

## COLLECTIVE ZAKAH INITIATIVES IN KERALA

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### Abstract

This article examines the evolution of Zakah management in Kerala, India, within a secular context. It traces historical developments, highlighting the transition from individualized charity to organized Zakat systems. Through survey findings, it explores contemporary practices and challenges, emphasizing the need for improved collection and disbursement strategies. Despite diverse approaches to Zakat calculation and distribution, there is a prevalent satisfaction with Zakat committees' performance. The article underscores Zakat's potential beyond the Muslim population, noting its impact on socio-economic welfare. It advocates for collective, structured Zakah systems to enhance efficiency and maximize the impact of Zakat in addressing socio-economic challenges and promoting community welfare in Kerala.

**Keywords:** *Zakah management, Socio economic welfare, Poverty eradication, Social justice, Inclusive development and Collective system.*

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### Introduction

In the tapestry of Kerala's diverse society, where secular values interweave with religious traditions, the practice of Zakah stands as a testament to the resilience and adaptability of Islamic principles. Despite being situated within a secular framework, Kerala has fostered a rich tradition of Zakah management, intricately woven into the fabric of its socio-economic landscape. This article embarks on a journey to explore the unique dynamics of Zakah management in Kerala, where the principles of Islamic charity intersect with the realities of a secular society.

Through an in-depth exploration, this article investigates into the historical evolution of Zakah management in Kerala, tracing its roots from the dawn of Islam in the region to its contemporary manifestations. It unravels the challenges and opportunities encountered in the administration of Zakah within a secular framework, shedding light on the pragmatic adaptations made by Zakah agencies to navigate the complexities of Kerala's socio-political landscape.

Moreover, this article ventures into the heart of Kerala's Zakah ecosystem, unveiling the diverse array of approaches employed by Zakah agencies in collection, distribution, and impact assessment. From individual contributions to organized Zakah systems, from self-employment initiatives to educational scholarships, the tapestry of Zakah management in Kerala reveals a mosaic of compassion, innovation, and community empowerment.

As we navigate through the intricate nuances of Zakah management in Kerala, we are confronted with profound questions about the inter-section of faith and secularism, the role of philanthropy in socio-economic development, and the quest for social justice within a pluralistic society. Through this exploration, we aim to illuminate the path forward—a path guided by the principles of compassion, equity, and solidarity—towards a more inclusive and prosperous future for all inhabitants of Kerala, irrespective of creed or conviction.

In the pursuit of the objectives of Zakah, such as poverty eradication, unemployment alleviation, and the promotion of social justice, a well-organized Zakah system is imperative. However, its effectiveness often hinges on the presence of an efficient and committed Islamic government. In secular systems, where such governance is absent, achieving the full potential of Zakah and its desired outcomes may be challenging. Nevertheless, Muslims in secular societies, including India, uphold the practice of Zakah as a religious duty, albeit not in its ideal form. This paper focuses on the Zakah management system in Kerala, India, a state with a substantial Muslim population, within the context of a secular framework.

## Zakah system in Kerala

In India, Muslims constitute the largest minority community, comprising 14.4 percent of the total population according to the 2011 Census. However, their socio-economic and cultural status varies significantly across different states and union territories. For instance, Muslims in Kerala enjoy better living conditions compared to those in Uttar Pradesh and West Bengal. This variance in prosperity results in localized management of Zakat funds within more affluent Muslim communities, neglecting the needs of the disadvantaged in other regions. Consequently, the current structure of Zakat distribution perpetuates disparities, with prosperous areas benefitting at the expense of neglected regions. To address this issue and uplift Muslims nationwide, a professionally managed Zakat system is necessary, ensuring effective collection and equitable distribution of funds (Ashique and Mushthaq 2020)

The evolution of the Zakah system in Kerala reflects a journey from historical obscurity to contemporary organization. Historically, the inception of Zakah in Kerala can be traced to the arrival of Islam in the region. However, early records fail to document systematic Zakah practices among Kerala's Muslims, largely due to the absence of Muslim rulers who traditionally oversaw its collection and distribution. Despite periods of Muslim influence under entities like the Mysore rulers and the Arakkal dynasty, religious matters, including Zakah, remained outside the purview of governance. Consequently, Zakah practices continued unchanged, with individual contributions often limited and unstructured (Ibrahim, 1991).

Until the dawn of the 20th century, misconceptions surrounded Zakah among Kerala's Muslim populace, with its significance overshadowed by other religious obligations such as Salath, fasting, and Hajj. Many adherents limited their Zakah contributions to a few prescribed sources of income, neglecting others pertinent to the local economy (Ishaque & Zulkarnain, 2014). Moreover, there was a lack of understanding regarding Zakah's role in Islam's socio-economic fabric and the involvement of the state in its administration, perpetuating a pattern of individualized charity akin to a begging system.

The 20th century witnessed a global Islamic resurgence, leading to heightened awareness among Kerala's Muslims about the comprehensive nature of Islam encompassing both spiritual and temporal aspects. Influential scholars like Vakkam Abdul Kader Moulavi emerged as advocates for organized Zakah, utilizing their influence to promote its importance. Revivalist organizations such as the Muslim Aikya Sangam and Kerala Jam'iyathul Ulama joined the cause, emphasizing Zakah's potential to uplift impoverished Muslim communities.

The works of prominent scholars like Maulana Moudoodi and Maulana Abul Kalam Azad, translated into Malayalam, further bolstered awareness about Zakah's socio-economic significance and the imperative of reorganizing its administration. Organizations like Jama'at-e-Islami and Kerala Nadwathul Mujahideen spearheaded efforts to revamp the Zakah system, advocating for a systematic approach and encouraging individuals to channel their Zakah contributions through organized institutions rather than direct charity.

The first concerted efforts to reorganize Zakah on a collective basis were observed in the late 1960s and early 1970s, with initiatives in Thiruvananthapuram and Malappuram districts. These pioneering endeavors laid the groundwork for subsequent Zakah institutions across the state, marking a paradigm shift towards structured Zakah administration. Since then, a growing number of organized Zakah institutions have emerged in Kerala, reflecting a trend towards institutionalized charity management in the region.

### Zakat Management practices

In Kerala, Zakat is primarily managed through two distinct approaches: individual management and organized Zakat systems. Despite the prevalence of both methods, a considerable portion of Zakat distribution in the region is still carried out individually. Many individuals calculate their Zakat obligations annually and distribute funds at their discretion, often to relatives and those deemed needy. This practice is deeply ingrained, with a prevalent belief that fulfilling Zakat duties requires individual handling. However, this decentralized approach poses challenges in quantifying Zakat disbursements and assessing their socio-economic impact, as recipients' conditions often remain unchanged.

On the other hand, organized Zakat systems operate at two levels within Kerala: the Mahal and Zakat Committees or Cells. The concept of Mahal refers to a defined geographical area encompassing the Muslim population. Historically, Mahals have served as centers for religious, social, and cultural activities, typically overseen by a Mosque led by an Imam or Qadhi. In recent decades, democratically elected committees have emerged to manage mosque-related affairs. Some Mahals have adopted organized Zakat administration, such as Santhapuram Mahal and Manjeri Mahal, which have been implementing structured Zakat systems since 1975 and

1980, respectively. Other Mahals, including Kutiady Mahal and ChennamangallurOthayamangalam Mahal, have followed suit.

Additionally, Zakat Committees comprise voluntary groups formed around mosques or localities with the specific aim of collecting and distributing Zakat collectively. The emergence of these committees was spurred by the orthodox management prevalent in many mosques, which traditionally opposed organized Zakat administration. Reformist organizations gained traction, leading to the establishment of mosques under their auspices and the formation of multiple committees within a locality. Jama'at-e-Islami and Kerala Nadwathul Mujahideen are prominent organizations facilitating such committees.

The primary objective of Zakat is to alleviate poverty. It is emphasized that Zakat is intended for the benefit of the poor, the needy, and those burdened with significant debts. The argument posits that many Muslim nations could effectively address poverty within their societies by regulating Zakat collection through legal frameworks. A suggestion is made for the creation of an international body responsible for collecting and distributing Zakat, comprising Zakat institutions from across the Muslim world. Additionally, it is proposed to transfer surplus Zakat funds from wealthier countries to those in need where there is a shortage of Zakat resources (Abdin 2003)

Baithuzzakath Kerala stands out as the first registered Zakat agency in the state, operating as a non-governmental organization under the Public Religious Trust Act since October 2000. It serves as the largest collective Zakat initiative in Kerala, operating systematically across the region. Baithuzzakath Kerala is primarily dedicated to advocating for the religious and social significance of zakat, with a specific focus on fortifying the mechanisms for its collection and equitable distribution. Additionally, the organization endeavors to devise schemes aimed at fostering prosperity among the deserving recipients of zakat. Moreover, Baithuzzakath Kerala offers guidance concerning the implementation of zakat collection strategies that are envisioned to promote socio-economic advancement and ensure a promising future for society at large.

Despite the prevalence of organized Zakat systems, obtaining precise information about the total number of Mahals and Zakat Committees involved remains challenging. Estimates suggest the existence of over 1000 such agencies, underscoring the widespread efforts towards structured Zakat administration in Kerala.

#### **Calculation of Zakat: A Glimpse from Primary Sample Survey**

To delve deeper into the attitudes towards Zakat calculation and distribution among individuals, a primary sample survey was conducted. The findings shed light on the prevalent practices and perceptions regarding Zakat management in Kerala.

The survey revealed that Zakat agencies generally refrain from interfering in the calculation process of individuals, instead accepting the amount individuals offer as Zakat. Among the respondents, 40% reported calculating Zakat systematically and regularly by Islamic norms, while the remaining 60% estimated a lump sum towards their Zakat dues.

Furthermore, among those who contributed Zakat to organized Zakat agencies, 65% allocated a portion of their Zakat individually to relatives and local needy, whereas 35% entrusted their entire Zakat dues to these agencies.

The survey also gauged respondents' awareness of Zakat rates, with 60% indicating familiarity with the prescribed rates. Regarding satisfaction with the performance of Zakat committees, a significant majority of 80% expressed contentment, while 20% were dissatisfied.

These findings underscore the diverse approaches to Zakat calculation and distribution among individuals in Kerala. While a sizable portion adheres to systematic calculation practices and entrusts their Zakat to organized agencies, others rely on estimations and maintain autonomy in distribution. Despite variations in practice, a majority of respondents appear to be satisfied with the performance of Zakat committees, highlighting the importance of organized efforts in Zakat management within the community.

#### **The Collection of Zakat: Trends and Analysis**

Zakat collection across various agencies in Kerala predominantly follows a donation-based system, where agencies accept voluntary contributions from individuals. The annual collection figures among Zakat agencies vary significantly, ranging from one lakh to four crores. Based on these figures, Zakat agencies can be classified into different categories: small (less than 5 lakhs), medium (5 to 25 lakhs), large (25 lakhs to one crore), and very large (more than one crore). A survey of 25 randomly selected Zakat agencies reveals a distribution where 36% are small, 44% medium, 12% large, and 8% very large Zakat agencies.

When considering the overall average collection, which stands at 28 lakhs, extrapolating this data to include 500 Zakat agencies suggests a total collection of 140 crores. However, assuming only 10% of the total potential Zakat is realized, the estimated potential Zakat amount rises to a substantial 1400 crores.

Despite a general trend of growth in Zakat agencies, there are fluctuations in various aspects such as the number of Zakat payers, collected amount, and the number of Zakat beneficiaries. One of the largest Zakat agencies' data illustrates this trend, indicative of broader patterns observed across many agencies.

Several factors influence the performance of Zakat agencies, with the efficiency and consistency of the committee being particularly prominent. Many Zakat agencies rely on volunteers who often juggle multiple responsibilities, which can impact operational efficiency and consistency.

Overall, while Zakat agencies contribute significantly to charitable efforts and socio-economic upliftment, there is room for improvement in terms of organizational structure, resource management, and volunteer coordination to enhance their impact and effectiveness in serving the community's needs.

### **Zakat Disbursement: Current Practices and Future Directions**

Zakat agencies in Kerala have developed their own schemes for distributing Zakat funds, aiming to support the most deserving cases within each locality. However, it is observed that 90% of Zakat agencies do not have specific projects or priorities for selecting beneficiaries and disbursing Zakat. Instead, they typically consider applications received and conduct local inquiries to determine disbursement, whether in cash or kind. Despite their efforts, many agencies cannot fully meet the needs of beneficiaries. The major heads of Zakat disbursement include self-employment, house construction and repair, medical treatment, monthly pensions, debt repayment, and educational scholarships. Notably, productive, project-based Zakat allocation is predominantly limited to larger Zakat agencies.

Furthermore, the study reveals that 10 to 20% of beneficiaries are from Hindu and Christian communities, indicating a broad impact of Zakat beyond the Muslim population. Feedback from beneficiaries underscores the effective utilization of Zakat funds, although many report not receiving adequate funds for their needs. Nevertheless, all beneficiaries express satisfaction with the services provided by Zakat committees.

Zakat has played a crucial role in generating employment, improving income generation, and enhancing consumption among beneficiaries. It has also contributed significantly to social welfare, addressing issues such as drinking water problems. Examples of successful cooperation between Zakat committees and local bodies demonstrate the potential for further collaboration in addressing poverty and social challenges.

However, there is a need to modify Zakat disbursement practices by developing asset-based projects that have long-term impacts and promote self-reliance among beneficiaries. Conducting comprehensive socio-economic surveys can help identify the most deserving cases and families and prepare suitable projects tailored to their needs. Adopting a more effective and scientific approach could potentially address major socio-economic issues within the society over a period of 10 to 15 years.

Despite the enormous possibilities of Zakat in Kerala, current practices only realize a fraction of its potential. It is hoped that the well-structured Zakah system will usher in a new phase of Zakat activities, focusing on enhancing both collection methods and disbursement strategies to maximize the impact of Zakat in addressing socio-economic challenges and promoting welfare in the community.

### **A critical review**

The Zakah system practiced in Kerala faces several drawbacks that hinder its effectiveness in addressing socio-economic challenges. These include decentralized distribution methods leading to inconsistencies and inefficiencies, fluctuating collection amounts that undermine budgeting and planning, and a lack of transparent criteria for selecting beneficiaries, resulting in inequities. Additionally, challenges in resource management, including funding constraints and operational inefficiencies, further limit the system's scalability and impact. Moreover, the absence of comprehensive impact assessment mechanisms makes it difficult to measure the effectiveness of Zakah programs accurately. To address these drawbacks, concerted efforts are needed to improve organization, transparency, and effectiveness in Zakah management, including implementing standardized beneficiary selection criteria, enhancing resource management practices, and conducting rigorous impact assessments to ensure that Zakah funds are utilized efficiently to promote sustainable socio-economic development.

### **Conclusion:**

In the vibrant tapestry of Kerala's secular society, the management of Zakah emerges as a poignant reflection of the intersection between faith and the modern world. Through centuries of evolution, Kerala has woven a unique narrative of Zakah administration, where Islamic principles coexist harmoniously with the ethos of secularism.

From the shores of ancient trade routes to the bustling streets of contemporary urban centers, Zakah has been a beacon of compassion and solidarity, transcending religious boundaries to uplift the marginalized and empower communities. Yet, amidst the achievements, challenges persist. The quest for social justice remains ongoing, as marginalized communities continue to grapple with poverty, inequality, and exclusion. As we conclude our exploration of Zakah management in Kerala, we are reminded of the resilience and adaptability inherent in Islamic principles. In navigating the complexities of a secular society, Zakah agencies have demonstrated remarkable ingenuity, crafting innovative approaches to collection, distribution, and impact assessment. However, challenges such as decentralized distribution methods, fluctuating collection amounts, and a lack of comprehensive impact assessment mechanisms persist. To address these challenges and pave the way for a more equitable and sustainable future, Zakah management in Kerala must evolve in tandem with the changing dynamics of society. Asset-based projects, comprehensive surveys, and enhanced collaboration between Zakah agencies and local bodies offer promising pathways towards addressing poverty, promoting social justice, and fostering inclusive development. In closing, the story of Zakah management in Kerala serves as a testament to the enduring power of philanthropy, faith, and solidarity. It is a story of resilience, innovation, and compassion—a story that transcends boundaries and inspires hope for a brighter tomorrow. As we embark on this journey, let us reaffirm our commitment to the principles of justice, compassion, and solidarity, forging a path towards a more inclusive and prosperous society for all.

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