100	100

**Source:** Sixth Economic Census, 2012-13

**Note:** Abbreviations: Not known

Like STs, the share of SCs is also higher in industrial sector than the services sector, though they are under-represented vis-à-vis their population share in both sectors. They comprise 12.3 percent of the total enterprises in industrial sector and 10.8 percent in the services sector. However, their proportion of enterprises in the services sector is far higher (51.4 percent) than that of the industrial sector (22.3 percent). The number of SC private enterprises per thousand households is also higher in the services sector (59) than the industrial sector (25). The inequality with respect to HHC is also higher in the services sector- the HC own 2.4 times higher number of enterprises than SC, while the corresponding ratio is 1.6 in the industrial sector.

Of the private enterprises in industrial sector OBC own 32.5 percent while the corresponding figure is 29.1 percent in service sector. The industrial sector comprises 21 percent of the private enterprises owned by OBC while the services sector makes up 49.3 percent of the enterprises owned by SC. The number of enterprises per thousand households is higher among OBC than SC/ST in both industrial and services sectors. The corresponding numbers are 35 and 81 respectively. The inequality with HHC is negligible in industrial sector while it is 1.8 in the services sector. The magnitude of the inequality from HHC is lower among OBC than SC/ST in both industrial and services sectors. Thus, the share of OBC as well as their position vis-à-vis HHC is better in the industrial sector than in services sector. Their ownership of enterprises is

higher than SC/ST but lower than HC in both industrial and services sectors.

The share of HHCs is also higher in the services sector than the industrial sector. They comprise 22.4 percent of the total enterprises in the industrial sector and 31.1 percent of the enterprises in the service sector—this gap of nine percentage points in their shares between services and industrial sector is highest among all groups. The percent share comprised by the industrial sector is lowest (17.0 percent) among HHC while the corresponding share in service sector is highest at 61.7 percent. However, their number of enterprises in industrial sector per thousand households at 40 is higher than all caste groups while it is lower than Muslims who have the highest tally at 63. On the other hand, the number of enterprises per thousand in the services sector is highest (163) among HHC across all socio-religious groups. Thus, the data clearly reveal highest concentration of enterprises among HHC in the services sector though they are in a better condition among social groups in the industrial sector also.

The distinguishing feature of the ownership pattern among Muslims is that their share is higher in industrial sector (19.7 percent) than the services sector (14.7 percent). The industrial sector comprises 29.7 percent of the total enterprises owned by the Muslims which is highest across all groups. However, the percentage share of service sector for Muslims at 57.9 percent is lower than HHC but higher than the underprivileged social groups.

Thus, the HHC are the most privileged group as far as the ownership of private enterprises is concerned but this is not uniformly valid for both industrial and service sector. The HHC comprise the highest share in the services sector, but lagging the HOBC and Muslims in the Industrial sector, although higher than the underprivileged caste groups such as SC/STs. On the other extreme, the SC and ST are underrepresented in both the industrial as well as the services sector. The higher concentration of enterprises in the services sector is observed among every group. The inequality vis-à-vis HHC is higher for SC/ST in both industrial and services sectors, though it is also higher in the service sector as compared to the industrial sector. Further, data in Table 14.9 reveal a low percentage share of non-agricultural sector enterprises among SC/ST that is high among HHC and Muslims. The percentage share of non-agricultural enterprises is relatively low among OBC also.

### **14.7 Inequality by Activity: Caste-Occupation nexus**

Information on the chosen vocations across various social groups (Table 14.10) indicates a strong caste-occupation linkage. Among the top three activities taken up by various groups for livelihood, livestock, manufacturing, and trade constitute more than 70 percent of private enterprises (Table 14.11). While livestock constitutes 21 percent of the total private enterprises, the share of manufacturing sector is 19 percent, and that of retail trade is 29 percent.

The aggregate pattern in these three activities does not differ much among SC. These constitute over 70 percent of the private enterprises among SC also. However, livestock and manufacturing sector comprise higher percentage of private enterprises among SC (22 percent and 19 percent) than HHC (19.5 and 15 percent) while trade comprises lower percentage share

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(30 percent) among SC than HHC (37 percent). Construction sector also constitutes notable share of private enterprises among SC (19.5 percent), though its share is relatively lower among other caste groups that is HHC and HOBC. SC comprise slightly higher share in livestock and manufacturing sector than their overall share in private enterprises while they constitute lower than their overall share in trade. The share of SC is notably higher than their overall share in Fishing & aquaculture (12 percent), water supply, sewerage and waste management and remediation (15.5 percent), and construction sector (19.6 percent). The high share of SC in these sectors indicates that the role of caste background in the concentration in these sectors cannot be ignored.

**Table 14.10: Top three activities with higher than average share across social groups**

Groups	Activities
SC	Fishing & aquaculture, Construction, Water transport
ST	Livestock, Mining & quarrying, Fishing & aquaculture
HOBC	Agriculture related, Livestock, Fishing & aquaculture
HHC	Electricity, gas, steam, AC; Trade; Accommodation & food
Muslim	Water supply, Sewerage, Waste management and remediation, Manufacturing, Construction

*Source: Sixth Economic Census, 2012-13*

**Table 14.11: Percentage share of private enterprises by activities and socio religious groups**

Code	SC	ST	HOBC	HHC	Muslim	Total	SC	ST	HOBC	HHC	Muslim	Total
Agriculture related	1.1	1.4	1.5	1.1	0.6	1.2	10.5	6.4	42.3	25.2	6.7	100
Livestock	22.4	25.2	26.4	19.5	10.5	21.4	12.0	6.3	39.7	25.0	6.8	100
Forestry & logging	1.0	11.4	0.6	0.3	0.3	1.1	11.0	56.4	17.5	7.6	3.9	100
Fishing & aquaculture	1.6	1.2	1.1	0.4	0.8	0.9	19.8	6.9	38.7	11.7	12.7	100
Mining & quarrying	0.1	0.2	0.1	0.1	0.1	0.1	12.0	8.9	30.9	21.9	11.8	100
Manufacturing	18.8	16.6	19.3	15.2	26.8	18.7	11.5	4.8	33.4	22.4	19.8	100
Electricity, gas, steam, AC	0.05	0.03	0.04	0.07	0.05	0.06	9.2	3.0	23.1	34.4	10.6	100
WSWMR*	0.34	0.14	0.17	0.20	0.44	0.25	15.5	3.0	22.7	21.9	24.7	100
Construction	3.1	1.7	1.4	1.5	2.5	1.8	19.6	5.1	25.6	22.5	19.0	100
Trade	30.0	26.8	29.3	37.0	37.3	32.3	10.6	4.5	29.2	31.4	15.9	100
Transport and storage	6.5	4.8	4.4	5.3	7.4	5.4	13.7	4.8	26.3	27.0	18.9	100
Accommodation & food	3.7	3.5	4.4	4.8	3.6	4.2	10.0	4.5	33.7	31.0	11.9	100
Others	11.2	7.0	11.2	14.6	9.6	12.6	10.2	3.0	28.6	32.0	10.5	100
Total	100	100	100	100	100	100	11.4	5.4	32.2	27.5	13.8	100

*Source: Economic Census, 2012-13*

*Note: WSWMR\* Water supply, sewerage, waste management, and remediation*

Among the ST, the top three enterprises constitute slightly less share of private enterprises than 70 percent. However, the share of livestock is the second-highest among ST (25.2 percent) as compared to all other groups except OBC whose share is slightly higher at 26.4 percent while the share of trade is almost ten percentage points lower among ST than HC. The share of manufacturing is slightly higher for ST (16.6 percent) as compared to 15.2 percent for HHC. Forestry and logging constitutes a significant share in the total private enterprises among ST at 11.4 percent, although the group makes up 56.4 percent share of the private enterprises in the

sector. This may be due to high concentration of ST in geographically hilly and forest areas. Notably, the share of other groups is less than one percent in this sector. The share of ST is also higher than their overall average (5.4 percent) in livestock (6.3 percent) while their share is lower than average in manufacturing (4.8 percent) and trade sector (4.5 percent). Their share is higher than average in Fishing and aquaculture, and Mining and quarrying also.

The three enterprises constitute 75 percent of the total enterprises among OBC. The share of livestock (39.7 percent) and manufacturing (33.4 percent) is higher among OBC than HHC (25 percent and 22.4 percent) while the opposite is true for trade. The share of OBC in livestock (25.2 percent) is quite higher than overall average (21 percent), while their share (17 percent) is close to the overall average (19 percent) in manufacturing and less than overall average in trade. Their share is significantly higher than the overall average in agriculture related activities, and fishing & aquaculture also.

The three sectors collectively constitute 72 percent of the total enterprises among HHC. Trade constitutes a dominant share in the private enterprises among them, 37 percent. In fact, the share of this sector is highest among HC across all the social groups. The livestock and manufacturing sector comprise relatively lower share among HC as compared to all the groups.

The three sectors constitute 75 percent of the total enterprises among Muslims. However, their share of livestock is 10.5 percent which is lowest across several groups. The share of manufacturing and trade is far higher among Muslims than all other groups. The manufacturing sector comprises 26.8 percent of the total enterprises among them while the corresponding share of trade is 37.3 percent. Their concentration is far lower than their overall average (14 percent) share in livestock (seven percent) while share in manufacturing (19.8 percent) and trade (15.9 percent) is significantly higher than the overall average. Their share is also higher than their overall average share in water supply & sewerage etc (24.7 percent), construction, transport & storage (19 percent each) among the other sectors.

## 14.8 State level Analysis

At 12 percent, Uttar Pradesh has the highest share of total private enterprises in India. The other states occupying high positions in terms of percentage share are Maharashtra, West Bengal, Tamil Nadu and Andhra Pradesh in descending order. These five states together comprise 48.4 percent of the total private enterprises in the country. The bottom five states are Goa, Uttarakhand, Himachal Pradesh, Jammu & Kashmir, and Jharkhand. These five states together constitute just 3.3 percent of the private enterprises (Table 14.12).

However, if the number of enterprises is adjusted with population size, the ranking of states changes significantly. Kerala occupies the top position (341) and Bihar lies at the bottom (69.8) in terms of the ownership of private enterprises per thousand households (Table 14.12). Assam (268.9), Gujarat (258.3), Goa (237), and Andhra Pradesh (233.9) are other states occupying top five positions in terms of ownership of the private enterprises per thousand households.

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However, Jharkhand (73), Madhya Pradesh (112.3), Chhattisgarh (113.7), and Uttarakhand (144.9) are among the bottom five states after Bihar. Roughly the number of private enterprises per thousand households is high in economically better off states while it is low in poor and backward states.

**Table 14.12: Top five states with highest share in private enterprises, 2012**

Top five states												Bottom five states: total	
ST		SC		HOBC		HHC		Muslims		Total			
GUJ	12.5	WB	17.5	TN	16.0	MHR	17.9	UP	18.9	UP	11.6	Goa	0.17
ORS	9.5	UP	12.4	UP	14.0	WB	14.5	WB	17.3	MHR	10.7	Utkhnd	0.65
MHR	8.1	TN	8.5	AP	9.2	UP	8.4	KER	9.5	WB	10.3	HP	0.67
AP	7.7	MHR	8.4	GJR	7.4	AP	8.0	MHR	8.9	TN	8.8	JK	0.78
ASM	6.8	AP	7.6	MHR	6.9	GJR	7.8	ASM	8.0	AP	7.4	Jhar	1.0
Total	44.6		54.5		53.4		56.6		62.6		48.8		3.3

*Source:* Sixth Economic Census, 2012

**Table 14.13: Ownership of private enterprises per thousand Households, by states and social groups, 2012**

State / Ut	All ST	All SC	HOBC	HHC	Muslim	Total
Jammu & Kashmir	106.4	76.1	138.4	124.8	181.1	159.5
Himachal	179.5	171.4	166.6	223.5	302.0	203.3
Punjab	646.6	122.1	154.9	278.8	196.4	214.8
Uttarakhand	104.5	90.3	170.5	140.3	199.6	144.9
Haryana	239.7	139.6	192.9	215.1	108.8	188.3
Delhi	197.8	117.1	111.7	223.5	264.1	191.1
Rajasthan	52.1	87.6	193.5	220.6	190.8	169.5
Uttar Pradesh	311.9	79.3	147.1	189.4	195.6	155.6
Bihar	149.4	28.7	61.1	83.5	67.5	69.8
Assam	189.1	263.6	208.6	344.3	308.1	268.9
West Bengal	169.5	167.1	223.6	241.3	225.9	231.9
Jharkhand	27.3	41.4	76.3	132.0	59.1	73.6
Odisha	116.2	141.8	209.5	154.0	357.1	173.4
Chhattisgarh	88.0	50.5	100.3	315.8	221.1	113.7
Madhya Pradesh	30.1	77.3	112.9	148.2	186.2	112.3
Gujarat	158.9	267.5	264.3	232.0	320.3	258.3
Maharashtra	92.6	121.1	136.4	276.0	250.2	202.1
Karnataka	139.2	94.8	150.1	223.8	221.6	170.4
Goa	198.2	164.1	348.6	229.7	440.8	237.0
Kerala	466.8	212.7	321.9	311.4	336.8	341.5
Tamil Nadu	507.4	121.3	198.1	1007.0	167.8	218.4
Andhra Pradesh	224.0	138.4	212.2	311.1	238.4	233.9
North-east	120.8	291.9	305.3	340.5	257.0	200.7
Union Territories	129.3	317.9	133.1	200.7	228.1	188.4
Total	113.7	114.2	165.2	233.0	211.3	185.2

*Source:* Sixth Economic Census, 2012

**Table 14.14: Percentage share of ownership of private enterprises in states by social groups, 2012**

State / UT	All ST	All SC	HOBC	HHC	Muslim	Total
Jammu & Kashmir	5.8	6.0	2.4	19.0	64.9	100
Himachal Pradesh	5.3	20.2	13.2	56.6	2.2	100
Punjab	0.6	20.4	4.8	27.9	2.3	100
Uttarakhand	2.6	11.7	10.7	52.3	18.0	100
Haryana	1.0	15.4	24.6	49.8	3.5	100
Delhi	2.6	11.4	10.8	54.1	13.7	100
Rajasthan	4.6	10.0	42.2	23.7	10.1	100
Uttarakhand	1.8	12.1	38.7	19.8	22.4	100
Bihar	2.8	7.6	44.6	18.5	13.1	100
Assam	10.5	11.7	18.9	24.5	31.8	100
West Bengal	3.4	19.5	6.7	38.8	23.1	100
Jharkhand	9.2	8.4	35.2	20.5	12.0	100
Odisha	15.0	16.8	40.0	19.6	3.3	100
Chhattisgarh	26.5	6.3	37.8	17.6	4.0	100
Madhya Pradesh	6.0	10.9	37.7	23.0	9.6	100
Gujarat	9.8	7.2	34.5	31.1	9.9	100
Maharashtra	4.1	9.0	20.8	46.2	11.5	100
Karnataka	4.7	8.8	40.1	26.2	13.8	100
Goa	7.1	2.8	18.1	45.2	8.1	100
Kerala	1.4	4.9	33.1	15.4	22.9	100
Tamil Nadu	2.9	11.1	58.8	10.5	4.0	100
Telangana	7.7	9.0	47.5	16.4	13.3	100
Andhra Pradesh	5.6	11.7	39.8	29.5	5.8	100
North-east	35.7	10.6	21.9	19.5	6.5	100
Union Territories	5.4	15.1	27.4	36.9	8.1	100
<b>Total</b>	<b>5.4</b>	<b>11.4</b>	<b>32.2</b>	<b>27.5</b>	<b>13.8</b>	<b>100</b>

**Source:** Sixth Economic Census, 2012

While analysing the pattern of ownership in states across social groups, it is seen that HHCs represent the most privileged group in most of the states (Refer Table 14.13). Their share in Maharashtra is highest (46.2 percent) while it is lowest (19 percent) in Jammu and Kashmir in terms of enterprise ownership. Their ownership is highest across the different groups in nine out of 22 major states.

The regional variation in ownership is also observed among every group. The top five states constitute 54.5 percent of the total private enterprises among SC. The share is highest in West Bengal (17.5 percent) followed by U.P., Tamil Nadu, Maharashtra, and Andhra Pradesh. The ownership among SC, in terms of number of enterprises per thousand households, is highest in Gujarat (267.5) and lowest in Chhattisgarh (50.5). The ownership of SC is lower than OBC and HHC in most of the states. Their ownership is higher than OBC in Assam and Gujarat states only. However, Gujarat is the only state where ownership among SC is higher than HHC (232).

The top five states constitute 44.6 percent of the total enterprises among ST. The share is highest in Chhattisgarh at 26.5 per cent, Assam (10.5 percent), followed by Odisha (15 percent), Gujarat (9.8 percent), Andhra Pradesh (5.6 percent) and Maharashtra (4.1 percent). However, the ownership in terms of enterprises per thousand households is highest in Punjab (646.6) and lowest in Jharkhand (27.3). Out of 22 major states, the ownership among ST is higher than OBC in eight states while their ownership is higher than HHC in five states.

The top five states among OBC constitute 53.4 percent of their total enterprises which is lower than High caste groups. Tamil Nadu tops the states in terms of this share in total enterprises. The other four states among the top five states are Uttar Pradesh, Andhra Pradesh, Gujarat and Maharashtra. The HOBC ownership in terms of per thousand households is highest in Goa (348.6) and Kerala (321.9) and lowest in Jharkhand (76.3). The HOBC ownership is higher than HHC in five states (Kerala, Goa, Gujarat, Odisha and J and K) among the major states.

The concentration of enterprises owned by Muslims is the highest in Uttar Pradesh State at 18.9 percent. It is followed by West Bengal, wherein Muslims own 17.3 percent of private enterprises, Kerala (9.5 percent), Maharashtra (8.9 percent) and Assam (8.0 per cent). The number of Muslim enterprises per thousand households is the highest in Goa (440.8) and lowest in Jharkhand (59.1). Their ownership in terms of per thousand households is higher than HHC in 11 out of the 22 major states viz. J & K, H.P., Uttarakhand, Delhi, U.P., Assam, M.P., Gujarat, Odisha, Goa, and Kerala.

## **14.9 Summary**

The data shows that private enterprises are highly concentrated in rural areas. The OAEs constitute the bulk of the total private enterprises in the country. Majority of the private enterprises are concentrated in the agricultural sector. The disaggregation by activities shows trade, livestock, and manufacturing are the top three activities. The ownership of the enterprises is higher in urban areas than rural areas at aggregate as well as among all the groups. The ownership in terms of number of private enterprises per thousand households also shows that the HHC are at the top at aggregate level. However, the number is higher among Muslims than HHC in urban areas, though HHC continue to be at top in rural areas. The share of SC is lowest among caste groups. However, the inequality with HC is lower in rural areas than urban areas. The rural-urban gap is also higher among SC than HHC and HOBC. The STs are the most marginalised group so far ethnicity is taken into the consideration. Like SCs, their share also declines in urban areas vis-à-vis rural areas. The rural-urban gap is very sharp among them. In fact, this gap is highest after Muslims. The inequality with HC is remarkably higher in rural areas than urban areas. However, their share is highest only in rural areas while share of HHC is higher than HOBCs in urban areas. So far the number of enterprises per thousand households is concerned, HOBC are in the middle among social groups. The number among them is higher than SC/ST but lower than HHCs, or Muslims in certain categories. Further, their number is higher in urban areas than rural areas despite the share being higher in rural areas than urban areas. In fact, HOBC are located in the middle in terms of rural urban gap also. For Muslims,

urban location improves their percentage share but their position vis-à-vis HHC deteriorates in urban areas. Muslims are performing better than all the underprivileged castes groups. In fact, they are performing better than HHC in urban areas.

The SCs and STs continue to remain on the lowest rung of the ownership ladder. The inequality with respect to HHC shows the prevalence of highest inequality for STs followed by SCs and HOBCs. The inequality between Muslims and HC is relatively quite low. It is to note that inequality is higher vis-à-vis HHC in establishment than OAE for every group.

Thus, the HHC are the most privileged groups as far as ownership of private enterprises is concerned but this is not uniformly valid for both industrial and services sector. The HHC comprise highest share in services sector and higher than all caste groups in industrial sector. On the other extreme, SC/ST are underrepresented both in industrial and services sectors. Higher concentration of enterprises in services sector is observed among every group. The inequality with respect to HHC is higher for SC/ST in both industrial and services sectors, though ownership in the latter is more unequal than the former; the inequality being further higher among SC/ST. The data reveal low percentage share of non-agricultural sector enterprises among SC/ST while this is high among HHC and Muslims. The percentage share of non-agricultural enterprises is relatively low among HOBC also. In fact, the concentration of industrial sector is highest among Muslims while the concentration of HHC is highest in services sector.

Livestock, manufacturing and trade constitute more than 70 percent of the private enterprises. These three activities comprise around 70 percent or above among every social group. Moreover, caste-based disparities are observed in distribution of ownership across various activities. Livestock comprises higher share in enterprises among SCs, STs and HOBCs as compared to HHC while the share of trade is higher among HHC. Other sectors which distinguish the pattern among SC are construction, fishing & aquaculture, water supply, sewerage and waste management and remediation (WSWMR). Significantly, most of these sectors are based on occupations which have been traditionally linked to the caste backgrounds of SCs. So, the caste-occupation linkage in the distribution of enterprise ownerships cannot be ignored. The concentration of STs is high in sectors like livestock, forestry and logging, fishing & aquaculture and mining & quarrying which indicates that geographical location among ST plays an instrumental role in the distribution of enterprises. The share of manufacturing and trade is far higher among Muslims than all other groups. Their share is higher than their overall average share in WSWMR, construction, transport and storage among other sectors.

The concentration of enterprises ranges between 55 and 57 percent in top five states among caste groups but it is 63 percent among Muslims. The general pattern emerging from the number of enterprises per thousand households is that the ownership is high in economically better off states among every group. Kerala occupies the top position and Bihar lies at the bottom in terms of ownership of private enterprises per thousand households. However, caste based hierarchy is observed in most of the states particularly with regard to SC. The ownership

among SC is higher than HHC in Gujarat only while there are eight states where ownership of ST is higher than HHC. The ownership among HOBC and Muslims is also higher than the HHC in five and 11 states respectively.

The key points can be summarized as follows:

- Higher disadvantage of SC in rural areas; urban location benefits underprivileged groups SC/ST/Muslims.
- Inter-social group gap reduces in urban areas.
- Inequality persists in both OAE and establishment but it is lower in the former. This may be due to entrepreneurship for survival among underprivileged groups such as SC, ST, and Muslims.
- SC and ST are highly underrepresented in the industrial sector but Muslims have high share in it. Higher concentration in manufacturing and trading activities with low capital may be the reason.
- High concentration of SC and ST in service enterprises. Caste-based disadvantage might affect their choice of manufacturing goods.
- The SCs are the most vulnerable group in terms of ownership of private enterprises. There is a considerable variation in the ownership among ST, HOBC, and Muslims but SCs are at the bottom of the ladder in all states, except Gujarat.

Thus, at the aggregate level the ownership follows the conventional hierarchy with SC-ST at the bottom and HHC at the top, OBC placed in the middle. Muslims are mostly placed in a better position than the underprivileged caste groups. In fact, they are performing better than HHC in several states.

## Social Group Inequalities in Ownership of Private Enterprises in Rural India

### 15.1 Introduction

This chapter, based on the Sixth Economic Census undertaken by Central Statistical Organization, 2012-13, focuses on the caste, ethnicity and religion-based inequalities in ownership of private enterprises in rural India. The previous chapter determined low ownership of private enterprises among the underprivileged groups at the aggregate level. This chapter seeks to examine this inequality specifically in rural areas. The main objectives of the study are to examine the overall pattern of ownership of private enterprises and distribution of enterprises by own account and establishment and industrial and service sector. The analysis also focuses on the intra group inequality in the ownership of private enterprises, and inequality in the ownership of Own account and establishment, and in industrial and service-related enterprises. The analysis is based on the percentage analysis capturing the percentage share of different socio-religious groups in total private enterprises and percentage of different types of enterprising comprising total enterprises. In order to analyze inequality in the ownership of enterprises, the number of private enterprises per thousand households is calculated. The data for calculating the number of households is taken from National Sample Survey Office (NSSO) data on employment and unemployment, 2011-12 which is close to the Sixth Census Data, 2012-13. The analysis is based on the overall ownership of the private enterprises and ownership of different types of enterprises as well. The following sections discuss the result obtained from the analysis.

### 15.2 Pattern of the ownership of Private enterprises

As we have learnt earlier private enterprises are highly concentrated in rural areas; nearly 59 percent enterprises in rural areas and 41 percent in urban areas. The number of private enterprises per 1000 household is also higher in rural areas than urban areas; 308 per 1000 household and 215 in urban areas. Thus, both indicators reveal higher availability of private enterprises in rural areas than urban areas. Table 15.1 presents the pattern of ownership of private enterprises in rural areas and their sector-wise distribution. The OAE constitute a major share of the total enterprises. Nearly 85 percent of the enterprises are OAE while 15 percent are establishment. The number of private enterprises per thousand households also is higher in OAE than establishment- 141 enterprises per thousand household are OAE as compare to 25 per thousand household for establishment. The biggest share of private enterprises are

concentrated in the services sector (43 percent) while the industrial sector constitutes the lowest share of the private rural enterprises at 19 percent, the share of agriculture related enterprises is about 39 percent.

**Table 15.1: Private enterprises in rural India, 2012-13**

Private Enterprises	Rural	
	Percentage Share	Number (per 1000 hhd)
<b>OAE &amp; Establishment</b>		
OAE	85.1	141
Establishment	14.9	25
Total	100	165
<b>Distribution, Manufacturing/Services, 2012</b>		
Agriculture	38.6	64
Industrial	18.6	31
Services	42.8	71
Total	100	165

*Source:* Sixth Economic Census, 2012-13

Higher concentration of the services sector is observed from the number of enterprises per thousand households also. The services sector has 71 enterprises per thousand households while the corresponding numbers are 64 and 31 per thousand households for the agriculture and manufacturing sectors respectively.

Table 15.2 represents occupation-wise breakup of the private enterprises in rural areas. It shows that trade, livestock, and manufacturing are the top three activities comprising more than 77 percent of the enterprises. Trade constitutes 26 percent of the private enterprises, livestock constitutes 34 percent, and manufacturing sector comprises 17 percent of private enterprises.

**Table 15.2: Rural private enterprises by activities, 2012-13 (in percent)**

Activities	Share	Activities	Share
Agriculture related	1.8	Water supply, sewerage, waste management, and remediation	0.19
Livestock	33.6		
Forestry & logging	1.8	Construction	1.6
Fishing & aquaculture	1.2	Trade	25.8
Mining & quarrying	0.2	Transport and storage	4.8
Manufacturing	16.8	Accommodation & food	3.2
Electricity, gas, steam, AC	0.04	Others	9.0
Total			100

*Source:* Sixth Economic Census, 2012-13

### 15.3 Inter-group Inequality in Ownership of Private Enterprises

This section discusses the inequality in ownership of private enterprises by social and religious groups in rural areas. The pattern of inequality among social groups by types of enterprises viz. OAE & establishment, and sector viz. agriculture, industrial, and services sector is also examined. Table 15.3 presents the percentage share of private enterprises in rural India with

respect to the socio-religious identities of the owners and their numbers per thousand households. The dissimilarity index indicates inequality vis-à-vis the traditionally most privileged Hindu High caste group.

The share of HOBC is highest in the ownership of private enterprises, 36 percent, while the share among HHC at 22.9 percent is lower in rural areas. The SC own 12.5 percent of rural private enterprises, while the Muslims are slightly lower with an ownership of 11.5 percent. The share of ST at seven percent is lowest among all social groups. Although the share of HHC is lower in HOBC, yet the number of private enterprises per thousand household is highest among them. They own 230 private enterprises per thousand household as compared to 156 per thousand hhds for HOBC. The ownership among ST is slightly lower than SC- 99 and 101 respectively. The inequality between SC/ST and HHC is higher than that of OBC and Muslims with HHC. The HHC own 2.3 times higher number of enterprises than SC/ST while this ratio is 1.5 for HOBC and 1.4 for HHC.

**Table 15.3: Share in ownership of private enterprises, 2012-13**

Socio-religious groups	Percentage share in ownership	Per 1000 hhds	Inequality
ST	7.0	99	2.3
SC	12.5	101	2.3
HOBC	36.1	156	1.5
HHC	22.9	230	
Muslim	11.5	171	1.4
Total	15.9	165	1.4

**Source:** Sixth Economic Census, 2012-13;

**Note:** Discrepancy in col.1 from 100 is due to the share of the remaining groups

## 15.4 Own Account Enterprises- Entrepreneurship at subsistence level

In order to assess whether different groups own private enterprises as a means of survival or as profit earning entities, the group ownership of private enterprises has been disaggregated by OAE and establishment. The percentage of OAEs owned by SC/ST is in the range of 89-90 percent while that among HHC is 85 percent and among HOBC and Muslims the share of OAE in their private enterprises is nearly 87 percent (Refer Table 15.4).

On the contrary, the proportion of establishment is higher among HC than SC/ST indicating profit-based entrepreneurship being highly concentrated among them. The OAE comprises lowest percentage share among Muslims (11.7 percent) while the share of establishment is relatively higher among them at 10.3 percent as compared to less than 10 percent for SC and ST. Also, the proportion of establishment is lower among SC/ST than OAE while opposite is true for HHC. Further, the proportion of establishment is highest among HHC. Establishment comprises 15 percent of HHC total enterprises while the corresponding figure is in the range of 10-11 percent among SC/ST and 13 percent among HOBC and Muslims.

The ownership per thousand households is also highest among HHC followed by HOBC, ST and SC respectively in both OAE and establishment. In OAE, HHC own 196 enterprises per

thousand households followed by 137 among HOBC, 91 among ST, and 88 among SC. The corresponding figures for establishment are 35 enterprises among HHC, 20 among HOBC, 11 among SC and 10 among ST. The inequality is higher between SC/ST and HHC than that of HOBC and Muslims with HHC in both cases. However, the inequality in ownership of establishment is even higher than OAE.

**Table 15.4: Inequality in ownership of OAE and establishment enterprises, Rural, 2012-13**

Socio-religious Groups	Share of group (Row %)	Share in group (Col %)	Per thousand households	Inequality
<b>OAE</b>				
ST	7.4	89.7	91	2.2
SC	13.1	88.9	88	2.2
HOBC	37.0	87.3	137	1.4
HHC	22.9	84.9	196	
Muslim	11.7	86.7	148	1.3
Total	100	85.1	141	
<b>Establishment</b>				
ST	4.8	10.3	10	3.5
SC	9.3	11.1	11	3.2
HOBC	30.9	12.7	20	1.8
HHC	23.2	15.1	35	
Muslim	10.3	13.3	23	1.5
Total	100	14.9	25	

**Source:** Sixth Economic Census, 2012-13

Thus, caste-based inequality exists in both types of enterprises, though it is higher in establishment than in OAE. Although the share of OBC is higher than HHC in both OAE and establishment, yet HHC occupies top position in terms of ownership if population is adjusted. The SC/ST lag HOBC/HHC both in terms of the percentage shares as well ownership per thousand households. Also, inequality between SC/ST and HHC is high in both types of enterprises. This shows that conventional inequality by social groups still exists. The ownership among Muslims is better than the underprivileged caste groups, though they too lag HHC.

## 15.5 Segregation by Industrial Sector

The ownership of private enterprises also differs by sectors. The proportion of agriculture related enterprises is highest among ST followed by HOBC, HHC, SC and Muslims respectively (Refer Table 15.5). Thus, the dependence on agriculture-related enterprises is relatively low among SC and Muslims which might be due to low land ownership among them. In agricultural related enterprises, ST own nine percent of total enterprises while the corresponding share is 12 percent among SC. The share is relatively high among HHC at 24 percent, and highest among HOBC at 39 percent. The share of Muslims is lowest at six percent. The population adjusted figure in terms of ownership per thousand households shows that traditional inequality exists in agricultural sector as well. The ownership is highest among HHC followed by HOBC, ST, and SC respectively. The ownership among Muslims is similar to the SC. The SC/Muslims-HHC inequality is highest followed by ST-HHC inequality and HOBC-HHC inequality.

**Table 15.5: Share of industrial sector (agriculture) by social group, 2012-13**

Socio-religious groups	Share of group in sector (Row%)	Share of sector in group (column %)	Per thousand households	Inequality
SC	12.3	37.8	37	2.5
ST	9.0	49.5	50	1.9
HOBC	38.7	41.3	65	1.4
HHC	24.0	40.5	93	
Muslim	6.4	21.4	37	2.5
Total	100	38.6	64	

*Source:* Sixth Economic Census, 2012-13

At the aggregate level industrial sector comprises 19 percent of the total private enterprises Table 15.6. Within groups, the proportion is relatively higher among underprivileged groups than HHC. For instance, 21 percent of the total enterprises among SC are in the industrial sector followed by 19 percent among HOBC, and 17 percent ST while the proportion is 15 percent among HHC. The proportion of industrial enterprises is highest among Muslims at 28 percent. However, within the industrial sector the SC contribution is 14 percent while that of ST is 6.5 percent. The share of HOBC is highest at 36 percent while the corresponding share is 18 percent among HHC and 17 percent for Muslim. However, the number of enterprises per thousand households shows that the social group-based hierarchy exists in industrial sector also. The figure is highest among HHC (34) followed by HOBC (29), SC, and ST respectively, though it is highest overall among Muslims (47).

**Table 15.6: Share of Industrial sector in private enterprises by Social groups, 2012-13**

Socio-religious groups	Share of group in Sector (Row %)	Share of sector in group (Col %)	Per thousand households	Inequality
SC	14.1	20.9	21	1.6
ST	6.5	17.4	18	1.9
HOBC	36.1	18.6	29	1.2
HHC	17.9	14.6	34	
Muslim	17.0	27.6	47	0.72
<b>Total</b>	100	18.6	31	

*Source:* Sixth Economic Census, 2012-13

At the aggregate level the services sector comprises 43 percent of the total private enterprises (Table 15.7). The proportion among underprivileged groups is relatively lower than HHC. Among the total SC private enterprises, one third or 33 percent are in the services sector, while 40 percent of ST own enterprises are in services sector. But this proportion is way higher among the HHC at 45 percent and highest among Muslims at 51 percent. The HOBC have 40 percent of their enterprises in services sector. So, the dependence on non-agricultural sector is highest among Muslims. The share of non-agricultural sector is almost similar among SC and HHC but the dependence of HHC is higher on service sector while the dependence of SC on industrial sector is relatively higher than HHC, The dependence of ST on agricultural is highest possibly due to their high rural concentration. The percentage distribution of ownership by social groups

reveal that the share of HOBC is highest (34 percent) followed by HHC (24 percent), ST (12 percent) and SC (5.0 percent) respectively. The share of Muslims (14 percent) is higher than SC/ST but lower than HOBC/HHC. The ownership per thousand households shows that the ownership is highest among HHC (104) followed by Muslims (87), HOBC (63) and SC (41) respectively. The ownership among Muslims is lower than HHC only. The inequality is highest between ST-HHC followed by SC-HHC, HOBC-HHC and Muslims-HHC. The ownership of enterprises related to the services sector is three times higher than ST and 2.5 times higher than SC. This ratio is less than two among HOBC and Muslims.

**Table 15.7: Distribution of private enterprises by groups in service sector, 2012-13**

Socio-religious groups	% Share of group enterprises in sector	% Share of sector in group enterprises	Per thousand households	Inequality
ST	12.1	41.3	33	3.1
SC	5.4	33.1	41	2.5
HOBC	33.7	40.0	63	1.7
HHC	24.1	45.0	104	
Muslim	13.7	51.0	87	1.2
Total	100	42.8	71	

*Source:* Sixth Economic Census, 2012-13

Thus, HHC are the most privileged among social groups as far as the ownership of private enterprises in rural areas are concerned in all three sectors. The SC occupies the bottom position in the agricultural sector, while ST lags all other groups in industrial and services sectors. The ownership among Muslims is higher than SC/ST in non-agricultural sectors, viz. industries and services while their ownership is least in agricultural sector. The data indicates that the dependence of ST is highest on agriculture related enterprises while the dependence of SC is more on industrial sector. The reliance of Muslims is higher on industrial and services sector enterprises than on those related to the agricultural sector.

## 15.6 Inequality by Activity: Caste-Occupation Nexus

Livestock, manufacturing and trade constitute more than 76 percent of the private enterprises across all sectors (Table 8). Livestock constitutes 34 percent of the total private enterprises, the share for manufacturing sector is 17 percent and that for retail trade is 26 percent. The aggregate pattern in these three occupations or activities does not differ much among SC. These constitute over 75 percent of the private enterprises among them. The share is lower among ST wherein three activities together comprise 70 percent of the total enterprises among them. However, livestock and trade comprise lower percentage of private enterprises among SC than HOBC/HHC while manufacturing comprises higher percentage share among them than HHC. The share of manufacturing and trade is highest among Muslims while it is comparatively lowest for them in livestock.

The share of Forestry and logging is highest among STs. It comprises 58 percent of the total enterprises of ST (Table 15.8). Their share is relatively higher than the average. The SCs have around 22 percent of their total enterprises each in fishing and aquaculture, and construction.

The share of HOBC is relatively low in Forestry & logging, electricity, water supply and construction. Their share is relatively high in transportation and storage, and manufacturing. However, the share of HHC is low in industries related to forestry and logging, fishing and aquaculture and construction. Their share is high electricity, trade, agriculture, accommodation and livestock. The share of Muslims is high in water supply and construction while their share is low in agriculture, livestock and forestry & logging. Thus, the identity-based concentration of occupations is observed across various enterprises in rural areas.

**Table 15.8: Share of rural private enterprises by activities and socio religious groups, 2012**

Occupation	SC	ST	HOBC	HHC	Muslim	Total	SC	ST	HOBC	HHC	Muslim	Total
Agriculture	1.5	1.7	2.2	2.0	1.0	<b>1.8</b>	10.5	6.6	42.9	25.1	6.2	<b>100</b>
Livestock	32.5	31.5	36.9	37.2	18.4	<b>33.6</b>	12.1	6.5	39.6	25.4	6.3	<b>100</b>
Forestry and Logging	1.5	14.7	0.8	0.5	0.5	<b>1.8</b>	10.8	58.1	17.2	7.1	3.3	<b>100</b>
Fishing & Aquaculture	2.1	1.4	1.3	0.6	1.3	<b>1.2</b>	21.5	7.8	38.5	11.2	12.6	<b>100</b>
Mining & quarrying	0.18	0.26	0.15	0.15	0.16	<b>0.17</b>	12.9	10.5	31.4	19.7	10.5	<b>100</b>
Manufacturing	18.0	15.9	17.3	13.4	24.2	<b>16.8</b>	13.4	6.6	37.0	18.2	16.5	<b>100</b>
Electricity	0.0	0.0	0.0	0.1	0.0	<b>0.0</b>	9.4	3.0	24.0	29.1	10.0	<b>100</b>
Water supply	0.2	0.1	0.1	0.2	0.4	<b>0.2</b>	12.7	2.9	26.6	18.7	22.6	<b>100</b>
Construction	2.7	1.4	1.2	1.0	3.0	<b>1.6</b>	21.8	6.2	27.6	14.8	21.9	<b>100</b>
Trade	25.1	22.3	24.3	28.0	33.5	<b>25.8</b>	12.2	6.0	33.9	24.9	14.9	<b>100</b>
Transportation & storage	5.5	4.0	4.1	4.9	6.9	<b>4.8</b>	14.3	5.8	30.9	23.2	16.6	<b>100</b>
Accommodation & food	2.7	2.6	3.4	3.5	3.0	<b>3.2</b>	10.4	5.6	38.7	24.7	10.7	<b>100</b>
Others	8.0	4.2	8.2	8.7	7.5	<b>9.0</b>	11.1	3.3	33.0	22.1	9.6	<b>100</b>
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	12.5	7.0	36.1	22.9	11.5	<b>100</b>

*Source:* Sixth Economic Census, 2012-13

## 15.6 Distribution of Rural Private Enterprises by States

At 13 percent and 12 percent, Andhra Pradesh and Uttar Pradesh respectively command the highest share of total private enterprises in rural India (Table 15.9). The other states having high percentage share of rural enterprises are West Bengal (10 percent), Maharashtra (9.7 percent), Tamil Nadu (8.0 percent) and Gujarat (7.2 percent). These states together comprise 60 percent of the total rural enterprises. However, Delhi, Goa, Uttarakhand, Jammu and Kashmir, and Himachal Pradesh have very low shares of rural enterprises. These states together comprise 2.4 percent of the rural enterprises. However, if the number of enterprises is adjusted with population size, the ranking of states changes significantly. Kerala with 374 enterprises per thousand households occupies the top position while Jharkhand lies at the bottom with 52 enterprises for every thousand households (Table 15.10). Gujarat (312), Andhra Pradesh (236), Tamil Nadu (239) and Assam (226) are other states occupying top five positions in terms of ownership of the private enterprises per thousand households. However, Bihar, Madhya Pradesh, Chhattisgarh and Uttarakhand are among the bottom five states after Jharkhand. Roughly the number of private enterprises per thousand households is high in economically better off states while it is low in poor and backward states.

**Table 15.9: Ownership of rural private enterprises, by states and social groups, 2012 (in percent)**

States	SC	ST	HOBC	HHC	Muslim	Total
Jammu & Kashmir	0.37	0.78	0.04	0.50	4.5	0.75
Himachal Pradesh	1.6	0.77	0.36	2.1	0.16	0.90
Punjab	4.0	0.17	0.27	1.10	0.38	2.21
Uttarakhand	0.70	0.28	0.20	1.40	0.75	0.62
Haryana	2.6	0.25	1.4	3.7	0.68	1.90
Delhi	0.04	0.01	0.03	0.07	0.03	0.04
Rajasthan	4.4	4.5	6.8	3.8	3.5	5.1
Uttar Pradesh	13.6	2.7	15.6	8.6	17.9	12.2
Bihar	2.1	1.3	4.0	2.5	3.5	3.3
Assam	3.7	7.6	2.3	2.9	13.6	4.1
West Bengal	18.1	6.7	2.2	12.7	23.4	10.0
Jharkhand	0.65	1.65	0.95	0.43	0.91	0.92
Odisha	6.4	11.6	5.1	2.7	0.85	4.4
Chhattisgarh	0.69	7.7	1.4	0.59	0.23	1.4
Madhya Pradesh	2.9	3.9	3.5	2.2	1.2	3.0
Gujarat	3.7	13.8	8.6	7.3	4.6	7.2
Maharashtra	6.9	6.6	6.7	20.5	4.2	9.7
Karnataka	4.0	4.0	6.5	4.9	3.3	4.9
Goa	0.02	0.17	0.06	0.16	0.03	0.09
Kerala	2.3	1.4	4.3	3.6	9.4	5.2
Tamil Nadu	8.5	3.6	13.3	3.2	1.3	8.0
Andhra	11.6	12.9	15.4	14.1	4.8	12.6
Total	100	100	100	100	100	100

**Source:** Sixth Economic Census, 2012

**Table 15.10: Ownership of private enterprises per thousand households, rural, 2012**

Rural	SC	ST	HOBC	HHC	Muslim	Total
J and K Kashmir	61	84	126	88	146	127
H.P.	167	177	159	201	288	187
Punjab	93	898	185	286	157	185
Uttarakhand	78	100	174	115	138	119
Haryana	110	196	215	200	88	172
Delhi	64	102	173	100	NA	121
Rajasthan	77	48	176	196	156	144
U.P.	65	231	128	169	147	127
Bihar	22	111	48	65	48	54
Assam	233	180	178	225	285	226
W. Bengal	143	150	219	226	185	201
Jharkhand	31	22	59	87	36	52
Odisha	143	118	189	130	758	162
Chhattisgarh	42	96	84	415	238	99

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<b>Rural</b>	<b>SC</b>	<b>ST</b>	<b>HOBC</b>	<b>HHC</b>	<b>Muslim</b>	<b>Total</b>
M.P.	58	25	87	101	130	79
Gujarat	254	154	364	339	345	312
Maharashtra	120	74	141	324	222	204
Karnataka	92	133	169	251	156	173
Goa	NA	133	413	192	215	223
Kerala	223	379	328	430	325	374
Tamil Nadu	128	350	215	NA	247	236
A.P.	128	198	219	377	223	239
Total	99	101	156	230	171	165

**Source:** Sixth Economic Census, 2012

The HHC represents the most privileged group in terms of ownership of private enterprises in most of the states in rural areas. They own the highest number of enterprises per thousand households among social groups in 13 states out of 22 major states (Table 15.10). Kerala occupies the top position in terms of number of enterprises per thousand households among HHC, 430 (Table 15.10). However, Maharashtra comprises nearly one fifth of the total enterprises among HHC. It comprises 21 percent of the total enterprises among them. Andhra Pradesh, West Bengal, UP and Gujarat are the other four states where most of their enterprises are concentrated. The top five states comprise 63 percent of the total enterprises among them. However, the share is lowest in Delhi and Goa. The share is low in Jharkhand, Jammu and Kashmir and Chhattisgarh also (Table 15.9).

**Table 15.11: Percentage share of ownership of rural private enterprises by social group across states, 2012**

<b>States</b>	<b>SC</b>	<b>ST</b>	<b>HOBC</b>	<b>HHC</b>	<b>Muslim</b>	<b>Total</b>
Jammu & Kashmir	6.2	7.3	2.1	15.4	68.8	100
Himachal Pradesh	21.8	5.9	14.5	53.7	2.0	100
Punjab	22.8	0.5	4.5	11.4	2.0	100
Uttarakhand	14.2	3.1	11.6	51.9	13.9	100
Haryana	17.0	0.9	27.2	44.0	4.1	100
Delhi	14.6	2.6	27.7	41.4	8.0	100
Rajasthan	11.0	6.2	48.5	17.0	7.8	100
Uttar Pradesh	13.9	1.5	46.0	16.1	16.8	100
Bihar	8.0	2.7	44.4	17.8	12.2	100
Assam	11.3	12.9	19.6	15.8	37.7	100
West Bengal	22.6	4.7	8.0	28.9	26.8	100
Jharkhand	8.8	12.5	37.3	10.7	11.3	100
Odisha	18.3	18.4	41.9	14.2	2.2	100
Chhattisgarh	6.3	38.9	36.1	9.8	1.9	100
Madhya Pradesh	12.0	9.0	42.9	16.9	4.8	100

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States	SC	ST	HOBC	HHC	Muslim	Total
Gujarat	6.5	13.3	43.3	23.1	7.3	100
Maharashtra	9.0	4.8	25.0	48.7	4.9	100
Karnataka	10.2	5.7	47.7	22.9	7.8	100
Goa	3.2	12.4	23.2	40.0	3.4	100
Kerala	5.6	1.8	29.8	15.8	20.7	100
Tamil Nadu	13.2	3.1	60.0	9.2	1.9	100
Telangana	10.4	10.0	53.6	13.5	4.9	100
Andhra Pradesh	11.8	6.1	40.6	29.9	4.2	100
NE	10.1	42.1	20.0	14.2	7.1	100
<b>Total</b>	<b>12.5</b>	<b>7.0</b>	<b>36.1</b>	<b>22.9</b>	<b>11.5</b>	<b>100</b>

**Source:** Sixth Economic Census, 2012

The regional variation in ownership is observed among every group. The top five states constitute 59 percent of the total private enterprises among SC (Table 9). The share is highest in West Bengal (18.1 percent) followed by UP (13.6 percent), Andhra Pradesh (11.6 percent), Tamil Nadu (8.5 percent) and Maharashtra (6.9 percent). The ownership among SC, in terms of number of enterprises per thousand households, is highest in Goa (8,837) followed by Gujarat (254) and lowest figures are in Bihar (31) and Jharkhand (22). The SC do not occupy top position in any of the states (Table 15.10).

The share is highest in Gujarat among ST. It comprises nearly 14 percent of the total enterprises owned by ST. The states like Andhra Pradesh, Odisha and Assam are also on top in terms of ST ownership. However, their share is low in Delhi, Punjab and Goa. Their ownership per thousand households is highest in Punjab (898) and Kerala (379) while it is lowest in ST dominated state Jharkhand (22). The ownership among ST is higher than HHC in two states, namely Delhi and Uttar Pradesh.

Goa, Gujarat, and Kerala are the top three states comprising high number of enterprises owned by HOBC while their numbers per thousand households are among the lowest in Jharkhand, Bihar and Chhattisgarh. In fact, in terms of number of enterprises per thousand household is concerned, their ownership is higher than HHC in seven states, namely Jammu & Kashmir, Goa, Gujarat, Odisha, Delhi, Haryana and Uttarakhand. The ownership among HOBC is higher than SC/ST in 15 out of the 22 major states. Their ownership is higher than SC in 19 states out of 22 states while their ownership is higher than ST in eight states out of the 22 states (Table 15.10).

The concentration of Muslim enterprises in its top five states – West Bengal, Uttar Pradesh, Assam, Kerala and Andhra Pradesh is 69 percent (Table 15.9). Their share is highest in West Bengal (24 percent), followed by U.P. (18 percent) and Assam (14 percent) respectively. However, it is among the lowest in Delhi, Goa and Himachal Pradesh. However, the top three states in terms of ownership per thousand households are Delhi (6603), Odisha (758), and

Gujarat (345) respectively while it is lowest in Jharkhand (36). Their ownership per thousand households in total enterprises is higher than HHC in six out of the total 22 major states (Table 15.10).

Thus, the enterprises are highly concentrated in Andhra Pradesh, Uttar Pradesh, West Bengal, Maharashtra, Tamil Nadu, and Gujarat comprising 60 percent of the total private rural enterprises in the country. However, Delhi, Goa, Uttarakhand, Jammu and Kashmir and Himachal Pradesh are among the states with the lowest share of rural private enterprises. The states of Jharkhand, Bihar, Madhya Pradesh and Chhattisgarh occupy bottom four positions respectively while Kerala, Gujarat, Andhra Pradesh and Tamil Nadu occupy top positions in terms of enterprises per thousand households. This pattern is observed among every group. In general, the inequality of SC/ST with HHC is higher than that between HOBC/Muslims and HHC in most of the states.

### **15.7 Conclusion**

A detailed study on ownership of private enterprises in rural India shows that OAE constitute the major share (85 percent) of such enterprises. A majority (43 percent) of rural private enterprises are concentrated in the services sector. Although the percentage share of HOBC ownership of private enterprises is highest among all social at 36 percent, in terms of number of enterprises per thousand households, the HHC outnumber the HOBC with 230 enterprises per thousand households as against 156 for HOBC, 101 for SC and 99 for ST. Muslims however fare better than HOBC with 171 private enterprises per thousand households. The percentage share of private enterprise ownership among HHC is 23 percent followed by SC at 12.5 percent, and ST (seven percent). The percent share in ownership among Muslims is also lower than HOBC, HHC and SC at 11.5 percent. Thus, inequality is higher between SC/ST and HHC than between HOBC/Muslims and HHC

Caste-based inequality is also widely observed in both types of enterprises, viz. OAE and establishment, though it is higher in establishment. The share of HOBC is higher than HHC in case of private enterprises in rural areas, but HHC occupies top position in terms of ownership if population is adjusted. The SC/ST lag HOBC/HHC both in terms of the percentage shares as well ownership per thousand households. Further, inequality between SC/ST and HHC is high in both types of enterprises. This shows that conventional inequality by social groups still exists. The ownership among Muslims is better than the underprivileged social groups, though they lag HHC.

The HHC are the most privileged social groups as far as the ownership of the private enterprises are concerned in all the three sectors, namely, agriculture, industries, and services. The SC occupy the bottom position in the agricultural sector while STs are at the bottom in industrial and services sectors. The ownership among Muslims is higher than SC/ST in non-agricultural sectors viz. industries and services while their ownership is least in agricultural sector. The data reveal that the dependence of ST is highest on agriculture related activities while the dependence of SC is more on the industrial sector. The reliance of Muslims is higher on industrial and

services sector enterprises than those in the agricultural sector, which is attributed to low land ownership among them.

Further disaggregation by industrial sector shows that ST are confined to rural-based industries such as livestock. The caste based segregation is also observed among SC wherein they are highly concentrated in fishing and aquaculture, and construction. The share of HOBC is relatively high in transportation and storage, and in manufacturing. However, the share of HHC is low in industries related to forestry & livestock, fishing and aquaculture, and construction. Their share is high in electricity, trade, agriculture, accommodation and livestock. The share of Muslims is high in water supply and construction while their share is low in agriculture, livestock, and forestry and logging. Thus, identity-based concentration of different activities is observed across various social groups.

The analysis by states shows that the enterprises are highly concentrated in Andhra Pradesh, Tamil Nadu, Gujarat, Uttar Pradesh, West Bengal, and Maharashtra, which together account for 60 percent of the total rural private enterprises in the country. However, Delhi, Goa, Uttarakhand, Jammu and Kashmir, and Himachal Pradesh have very less private enterprises in rural areas, together comprising just 2.4 percent in the country. In terms of per thousand households, Kerala tops the list of rural private enterprises with 374 followed by Gujarat, Andhra Pradesh and Tamil Nadu. The states of Jharkhand, Bihar, Madhya Pradesh and Chhattisgarh occupy bottom four positions in terms of per thousand households enterprises. In general, the inequality of SC/ST with HHC is higher than that between HOBC/Muslims and HHC in most of the states.

## Social Group Inequalities in Ownership of Private Enterprises in Urban India

### 16.1 Introduction

This chapter based on the Sixth Economic Census undertaken by Central Statistical Organization, 2012-13, focuses on the inequality in ownership of private enterprises in urban India. The main objectives of this study are to study the overall pattern of ownership of private enterprises and their types. The analysis of distribution of enterprises focuses on the pattern by own account and establishment, and industrial and service sector. The analysis also focuses on the intra group inequality in the ownership of private enterprises, and inequality in the ownership of Own account and establishment, and industries and services related enterprises. It is based on the percentage figures capturing the percentage share of different groups in total private enterprises and percentage of different type enterprising comprising total enterprises. In order to analyze the inequality in the ownership of enterprises, the number of private enterprises per thousand households has also been calculated. The data for calculating the number of households is taken from national sample survey office (NSSO) data on employment and unemployment, 2011-12 which is close to the sixth economic census data, 2012-13. The analysis has been undertaken at three levels, viz. aggregate level, socio religious groups, and across regions based on rural-urban and state level analysis. The analysis here is based on the overall ownership of private enterprises and ownership of different types of enterprises as well. The following sections discuss the results obtained from the analysis.

### 16.2 Pattern of Ownership of Private enterprises

The data show that the share of private enterprises based in urban areas is relatively lower than in rural areas; nearly 59 percent enterprises are located in rural areas while 41 percent enterprises are located in urban areas, as we learnt in the previous chapter. However, the number of private enterprises per 1000 households is higher in urban areas than rural areas: 224 in urban areas as against 165 in rural areas. Thus, the ownership of private enterprises is higher in urban areas than rural despite a high percentage of enterprises being located in rural areas.

However, the types of enterprises notably differ between rural and urban areas. The OAE constitute a relatively lower share of the total enterprises in urban areas than rural areas. Nearly 85 percent of the enterprises in rural areas are OAE while the corresponding share is 63.8 percent in urban areas. So far establishments are concerned they constitute 36.2 percent of the total private enterprises in urban areas (Table 16.1) as against 15 percent in rural areas.

The number of private enterprises per thousand households is also higher in urban areas (224) than in rural areas (165). The quality of the enterprises also differs notably between rural and urban areas. The number of enterprises in OAE does not differ much between rural and urban areas but the number of establishment is higher in urban areas than rural areas. The higher number of private enterprises per thousand households in urban areas is attributed due to higher number of establishments in urban areas. This reaffirms that entrepreneurship in rural areas is largely for survival while that in urban areas is profit-oriented. The number of OAE is 143 in urban areas (Table 16.1) as against 141 in rural areas. On the other hand, the number of establishment is 81 per thousand households in urban areas as against a mere 25 per thousand households in rural areas.

The majority of the private enterprises are concentrated in the services sector (Refer Table 16.2). Nearly 71 percent of the total enterprises are confined to the service sector while the agricultural and industrial sectors constitute 4.8 percent and 23.9 percent of the total private enterprises respectively. The dominance service is evident from the number of enterprises per thousand households also. This sector comprises 160 enterprises per thousand households while the corresponding numbers are 11, and 53 per thousand households for agriculture and manufacturing sector. The disaggregation by activities shows that **manufacturing sector** alone dominates almost the entire share of the total enterprises in the industrial sector. It comprises 21.4 percent of the total enterprises. However, trade is the dominant activity in the services sector wherein its share is 41.6 percent. **Transport & storage, accommodation & food and construction** are among the most important activities in the services sector.

**Table 16.1: Own private enterprises in urban India, 2012-13**

Private Enterprises	Urban	
	Percent Share	Number (per 1000 hhd)
OAE & Establishment		
OAE	63.8	143
Establishment	36.2	81
Total	100	224
Share, Manufacturing/Services, 2012		
Agriculture	4.8	11
Industrial	23.9	53
Services	71.3	160
Total	100	224

**Source:** Sixth Economic Census, 2012-13

**Table 16.2: Private enterprises by activities in urban India, 2012-13**

Activities	% Share	Activities	% Share
Agriculture related	0.22	Water supply, sewerage, waste management, and remediation	0.34
Livestock	3.9	Construction	2.11
Forestry & logging	0.11	Trade	41.6
Fishing & aquaculture	0.50	Transport and storage	6.3

## Inter Group Inequality in Wealth Ownership in India

Activities	% Share	Activities	% Share
Mining & quarrying	0.09	Accommodation & food	5.7
Manufacturing	21.4	Others	17.7
Electricity, gas, steam, AC	0.08		
<b>Total</b>			100

**Source:** Sixth Economic Census, 2012-13

### 16.3 Inter-group inequality in Ownership of private enterprises

This section discusses the inequality in the ownership of private enterprises by social and religious groups in urban areas. The pattern of inequality among social groups by types of enterprises viz. OAE & establishment and sector viz. agriculture, industrial, and services sector is discussed for different groups. The data regarding the pattern of ownership of urban enterprises across various socio-religious groups is presented in Table 16.3. In aggregate, the share of Hindu High Caste (HHC) is highest in the ownership of private enterprises at 34 percent followed by Hindu Other Backward Classes (HOBC) at 26.7 percent. The share among Scheduled Castes (SC) is further lower: 9.8 percent of the total private urban enterprises. The share of Scheduled Tribes (ST), however, is 3.1 percent which is the lowest among all social groups. Rather, the share of Muslims (17.1 percent) is higher than both SC and ST, but lower than HOBC and HHC. In order to compare the ownership vis-à-vis population share, the number of enterprises per thousand household has been analyzed. This also confirms the traditionally better-off position of HHC than the underprivileged groups. The HHC own highest number of enterprises that is 236 per thousand households among all caste groups. The corresponding figures vary 160, and 193 among ST, SC and HOBC. The ownership among Muslims is highest among all the groups. They own 274 enterprises per thousand households. The inequality with HHC is highest among SC followed by ST and HOBC respectively.

**Table 16.3: Ownership of urban private enterprises across socio-religious groups, 2012-13**

Socio-religious groups	Urban Private Enterprises		
	Percent share	Per thousand hhds	Inequality
ST	3.1	193	1.2
SC	9.8	160	1.5
HOBC	26.7	185	1.3
HHC	34.0	236	
Muslim	17.1	274	0.7
Total	100	224	

**Source:** Sixth Economic Census, 2012-13;

**Note:** Discrepancy from 100 is due to the share of the remaining groups

Dissimilarity or inequality is with respect to HHC.

### 16.4 Own Account Enterprises- Entrepreneurship at subsistence level

In order to assess whether different groups own private enterprises as a means for survival or as profit-earning entities, the ownership of private enterprises has been disaggregated by OAE and establishment (Table 16.4). The percentage of OAE in the enterprises owned by SC and

ST are 72 percent and 67 percent respectively. However, the percentage of OAE among HHC is lowest at 58 percent which again supports the argument that lesser number of HHCs are into OAEs for just sustenance. The proportion of OAE among HOBC and Muslims is 68 percent, relatively closer to that of ST.

Consequently, the proportion of establishment is highest at 42 percent among HHC across all groups. The SC have the lowest proportion of establishment at 28 percent while the shares of the other groups (HBOC, ST, and Muslim) are close to 32 percent. Further, establishment constitutes 32-33 percent of the total private urban enterprises. Thus, the data confirm that the concentration of private enterprises is relatively higher among marginalized groups, particularly SC, as their motive is for survival while the ownership for HHC is comparatively motivated by profit rather than sustenance.

The ownership, measured by number of enterprises per thousand households, is also highest among HHC followed by Muslims, ST, HOBC, and SC respectively in both OAE and establishment. In OAE, HHC own 137 enterprises per thousand households followed by 130 among ST, 126 among HOBC, and 115 among SC. The corresponding figures for establishment are 98 enterprises for every thousand households among HHC, 64 among ST, 59 among HOBC, and 45 among SC. In OAE, the number is highest among Muslims across all groups, 188 while it is lowest among SC. The figure shows that ownership of private enterprises among Muslims is confined to their subsistence. The ownership among Muslims in establishment is higher than underprivileged social groups- SC, ST and HOBC. Thus, a notable number of enterprises among Muslims are running with profit motive also. Though inequality in ownership exists in both types of enterprises the difference is sharper in establishment than OAE. The HHC own 2.2 times higher number of establishment than SC while the proportion is 1.7 times with respect to HOBC, 1.5 times compare to ST, and 1.1 times as compared to Muslims. The OAE ownership among HHC is 1.2 times higher than SC and the corresponding ratios are 1.1 among ST and HOBC and 0.7 vis-à-vis Muslims. Thus, the ownership among SC is lowest in both types of enterprises i.e. OAE and establishment. The inequality among caste groups is higher vis-à-vis establishment than OAE. However, the ownership among Muslims reveals a mixed pattern. Their ownership is higher than all underprivileged groups in both types of enterprises. However, highest ownership in OAE also implies a high presence of enterprises for subsistence among them. As far as ST are concerned, their situation is better in urban areas than rural areas. Also, their ownership is higher than SC and HOBC in both OAE and establishment.

**Table 16.4: Inequality in ownership of OAE and establishment enterprises, urban, 2012-13**

Socio-religious Group	% share (vertical) of group in sector	% share (horizontal) of sector in group	Per thousand hhds	Inequality
<b>OAE</b>				
ST	3.2	67.2	130	1.1
SC	11.1	71.8	115	1.2
HOBC	28.5	68.1	126	1.1
HHC	31.1	58.3	137	
Muslim	18.4	68.3	188	0.7
Total	100	63.8	143	

## Inter Group Inequality in Wealth Ownership in India

Socio-religious Group	% share (vertical) of group in sector	% share (horizontal) of sector in group	Per thousand hhds	Inequality
<b>Establishment</b>				
ST	2.8	32.8	64	1.5
SC	7.7	28.2	45	2.2
HOBC	23.5	31.9	59	1.7
HHC	39.2	41.7	98	
Muslim	15.0	31.7	87	1.1
Total	100	36.2	81	

**Source:** Sixth Economic Census, 2012-13

### 16.5 Segregation by Industrial Sector

The ownership of urban private enterprises also differs by sectors. The proportion of agriculture related enterprises is highest (seven percent) among HOBC followed by ST (six percent), SC (five percent), Muslims (four percent) and HHC (three percent) respectively (Table 16.5). The HOBC comprise highest (40 percent) share in agriculture-related enterprises followed by HHC (20 percent), Muslims (30 percent). However, the number of enterprises per thousand households shows that the ownership is highest among HOBC followed by ST, Muslims, SC and HHC. Thus, the data shows that HOBC comprise dominant share in agriculture enterprises and their ownership is also highest among them. However, this sector itself constitutes less than 10 percent of the total enterprises among every group. At aggregate, it constitutes 4.8 percent of the total enterprises in urban areas.

**Table 16.5: Ownership of urban pvt. enterprises in agriculture sector across social groups , 2012**

Socio-religious groups	% share of group in sector	% share of sector in group	Per thousand hhds	Inequality
ST	4.0	6.2	12	0.6
SC	10.6	5.2	8	0.8
HOBC	39.8	7.2	13	0.5
HHC	19.8	2.8	7	
Muslim	12.8	3.6	10	1.0
<b>Total</b>	100	4.8	11	

**Source:** Sixth Economic Census, 2012-13

**Note:** Discrepancy from 100 is due to the share of the remaining groups

Dissimilarity or inequality is with respect to HHC.

The industrial sector comprises 24 percent of total urban private enterprises (Table 16.6). The proportion is relatively higher among underprivileged groups than HHC. It comprises 26 percent of the total enterprises among HOBC and 25 percent among SC, 22 per cent among ST, and 19 per cent among HHC. The proportion is highest among Muslims at 32 percent.

**Table 16.6: Ownership of urban pvt. enterprises in industrial sector across social groups, 2012**

Socio-religious groups	% share of group in sector	% share of sector in group	Per thousand hhds	Inequality
ST	2.8	22.0	43	1.1
SC	10.2	24.8	40	1.1
HOBC	28.5	25.5	47	1.0
HHC	27.5	19.3	46	
Muslim	22.8	31.8	87	0.5
<b>Total</b>	100	23.9	53	

**Source:** Sixth Economic Census, 2012-13

**Note:** Discrepancy from 100 is due to the share of the remaining groups

Dissimilarity or inequality is with respect to HHC.

The services sector comprises 71 percent of the private urban enterprises (Table 16.7). The proportion is relatively lower among underprivileged groups than HHC, which has 78 percent of its private urban enterprises in the services sector. Among the ST, the services sector comprises 72 percent followed by 70 percent among SC, 67 percent among HOBC, and the lowest 65 percent among the Muslims. The number of enterprises per thousand households shows that the ownership is highest among HHC at 183 followed by Muslims, ST, HOBC and SC in that order. The ownership among Muslims at 177 per thousand households is lower than HHC only. The inter group inequality is highest between SC-HHC followed by HOBC-HHC, ST-HHC and Muslims-HHC. The ownership of enterprises among HHC in the services sector is 1.6 times higher than SC and 1.5 times higher than HOBC. This ratio is 1.3 with respect to ST and close to one vis-à-vis Muslims. Thus, SC are lagging most in the ownership of private enterprises followed by HOBC and ST. The ownership level among Muslims is closest to that of HHC.

**Table 16.7: Ownership of urban pvt. enterprises in services sector across social groups , 2012**

Socio-religious groups	% share of group in sector	% share of sector in group	Per thousand hhds	Inequality
ST	3.1	71.8	139	1.3
SC	9.6	69.9	112	1.6
HOBC	25.2	67.2	125	1.5
HHC	37.2	77.8	183	
Muslim	15.5	64.6	177	1.0
<b>Total</b>	100	71.3	160	

**Source:** Sixth Economic Census, 2012-13

**Note:** Discrepancy from 100 is due to the share of the remaining groups

Dissimilarity or inequality is with respect to HHC.

Thus, we observe high ownership of agriculture related enterprises among underprivileged social groups. However, this sector itself constitutes only 5 percent of the urban private enterprises. A modest inequality across social groups is observed in the industrial sector. The inequality in the ownership is relatively higher in the services sector where the ownership is lowest among SC and highest among HHC. So far Muslims are concerned, their ownership is highest in industrial sector across all groups and lower than the HHC in the services sector.

## 16.6 Inequality by Activity: Caste-Occupation Nexus

In urban areas, trade and manufacturing are two major sectors wherein majority of the private enterprises are concentrated (Table 16.8). These two together constitute 63 percent of the urban private enterprises. The share of these two sectors ranges between 59 and 63 percent among social groups. However, their share is as high as 70 percent among Muslims. However, trade constitutes lower shares of private enterprises among underprivileged than HHC. It constitutes 42 percent of the total enterprises at the aggregate but the HHC command 46 percent of that share. Comparatively, the SC and HOBC command 39 percent while ST have 42 percent. The share among Muslims is similar to the overall average. The share of manufacturing is 21 percent of the total private enterprises at the aggregate level while it is 17 percent among HHC. The corresponding share is 21 percent among SC, 19 percent among ST and 23 percent among HOBC. The share of manufacturing industries is highest among Muslims. It comprises 29 percent of the total private enterprises among them. The share of industries related to construction and transportation & storage is higher among underprivileged groups than the HHC. The distribution of enterprises by social groups also shows high concentration of underprivileged groups in construction and transportation. For instance, SC comprises 14 percent in forestry & logging, 13.8 percent in Fishing & aquaculture, 17.8 percent in water supply, 17.3 percent in construction and 13.1 percent in transportation & storage, though their share is 9.8 percent at aggregate level. Similarly, the share of ST is high in industries related to agriculture, forestry & logging, fishing & aquaculture, mining & quarrying, construction, transport & storage and accommodation & food. The share of HOBC is also relatively high in agriculture, livestock, fishing & aquaculture. Muslims are highly concentrated in manufacturing, water supply and transportation & storage. Thus, identity-based concentration is observed across occupational activities. The concentration of HHC is highest in trade while the underprivileged groups have a higher share in manufacturing, construction, and transport-related industries.

**Table 16.8: Share of urban private enterprises by activities and socio-religious groups, 2012 (in %)**

Urban	SC	ST	HOBC	HHC	Muslim	Total	SC	ST	HOBC	HHC	Muslim	Total
Agriculture	0.22	0.30	0.29	0.17	0.15	0.22	9.8	4.2	35.3	26.5	12.2	100
Livestock	4.1	4.7	6.0	2.3	2.9	3.9	10.2	3.7	40.8	20.1	12.6	100
Forestry and Logging	0.15	0.48	0.10	0.06	0.12	0.11	14.1	14.0	25.0	19.9	19.0	100
Fishing & Aquaculture	0.70	0.63	0.74	0.20	0.37	0.50	13.8	3.9	39.4	13.4	12.7	100
Mining & quarrying	0.09	0.13	0.10	0.07	0.08	0.09	9.7	4.4	29.3	27.8	15.2	100
Manufacturing	20.5	18.8	23.4	17.1	29.2	21.3	9.4	2.7	29.2	27.2	23.5	100
Electricity	0.08	0.08	0.07	0.09	0.05	0.08	9.0	3.1	22.4	38.2	11.0	100
Water supply	0.61	0.34	0.25	0.24	0.52	0.34	17.8	3.1	19.7	24.4	26.4	100
Construction	3.7	2.7	1.9	1.9	2.0	2.1	17.3	4.0	23.4	30.7	16.0	100
Trade	38.9	41.6	39.1	45.6	41.0	41.6	9.2	3.1	25.1	37.3	16.9	100
Transportation & storage	8.3	7.4	5.0	5.8	7.8	6.3	13.1	3.6	21.3	31.2	21.4	100
Accommodation & food	5.6	6.6	6.3	6.0	4.2	5.7	9.7	3.6	29.7	36.1	12.8	100
Others	17.2	16.1	16.9	20.4	11.6	17.7	9.5	2.8	25.4	39.2	11.2	100
Total	100	100	100	100	100	100	9.8	3.1	26.7	34.0	17.1	100

**Source:** Sixth Economic Census, 2012-13

### 16.7 Distribution of Urban Private Enterprises in States

The data on percentage wise ownership of private enterprises in urban India across socio-religious groups is presented in Table 16.9. The top five states comprise 52 percent of the total enterprises in urban areas. The share is highest in Karnataka (12.1 percent) followed by Uttar Pradesh (10.8 percent), West Bengal (10.7 percent), Tamil Nadu (9.8 percent) and Andhra Pradesh (8.6 percent). The states comprising lowest share of private enterprises are Goa (0.27 percent) and Himachal Pradesh (0.33 percent). However, if the number of enterprises is adjusted with population size, the ranking of states changes significantly (Refer Table 16.10). The top three states in terms of the number of enterprises per thousand households are Assam (484), Himachal Pradesh (310), and Kerala (309). It is to be noted that Himachal Pradesh which occupies lowest position in terms of share, occupies second position in terms of the number of enterprises per thousand households. States like Jharkhand (137), Chhattisgarh (160), and Karnataka (167) occupy bottom three positions in terms of the number of urban private enterprises per thousand households. The number of private enterprises per thousand households is high in economically better off states while it is low in poor and backward states.

**Table 16.9: Ownership of urban private enterprises, by states and social groups, 2012 (in percent)**

States	SC	ST	HOBC	HHC	Muslim	Total
Jammu & Kashmir	0.48	1.0	0.08	0.58	2.9	0.84
Himachal Pradesh	0.46	0.29	0.10	0.67	0.06	0.33
Punjab	5.7	0.59	0.60	4.1	0.46	3.1
Uttarakhand	0.59	0.43	0.25	1.1	0.94	0.69
Haryana	3.0	0.75	1.8	3.7	0.36	2.2
Delhi	4.2	3.1	1.4	5.8	2.9	3.7
Rajasthan	3.6	2.6	5.1	4.4	3.5	4.3
Uttar Pradesh	10.1	7.7	10.9	8.2	19.9	<b>10.8</b>
Bihar	1.5	2.1	3.6	1.2	1.9	2.1
Assam	3.3	4.1	1.6	3.3	2.7	2.5
West Bengal	<b>16.5</b>	5.5	2.0	16.4	11.3	<b>10.7</b>
Jharkhand	0.93	2.0	1.4	1.1	0.88	1.2
Odisha	2.4	2.8	2.5	2.2	0.76	2.0
Chhattisgarh	0.68	1.1	1.6	1.0	0.50	1.1
Madhya Pradesh	4.2	4.0	5.2	3.7	3.6	4.3
Gujarat	5.5	8.4	4.9	8.2	5.2	6.4
Maharashtra	<b>11.2</b>	<b>12.78</b>	7.28	15.35	13.4	<b>12.1</b>
Karnataka	3.4	5.22	5.29	4.41	6.4	4.9
Goa	0.07	0.39	0.16	0.38	0.17	0.27
Kerala	2.6	1.6	8.8	2.8	9.5	6.3
Tamil Nadu	8.7	8.8	21.2	3.5	3.7	<b>9.8</b>
Andhra	8.3	<b>12.2</b>	12.4	6.2	8.2	<b>8.6</b>
Total	100	100	100	100	100	100

**Source:** Sixth Economic Census, 2012

**Table 16.10: Ownership of urban private enterprises per thousand households, 2012**

States	SC	ST	HOBC	HHC	Muslim	Total
Jammu & Kashmir	114	<b>300</b>	154	191	281	236
Himachal Pradesh	209	206	255	341	<b>342</b>	<b>310</b>
Punjab	204	<b>515</b>	135	277	245	258
Uttarakhand	138	115	165	193	<b>304</b>	202
Haryana	245	<b>317</b>	166	232	187	213
Delhi	119	200	110	227	<b>262</b>	193
Rajasthan	125	107	<b>262</b>	246	242	242
Uttar Pradesh	178	<b>523</b>	249	216	272	248
Bihar	104	<b>488</b>	160	186	233	189
Assam	365	272	388	<b>612</b>	518	<b>484</b>
West Bengal	249	353	234	254	<b>402</b>	294
Jharkhand	73	69	126	165	159	<b>137</b>
Orissa	136	92	<b>358</b>	198	228	223
Chhattisgarh	80	30	148	<b>278</b>	214	<b>160</b>
Madhya Pradesh	133	79	188	203	<b>218</b>	197
Gujarat	287	191	136	183	<b>302</b>	202
Maharashtra	122	159	128	232	<b>260</b>	200
Karnataka	101	158	119	200	<b>281</b>	<b>167</b>
Goa	102	<b>606</b>	313	250	529	245
Kerala	197	<b>1,287</b>	316	231	349	<b>309</b>
Tamil Nadu	111	<b>1,245</b>	181	691	151	201
Andhra	173	<b>407</b>	198	224	248	223
Total	160	193	185	236	274	224

**Source:** Sixth Economic Census, 2012

There is significant inter-group inequality in ownership of urban private enterprises across states too (Table 16.10 and 16.11). The ownership among SC is lowest in ten of the 22 major states while the ownership among ST is lowest in eight states out of these major states. The ownership among HOBC is lowest in four states. The top position in terms of ownership per thousand households is of ST in nine states, Muslims in eight states, HHC in three states, and of HOBC in two states. Thus, the dependence on private enterprises is high among ST and Muslims in urban areas. The HHC own highest share of the total enterprises in 14 states such as Himachal Pradesh, Uttarakhand, Punjab, Haryana, Delhi, Rajasthan, Assam, West Bengal, Odisha, Chhattisgarh, Maharashtra, Goa, Karnataka and Gujarat. The share of HOBC is highest in six states (Bihar, Jharkhand, Madhya Pradesh, Andhra Pradesh, Tamil Nadu and Kerala) while that of Muslims is highest in two states (Jammu and Kashmir and Uttar Pradesh). The SC/ST comprise lowest share of the enterprises in all the states except Jammu & Kashmir where HOBC have lowest share of total enterprises.

**Table 16.11: Ownership of private enterprises per thousand households, by states and social groups, Urban, 2012 (in %)**

States	SC	ST	HOBC	HHC	Muslim	Total
Jammu & Kashmir	5.7	3.8	2.7	23.5	<b>59.8</b>	100
Himachal Pradesh	13.6	2.7	7.9	<b>68.1</b>	3.1	100
Punjab	18.0	0.59	5.2	<b>44.8</b>	2.5	100
Uttarakhand	8.4	1.9	9.6	<b>52.7</b>	23.3	100
Haryana	13.3	1.1	21.3	<b>57.1</b>	2.8	100
Delhi	11.4	2.6	10.6	<b>54.3</b>	13.8	100
Rajasthan	8.2	1.9	31.5	<b>35.1</b>	13.9	100
Uttar Pradesh	9.2	2.2	27.0	25.7	<b>31.6</b>	100
Bihar	6.8	3.0	<b>45.1</b>	19.9	15.3	100
Assam	12.6	5.0	17.1	<b>44.9</b>	18.0	100
West Bengal	15.2	1.6	5.1	<b>52.2</b>	18.2	100
Jharkhand	7.8	5.4	<b>32.9</b>	31.8	12.9	100
Odisha	12.0	4.3	34.2	<b>36.9</b>	6.6	100
Chhattisgarh	6.3	3.2	40.9	<b>32.2</b>	8.1	100
Madhya Pradesh	9.7	2.9	<b>32.4</b>	29.1	14.4	100
Gujarat	8.5	4.0	20.3	<b>44.0</b>	14.1	100
Maharashtra	9.1	3.3	16.1	<b>43.2</b>	19.0	100
Karnataka	6.9	3.3	29.1	<b>30.9</b>	22.6	100
Goa	2.5	4.4	15.6	<b>47.7</b>	10.4	100
Kerala	4.0	0.79	<b>37.0</b>	14.9	25.6	100
Tamil Nadu	8.7	2.8	<b>57.4</b>	12.0	6.4	100
Andhra	9.6	4.4	<b>38.7</b>	24.6	16.3	100
Total	9.8	3.1	26.7	34.0	17.1	100

*Source:* Sixth economic census, 2012

Within group data in Table 16.9 show that the ST have the highest percentage share in Maharashtra and Andhra Pradesh with 13 percent and 12 percent of the total enterprises among them. The states of West Bengal and Maharashtra occupy top two positions among SC with the respective shares of 17 percent and 11 percent. These two states occupy top two position among HHC also comprising 16 percent and 15 percent of the enterprises among them i.e. 31 percent combined. The states of Tamil Nadu and Andhra Pradesh comprise highest share of the total enterprises among HOBC at 21 percent and 12 percent respectively. These two states combined comprise 33 percent of the total enterprises among HOBC. The share among Muslims is highest in Uttar Pradesh and Maharashtra, 20 percent and 13 percent respectively. These two states combined comprise 33 percent of the total private enterprises.

Thus, the numbers of enterprises per thousand households are highest in Assam, Himachal Pradesh and Kerala while states like Bihar, Jharkhand and Karnataka occupy bottom three

positions in terms of the number of enterprises per thousand households. The number of private enterprises per thousand households is high in economically better off states while it is low in poor and backward states. In general, the inequality of SC/ST with HHC is higher than that between HOBC/Muslims and HHC in most of the states.

## **16.8 Conclusion**

This study on the ownership of private enterprises in urban areas shows that, the ownership of the private enterprises is higher in urban areas than rural despite a higher number of enterprises being located in rural areas. The share of the OAE is lower and establishment higher in urban areas than rural areas. This reaffirms that entrepreneurship in rural areas is largely for survival in contrast to urban areas wherein the profit motive for entrepreneurship is highly prevalent. The majority of the private enterprises are concentrated in the services sector, particularly in activities related to manufacturing, transport & storage, accommodation & food, and construction.

The inter group inequality in the ownership is prevalent in urban areas also. The share of enterprises is highest among HHC followed by HOBC, Muslims, SC, and ST. The ownership per thousand households is highest among Muslims followed by HHC, ST, HOBC, and SC respectively. Thus, HHC not only own highest number of enterprises per thousand households but they own highest share of the total enterprises as well. The inequality is higher in establishment than OAE implying high inequality in the ownership of for-profit enterprises. The ownership among SC is lowest across group in both types of enterprises i.e. OAE and establishment which implies that owning an enterprise, irrespective of the quality, itself is least probable among SC. The ownership among ST is close to that of HOBC in both types of enterprises. So far Muslims are concerned they own highest number of enterprises in OAE, but lower than HHC enterprises in establishment. Thus, the pattern shows higher ownership among Muslims; but running enterprises for subsistence is also highest among them. The HHC own highest number of enterprises in establishment implying highest chance of owning for-profit enterprises among them.

We observe high ownership of agriculture related enterprises among underprivileged social groups. However, this sector itself constitutes only five percent of the total private enterprises. A modest inequality across social groups is observed in the industrial sector. The inequality in the ownership is relatively higher in the services sector where the ownership is lowest among SC and highest among HHC. The ownership is higher among HOBC and ST than SC. So far Muslims are concerned their ownership is highest in industrial sector across all the groups but only lower than the HHC in the service sector. Thus, the identity-based concentration of occupations is observed across entrepreneurial activities. The concentration of HHC is higher in trade while it is higher in manufacturing, construction and transport related industries among the underprivileged groups.

Significant levels of inter group inequality exist at state level also, although the performance of various groups itself differs across states. In fact, the development level of a state is also an important factor affecting the performance of different groups. The number of enterprises per thousand households is among the highest in Assam, Himachal Pradesh, and Kerala while states like Bihar, Jharkhand and Karnataka occupy bottom three positions in terms of the number of enterprises per thousand households. The number of private enterprises per thousand households is high in economically better off while it is low in poor and backward states. The group performance also follows the general pattern across the states. However, within group inequality also exists across states irrespective of the overall performance of the state. In general however, the inequality between SC/ST and HHC is higher than that between HOBC/Muslims and HHC in most states. In a nutshell, it can be said that inter group inequalities exist in the ownership of private urban enterprises. The chance of owning enterprises is lower for the underprivileged groups than HHC. Their chances further decrease in for-profit enterprises. The SC emerge as the worst performers in terms of owning an enterprise.

## Changes in Social Group Inequalities in Ownership of Private Enterprises

### 17.1 Introduction

Based on the relationship between social identity and entrepreneurship, this paper examines the dynamics of ownership of private enterprises in India between 2005 and 2012. This analysis captures the narrative of changing pattern of ownership among different social groups. Although the levels of entrepreneurship in India lag other countries with similar income levels (Ghani, Kerr and O'Connell 2011), the unequal ownership of private enterprises among different groups is also an important concern. Low ownership among underprivileged groups is an important reason for their low overall performance. Studies show that although the period since 1980s is marked with notable improvement in Scheduled Caste (SC) entrepreneurship (Jodhka, 2010), yet SC are significantly underrepresented in profit-oriented entrepreneurship vis-à-vis their population share as last as 2005. Damodaran (2008), Thorat, Kundu, and Sadana (2010), Jodhka (2010), and Varshney (2012) have studied some aspects of this impact of identity on entrepreneurship.

The studies revealed significant differences in firm characteristics across caste categories. Enterprises owned by persons belonging to Scheduled Castes and Scheduled Tribes (STs) tend to be smaller, are less likely to employ labour from outside the family, and are more likely to belong to the informal or unorganized sector. The differences are more pronounced in urban areas than rural areas. The studies clearly envisage obstacles that SC and ST entrepreneurs face in entering entrepreneurship. Even their ownership of private enterprises might not necessarily represent their improving condition rather it may reflect the crisis of decent employment in the labour market.

Against this backdrop, the present study analyzes different aspects of private enterprise ownership over the period 2005 to 2015. It also examines the influence of caste on the ownership of enterprises across the country. The main objectives of this study are to study the change in overall pattern of ownership of private enterprises and distribution of enterprises by own account and establishment and industrial and service sector. The analysis also focuses on the change in intra-group inequality in the ownership of private enterprises, and inequality in the ownership of own account and establishment, and industries and service related enterprises. The analysis is based on the percentage analysis capturing the percentage share of different socio-religious groups in total private enterprises and the percentage of different types of enterprises. In order

to analyze inequality in the ownership of enterprises, the number of private enterprises per thousand households is calculated. The data for calculating the number of households is taken from the national sample survey office (NSSO) data on employment and unemployment, 2004-05 and 2011-12. The analysis has been undertaken at three levels- aggregate level, across socio-religious groups, and across regions based on rural-urban, and state-level analysis. The analysis also captures the overall ownership of private enterprises and ownership of different types of enterprises as well. The following sections discuss the results obtained from the analysis.

## **17.2 National and State Level Scenario of Entrepreneurship**

### **17.2.1 Ownership of Private Enterprises by Sector at National Level**

The absolute number of private proprietary increased from 37.3 million to 52.3 million during 2005 to 2012 in both rural and urban areas. It increased from 22.3 million to 30.8 million in rural areas and from 15.1 million to 21.5 million in urban areas (Refer Table A1 in appendix). It is to be noted that rural urban distribution of the private proprietary has remained almost the same during this period. The share of rural areas is 60 percent while it is 40 percent for urban areas. The fact that the ownership of private enterprises has improved during this period is also evident from the number of private enterprises per thousand households (Table 17.1). The number of private enterprises per thousand households has increased from 159 to 185 during this period which reflects increasing ownership among households. This increase is observed in both rural and urban areas. Though the absolute number of private enterprises is higher in rural areas as compared to urban areas; the ownership adjusted with the number of household shows higher number in urban areas than rural areas at both points of time. It has increased from 137 to 165 per thousand households in rural areas while the corresponding figure increased from 207 in 2005 to 224 in 2012 in urban areas. The positive observation revealed from the data is the reducing rural-urban gap from 70 to 59 during this period

The distribution of enterprises by types reveals that the share of OAE is not only higher than establishment at both points of times but it has also increased. The share of OAE has increased from 69 percent in 2005 to 76 percent in 2012, while the share of establishment has reduced from 31 percent to 24 percent. Significantly, the improving ownership of enterprises does not necessarily reflect the pull factors from entrepreneurship; rather workers might be pushed from wage work to low quality entrepreneurship for subsistence instead of profit.

As a result, the gap in the share of these two types of enterprises has also widened from 37.9 percent to 52.8 percent during the study period. Similar trend is observed in terms of the number of enterprises per thousand households. The number per thousand households has increased from 109.5 to 141 for OAE while it has reduced from 49.4 to 44 for establishment. As a result the gap increased from 60.1 to 97 during this period.

The sector-wise distribution shows that the share of agricultural sector has increased while the share of industrial and services sector has reduced during this period. The number of enterprises per thousand households in different sectors shows an increasing trend in all the three sectors although the increase has been higher in agricultural sector than industrial and services sectors.

**Table 17.1: Ownership and distribution of private enterprises in India, 2012-13**

Private Enterprises	Share (%) : 2012	Share (%) : 2005	2012: (per 1000) hhd)	2005: (per 1000) hhd)
Rural	59	59.7	165	137
Urban	41	40.3	224	207
Total	100	100	185	159
Urban-Rural gap	18	19.4	59	70
<b>OAE &amp; Establishment</b>				
OAE	76.4	68.9	141	109.5
Establishment	23.6	31.1	44	49.4
Total	100	100	185	158.9
Gap	52.8	37.9	97	60.1
<b>Sector-wise Share</b>				
Agriculture	24.7	15.9	46	25.3
Industrial	20.8	22.1	38	35.1
Services	54.5	62.0	101	98.5
Total	100	100	185	158.9

Source: Fifth Economic Census, 2005 & Sixth Economic Census, 2012-13

## 17.3 Distribution of Ownership across Social Groups

### 17.3.1 Private Proprietary

#### *a. Absolute and relative share*

In rural areas, the trend in OAE is similar to the overall trend. The absolute number of the enterprises increased among every social group, the increase being highest among Other Backward Classes (OBC) followed by others (higher castes), SC, and ST (Table 17.2). The number increased by 5.9 million among Others and 5.5 million among OBC. The increase is lower among SC and ST- 2.3 million and 1.3 million. Despite lower absolute increase among SC/ST than OBC/Others, their relative share has increased while it has reduced for OBC and Others during this period. The increase is almost similar among SC and ST- 1.6 percent and 1.4 percentage points respectively.

**Table 17.2: Absolute number and share of Private Proprietary across social groups**

Social groups	2012		2005		Change	
	Million	Share (%)	Million	Share (%)	Million	Share (%)
<b>Rural</b>						
All ST	2.15	7.0	1.17	5.2	0.98	1.8
All SC	3.86	12.5	2.54	11.4	1.32	1.1
OBC	13.46	43.6	10.31	46.3	3.15	-2.7
Others	11.36	36.8	8.26	37.1	3.1	-0.3
Total	30.83	100.0	22.28	100.0	8.55	

## Changes in Social Group Inequalities in Ownership of Private Enterprises

Urban						
All ST	0.66	3.1	0.34	2.3	0.32	0.8
All SC	2.11	9.8	1.13	7.5	0.98	2.3
OBC	7.9	36.7	5.53	36.7	2.37	0
Others	10.8	50.4	8.06	53.5	2.74	-3.1
Total	21.46	100.0	15.06	100.0	6.41	0
Rural + Urban						
All ST	2.81	5.4	1.51	4.0	1.30	1.4
All SC	5.97	11.4	3.67	9.8	2.30	1.6
OBC	21.33	40.8	15.84	42.4	5.49	-1.6
Others	22.18	42.4	16.32	43.7	5.86	-1.3
Total	52.29	100	37.34	100	17.95	

**Source:** Fifth Economic Census 2005, and Sixth Economic Census, 2012

**Note:** Sum of social and religious groups are separately 100;

Discrepancy from 100 is the share of rest

The absolute number of enterprises increased among every social group in urban areas also. The increase was of a higher magnitude among Others/OBC than SC/ST. The number increased by 2.7 million among Others or higher castes and 2.4 million among OBC while it increased by one million among SC and three hundred thousand among SC. So far the relative share of different groups is concerned, it increased by 1.6 percent and 1.4 percent among SC and ST respectively. However, the percentage share of Others came down while that of OBC remained the same during this period.

Like rural and urban areas, the absolute number increased among every group at the aggregate level. The increase is highest among Others followed by OBC, SC and ST respectively. The percentage share of SC/ST has increased but that of OBC/Others has reduced during this period.

Thus, the trend of ownership is similar in both rural and urban areas and at the aggregate level also. The share of SC/ST has slightly increased while that of OBC/Others has decreased, though the absolute number increased by higher magnitude among OBC/Others than SC/ST. Despite the increase in the share among SC/ST, they continue to remain underrepresented in terms of their share vis-à-vis their share in population.

### ***b. Ownership of private enterprise per thousand household: changing inequality***

In total, private proprietary per thousand households increased from 159 to 185 from 2005 to 2012. The increase has occurred across every social group although it is the highest among Others of Hindu High Castes (HHCs) followed by ST, SC, and OBC. The share of SC/ST in ownership has also improved during this period which resulted in the reduction in the inequality in ownership. However, the inequality between OBC and Others has worsened during this period (Table 17.3).

In rural areas, the ownership has increased among every social group, the increase being highest among Others (61) followed by ST (33), SC (27), and OBC (12) per thousand households. The inequality with Others has slightly reduced among SC and ST while it has increased between

OBC and Others. In urban areas, the increase is highest among SC followed by ST and Others. The number, however, has reduced among OBC. The inequality with Others has reduced among both SC/ST while it has slightly increased among OBC.

Thus, the data shows that the ownership has improved among SC and ST in both rural and urban while the improvement is confined to the rural areas only for OBC. The inter-group inequality is relatively higher in rural areas than urban areas, though it has reduced for SC and ST in both rural and urban areas; the inequality between OBC and Other has slightly increased during this period.

**Table 17.3: Private proprietary across social groups per thousand households**

	2012		2005		Change	
	Per thousand households	Inequality	Per thousand households	Inequality	(Absolute)	Inequality
<b>Rural</b>						
ST	101	2.6	68	2.9	33	-0.3
SC	99	2.6	72	2.8	27	-0.2
OBC	163	1.6	151	1.3	12	0.3
Others	260		199		61	0
Total	165	1.6	137	1.5	28	0.1
<b>Urban</b>						
ST	193	1.4	147	1.6	46	-0.2
SC	160	1.7	107	2.2	53	-0.5
OBC	200	1.4	212	1.1	-12	0.3
Other	271		239		32	0
Total	224	1.2	207	1.2	17	0
<b>Rural + Urban</b>						
ST	114	2.3	77	2.8	37	-0.5
SC	114	2.3	80	2.7	34	-0.4
OBC	175	1.5	168	1.3	7	0.2
Other	265		217		48	0
Total	185	1.4	159	1.4	26	

**Source:** Based on Economic Census, 2012 and NSS, 2011

**Note:** Inequality is measured as ratio of the group is with respect to HHC (Others)

### 17.3.2 Own Account Enterprises

#### *a. Absolute and relative share; changes*

The absolute number of private proprietary has increased among every social group in rural areas but the increase is higher among OBC and Others than SC and ST. The number increased by 3.1 million among Others and 3.7 million among OBC while it increased by one million among ST and 1.3 million among SC. Despite lower absolute increase among SC and ST than others, their share in total enterprises has increased at a rate of 1.1 percent and 1.9 percent per year respectively. However, the share of OBC and Others has reduced during this period (Table 17.4).

**Table 17.4: Private ownership of OAEs by social groups**

Social Groups	2012		2005		Change	
	Million	Share (%)	Million	Share (%)	Absolute	Share (%)
<b>Rural</b>						
<b>All ST</b>	1.93	7.4	0.94	5.5	0.99	1.9
<b>All SC</b>	3.43	13.1	2.07	12.0	1.36	1.1
<b>All OBC</b>	11.69	44.5	8.01	46.5	3.68	-2.0
<b>Others</b>	9.19	35.0	6.21	36.0	2.98	-1.0
<b>Total</b>	26.25	100.0	17.24	100	9.01	0
<b>Urban</b>						
<b>All ST</b>	0.44	1.7	0.21	2.5	0.23	0.71
<b>All SC</b>	1.51	5.8	0.76	8.9	0.75	2.1
<b>OBC</b>	5.41	20.6	3.33	39.2	2.08	0.32
<b>Others</b>	6.32	24.1	4.20	49.4	2.12	-3.2
<b>Total</b>	13.69	52.1	8.50	100.0	5.19	
<b>Rural + Urban</b>						
<b>All ST</b>	2.38	5.9	1.16	4.5	1.22	1.4
<b>All SC</b>	4.95	12.4	2.83	11.0	2.12	1.4
<b>All OBC</b>	17.11	42.8	11.33	44.0	5.78	-1.2
<b>Others</b>	15.51	38.8	10.41	40.5	5.10	-1.7
<b>Total</b>	39.94	100	25.73	100	14.21	0

*Source:* Fifth Economic Census, 2005 and Sixth Economic Census, 2012

The absolute number of own account workers (most OAEs are operated by a single person who serves as owner and employee) has increased among every social group in urban areas also with the increase being highest among Others and OBC followed by SC and ST respectively. The number increased by 2.1 million among OBC and Others while it increased by eight hundred thousand among SC and two hundred thousand among ST. Despite lower absolute increase among SC and ST than others, their percentage share in total enterprises has increased by 2.1 and 0.71 percentage points respectively. The share of OBC increased by 0.32 percent only while that of Others reduced by 3.2 percent.

In aggregate, the total number of own account enterprises increased by 14.2 million during 2005 to 2012. The trend is similar to trends in rural areas implying that the changes in rural areas outweigh the changes in urban areas. This increase is highest among OBC followed by Others, SC, and ST. The percentage share has reduced among SC and ST while it has increased among OBC and Others.

Thus, the absolute magnitude has increased among every group, though it is higher among OBC and Others as compared to SC and ST. The share of SC and ST improved in both rural and urban areas, the increase being higher in rural areas than urban areas among ST while reverse is true for SC.

#### ***b. Per thousand households***

In rural areas, the ownership of OAEs per thousand households has increased from 106 to 141 during 2005 to 2012. The increase took place among every social group, though the increase

## Inter Group Inequality in Wealth Ownership in India

is highest among Others followed by ST, SC and OBC respectively. The absolute increase is lowest among OBC followed by SC, ST and others. However, the inequality with others has reduced among SC/ST and accentuated among OBC (Table 17.5).

**Table 17.5: Inequality in ownership of OAEs, 2005-2012**

Social groups	2012		2005		Change	
	Per thousand hhs	Inequality	Per thousand hhs	Inequality	Absolute	Inequality
<b>Rural</b>						
<b>ST</b>	91	2.3	54.7	2.7	36.3	-0.4
<b>SC</b>	88	2.4	59.0	2.5	29	-0.1
<b>OBC</b>	142	1.5	117.2	1.3	24.8	0.2
<b>Others</b>	211		149.5		61.5	
<b>Total</b>	141	1.5	106.2	1.4	34.8	0.1
<b>Urban</b>						
<b>ST</b>	130	1.2	91.2	1.4	38.8	-0.2
<b>SC</b>	115	1.4	71.9	1.7	43.1	-0.3
<b>OBC</b>	138	1.1	127.7	1.0	10.3	0.1
<b>Others</b>	158		124.6		33.4	0
<b>Total</b>	143	1.1	117.0	1.1	26	0
<b>Rural + Urban</b>						
<b>ST</b>	96	1.9	59.0	2.3	37	-0.4
<b>SC</b>	95	2.0	62.0	2.2	33	-0.2
<b>OBC</b>	141	1.3	120.1	1.2	20.9	0.1
<b>Others</b>	186		138.3		47.7	
<b>Total</b>	141	1.3	109.5	1.3	31.5	

**Source:** Fifth Economic Census, 2005; Sixth Economic Census 2012

**Note:** Inequality is measured as ratio of the group is with respect to HHC (Others)

In urban areas, the OAE ownership per thousand household has increased from 117 to 143 between 2005 and 2012. The increase is highest among SC followed by ST, Others, and OBC in that order. The inequality with Others or HHCs has reduced among SC and ST while it has slightly increased with respect to OBC and Others.

At the aggregate level, the OAE increased from 110 to 141 per thousand households during the period under consideration. The data show higher increase in the ownership among Others (48) followed by ST (37), SC (33), and OBC (21) respectively.

Thus, the absolute magnitude has increased for every group; the increase being higher among SC and ST than Others in rural areas, it being higher among Others than SC and ST in urban areas. The increase is lowest among OBC in both rural and urban areas. The inequality of SC/ST with Others has reduced at the aggregate level and in both rural and urban areas while it has accentuated between OBC and Others.

### 17.3.3 Establishment

#### *a. Absolute and relative share*

The trend in terms of establishment is different from OAE. At the aggregate level, the number of establishment has increased from 11.6 million to 12.4 million. The absolute number has increased among SC, ST, and Others but it has reduced among OBC. The increase is highest among Others followed by SC and ST. The percentage share has increased among SC, ST and Others while it has reduced among OBC. The increase in share is highest among Others or HHC followed by SC and ST (Table 17.6).

In rural areas, the absolute number of establishment has reduced from five million in 2005 to 4.6 million in 2012 showing a decline of four hundred thousand enterprises. The absolute number has increased among Others (HHC) only from 2.04 million to 2.17 million between 2005 and 2012. It reduced among SC and OBC but remained unchanged among ST. Consequently, the percentage share has increased by seven percent points among Others and 0.4 percent points among ST, though it remained unchanged among SC and reduced by seven percentage points for the OBC.

In urban areas, the absolute number of ownership increased by 1.2 million. The conventional hierarchy by social group exists in urban areas: Thus, the increase is highest among Others 6.3 hundred thousand followed by OBC (2.6 hundred thousand), SC (2.3 hundred thousand), and ST (90 thousand). However, the percentage share has reduced among OBC (1.83) and Others (1.0) and increased among SC (2.1) and ST (0.83).

**Table 17.6: Ownership of private proprietary enterprises, Establishment, 2005-2012**

Social groups	2012		2005		Change	
	Million	Share (%)	Million	Share (%)	Absolute	Share (%)
<b>Rural</b>						
All ST	0.22	4.8	0.22	4.4	0	0.4
All SC	0.43	9.3	0.47	9.3	-0.04	0
OBC	1.76	38.5	2.3	45.7	-0.54	-7.2
Others	2.17	47.4	2.04	40.5	0.13	6.9
Total	4.58	100.0	5.04	100	-0.46	0
<b>Urban</b>						
All ST	0.22	2.8	0.13	2.0	0.09	0.83
All SC	0.60	7.7	0.37	5.6	0.23	2.1
OBC	2.46	31.7	2.20	33.5	0.26	-1.8
Others	4.50	57.9	3.87	58.9	0.63	-1.0
Total	7.77	100	6.57	100.0	1.20	0
<b>Rural + Urban</b>						
All ST	0.44	3.5	0.35	3.0	0.09	0.5
All SC	1.02	8.3	0.84	7.2	0.18	1.1
OBC	4.22	34.2	4.50	38.8	-0.28	-4.6
Others	6.67	54.0	5.91	50.9	0.76	3.1
Total	12.35	100	11.61	100	0.74	0

*Source:* Fifth Economic Census, 2005; Sixth Economic Census, 2012

**b. Ownership per thousand households: Inequality in ownership**

In total, the number of establishment per thousand households has reduced from 49 to 44 during 2005 to 2012. However, the number of establishment per thousand households increased among SC (from 18.4 to 20) and Others (from 78.5 to 80) but it reduced among OBC (from 47.7 to 35) and remained unchanged among ST during the study period (2005-2012). The inequality between SC and Others has reduced while it has increased between ST/OBC and Others (Table 17.7).

In the rural areas, the number per thousand households reduced from 31 to 25. The number has slightly increased among Others but has reduced among the remaining groups. The inequality with respect to others has reduced among every group.

In urban areas, per thousand availability of private prop has reduced from 90 to 81. The number increased among SC/ST but it reduced among OBC and Others. The inequality with respect to the Others has reduced among SC/ST while it has worsened between HHC and OBC.

Thus, the trend in rural and urban notably differs. The share of SC and ST improved in urban areas while there is not any notable improvement in the rural areas. The share of Others has increased substantially in rural areas. As a result, share of SC, ST, and Others has improved in aggregate though the improvement is highest among Others. The inequality in the ownership has increased among every group in rural areas while it has reduced for SC/ST and but increased among OBC. At aggregate level, the inequality with Other has reduced among SC only.

**Table 17.7: Changes in the ownership of establishment, 2005-2012**

Groups	2012		2005		Change	
Rural						
	Per thousand hhs	Inequality	Per thousand hhs	Inequality	Absolute	Inequality
ST	10	4.8	12.9	3.8	-2.9	1.00
SC	11	4.6	13.4	3.7	-2.4	0.90
OBC	21	2.3	33.7	1.5	-12.7	0.80
Other	50		49.2		0.8	
Total	25	2.0	31.1	1.6	-6.1	
Urban						
ST	64	1.8	55.9	2.1	8.1	-0.30
SC	45	2.5	34.9	3.3	10.1	-0.80
OBC	63	1.8	84.5	1.4	-21.5	0.40
Other	113		114.8		-1.8	0.00
Total	81	1.4	90.4	1.3	-9.4	
Rural + Urban						
ST	18	4.5	18.0	4.4	0	0.1
SC	20	4.1	18.4	4.3	1.6	-0.2
OBC	35	2.3	47.7	1.6	-12.7	0.7
Other	80		78.5		1.5	
Total	44	1.8	49.4	1.6	-5.4	

**Source:** Fifth Economic Census, 2005; Sixth economic Census, 2012

**Note:** Inequality is measured as ratio of the group is with respect to HHC (Others)

## 17.4 Industrial Sector

### 17.4.1 PRIVATE PROPRIETARY

#### *a. Absolute and relative shares, change in share*

In aggregate, the absolute number of private proprietary in the industrial sector has increased from 8.25 million to 10.87 million during 2005 to 2012. The increase has occurred in every social group but it is the highest among Others (HHC) followed by OBC, SC, and ST in that order. The number increased by 1.2 million among Others and 8.5 hundred thousand among OBC while it increased by four hundred thousand among SC, and 1.5 hundred thousand among ST. The share of Others increased by highest (2.3) percentage points while it reduced by 3.7 per cent among OBC and slightly increased among SC and ST, by 1.2 and 0.3 percentage points respectively (Table 17.8).

In rural areas the number of private enterprises in industrial sector increased from 5.1 million to 5.7 million during the study period but the increase is not uniform across social groups. The absolute number of private proprietary in the industrial sector has increased among every social group in rural areas but the increase is higher among Others, than SC and ST. The number increased by 3.6 hundred thousand among Others while it increased by one hundred thousand among OBC, 1.4 hundred thousand among SC and sixty thousand among ST.

**Table 17.8: Ownership of private enterprises, Industries, across social groups–2005-2012**

Groups	2012		2005		Change	
Rural						
	Million	Share	Million	Share	Absolute	Change
All ST	0.37	6.5	0.31	6.0	0.06	0.5
All SC	0.81	14.1	0.67	13.2	0.14	0.9
OBC	2.65	46.1	2.55	50.3	0.1	-4.2
Others	1.91	33.1	1.55	30.5	0.36	2.6
Total	5.74	100.0	5.07	100.0	0.67	0
Urban						
All ST	0.15	2.8	0.065	2.0	0.085	0.76
All SC	0.52	10.2	0.25	7.7	0.27	2.5
OBC	2.13	41.6	1.38	43.4	0.75	-1.8
Others	2.32	45.4	1.48	46.5	0.84	-1.1
Total	5.12	100.0	3.18	100.0	1.94	0
Rural + Urban						
All ST	0.52	4.8	0.37	4.5	0.15	0.3
All SC	1.33	12.3	0.91	11.1	0.42	1.2
OBC	4.78	44.0	3.93	47.7	0.85	-3.7
Others	4.24	39.0	3.03	36.7	1.21	2.3
Total	10.87	100	8.25	100.0	2.62	0

**Source:** Fifth Economic census, 2005 and Sixth Economic Census, 2012

In urban areas, the absolute number of private proprietary in industrial sector has increased from 3.2 million to 5.1 million during 2005 to 2012. The increase has occurred among every social group but it is the highest among Others followed by OBC, SC and ST respectively. The

number increased by 8.4 hundred thousand among others and 7.5 hundred thousand among OBC while it increased by 4.2 hundred thousand among SC and 1.5 hundred thousand among ST. Despite high increase in the absolute number of enterprises among OBC and Others as compared to SC and ST, their share in total enterprises has reduced. The increase in the share is observed among SC and ST by 1.2 and 0.3 percentage points respectively.

Thus, the trend shows improving ownership status among SC in urban areas only, though the improvement is negligible in rural areas. The opposite is true for Others whose share improved notably in rural areas. The share of OBC and other has reduced during the period under consideration.

### ***b. Ownership per thousand households: inequality in ownership***

In total, the number of enterprises per thousand households has increased from 35 to 38 only, thus, showing very little improvement between 2005 and 2012. The increase is highest among Others followed by SC and ST while the number has reduced among OBC during the period under study. The number of enterprises per thousand households increased by 10.8 among Others, five among SC and two among ST while it has reduced by 2.7 among OBC. The data show negligible reduction in inequality in ownership among social groups (Table 17.9).

In rural areas, the number of manufacturing enterprises per thousand households has remained unchanged during 2005 to 2012. The trend is different across social groups: The number has increased notably among Others while it has reduced among OBC. The increase is very low among SC and ST. The inequality across social groups also does not show any improvement. In fact, it has worsened among ST and remained almost the same for SC when their ownership is compared with Others. The inequality between OBC and Others has also worsened during this period.

**Table 17.9: Inequality in ownership of private enterprises, industries -- 2005- 2012**

Groups	2012		2005		Change	
Rural						
	Per thousand hhs	Inequality	Per thousand hhs	Inequality	Absolute	Inequality
ST	18	2.5	17.7	2.1	0.3	0.4
SC	21	2.1	19.0	2.0	2.0	0.1
OBC	32	1.4	37.3	1.0	-5.3	0.4
Other	44		37.2		6.8	0
Total	31	1.4	31.2	1.2	-0.2	
Urban						
ST	43	1.4	27.9	1.6	15.1	-0.2
SC	40	1.5	23.3	1.9	16.7	-0.4
OBC	54	1.1	53.1	0.8	0.9	0.3
Other	58		44.0		14	0
Total	53	1.1	43.7	1.0	9.3	

## Changes in Social Group Inequalities in Ownership of Private Enterprises

Groups	2012		2005		Change	
Rural + Urban						
ST	21	2.4	19.0	2.1	2	0.3
SC	25	2.0	20.0	2.0	5	0
OBC	39	1.3	41.7	1.0	-2.7	0.3
Other	51		40.2		10.8	0
Total	38	1.3	35.1	1.1	2.9	

**Source:** Fifth Economic census, 2005; Sixth Economic Census 2012

**Note:** Inequality is measured as ratio of the group is with respect to HHC (Others)

In urban areas, the overall number of enterprises per thousand households has increased from 43.7 to 53. Significantly, higher increases are observed among SC and ST (by 17 (SC) and 16 (ST) respectively) as compared to Others (14) while it has reduced among OBC (-2.7). As a result the inequality between SC/ST with respect to Others has reduced, though slightly, while it has increased between OBC and Others.

Thus, inequality among social groups with respect to ownership of establishment in industrial sector continues to exist at both points of time. The ownership among Others is still nearly two times higher than that of SC and ST. The inter group inequality is higher in rural areas than urban areas. The inequality has reduced slightly between 2005 and 2012, though marginally. In fact, the reduction in inequality has been confined to urban areas even as the rural areas did not register any notable reduction in inequality.

## 17.5 Services Sector

### 17.5.1 Private Proprietary across Social Groups

#### *a. Absolute and relative shares, change in share*

In aggregate, the number of private enterprises in the Services sector has increased from 23.15 million to 28.5 million from 2005 to 2012. All the social groups have registered growth, the highest being among Others or high castes at 2.31 million followed by OBC at 1.58 million. The corresponding increase is 9.3 hundred thousand and 4.4 hundred thousand among the SC and ST respectively. Notwithstanding the overall increase among the groups, the percentage share has reduced by 0.7 and 1.8 points among Others and OBC respectively. On the other hand the percentage share of SC and ST has increased by 1.5 and 0.9 points respectively (Table 17.10).

In rural areas, the absolute number of private proprietary has increased from 11.6 million to 13.2 million. The ownership growth in the rural areas follows the overall trend. It has increased by 6.6 hundred thousand among Others followed by 3.7 hundred thousand among OBC, three hundred thousand among SC and 2.2 hundred thousand among ST. However, the percentage share has reduced among OBC and negligibly increased among others. The share of SC and ST has increased by 1 and 1.2 percentage points during the period under consideration.

## Inter Group Inequality in Wealth Ownership in India

The number has increased from 1.15 million to 15.29 million in urban areas. So, the increase is far higher in urban areas than rural areas. However, the major share of this increase has been appropriated by OBC and Others, 1.72 million and 3.78 million respectively. The corresponding increase among SC and ST is 2.1 and 6.3 hundred thousand respectively. However, percentage wise the share of OBC and Others has reduced in urban areas by 0.4 and 2.6 points respectively while that of SC and ST has increased by 2.3 and 0.8 percent points respectively.

Thus, the absolute number of private enterprises in services has increased among every group but the improvement in share has been largely confined to SC and ST while the shares of OBC and Others have reduced. This trend is observed in both rural and urban areas although higher improvement is observed among SC in urban areas and among ST in rural areas. On the other hand, high reduction in share is observed among OBC in rural areas and among Others in urban areas.

**Table 17.10: Ownership of private enterprises, in services sector- 2005- 2012**

Social groups	2012		2005		Change	
	Million	Share (%)	Million	Share (%)	Absolute	Inequality
<b>Rural</b>						
All ST	0.71	5.4	0.49	4.2	0.22	1.2
All SC	1.59	12.0	1.29	11.1	0.3	1.0
OBC	5.49	41.6	5.12	44.0	0.37	-2.4
Others	5.4	40.9	4.74	40.7	0.66	0.2
Total	13.2	100	11.64	100	1.56	0.0
<b>Urban</b>						
All ST	0.47	3.1	0.26	2.3	0.21	0.8
All SC	1.48	9.7	0.85	7.4	0.63	2.3
OBC	5.17	33.8	3.94	34.2	1.23	-0.4
Others	8.17	53.4	6.45	56.0	1.72	-2.6
Total	15.29	100	11.51	100	3.78	0.0
<b>Rural + Urban</b>						
All ST	1.19	4.2	0.75	3.2	0.44	0.9
All SC	3.07	10.8	2.14	9.2	0.93	1.5
OBC	10.66	37.4	9.07	39.2	1.59	-1.8
Others	13.57	47.6	11.19	48.3	2.38	-0.7
Total	28.5	100	23.15	100	5.35	0.0

**Source:** Fifth Economic census, 2005 and Sixth Economic Census 2012

**Note:** Inequality is measured as ratio of the group is with respect to HHC (Others)

**b. Ownership per thousand households: inequality****Table 17.11: Inequality in ownership of private enterprises, services, 2005-2012**

Social groups	2012		2005		Change	
	per thousand hhs	Inequality	per thousand hhs	Inequality	Absolute	Inequality
<b>Rural</b>						
<b>ST</b>	33	3.7	28.3	4.0	4.7	-0.3
<b>SC</b>	41	3.0	36.7	3.1	4.3	-0.1
<b>OBC</b>	67	1.9	75.0	1.5	-8	0.4
<b>Other</b>	124		114.1		9.9	0
<b>Total</b>	71	1.7	71.8	1.6	-0.8	
<b>Urban</b>						
<b>ST</b>	139	1.5	112.3	1.7	26.7	-0.2
<b>SC</b>	112	1.8	80.5	2.4	31.5	-0.6
<b>OBC</b>	132	1.6	151.4	1.3	-19.4	0.3
<b>Other</b>	204		191.5		12.5	0
<b>Total</b>	160	1.3	158.4	1.2	1.6	
<b>Rural + Urban</b>						
<b>ST</b>	48	3.4	38.3	3.9	9.7	-0.5
<b>SC</b>	59	2.8	46.8	3.2	12.2	-0.4
<b>OBC</b>	88	1.9	96.1	1.5	-8.1	0.4
<b>Other</b>	162		148.8		13.2	0
<b>Total</b>	101	1.6	98.5	1.5	2.5	

**Source:** Fifth Economic census, 2005; Sixth Economic Census 2012

**Note:** Inequality is measured as ratio of the group is with respect to HHC (Others)

In rural areas, the number of enterprises per thousand households has remained roughly the same during 2005 and 2012. However, the figure has increased by 9.9 per thousand households among Others or HHC. The increase is relatively lower among SC and ST- 4.3 and 4.7 respectively. However, the ownership among OBC has reduced by 8.0 per thousand households during this period. The ownership among Others was four times higher than ST and three times higher than SC in 2005. This ratio reduced only slightly among ST while it has remained unchanged among SC. The inequality between OBC and others has been lower than SC/ST at both points of time. The data show that the inequality among social groups did not change much during this period (Table 17.11).

In the urban areas, the number of enterprises per thousand households has increased from 158.4 to 160 between 2005 and 2012. Unlike rural areas, the increase is highest among SC followed by ST and Others while the ownership among OBC has declined. The number of enterprises per thousand households has increased by 31.5 among SC, 26.7 among ST and 12.5 among Others while it has reduced by 19.4 among OBC. The intergroup inequality is lower in urban areas than rural areas and it registered a reduction between SC and Others.

At the aggregate level, the data show a very low increase in the number of enterprises per thousand households from 98.5 in 2005 to 101 only in 2012. The highest increase is witnessed

among the Others by 13.2 enterprises, 12.2 among SC, and 9.7 among ST. However, the number has reduced by 8.1 among OBC. The number of Others' enterprises is nearly three times higher than that of SC and ST, though the inequality with regard to the Others has reduced among these groups during the study period.

Thus, the improvement in the ownership of private enterprises in the services sector is seen among SC and ST which is closer to the improvement among Others. The increase in enterprises among SC and ST is relatively low in rural areas, but it is notably high in urban areas. Although the inequality between SC and ST with respect to Others has reduced during the period it is still high.

### 17.6 Private propriety: State Level Analysis

Information on ownership of private enterprises across states is given in Table 17.12. According to data, the share of rural and urban areas has remained stagnant during 2005 and 2012 but that is not true for every state. The share has notably increased in rural areas in the states of Punjab, U.P., Gujarat, and Maharashtra. However, it has reduced in West Bengal, Jharkhand, Goa, Kerala, and Tamil Nadu. The data suggest that notable changes remain confined to few economically well-off states namely Punjab, Gujarat, Maharashtra, Goa, Kerala and Tamil Nadu, and in the poor states of West Bengal and Jharkhand. The remaining states have recorded low change in rural-urban share in private enterprises.

**Table 17.12: Ownership of Private enterprises across states by location -- 2005-2012**

State / UT	2012			2005		
	Rural	Urban	Total	Rural	Urban	Total
Jammu & Kashmir	56.2	43.8	100	52.5	47.5	100
Himachal Pradesh	79.6	20.4	100	78.8	21.2	100
Punjab	50.6	49.4	100	44.2	55.8	100
Uttarakhand	56.3	43.7	100	58.7	41.3	100
Haryana	55.4	44.6	100	53.7	46.3	100
Delhi	1.4	98.6	100	3.5	96.5	100
Rajasthan	62.9	37.1	100	59.3	40.7	100
Uttar Pradesh	61.9	38.1	100	53.7	46.3	100
Bihar	68.9	31.1	100	67.3	32.7	100
Assam	70.1	29.9	100	67.4	32.6	100
West Bengal	57.4	42.6	100	65.4	34.6	100
Jharkhand	53.3	46.7	100	57.8	42.2	100
Odisha	76.1	23.9	100	77.9	22.1	100
Chhattisgarh	65.2	34.8	100	65.3	34.7	100
Madhya Pradesh	50.1	49.9	100	50.2	49.8	100
Gujarat	62.0	38.0	100	55.4	44.6	100
Maharashtra	53.5	46.5	100	47.0	53.0	100

## Changes in Social Group Inequalities in Ownership of Private Enterprises

State / UT	2012			2005		
	Rural	Urban	Total	Rural	Urban	Total
Karnataka	59.4	40.6	100	61.6	38.4	100
Goa	32.9	67.1	100	48.2	51.8	100
Kerala	54.3	45.7	100	75.3	24.7	100
Tamil Nadu	53.9	46.1	100	60.6	39.4	100
Telangana	55.5	44.5	100	NA	NA	100
Andaman	73.9	26.1	100	NA	NA	100
Andaman old	68.0	32.0	100	71.0	29.0	100
Total	59.0	41.0	100	59.7	40.3	100

**Source:** Fifth Economic census, 2005 and Sixth Economic Census 2012

**Note:** Inequality is measured as ratio of the group is with respect to HHC (Others)

Although the ownership among social groups has improved at all India level, this trend is not uniform across states (Table 17.13). At the aggregate level, the increase is higher in economically well-off states such as Andhra Pradesh, Gujarat, Goa, Himachal Pradesh and Maharashtra. A few backward states like Assam, Uttar Pradesh, and West Bengal also have recorded notable improvement in the ownership of private enterprises per thousand households. However, the ownership in most of backward states has either reduced or remained unchanged during the period under consideration. The ownership has reduced in Odisha, Chhattisgarh, Madhya Pradesh, and Karnataka while slight improvement is seen in Uttarakhand, Bihar, and Jharkhand.

Regional disparities are observed in improvement among social groups also. Improvement in ownership among SC is higher than all India average in the south Indian and economically better-off states. However, the improvement is lower than average in Uttarakhand, Assam, West Bengal and Maharashtra. The ownership has reduced in Rajasthan, Jharkhand, Orissa and Madhya Pradesh. The higher improvement in ownership among ST is observed Assam, West Bengal, Gujarat and Rajasthan. However, their ownership has reduced all the south Indian states except Andhra Pradesh. Though the increase in the ownership is higher among others than SC/ST at aggregate level but this trend is not uniformly observed in all the states. However, the ownership among Others continues to remain highest among social groups in most states.

**Table 17.13: Change in ownership of private enterprises per thousand households, 2005-2012**

State	ST	SC	OBC	Other	Total
J&K		59.6	50.5	36.0	27.2
Himachal	49.5	89.1	28.0	53.1	55.9
Punjab	-204.0	561.1	11.9	29.9	32.7
Uttarakhand	-44.2	29.4	37.1	-14.8	0.0
Haryana	-389.5	166.3	16.8	5.2	25.2
Delhi	6.4	109.8	-34.8	6.4	3.2
Rajasthan	46.2	-12.9	14.6	58.6	23.7
Uttar Pradesh	NA	265.7	34.5	77.8	43.3

## Inter Group Inequality in Wealth Ownership in India

State	ST	SC	OBC	Other	Total
Bihar	-32.2	133.4	2.4	-18.3	5.0
Assam	195.6	3.0	33.5	163.9	116.7
West Bengal	91.7	8.9	95.8	24.9	32.4
Jharkhand	21.6	-1.2	-24.9	46.0	0.5
Odisha	34.1	-44.2	7.4	-54.9	-10.7
Chhattisgarh	-8.7	28.5	-43.8	148.8	-1.6
M. Pradesh	48.2	-50.4	-28.1	23.8	-10.7
Gujarat	206.1	113.6	90.5	-22.1	60.9
Maharashtra	21.7	12.1	3.8	84.1	41.6
Andhra Pradesh	49.1	154.5	41.0	82.1	60.3
Karnataka	-9.4	79.3	-51.0	56.4	-1.1
Goa	-275.1	171.4	168.0	30.8	57.4
Kerala	-28.7	333.2	26.4	-41.7	17.7
Tamil Nadu	-420.7	397.7	-47.4	970.3	-6.8
Total	37.2	33.3	7.4	48.4	26.2

**Source:** Based on fifth Economic census, 2005 and Sixth Economic Census 2012

### 17.7 Summary

The main objective of this study is to study the change in overall pattern of ownership of private enterprises and inter-group inequalities in the ownership of private enterprises by its types. The data show that although the inter-group inequality in ownership of private enterprises has come down during 2005 and 2012, it is still quite high. The underprivileged groups namely SC and ST are still lagging higher castes in many aspects of ownership of private enterprises. The improvement in the ownership among SC and ST has been confined to own account enterprises and in the services sector. The caste based hierarchy is more prominent in rural than urban areas as the improvement still is largely appropriated by higher caste. However, the improvement among tribes is relatively higher in rural areas than urban areas. The major results of the chapter may be summarized as follows.

The percentage of distribution of ownership by rural-urban has remained unchanged but the inequality has reduced. The rural-urban gap in the number of enterprises has reduced during the period from 2005 to 2012. The number per thousand households has increased from 109.5 to 141 for OAEs while it has reduced from 49.4 to 44 for establishment. As a result the overall gap increased from 60.1 to 97 during this period. The number of enterprises per thousand households in different sectors shows increasing number of enterprises in all the three sectors though the increase has been higher in agricultural than industrial and services sectors.

The share of SC and ST in total private enterprises has slightly increased while the share of OBC/Others has decreased, though the absolute number increased by a higher magnitude among OBC and Others as compared to SC and ST. Despite the increase in the share among SC and ST, they continue to remain underrepresented in terms of their share vis-à-vis their share in population. The data show that inter-group inequality is relatively higher in rural areas than

urban areas, though it has reduced for SC and ST in both rural and urban areas; the inequality between OBC and Other has slightly increased during this period.

The absolute magnitude has increased among every group in own account enterprises also, though it is higher among OBC and Others than SC and ST. The share of SC and ST improved in both rural and urban areas, the increase being higher in rural areas among ST and among SC in urban areas. The ownership of private enterprise per thousand households has increased among every group. The increase is higher among SC/ST than Others in rural areas while it is higher among Others than SC/ST in urban areas. The increase is lowest among OBC in both rural and urban areas. The inequality of SC and ST with Others has reduced at the aggregate level and in both rural and urban areas while the inequality between OBC and Others has accentuated.

The trend in rural and urban areas notably differs in establishment. The share of SC and ST improved in urban areas while there is not any notable improvement in rural areas. The share of Others has increased substantially in rural areas. As a result, the increase in the ownership is far higher among Others than underprivileged groups. Inequality in the ownership has increased among every group in rural areas while it has slightly reduced for SC/ST and increased among OBC. At the aggregate level, the inequality with Others has reduced among SC only.

In the industrial sector improvement in ownership is seen among SC in urban areas only. The opposite is true for Others whose share improved notably in rural areas. The share of OBC and Others has reduced during the period under consideration. The ownership among Others is still nearly two times higher than SC and ST despite overall reduction in absolute numbers during 2005 to 2012. The inter-group inequality is higher in rural areas than urban areas. In fact, the reduction in inequality has been confined to urban areas; the rural areas did not record any notable reduction in inequality.

The absolute number of private enterprises in the services sector has increased among every group but the improvement in share has been largely confined to SC and ST while the share of OBC and Others has reduced. This trend is observed in both rural and urban areas. A higher improvement is observed among SC in urban areas while the improvement is higher among ST in rural areas. On the other hand, high reduction is observed among OBC in rural areas while corresponding reduction is high among Others in urban areas.

At the states level, the increase in number of enterprises has been high in economically well-off states while the ownership in most of the backward states has either reduced or remained unchanged during the period under consideration. Improvement of ownership among SC is higher than all India average in the south Indian and economically better-off states. Higher improvement in ownership among ST is observed Assam, West Bengal, Gujarat, and Rajasthan. However, their ownership has reduced in all the south Indian states except Andhra Pradesh.

**APPENDIX****Table A1: Absolute number of enterprises in absolute**

<b>Group</b>	<b>2005</b>			<b>2012</b>		
	<b>Rural</b>	<b>Urban</b>	<b>Total</b>	<b>Rural</b>	<b>Urban</b>	<b>Total</b>
All ST	11.7	3.4	15.1	22	7	28
All SC	25.4	11.3	36.7	39	21	60
OBC	103.1	55.3	158.4	135	79	213
Others	82.6	80.6	163.2	114	108	222
Total	222.8	150.6	373.4	308	215	523

**Source:** Fifth Economic Census, 2005 & Sixth Economic Census, 2012-13

## Conclusion and Policy Recommendations

### 18.1 Overview of the Report

Increasing wealth and income inequality is a matter of growing concern worldwide. India is no exception to this trend given the fact that the Indian society is structurally divided on caste lines. Availability of reliable official data in India has made it possible to quantify the widening gap clearly in terms of various economic and non-economic development indicators such as poverty, income, land ownership, employment and unemployment, undernourishment, educational achievements, and atrocities against scheduled castes (SCs) and scheduled tribes (STs). Most studies have shown that these marginalized groups are lagging other social groups in terms of most development indicators. The reasons cited for low development among SCs and STs are multiple and interlinked to each other. However, traditionally these groups have faced exclusion and discrimination that continues in the present. The SCs or former untouchables have been part of the mainstream society, but they are socially excluded under the framework of caste system, an integral component of the Hindu religion. The STs or indigenous tribal people, on the other hand, are geographically excluded from mainstream society as they have historically inhabited forests. Thus, both groups are vulnerable and have been traditionally denied equal civil rights as a result of isolation and discrimination.

One of the greatest factors attributed to inter-group inequalities in India is the ancient caste system of graded privileges and duties assigned to various groups in a hierarchical manner. In this system the so-called untouchables had neither any right to education nor property. Simply put, this group was proscribed from not only accumulating wealth but also from any opportunities that could lead to wealth generating assets. Thus, diversity of India's population by caste, ethnicity, religion, and other social identities is a major determining factor in income and wealth disparities. Sadly, this diversity in social-identity unfortunately coincides with disparities in income and living standards of people along group-specific lines. The studies on wealth inequality are largely confined to the issue of interpersonal wealth inequality, while the issue of intergroup inequality is discussed in the context of caste system in India. However, group formation in India is neither exclusive to the caste or social groups per se nor exclusively formed based on the religious identity. But, it is the combination of both caste and religion. This provides us a framework for a deeper analysis of intergroup wealth inequality to understand how wide and intense is the inequality between the highest and lowest groups in the country.

Against this backdrop, we attempt to examine intergroup inequality in wealth ownership and changes in intergroup wealth disparities during the past two decades. In addition to this, this

report has also analyzed intergroup inequality in terms of land, house and business ownership. The specific objectives of our report are as follows:

1. To examine the intergroup wealth ownership and inequality in India and across states
2. To track the changes in the wealth ownership and wealth inequality in India and states
3. To evaluate intergroup land ownership and inequality in India and states
4. To evaluate intergroup house ownership and inequality in India and states
5. To map changes in the intergroup house ownership and inequality
6. To evaluate intergroup ownership in the private enterprises in India and states
7. To examine changes in intergroup ownership and inequality in the private enterprises.

The aforementioned objectives are analyzed on the basis of data obtained from various surveys conducted by National Sample Survey Office (NSSO) and the Economic Census. The details of the data sources are discussed in Chapter 2. The report analysed data from the NSSO surveys on debt and investment, housing condition, land and livestock, and economic census.

The inter-groups have been defined based on the interaction between social and religious groups. These groups include Scheduled Castes (SCs), Scheduled Tribes (STs), Hindu Other Backward Castes (HOBBCs), Hindu High Castes (HHCs) and Muslim. The remaining households are included under the category of Rest. The intergroup wealth inequality is analyzed by using different measures that include distribution shares, wealth share, dissimilarity index, Gini coefficient, Lorenz curve, and decomposition of inequality. Given these objectives, data and the methodology, the major findings and policy recommendations for equitable distribution of wealth are discussed in this chapter.

## **18.2 Major Findings**

This report is organized in eighteen chapters covering intergroup inequality in wealth ownership, and changes in intergroup inequality over the last two decades, beginning 1992. It also covers intergroup inequality with respect to group-wise ownership of specific assets such as land, house, housing conditions, and business enterprises. The findings of the report are discussed in the following subsections.

### **18.2.1 High Interpersonal Wealth Inequality**

In India, ownership of total wealth by Indian households comprises land, building, livestock, farm and non-farm equipment, transport equipment, gold and financial wealth. These collectively amounted to ₹ 358,354 billion in 2013. The total wealth in rural areas was worth ₹ 160,600 billion while in urban areas it was worth ₹ 197,753 billion. Thus, the total wealth in urban areas was higher than in rural areas.

The concentration of wealth among the top percentile groups is quite high. Top 0.1 percent households own 12 percent of the total wealth, top one percent own 26 percent while top 20 percent own 77 percent of the total wealth. The inequality measures also show a high level of

Gini ratio of about 72 percent at all India level, which is again higher at 73 percent in urban areas but lesser at 68 percent in rural areas.

In 2013, per household wealth ownership in India was ₹ 1,504 thousand varying substantially in rural and urban areas at ₹ 1,037 thousand and ₹ 2,369 thousand, respectively.

In India, the top 0.1 percent own five percent wealth in rural areas and 17 percent in urban areas. The Top one percent owns 20 percent in rural areas and 30 percent in urban areas. Further, top 20 percent owns 71 percent in rural areas and 78 percent urban areas. On the contrary, wealth ownership is substantially low among bottom percentile groups. In fact the bottom 50 percent own only six percent of the total wealth which ranges from nine percent in rural areas to four percent in urban areas.

Thus, the wealth inequality in India is extremely high to the extent that, as per the Palma ratio, the top 10 percent households own 18 times higher share of wealth as compared to the bottom 40 percent which gets higher to 35 times in urban areas and less to 10 times in rural areas.

### **18.2.2 High Intergroup Wealth Inequality**

In India, intergroup wealth inequality is measured on the basis of distribution of wealth and also by comparing the share of wealth and share of households.

#### ***Distribution of wealth***

The intergroup wealth inequality is measured by examining the distribution of wealth across socio-religious groups in India. It indicates high intergroup wealth inequality. Of the total wealth, highest share is owned by HHCs at about 41 percent followed HOBCs who own about 31 percent in 2013. The wealth ownership is the lowest among SCs, STs, and Muslims. STs own 3.7 percent, SCs own 7.3 percent, and Muslims eight percent. In rural India, the highest share is owned by HOBCs at 39.2 percent followed by 26.4 percent among HHCs. The lowest share in rural areas is that of STs at 5.9 percent, followed by Muslims at nine percent, and SCs 10.1 percent. In urban India, the highest wealth share belongs to HHCs at 52.6 percent followed by 24.1 percent among HOBCs. The lowest wealth share in urban areas is owned by STs at 1.9 percent, SCs five percent and Muslims seven percent.

Thus, the highest share of wealth in India is owned by HHCs followed by HOBCs. The highest wealth share in rural areas is with HOBCs while in urban areas it is among HHCs. Irrespective of their location wealth shares are substantially low among SCs, STs, and Muslims.

#### ***Wealth ownership relative to household share***

The intergroup inequality in wealth ownership in comparison to the household share of social group clearly indicates the intensity of the intergroup wealth inequality in India. The household share of HHCs in India is 22.2 percent but their share of wealth ownership is 40.9 percent. It means that HHCs own almost double the wealth as compared to their household share. However, the share of wealth ownership is less among other groups. HOBCs own 30.8 percent wealth as compared to their household share of 35.8 percent. STs own 3.7 percent as compared

to their 9.1 percent household share, SCs own 7.3 percent wealth as compared to their 17.9 percent household share and Muslim own eight percent wealth as compared to 12.1 percent household share. Thus, the gap between wealth share and household share is positive in the case of HHCs (up to 18.7 percent) indicating that they own that much percent of higher wealth than their household share. However, the differences between wealth share and household share is negative for other groups, which means that their share in population is higher than their wealth share. The highest gap of -10.6 percent points is seen for SCs indicating they own that much less share of wealth. The corresponding figures are -5.4 percentage points for STs, -5 percentage points for HOBCs, and -4.1 percentage points for Muslims.

In rural India, HOBCs and HHCs have higher proportion of wealth as compared to their household share: HOBCs own 39.2 percent wealth relative to their 37.9 percent households while HHCs own 26.4 percent wealth as compared to their share of 16.5 percent in rural households. However, SCs, STs and Muslims have less wealth ownership as compared to their households' share in rural areas. SCs own 10.1 percent as compared to 20.2 percent household share, STs own 5.9 percent wealth as compared to 12 percent household share, and Muslims own nine percent wealth as compared to their 11.3 percent household share. Thus, HHCs in rural areas have highest (9.9 percent) gap in the wealth and household share followed by HOBCs (1.3 percent) respectively. The differences in the wealth and household share are negative for SCs at (-10.1 percentage points), ST (-6.1 percentage points) and Muslim (-2.3 percentage points).

In urban areas also, HHCs have higher proportion of wealth as compared to their household share. They own 52.6 percent wealth relative to their 32.6 percent share in urban households. However, HOBCs, SCs, STs, and Muslims have less wealth ownership as compared to their household shares in urban areas. HOBCs own 24.1 percent wealth as compared to their 31.9 percent households. SCs own five percent as compared to their 13.7 percent household share, STs own 1.9 percent wealth as compared to their 3.6 percent household share, and Muslims own 9.2 percent wealth as compared to their 13.6 percent share in urban households. Thus, HHCs in urban areas have a positive gap of 20 percentage points in their wealth and household share. The differences in the wealth and household share are negative for HOBC (-7.9 percent points), SC (-8.7 percent points), ST (-1.8 percent points) and Muslims (-6.3 percent points).

### ***Concentration of wealth***

The concentration of wealth is measured using the Gini Coefficient and Lorenz curve. Also the wealth inequality is decomposed to understand the contribution of within group inequality and between group inequality in overall wealth inequality.

### ***Results from the Gini coefficient***

In India, the estimate of the Gini coefficient for wealth ownership is substantially high at about 0.72, and it gets even higher (0.73) if gold is excluded from the total wealth. The Gini coefficient varies from 0.683 in rural areas to 0.726 in urban areas.

Across socio-religious groups, the Gini ratio varies from lowest 0.637 among SCs to highest 0.728 among HHCs. Thus, wealth inequality among SCs is lowest, but it is highest among HHCs. In rural areas, the Gini ratio is lowest among STs and SCs (around 0.59) but it is highest among HHCs (0.684). In urban areas, the Gini ratio is higher across socio-religious groups as compared to that in rural areas. It is lowest among SCs and STs (about 0.65) while it is higher among HHCs at 0.732. Thus, the Gini coefficient is high in urban areas as compared to that in rural areas. It is also high among HHCs while low among SCs and STs.

### ***Results from decomposition of wealth inequality***

The estimates of the Gini ratio for wealth ownership are lowest among SCs and STs and high among HHCs. Further it can be decomposed to understand the contribution of within and between inequality in the total wealth inequality in India and also in rural and urban areas.

The results of decomposition of generalised entropy index by socio-religious groups shows that within group wealth inequality contributes more than 88 percent in the total wealth inequality and the remaining around 12 percent is contributed by the between group inequality in 2013. In comparison to the previous AIDIS survey conducted in 2003, the contribution of the between group inequality has increased substantially from 8.2 per cent to 12.1 percent. Thus, the contribution of the between group inequality is also a major cause of concern from the policy perspective.

The contribution of between group inequality is even higher in rural areas as compared to that in urban areas. The decomposition of generalised entropy index by socio-religious groups in rural areas indicates the contribution of the between inequality in the overall inequality is 14.5 per cent in 2013, which increased from 10.3 percent in 2003. In urban areas, the share of between group inequality to overall inequality was 5.1 percent in 2003 and it increased to 8.3 percent in 2013.

Thus, the contribution of between group inequality is high in India in general, particularly in urban areas. It has also increased over the last one-decade from 2003 to 2013.

### **18.2.3 Wealth Distribution and Inequality across States**

The wealth distribution and inequality in its distribution across states in India are discussed at aggregate level and also in respect to rural and urban areas.

#### ***Wealth distribution across states: aggregate***

Across 36 states and union territories in India,<sup>1</sup> the top five states in terms of highest wealth ownership are Maharashtra, Uttar Pradesh, Kerala, Tamil Nadu, and Haryana. States like Maharashtra and Uttar Pradesh hold high total wealth as these are geographically vast compared to other states. Households in Maharashtra hold maximum wealth worth ₹ 62,281 billion followed by households in Uttar Pradesh holding ₹ 41,013 billion.

The changes in the share of wealth ownership across states can be classified into four groups—those with declining wealth holding, those with increasing wealth, states with no pattern, and

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<sup>1</sup>This report is based on data prior to bifurcation of the state of Jammu and Kashmir into to union territories

states with no change in the wealth holding. The states with declining wealth holding include U.P., Bihar, Rajasthan, Karnataka, Andhra Pradesh, West Bengal and Odisha. Uttar Pradesh was holding the highest 21.5 percent of total wealth in India in 1992, which declined to 19.2 percent in 2003, and further declined to 16.9 percent in 2013. The states with increasing wealth holding include Maharashtra, Kerala, Punjab, and Gujarat. Maharashtra has shown an increasing trend from 7.1 per cent in 1992 to 8.9 per cent in 2013. There are some states which have not shown any particular pattern.

The share of wealth owned by top 20 percent and bottom 20 percent households across states in India clearly indicates that most of the rich states with high total wealth have higher concentration of wealth in the hands of their top 20 percent households as against the low share of wealth holdings among the bottom 20 percent households. In Maharashtra and Punjab, the top 20 percent households hold more than 80 percent of the total wealth, while Haryana, Tamil Nadu, Madhya Pradesh, and Delhi are the states wherein the top quintile holds between 75 and 80 percent of the wealth holdings. The lowest 65 percent and less wealth is owned by top 20 percent in states like Himachal Pradesh, Jharkhand, Kerala, Andhra Pradesh, and Odisha.

The Gini ratio for wealth distribution across states clearly shows that Maharashtra, Punjab, and Delhi have high inequality in wealth ownership. The second important observation is that the Gini ratio is relatively less in rural areas as compared to urban areas in most states. Some states like Punjab, Haryana, Tamil Nadu, Bihar, Chhattisgarh, Uttarakhand, Kerala, Himachal Pradesh, and Uttar Pradesh have high inequality in wealth ownership in rural areas as compared to their respective urban areas.

### ***Wealth distribution across states: rural***

In terms of total rural wealth in major states, the top five states are Uttar Pradesh, Maharashtra, Kerala, Haryana, and Punjab. States like Uttar Pradesh and Maharashtra hold high total wealth as these are geographically vast. Households in Uttar Pradesh hold maximum wealth worth ₹ 25,411 billion followed by households in Maharashtra holding ₹ 14,063 billion.

As mentioned above, the changes in the share of wealth across states indicates four kinds of trends— States with declining wealth holding per rural household include Uttar Pradesh, Bihar, Rajasthan, Karnataka, and Odisha. Uttar Pradesh was holding the highest 19 percent of total wealth per rural household in 1992, which declined to 16.1 percent in 2003, and further still to 12.7 percent in 2013. The states with increasing wealth holding include Maharashtra, Tamil Nadu, Kerala, and Gujarat. Maharashtra has shown an increasing trend from 9.8 per cent in 1992 to 17.9 per cent in 2013. There are some states which have not shown any particular pattern. These include Haryana, Punjab, and Assam. In addition to this, few states such as West Bengal and Himachal Pradesh have shown almost no change in the pattern of their rural wealth holdings.

The data on share of wealth owned by rural top 20 percent and bottom 20 percent households across states indicate that most of the rich states with high total wealth have higher concentration of wealth in the hands of top 20 percent households as against the low share of wealth holdings

among the bottom 20 percent households. In rural areas of Punjab, the top 20 percent households hold more than 83 percent of the total wealth, while Gujarat, Haryana, Madhya Pradesh are the states wherein the top quintile holds more than 70 percent of the wealth holdings in rural areas.

The Gini ratio for rural wealth distribution across states shows that Punjab, Tamil Nadu, Haryana, Himachal Pradesh and Maharashtra have high inequality in wealth ownership. The lowest rural wealth inequality is observed in Arunachal Pradesh, West Bengal, and Rajasthan.

### ***Wealth distribution across states: urban***

The top five states in terms of highest urban wealth are Maharashtra, Tamil Nadu, Uttar Pradesh, West Bengal, and Kerala. States like Maharashtra and Tamil Nadu hold high total wealth as these are highly urbanized states. Households in Maharashtra hold maximum wealth worth ₹ 48,218 billion followed by households in Tamil Nadu holding ₹ 16,750 billion.

The states with declining wealth holding include Uttar Pradesh, Gujarat, Punjab, Rajasthan and Bihar. Urban Uttar Pradesh was holding 13.6 percent of total wealth in India in 1992, which declined to 10.2 percent in 2003, and further declined to 8.3 percent in 2013. The states with increasing wealth holding include Maharashtra which has shown an increasing trend from 15.8 per cent in 1992 to 25.3 per cent in 2013.

The share of wealth owned by urban top 20 percent and urban bottom 20 percent households across states indicates that most of the rich states with high total wealth have higher concentration of wealth in the hands of their top 20 percent households as against the low share of wealth holdings among the bottom 20 percent households. The top 20 percent of the households in the urban areas of Chandigarh, Haryana, Maharashtra, Andhra Pradesh, and Tamil Nadu hold more than 80 percent of the total wealth. In another 12 states, top 20 percent holds 70 percent to 80 percent of the total urban wealth.

The Gini ratio for urban wealth distribution across states shows that urban Maharashtra has highest Gini ratio across Indian states. It is 0.80 in urban Maharashtra. Six states, viz. Maharashtra, Telangana, Andhra Pradesh, Haryana, Delhi, and Tamil Nadu have higher Gini ratio as compared to all India urban Gini ratio i.e. 0.74.

### ***Inter-group wealth inequality across states: aggregate***

The share of households and share of wealth holdings across socio-religious groups by each state in India in 2013 shows a mismatch between the share of wealth and share of households. Some of the groups are overrepresented substantially in holding wealth as compared to their household shares. The difference in the shares of wealth holdings and shares of households is substantially higher in the case of SCs, STs, and HHCs. The SC and STs are underrepresented in wealth holding as compared to their household share, but HHCs are overrepresented substantially across states. Haryana, Punjab, and Maharashtra are the states with high differences wherein the share of wealth holding by SCs is much lower than their household share ranging from 5.8 to 1.8 times. Similar is the case of STs, who have much less share of wealth holdings as compared to their household share in many states. For example, in states like Maharashtra,

West Bengal, Bihar, Tamil Nadu, and Madhya Pradesh, the wealth share of STs is 5.4 to three times less than their household shares in the respective states. In some states, HOBCs also hold less wealth as compared to their household share. These states are Punjab, Maharashtra, and Haryana where the gap between household share and wealth share of HOBCs ranges from 1.5 to 3.3 times. Similarly, the share of wealth owned by Muslims is also substantially low in many states like Punjab, Haryana, and Maharashtra.

The per household wealth holding among SCs is substantially lower as compared to that of HHCs across states. The range of excess per household wealth holding among HHCs as compared to SCs varies from 1.5 times in Himachal Pradesh to almost nine times in Telangana and Haryana. In Maharashtra also, HHC households hold six times more wealth as compared to SCs. In eight states namely, Madhya Pradesh, Punjab, Gujarat, Tamil Nadu, Uttar Pradesh, Jharkhand, Andhra Pradesh, and Bihar, HHC households hold three times more wealth than SC households. The remaining states have two to three times more HHC per household wealth as compared to that of SCs. Similar is the case of STs who hold substantially less wealth per household as compared to HHCs. The highest difference is seen in Maharashtra where HHCs' per household wealth is 11 times more as compared to STs' per household wealth while in West Bengal the difference is seven times, and in Telangana, Bihar and M.P. it is six times less for ST households as compared to HHC households.

### ***Inter-group wealth inequality across states: rural***

The share of households and the share of wealth holdings across socio-religious groups by each state in rural India in 2013 give an idea about the significant intergroup wealth inequality. In rural Punjab, the highest difference exists in the ownership of wealth as compared to their share of households. SC households in rural Punjab hold 7.5 percent wealth as compared to their 45 percent share in population. Similar situation is exist in other states such as Haryana, Delhi, UP, Rajasthan, Bihar, Tamil Nadu where wealth ownership is substantially low among SCs as compared their household share. Differences in the household share and wealth share among SCs range from more than 10 to 15 percent in these states. The differences in the wealth share and household share range between six percent to 10 in the states like Maharashtra, Telangana, MP, Andhra Pradesh, Karnataka, and Uttarakhand.

Similar is the case of STs, who have much less share of wealth holdings as compared to their household share in many states. For example, in MP, Chhattisgarh, Gujarat, Manipur, and Maharashtra, the wealth share of STs is substantially less -- from 18 percentage points to 10 percentage points as compared to their household shares in the respective states. In some states, HOBCs also hold less wealth as compared to their household share. These states are Punjab, Gujarat, and Haryana where the gap between household share and wealth share of HOBCs ranges from two to 10 percentage points. Similarly the share of wealth owned by Muslim households is also substantially low in many states like Delhi, Haryana, and Jharkhand. Only in the case of HHCs, their share of wealth holding is higher as compared to their household share in most states, but it is the other way round for all other groups in varying degrees.

The data further shows that SC per household wealth holding is substantially lower than that of HHC in most states. The highest gap is in Haryana, wherein HHC households have 13.4 times higher per household wealth as compared to SCs. Inequality is also higher in other states such as Punjab, MP, UP, and Bihar. Similar is the case of STs who hold substantially less wealth per household as compared to HHCs. The highest range of difference is seen in Gujarat, Bihar and MP where HHCs' per household wealth is five times more as compared to STs' per household wealth.

***Inter-group wealth inequality across states: urban***

As in rural India, the per household wealth ownership across socio-religious groups in urban areas of major states in 2013 indicates that the per household wealth holding among SCs is substantially lower as compared to HHC. The HHCs hold more than seven times higher per household wealth as compared to SCs in Telangana, Chhattisgarh and Maharashtra. They also own higher per household wealth than SC in other states such as Gujarat, Haryana and Andhra Pradesh. Similar is the case of STs who hold substantially less wealth per household as compared to HHCs. The highest differences are observed in Telangana, Maharashtra and Tamil Nadu where HHCs' per household wealth is nearly eight times more than STs' per household wealth.

Also on comparing the wealth share of social groups with respect to their household share in population across urban areas in states, we find the HHC wealth holding per household very much higher than their household share while other groups are underrepresented in their wealth shares vis a vis their household share in most or the states. For instance, in urban areas of Haryana and Chhattisgarh. SC households own more than four times less wealth as compared to their household share. The SC households in urban Haryana constitute 12.9 percent but they own 3.2 percent of wealth. Similarly in urban Chhattisgarh, SC households constitute 16 percent but they own 3.7 percent wealth. Similar situation exists in other states like Maharashtra wherein SC households' share is 12.8 percent but they own 3.3 percent of total urban wealth; in Punjab, SC households constitute 27.3 percent but they own 7.2 percent urban wealth; the share of SC household in urban Gujarat is 10.7 percent but they own three percent wealth; SC households share in urban West Bengal is 18 percent but they own 7.1 percent wealth; and the share of SC household in urban TN is 14.2 percent but they own 5.9 percent urban wealth in the state.

Similar is the case of STs, who have much less share of wealth holdings as compared to their household share in many states. For example, in states like Jharkhand, Odisha, MP, Chhattisgarh, Gujarat, and Maharashtra, the wealth share of STs is substantially less as compared to their household shares in the respective states. In some states, HOBCs also hold less wealth as compared to their household share. These states are Telangana, Maharashtra, Goa, Andhra Pradesh, Assam, and Gujarat where the gap between household share and wealth share of HOBCs ranges from six to 24 percentage points. Similarly, the share of wealth owned by Muslims is also substantially low in many states like UP and Maharashtra.

Only in the case of HHCs, their share of wealth holding is higher as compared to their household share in most states.

#### **18.2.4 Increasing Intergroup Wealth Inequality**

The growth in household wealth has increased substantially in India during 1992 to 2013. This is also the period when Indian economic growth grew by more than six percent. However, intergroup inequality in terms of absolute and relative wealth ownership is substantially high with HHCs owning highest wealth and SCs, STs, and Muslims owning substantially less shares. Over the last two decades there has not been significant progress in intergroup wealth inequality. Rather, it has worsened over the years. The between group inequality has increased while the within group inequality has gone down.

The information on wealth comprises various forms of assets namely physical such as land, building, farm and non-farm equipment, and transport equipment; and information on financial wealth such as shares, term deposits, and receivables.

##### ***Intergroup inequality by types of assets***

Land and Building forms the major constituent of household wealth ownership in India. Of the total wealth in the country, land constitutes 56.3 percent, building 33 percent, gold 3.7 percent financial assets 3.3 percent, and livestock, farm and non-farm equipment less than one percent. Thus, land and building together constitute almost 90 percent of the total wealth in India.

There is a difference in the ownership of wealth type of asset in rural and urban areas. In rural areas, land constitutes 69.9 percent and building constitute 20.2 percent. However, in urban areas, land constitute 45.2 percent and building constitute 43.3 percent. Among other assets, the farm based assets are more in rural areas and non-farm based assets are more in urban areas. Thus, the share of assets such as livestock (1.6 percent), and farm equipment (0.4 percent) is more in rural areas; but in urban areas non-farm equipment (0.7 percent), transportation (2.4 percent) and financial assets (4.6 percent) command a bigger share in the wealth basket.

##### ***High intergroup inequalities in wealth ownership by type of asset: aggregate***

Of the total assets owned across socio-religious groups, the highest share is of land that is owned by STs owning 63.6 percent followed by HOBCs owning 63.3 percent. Of the total assets owned by STs, building forms 23.7 percent, livestock 2.6 percent, transport 2.5 percent, finance 3.5 percent and gold 3.4 percent.

The HOBCs own 25 percent building, finance 2.8 percent, and 4.7 percent gold. Of the total assets owned by SCs, 55.2 percent is in the form of land, 31.9 percent building, finance is 3.9 percent, and gold constitutes five percent. Muslims' wealth assets comprise 54.4 percent land, 35 percent building, 2.5 percent finance, 4.3 percent gold, and 2.5 percent transport.

The HHCs' assets are made up of 48.6 percent land, 41.5 percent building, 2.3 percent transport, 3.8 percent finance, and 2.8 percent gold. Thus, the land and building are the major constituents of wealth across socio-religious groups.

### ***High intergroup inequalities in wealth ownership by type of asset: rural and urban***

In rural areas, land constitutes the highest share of wealth assets among HHCs at 75 percent followed by 16.3 percent of building. The SCs own lowest share of land in their wealth portfolio at 58.7 percent followed by 29.3 percent in the form of building.

In urban areas, STs have highest share of land in their wealth portfolio constituting 65.7 percent followed by 22.1 percent building. The wealth portfolio of the HHCs constitutes 51.8 percent in the form of building asset, and 37.9 percent in form of land. The portfolio of SCs constitute 49.4 percent land and 36.1 percent building. Muslims have 45.3 percent land and 43 percent building in their wealth portfolio.

Thus, land is the dominating asset across socio-religious groups in rural and urban areas. However, HHCs have comparable share of land and building ownership, while other groups have higher share of land and significantly lesser share of building in their portfolio.

### **18.2.5 Asset Specific Wealth Distribution and Inequality: Land**

Apart from the All India Debt and Investment surveys, other large scale NSSO surveys are available that provide asset specific information. In this report, we have also analyzed these assets specific information to further explore the issue of intergroup wealth inequality. In this report, we thus analyzed three specific assets namely, land, housing, and private enterprises. The results with respect to these assets are discussed in the following sub-sections.

#### ***High interpersonal inequality in ownership of land***

Based on the NSSO survey on land and livestock, the average land ownership in rural India is 0.599 hectare in 2013. There is a huge difference in the average land ownership between marginal farmers and large farmers ranging from 0.294 hectare to 15.36 hectare.

A large share of households in rural India falls under marginal land size category (.002 to 1.00 ha) accounting 84.5 percent. The share of households in small land size category (one to two ha) constitutes 6.34 percent, in semi-medium land size category 2.29 percent (two to four ha), 0.57 percent in medium land size category (four to 10 ha), and 0.04 percent in large land size category (more than 10 ha).

In rural India, inequality in land ownership is huge. The top 10 percent of rural households own 35.22 percent of the total land. This share is 47.2 percent for the top 20 percent households. On the contrary, the bottom 30 percent rural households own less than one percent of the total rural land. High ownership of land in the hands of a smaller number of rich households and substantially less land ownership among the vast majority of poor households indicates the high level of inequality in India which is also reflected in the Gini coefficient. The Gini coefficient for land ownership is 0.69.

#### ***High intergroup inequality in ownership of land***

The intergroup inequality in land ownership is also high in rural India. The average land ownership among SCs is lowest at 0.357 ha and it is highest among HHCs at 0.696 ha. The STs

own higher average land as compared to SCs, but lower than HHCs at 0.67 ha and HOBCs own 0.631 hectare average land. Muslim households on an average own 0.436 ha land.

The household distribution across land size category by socio-religious groups shows that the share of landless households is higher among STs, SCs, and Muslims than the HHCs and HOBCs. Of the total households, the share of landless households among STs is 7.37 percent, SCs is 7.15 percent, and Muslims is 7.25 percent. The lowest landless households belong to HHCs (5.35 percent) followed by HOBCs (5.69 percent).

The households in the marginal land category are higher among Muslims (89.17 percent), followed by SCs (88.74 percent). The lowest share of landless households is among HHCs (79.33 percent), followed by STs (81.88 percent) and HOBCs (84.15 percent). In other land categories, the share of households belonging to HHCs is higher than other groups.

The land inequality measured on the basis of Gini ratio shows that the Gini coefficient is highest among SCs (0.73) and Muslims (0.71), while it is lowest is among STs (0.58) and HHCs (0.64). The Gini ratio for land ownership among HOBCs is 0.68.

### **18.2.6 Asset Specific Wealth Distribution and Inequality: Building**

#### ***Share of Households Ownership of Building***

In India, building constitutes 33 percent of the total wealth in 2013 based on the All India Debt and Investment Survey (AIDIS) data. It is 20.2 percent of the total wealth in rural areas and 43.3 percent in urban areas. The higher proportion of wealth in urban areas in the form of building could be attributed to the large share of households living rented houses. Detailed information on house ownership is provided in the NSSO survey conducted in 2018. It indicates that 83.1 percent of the households in India live in their own houses. This proportion is higher in rural areas (93.3 percent) as compared to 61.2 percent in urban areas. In urban areas, the proportion of households living in rented houses is 35.4 percent compared to 5.1 percent rentals in rural areas. In urban areas, 11 percent of the households live in slum areas while remaining 89 percent live in non-slum areas.

The quality of the house also varies substantially which is categorized into good, satisfactory and bad. Of the total buildings in India, the share of good houses is 45.3 percent, satisfactory is 43.6 percent and remaining 11.1 percent are in bad condition. Thus, not even half of the total houses in India are in a good condition. The share of households living in different quality of houses also substantially varies in rural and urban areas. In rural areas, the share of good houses is less - 38.3 percent, while that of satisfactory houses is 48.6 percent, and bad quality houses are 13 percent. In urban areas, 60.2 percent are in good condition, 32.8 percent are in satisfactory condition, and seven percent are in bad condition.

The share of households living in smallest size category houses of less than 500 sq ft is highest at 69.8 percent in India. The next highest share of 15.6 percent households lives in bigger house size of 500 to 700 sq ft. Out of the remaining 15 percent households, 7.6 percent live in the house size of 700 to 900 sq ft, and another 7.1 percent live in very big sized houses of more than 900 sq ft.

There is a marginal difference in the share of households living in different size of houses. The share of households in rural areas is marginally high for smaller houses i.e. up to 700 sq ft, while the share of urban households is higher for big houses more than 700 sq. ft. The share of rural households living in less than 500 sq ft at 70 percent is marginally less than 69.4 percent urban households living in smallest category of houses. Similar is the case for houses of size 500 to 900 sq ft which are occupied by 15.6 percent rural households and 15.4 percent urban households.

In India, houses are mostly used for residential purpose. The share of households using building for the purpose of residence is 90 percent, while 8.7 percent buildings are used for commercial purpose and 1.3 percent buildings are used for both residential and commercial purposes. Thus, the share of households having own house is higher in rural areas as compared to urban areas. In urban areas the households living in rented houses is substantially high. The share of households living in smallest house category is higher in rural areas than in urban areas.

### ***Intergroup Inequality in ownership of building***

The intergroup inequality in the ownership of building is substantially high in terms of the ownership of building, quality of building, and size of building.

### ***Intergroup inequality in building ownership***

In India, ownership of building varies significantly across socio-religious groups. A higher proportion (88.6 percent) of households belonging to SCs own buildings than HHCs households (80.1 percent). Ownership among HOBC households is 84.9 percent; it is 86.2 percent for Muslim households, and 87.7 percent for STs. Thus, households with owned buildings are higher among SCs and STs but less among HHCs and HOBCs. However, the share of households living rented houses is higher among HHCs at 18.8 percent followed by 13.8 percent among HOBCs. This could be due to the reason that the level of migration is higher among higher castes as compared to lower castes.

In rural and urban areas, the share of ownership of building differs substantially. In rural areas, the share of households owning building varies marginally across socio-religious groups: The SC, HOBCs and Muslims have marginally higher proportion of own buildings as compared to HHCs. The lowest 93.8 percent households with own building belong to STs. But households living in rented building are higher among HHCs at 4.3 percent as compared to two percent among SCs, 2.1 percent among STs, 2.9 percent among HOBCs and 2.7 percent among Muslims.

In urban areas, the share of households owning building is highest among Muslims at 70.2 percent followed by 66.2 percent among HHCs, 62.8 percent among SCs, and 54.1 percent among STs. The share of households living in rented households is highest among HOBCs at 38 percent followed by STs at 35.5 percent, HHCs 32.1 percent, SCs 30.2 percent and Muslims at 27 percent.

### ***Intergroup inequality in households living in slums***

In urban areas, the proportion of households living in slum areas is higher among SCs and STs and lowest is among HHCs. The share of households living in slum areas is 13.5 percent among SCs, 13.2 percent among SCs, 6.9 percent among Muslims, 6.1 percent among HOBCs and 4.6 percent among HHCs, which is the lowest. Thus, the share of building owned is higher among SCs and STs, but their share of households living in slum areas is also among the highest.

### ***Intergroup inequality in ownership of building by quality***

The quality of building owned and the size of building are important factors determining the value of a building asset. Thus, intergroup inequality in ownership of building along these parameters has also been examined in the report. Both vary substantially across socio-religious groups in India. The share of households belonging to SCs and SCs owning good condition building is lowest while it is highest among HHCs. The share of STs owning good condition building is 29.8 percent, SCs is 31.6 percent, Muslim is 39.1 percent, HOBCs is 43.9 percent, and 56.3 percent among HHCs.

In rural areas, the share of STs owning good condition building is 26.2 percent, SCs is 27.3 percent, Muslim is 34.7 percent, HOBCs is 36.9 percent, and 44.4 percent among HHCs. In urban areas, the share of STs owning good condition building is 44.9 percent, SCs is 49.6 percent, Muslim is 47.9 percent, HOBCs is 59.4 percent, and 67.3 percent among HHCs.

The shares of ST and SC households owning bad condition building are among the highest while it is the lowest among HHCs. The share of STs owning bad condition building is 20.5 percent, followed by SCs at 17.7 percent, Muslims at 12.2 percent, HOBCs is 10.8 percent, and the lowest is 6.7 percent among HHCs.

In rural areas, the share of STs owning bad condition building is 21.7 percent, while that of SCs is 19.4 percent, Muslims is 14.3 percent, HOBCs is 13.1 percent and it is 9.5 percent among HHCs, which is the lowest. In urban areas, the share of STs owning bad condition building is 13.5 percent, followed by SCs at 12.3 percent, Muslims at nine percent, HOBCs 5.8 percent, and the lowest is 4.2 percent among HHCs.

Thus, a higher proportion of households belonging to SCs, STs, and Muslims own bad condition buildings than HHC households, but lesser share of households from the marginalized communities own good condition buildings according to the 76<sup>th</sup> round of NSSO survey conducted in 2018.

### ***Intergroup inequality in ownership of building by size***

The group-wise share of households varies significantly according to the size of buildings as well. The share of households living in smallest building category is highest among SCs and STs and lowest in medium- and large-size category buildings. The share of SC households is 70.7 percent in ownership of building of less than 500 sq ft size while the share of ST households in this category is 65 percent. The proportion of households owning smallest size buildings is lowest at 50.4 percent among HHCs, followed by 58.5 percent among HOBCs, and 61.8 percent among Muslims.

Contrary to highest share in the ownership of small buildings of less than 500 sq ft size, the share of SC households' ownership is substantially low at 5.6 percent in the largest building size category of more than 900 sq ft. The share of households belonging to HHC is highest at 15.5 percent in ownership of large-sized building more than 900 sq ft. The proportion of households owning such building for STs is 7.4 percent, and both HOBCs and Muslim is 9.4 percent each.

In rural areas, the share of SC households owning smallest size buildings (less than 500 sq feet) is 70.1 percent while the share of ST households is 63.9 percent. The share of HHC households is lowest in this category at 48.4 percent, followed by 56.6 percent among HOBCs, and 60 percent among Muslims. On the contrary, the share of SC households is substantially low at 5.4 percent in ownership of largest-size building of more than 900 sq ft.

In urban areas, the share of SC households owning building of less than 500 sq ft size is 72.3 percent while that of ST households is 71.6 percent. This proportion is lowest at 52.2 percent among HHC households, followed by 62.9 percent among HOBCs, and 64.6 percent among Muslim households. In the largest-size building category, the ownership share of SC households is the lowest at 6.1 percent and highest at 16.5 percent for HHC households.

### ***State of ownership of building across states***

The ownership of building is higher in rural areas in comparison to urban areas. However, the quality of buildings owned by different socio-religious groups is better in urban areas than rural areas. This pattern is common in most states in India. For marginalized groups such as STs and SCs, building ownership is not very low but quality is a major differential of intergroup inequality. The inequality of good building is higher for these groups as compared inequality between HHCs and HOBCs. Similar pattern has also been observed for Muslim households. Marginalized social groups somehow manage to build their dwellings with their meagre resources but their quality remains a major issue.

### ***Inter group inequality in changes in the state of ownership of building***

The ownership of building for all social groups has increased in India, although intergroup inequalities remain high. Despite ownership of higher proportion of buildings among SCs and STs, the ownership of good quality building remains low among them. The proportion of buildings located in slums has also declined for all social groups but it remains higher for SCs and STs. The analysis also shows an increase in the proportion of buildings with higher size and decrease in the proportion of buildings with smaller size. However, STs and SCs have highest proportion of the ownership of building with smallest size in comparison with other social groups. The use of the building for residential cum commercial purposes has declined for all social groups but the decline is higher for SCs and STs. Thus, to conclude we can say that there has been some improvement in the ownership of building and size, but SCs and STs have less proportion of good housing and higher proportion of small building size. This not only has impact on the value of the building assets owned by these groups but also the poor living standard of SCs and STs.

### **18.2.7 Asset Specific Wealth Distribution and Inequality: Private Enterprises**

#### ***Ownership of Private Businesses***

Private enterprises are the major source of income earnings in India. There are two major sources of data available namely Economic Census and NSSO survey on unincorporated non-agricultural enterprises. Based on the sixth Economic Census conducted in 2012-13, the number of private enterprises in India is 185 per thousand households varying from 67 per thousand households in urban areas to 116 per thousand households in rural areas. Of the total private enterprises in India, 59 percent is located in rural areas and 41 percent is located in urban areas.

The private enterprises have been classified into two categories namely own account enterprises (OEA) and Establishment. Of the total enterprises, OAE is highest at 76.4 percent while 23.6 percent are establishments. These enterprises are unevenly spread across different sectors of the economy. Most of the private enterprises fall under the services sector accounting 54.5 percent followed by 24.7 percent in the agriculture sector, and 20.8 percent in the industrial sector.

The share of unincorporated non-agricultural enterprises in rural areas is 49.7 percent and 50.3 percent in urban areas. The proportion of enterprises in services sector is 67.1 percent while the remaining 32.9 percent are in industrial sector. Of the total in non-agricultural sectors, 82 percent are OAEs and remaining 18 percent are establishment.

The distribution of private enterprises in India by activity status indicates that the enterprises are largely concentrated in trade at 32.3 percent followed by 21.4 percent in livestock, and 18.7 percent in manufacturing, 5.4 percent in transport, 12 percent in accommodation, and 4.2 percent in food sector.

#### ***Intergroup inequality in ownership of private businesses***

Of the total private enterprises in India, the highest 32.2 percent are owned by HOBCs followed by 27.5 percent by HHCs. The lowest 5.4 percent enterprises are owned by STs, 11.4 percent are by SCs, and 12.8 percent by Muslim. Thus, the ownership of HOBC and HHCs in private enterprises is high together accounting for 59.7 percent.

In rural areas, 36.1 percent of the total enterprises are owned by HOBCs, followed by HHCs at 22.9 percent, SCs at 12.5 percent, and Muslims at 11.5 percent, and the lowest seven percent by STs. In urban areas, 34 percent of the total enterprises are owned by HHCs, HOBCs own 26.7 percent, Muslims 17.1 percent, SCs 9.8 percent, and the lowest 3.1 percent by STs.

Thus, a large share of private enterprises is owned by HHCs and HOBCs in India, and the ownership of SCs, STs and Muslims is substantially less. The HHCs have 15.9 percentage point higher share of enterprises more than STs, 12.5 percentage points more than SCs, and 11.4 percentage points more than Muslim. The ownership of private enterprises among HHCs and Muslims is higher in urban areas than rural areas, but SC, ST, HOBC have higher ownership of enterprises in rural areas than in urban areas.

### ***Ownership of own account enterprises vs. establishment***

Of the total private enterprises, SC, ST, and HOBC own higher proportion of OAEs accounting for more than 80 percent of them. However, the ownership of OAE among HHCs is 71.4 percent and among Muslims is 65.8 percent. Contrary to this, the share of establishment owned by HHCs is 28.6 percent and Muslims is 34.2 percent; while among ST, SC, and HOBCs it ranges from 15 percent to 19.2 percent. Thus, private enterprises owned by SCs, STs and HOBCs are more income oriented than being profit-oriented nature.

### ***Ownership of enterprises in industrial sector***

Of the total private enterprises, their share in industrial sector is 20.8 percent. The ownership of enterprises in industrial sector varies substantially across socio-religious groups. The highest share of enterprises in industrial sector is owned by HOBCs at 32.4 percent followed by HHCs at 22.4 percent. The lowest share of enterprises in industrial sector is owned by STs at 4.8 percent, followed by 12.3 percent of SCs and 19.7 percent of Muslims.

### ***Ownership of enterprises in service sector***

Of the total private enterprises, the share of enterprises in services sector is 54.5 percent. The ownership of enterprises in service sector also varies substantially across socio-religious groups. The highest share of enterprises in service sector is owned by HHCs at 31.1 percent followed by HOBCs at 29.1 percent. The lowest share of enterprises in services sector is owned by STs at 4.2 percent. The share of SCs is 12.7 while that of Muslims is 14.7 percent.

### ***Ownership of unincorporated non-agricultural enterprises***

The unincorporated non-agricultural enterprise includes enterprises in both industry and services sectors. The enterprises in industry and services sector both are dominated by OBCs and Others. The OBCs own 54.1 percent enterprises in industry sector and 48.2 percent enterprises in services sector. The Others own 28.4 percent and 35.9 percent of the enterprises in industry and services sector respectively. The shares of enterprises owned by STs are four per cent and 3.6 percent in industry and services sectors respectively. The shares of enterprises owned by SCs are 12.7 percent and 11.6 percent in the industry and services sectors respectively. Thus, the ownership of unincorporated non-agricultural enterprises is lowest among SCs and STs, but higher among OBCs and Others.

The unincorporated non-agricultural enterprises may be classified as OAE and establishment. The OAE and establishment are largely owned by HHCs and HOBCs. The share of OAE owned by HOBCs is 51.3 percent and 30.5 percent is owned by HHCs; while 46.9 percent establishments are owned by HHCs and 44.9 percent by HOBCs.

### ***Ownership of enterprises by activities***

The private enterprises in India are engaged in diverse activities. However, the ownership of enterprises owned across socio-religious groups indicates significant features indicating

ownership concentration by activities, especially caste-related ones. For instance, the ownership of enterprises among SCs are located in fishing and aquaculture, construction, and water transport; ownership of ST enterprises are mostly seen in livestock, mining and quarrying, and fishing and aquaculture. A significant percentage of HOBBC-owned enterprises are related to agriculture, livestock, fishing and aquaculture while most private enterprises in electricity, gas, steam, AC, trade, accommodation, and food are owned by HHC. Muslims-owned private enterprises are seen in sizeable shares in water supply, sewerage, waste management and remediation, manufacturing and construction activities.

### ***Ownership of private enterprises across states***

The top five states having highest share of private enterprises are Uttar Pradesh (11.6 percent), Maharashtra (10.7 percent), West Bengal (10.3 percent), Tamil Nadu (8.8 percent) and Andhra Pradesh (7.4 percent).

HHCs have the high share of private enterprises in most states. The top five states where the HHCs have highest share of enterprises include Maharashtra, West Bengal, Uttar Pradesh, Andhra Pradesh that accounts 56.6 percent. SCs having highest share of enterprises in top five states includes WB (17.5 percent), Uttar Pradesh (12.4 percent), Tamil Nadu (8.5 percent), Maharashtra (8.4 percent) and Andhra Pradesh (7.6 percent). Combinedly SCs own 54.5 percent enterprises in these states.

## **18.3 Policy Recommendations**

In India, intergroup wealth inequality is substantially high and there is no sign to indicate that it is moving toward reduction, at least in the last two decades, given the various sources of data on which this report is based. The data on wealth ownership relative to the share across socio-religious groups in the country clearly show that SCs, STs, Muslims, and also HOBBCs are underrepresented in the ownership of wealth as compared to their household share in population. However, HHCs own substantially higher proportion of wealth as compared to their household share. Similarly, the analysis on nature of private enterprises in the country shows high inter-group inequality with an overwhelming majority of marginalized groups being involved in OAEs that are survival oriented in contrast to HHC who have a higher share in owning establishments that are profit-oriented. Entrepreneurship in rural areas is largely for survival in contrast to urban areas wherein the profit motive for entrepreneurship is highly prevalent. Also, there is a considerable variation in enterprise ownership among SC, ST, HOBBC, and Muslims. In light of these issues, the report makes the following recommendations.

- Mandated budgetary allocations by central and state governments in proportion to the population shares of SCs and STs under Scheduled Caste Sub Plan (SCSP) and Tribal Sub-plan (TSP) need to be made and implemented. However, there is huge gap between the actual allocation of budget and mandatory budget allocation as per the population

share of SCs and STs. In the Union budget 2021-22, the allocation for SC social welfare under SCP is substantially low at ₹ 1262.59 billion accounting for 11.63 percent and ₹ 799.42 billion under TSP amounting to 7.41 percent of the union budget. The current budgetary allocation under SCP and TSP is substantially less than the stipulated percentage of SC and ST population percent (16.2 and 8.2). Thus, the shortfall in budgetary allocation under SCP and TSP needs to be eliminated immediately.

- As intergroup inequality has increasingly bearing on overall wealth inequality, a group specific policy intervention is required to alter the situation; leaving it to be corrected by development in the normal course will not suffice.
- It would be worthwhile to draw on international experience in designing group-specific policies to improve wealth ownership among the underprivileged groups. Countries like USA, Malaysia, and South Africa have gone beyond implementing affirmative action policy to bridge the inter-group wealth gap. Some measures in this direction include extending financial support to set up businesses, investment in education, and reparation. In India also, there is a need to think along these lines.
- Land ownership among SC/STs could be raised by re-distribution of grazing land, fallow land among them in rural areas, or providing low interest rate credit for purchasing land, and aid for preparation of fallow land.
- In order to bridge the gap in quality and size of houses owned by SCs, STs, and Muslims there is need to provide them fund assistance for improving their building assets.
- The SCs and STs have significantly low shares of ownership of private enterprises. A financial institution may be created with sufficient amount of corpus fund under the Reserve Bank of India to provide financial support to SC and ST entrepreneurs.
- The data on enterprises shows that the reduction in inequality across social groups has been confined to urban areas; the rural areas have not recorded any notable reduction in inequality. Thus, the overall environment for entrepreneurship needs to be improved in rural areas with a special focus on the marginalized groups especially SC, ST, and Muslims. The SCs are the most vulnerable group in terms of ownership of private enterprises.
- Apart from the general focus on improving ownership among the SC/ST special measures are needed for maintaining social group-wise diversity across different industries. The identity-based concentration of various activities is observed across various social groups. The representation of SC and ST should be increased in industrial sector. Even in services sector where SC/ST are in a better position attention is needed for improving their representation in for-profit enterprises.

- Although Muslims are performing well among the marginalized groups there is need to improve their concentration in industries apart from manufacturing and trading activities.
- At the state level, the development level of a state is also an important factor affecting the performance of different groups. The increase in number of enterprises has been high in economically well-off states while enterprise ownership in most of the backward states has either reduced or remained unchanged during the period under consideration. Thus, encouragement in enterprise ownership needs specific attention in economically backward states but any such policy should be sensitive towards inclusion of the underprivileged groups.
- It is also suggested that managements of corporate bodies should maintain caste, religious, and ethnic diversity to promote entrepreneurship among them.

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## Conclusion and Policy Recommendations

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