

Results and Discussion

CHAPTER IV

RESULTS AND DISCUSSION

Results of the present investigation obtained through analysis of data are presented in this chapter. The analysis of data was done on the basis of income classes to which the families belonged. Income class was the criterion, on the basis of which the families were selected as the sample of the study. Thus the families were divided into five income groups ranging between low income group to high income group along with three groups belonging to middle income, viz. lower middle, middle and higher middle income.

The findings of the study are presented through composite frequency and percentage followed by the statistical applications for the testing of hypotheses and relevant discussion pertaining to various objectives of the investigation.

The results and discussion are presented under the following sections:

- 4.1 Socio-economic and demographic characteristics of the respondents
- 4.2 Cost of Living
 - 4.2a Secondary data on WPI, CPI (All India) and CPI (Vadodara) for 94-95 to 2000-2001
 - 4.2b Expenditure during 95-96 and 99-2000 by income groups
 - 4.2c Cost of living indices for five income groups
- 4.3 Economic profile of the families during the base year and the current year
- 4.4 Financial Management practices followed by the families
- 4.5 Problems faced by the Families due to rise in general price level
- 4.6 Coping strategies adopted by the household against the rise in general price level

- 4 7 Extent of satisfaction of the families with quality of life during the base year and the current year
- 4 8 Testing of hypotheses
- 4 9 Discussion

Section I

4.1 Socio-Economic and Demographic Characteristics of the Respondents

Present section of the chapter deals with the description of findings on personal variables of the head of the family (respondent) and the familial variables of the families under study

4.1.1 Personal Characteristics of the Respondents

Age, education level, income and occupation status of the respondents have been analysed as the personal variables

Table 4.1 Personal Characteristics of the Respondents

Personal Characteristics	Income Group											
	LIG N=50		LMIG N=52		MIG N=53		HMIG N=50		HIG N=50		Total	
	N	%	N	%	N	%	N	%	N	%	N	%
Age (in years)												
21-30	-	-	-	-	02	3.8	4	8.0	2	4.0	8	3.1
31-40	23	46.0	11	21.2	14	26.4	18	36.0	08	16.0	74	29.0
41-50	23	46.0	32	61.5	27	50.9	14	28.0	17	34.0	113	44.3
51-60	04	08.0	09	17.3	10	18.9	14	28.0	15	30.0	52	20.4
≥ 61	-	-	-	-	-	-	-	-	8	16.0	08	3.1
Total	50	100	52	100	53	100	50	100	50	100	255	100
Mean Age	43		46		44		44		49		45	
Education Level												
Illiterate					02	3.8	-		-		02	0.8
Primary	15	30.0	08	15.4	02	3.8	-		-		25	9.8
upto10 th	13	26.0	06	11.5	-		-		-		19	7.5
upto 12 th	14	28.0	14	26.9	19	35.8	13	26.0	4	8.0	64	25.1
Graduate	04	08.0	22	42.3	24	45.3	28	56.0	30	60.0	108	42.4
Postgraduate												
Vocationally trained	04	08.0	02	3.8	01	1.9	05	10.0	08	16.0	16	06.3
Total	50	100	52	100	53	100	50	100	50	100	255	100
Occupation												
Salaried job	23	46.0	39	75.0	41	77.4	32	64.0	41	82.0	176	69.0
Business	27	54.0	13	25.0	12	22.6	18	36.0	09	18.0	79	31.0
Total	50	100	52	100	53	100	50	100	50	100	255	100
1999-2000												
Mean monthly income	Rs 2340		Rs 4109		Rs 6573		Rs 9494		Rs 23673			

Age

Mean age of the respondents varied between 43 to 49 years for all income groups. From the total number of respondents, 45 to 60 percent were of the age group between 41 to 50 years. Minimum number of respondents were belonging to less than 30 years and more than 61 years of age, number of respondents being 8 in both the categories.

Education

As far as education level was concerned, it was observed that in case of the respondents belonging to higher middle and higher income groups, more than 55 percent were graduates. Respectively 8 percent and 16 percent of the respondents did have post graduation. In case of lower middle and middle income groups 42.3 and 45.3 percent of the respondents were graduates respectively. Illiteracy was found to be prevalent only in 3.8 percent of cases belonging to middle income group, whereas in case of lower income group, 30 percent of the respondents had education upto primary level.

Occupational Status

Except for lower income group, salaried job was the occupation in which the respondents were engaged. In case of lower income group, almost equal number of respondents were engaged in business as well, i.e. 46 percent and 54 percent respectively. From the higher income families, 36 percent of the family heads were engaged in business. For the rest of the three income classes, viz. lower middle, middle and higher income classes, more than 75 percent of the respondents were engaged in salaried jobs. Thus, overall picture showed that business was found to be less common occupation in case of the present study.

Income

Mean monthly income of the head of the families in case of the lowest strata i.e. below Rs. 2500 pm was Rs. 2340. Lower middle group families had mean monthly income of Rs. 4109. The mean income of the head of the family in case of middle income and higher middle income were, Rs. 6573 and Rs. 9494 respectively, whereas in case of higher income group families, mean income of the head of family was Rs. 23673.

4.1.2 Characteristics of the Families Under Study

Findings related to type of families, size and composition of families, family income and ownership of the house have been analysed here.

Table 4.2 Family Characteristics of the Respondents

Family Characteristics	Income Group											
	LiG		LMIG		MIG		HMIG		HIG		Total	
	N=50		N=52		N=53		N=50		N=50			
	N	%	N	%	N	%	N	%	N	%	N	%
Type of family												
Joint	31	62.0	19	36.5	19	35.8	17	34.0	24	48.0	110	43.1
Nuclear	19	38.0	33	63.5	34	64.2	33	66.0	26	52.0	145	56.9
Total	50	100	52	100	53	100	50	100	50	100	255	100
Family Size												
Small (≤ 4)	05	10.0	09	17.3	06	11.32	-		05	10.0	25	9.8
Medium (5 - 8)	35	70.0	39	75.0	41	77.35	50	100	40	80.0	205	80.0
Large (≥ 8)	10	20.0	07	13.26	06	11.32	-		05	10.0	28	10.0
Average members by type of family												
Joint												
≥ 18 yrs	2		3		1		1		2		2	
< 18 yrs	4		2		4		4		4		3	
Total	6		5		5		5		6		5	
Nuclear												
≥ 18 yrs	1		2		1		1		3		2	
< 18 yrs	4		3		4		3		2		3	
Total	5		5		5		4		5		5	
Mean Monthly Income												
1995-96	1498		2878		4317		6846		11662			
1999-2000	1484		4236		6943		9794		19457			
Type of House												
Own House	26	52.0	34	65.4	45	84.9	36	72.0	33	66.0	174	68.2
Rented House	24	48.0	18	34.6	08	15.1	14	28	17	34	81	31.8
Total	50	100	52	100	53	100	50	100	50	100	255	100

Type of Family

Families were categorized under joint & nuclear types. It was observed that only in case of lower income group, more than 60% of the families had joint family. Whereas in lower middle, middle and higher middle income groups, more than 60% of the families were found to have nuclear family type. Almost equal number of joint and nuclear families were found in case of higher income group. Hence, except for low income group, nuclear family type was found to be more common.

Size of Family

Mean family size was 5 members. Thus all the families had medium size family. Family composition was categorized on the bases of number of family members belonging to the age group below 18 years and those above 18 years of age. In all cases number of family members above 18 years were 1 to 3 and those below 18 years were 2 to 4 on an average.

Type of House

Out of total families 68.2 percent possessed own house and 31.8 percent had rented house. Fifty two percent of low income families and 65.4 percent of lower middle income families had their own house. In case of rest of the income groups, more than 65 percent families owned the house. Eighty four percent families from middle income group and 72 percent of higher middle income group possessed own house whereas from higher income group 66 percent had their own house.

4.1.3 Public Facilities Availed by the Families

Information were elicited regarding specific public facilities availed by the families from all income groups, namely Municipal School, General Hospital and Health Centre

Table 4.2a Public Facilities Availed by the Families

Public Facilities	Income Group						Total	
	LIG		LMIG		MIG			
	N	%	N	%	N	%	N	%
Municipal School	20	40.1	11	21.2	01	1.9	-	32 12.54
General Hospital	05	10.1	12	23.1	18	34.1	-	37 14.50
Health Centre	-		13	25.0	08	15.1	-	33 12.90
Total	25	50.2	36	69.3	27	51.1	-	102 39.94

Municipal School

This facility was utilized the most by lower income families. Sixty percent of them were sending their children to municipal schools. Whereas out of lower middle income group families 21.2 percent of them were using this facility and out of middle income group only 1.9 percent of them were using this facility. Thus we can say that this facility was utilized mainly by the lower income group.

General Hospital

Ninety percent of the respondents belonging to lower income group were utilizing this facility and 76 percent of lower middle income families were using the same. Whereas in case of middle income group only 34 percent of them were taking the benefit of general hospital.

Health Center

The services of community health centre were being availed by 60 percent of the families belonging to low income group Whereas incase of lower middle and middle income groups, respectively 25 percent and 15 percent were making use of community health centers This figures show that though available, the facility was not utilized fully

Section II

(a) General Price Level and Cost of Living

It is no denying the fact that with economic development, urbanization and sheer pace of time, the family spending and living standards have changed dramatically In many ways these changes reflect among many shifts in general economic landscape and families' specific economic conditions This scenario had witnessed rising family incomes, population growth, the exodus to suburbs, more married women working and a growing demand for quality product (Zeitlin, 1995) Oppenheim, (1972) in the study entitled Management of the Modern Home had mentioned that family outlays for food and clothing increased by a smaller amount than total buying power Outlays for housing, utilities, travel, education, autos and a wide variety of products and services that make for the good life expanded much more rapidly It needs to be stressed that in this process the rise in general price level (indicated by economy wide aggregate wholesale price index or a representative consumer price index) and increase in retail prices at the disaggregate level often have been the constraining factors in family resource management practices These processes quite often are reflected in cost of living

Table 4 3 provides information about cost of living based on two measures

- a) Wholesale price index (WPI, All India)

- b) Consumer price index (CPI, All India)
- c) Consumer price index (CPI, Vadodara)

Table.4.3 General Price Level and Cost of Living

Year	WPI (All India)	CPI (All India)	CPI (Vadodara)
94-95	100	100	100
95-96	104.4	110.0	109.5
96-97	110.0	120.34	120.12
97-98	114.9	128.52	125.04
98-99	120.9	145.35	139.66
99-2000	128.75	150.29	144.68
2000-2001	139.3	156.00	154.08

Source: Economic Survey, March 2001 and CMIE, Review of Gujarat, 2001

Table 4.3 provides us with the information based on three indices. It essentially tells us what happens to cost of living on average, judged on the basis of WPI, CPI (All India) and CPI (Vadodara). It appears that cost of living on an average seem to have increased by 39.3%, 56% and 54.1% respectively between the period 94-95 and 2000-2001. In other words, increase in cost of living on an average range from 40% to 50%. Needless to say, translated into absolute increases in cost of living expenses, the figures would look more distressing. An average household might feel the real pinch or burnt of such increases when the actual budget is consolidated. In fact, the incidence and impact of increase in cost of living is far more pronounced for people in the average and below

average-income strata though such cost of living increases do evoke perceptible responses from people belonging to upper income strata as well. It is observed that over a period of time, the composition of families' consumption expenditure and savings do undergo change

Figure 4 : General Price level and cost of living

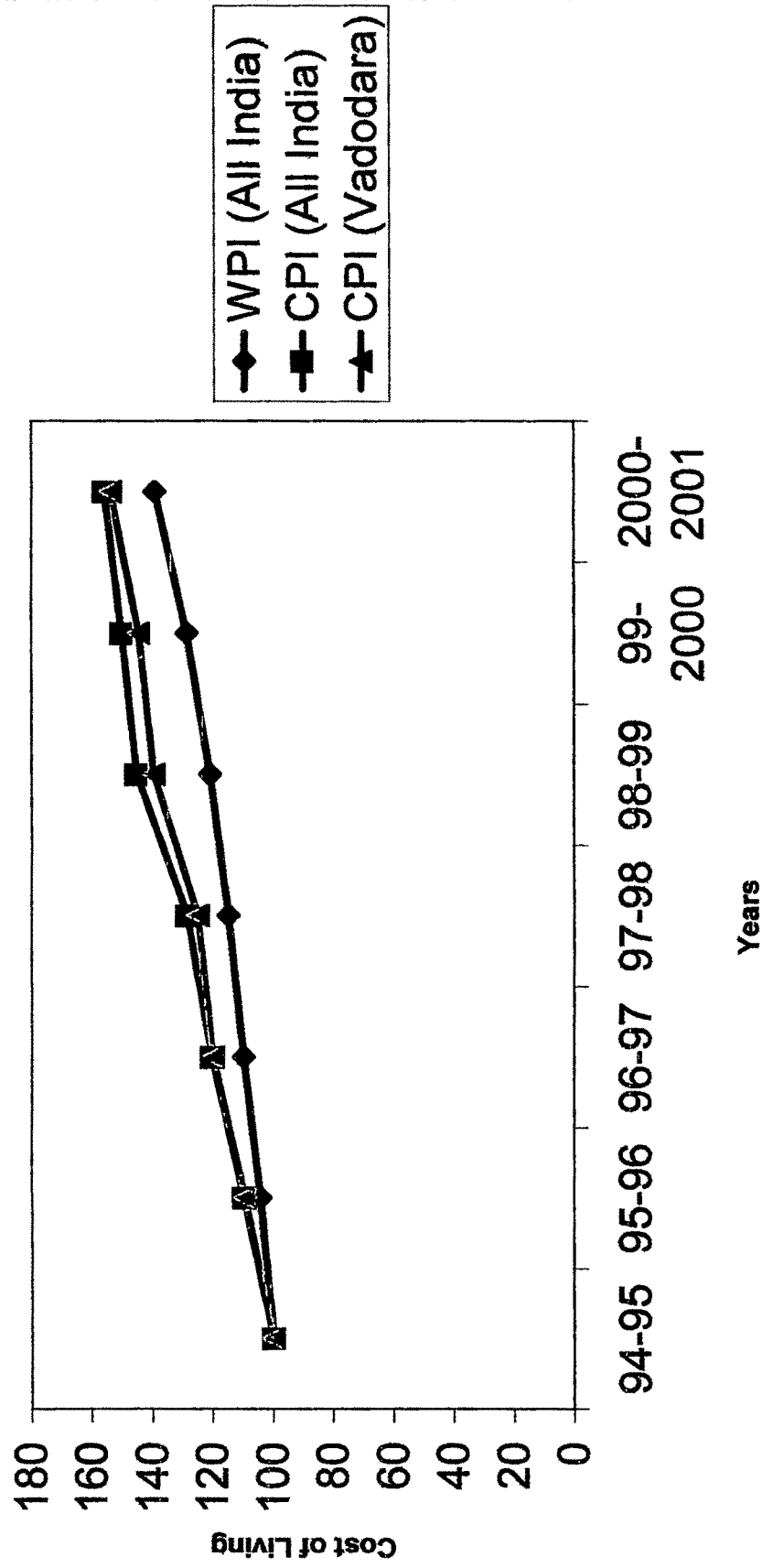


Table 4.4 and Table 4.5 depict this information. The changes occurred over reference period are self-evident. They by and large reflect families' responses to varying economic conditions and opportunities and thus show families' asset preferences and desire to change composition of consumption expenditures.

Table 4.4 Private Final Consumption Expenditure By Object (All India)

Items	Years(% Distribution)					
	93-94	94-95	95-96	96-97	97-98	98-99
1 Food, Beverages & Tobacco	56.1	53.7	53.1	53.7	51.3	50.7
2 Clothing & Footwear	4.5	5.9	5.9	5.6	5.9	5.5
3 Gross Rent, Fuel & Power	12.1	12.1	11.7	11.1	11.1	11.0
4 Furniture, Furnishing Appliances & Services	3.0	3.0	3.2	3.2	3.3	3.3
5 Medical care and health services	3.4	3.6	3.7	3.8	4.1	4.2
6 Transport & Comm	11.3	11.9	12.6	12.8	13.8	14.5
7 Recreation, education and cultural services	3.1	3.2	3.2	3.1	3.6	3.7
8 Misc goods & services	6.4	6.6	6.5	6.6	7.0	7.0

Source: National Accounts Statistics, CSO, 2000-2001

Consumption expenditure on food, beverages and tobacco and gross rent, fuel and power had gone down during the year 98-99 compared to 93-94. Whereas on transport & communication, clothing & footwear, miscellaneous goods & services, recreation, education & cultural services, medical care & health services and furniture & appliances, the consumption expenditure had gone up during 98-99 compared to the year 93-94.

Table 4.5 Composition of Household – Savings and Investments (All India)

Savings and Investments	Years						
	93-94	94-95	95-96	96-97	97-98	98-99	99-00
HH Savings (Rs Crores)	109597	145503	123436	158856	183318	219280	237139
A Currency (%)	12 19	10 93	13 38	8 58	6 97	10 09	8 87
B Deposits with (%) banks and others	42 59	45 52	42 09	48 22	47 46	41 81	37 27
C Shares & Debentures (%)	13 47	11 94	7 37	6 56	2 38	2 50	6 31
D Claims of Govt (%)	6 30	9 06	7 76	7 41	12 09	12 31	11 55
E Insurance funds (%)	8 71	7 81	11 25	10 14	10 58	10 53	12 00
F Provident & Pension funds (%)	16.71	14 71	18.12	19 05	20 49	22 72	24 00

Source National Accounts statistics, CSO, 2000-2001 % are that of household savings

Out of aggregate savings of families, the percentage share of savings had increased on the investment in pension and provident funds, claims on Government bonds and insurance funds during the year 99-2000 compared to 93-94. On the other hand, the percentage of currency on hand, deposits with banks and investment in shares and debentures had gone down during 99-2000 compared to the year 1993-94.

(b) Expenditure during 1995-96 & 99-2000 and Cost of Living Indices by Income

Groups

This section examines expenditure pattern on 17 major consumer items across five designated income classes on the basis of information for the years 1995-96 and 1999-2000. For this purpose, mean expenditure for each item for each income class was prepared for the years 1995-96 and 1999-2000. Besides, the share of each item in total expenditure was calculated to arrive at the weight of that item in the consumer basket of that income class. Tables and graphs provide information on mean expenditure, weights & expenditure relative and cost of living index for different income groups. Following observations were made:

I. Mean Monthly Expenditure during 95-96 & 99-2000 and Cost of Living Index by Low Income Group

- a) On the basis of shares in the total expenditure, for LIG, Grocery, pulses, oil & ghee, sugar, tea, fruits & vegetables, transport fuel, education and house rent appeared to be major items in the budget of an average LIG consumer. Their shares were 17% (grocery), 9.7% (pulses and dal), 7% (Oil and ghee), 8.5% (Sugar), 5.6% (tea & coffee, fruits & veg), 7.2% (transport and fuel), 9.8% (education & stationery), 8.5% (house rent) and 6.8% (others).

Table : 4.6 Mean Monthly Expenditure during 1995-96 & 1999-2000 and cost of living index of low Income Group (0's Excluded)

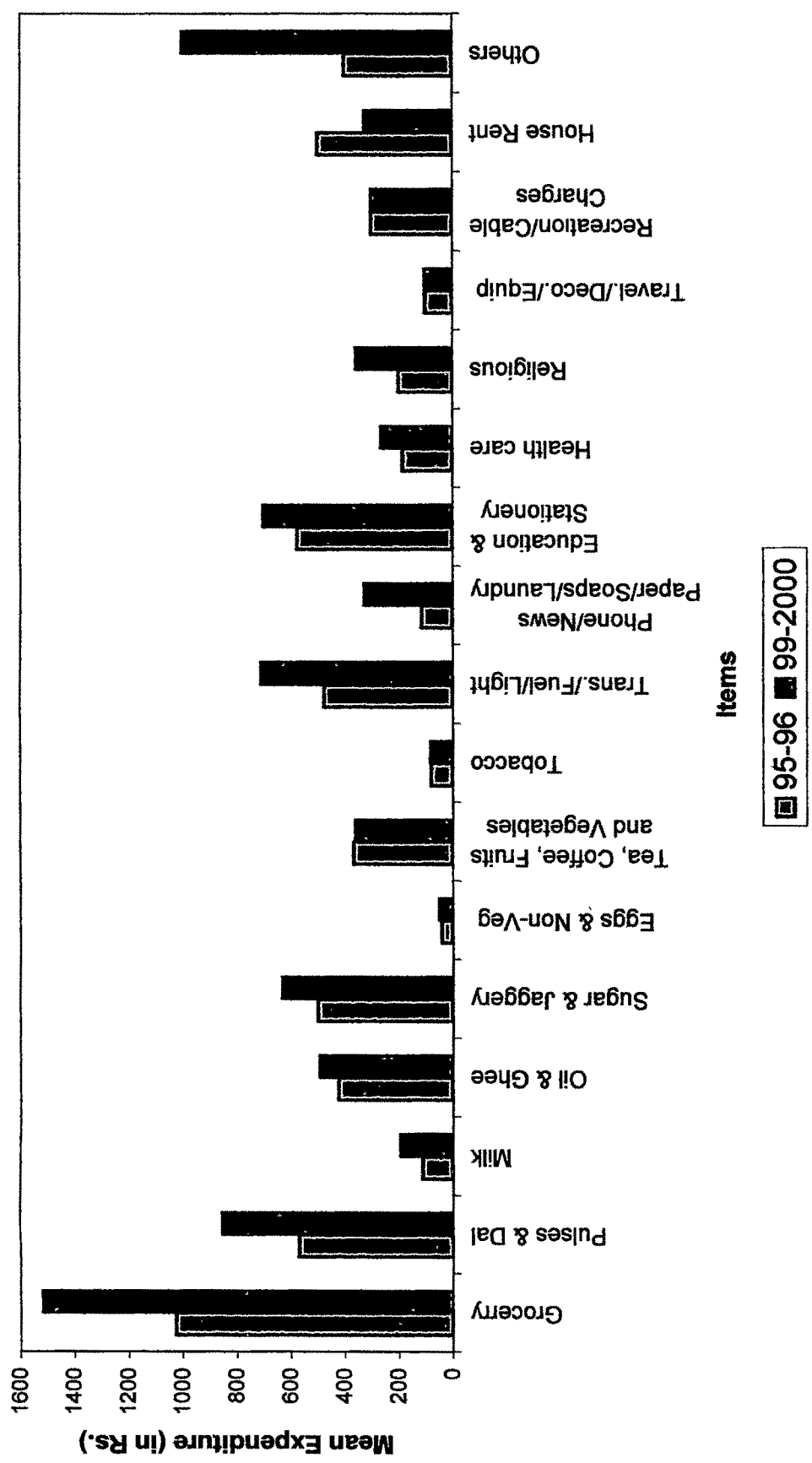
Items	1995-96			1999-2000			Expenditure		
	N	Sum	Mean	N	Sum	Mean	wt	relative	index
	1	2	3	4	5	6	7	8	9
Grocery	46	47150	1025	46	69782	1517	0.18	1.48	0.26
Pulses & Dal	46	26220	570	46	39330	855	0.10	1.50	0.15
Milk	46	5163	112	46	8924	194	0.02	1.73	0.03
Oil & Ghee	41	18656	424	46	22632	492	0.07	1.16	0.08
Sugar & Jaggery	46	23000	500	42	26460	630	0.09	1.26	0.11
Eggs & Non-Veg	40	1600	40	5	250	50	0.01	1.25	0.01
Tea, Coffee, Fruits and Vegetables	41	15057	367	46	16560	360	0.06	0.98	0.05
Tobacco	46	3680	80	46	3772	82	0.01	1.03	0.01
Trans /Fuel/Light	41	19554	477	46	32660	710	0.07	1.49	0.11
Phone/News Paper/Soaps/Laundry	41	4663	114	46	15042	327	0.02	2.87	0.05
Education & Stationery	46	26450	575	37	25937	701	0.10	1.22	0.12
Health care	46	8510	185	32	8416	263	0.03	1.42	0.05
Religious	46	9200	200	46	16376	356	0.03	1.78	0.06
Travel /Deco /Equip	46	4600	100	5	500	100	0.02	1.00	0.02
Recreation/Cable Charges	46	13800	300	4	1200	300	0.05	1.00	0.05
House Rent	46	23000	500	24	7800	325	0.09	0.65	0.06
Others	46	18400	400	4	4000	1000	0.07	2.50	0.17
Total		268703			299641				1.38

Column 8 = column 6 divided by column 3 and column 9 = column 8 multiplied by column 7

Column 8 = column 6 divided by column 3 and column 9 = column 8 multiplied by column 7

- b) In absolute terms, information on mean expenditure revealed what a representative consumer from the sample of lower income group would be spending on a particular item. The items constituting the mean expenditure on or around Rs 500 and above are grocery (Rs 1025), pulses & dal (Rs 570), sugar (Rs 500) education (Rs 575) and house rent (Rs 500)
- c) Without reference to the weights of the item, the expenditure relative shows by how much the expenditure on an item had proportionately increased between 95-96 and 99-2000. For example, compared to all the items, item like milk, phone/news paper/soaps religious things and others show the proportionate increase to be 73%, 187%, 78% and 150% respectively. Similarly, grocery, pulses & dal, transport/fuel/light and health care exhibit proportionate increase to be 48%, 50%, 49% and 42% respectively. All these numbers indicate that if the basket of goods remain constant, then how much would be required to buy the same basket in 99-2000 compared to 95-96.

Figure 5 : MEAN MONTHLY EXPENDITURE DURING 1995-96 & 1999-2000 BY LOW INCOME GROUP



- d) When weights / shares of each item are considered, then, multiplying the expenditure relative by the weight of that good, one can arrive at cost of living expressed in terms of that commodity. This cost of living would then indicate by how much that item has become more expensive or cheap compared to a base year/representative year. On studying the table 4.6, it appears that for LIG, cost of grocery was up by 25%, that of pulses & dal by 15%, sugar by 12.6%, transport/fuel by 11%, education by 12.2% and others 17%. If we sum all these indices of all 17 items, we arrive at an aggregate cost of living index for LIG which indicates the increase in cost of living in terms of a basket of 17 selected items between 95-96 and 99-2000. For LIG, it was found that it was 1.38 meaning thereby that on average, cost of living for a representative consumer belonging to this income class (LIG) had become more expensive to the extent of 38% in 99-00 compared to 95-96.

II. Mean Monthly Expenditure during 95-96 & 99-2000 and Cost of Living Index by Lower Middle Income Group

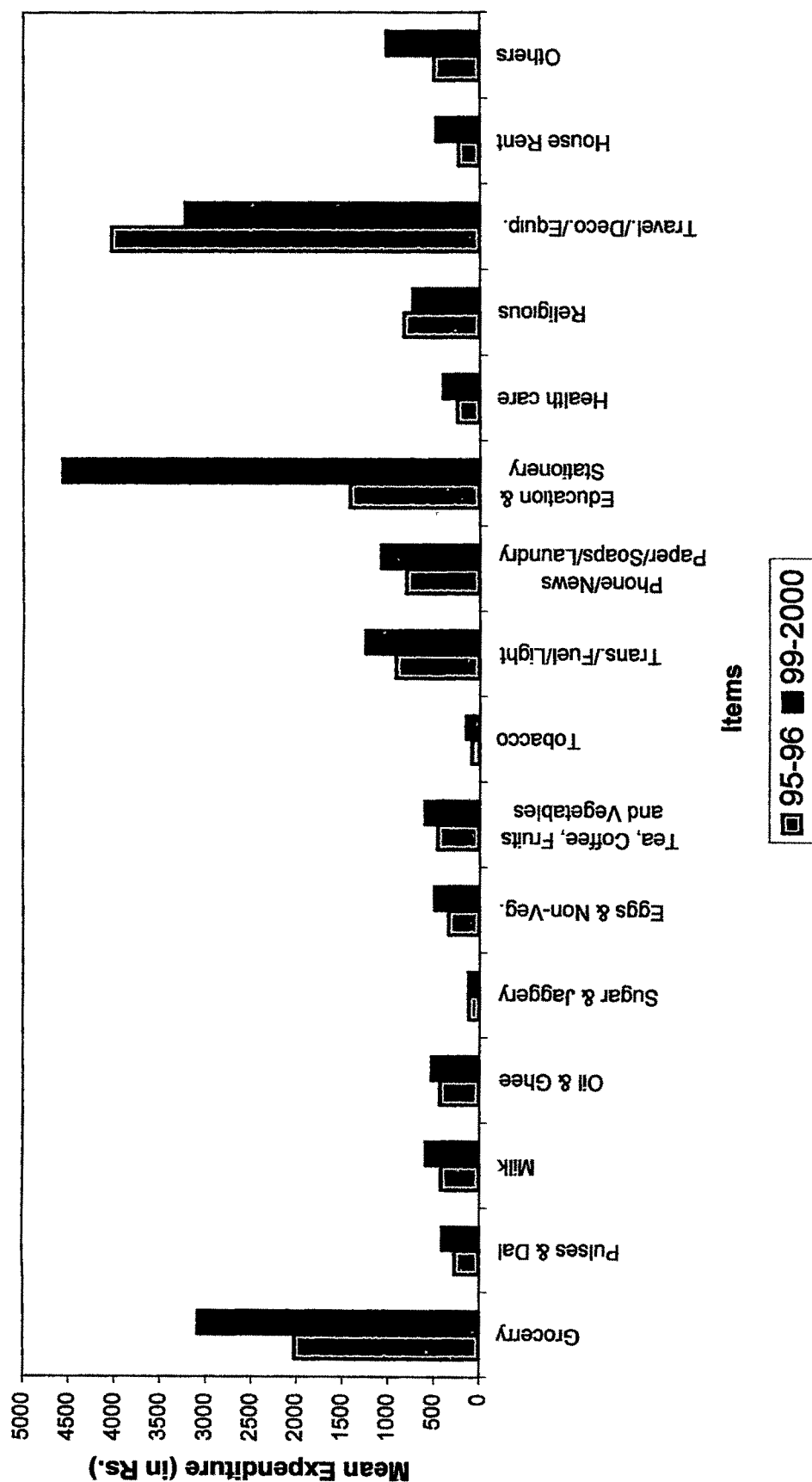
- a) On the basis of shares in the total expenditure, for LMIG, grocery, transport/fuel/light, phone/newspaper, education and travel/deco appeared to be major items in the budget of an average LMIG consumer. Their shares were 23% (grocery), 10% (transport/fuel), 8% (phones/news paper) 14% (education) and 11% (travel/deco).

Table 4.7 : Mean Monthly Expenditure during 1995-96 & 1999-2000 and cost of living index of Lower Middle Income Group (0's Excluded)

Items	1995-96			1999-2000			Expenditure		
	N	Sum	Mean	N	Sum	Mean	wt	relative	index
	1	2	3	4	5	6	7	8	9
Grocery	48	97039	2022	48	147739	3078	0.23	1.52	0.35
Pulses & Dal	48	12884	268	45	18374	408	0.03	1.52	0.05
Milk	48	20102	419	48	28102	585	0.05	1.40	0.07
Oil & Ghee	48	20672	431	48	25121	523	0.05	1.21	0.06
Sugar & Jaggery	44	4947	112	44	5084	116	0.01	1.04	0.01
Eggs & Non-Veg	17	5695	335	17	8370	492	0.01	1.47	0.02
Tea, Coffee, Fruits and Vegetables	48	21930	457	48	28480	593	0.05	1.30	0.07
Tobacco	20	1720	86	17	2475	146	0.00	1.70	0.01
Trans /Fuel/Light	46	42033	914	48	59778	1245	0.10	1.36	0.14
Phone/News Paper/Soaps/Laundry	43	34366	799	48	51623	1075	0.08	1.35	0.11
Education & Stationery	42	59510	1417	42	191430	4558	0.14	3.22	0.45
Health care	29	7100	245	37	14710	398	0.02	1.62	0.03
Religious	46	38130	829	48	35100	731	0.09	0.88	0.08
Travel /Deco /Equip.	11	44300	4027	25	80500	3220	0.11	0.80	0.08
House Rent	19	4350	229	18	8500	472	0.01	2.06	0.02
Others	12	6000	500	12	12250	1021	0.01	2.04	0.03
Total		420778			717636				1.57

- b) In absolute term, mean expenditure showed what a representative consumer from the sample of LMIG would be spending on a particular item. The items constituting the mean expenditure on or around Rs 500 and above are grocery (Rs 2022), Trans/fuel (Rs 914), phones/newspaper (Rs 799), education (Rs. 1417), Religious (Rs 829), travel/deco (Rs 4027) and others (Rs 500).
- c) Without referring to the weights of the item, the expenditure relative shows by how much the expenditure on an item has proportionately increased between 95-96 and 99-2000. For example, compared to all the items, items like grocery, pulses & dal, tobacco, education & stationary, health care, house rent and others show the proportionate increase to be 52%, 2%, 70%, 222%, 62%, 100% and 100% respectively. Similarly, milk, eggs & non-veg transport/fuel and phones/newspaper indicate proportionate increase to be 40%, 47%, 36% and 35%.

**Figure 6 : MEAN MONTHLY EXPENDITURE DURING 1995-96
& 99-2000 BY LOWER MIDDLE INCOME GROUP**



- d) This cost of living would indicate by how much that item has become more expensive or cheap compared to a base year. For LMIG, cost of grocery was up by 35% that of transport/fuel by 14% phone/newspaper by 11%, education by 45%. For LMIG, it was 1.57. It means that on average, cost of living for a representative consumer belonging to this income class (LMIG) has become more expensive to the extent of 57% in 99-00 compared to 95-96.

III. Mean Monthly Expenditure during 95-96 & 99-2000 and Cost of Living Index

by Middle Income Group

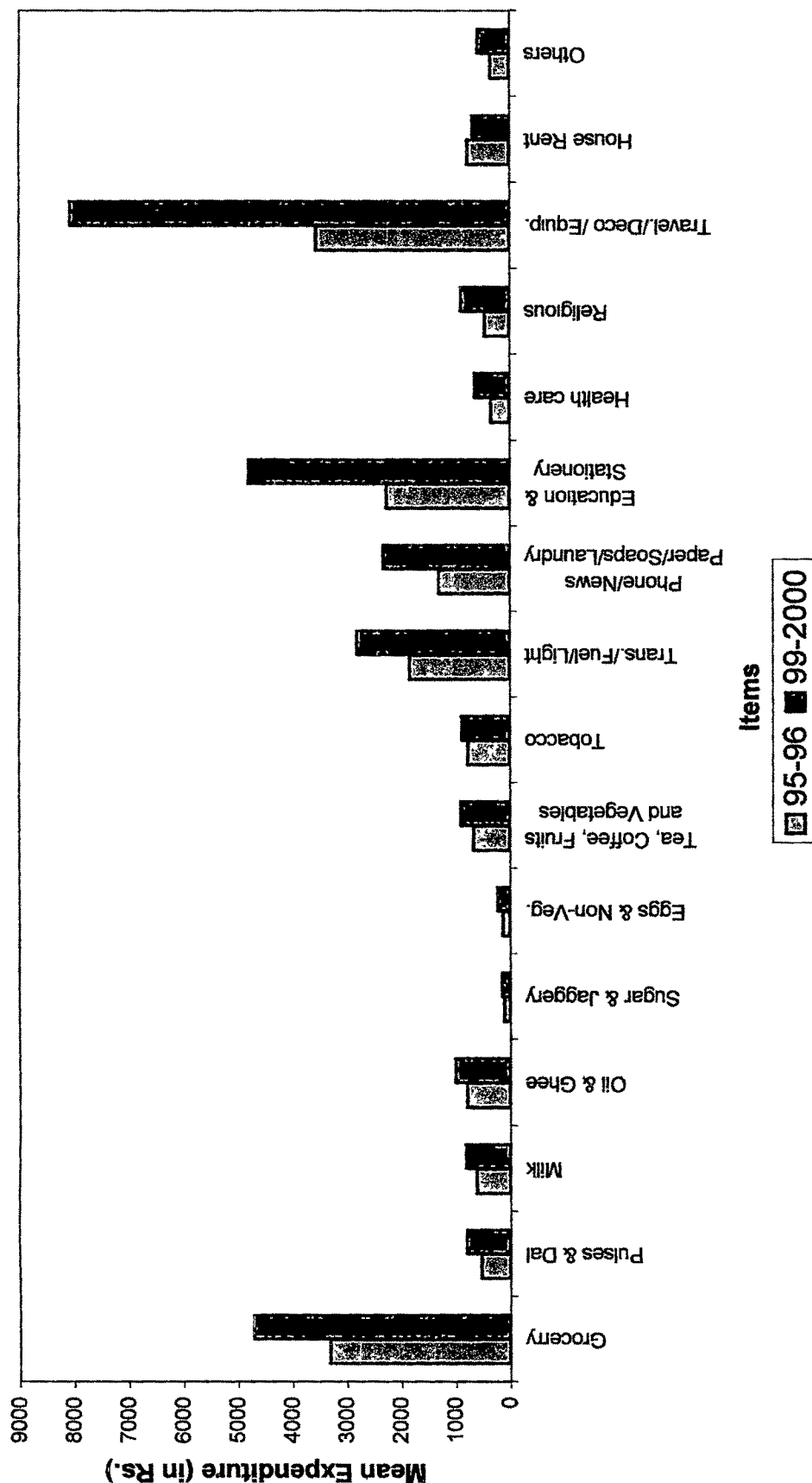
- a) For MIG, grocery, trans /fuel, education and travel/deco appeared to be major items in the budget of an average MIG consumer. Their shares were 23% (grocery), 13% (transport/fuel/), 12% (education/news paper) and 17% (travel/deco)

Table 4.8 : Mean Monthly Expenditure during 1995-96 & 1999-2000 and cost of living index of Middle Income Group (0's Excluded)

Items	1995-96			1999-2000			Expenditure		
	N	Sum	Mean	N	Sum	Mean	wt	relative	index
	1	2	3	4	5	6	7	8	9
Grocery	47	155410	3307	51	239810	4702	0.23	1.42	0.32
Pulses & Dal	46	24160	525	47	37435	796	0.04	1.52	0.05
Milk	44	27040	615	50	40310	806	0.04	1.31	0.05
Oil & Ghee	46	36200	787	50	49868	997	0.05	1.27	0.07
Sugar & Jaggery	41	4233	103	45	6451	143	0.01	1.39	0.01
Eggs & Non-Veg	3	375	125	3	650	217	0.00	1.74	0.00
Tea, Coffee, Fruits and Vegetables	46	30720	668	50	44901	898	0.04	1.34	0.06
Tobacco	10	7715	772	9	7870	874	0.01	1.13	0.01
Trans /Fuel/Light	49	89852	1834	53	148267	2797	0.13	1.53	0.20
Phone/News Paper/Soaps/Laundry	47	61032	1299	51	118422	2322	0.09	1.79	0.16
Education & Stationery	36	81280	2258	44	210765	4790	0.12	2.12	0.25
Health care	35	11650	333	39	24650	632	0.02	1.90	0.03
Religious	39	17610	452	44	38700	880	0.03	1.95	0.05
Travel /Deco /Equip	32	113500	3547	32	257750	8055	0.17	2.27	0.38
House Rent	22	17000	773	8	5400	675	0.02	0.87	0.02
Others	23	7860	342	24	13900	579	0.01	1.69	0.02
		685637			1245149				1.69

- b) In absolute terms, mean expenditure shows what a representative consumer from the sample of MIG would be spending on a particular item. The items constituting the mean expenditure on or around Rs. 1000 or more were grocery (Rs. 3307), transport/fuel (1834), phones/news paper (Rs. 1299), education & stationery (Rs. 2258) and travel/deco. (Rs. 3547). Other items constituting mean expenditure on or around Rs. 500 but less than Rs. 1000 were pulses & dal (Rs. 525), Milk (Rs. 615), Oil & ghee (Rs. 787), Tea & coffee (Rs. 668) Tobacco (Rs. 772) and house rent (Rs. 773).
- c) For MIG, it appeared that highest cost increase was found in cases of education (112%), and travel/deco. (127%), it is followed by religious (95%), health care (90%), house rent (87%), phone/news (79%), eggs/non-veg. (74%) others (69%), and trans/fuel (53%).

Figure 7 : MEAN MONTHLY EXPENDITURE DURING 1995-96 & 99-2000 BY MIDDLE INCOME GROUP



- d) For MIG, cost of grocery was up by 32%, that of trans/fuel up by 20%, education by 25%, phone/news paper by 16% and travel/deco up by 28%, overall cost of living index is 1 69 Overall living expenses were costlier by 69% in 99-00 compared to 95-96

IV. Mean Monthly Expenditure during 95-96 & 99-2000 and Cost of Living Index

by Higher Middle Income Group

- a) On the basis of shares in the total expenditure for HMIG, grocery, milk, tea & coffee and transport/fuel appeared to be major item in the budget of an average HMIG consumer. Their shares were 25% (grocery), 9% (milk) 10% (tea & coffee) and 11% (transport/fuel)

Table 4.9 : Mean Monthly Expenditure during 1995-96 & 1999-2000 and cost of living index of Higher Middle Income Group (0's Excluded)

Items	1995-96			1999-2000			Expenditure		
	N	Sum	Mean	N	Sum	Mean	wt	relative	Index
	1	2	3	4	5	6	7	8	9
Grocery	45	217270	4828	45	251660	5592	0.25	1.16	0.29
Pulses & Dal	40	27402	685	40	29990	750	0.03	1.09	0.03
Milk	45	74090	1646	41	80900	1973	0.09	1.20	0.10
Oil & Ghee	41	60640	1479	41	191640	4674	0.07	3.16	0.22
Sugar & Jaggery	40	25288	632	40	42068	1052	0.03	1.66	0.05
Eggs & Non-Veg.	9	4500	500	9	6600	733	0.01	1.47	0.01
Tea, Coffee, Fruits and Vegetables	45	89720	1994	45	105520	2345	0.10	1.18	0.12
Tobacco	13	1640	126	13	2900	223	0.00	1.77	0.00
Trans /Fuel/Light	45	95759	2128	45	123383	2742	0.11	1.29	0.14
Phone/News Paper/Soaps/Laundry	45	54930	1221	45	89004	1978	0.06	1.62	0.10
Education & Stationery	37	62950	1701	37	64650	1747	0.07	1.03	0.08
Health care	36	20050	557	36	24100	669	0.02	1.20	0.03
Religious	31	21950	708	31	24000	774	0.03	1.09	0.03
Travel /Deco./Equip.	31	30530	985	31	43600	1406	0.04	1.43	0.05
House Rent	32	35500	1109	14	16125	1152	0.04	1.04	0.04
Others	26	35200	1354	26	37000	1423	0.04	1.05	0.04
		857419			1133140				1.35

- b) In absolute terms, information on mean expenditure tells us what a representative consumer from the HMIG, would be spending on a particular item. The items constituting the mean expenditure on or around Rs 1000 or more were grocery (Rs 4828), milk (Rs 1646), oil & ghee (Rs 1479), Tea & coffee (Rs 1994), transport/fuel (Rs 2128), phones/news paper (Rs. 1221), education (Rs 1701), house rent (Rs. 1109), and others (Rs 1354) Other items constituting mean expenditure on or around Rs. 500 but less than Rs. 1000 were pulses/dal (Rs 685), Sugar (Rs. 632) eggs & non veg. (Rs. 500), health care (Rs 557), religious (Rs 708), travel/deco. (Rs 985). It seems that as we move up on the income strata, proportionately larger resources are devoted to non-food items, comforts as well as consumer durables. In other words, proportionately lower expenditure was incurred on food items. This observation is in alignment with Engel's Law, that is 'higher the income, lower would be the percentage share spent on food items'
- c) For HMIG, the highest relative expenditure increase was found in the case of oil & ghee (216%) and it was followed by tobacco (77%), sugar (66%) phones/news paper (62%), eggs & non veg (47%), travel/deco (43%) and trans /Fuel (29%)

- d) For HMIG, cost of living index expressed in terms of grocery had increased by 29%, that of milk by 10%, oil & ghee by 22%, trans/fuel by 14% and phones/newspaper by 10%. The overall cost of living index for HMIG class stands at 1.35 implying that in comparison to 95-96 the standard of living represented by expenditure in 17 broad items had become more expensive to the tune of 35%. This 35% increase indicates an average increase in the sense that an item belonging to the basket was expensive on an average by 35%. In other words, consumers of HMIG group will need to have 35% more nominal income or cash to finance the purchase of the same basket of goods which they were consuming in 95-96. If the consumers do not possess this extra cash, their actual purchases (real expenditures) may fall causing a fall in their quality of life.

V. Mean Monthly Expenditure during 95-96 & 99-2000 and Cost of Living Index by

Higher Income Group

- a) On the basis of shares in the total expenditure, for HIG, grocery, transport/fuel, phones/news paper and recreation/cable charges appeared to be major items in the budget of an average HIG consumer. Their shares were 12% (grocery), 14% (transport/fuel), 14% (phones/news paper) and 29% (recreation).

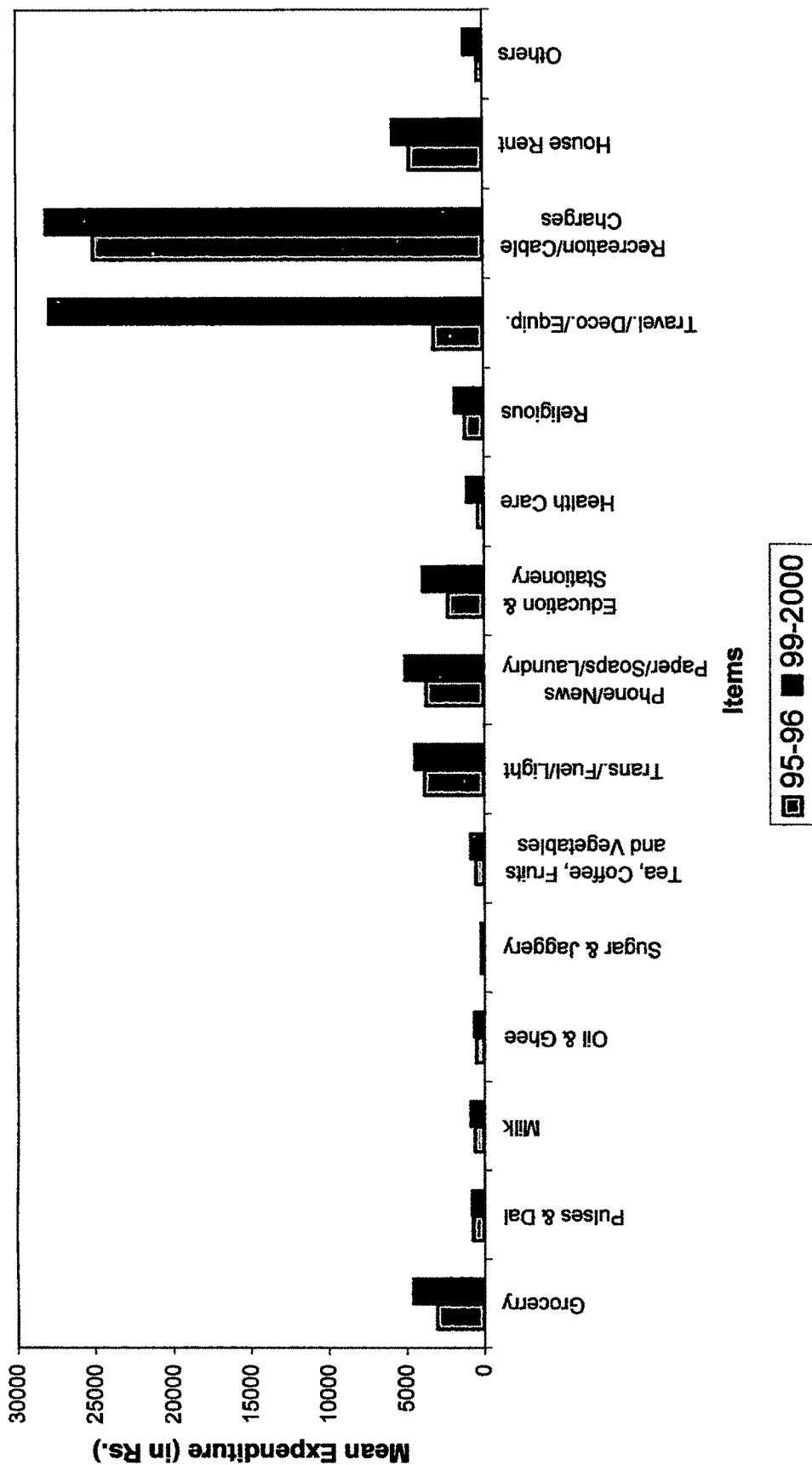
Table 4.10 : Mean Monthly Expenditure during 1995-96 & 1999-2000 and cost of living index of High Income Group (0's Excluded)

Items	1995-96			1999-2000			Expenditure		
	N	Sum	Mean	N	Sum	Mean	wt	relative	index
	1	2	3	4	5	6	7	8	9
Grocery	28	84285	3010	39	177770	4558	0.12	1.51	0.18
Pulses & Dal	21	14340	683	33	25155	762	0.02	1.12	0.02
Milk	28	16645	594	39	32810	841	0.02	1.42	0.03
Oil & Ghee	24	11624	484	34	21315	627	0.02	1.30	0.02
Sugar & Jaggery	22	3386	154	32	6720	210	0.00	1.36	0.01
Tea, Coffee, Fruits and Vegetables	28	14450	516	39	32476	833	0.02	1.61	0.03
Trans./Fuel/Light	26	99202	3815	43	192209	4470	0.14	1.17	0.17
Phone/News Paper/Soaps/Laundry	27	100435	3720	42	211856	5044	0.14	1.36	0.19
Education & Stationery	12	28040	2337	30	117830	3928	0.04	1.68	0.07
Health care	22	8310	378	34	36200	1065	0.01	2.82	0.03
Religious	11	13000	1182	24	43900	1829	0.02	1.55	0.03
Travel /Deco /Equip	15	48050	3203	26	724700	27873	0.07	8.70	0.59
Recreation/Cable Charges	8	200420	25053	10	280715	28072	0.29	1.12	0.32
House Rent	12	56800	4733	17	98500	5794	0.08	1.22	0.10
Others	12	4100	342	25	28800	1152	0.01	3.37	0.02
		703087			2030956				1.82

b). In absolute terms, information on mean expenditure tells us what a representative consumer from the HIG, would be spending on a particular item. The items constituting the mean expenditure on or around Rs 1000 or more were grocery (Rs 3010), transport/fuel (Rs 3815), phones/news paper (Rs 3720), education (Rs 2337), religious (Rs. 1182), travel/deco (Rs 3203), recreation (Rs 25053) and house rent (Rs. 4733)

c) For HIG, it appears that highest relative expenditure increase is found in cases of travel/deco (770%) others (237%) and health care (182%). This is followed by education (68%), tea & coffee (61%), religious (55%), grocery (51%) and milk (42%).

**Figure 9 : MEAN MONTHLY EXPENDITURE DURING 1995-96
& 99-2000 BY HIGHER INCOME GROUP**



- d) For HIG, cost of living index expressed in terms of individual items are as follows. In term of grocery (18%), transport/fuel (17%), phones/news paper (19%), travel/deco (59%) and recreation (32%). The overall cost of living index incorporating all 17 items for HIG is 1.82. In other words overall living expenses were up by 82% in 99-00 compared to 95-96.

**V. Mean Monthly Expenditure during 95-96 & 99-2000 and Cost of Living Index by
All Income Groups**

When we consolidate the responses across all the income groups and attempt to obtain an aggregative picture, some trends / patterns are discernible

- a) Major items in the monthly expenditure for the total sample households are found to be grocery (0 21), transport/fuel light (12), phone/news paper/soaps (10) and education and stationary (11)

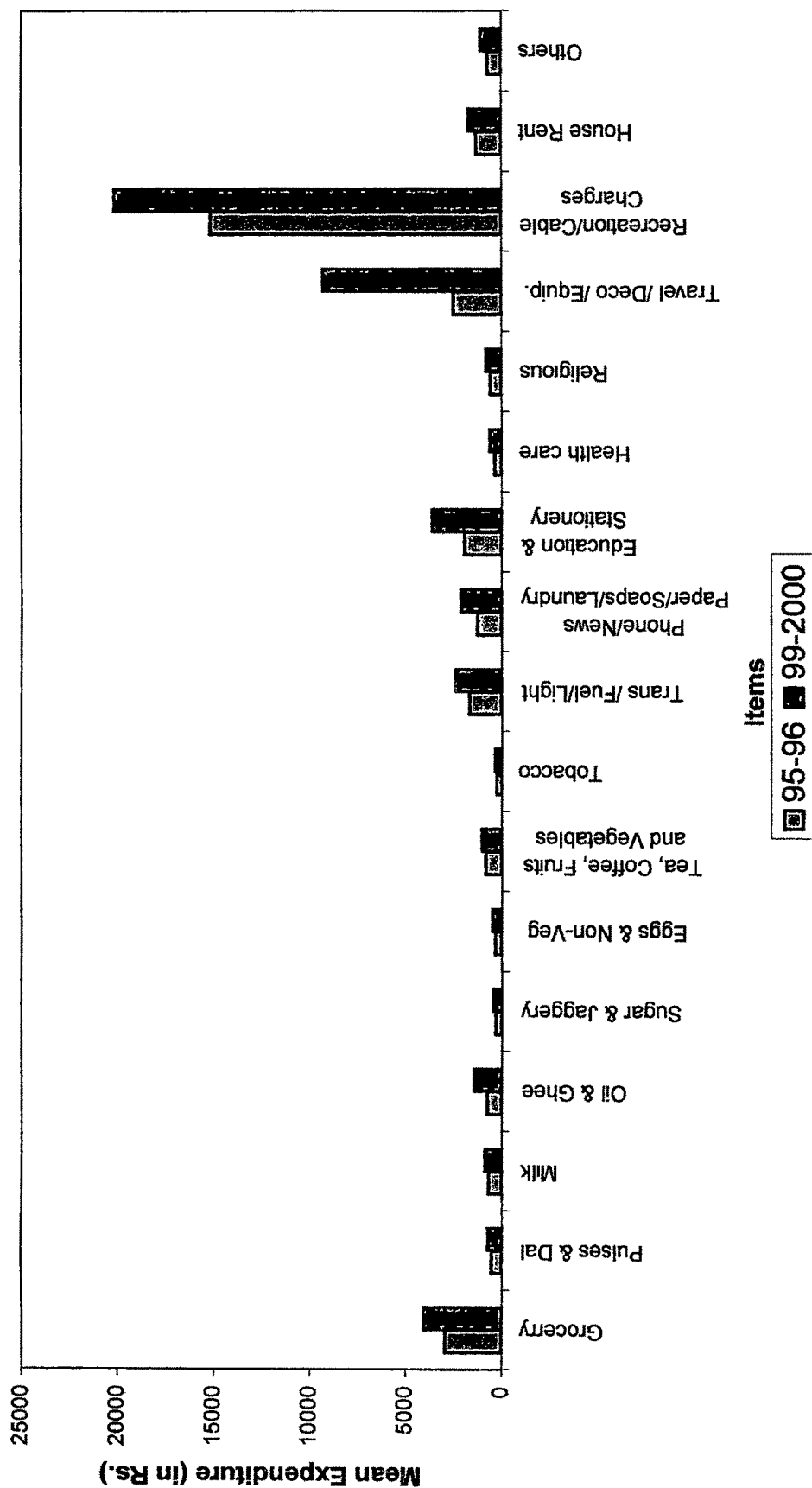
Table 4.11 : Mean Monthly Expenditure during 1995-96 & 1999-2000 and cost of living index of All Income Group (0's Excluded)

Items	1995-96			1999-2000			Expenditure		
	N	Sum	Mean	N	Sum	Mean	wt	relative	index
	1	2	3	4	5	6	7	8	9
Grocery	209	619204	2963	229	925569	4042	0.21	1.36	0.28
Pulses & Dal	196	102154	521	211	150368	713	0.03	1.37	0.05
Milk	206	141839	689	224	189841	848	0.05	1.23	0.06
Oil & Ghee	200	146528	733	219	310605	1418	0.05	1.93	0.10
Sugar & Jaggery	184	56361	306	203	86826	428	0.02	1.40	0.03
Eggs & Non-Veg	34	10770	317	36	16470	458	0.00	1.44	0.01
Tea, Coffee, Fruits and Vegetables	208	171877	826	228	227950	1000	0.06	1.21	0.07
Tobacco	43	11075	258	39	13245	340	0.00	1.32	0.00
Trans /Fuel/Light	207	346400	1673	235	556412	2368	0.12	1.42	0.16
Phone/News Paper/Soaps/Laundry	203	255426	1258	232	485946	2095	0.09	1.67	0.14
Education & Stationery	164	314330	1917	190	685675	3609	0.11	1.88	0.20
Health care	154	53660	348	178	109010	612	0.02	1.76	0.03
Religious	168	97090	578	193	154450	800	0.03	1.38	0.05
Travel /Deco /Equip	94	236880	2520	119	1107050	9303	0.08	3.69	0.29
Recreation/Cable Charges	16	242040	15128	14	281915	20137	0.08	1.33	0.11
House Rent	89	115650	1299	81	136375	1684	0.04	1.30	0.05
Others	77	54760	711	91	95950	1054	0.02	1.48	0.03
		2976044			5533657				1.65

Column 8 = column 6 divided by column 3 and column 9 = column 8 multiplied by column 7

- b) Examining the expenditure relative column, commodity wise, proportionate increase over 5 years period was found in case of travel/deco /equip (269%) could be due to expensive air travels by HIG class and other conspicuous consumption), followed by oil and ghee (93%), education and stationary (88%) Healthcare (76%), phones/news paper (67%) and trans /fuel/light (42%)
- c) It should also be noted that expenditure relative oily does not give a true picture of actual cost of living increase In fact, weight/share of the item in the consumer's total expenditure is far more important for example, even if an item's expenditure relative shows a increase of 100% but if its share is small than the effective cost of living increase for that item is not substantial Against this backdrop, at the disaggregated level, the highest cost of living increase contributions are coming from travel/deco (29%) grocery (28%), education & stationary (20%), transport/fuel/light (16%), phones/news paper (14%) and recreation/cable charges (11%)

Figure 10 : MEAN MONTHLY EXPENDITURE DURING 1995-96 & 1999-2000 BY ALL INCOME GROUPS



- d) The overall cost of living index for the entire sample encompassing all income groups, households turns out to be 165. This index can be interpreted to represent the overall population cost of living index (which are observed to be 156 (CPI, All India) and 154.08 (CPI, Vadodara) (Table 4.3 columns 3 & 4). The computed cost of living index is not deviating substantially from the one emerging from the secondary data. The upshot is that on average, overall cost of living expenses have augmented by 65%. The cost of a representative basket which was 100 in 95-96 has now gone up to 165 in 99-00. The implication is that a larger liquid cash has to be kept aside to finance the purchase of same basket of goods of 95-96 or if that is not forthcoming, the real expenditure on goods will decline causing a deterioration in quality of life of households.

(c) Cost of Living Indices for Five Income Groups

The hypothesis of a potential relationship between general price level and cost of living index is quite plausible. The Families across income classes buy and consume a specific basket of goods and services in tune with their economic ability to buy it. The cost of that basket needless to say, is hypothesized to be affected by prices prevailing in general. The general price level changes shall affect the prices of different goods differently and in turn will cause differentials in the cost of purchase of a representative basket of goods and it is presumed to differ across different classes.

In the tables 4.6 to 4.11 what is presented is a list of 17 broad items of consumption basket following the methodology adopted by National Sample Survey, though it is not an all inclusive/exhaustive list, nevertheless it is fairly inclusive of major goods/items consumed by consumers. The tables utilize information provided by families belonging to different income classes on these consumer items. From that, mean expenditures of each income class for the years 1995-96 and 1999-2000 were prepared. After that, the ratio of 99-2000 and 95-96 were used to calculate expenditure relative for each item for each class. There, this expenditure relative was multiplied by the respective share of each good in the total expenditure which gives us the index for 99-2000 for that good in relation to 95-96. If indices across all goods are summed up then we arrive at an aggregate cost of living index perceived by that income class.

Table 4.12 Cost of living indices for five income groups

Income Groups	Cost of Living Indices
LIG (N=50)	1.38
LMIG (N=52)	1.57
MIG (N=53)	1.69
HMIG (N=50)	1.35
HIG (N=50)	1.82
Total (N=255)	1.65

The results show that all families' aggregate price index shows general price level rise of 65% between the time period 95-96 to 99-2000. In this context cost of living index perceived by LIG, LMIG, MIG, HMIG and HIG are 1.38, 1.57, 1.69, 1.35 and 1.82 respectively. The cost of living index of middle income group appeared to be very much in alignment with aggregate price index of 1.65 (Figure 11 and 12)

Figure 11 : Cost of living indices of income groups

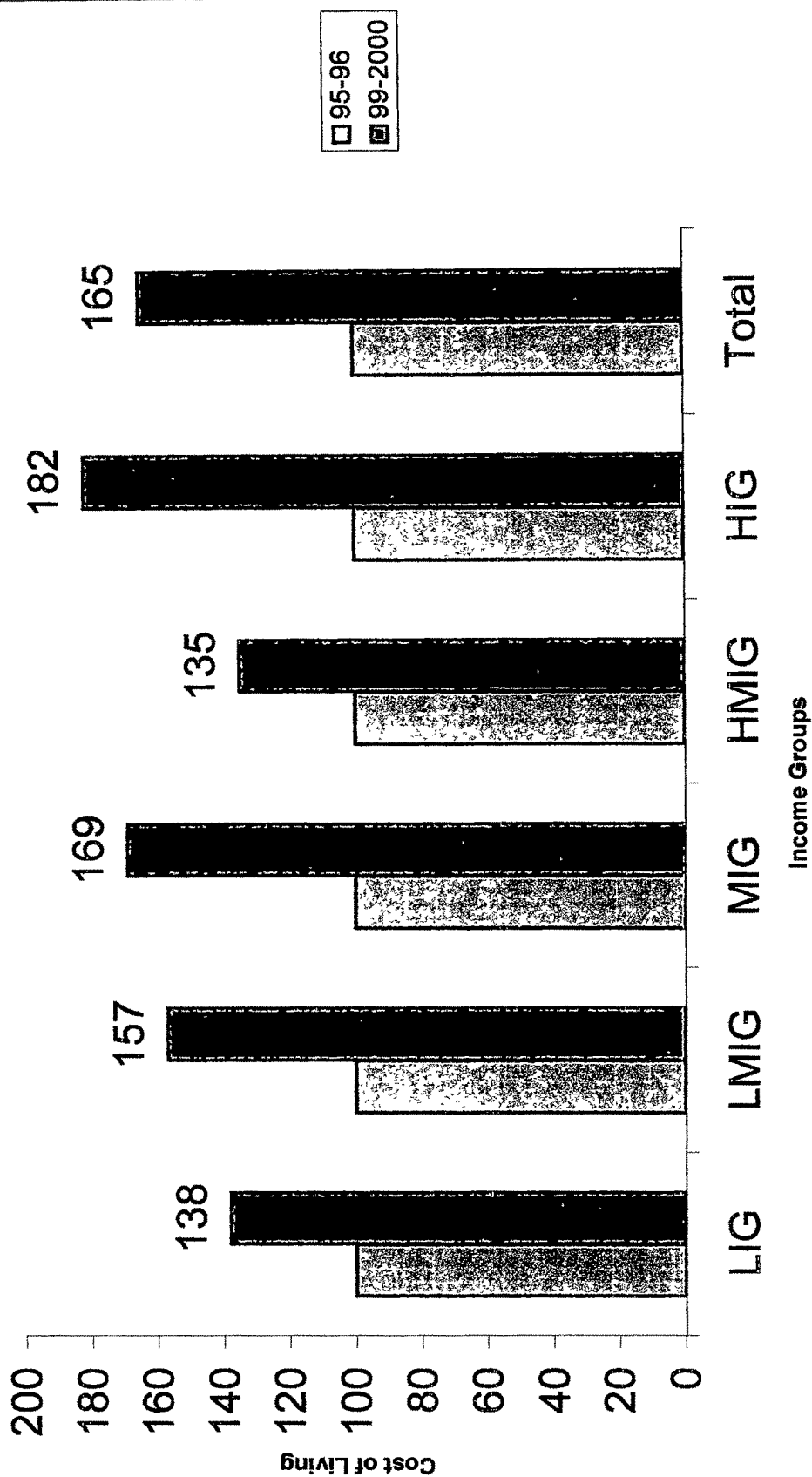
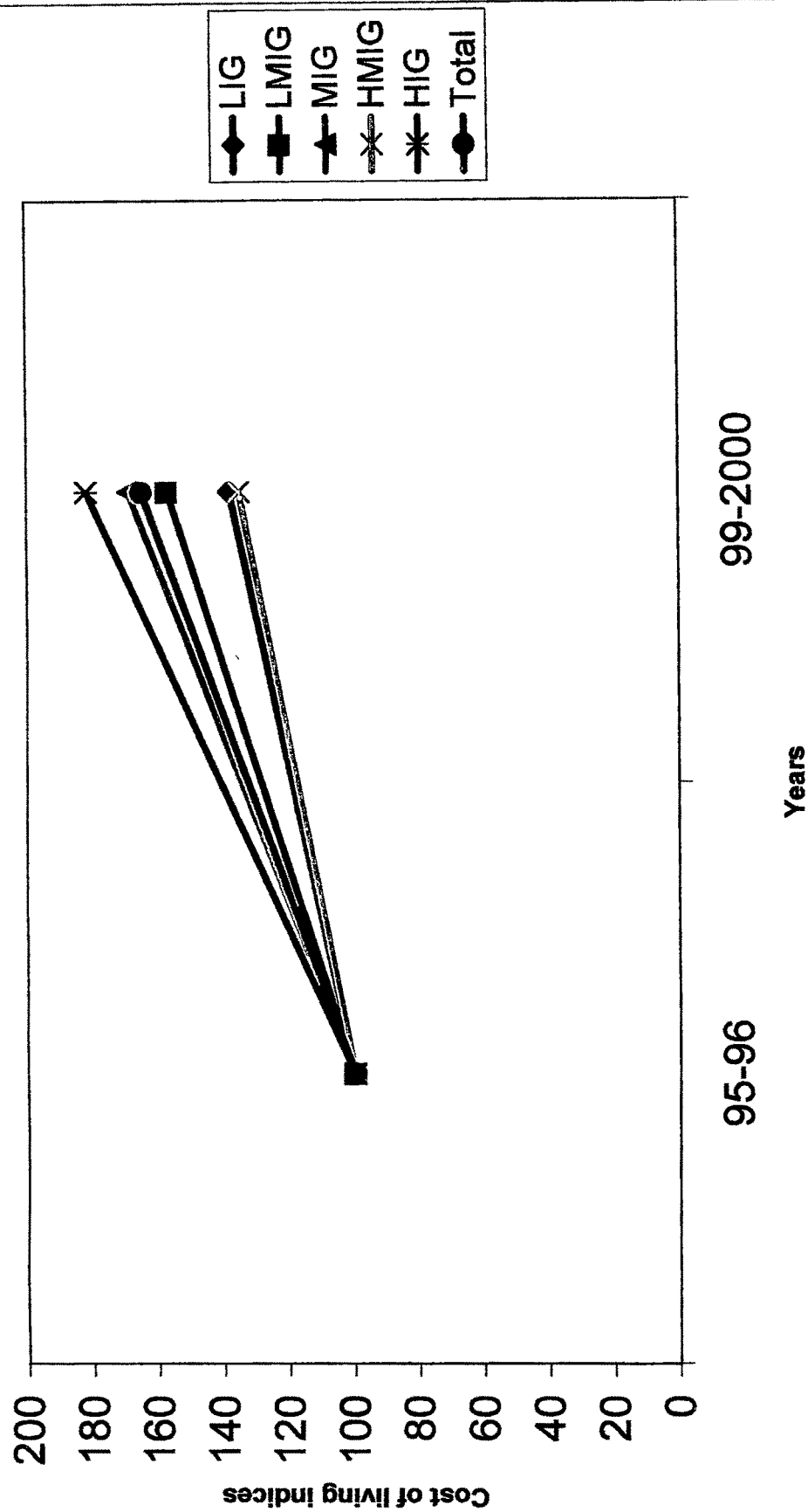


Figure 12 : Cost of living indices across income groups



Section III

4.3 Economic Profile of the Families

Based on the information regarding the percentage share on various savings and investments out of the total savings of the families the economic profile for the families were constructed

Table 4.13 Economic Profile (%)

Savings & Investments	Income Group				
	LIG N=50	LMIG N=52	MIG N=53	HMIG N=50	HIG N=50
1995-96					
Cash on hand	58	35	13	15	14
Deposits at nationalized & private banks	38	46	42	28	30
Shares & Debentures	NIL	04	13	17	20
Claims on Govt	02	05	07	11	13
Insurance funds	NIL	04	09	12	14
Provident Funds & Pension funds	02	06	16	17	9
Total	100	100	100	100	100
1999-2000					
Cash on hand	60	32	15.0	16	15
Deposits at nationalized & private banks	37	42	40.0	30	32
Shares & Debentures	NIL	02	9.5	13	12
Claims on Govt	02	10	9.5	7	16
Insurance funds	NIL	08	10.5	16	14
Provident Funds & Pension plans	01	06	16.5	18	07
Total	100	100	100	100	100

Economic profile of the families from low income group during the base year and the current year did not vary much. Major percentage share of savings was allotted for the cash on hand. As far as savings were considered bank deposits were preferred most. In case of lower middle income families there was decrease in cash on hand during current year and increase in investment in government claims. As far as investment in shares is concerned it had been decreased in current year compared to base year for all income groups. Percentage share of savings on provident fund and pension plan had remained almost same for all income groups.

Table 4.14 Credit Facility availed by Families (Loan Obtained)

Income Group	Credit Facility availed by families				Total	
	Yes		No		N	%
	N	%	N	%		
LIG	--	--	50	100.0	50	100.0
LMIG	5	9.6	47	90.4	52	100.0
MIG	13	24.5	40	75.5	53	100.0
HMIG	4	8.0	46	92.0	50	100.0
HIG	18	36.0	32	64.0	50	100.0
Total	40	15.7	215	84.3	255	100.0

Out of the total number of respondents 215 families did not avail any kind of credit facility. In case of low middle income group, only 9.6% of the families had taken loan, whereas from middle income group, 24.5% and from higher middle income group 8% of the families had taken loan. From higher income group, 36.0 percent had obtained loan. Overall 15.7 percent families had obtained loan for some purpose.

Table 4.15 Reasons for obtaining Loan

	LIG		LMIG		MIG		HMIG		HIG		Total	
	N=0		N=5		N=13		N=4		N=18		N=40	
	N	%	N	%	N	%	N	%	N	%	N	%
Reasons												
Construction of house	-		5	100	10	76.9	4	100	9	50.0	28	70.0
Personal and Social	-		-		-		-		4	22.3	4	10.0
Purchase of durable goods	-		-		3	23.1	-		5	27.7	8	20.0
Total	-		5	100	13	100	4	100	18	100.0	40	100.0

Out of the total families, credit facility was availed mainly for the construction of house. For the purchase of durable goods and for credit facility was availed by very few families. Out of 40 families 28 families had obtained loan to construct house. Whereas for other purpose only 12 families had obtained loan.

Section IV

4.4 Financial Management practices followed by the Families

Financial management practices were classified under planning, controlling and evaluation practices. Families had respondents in terms of never, sometimes and always. Scores were allotted to the responses as 1, 2, 3 respectively. The scores were then added to derive the score at each respondent. Present section deals with the extent to which planning, controlling and evaluation practices were followed by the respondents.

Planning

First step of any management process is planning. For managing the resource, what is most essential is to plan out the allocation of that resource on desired goals. For financial management, money income needs to be allotted for various expenditures.

Families may or may not undergo conscious efforts for financial management and methods for the same may vary from family to family

Table 4.16 Planning Practices followed by the Families

Financial Management Practices (Planning)		Income Group										TOTAL	
		Lower Income		Lower Middle Income		Middle Income		Higher Middle Income		Higher Income		N	%
		N=50		N=52		N=53		N=50		N=50			
		N	%	N	%	N	%	N	%	N	%		
1 Monthly expenditure is estimated every month	Never	24	48.0	8	15.4	9	17.0	14	28.0	6	12.0	61	23.9
	Sometimes	4	8.0	13	25.0	9	17.0	13	26.0	17	34.0	56	22.0
	Always	22	44.0	31	59.6	35	66.0	23	46.0	27	54.0	138	54.1
2 To arrive at this month's estimate, last month's expenditure is examined	Never	19	38.0	14	26.9	9	17.0	12	24.0	15	30.0	69	27.1
	Sometimes	18	36.0	21	40.4	16	30.2	19	38.0	16	32.0	90	35.3
	Always	13	26.0	17	32.7	28	52.8	19	38.0	19	38.0	96	37.6
3 Part of total family income is kept aside for savings	Never	9	18.0	20	38.5	13	24.5	12	24.0	11	22.0	65	25.5
	Sometimes	14	28.0	24	46.2	19	35.8	9	18.0	14	28.0	80	31.4
	Always	27	54.0	8	15.4	21	39.6	29	58.0	25	50.0	110	43.1
4 In addition to expenditure on household items part of income is kept aside for bills, taxes etc	Never	41	82.0	21	40.4	10	18.9	9	18.0	10	20.0	91	35.7
	Sometimes	9	18.0	10	19.2	12	22.6	17	34.0	11	22.0	59	23.1
	Always	--	--	21	40.4	31	58.5	24	48.0	29	58.0	105	41.2
5 Expenditure planning responsibility is borne by only one individual	Never	15	30.0	6	11.5	2	3.8	4	8.0	15	30.0	42	16.5
	Sometimes	--	--	11	21.2	3	5.7	23	46.0	5	10.0	42	16.5
	Always	35	70.0	35	67.3	48	90.6	23	46.0	30	60.0	171	67.1
6 Fixed sum is earmarked between wife & husband for their individual expenditure	Never	41	82.0	40	76.9	25	47.2	31	62.0	33	66.0	170	66.7
	Sometimes	5	10.0	7	13.5	9	17.0	5	10.0	8	16.0	34	13.3
	Always	4	8.0	5	9.6	19	35.8	14	28.0	9	18.0	51	20.0
7 Allocation of income to expenditure is as per the necessity and requirement	Never	15	30.0	11	21.2	14	26.4	13	26.0	10	20.0	63	24.7
	Sometimes	26	52.0	16	30.8	11	20.8	4	8.0	10	20.0	67	26.3
	Always	9	18.0	25	48.1	28	52.8	33	66.0	30	60.0	125	49.0

8 Expenditure management from monthly income is confined only to the edible food items	Never	18	36.0	21	40.4	23	43.4	36	72.0	31	62.0	129	50.6
	Sometimes	13	26.0	25	48.1	11	20.8	5	10.0	11	22.0	65	25.5
	Always	19	38.0	6	11.5	19	35.8	9	18.0	8	16.0	61	23.9
9 Estimated sum is kept in advance for items other than edible items	Never	19	38.0	28	53.8	12	22.6	8	16.0	14	28.0	81	31.8
	Sometimes	27	54.0	21	40.4	23	43.4	18	36.0	20	40.0	109	42.7
	Always	4	8.0	3	5.8	18	34.0	24	48.0	16	32.0	65	25.5
10 The amount of expenditure on food item is never decided	Never	36	72.0	22	42.3	30	56.6	23	46.0	23	46.0	134	52.5
	Sometimes	9	18.0	7	13.5	10	18.9	18	36.0	10	20.0	54	21.2
	Always	5	10.0	23	44.2	13	24.5	9	18.0	17	34.0	67	26.3
11 A specific sum is spent for entertainment	Never	19	38.0	33	63.5	24	45.3	23	46.0	20	40.0	119	46.7
	Sometimes	17	34.0	5	9.6	18	34.0	9	18.0	10	20.0	59	23.1
	Always	14	28.0	14	26.9	11	20.8	18	36.0	20	40.0	77	30.2
12 The provision of a specific sum is made for seasonal item	Never	14	28.0	25	48.1	16	30.2	21	42.0	21	42.0	97	38.0
	Sometimes	9	18.0	19	36.5	7	13.2	4	8.0	10	20.0	49	19.2
	Always	27	54.0	8	15.4	30	56.6	25	50.0	19	38.0	109	42.7
13 A specific expense is allocated for daily necessities like vegetables, milk etc	Never	10	20.0	6	11.5	13	24.5	14	28.0	17	34.0	60	23.5
	Sometimes	--	--	11	21.2	8	15.1	--	--	13	26.0	32	12.5
	Always	40	80.0	35	67.3	32	60.4	36	72.0	20	40.0	163	63.9
14 There is expenditure set for present to finance future expense for consumer durables vehicle etc	Never	29	58.0	22	42.3	21	39.6	26	52.0	26	52.0	124	48.6
	Sometimes	13	26.0	17	32.7	13	24.5	14	28.0	13	26.0	70	27.5
	Always	8	16.0	13	25.0	19	35.8	10	20.0	11	22.0	61	23.9
15 Expenditure is planned according to the requirements of family members	Never	14	28.0	8	15.4	9	17.0	9	18.0	10	20.0	50	19.6
	Sometimes	18	36.0	12	23.1	10	18.9	12	24.0	9	18.0	61	23.9
	Always	18	36.0	32	61.5	34	64.2	29	58.0	31	62.0	144	56.5

Nearly half of the respondents were following this practice of estimating monthly expenditure from each income class. Fifty four percent of the total respondents were following this practice. Forty four percent families from low income group were always following this practice, whereas out of lower middle income group, higher middle income

group and higher income group, respectively 59.6%, 46% and 54% of the families were regularly estimating monthly expenditure. In case of middle income group 66% of the families were always following this practice

Out of total respondents 37.6% were following checking of past months budget regularly. Fifty two percent families of middle income group had reported that past month's records were checked while making monthly budget. This practice was otherwise followed by less than 40 percent of the families from all other income groups, that is by 26% families from lower income group, 32.7% families from lower middle income group and 38% families from higher middle and higher income group. Sixty seven percent of total families reported that expenditure was handled by a single person. Planning the expenditure was handled by a single individual in more than 70% families from low income and lower middle income groups. In case of 67.3% of the families from lower middle income group, expenditure planning was always handled by a single individual. This practice was followed to the greatest extent by the families from middle income group i.e. 90.6%. From higher middle income group and higher income group, respectively 46% and 60% of the families always followed this practice. Forty three percent of the total respondents always kept aside funds for savings in monthly budget. Half of the respondents from HMIG, HIG and LIG were following these practice whereas this practice was rarely followed by LMIG families. Thirty nine percent of the middle income families followed the practice of keeping aside funds for saving regularly.

Specific amount was kept aside only for food items at the time of planning money expenditure by 23% of the total families. This practice was followed by 38% of the families from LIG and 35% from MIG. It was reported to be never followed by majority

of the families from other income groups. For other items fixed amount was never planned and kept aside by the families from LIG and LMIG. Expenditure on nonfood items was planned regularly by 48% of the HMIG families. By the families from MIG and HIG respectively 43% and 40% were rarely following this practice.

Monthly income was allotted for each and every item on expected expenses by more than 60 to 65 percent families belonging to higher middle income and higher income groups. Amount for personal entertainment was not planned by most of the families of all income groups. Other than higher income group, families from all other groups had reported the practice of planning fixed amount to be spent on vegetables & milk every month. As far as distributing income between husband and wife was concerned this practice was followed by 20% of the total families and 36% of the MIG families. Otherwise in case of all other income groups this practice was followed by very few families. Regular allotment of funds for tax and bills was nil in case of low income families, whereas in case of middle income and higher income families nearly 60 percent were following this practice. Forty two percent of total families used to plan expenditure for seasonal items. Nearly 50 to 55 percent families belonging to low income, middle income and higher middle income group were planning for expenditure on seasonal food items. Hence, planning the expenditure was observed most in case of low income and middle income groups.

To purchase the commodities, as and when need arises was the practice always followed by 49% of the total families. In case of low income and high income groups, more than 70 percent families reported the purchase accessing to the need, rather than planned expenditure. Majority of the families from all income classes were taking care of

priorities and requirements of the family members while planning the monthly budget

Fifty six percent of total families always used to follow this practice and 58% to 64% families from LMIG, MIG, HMIG and HIG were following this practice

Controlling

Planning the use of resource makes sense only when it is implemented For the present study, controlling was studied as part of financial management practices along with planning and evaluation.

Table 4.17 Controlling Practices followed by the Families

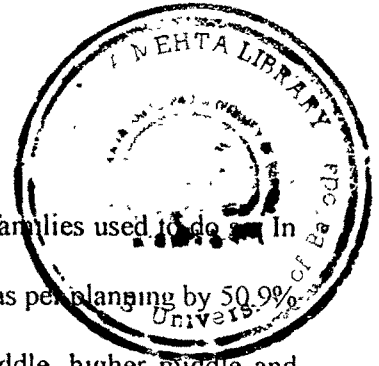
Financial Management Practices (Planning)		Income Group											
		Lower Income		Lower Middle Income		Middle Income		Higher Middle Income		Higher Income		TOTAL	
		N=50		N=52		N=53		N=50		N=50		N=255	
		N	%	N	%	N	%	N	%	N	%	N	%
1 As far as possible, estimated expenditure is strictly adhered to	Never	27	54.0	20	38.5	13	24.5	4	8.0	12	24.0	76	29.8
	Sometimes	5	10.0	20	38.5	8	15.1	22	44.0	23	46.0	78	30.6
	Always	18	36.0	12	23.1	32	60.4	24	48.0	15	30.0	101	39.6
2 Goods are bought as and when the need arises	Never	--	--	7	13.5	14	26.4	14	28.0	9	18.0	44	17.3
	Sometimes	9	18.0	8	15.4	11	20.8	18	36.0	6	12.0	52	20.4
	Always	41	82.0	37	71.2	28	52.8	18	36.0	35	70.0	159	62.4
3 Regular expenditure is allocated for health maintenance	Never	28	56.0	33	63.5	21	39.6	21	42.0	19	38.0	122	47.8
	Sometimes	22	44.0	9	17.3	16	30.2	19	38.0	13	26.0	79	31.0
	Always	--	--	10	19.2	16	30.2	10	20.0	18	36.0	54	21.2
4 Savings is done for kids education	Never	33	66.0	22	42.3	10	18.9	4	8.0	10	20.0	79	31.0
	Sometimes	9	18.0	13	25.0	12	22.6	8	16.0	10	20.0	52	20.4
	Always	8	16.0	17	32.7	31	58.5	38	76.0	30	60.0	124	48.6

5 Actual monthly expenditure is as per the estimate	Never	5	10.0	6	11.5	10	18.9	12	24.0	8	16.0	41	16.1
	Sometimes	5	10.0	15	28.8	6	11.3	19	38.0	11	22.0	56	22.0
	Always	40	80.0	31	59.6	37	69.8	19	38.0	31	62.0	158	62.0
6 expenditure on food items is as per the estimate	Never	15	30.0	23	44.2	13	24.5	13	26.0	16	32.0	80	31.4
	Sometimes	4	8.0	9	17.3	13	24.5	18	36.0	12	24.0	56	22.0
	Always	31	62.0	20	38.5	27	50.9	19	38.0	22	44.0	119	46.7
7 Visit to the market is made only after listing the items	Never	5	10.0	9	17.3	11	20.8	--	--	7	14.0	32	12.5
	Sometimes	27	54.0	10	19.2	7	13.2	22	44.0	8	16.0	74	29.0
	Always	18	36.0	33	63.5	35	66.0	28	56.0	35	70.0	149	58.4
8 Changes in purchase of seasonal items	Never	9	18.0	6	11.5	11	20.8	13	26.0	13	26.0	52	20.4
	Sometimes	13	26.0	2	3.8	6	11.3	9	18.0	17	34.0	47	18.4
	Always	28	56.0	44	84.6	36	67.9	28	56.0	20	40.0	156	61.2
9 Changes are made in purchase of vegetables, milk with changes in prices	Never	18	36.0	10	19.2	19	35.8	8	16.0	19	38.0	74	29.0
	Sometimes	10	20.0	21	40.4	9	17.0	22	44.0	18	36.0	80	31.4
	Always	22	44.0	21	40.4	25	47.2	20	40.0	13	26.0	101	39.6
10 Clothing purchase is as per the estimate	Never	5	10.0	8	15.4	13	24.5	8	16.0	11	22.0	45	17.6
	Sometimes	9	18.0	11	21.2	15	28.3	8	16.0	13	26.0	56	22.0
	Always	36	72.0	33	63.5	25	47.2	34	68.0	26	52.0	154	60.4
11 Expenditure on entertainment exceeds the estimate	Never	45	90.0	35	67.3	30	56.6	28	56.0	32	64.0	170	66.7
	Sometimes	5	10.0	12	23.1	14	26.4	12	24.0	12	24.0	55	21.6
	Always	--	--	5	9.6	9	17.0	10	20.0	6	12.0	30	11.8
12 Social expenditure is made as per its estimate	Never	5	10.0	23	44.2	12	22.6	4	8.0	7	14.0	51	20.0
	Sometimes	22	44.0	10	19.2	13	24.5	18	36.0	20	40.0	83	32.5
	Always	23	46.0	19	36.5	28	52.8	28	56.0	23	46.0	121	47.5
13 Unforeseen entertainment enjoyment expense necessitates a cut in preplanned expenditure	Never	42	84.0	28	53.8	17	32.1	14	28.0	21	42.0	122	47.8
	Sometimes	4	8.0	14	26.9	23	43.4	27	54.0	24	48.0	92	36.1
	Always	4	8.0	10	19.2	13	24.5	9	18.0	5	10.0	41	16.1

14 Vehicle petrol expense is as per the estimate	Never	42	84.0	26	50.0	20	37.7	8	16.0	14	28.0	110	43.1
	Sometimes	--	--	4	7.7	11	20.8	13	26.0	17	34.0	45	17.6
	Always	8	16.0	22	42.3	22	41.5	29	58.0	19	38.0	100	39.2
15 Walking is preferred to economise on vehicle petrol expenses	Never	17	34.0	10	19.2	14	26.4	4	8.0	24	48.0	69	27.1
	Sometimes	5	10.0	13	25.0	15	28.3	26	52.0	17	34.0	76	29.8
	Always	28	56.0	29	55.8	24	45.3	20	40.0	9	18.0	110	43.1
16 Grocery is bought on credit	Never	26	52.0	27	51.9	32	60.4	36	72.0	40	80.0	161	63.1
	Sometimes	4	8.0	3	5.8	6	11.3	4	8.0	4	8.0	21	8.2
	Always	20	40.0	22	42.3	15	28.3	10	20.0	6	12.0	73	28.6
17 Expenditure accounts are maintained by only one person by diary method	Never	9	18.0	6	11.5	10	18.9	12	24.0	17	34.0	54	21.2
	Sometimes	5	10.0	13	25.0	5	9.4	5	10.0	3	6.0	31	12.2
	Always	36	72.0	33	63.5	38	71.7	33	66.0	30	60.0	170	66.7
18 All bills are gathered and deposited at one place	Never	23	46.0	26	50.0	14	26.4	22	44.0	19	38.0	104	40.8
	Sometimes	9	18.0	13	25.0	7	13.2	9	18.0	15	30.0	53	20.8
	Always	18	36.0	13	25.0	32	60.4	19	38.0	16	32.0	98	38.4

Estimating the expenditure for each month was the practice followed by families in more than 60 percent of cases. It was found that it was rather opposite picture in case of implementing the practice to stick to the estimated expenditure. Yet 60% of the middle income families had shown the strict implementation and in case of higher middle income group it was found in 48 percent cases. High income group families rarely implemented this practices & low income families rather never used to implement it (54 percent). Higher middle & higher income families and middle-income families followed actual saving practice for education of children, respectively 76%, 60% and 58.5% of families.

Expenditure was being planned for food products more in case of low income families. Similarly the practice to stick to the estimate while spending on eatables too was



found in case of the same income group Overall 46.7% of the families used to do so. In case of middle income group, expenditure on food was incurred as per planning by 50.9% of the families and for other income groups that is, lower middle, higher middle and higher income groups it was respectively 38% and 44%. In case of fluctuation in price of vegetables the quantity was increased or decreased by almost 40 percent families from all income groups except the higher income group As far as making changes in the quantities of and quality of seasonal grains was concerned, lower middle & middle income families followed this practice, that is, 84.6 and 67.9% of the families were following this practice regularly From other income groups, 56% of low income & higher middle income families and 40% of higher income families followed this practice regularly. According to current price level, the quantity and quality of the product was being decided to bring income and expenditure in alignment.

For clothing, out of the total respondents 60% were always trying to meet the estimate From low income group, 72%, lower middle income group 63.5%, middle income group 47.2%, higher middle income group 68% and higher income group 52% did follow this practice Making the expenditure as per planning on vehicle petrol was never followed by 43% families out of the total sample Yet 58% of families from HMIG did follow this practice regularly

Planning the amount to be spent on non food items was followed in case of higher middle income families and the purchase of clothing and transportation expenditure too was found to be strictly followed by same income group families that is, 58% Whereas 43% and 41% of lower middle and middle income families and 38% of higher income families used to try to meet the estimate on vehicle petrol while actually spending on it

Expenditure on entertainment was checked by families from all income groups. It never used to exceed in case of 66.7% cases overall. From lower income group, in 90% cases, and from lower middle, middle, higher middle, and higher income group respectively in 67%, 56% and 64% cases actual expenditure on entertainment never used to exceed the estimate.

Expenditure on social rituals was incurred according to the planned amount by 47% of total families, 46% families in case of lower & higher income groups, by 52% & 56% families of middle income & higher middle income group and 36.5% families of lower middle income group. Expenditure on religion was incurred by 48 percent families regularly from higher middle and higher income groups only.

To meet the exceeding expenditure compared to planned expenditure, the practice of postponed payment was followed by 28.6% families from all income groups except higher income group. Charge account system was availed by nearly 40 percent families from lower income and 42.3% families of lower middle income groups, otherwise it was not found to be commonly used. To allow the planned and actual expenditure to meet in case of transportation expenditure, nearly 55 percent families from lower income and lower middle income reported that they preferred to walk under such conditions. Forty five percent of middle income families and 40% of higher middle income families too followed this practice. Planning the income was followed by the practice of maintaining the records of expenditure which was handled by single individual. Fifty six percent families reported the use of diary to maintain and check expenditure records. Nearly 72% percent families from low income group, and middle income group followed this record keeping practice. Sixty six percent families from higher middle income group, 60% of the

families from higher income group and 63.5% of the families from lower middle income group followed this practice. Maintaining the collection of cash and credit bills was the practice followed by 38% percent cases from all income groups. This practice was most regularly followed by the families from middle income group, that is 60.4%. In case of 50% of middle income 46% of lower middle income and 44% of higher middle families the practice of collecting bills of one place was never followed. From higher income group, 38% families always followed this practice.

The practice to visit the market after making a list was always followed by total 58.4% families. This practice was followed by 70% families from higher income group, 66% and 63.5% of families from middle income and lower middle income groups and 56% of the families from higher middle income group. Whereas from low income group, this practice was rarely followed by 54% families.

To purchase the goods as and when the need arise was always done by 82% of the families from low income group, 71% of lower middle income group and 70% of higher income group. This practice was also found in case of middle income group, that is by 52.8% families. Whereas in case of higher middle income families this practice was rarely found.

The practice to curtail preplanned expenditure on essentials due to unforeseen entertainment expenditure was never found in total 47.8% of cases. From low income families, 84% families never followed this practice.

Evaluation

Along with planning and controlling evaluation was the part of management process applied to money resource by families.

Table 4.18 Evaluation Practices followed by the Families

Financial Management Practices (Evaluation)		Income Group										TOTAL	
		Lower Income N=50		Lower Middle Income N=52		Middle Income N=53		Higher Middle Income N=50		Higher Income N=50		N	%
												N=255	
		N	%	N	%	N	%	N	%	N	%		
1 Educational expenditure is maintained as per the estimate	Never	41	82.0	21	40.4	15	28.3	22	44.0	17	34.0	116	45.5
	Sometimes	4	8.0	20	38.5	10	18.9	14	28.0	10	20.0	58	22.7
	Always	5	10.0	11	21.2	28	52.8	14	28.0	23	46.0	81	31.8
2 Educational expenditure exceeds its estimate	Never	5	10.0	3	5.8	15	28.3	13	26.0	16	32.0	52	20.4
	Sometimes	37	74.0	25	48.1	22	41.5	10	20.0	17	34.0	111	43.5
	Always	8	16.0	24	46.2	16	30.2	27	54.0	17	34.0	92	36.1
3 Heavy expenditure is made on rituals	Never	5	10.0	4	7.7	11	20.8	9	18.0	3	6.0	32	12.5
	Sometimes	27	54.0	32	61.5	27	50.9	17	34.0	23	46.0	126	49.4
	Always	18	36.0	16	30.8	15	28.3	24	48.0	24	48.0	97	38.0
4 Care is taken to ensure fulfillment of monetary requirements of family members as planned	Never	5	10.0	6	11.5	6	11.3	4	8.0	8	16.0	29	11.4
	Sometimes	28	56.0	12	23.1	6	11.3	13	26.0	12	24.0	71	27.8
	Always	17	34.0	34	65.4	41	77.4	33	66.0	30	60.0	155	60.8
5 Every month actual expenditure exceeds estimated one	Never	--	--	2	3.8	13	24.5	5	10.0	4	8.0	24	9.4
	Sometimes	27	54.0	29	55.8	19	35.8	27	54.0	29	58.0	131	51.4
	Always	23	46.0	21	40.4	21	39.6	18	36.0	17	34.0	100	39.2

6 Payments remain due to finance extra expense	Never	9	18.0	21	40.4	18	34.0	22	44.0	36	72.0	106	41.6
	Sometimes	26	52.0	13	25.0	29	54.7	23	46.0	11	22.0	102	40.0
	Always	15	30.0	18	34.6	6	11.3	5	10.0	3	6.0	47	18.4
7 Accounts on expenditure are evaluated from the note book	Never	37	74.0	17	32.7	18	34.0	17	34.0	24	48.0	113	44.3
	Sometimes	--	--	14	26.9	10	18.9	9	18.0	10	20.0	43	16.9
	Always	13	26.0	21	40.4	25	47.2	24	48.0	16	32.0	99	38.8
8 Larger expenditure bills are deposited by each member to Manager and cross checked for expenditure	Never	37	74.0	27	51.9	17	32.1	18	36.0	21	42.0	120	47.1
	Sometimes	--	--	14	26.9	6	11.3	4	8.0	8	16.0	32	12.5
	Always	13	26.0	11	21.2	30	56.6	28	56.0	21	42.0	103	40.4
9 The difference between actual and estimated expenditure is matched	Never	28	56.0	10	19.2	16	30.2	13	26.0	20	40.0	87	34.1
	Sometimes	13	26.0	28	53.8	12	22.6	23	46.0	14	28.0	90	35.3
	Always	9	18.0	14	26.9	25	47.2	14	28.0	16	32.0	78	30.6
10 Items unpurchased last month are given priority in the next month	Never	9	18.0	8	15.4	16	30.2	5	10.0	8	16.0	46	18.0
	Sometimes	23	46.0	13	25.0	13	24.5	17	34.0	14	28.0	80	31.4
	Always	18	36.0	31	59.6	24	45.3	28	56.0	28	56.0	129	50.6
11 While buying seasonal items, old records are examined	Never	14	28.0	8	15.4	13	24.5	8	16.0	16	32.0	59	23.1
	Sometimes	13	26.0	7	13.5	7	13.2	18	36.0	13	26.0	58	22.7
	Always	23	46.0	37	71.2	33	62.3	24	48.0	21	42.0	138	54.1
12 While deciding on expenditure on rituals, social item, old data record are assessed	Never	9	18.0	12	23.1	11	20.8	12	24.0	26	52.0	70	27.5
	Sometimes	23	46.0	18	34.6	20	37.7	15	30.0	13	26.0	89	34.9
	Always	18	36.0	22	42.3	22	41.5	23	46.0	11	22.0	96	37.6

The difference between actual expenditure and planned expenditure was checked and studied by 47 percent of the families from middle income group only. More than 55 percent families from higher income. Higher middle income and lower middle income group families were utilizing the feedback from evaluation of meeting the demands of family members and were then prioritizing the purchase plan for the left demands in next

month's plan. As far as taking decisions regarding seasonal bulk purchase was concerned past records were certainly checked by 71 percent and 62 percent families respectively from lower middle income and middle groups. Whereas in case of rest of the income groups, by 42 to 48 percent families this practice was followed.

While incurring expenditure on religious and social reasons, nearly 40 to 60 percent families used to check past records to take decisions, from all the three middle income groups. It was never practiced by 52 percent families from higher income group and was rarely followed by majority of the families from low income group.

Out of total families 45.5% expressed that educational expenditure was never maintained as per the estimate. This fact was identified by following the evaluation practice. Eighty two percent of lower income families, 40.4% of lower middle income families, 28.3% of middle income families and respectively 44% and 34% of higher middle and higher income families revealed that it was not possible to maintain the expenditure on education as per the estimated figure.

Regarding educational expenditure exceeding the planned figure, 74% of the families from low income group expressed that it rarely happened. Whereas 46% of lower middle income families and 54% of higher middle income families expressed that educational expenditure always exceeded the planned figure. From middle income and higher income groups nearly 30% of the families did express the same.

Forty nine percent of the total families responded that heavy expenditure was rarely made on the rituals and 38% revealed that it was always made. Thirty six percent families from lower income group, 30.8% of lower middle income group, 28.3% from

middle income group and 48% families from higher middle and higher income group were making heavy expenditure on rituals

By following the evaluation practice, 60.8% of the total families identified that the fulfillment of monetary requirements of the family members as per planning was ensured. Though compared to other income groups in case of low income groups it was found only in 34% cases. Evaluation was always carried out to ensure the fulfillment of monetary requirements by 77% of the families from middle income group, 60% from high income group and nearly 65% of the families from lower middle and higher middle income group.

Through evaluation, 39% of the total families found that total actual expenditure always exceeded the estimated expenditure. This was found by 46% of low income families, nearly 40% of lower middle income & middle income families, and 36% and 34% of high middle income and high income families.

Out of total number of families 41% reported that payments were postponed when expenditure was found exceeding the capacity of paying the bills. This was found mainly in case of lower income (30%) and lower middle income (34.6%) families compared to other three income groups.

Planned budget was evaluated after expenditure were incurred on all the items during the month. This was done through the notebook method, where accounts were noted down. This practice was followed by 38.8% of total families. Higher middle income, middle income and lower middle income families used to regularly follow evaluation practice for expenditure using notebook method, respectively, 48%, 47% and

40.4% cases. Whereas from high income group 32% of the families always used to evaluate the expenditure using notebook method.

For evaluating the expenditure, cross checking was done through collected bills by 40.4% of the total families. In case of middle income & higher middle income groups this practice was followed by 56% of the families. This was less frequently followed by low income families. Out of high income families 42% did follow this practice.

Matching the difference between actual expenditure and estimated expenditure was always done by 30.6% of the total number of families. The same was never done by 34% of the total families and was rarely done by 35.3% of the total families. This practice was followed most by the families from middle income group (47.2%) compared to other income groups.

Through evaluation, items were identified to be given the priority for purchase. These were the items which were left un-purchased in the previous month. Fifty percent of the total respondents had followed this practice. Fifty six percent of the families from higher middle income & higher income group and 59.6% of those from middle income group followed this evaluation practice. Forty five percent of the families from middle income group were following this practice, whereas 46% families from low income group rarely followed this evaluation practice. Feedbacks through the past records were utilized for the purchase of seasonal goods by 54% of the total families. This practice was followed by 71% of the lower middle income group families and 62% of the middle income group families. In case of lower income, higher middle income and higher income group it was followed by 46%, 48% and 42% of the families. Similarly the past records were examined while deciding expenditures on rituals and social expenditures by

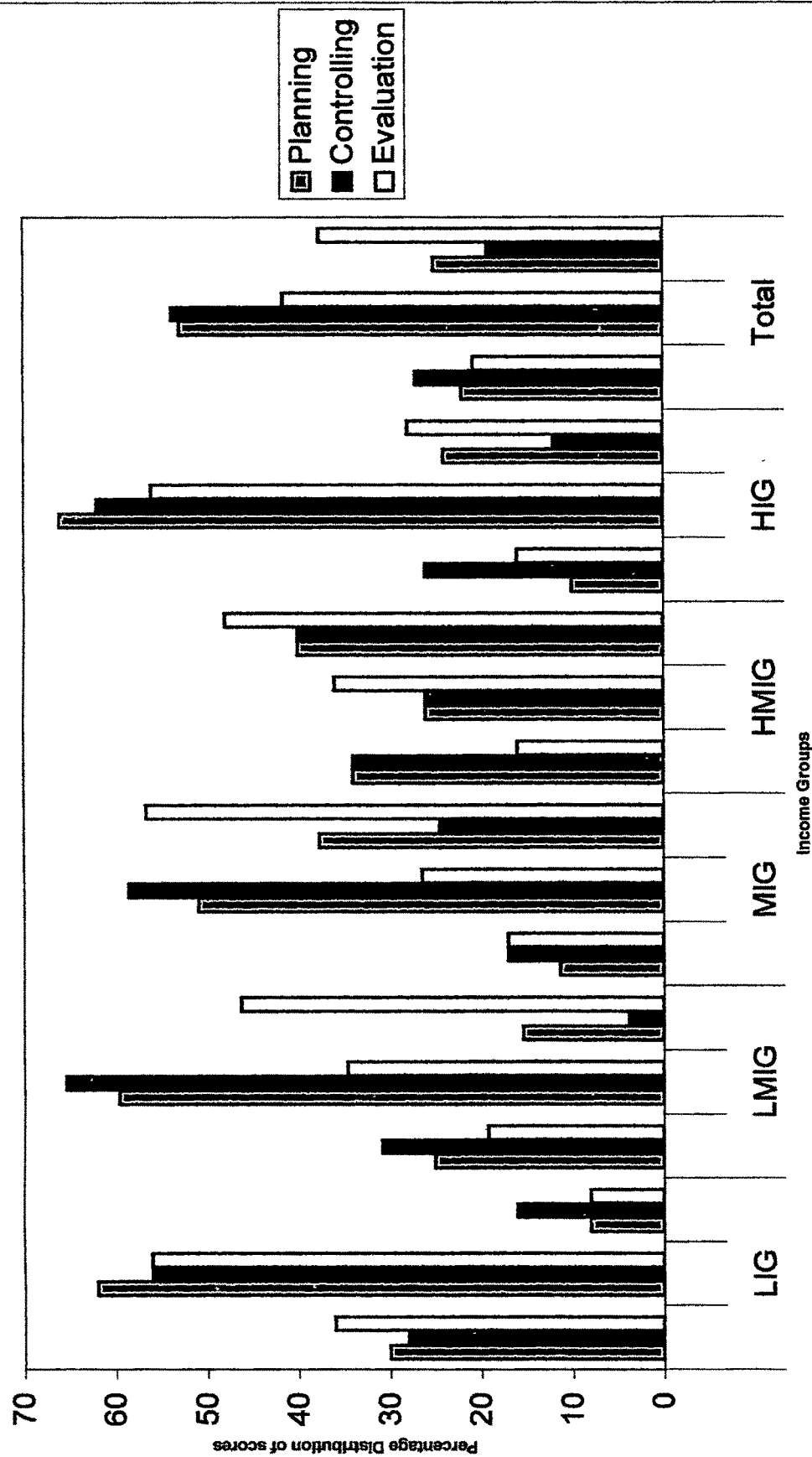
37.6% of the total families. Forty-six percent of families from the higher middle group always used to follow this practice while 46% of the families from the low income group rarely followed this practice. From the higher income group only 22% of the families followed this practice of taking feedback from past records and from the lower middle income and middle income groups respectively 42.3% and 41.5% of the families followed this evaluation practice.

In order to obtain a view regarding the extent to which financial management practices were followed by families from different income groups, the responses were given weighted scores. Scores obtained for various financial management practices were added to arrive at a total score of each respondent. The respondents were categorized into low, medium and high categories on an equal interval basis.

Table 4.19 Percentage Distribution : Financial Management Practices

Financial Management Score – Range	Income Group											
	LIG N=50		LMIG N=52		MIG N=53		HMIG N=50		HIG N=50		Total	
	N	%	N	%	N	%	N	%	N	%	N	%
Planning												
Low (15-25)	15	30.0	13	25.0	6	11.3	17	34.0	5	10.0	56	22.0
Medium (26-35)	31	62.0	31	59.6	27	50.9	13	26.0	33	66.0	135	52.9
High (36-45)	4	8.0	8	15.4	20	37.7	20	40.0	12	24.0	64	25.1
Total	50	100	52	100	52	100	50	100	50	100	255	100
Mean	28.4		29.3		33.0		32.2		32.0		31.0	
S D	4.2		4.9		4.8		6.5		4.9		5.4	
Controlling	N	%	N	%	N	%	N	%	N	%	N	%
Low (18-34)	14	28.0	16	30.8	9	17.0	17	34.0	13	26.0	69	27.1
Medium (35-44)	28	56.0	34	65.4	31	58.5	13	26.0	31	62.0	137	53.7
High (45-54)	8	16.0	2	3.8	13	24.5	20	40.0	6	12.0	49	19.2
Total	50	100	52	100	52	100	50	100	50	100	255	100
Mean	36.9		37.8		40.5		41.0		38.6		39.0	
S D	5.9		5.3		7.2		7.4		5.9		6.5	
Evaluation	N	%	N	%	N	%	N	%	N	%	N	%
Low (12-20)	18	36.0	10	19.2	9	17.0	8	16.0	8	16.0	53	20.8
Medium (21-28)	28	56.0	18	34.6	14	26.4	18	36.0	28	56.0	106	41.6
High (29-36)	4	8.0	24	46.2	30	56.6	24	48.0	14	28.0	96	37.6
Total	50	100	52	100	52	100	50	100	50	100	255	100
Mean	21.8		24.4		26.2		25.3		24.5		24.5	
S D	4.0		3.6		3.6		3.6		4.0		4.0	

Figure 13 : Financial Management Practices



As seen in the table 4.19 and figure 13, planning of expenditure as a part of financial management was followed less frequently by families from all income groups. Majority of the families had medium affinity towards planning. Higher middle income group had relatively higher scores for planning the expenditure. Similarly, controlling was also not exercised more frequently by other income group families but the middle income and higher middle income groups. On the other hand, expenditure pattern was evaluated by the families belonging to all the three middle income groups.

As far as planning of expenditure is concerned, an observation can be made that lower income families due to severe scarcity of money-resource do not have enough room to plan the expenditure wide variety of commodities. While for high income families, the abundance of the monetary resource makes it insignificant for them to plan the expenditure in advance. It is the middle income group, which shows conscious managerial behaviour towards money.

Section V

4.5 Problems faced by the Families due to Rise in General Price Level

Rise in general price level may affect the spending pattern as well as may lead to several problems. Certain problems were visualized and presented to the families to identify whether the families from different income groups experience these problems.

Table 4.20 Problems due to Price Rise

Problems due to price rise	Income Group						Total	
	LIG	LMIG	MIG	HMIG	HIG			
	N=50	N=52	N=53	N=50	N=50	N=255		
	N %	N %	N %	N %	N %	N %		
Savings gets reduced	18 36.0	30 57.71	33 62.3	28 56.1	34 68	143 56.1		
Investment has got negatively affected	10 20.0	27 50.9	40 76.9	19 38.0	29 58.0	125 49.0		
Liquidity has decreased	05 10.0	28 53.8	27 50.9	23 46.0	22 44.0	105 41.2		
Financial insecurity gets intensified	23 46.0	26 50.0	21 39.6	14 28.0	08 16.0	92 36.0		
Maintenance of minimum level of living becomes difficult	31 62.0	25 48.1	26 49.1	20 40.0	18 36.0	120 47.0		
Use of many commodities has been curtailed	23 46.0	31 59.6	35 66.0	31 62.0	19 38.0	139 54.5		
Mental stress gets increased	26 52.0	46 88.5	32 60.4	29 58.0	22 44.0	155 67		

(Multiple Responses)

Families from all income groups expressed different problems, they experience due to rise in general price level. Increase in mental stress due to financial reasons was the problem experienced by 60 percent families out of the entire group. Further, it was expressed most by the families belonging to lower middle income group viz 88.5 percent. Decline in savings was the next and almost similar weightage had been expressed for the forceful curtailing on the use of commodities by more than 50 percent families. Hence, the intensity of the effect on the use of money due to rise in price level can be observed here clearly in terms of current consumption as well as postponed consumption, namely expenditure and savings.

Reduction in the yield through investment was another problem expressed by almost 50 percent families on the whole, out of which 76 percent families were belonging

to middle income group hence this group expressed this problem to the greatest extent. Forty seven percent families expressed difficulty in maintaining minimum level of living, especially from low income and lower middle income group, the percentages were respectively 62 and 48. Increase in the feeling of financial insecurity was expressed by more than 50 percent families belonging to low income and lower middle income groups.

Section VI

4.6 Coping Strategies adopted by Families

Theoretically, coping refers to the efforts to meet threat. To cope up with the rise in general price level families adopt problem focused coping. Here, the coping devices involve backward and forward coping strategies.

Table 4.21 : Coping Strategies adopted by the Families

Coping Strategies	Income Groups												Total N=255
	LIG N=50			LMIG N=52			MIG N=55			HMIG N=50			
	N	%	N	N	%	N	N	%	N	N	%		
Reduced expenditure on daily requirements	38	75.61	27	51.92	31	58.51	19	37.84	16	32.35	131	51.42	
Reduced eating out practices	33	66.00	39	75.00	42	79.24	19	37.84	16	32.35	149	58.43	
Started purchasing vegetables from wholesale market	16	32.00	33	63.46	44	83.01	43	86.49	12	23.53	148	58.00	
Reduced the quantity of ghee and oil	44	88.00	37	71.15	29	54.71	32	4.86	16	32.35	158	62.00	
Started spending on clothing /apparel according to planning	33	66.00	42	80.76	45	84.90	24	48.65	47	94.12	196	76.86	
Reduced entertainment expenditure	22	44.00	39	75.60	46	86.79	38	75.68	38	79.41	183	71.76	
Started spending on prsonal and miscellaneous items on fixed amount	33	66.00	33	63.46	34	64.15	19	37.84	10	20.59	129	50.58	
Reduced children's pocket money	33	66.00	32	61.53	23	43.39	19	37.84	10	20.59	117	45.88	
Started stitching clothes for the family at home	12	24.09	5	9.62	4	7.54	-	-	-	-	21	8.23	
Started buying items of less price compared to past	5	10.00	22	42.30	25	47.16	32	64.86	10	20.59	94	36.86	
Started purchasing seasonal products of lower quality to save money	33	66.00	22	42.30	21	39.62	7	13.51	8	14.71	91	35.68	
Started sharing vehicle with colleagues/friends to save on fuel	16	32.00	5	9.62	2	3.77	21	40.54	6	11.76	50	19.60	
Stopped tuitions of children	6	12.00	5	9.62	4	7.54	-	-	-	-	15	5.82	
Changed the school of children to less expensive one	-	-	3	5.77	3	5.66	7	13.51	-	-	10	3.92	
Stopped extra curricular classes of children	5	10.00	6	11.53	10	18.86	-	-	-	-	21	8.23	
Shifted to the house with less rent	-	-	3	5.77	-	-	5	10.81	-	-	8	3.13	
Started doing domestic work on own	28	56.00	13	25.00	31	58.51	19	37.84	-	-	91	35.68	
Started curtailing the use of electricity	39	78.05	13	25.00	24	45.31	24	48.65	10	20.59	110	43.13	
Switched over to cheaper substitute fuel	12	24.09	13	25.00	3	5.66	5	10.81	-	-	33	12.94	
Withdrawn deposits	-	-	3	5.77	-	-	-	-	3	5.88	6	2.35	
Shopping is done after checking prices in the market	6	12.20	5	9.62	4	7.54	-	-	6	11.76	21	8.23	
Stopped saving for long term goals	-	-	6	11.53	10	18.86	-	-	-	-	16	6.27	

Backward coping strategies involve the ways of using available resources. Table 4.21 shows the ways adopted by the families to reduce expenditure, adopted by families. More number of families from all income groups followed specific coping strategies. Spending on apparel & clothing according to planning was the practice adopted by majority of the families. Ninety two percent of the families from higher income group, 84% and 80% of the families from middle income and lower middle income families adopted this strategy and 66% of low income group and 45% of higher middle income group families adopted this coping strategy.

Reducing entertainment expenditure was the next, most commonly adopted coping strategy. This was adopted by majority of the families from all income groups other than low income group.

Reducing the eating out practices was mainly adopted by families from lower middle income and middle income groups, that is 75% and 77% respectively. Sixty six percent of low income families also adopted this coping strategy. Fifty eight percent of the total families adopted the practice of purchasing vegetables from the wholesale market. This practice was followed by 86.49% of the families from higher middle group, 83% from middle income group, and 63.46% of lower middle income group.

To cope with rise in price, quantity of ghee and oil was also reduced by 62 percent of the total number of families. This practice was followed greatly by the families from low income and lower middle income groups, respectively 88% and 71%. Families from middle income and higher middle income group too adopted this coping strategy, nearly 55% and 65%.

Fifty percent of the total families adopted the coping strategy of spending on personal and miscellaneous items in fixed amount. This practice was adopted by 66% of low income families, 62% of lower middle income families and 64% of middle income families.

Children's pocket money was reduced by 45.88% of the total number of families. This was mainly followed by the families from low income, lower middle income and middle income group.

Switching over to the commodities with less price was the coping strategy adopted by 37 percent of the total families; out of which higher middle income, middle income & lower middle income families adopted it more, i.e. respectively 64%, 47% and 42%.

Seasonal products of lower quality were purchased to save money. This practice was followed by majority of the low income families, that is, 66%, whereas, 42.30% of lower middle income families and 37.62% of the middle income families adopted this practice.

Sharing the use of vehicles with friends and colleagues was followed by 19.60% of total families out of which higher middle income families adopted it most, that is, 40.54%. In case of low income group, 32% of the families adopted this strategy. In case of other income groups this coping strategy was rarely adopted.

Curtailing the use of electricity was done by 43% of the total families, majority of them belonged to low income group, that is 78%. Families from higher middle income group and middle income group also adopted this coping strategy that is, 48.65% and 45.31% respectively.

Performing domestic work by one's own self was practiced by 36% families; out of which 58% and 56% were belonging to middle income and low income group

Coping strategies, which were less frequently adopted were a) stopped tuitions for children b) shifted their children to low cost school c) using substitute for domestic fuel d) shifting to the low rent house e) withdrawing deposits f) shopping around for low rates shops g) stitching clothes for the family members and h) stopped saving for long term goals

Forward Coping Strategies adopted by the Families

As a part of coping strategy families do adopt forward strategies along with backward coping strategies. Forward coping strategies are those where there is an effort to change the causing factor responsible for stress of a particular kind. For the same, family can add to the resource, required most in maintaining the balance between the cause & effect. Here, the forward coping strategy involved efforts on part of families to raise money income through self-employment, part time job or full time job.

Table 4.22 : Forward Coping Strategies adopted by the Families

Efforts made to increase money income by family members	Income Groups					
	LIG	LMIG	MIG	HMIG	HIG	Total
	N=17	N=11	N=06	N=14	N=10	N=58
	N %	N %	N %	N %	N %	N %
Part time job	05	03	03	04	-	15 25.8
Self Employment	07	05	03	10	10	35 43.10
Full time Job	05	03	-	-	-	08 13.7

Out of the total families only 22% had adopted the forward coping strategy i.e. making successful efforts to raise the family income. It was done either through self employment or taking up a job either by the respondent or any of the family member.

On the other hand, apart from the fact that most of the families were willing to add to the money income, they were not able to do so part of coping strategy. The reasons for the same were as follows:

Table 4.23 : Reasons for inability to raise money income

Reasons for inability to raise money income	Income Groups						Total
	LIG	LMIG	MIG	HMIG	HIG		
	N %	N %	N %	N %	N %	N %	
Family members' education is less	19 38.0	20 38.5	11 20.8	04 8.0	06 12.0		60 23.5
Lack of income generating capacity	09 18.0	14 26.9	08 15.1	09 18.0	07 14.0		47 18.4
Employment opportunities are less	18 36.0	32 61.5	10 18.9	18 36.0	17 34.0		97 37.3
Familial barriers	13 26.0	20 38.5	10 18.9	23 46.0	15 30.0		81 31.8
Social constraints	04 8.0	22 42.3	04 7.5	18 36.0	09 18.0		57 22.4
Lack of funds needed for self employment	28 56.0	28 53.8	20 37.7	13 26.0	-		89 34.9
Difficulties in repaying the borrowed amount	18 36.0	06 11.5	21 39.6	-	-		45 17.6

Despite being interested in raising money income, more than 70 percent families were unable to do so. The reasons behind this were expressed as follows:

Thirty seven percent families expressed that employment opportunities were less, as well as, family members' educational qualifications were not sufficient to avail gainful employment. Along with these two, other reasons restraining the families from the employment of family members were familial barriers and social constraints.

Regarding self employment, lack of funds needed for self employment and difficulty in repaying the loan were the constraining factors. Along with low educational level, lack of income generating capacity were also the limiting factors as expressed by the respondents

Section VII

4.7 Quality of Life

Extent of satisfaction with quality of life was assessed through the selected parameters namely satisfaction with wealth, satisfaction with level of consumption and satisfaction with financial security

Table 4.24 Extent of Satisfaction towards Wealth (95-96 & 99-00)

Satisfaction towards wealth		Income Group												Total N=255	
		Lower Income N=50		Lower Middle Income N=52		Middle Income N=53		Higher Middle Income N=50		Higher Income N=50					
		N	%	N	%	N	%	N	%	N	%	N	%		
Family total assets	Not satisfied	26	52.0	11	21.2	17	32.1	12	24.0	17	34.0	83	32.5		
		26	52.0	20	38.5	24	45.3	13	26.0	16	32.0	99	38.8		
	Somewhat satisfied	15	30.0	25	48.1	5	9.4	5	10.0	5	10.0	55	21.6		
		15	30.0	18	34.6	13	24.5	8	16.0	7	14.0	61	23.9		
	Satisfied	9	18.0	16	30.8	31	58.5	33	66.0	28	56.0	117	45.9		
		9	18.0	14	26.9	16	30.2	29	58.0	27	54.0	95	37.3		
Earning Potential of family members	Not satisfied	10	20.0	26	50.0	20	37.7	18	36.0	13	26.0	87	34.1		
		15	30.0	29	55.8	25	47.2	23	46.0	12	24.0	104	40.8		
	Somewhat satisfied	36	72.0	14	26.9	17	32.1	14	28.0	9	18.0	90	35.3		
		31	62.0	11	21.2	19	35.8	17	34.0	7	14.0	85	33.3		
	Satisfied	4	8.0	12	23.1	16	30.2	18	36.0	28	56.0	78	30.6		
		4	8.0	12	23.1	9	17.0	10	20.0	31	62.0	66	25.9		

Purchase of jewellery & additions to it	Not satisfied	37 37	74.0 74.0	22 31	42.3 59.6	24 30	45.3 56.6	19 24	38.0 48.0	15 20	30.0 40.0	117 142	45.9 55.7
	Somewhat satisfied	8 8	16.0 16.0	24 16	46.2 30.8	20 16	37.7 30.2	22 13	44.0 26.0	12 12	24.0 24.0	86 65	33.7 25.5
	Satisfied	5 5	10.0 10.0	6 5	11.5 9.6	9 7	17.0 13.2	9 13	18.0 26.0	23 18	46.0 36.0	52 48	20.4 18.8
Type of House and Quality	Not satisfied	18 23	36.0 46.0	13 20	25.0 38.5	17 21	32.1 39.6	8 8	16.0 16.0	14 12	28.0 24.0	70 84	27.5 32.9
	Somewhat satisfied	18 13	36.0 26.0	12 4	23.1 7.7	15 14	28.3 26.4	14 18	28.0 36.0	6 6	12.0 12.0	65 55	25.5 21.6
	Satisfied	14 14	28.0 28.0	27 28	51.9 53.8	21 18	39.6 34.0	28 24	56.0 48.0	30 32	60.0 64.0	120 116	47.1 45.5
Value of jewellery	Not satisfied	27 32	54.0 64.0	13 24	46.2	13 18	24.5 34.0	19 24	38.0 48.0	16 18	32.0 36.0	88 116	34.5 45.5
	Somewhat satisfied	14 9	28.0 18.0	19 17	36.5 32.7	16 20	30.2 37.7	13 8	26.0 16.0	13 17	26.0 34.0	75 71	29.4 27.8
	Satisfied	9 9	18.0 18.0	20 11	38.5 21.2	24 15	45.3 28.3	18 18	36.0 36.0	21 15	42.0 30.0	92 68	36.1 26.7
Education / upbringing of children	Not satisfied	9 19	18.0 38.0	19 17	36.5 32.7	7 10	13.2 18.9	26 21	52.0 42.0	14 17	28.0 34.0	75 84	29.4 32.9
	Somewhat satisfied	32 18	64.0 36.0	2 3	3.8 5.8	12 17	22.6 32.1	9 5	18.0 10.0	4 8	8.0 16.0	59 51	23.1 20.0
	Satisfied	9 13	18.0 26.0	31 32	59.6 61.5	34 26	64.2 49.1	15 24	30.0 48.0	32 25	64.0 50.0	121 120	47.5 47.1
Ownership of land	Not satisfied	27 27	54.0 54.0	24 24	46.2 46.2	32 35	60.4 66.0	31 31	62.0 62.0	24 22	48.0 44.0	138 139	54.1 54.5
	Somewhat satisfied	9 4	18.0 8.0	15 12	28.8 23.1	9 5	17.0 9.4	4 -	8.0 -	9 11	18.0 22.0	46 32	18.0 12.5
	Satisfied	14 19	28.0 38.0	13 16	25.0 30.8	12 13	22.6 24.5	15 19	30.0 38.0	17 17	34.0 34.0	71 84	27.8 32.9
Ownership of House	Not satisfied	5 5	10.0 10.0	14 12	26.9 23.1	15 15	28.3 28.3	17 22	34.0 44.0	15 13	30.0 26.0	66 67	25.9 26.3
	Somewhat satisfied	9 9	18.0 18.0	11 8	21.2 15.4	6 6	11.3 11.3	5 4	10.0 8.0	12 10	24.0 20.0	43 37	16.9 14.5
	Satisfied	36 36	72.0 72.0	27 32	51.9 60.4	32 32	60.4 60.4	28 24	56.0 48.0	23 27	46.0 54.0	146 151	57.3 59.2

Maturity of Deposits	Not satisfied	36 41	72 0 82 0	39 45	75 0 86 5	31 34	58 5 64 2	5 10	10 0 20 0	17 25	34 0 50 0	128 155	50 2 60 8
	Somewhat satisfied	14 9	28 0 18 0	3 3	5 8 5 8	9 10	17 0 18 9	32 31	64 0 62 0	16 15	32 0 30 0	74 68	29 0 26 7
	Satisfied	- -	- -	10 4	19 2 7 7	13 9	24 5 17 0	13 9	26 0 18 0	17 10	34 0 20 0	53 32	20 8 12 5
	Not satisfied	41 41	82 0 82 0	35 45	67 3 86 5	29 39	54 7 17 6	13 18	26 0 36 0	21 28	42 0 56 0	139 171	54 5 67 1
Liquidity of deposits	Somewhat satisfied	9 9	18 0 18 0	5 5	9 6 9 6	14 11	26 4 20 8	18 22	36 0 44 0	11 12	22 0 24 0	57 59	22 4 23 1
	Satisfied	- -	- -	12 2	23 1 3 8	10 3	18 9 5 7	19 10	38 0 20 0	18 10	36 0 20 0	59 25	23 1 9 8
	Not satisfied	37 37	74 0 74 0	29 33	55 8 63 5	17 14	32 1 26 4	14 9	28 0 18 0	11 7	22 0 14 0	108 100	42 4 39 2
Owning Vehicles	Somewhat satisfied	4 4	8 0 8 0	11 12	21 2 23 1	16 13	30 2 24 5	9 13	18 0 26 0	9 12	18 0 24 0	49 54	19 2 21 0
	Satisfied	9 9	18 0 18 0	12 7	23 1 13 5	20 26	37 7 49 1	27 28	54 0 56 0	30 31	60 0 62 0	98 101	38 4 39 6
	Not satisfied	9 18	18 0 36 0	18 24	34 6 46 2	17 27	32 1 50 9	19 14	38 0 28 0	11 13	22 0 26 0	74 96	29 0 37 6
Overall personality development of children	Somewhat satisfied	26 22	52 0 44 0	13 11	25 0 22 2	13 11	24 5 20 8	8 8	16 0 16 0	5 11	10 0 22 0	65 63	25 5 24 7
	Satisfied	15 10	30 0 20 0	21 17	40 4 32 7	23 15	43 4 28 3	23 28	46 0 56 0	34 26	68 0 52 0	116 96	45 5 37 6
	Not satisfied	33 37	66 0 74 0	33 35	63 5 67 3	23 25	43 4 47 2	19 14	38 0 28 0	14 14	28 0 28 0	122 125	47 8 49 0
Availability of modern equipment in house	Somewhat satisfied	13 9	26 0 18 0	15 10	28 8 19 2	18 13	34 0 24 5	17 13	34 0 26 0	11 10	22 0 20 0	74 55	29 0 21 6
	Satisfied	4 4	8 0 8 0	4 7	7 7 13 5	12 15	22 6 28 3	14 23	28 0 46 0	25 26	50 0 52 0	59 75	23 1 29 4
	Not satisfied	37 41	74 0 82 0	33 31	63 5 59 6	20 20	37 7 37 7	10 10	20 0 20 0	8 6	16 0 12 0	108 108	42 4 42 4
Availability of means of conveyance	Somewhat satisfied	4 -	8 0 -	14 12	26 9 23 1	17 12	32 1 22 6	17 17	34 0 34 0	20 17	40 0 34 0	72 58	28 2 22 7
	Satisfied	9 9	18 0 18 0	5 9	9 6 17 3	16 21	30 2 39 6	23 23	46 0 46 0	22 47	44 0 54 0	75 89	29 4 34 9
	Not satisfied	37 41	74 0 82 0	33 31	63 5 59 6	20 20	37 7 37 7	10 10	20 0 20 0	8 6	16 0 12 0	108 108	42 4 42 4

Extent of Satisfaction towards Wealth :

For the satisfaction with total assets during 1995-96, 45.9% of the total families were satisfied, this figure had gone down to 37.3% during 99-00. Number of families, not satisfied with total assets during the base year had remained the same during current year in case of low income group (52%). Whereas in case of all other income groups except for high income group, this number had gone up. In case of LMIG, MIG and HMIG, the families dissatisfied with total assets had gone up to 39%, 45% and 26% respectively from 21%, 32% and 24%.

As far as satisfaction with earning potential of family members was concerned, during the base year 34% of total families were not satisfied. This figure had gone up to 41% during the current year. Thirty percent families from LIG, 56% from LMIG, 47% from MIG and 46% families from HMIG were not satisfied with the family's earning potential during 1999-2000 this was much higher compared to the base year.

Regarding satisfaction with purchase of jewellery and addition to it, during the base year only 20% of the total families were satisfied and 46% were not satisfied. There was increase during 99-00 in the number of families who were not satisfied and there was decrease in the no. of families who were satisfied with the same. Further in case of each income class, there was an increase in the number of families who were dissatisfied with the purchase of jewellery. Seventy four percent of the families from LIG, 57% from LMIG, 57% from MIG, 48% from HMIG and 40% from HIG were not satisfied with the same.

Regarding type and quality of the house, during the base year, 47% of total families were satisfied, whereas during the current year, this figure had gone down to

45% In case of middle income group and higher middle income group the number of families satisfied with the type and quality of house had gone down from 39% and 56%, to 34% and 48% respectively. In case of low income families, number of families dissatisfied with the quality of house had gone up from 36% to 48%, during the current year Increase in the number of families satisfied with the quality of house was found only in case of LIG, that is from 60% the rise was upto 64%.

For the value of jewellery during the base year, total number of families who were satisfied and not satisfied was almost the same, that is, 36% and 35% respectively. During current year, the number of families who were dissatisfied with the same had increased upto 45.5% from 35%. The number of families who were satisfied had gone down from 42% to 30% Except for LIG and LMIG, for all other income groups there was great fall in the number of families satisfied with the same.

Regarding the education and up bringing of children, there was an increase in the total number of families who were dissatisfied, that is, it had increased from 29% to 33%. Where as the number of families who were satisfied had almost remained the same for all income groups Compared to base year, during current year, the number of families who were not satisfied had increased in case of LMIG from 18% to 38% For MIG, it had gone up to 19% from 13%, and for higher income group, from 28% to 34% was the increase

For satisfaction with land ownership, there was an increase in the total number of families who were satisfied during current year, compared to the base year In case of each income group, there was an increase in the number of families who were satisfied with land ownership

Regarding home ownership, there was not much difference in the total number of families who were satisfied during the base year and the current year. Compared to all other income groups, more number of families from low income group were satisfied with home ownership viz 72% In case of lower middle income group, higher middle & higher income group there was an increase in the percentage of families satisfied with home ownership in the current year compared to base year. i.e. from 52%, 56% and 46%, to 62%, 48% and 54% respectively.

With the maturity of the deposits, majority of the total families were dissatisfied during base year as well as current year. Compared to base year, the number of families who were not satisfied with the maturity of the deposits had increased, i.e. from 50% it had gone up to 61% during current year

Compared to higher middle income group and higher income group, the number of families not satisfied with the maturity of deposits was greater in case of low income group, low middle income group and middle income group.

Regarding liquidity of deposits there was an increase in the number of families who were not satisfied during current year, compared to base year, that is, from 54% it had increased to 60% Other than low income group, in case of all the four income groups, namely LMIG, MIG, HMIG and HIG, there was an increase in the percentage of families not satisfied with the liquidity of deposits during current year compared to base year

Regarding owning a vehicle, there was not much difference in the number of families who were satisfied and who were not satisfied Further, no much difference was there for the same between the base year & current year

Regarding availability of modern equipments there was marginal increase in the number of families who were not satisfied. It had increased up to 49% during current year from 47% of base year. In case of higher middle income group, there was an increase in the percentage of the families who were satisfied with the availability of modern equipments. It had increased upto 46% during current year compared to that during base year, viz 28%. For other income groups the percentage of families not satisfied had increased during current year compared to base year.

For overall personality development of children, there was decrease in the total number of satisfied families, i.e. to 37% during current year compared to 45.5% which was during the base year. This decline was found in case of all the five income groups.

Regarding the availability of the means of conveyance, there was an increase in the total number of families who were satisfied with the same. It had increased up to 35% during current year compared to 29% during base year. This increase was found for LMIG, MIG, HMIG and HIG whereas for low income group there was no change in the number of families satisfied with the same.

Table 4.25 Extent of Satisfaction towards Level of Consumption (95-96 & 99-00)

Satisfaction towards wealth		Income Group											
		Lower Income		Lower Middle Income		Middle Income		Higher Middle Income		Higher Income		Total	
		N=50		N=52		N=53		N=50		N=50		N=255	
		N	%	N	%	N	%	N	%	N	%	N	%
Expenditure on treatment of family members	Not satisfied	23	46.0	11	21.2	13	24.5	9	18.0	10	20.0	66	25.9
		23	46.0	9	7.3	19	35.8	9	18.0	8	16.0	68	26.7
	Somewhat satisfied	5	10.0	5	9.6	12	22.6	13	26.0	6	12.0	41	16.1
		-	-	4	7.7	11	20.8	5	10.0	9	18.0	29	11.4
	Satisfied	22	44.0	36	69.2	28	52.8	28	56.0	34	68.0	148	58.0
		27	54.0	39	75.0	23	43.4	36	72.0	33	66.0	159	62.0
Expenditure for daily food items	Not satisfied	27	54.0	7	13.5	11	20.8	13	26.0	10	20.0	68	26.7
		31	62.0	13	25.0	19	35.8	13	26.0	8	16.0	84	32.9
	Somewhat satisfied	18	36.0	14	26.9	18	34.0	12	24.0	12	24.0	74	29.0
		19	38.0	15	28.8	15	28.3	17	34.0	20	40.0	86	33.7
	Satisfied	5	10.0	31	59.6	24	45.3	25	50.0	28	56.0	113	44.3
		-	-	24	46.2	19	35.8	20	40.0	22	44.0	85	33.3
Expenditure for maintaining health	Not satisfied	13	26.0	7	13.5	14	26.4	5	10.0	14	28.0	53	20.8
		22	44.0	11	21.2	21	31.6	5	10.0	8	16.0	67	26.3
	Somewhat satisfied	37	74.0	18	34.6	22	41.5	17	34.0	10	20.0	104	40.8
		28	56.0	13	25.0	15	28.3	13	26.0	16	32.0	85	33.3
	Satisfied	-	-	27	51.9	17	32.1	28	56.0	26	52.0	98	38.4
		-	-	28	53.8	17	32.1	32	64.0	26	54.0	103	40.0
Expenditure for children's education	Not satisfied	15	30.0	15	28.8	10	18.9	14	28.0	14	28.0	68	26.7
		19	38.0	21	40.4	16	30.2	14	28.0	14	28.0	84	32.9
	Somewhat satisfied	17	34.0	7	13.5	17	32.1	13	26.0	7	14.0	61	23.9
		18	36.0	6	11.5	13	24.5	9	18.0	11	22.0	57	22.4
	Satisfied	18	36.0	30	57.7	26	49.1	23	46.0	29	58.0	126	49.4
		13	26.0	25	48.1	24	45.3	27	54.0	25	50.0	114	44.7
Ancillary requirements for children's education met	Not satisfied	14	28.0	18	34.6	12	22.6	18	36.0	12	24.0	74	29.0
		18	36.0	22	42.3	24	45.3	18	36.0	15	30.0	97	38.0
	Somewhat satisfied	22	44.0	9	17.3	18	34.0	5	10.0	10	20.0	64	25.1
		23	46.0	12	23.1	9	17.0	9	18.0	12	24.0	65	25.5
	Satisfied	14	28.0	25	48.1	23	43.4	27	54.0	28	56.0	117	45.9
		9	18.0	18	34.6	20	37.7	23	46.0	23	46.0	93	36.5

Celebration of religious, social events	Not satisfied	23	46 0	11	21 2	7	13 2	14	28 0	7	14 0	62	24 3
		23	46 0	14	26 9	15	28 3	14	28 0	10	20 0	76	29 8
	Somewhat satisfied	13	26 0	12	23 1	19	35 8	18	36 0	12	24 0	74	29 0
		18	36 0	9	17 3	14	26 4	18	36 0	16	32 0	75	29 4
Clothing requirements of family members met	Satisfied	14	28 0	29	55 8	27	50 9	18	36 0	31	62 0	119	46 7
		9	18 0	29	55 8	24	45 3	18	36 0	24	48 0	104	40 8
	Not satisfied	4	8 0	10	19 2	13	24 5	5	10 0	11	22 0	43	16 9
		8	16 0	18	34 6	18	34 0	5	10 0	12	24 0	61	23 9
Expenditure for house maintenance	Somewhat satisfied	42	84 0	14	26 9	15	28 3	27	54 0	10	20 0	108	42 4
		33	66 0	8	15 4	10	18 9	27	54 0	18	36 0	96	37 6
	Satisfied	4	8 0	28	53 8	25	47 2	18	36 0	29	58 0	104	40 8
		9	18 0	26	50 0	25	47 2	18	36 0	20	40 0	98	38 4
Spending on paid help	Not satisfied	5	10 0	15	28 8	14	26 4	14	28 0	13	26 0	61	23 9
		9	18 0	25	48 1	20	37 7	9	18 0	16	32 0	79	31 0
	Somewhat satisfied	40	80 0	14	26 9	23	43 4	27	54 0	14	28 0	118	46 3
		41	82 0	7	13 5	18	34 0	31	62 0	13	26 0	110	43 1
Spending on time and energy saving devices	Satisfied	5	10 0	23	44 2	16	30 2	9	18 0	23	46 0	76	29 8
		-	-	20	38 5	15	28 3	10	20 0	21	42 0	66	25 9
	Not satisfied	32	64 0	32	61 5	25	47 2	19	38 0	12	24 0	120	47 1
		36	74 0	34	65 4	29	54 7	19	38 0	14	28 0	132	51 8
Easy availability of cash for expenditure	Somewhat satisfied	13	26 0	13	25 0	13	24 5	8	16 0	11	22 0	58	22 7
		14	28 0	7	13 5	5	9 4	8	16 0	14	28 0	48	18 8
	Satisfied	5	10 0	7	13 5	15	28 3	23	46 0	27	54 0	77	30 2
		-	-	11	21 2	19	35 8	23	46 0	22	44 0	75	29 4
Easy availability of cash for expenditure	Not satisfied	28	56 0	38	73 1	27	50 9	10	20 0	13	26 0	116	45 5
		28	56 0	36	69 2	24	45 3	10	20 0	15	30 0	113	44 2
	Somewhat satisfied	9	18 0	10	19 2	14	26 4	26	52 0	17	34 0	76	29 8
		14	28 0	10	19 2	12	22 6	26	52 0	14	28 0	76	29 8
Easy availability of cash for expenditure	Satisfied	13	26 0	4	7 7	12	22 6	14	28 0	20	40 0	63	24 7
		8	16 0	6	11 5	17	32 1	14	28 0	21	42 0	66	25 9
Easy availability of cash for expenditure	Not satisfied	27	54 0	30	57 7	29	54 7	18	36 0	10	20 0	114	44 7
		36	72 0	37	71 2	38	71 7	18	36 0	10	20 0	139	54 5
	Somewhat satisfied	18	36 0	16	30 8	12	22 6	22	44 0	19	38 0	87	34 1
		9	18 0	9	17 3	7	13 2	22	44 0	20	40 0	67	26 3
Easy availability of cash for expenditure	Satisfied	5	10 0	6	11 5	12	22 6	10	20 0	21	42 0	54	21 2
		5	10 0	6	11 5	8	15 8	10	20 0	20	40 0	49	19 2

Extent of Satisfaction Towards Level of Consumption

Forty four percent of the total families were satisfied with the expenditure on daily hood items during the base year, compared to which , 33% of families did express the satisfaction during current year. There was an increase in the number of families dissatisfied with the same during current year except higher middle income group, where it had remained constant.

Regarding the extent of satisfaction for the expenditure on health of family members, much difference was not found between the base year and the current year. There was an increase of 10% in the number of families from low income group with the same during current year. In case of higher income group and middle income group the number of families satisfied with the same had declined upto 66% from 68% and, 43% from 53% respectively. In case of other two income groups, namely LMIG and HMIG, there was an increase in the number of families who were satisfied with the same during current year.

It was found that regarding incurring expenditure for maintaining the health of family members, there was an increase in the total number of families dissatisfied with the same by 6% (i.e. from 20% to 26%). Much increase was found during current year in the number of families not satisfied with the same from low income group, i.e. from 26%, it had raised upto 44%. The rise in the number of families not satisfied with the same was also found in case of lower middle income group and middle income group during current year.

Regarding ability to spend on children's education, 49% of the total families had expressed satisfaction during the base year, where as it had gone down to 44% during

current year. An increase in the number of families who were not satisfied with the same was found in case of low income group, lower middle income group and middle income group during current year. In case of higher middle and higher income group no change was found in the number of families who were dissatisfied with the same.

For the expenditure on the maintenance of the house, majority of the total respondents were moderately satisfied. From among low income group too, more than 80% families were moderately satisfied for the same, both, during base year as well as current year. Also majority of the families from higher middle income group expressed moderate satisfaction for the same during current year as well as the base year. For other three income groups, namely lower middle income group, middle income group and higher income group, there was an increase in the number of families, dissatisfied with the expenditure on maintenance of the house.

Regarding spending on paid help much difference was not found in the extent of satisfaction for total number of families during the base year and current year. For individual income groups, an increase in the number of families dissatisfied with the same was found in the current year in case of low income group, lower middle income group and middle income group. Respectively, the percentage increase was, 72% from 64%, 65% from 61.5% and 54% from 47% in the current year.

About spending on time and energy saving devices for total families much difference was not found in the extent of satisfaction during the base year and current year. In case of individual income groups too, the extent of satisfaction experienced was the same during both the years. Percentage of families who had expressed dissatisfaction

for the same was greater incase of LIG, LMIG and MIG whereas in case of HMIG and HIG greater number of families had expressed satisfaction for the same

Out of total families, 54% of the families were dissatisfied with the cash on hand during current year, this percentage were 44% during the base year Compared to base year, the number of families, dissatisfied with the cash on hand had increased during current year in case of LIG, LMIG and MIG, whereas for HMIG & HIG it had remained the same during both the years

Regarding ability to maintain standard of living there was decrease in the total number of families who were moderately satisfied during current year compared to base year From LIG, LMIG & MIG much rise was found in the percentage of families who were dissatisfied with the same Whereas in case of HMIG & HIG, majority of the families were satisfied with the maintenance of purchasing power

Table 4.26 Extent of Satisfaction Towards Financial Security (95-96 & 99-00)

Satisfaction towards financial security		Income Group												Total	
		Lower Income		Lower Middle Income		Middle Income		Higher Middle Income		Higher Income		Total			
		N=50		N=52		N=53		N=50		N=50		N=255			
		N	%	N	%	N	%	N	%	N	%	N	%		
Availability of money during contingencies	Not satisfied	14	28.0	37	71.2	26	49.1	18	36.0	12	24.0	107	42.0		
		23	46.0	41	78.8	31	58.5	13	26.0	10	20.0	118	46.3		
	Somewhat satisfied	26	52.0	13	25.0	13	24.5	18	36.0	16	32.0	86	33.7		
		17	34.0	11	21.2	8	15.1	18	36.0	22	44.0	76	29.8		
	Satisfied	10	20.0	2	3.8	14	26.4	14	28.0	22	44.0	62	24.3		
		10	20.0	-	-	14	26.4	19	38.0	18	36.0	61	23.9		
Value of insurance policy & its monetary return in future	Not satisfied	28	56.0	31	59.6	28	52.8	17	34.0	13	26.0	117	45.9		
		28	56.0	41	78.8	31	58.5	22	44.0	20	40.0	142	55.7		
	Somewhat satisfied	9	18.0	16	30.8	9	17.0	18	36.0	15	30.0	67	26.3		
		9	18.0	7	13.5	9	17.0	13	26.0	15	30.0	53	20.8		
	Satisfied	13	26.0	5	9.6	16	30.2	15	30.0	22	44.0	71	27.8		
		13	26.0	4	7.7	13	24.5	15	30.0	15	30.0	60	23.5		
Expected future sale price of house	Not satisfied	14	28.0	27	51.9	34	64.2	17	34.0	16	32.0	108	42.4		
		27	54.0	32	61.5	31	58.5	13	26.0	16	32.0	119	46.7		
	Somewhat satisfied	26	52.0	14	26.9	9	17.0	13	26.0	11	22.0	73	28.6		
		18	36.0	7	13.5	10	18.9	17	34.0	10	20.0	62	24.3		
	Satisfied	10	20.0	11	21.2	10	18.9	20	40.0	23	46.0	74	29.0		
		5	10.0	13	25.0	12	22.6	20	40.0	24	48.0	74	29.0		
Possibilities of other income	Not satisfied	27	54.0	24	46.2	23	43.4	23	46.0	21	42.0	118	46.3		
		32	64.0	40	76.9	29	54.7	27	54.0	21	42.0	149	58.4		
	Somewhat satisfied	18	36.0	17	32.7	14	26.4	8	16.0	13	26.0	70	27.5		
		13	26.0	6	11.5	8	15.1	4	8.0	11	22.0	42	16.5		
	Satisfied	5	10.0	11	21.2	16	30.2	19	38.0	16	32.0	67	26.3		
		5	10.0	6	11.5	16	30.2	19	38.0	18	36.0	64	25.1		
Availability of assets which could give monetary income	Not satisfied	22	44.0	27	51.9	37	69.8	17	34.0	25	50.0	128	50.2		
		27	54.0	38	73.1	33	62.3	17	34.0	28	56.0	143	56.1		
	Somewhat satisfied	19	38.0	11	21.2	5	9.4	23	46.0	9	18.0	67	26.3		
		14	28.0	5	9.6	9	17.0	23	46.0	7	14.0	58	22.7		
	Satisfied	9	18.0	14	26.9	11	20.8	10	20.0	16	32.0	60	23.5		
		9	18.0	9	17.3	11	20.8	10	20.0	15	30.0	54	21.2		

Availability of mortgageable assets	Not satisfied	35	70 0	38	73.1	34	64 2	13	26 0	18	36 0	138	54 1
		40	80 0	43	82 7	35	66 0	17	34 0	20	40 0	155	60 8
	Somewhat satisfied	10	20 0	9	17 3	12	22 6	27	54 0	12	24 0	70	27 5
		5	10 0	4	7 7	11	20 8	23	46 0	14	28 0	57	22 3
	Satisfied	5	10 0	5	9 6	7	13 2	10	20 0	20	40 0	47	18 4
		5	10 0	5	9 6	7	13 2	10	20 0	16	32 0	43	16 9
Medical insurance	Not satisfied	41	82 0	43	82 7	41	77 4	23	46 0	28	56 0	176	69 0
		46	92 0	43	82 7	41	77 4	28	56 0	29	58 0	187	73 3
	Somewhat satisfied	9	18 0	7	13 5	5	9 4	13	26 0	12	24 0	46	18 0
		4	8 0	7	13 5	6	11 3	8	16 0	10	20 0	35	13 8
	Satisfied	-	-	2	3 8	7	13 2	14	28 0	10	20 0	33	12 9
		-	-	2	3 8	6	11 3	14	28 0	11	22 0	33	12 9
Feeling of financial security	Not satisfied	13	26 0	30	57.7	24	45 3	23	46 0	20	40 0	110	43 1
		27	54 0	38	73.1	30	56 6	22	44 0	18	36 0	135	52 9
	Somewhat satisfied	27	54 0	17	32 7	16	30 2	13	26 0	14	28 0	87	34 1
		18	36 0	9	17 3	14	26 4	9	18 0	14	28 0	64	25 1
	Satisfied	10	20 0	5	9 6	13	24 5	14	28 0	16	32 0	58	22 7
		5	10 0	5	9 6	9	17 0	19	38 0	18	36 0	56	22 0
Availability of opportunities to increase income	Not satisfied	18	36 0	27	51 9	38	71 7	24	48 0	19	38 0	126	49 4
		23	46 0	35	67 3	38	71 7	23	46 0	17	34 0	136	53 3
	Somewhat satisfied	28	56 0	11	21.2	9	17 0	21	42 0	16	32 0	85	33 3
		23	46 0	4	7 7	9	17 0	17	34 0	19	38 0	72	28 2
	Satisfied	4	8 0	14	26 9	6	11 3	5	10 0	15	30 0	44	17 3
		4	8 0	13	25 0	6	11 3	10	20 0	14	28 0	47	18 4
Potential of family members to add to income	Not satisfied	27	54 0	9	17 3	26	49 1	14	28 0	13	26 0	89	34 9
		32	64 0	16	30.8	29	54 7	9	18 0	13	26 0	99	38 8
	Somewhat satisfied	9	18 0	13	25 0	9	17 0	21	42 0	8	16 0	60	23 5
		9	18 0	11	21 2	6	11 3	21	42 0	11	22 0	58	22 7
	Satisfied	14	28 0	30	57 7	18	34 0	15	30 0	29	58 0	106	41 6
		9	18 0	25	48 1	18	34 0	20	40 0	26	52 0	98	38 4
Source of income in old age	Not satisfied	13	26 0	7	13 5	12	22 6	5	10 0	9	18 0	46	18 0
		18	36 0	15	28 8	16	30 2	9	18 0	9	18 0	67	26 3
	Somewhat satisfied	24	48 0	9	17 3	12	22 6	12	24 0	12	24 0	69	27 1
		24	48 0	6	11 5	8	15 1	8	16 0	10	20 0	56	22 0
	Satisfied	13	26 0	36	69 2	29	54 7	33	66 0	29	58 0	140	54 9
		8	16 0	31	59 6	29	54 7	33	66 0	31	62 0	132	51 8

Harmony amongst family members	Not satisfied	5 14	10.0 28.0	24 27	46.2 51.9	24 22	45.3 41.5	23 31	46.0 62.0	14 16	28.0 32.0	90 110	35.3 43.1
	Somewhat satisfied	32 27	64.0 54.0	10 7	19.2 13.5	11 11	20.8 20.8	8 -	16.0 -	8 9	16.0 18.0	69 54	27.1 21.2
	Satisfied	13 9	26.0 18.0	18 18	34.6 34.6	18 20	34.0 37.7	19 19	38.0 38.0	28 25	56.0 50.0	96 91	37.6 35.7
Kids feeling that their individual requirements will be met.	Not satisfied	14 23	28.0 46.0	8 13	15.4 25.0	14 16	26.4 30.2	4 4	8.0 8.0	12 13	24.0 26.0	52 69	20.4 27.1
	Somewhat satisfied	17 13	34.0 26.0	8 3	15.4 5.8	16 10	30.2 18.9	23 19	46.0 38.0	8 9	16.0 18.0	72 54	28.2 21.2
	Satisfied	19 14	38.0 28.0	36 36	69.2 69.2	23 27	43.4 50.9	23 27	46.0 54.0	30 28	60.0 56.0	131 132	51.4 51.8
Maintenance of family's standard of living	Not satisfied	27 31	54.0 62.0	17 31	32.7 59.6	18 20	34.0 37.7	9 9	18.0 18.0	7 9	14.0 18.0	78 100	30.6 39.2
	Somewhat satisfied	18 10	36.0 20.0	12 4	23.1 17.7	8 14	15.1 26.4	23 19	46.0 38.0	12 13	24.0 26.0	73 60	28.6 23.5
	Satisfied	5 9	10.0 18.0	23 17	44.2 32.7	27 19	50.9 35.8	18 22	36.0 44.0	31 28	62.0 56.0	104 95	40.8 37.3
Assurance about ability to maintain purchasing power in future	Not satisfied	27 36	54.0 72.0	21 29	40.4 55.8	19 23	35.8 43.4	5 10	10.0 20.0	9 11	18.0 22.0	81 109	31.8 42.7
	Somewhat satisfied	9 5	18.0 10.0	5 -	9.6 -	13 15	24.5 28.3	27 13	54.0 26.0	10 12	20.0 24.0	64 45	25.1 17.6
	Satisfied	14 9	28.0 18.0	26 23	50.0 44.2	21 15	39.6 28.3	18 27	36.0 54.0	31 27	62.0 54.0	110 101	43.1 39.6
Total		50	100.0	52	100.0	53	100.0	50	100.0	50	100.0	255	100.0

Extent of Satisfaction towards Financial Security

About availability of money during contingency, 42% of the total families were dissatisfied during base year. This figure had gone up to 46% during current year. The percentage of families who were dissatisfied with the same had increased during current year Viz from 28% to 46% in case of LIG, from 71% to 78.8% in case of LMIG and from 49% to 58.5% in case of MIG. In case of HMIG, the percentage of families, satisfied with the availability of money during contingencies had increased upto 36% during current year which was 26% during the base year

About the value of insurance policy and its monetary returns in future, 56% of the total families were dissatisfied and only 23% of the total families were satisfied. Compared to the base year, greater number of families expressed the feeling of dissatisfaction for the same during current year in case of all five income groups

For the future sale price of the house, 29% of the total families were satisfied. Respectively 40% and 48% of the families from HMIG & HIG were satisfied with the same. About 54% to 61% of the families from LIG, LMIG and MIG were not satisfied about the expected future sale price of the house.

Regarding possibilities of other source of income in future, only 25% of the total families were satisfied. Compared to other income group, greater number of families from HMIG & HIG were satisfied about the same. Compared to base year, greater number of families expressed dissatisfaction for the same during current year. Sixty four percent of the families from LIG, 77.0% from LMIG, 55% from MIG, 54% from HMIG and 42% of the families from HIG expressed dissatisfaction with the possibilities of other source of income in future.

About the availability of the assets which could give monetary income, only 23% of the total families were satisfied. Nearly half of the total families were not satisfied about the same. Fifty four percent of the families from low income group, 73.1% from lower middle income group, 62% from middle income group, 34% from higher middle income group and 56% from higher middle income group were dissatisfied with the availability of assets which could give monetary income.

Sixteen percent of the total number of families were satisfied with the availability of mortgageable assets. Sixty percent of the total families were dissatisfied with the same.

More than 80% of the families were dissatisfied from LIG and LMIG. Sixty six percent of the families from MIG, 34% from HMIG and 40% from HIG were dissatisfied with the same during current year. These percentages were lower during the base year in case of all five income group.

Regarding medical insurance 12% of the total families were satisfied whereas 73% of the families were not satisfied with the same. Eighty two percent of the low income families were not satisfied with medical insurance during base year which had gone up to 92% during current year. Compared to number of families who were satisfied with medical insurance, the number of families who were not satisfied was higher in case of all the five income groups during base year as well as current year.

Regarding feelings of financial security, there was no change in the total number of families who were satisfied during the base year and the current year. Total number of families who were dissatisfied with the feeling of financial security had increased to 52% from that of 43% during current year, compared to base year. Compared to other income groups, much increase was found during current year in the number of families who were dissatisfied with the feeling of financial security in case of lower middle income group. The increase was 73% from 57% during the respective years.

About availability of opportunity to increase income in future, 49% of the total families were dissatisfied, 33% of the total families were moderately satisfied and 17% of the families were satisfied during base year. The total number of families who were not satisfied increased up to 53% during current year, and those who were moderately satisfied had gone down to 28% and those who were satisfied had increased by one percent during current year. In case of lower middle income group, the number of

families who were not satisfied had increased from 52% to 67% during current year. In case of low income too, there was an increase of ten percent in the number of families who were not satisfied with the same. For the other three income groups, namely MIG, HMIG and HIG, there was not much difference in the number of families; satisfied and dissatisfied with the same.

With the potential of family members to add to the family income, 41% of total families were satisfied during base year which had gone down to 35% during current year. Greater number of families were not satisfied with same from LIG and MIG. From LMIG and HIG, respectively 57% and 58% of the families were satisfied during base year, which had gone down to 48% and 52% respectively during current year.

Regarding future source of income, 51% of the families were satisfied during current year. Majority of the families from LIG were moderately satisfied with the same. Whereas in case of other four income groups, the number of families who were satisfied was greater compared to the number of families who were not satisfied with the same.

About harmony in the family, total number of families who were not satisfied had increased during current year. In case of all income groups, other than MIG there was an increase in the number of families who were dissatisfied with the same compared to base year.

For the feelings of children regarding meeting future financial requirements there was not much difference between the base year and the current year. Fifty one percent of the total families were satisfied with the same. Around 50% to 56% of the families from MIG, HMIG and HIG were satisfied with the same. Compared to other income groups, greater number of families (i.e. 69%) were satisfied with the same from LMIG.

Regarding assurance about maintaining purchasing power in future, 31% of the total families were not satisfied during base year. This figure had gone up to 42% during current year. Compared to 43% of the families satisfied with the same during base year, 39% of total families were satisfied during current year.

The number of families not satisfied with the future ability to maintain purchasing power was highest in case of LIG, i.e. 72%, compared to other four income groups. In case of LMIG and MIG, respectively 55% and 43% of the families were not satisfied with the same. From HMIG and HIG, 54% of the families were satisfied with the same.

Changes were found in the number of families who were satisfied or dissatisfied towards selected parameters of quality of life during 95-96 and 99-00. Compared to that much variation was not found in the number of families who were moderately satisfied towards these parameters.

Table 4.27 : Percentage distribution : Extent of Satisfaction with Quality of Life

1995-96 and 1999-2000

Extent of satisfaction and score range		Income Group											
		LIG N=50		LMIG N=52		MIG N=53		HMIG N=50		HIG N=50		Total N=255	
		N	%	N	%	N	%	N	%	N	%	N	%
A. Satisfaction towards wealth													
Low	95-96	22	44.0	9	17.3	11	20.8	9	18.0	11	22.0	62	24.3
(14-22)	99-00	27	54.0	16	30.8	14	26.4	9	18.0	9	18.0	75	29.4
Medium	95-96	19	38.0	41	78.8	36	67.9	22	44.0	14	28.0	132	51.8
(23-32)	99-00	14	28.0	34	65.4	30	56.6	26	62.0	17	34.0	121	47.5
High	95-96	9	18.0	2	3.8	6	11.3	19	38.0	25	50.0	61	23.9
(33-42)	99-00	9	18.0	2	3.8	9	17.0	15	30.0	24	48.0	59	23.1
Total		50	100	52	100	52	100	50	100	50	100	255	100
Mean	95-96		24.3		26.8		27.0		29.2		30.6		27.6
	99-00		23.2		26.3		26.3		29.1		30.4		26.8
S D	95-96		6.1		4.6		5.9		6.3		8.9		6.8
	99-00		6.1		5.6		6.6		6.3		8.6		7.2
B. Satisfaction towards level of consumption													
Low	95-96	22	44.0	9	17.3	10	18.9	5	10.0	6	12.0	52	20.4
(11-18)	99-00	31	62.0	20	38.5	17	32.1	5	10.0	6	12.0	79	31.0
Medium	95-96	28	56.0	18	34.6	27	50.9	26	52.0	15	30.0	114	44.7
(19-26)	99-00	19	38.0	12	23.1	18	34.0	22	44.0	19	38.0	90	35.3
High	95-96	-	-	25	48.1	16	30.2	19	38.0	29	58.0	89	34.9
(27-33)	99-00			20	38.5	18	34.0	23	46.0	25	50.0	86	33.7
Total		50	100	52	100	52	100	50	100	50	100	255	100
Mean	95-96		20.0		24.7		23.7		24.4		26.0		23.8
	99-00		18.6		23.2		22.2		25.0		25.1		22.8
S D	95-96		3.1		5.1		6.1		5.3		7.1		5.8
	99-00		3.3		6.4		6.8		5.0		6.7		6.3

C. Satisfaction towards financial security		N	%	N	%	N	%	N	%	N	%	N	%
Low	95-96	28	56.0	29	55.8	24	45.3	27	54.0	8	16.0	116	45.5
	(15-25) 99-00	37	74.0	40	76.9	36	67.9	22	44.0	11	22.0	146	57.3
Medium	95-96	22	44.0	23	44.2	25	47.2	13	26.0	31	62.0	114	44.7
	(26-35) 99-00	13	26.0	10	19.2	13	24.5	18	36.0	26	52.0	80	31.4
High	95-96	-	-	-	-	4	7.5	10	20.0	11	22.0	25	9.8
	(36-45) 99-00			2	3.8	4	7.5	10	20.0	13	26.0	29	11.4
Total		50	100	52	100	52	100	50	100	50	100	255	100
Mean	95-96		25.7		24.8		27.0		29.4		31.6		27.7
	99-00		23.4		22.6		24.9		29.3		30.4		36.1
S.D	95-96		4.4		4.8		6.3		7.9		8.1		6.9
	99-00		5.1		4.6		6.9		8.3		8.1		7.4

Figure 14 : Quality of life towards Wealth (95-96 & 99-00) for five income groups (percentage distribution of scores)

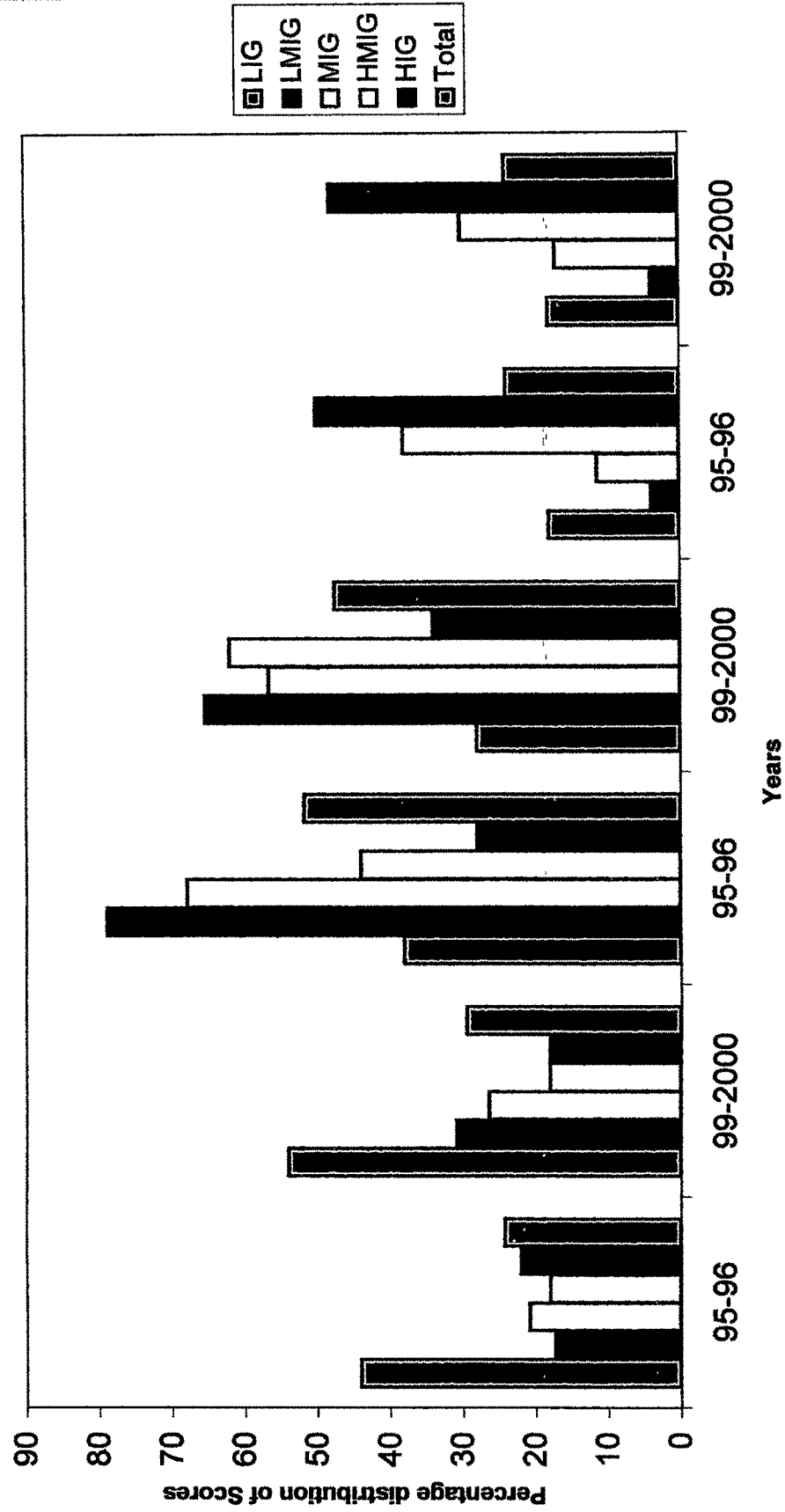


Figure 15 : Quality of life towards Level of Consumption (95-96 & 99-00) of five income groups (percentage distribution of scores)

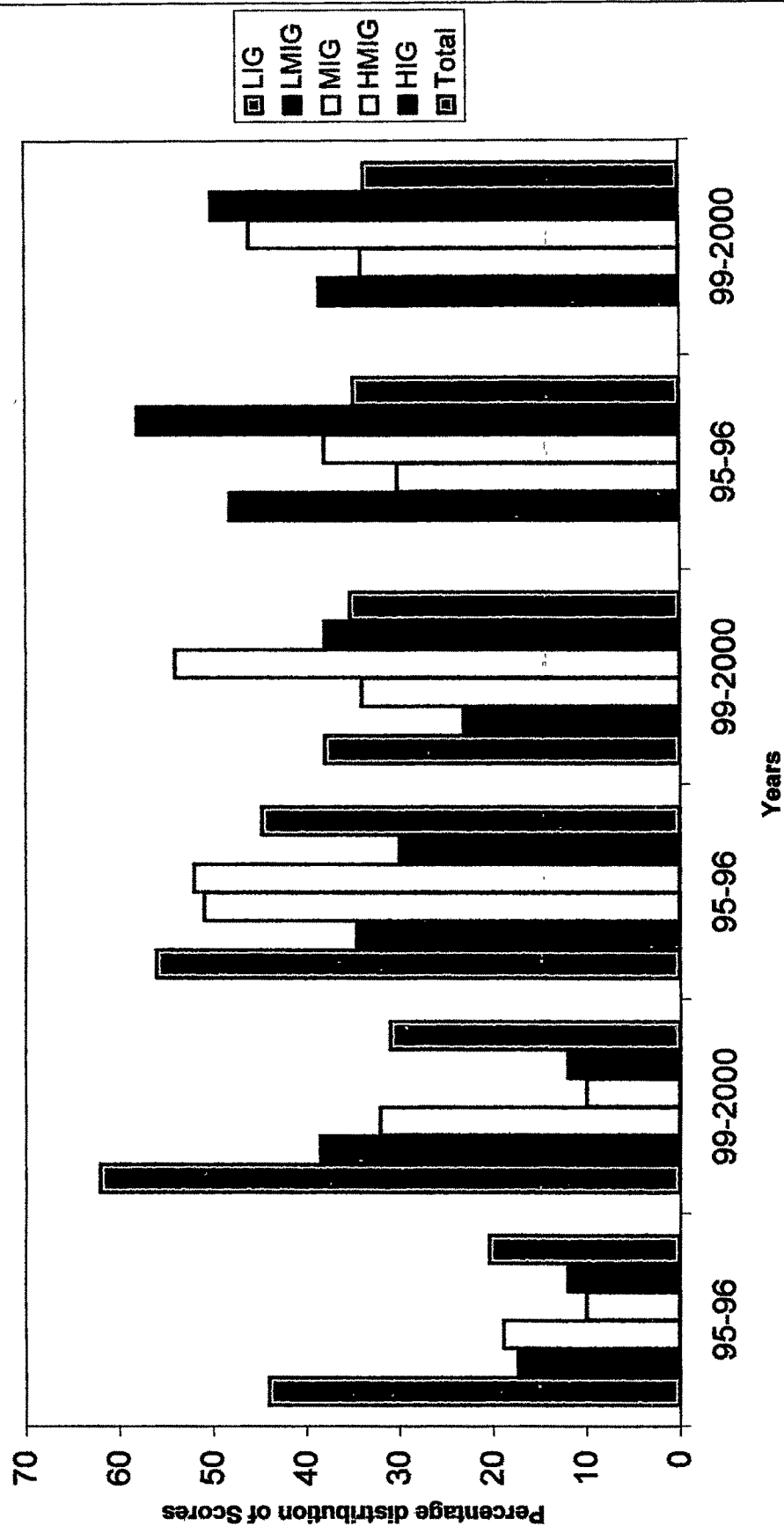
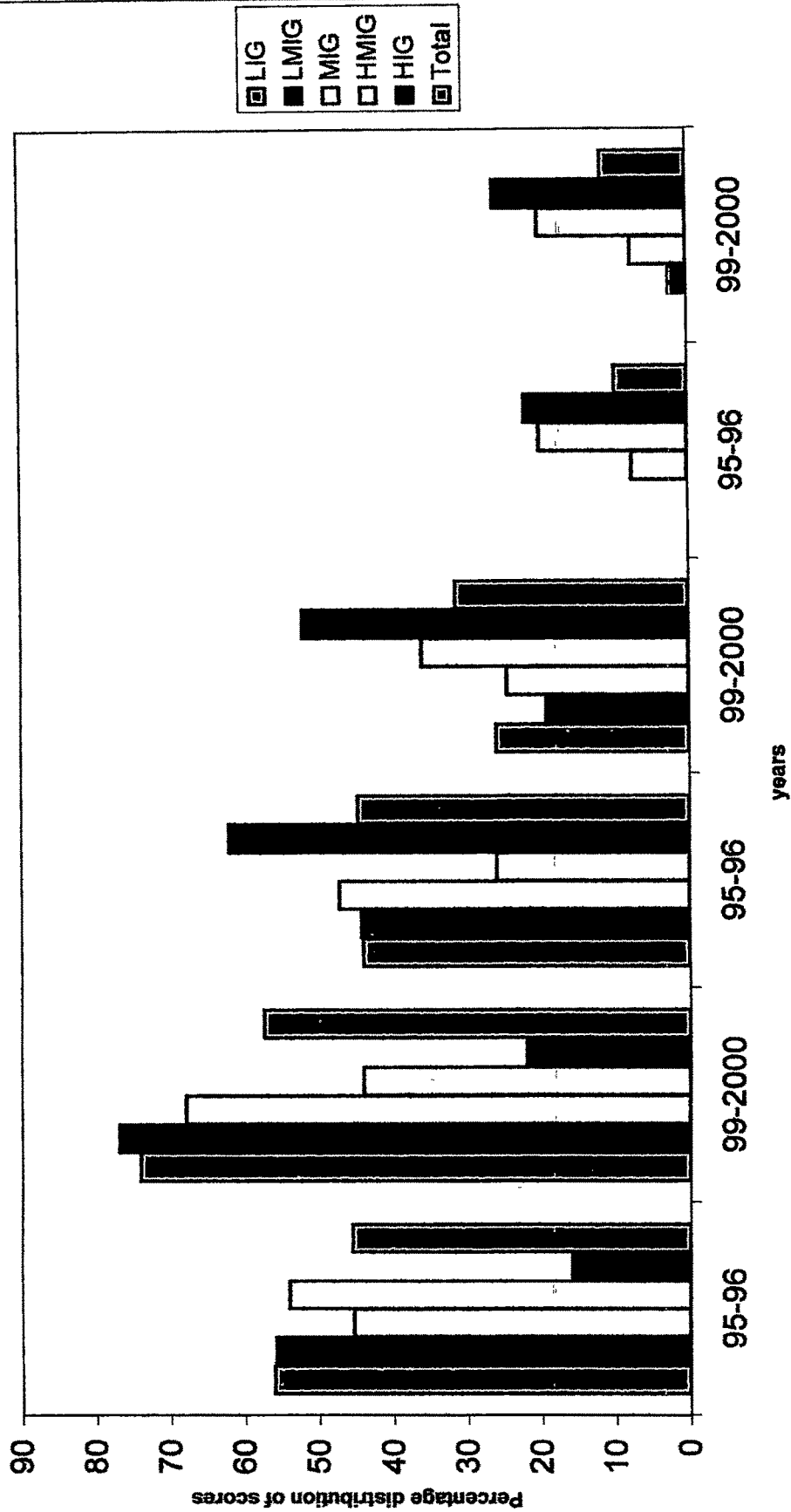


Figure 16 : Quality of life towards Financial Security (95-96 & 99-00) of five income groups (percentage distribution of scores)



The table 27 and the accompanying figures provide the quantified information regarding the extent of satisfaction towards quality of life parameters in 99-00 compared to 1995-96. Needless to mention, the low score is indicative of the extent of dissatisfaction. If the percentage for this increases for 99-00 compared to 95-96, then one can infer that extent of dissatisfaction has increased. From the table it is observed that the level of dissatisfaction towards wealth has increased for LIG (54% from 44%), for LMIG (30.8% from 17.3%), for MIG (26.4% from 20.8%) and for total (29.4% from 24.3%). The HIG had experienced a decrease in extent of dissatisfaction (18% from 22%).

Regarding satisfaction towards consumption, the level of dissatisfaction (low score) had increased for LIG (62% from 44%), LMIG (38.5% from 17.3%), MIG (32.1% from 18.9%) and total (31% from 20.4%). For HMIG and HIG, they had remained constant implying that rise in general price level has not caused any substantive impact on level of consumption for these two groups. Concentrating on satisfaction pertaining to financial security, the extent of dissatisfaction had increased for LIG (74% from 56%), LMIG (76.9% to 55.8%), MIG (65% to 45%), HIG (22% from 16%) and total (57.3% from 45%). For LIG and LMIG, no respondent was observed to be highly satisfied with financial security. The medium score had also been found to have fallen for LIG, LMIG, MIG, HIG and total. The graphs provide the same information and complement the tables.

4.8 Testing Of Hypotheses

For statistical testing of hypotheses, chi square, Pearson's product moment correlation coefficient, 't' test and analysis of variance were computed

To assess the significance among the variables, chi square was computed To identify the variations due to personal and familial variables and/or to ascertain mean differences, analysis of variance was utilized and F-values were calculated

For identifying the interdependence of financial management & quality of life, ANOVA was used. To see the interdependence of aggregate & income wise cost of living indices, Pearson's product moment correlation coefficient were computed After obtaining r, t test were then applied to test the significance of 'r' values

N.H.1 : There is no relationship between economic profile of the families and personal and familial variables of the respondents.

N.H.1.1.i : There is no relationship between the economic profile of the families and age, education, occupation and income of the respondents.

To find out the significance of impact of personal variables and economic profile of family, chi square was computed. For the purpose of the study, the economic profile of families was seen in terms of their savings and investments

Table 4.28 : Chi Square Values for Economic Profile of Families and Personal Variables of the Respondents

Income Group	Economic Profile											
	Savings (95-96)			Investments(95-96)			Savings (99-00)			Investments (99-00)		
	χ^2	d.f.	Sign.	χ^2	d.f.	Sign.	χ^2	d.f.	Sign.	χ^2	d.f.	Sign.
a. Age												
LIG	5.1	2	.07	5.1	2	.07	12.88	2	.002	-	-	-
LMIG	2.6	2	.27	15.2	6	.02	4.47	4	.34	23.5	12	.02
MIG	37.3	12	.01	16.2	12	.17	5.3	6	.50	8.6	9	.47
HMIG	55.9	9	.01	45.1	12	.01	32.14	6	.01	9.8	3	.02
HIG	13.2	12	.35	75.6	24	.01	18.2	16	.31	6.8	12	.86
b. Education												
LIG	50.0	4	.01	50	4	.01	9.4	4	.05	-	-	-
LMIG	15.7	4	.01	68.2	12	.01	18.6	8	.01	57.6	24	.01
MIG	19.7	20	.5	15.2	20	.76	3.3	10	.97	7.3	15	.94
HMIG	36.9	9	.01	2.1	12	.03	21.4	6	.01	4.3	3	.22
HIG	18.2	9	.03	17.6	18	.48	24.16	12	.01	11.2	9	.26
c. Occupation												
LIG	3.7	1	.05	3.7	1	.05	40	1	.5	-	-	-
LMIG	3.1	1	.07	4.1	3	.2	6.3	2	.04	17	6	.01
MIG	3.8	4	.4	9.4	4	.05	2.3	2	.30	1.6	3	.65
HMIG	18.3	3	.01	15.8	4	.01	4.3	2	.11	9.8	1	.01
HIG	2.4	3	.5	6.1	6	.4	6.8	4	.1	2.1	3	.5
d. Monthly Income												
LIG	50.0	2	.01	50	2	.01	2.1	2	.35	-	-	-
LMIG	.78	1	N.S	25.1	3	.01	1.6	2	.45	37.9	6	.01
MIG	11.0	8	.20	15.1	8	.05	2.3	4	.67	18.7	6	.01
HMIG	50.0	3	.01	50.0	4	.01	2.1	2	.34	6.1	1	N.S
HIG	39.8	21	.01	79.2	42	.01	36.5	28	.13	28.0	21	.14

In case of LIG families, the chi-square values were significantly associated with age of respondents and their savings for current year (0.002 level). For LMIG the relationship was significant (0.02 level) between age of respondent and investment for both base and current year. For MIG, the relationship was significant (0.01 level) between age and savings for base year. For HMIG, age was significantly associated with savings and investments for base and current year. While for HIG it was significantly associated with investment for base year (0.01 level). Hence, the null hypothesis of independence for age of respondent and economic profile of family was rejected and alternative hypothesis was accepted.

In case of LIG, the chi-square values were significantly associated (0.01 and 0.05 level) with education of respondents and their savings for base year and investment for current year. While for LMIG, it was significantly associated with savings and investments for both base year and current year (0.01 level). For MIG, education of respondents was not significantly associated with savings and investments of either base year or current year. Whereas, for HMIG it was associated significantly (0.01 level and 0.03 level) with savings and investments for base year and savings of current year. For HIG it was having significant association (0.03 and 0.01 level) with savings for both base and current year. Hence the null hypothesis of independence was rejected for LIG, LMIG, HMIG & HIG and accepted for MIG.

In case of LIG, chi-square values were significantly associated with occupation of respondents and their savings and investments for base year (0.05 level). While for LMIG it was having significant association (0.01 level) with investment of the current year. For MIG, it was significantly associated with investment of base year (0.05 level).

For HMIG, significantly associated (0.01 level) with savings for both base and current year and investment of current year. While for HIG, it was not associated significantly with saving and investment for both base and current year. Hence, the null hypothesis of independence was rejected for LIG, LMIG, MIG and HMIG and was accepted for HIG.

For LIG, the chi-square values were significantly associated (0.01 level) with monthly income of respondents and their savings and investment for base and current year. For LMIG and MIG, it was having significant association (0.01 and 0.05 level) with investment for both base and current year. While for HMIG and HIG it was significantly associated (0.01 level) with savings and investment of base year. Hence, the null hypothesis of independence for respondent's monthly income and economic profile of family was rejected and alternative hypothesis was accepted.

N.H.1.1.ii : There is no relationship between economic profile of the families and familial variables of the respondents.

To find out the significance of impact of familial variables, namely, type of family, family size & type of house and economic profile of the families, chi-square was computed.

Table 4.29 : Chi Square Values for Economic Profile of Families and Familial Variables of the Respondents.

Income Group	Economic Profile											
	Savings (95-96)			Investments(95-96)			Savings (99-00)			Investments (99-00)		
	χ^2	d.f.	Sign.	χ^2	d.f.	Sign.	χ^2	d.f.	Sign.	χ^2	d.f.	Sign.
e. Type of Family												
LIG	7.1	1	.01	7.1	1	.01	6.7	1	.01	-	-	-
LMIG	5.4	1	.02	10.4	3	.01	11.0	2	.01	7.7	6	.25
MIG	9.1	4	.06	12.0	4	.01	2.5	2	.28	6.6	3	.08
HMIG	9.1	3	.03	15.6	4	.01	3.1	2	.21	2.8	1	.10
HIG	7.3	3	.06	14.2	6	.03	3.7	4	.44	10.6	3	.01
f. Family size												
LIG	11.1	3	.01	11.1	3	.01	6.1	3	.10	-	-	-
LMIG	5.5	4	.2	27.1	12	.01	12.6	8	.12	100	24	.01
MIG	17.1	20	.6	18.3	20	.5	28.1	10	.01	30.7	15	.01
HMIG	56.8	9	.01	67.9	12	.01	32.9	6	.01	9.8	3	.02
HIG	29.1	21	.1	37.9	42	.6	37.1	28	.1	20.3	21	.08
g. Type of House												
LIG	4.1	4	.4	5.5	4	.2	2.5	2	.3	2.8	1	.1
LMIG	4.2	1	.04	5.5	3	.13	8.5	2	.01	28.3	6	.01
MIG	4.1	4	.40	2.7	4	.6	2.6	2	.2	7.1	3	.06
HMIG	14.6	3	.01	17.1	4	.01	3.7	2	.1	1.7	1	.18
HIG	3.4	3	.32	6.6	6	.35	6.6	4	.1	4.2	3	.20

In case of LIG and LMIG, the chi square values were significantly associated (.01 level) with type of family and savings for base year and investment for current year. For MIG and HIG it was having significant association (.01 and .03 level) with investment for base year and investment for both base and current year respectively. For HMIG it was significantly associated with savings and investment for base year (.03 and .01 level).

For family size and economic profile, the chi-square values were significantly associated in case of LIG, LMIG, MIG and HMIG. For LIG it was significantly associated with savings and investments for base and current year (01 level). In case of LMIG, it was significantly associated with investment for both base and current year. While for MIG it was having significant (01 level) association with savings and investment of current year. For HMIG it was significantly associated (01 and 02 level) with savings and investment for both, base and current year.

In case of LIG, chi square values were not having significant association with the type of house and economic profile of the family. In case of LMIG, it was associated significantly (04 and .01 level) with investment for both base and current year and savings for base year. For HMIG it was significantly associated (01 level) with savings and investment for both base and current year. While for MIG and HIG it was not associated significantly with economic profile of the family. Hence the null hypothesis of independence was rejected for type of family and alternative hypothesis was accepted. For size of the family, null hypothesis of independence was rejected for LIG, LMIG, MIG and HMIG and, it was accepted for HIG.

For the type of house, null hypothesis of independence was rejected for LMIG and HMIG but it was accepted for LIG, MIG and HIG.

N.H.1.2.1 There is no association between financial management practices of the families and age, education, occupation and income of the respondents.

For the purpose of the study, financial management practices were studied in terms of planning, controlling and evaluating practices. An attempt was made to furnish evidence on the hypothesis of the relationship between respondents' personal

variables and their financial management practices. The chi square test was used for this purpose. The calculated values of χ^2 were compared with the tabulated values.

Table 4.30 : Chi-square values for Financial Management Practices and Respondents' Personal Variables

Income Groups	Financial Management Practices								
	Planning			Controlling			Evaluating		
	χ^2	d.f.	Sign.	χ^2	d.f.	Sign.	χ^2	d.f.	Sign.
a. Age									
LIG	90.33	16	.01	100	20	.01	67.39	16	.01
LMIG	65.47	26	.01	75.10	26	.01	44.98	16	.01
MIG	72.58	39	.001	91.11	57	.003	71.93	27	.01
HMIG	84.12	21	.01	134.12	27	.01	71.42	15	.01
HIG	117.35	60	.01	101.21	64	.002	76.30	52	.01
b. Education									
LIG	168	32	.01	200	40	.01	164.8	32	.01
LMIG	98.6	52	.01	86.5	52	.002	58.9	32	.003
MIG	135.04	65	.01	163.6	96	.01	94.6	45	.01
HMIG	94.8	21	.01	135.9	27	.01	91.9	15	.01
HIG	55.5	45	.134	92.9	48	.01	70.0	39	.002
c. Occupation									
LIG	50.0	8	.01	50	10	.00	41.00	8	.01
LMIG	32.6	13	.002	36.38	13	.001	15.19	8	.05
MIG	40.82	13	.01	34.73	19	.01	16.34	9	.06
HMIG	31.67	7	.01	39.14	9	.01	9.97	5	.07
HIG	15.44	15	.420	37.5	16	.002	9.35	13	.74
d. Monthly Income									
LIG	100	16	.01	100	20	.00	69.57	16	.00
LMIG	35.1	13	.001	31.8	13	.003	14.1	8	.08
MIG	47.7	26	.006	95.1	38	.01	33.3	18	.01
HMIG	50.0	7	.01	50.0	9	.01	22.2	5	.01
HIG	158.8	105	.001	182.0	112	.01	126.8	91	.008

In case of LIG, LMIG and HMIG families, age of the respondents was significantly associated (01 level) with planning, controlling and evaluating practices. For MIG it was having significant association (.001 and .003 level) with planning and controlling and (01 level) with evaluating. While for HIG, it was having significant association with planning (01 level), controlling (002 level)

Hence the null hypothesis of independence was rejected and alternative hypothesis was accepted

In case of all income groups, chi square values were significantly associated with education of respondent and financial management practices. For LIG, MIG and HMIG it was significantly associated (.01 level) with planning, controlling and evaluating. In case of LMIG it was having significant association with planning (01 level), controlling (002 level) and evaluating (003 level). While in case of HIG, it was not associated significantly with planning, but it was associated significantly with controlling and evaluation (.01 level and 002 level)

Hence the null hypothesis of independence was rejected and alternative hypothesis was accepted

Regarding occupation of the respondent and financial management practices, chi square values were associated significantly in case of all income groups

For LIG it was significantly associated (01 and 00 level) with planning, controlling and evaluation and for LMIG, the significant association was at .002, .001 and .05 level.

In case of MIG and HMIG, significant association was found (01 level) with planning and controlling and occupation of the respondent and for HIG, significant

association between occupation of respondent was found with controlling (01 level) and evaluation (002 level) practices. Hence, the null hypothesis of independence was rejected.

Monthly income of the respondents had significant association with planning, controlling and evaluating in case of all income groups. In case of LIG & HMIG it was significant at (01) and (00) level. While for LMIG, MIG and HIG, it was statistically significant at 01, 001, 003, 006 and 008 level.

Hence the null hypothesis of independence was rejected and the alternative hypothesis was accepted.

N.H.1.2ii There is no relationship between financial management practices of the families and familial variables of the respondents.

An attempt was made to furnish evidence on the hypothesis of the relationship between respondents' familial variables and financial management practices. The chi square test was used for this purpose. The calculated values of χ^2 were compared with the tabulated values.

Table 4.31 : Chi-square values for Financial Management Practices and Respondents' Familial Variables

Income Groups	Financial Management Practices								
	Planning			Controlling			Evaluatin		
	χ^2	d.f.	Sign.	χ^2	d.f.	Sign.	χ^2	d.f.	Sign.
e. Type of family									
LIG	40.5	8	.01	50.0	10	.01	29.9	8	.01
LMIG	34.1	13	.001	28.6	13	.007	28.6	8	.01
MIG	14.86	13	.31	33.8	19	.01	19.8	9	.01
HMIG	31.18	7	.00	50.0	9	.01	29.9	5	.01
HIG	19.6	15	.184	23.9	16	.09	21.3	13	.065
f. Family Size									
LIG	96.7	18	.01	77.21	18	.01	98.41	24	.01
LMIG	86.18	44	.01	133.6	52	.01	130.4	44	.01
MIG	147.1	80	.01	110.4	80	.01	136.4	80	.01
HMIG	120.9	24	.01	97.85	24	.01	113.8	21	.01
HIG	164.3	112	.001	129.41	91	.005	143.53	105	.007
g. Type of House									
LIG	3.4	3	.3	14.6	3	.01	4.1	4	.4
LMIG	5.5	3	.13	8.5	2	.01	28.3	6	.01
MIG	2.7	4	.6	2.6	2	.2	7.1	3	.06
HMIG	17.1	4	.01	3.7	2	.1	1.7	1	.18
HIG	6.6	6	.35	6.6	4	.1	4.2	3	.20

Referring to familial variables, for HIG, type of family and financial management practices were found to be statistically independent. Whereas for other income groups, familial variables appeared to be having significant association with financial management practices, for both, type of family and family size (.00 to .007 level)

In case of LIG, type of house was found to be having significant association with controlling practice(01 level) For LMIG, type of house was significantly associated with controlling and evaluating (01 level) While, for HMIG, it was significantly associated (01 level)with planning For MIG and HIG , it was not having significant association with any of the financial management practices

Hence, the null hypothesis of independence was rejected for LIG, LMIG and HMIG and it was partially accepted for MIG and HIG

N.H.1.3i : There exists no relationship between coping strategies adopted by families and age , education, occupation and income of respondents.

The hypothesis of a potential relationship between coping strategies and personal as well as familial variables sound plausible Specific personal variables like age, education, occupation and income might impact upon the coping strategy adopted by the families

Table 4.32 : Chi-square values for Coping Strategies adopted by Families and Personal Variables of Respondents.

Income Group	Coping Strategy		
	χ^2	d.f.	Sign.
a. Age			
LIG	61.44	88	N S
LMIG	60.22	88	N S.
MIG	66.46	88	N S
HMIG	116.97	88	.05
HIG	41.139	88	N S.
b. Education			
LIG	168.82	132	.01
LMIG	85.14	132	N S
MIG	32.45	132	N S.
HMIG	74.86	132	N S
HIG	64.49	132	N S.
c. Occupation			
LIG	21.68	22	N S.
LMIG	23.68	22	N S
MIG	22.48	22	N S.
HMIG	32.66	22	.05
HIG	13.61	22	N S.
d. Monthly Income			
LIG	57.24	176	N S
LMIG	16.85	176	N S.
MIG	56.30	176	N S.
HMIG	15.51	176	N S
HIG	85.23	176	N S

For LIG, LMIG, MIG and HIG, chi-square values were not associated significantly with age of the respondents and coping strategies adopted by the families. Only in case of HMIG, it was significantly associated (0.05 level). For LIG, chi square values were significantly associated with education of the respondents and family's coping strategies. For occupation of the respondents, it was significantly associated (0.05 level) for HMIG. Whereas for monthly income of the respondents, it was not having significant association in case of any of the income groups. Hence null hypothesis of independence was accepted for coping strategies and monthly income. It was further accepted for age, education and occupation for most of the cases. This shows independence between coping strategies and the personal variables.

N.H.1.3ii There exists no relationship between coping strategies adopted by families and familial variables of the respondents

Table 4.33 : Chi-square values for Coping strategies and Familial Variables of Respondents

e. Type of Family			
	Coping Strategy		
	χ^2	d.f.	Sign.
LIG	58.93	22	.01
LMIG	29.27	22	N S
MIG	12.69	22	N S
HMIG	20.49	22	N.S
HIG	8.51	22	N S.
f. Family Size			
LIG	70.79	176	N S
LMIG	111.25	176	N.S.
MIG	61.69	176	N S.
HMIG	61.103	176	N S
HIG	71.73	176	N.S.
g. Type of House			
LIG	0.00	22	-
LMIG	37.51	22	.05
MIG	8.98	22	N S
HMIG	47.44	22	.01
HIG	4.36	22	N S

Familial variables like type of family, family size and type of house may bear relationship with coping strategies. However, the results reported in Table 4.17 failed to reject the null hypothesis of independence between personal as well as familial variables.

and coping strategies. The evidence furnished indicated that there was no statistically significant relationship between relevant variables and coping strategies. This results holds true across all income classes barring few exceptions.

Chi square values were showing no significant association between coping strategies and family size for any of the income group. Except for LIG, no significant association was found between coping strategies and type of family for any of the income groups. In case of LIG significant association at .01 level was found between type of family and coping strategies. For type of house, it was significantly associated (.05 and .01 level) in case of LMIG and HMIG. Hence null hypothesis of independence was rejected for type of family in case of LIG and for type of house in case of LMIG and HMIG and it was accepted for family size. This shows independence between coping strategies and the familial variables.

N.H.1.4i There is no relationship between families' quality of life and age, education, occupation and income of the respondents

An attempt was made to furnish evidence on the hypothesis of the relationship between respondents' personal variables and quality of life. The chi square test was used for this purpose. The calculated values of χ^2 were compared with the tabulated values.

Table 4.34 : Chi-square values for Quality of life and personal Variables of the respondents

Income groups	Parameters of quality of life								
	Satisfaction towards Wealth			Satisfaction towards Consumption			Satisfaction towards Financial Security		
	χ^2	d.f.	Sign.	χ^2	d.f.	Sign.	χ^2	d.f.	Sign.
a. age									
LIG	57.73	12	.01	77.91	12	.01	90.33	16	.01
LMIG	64.95	22	.01	61.33	26	.00	46.70	22	.002
MIG	82.24	48	.002	97.42	48	.01	75.02	48	.008
HMIG	103.7	24	.01	120.01	24	.01	118.03	21	.01
HIG	126.7	64	.01	71.60	52	.03	124.43	60	.01
b. Education									
LIG	144.2	24	.01	144.3	24	.01	183.5	32	.01
LMIG	100.7	44	.01	121.9	52	.01	87.6	44	.01
MIG	136.6	80	.01	188.8	80	.01	168.4	80	.01
HMIG	91.1	24	.01	118.25	24	.01	72.3	21	.01
HIG	74.4	48	.008	82.7	39	.01	93.9	45	.01
c. Occupation									
LIG	26.6	6	.00	20.6	6	.002	41.05	8	.01
LMIG	27.2	11	.004	33.8	13	.001	23.02	11	.018
MIG	18.96	16	.27	25.21	16	.066	34.6	16	.005
HMIG	31.6	8	.00	40.3	8	.01	41.3	7	.01
HIG	30.4	16	.016	19.9	13	.096	26.51	15	.033
d. Monthly Income									
LIG	69.5	12	.01	100	12	.01	100	16	.01
LMIG	19.13	11	.069	14.98	13	.309	35.1	11	.01
MIG	96.5	32	.01	56.6	32	.005	91.3	32	.01
HMIG	50.0	8	.01	25.3	8	.001	50.0	7	.01
HIG	183.6	112	.01	141.3	91	.001	180.9	105	.01

For the purpose of the study, the quality of life was seen in terms of family's satisfaction with wealth, level of consumption and financial security.

In case of LIG and HMIG families, the chi square values were significantly associated with age of respondent and satisfaction towards wealth, level of consumption and financial security at .01 level. In case of other three income groups, namely LMIG, MIG and HIG too it was statistically significant with all the three parameters of quality of life (.002 to .03 level)

In case of all the five income groups, chi square values were having significant association (.01 level) with education of the respondent and all the three parameters of the quality of life

Hence for quality of life and age & education of the respondents null hypothesis of independence was rejected for all the five income groups and the alternative hypothesis was accepted.

Regarding occupation of the respondent, in case of LIG, LMIG and HMIG, chi square values were having significant association with quality of life (.004 to .01 level) Whereas, in case of MIG, it was significantly associated with satisfaction towards financial security (.005 level) and in case of HIG, it was having significant association with satisfaction towards wealth, as well as towards financial security. Hence null hypothesis of independence was rejected in case of all income groups for occupation of the respondent

Regarding monthly income of the respondents, chi square values were having significant association (.01 level) with all three parameters of QoL in case of LIG. For MIG, HMIG and HIG, it was significantly associated (.01 level) with the satisfaction

towards wealth as well as towards financial security. In case of LMIG, it was having significant association (0.01 level) with the satisfaction towards financial security. Hence the null hypothesis of independence was rejected.

N.H.1.4ii There is no relationship between families' quality of life and familial variables of the respondents

To study the association between quality of life parameters of the family and selected familial variables, namely type of family, family size and type of house, chi-square was computed.

Table 4.35 : Chi-square values for Quality of life and Familial Variables of Respondents

Income groups	Parameters of quality of life								
	Satisfaction towards Wealth			Satisfaction towards Consumption			Satisfaction towards Financial Security		
	χ^2	d.f.	Sign.	χ^2	d.f.	Sign.	χ^2	d.f.	Sign.
e. type of family									
LIG	50.0	6	.01	36.3	6	.00	40.5	8	.00
LMIG	28.0	11	.003	40.66	13	.00	22.9	11	.018
MIG	18.0	16	.324	17.05	16	.382	25.01	16	.070
HMIG	31.18	8	.01	40.01	8	.01	29.9	7	.01
HIG	24.82	16	.073	20.21	13	.09	20.8	15	.143
f. Family Size									
LIG	116.1	24	.01	150	30	.01	120	24	.01
LMIG	156.3	52	.01	149.9	52	.01	73.5	32	.01
MIG	126.9	65	.01	195.1	95	.01	112.0	45	.01
HMIG	136.4	21	.01	136.4	27	.01	67.2	15	.01
HIG	151.3	105	.002	199.0	112	.01	142.0	91	.01
g. Type of House									
LIG	4.2	1	.04	4.1	4	.4	3.4	3	.3
LMIG	5.5	3	.13	8.5	2	.01	28.3	6	.01
MIG	2.7	4	.6	2.6	2	.2	7.1	3	.06
HMIG	17.1	4	.01	3.7	2	.1	1.7	1	.18
HIG	6.6	6	.35	6.6	4	.1	4.2	3	.20

Regarding familial variables of the respondents and the satisfaction with quality of life, the results of chi square test were as follows.

In case of LIG, LMIG and HMIG, chi square values were significantly associated with type of family and all the three parameters of quality of life (.003 to .01 level).

While in case of MIG and HIG it was not having significant association with quality of life.

For size of family, chi square values were significantly associated (.002 to .01 level) in case of all the five income groups with all three parameters of quality of life.

Regarding type of house, in case of LIG and HMIG, chi square values were having significant association with satisfaction towards wealth. In case of LMIG significant association (.01 level) was there with satisfaction towards level of consumption as well as financial security. In case of HIG & MIG it was not significantly associated with quality of life. Hence, the null hypothesis of independence was partially rejected.

N.H.2i There exists no relationship between general price level and cost of living.

The changes in general pricelevel presumably affect the cost of living expenses. In order to test the relationship, the cost of living indices were prepared for each income group from the responses on expenditure given by the families. Besides, from the same data an aggregate index inclusive of all income groups was constructed and was considered to be a reasonable proxy variable for the general pricelevel.

For testing purposes correlation coefficient were computed between aggregate price index and the index of each individual income group.

Table 4.36 : Correlation Coefficient Showing Relationship among General Price Level and Cost of Living

Variables	r-values	Level of significance
Cost of Living index for LIG	.958**	.01
Cost of Living index for LMIG	.972**	.01
Cost of Living index for MIG	.996**	.01
Cost of Living index for HMIG	.976**	.01
Cost of Living index for HIG	.965**	.01

It was found that all correlation coefficients were having very high values, which indicated high positive correlation between the relevant variables. In other words, as and when general price level increases, cost of living indices are also expected to rise.

A t-test was also applied to assess statistical significance of the observed correlations. All the correlations were found to be statistically significant at .01 level of significance. Interestingly the highest correlation was found between the cost of living index of middle income and aggregate cost of living index. The results clearly show that with the rise in general cost of living index, the individual cost indices of a basket of goods have the tendency to rise in the same direction. There is a positive relationship between the two. Hence the null hypothesis of correlation was rejected and the alternative hypothesis was accepted.

N.H.2.2 The extent of satisfaction with quality of life in 1995-96 and that in 1999-2000 are independent despite the rise in general price level.

To study the association between quality of life and the rise in general price level, chi square was computed. For each of the parameter of satisfaction with quality of life, chi square was computed for all five income groups

Table 4.37 : Chi Square values for Quality of Life and Rise in General Price Level

Quality of life parameters	Income Groups									
	LIG		LMIG		MIG		HMIG		HIG	
	Value	Sign.	Value	Sign.	Value	Sign.	Value	Sign.	Value	Sign.
Family's total assets	100	.000	19 45	.000	31.9	.000	45 04	.000	26 27	.000
Earning Potential of family members	78 70	.000	34 20	.000	38 40	.000	29.50	.000	48 0	.000
Purchase of jewellery and additions to it	100	.000	36.60	.000	38 70	.000	58.90	.000	37 30	.000
Type and quality of house	78.20	.000	29 40	.000	59.80	.000	83.30	.000	72.90	.000
Value of jewellery	77 10	.000	37 10	.000	50 80	.000	74 30	.000	43 60	.000
Education / upbringing of children	46 50	.000	44 20	.000	28 80	.000	55 10	.000	49 10	.000
Ownership of Land	66 30	.000	85.80	.000	63.40	.000	50.00	.000	77 20	.000
Ownership of House	100	.000	76 00	.000	49.10	.000	50 00	.000	78.70	.000
Maturity of Deposits	28.20	.000	70 00	.000	41 60	.000	52.20	.000	49 00	.000
Liquidity of deposits	50 00	.000	26 30	.000	45 40	.000	58.90	.000	46 20	.000
Owning vehicles	100	.000	42 70	.000	45.60	.000	25 90	.000	56.60	.000
Health of family members	50	.000	48	.000	78 10	.000	34 50	.000	47 90	.000
Expenditure for daily food items	36.70	.000	33 80	.000	53.50	.000	78.20	.000	63.50	.000
Expenditure for maintaining health	22 30	.000	64 30	.000	69 50	.000	83 40	.000	50 60	.000
Expenditure for children's education	59.50	.000	33 60	.000	59 40	.000	39.10	.000	53 30	.000
Annual requirements for children's education met	58 90	.000	70.00	.000	44 90	.000	43.50	.000	41.60	.000

Requirements for overall personality development of children	56.90	.000	75.40	.000	55.20	.000	80.20	.000	28.80	.000
Family celebration of religious, social events	73.20	.000	82.60	.000	51.50	.000	100	.000	47.50	.000
Clothing requirements of family members met	42.10	.000	44.00	.000	48.50	.000	100	.000	36.10	.000
Expenditure for house maintenance	25.60	.000	37.80	.000	75.10	.000	51.30	.000	36.80	.000
Availability of modern equipments	80.80	.000	66.20	.000	52.00	.000	60.40	.000	29.00	.000
Availability of paid help	36.20	.000	64.30	.000	51.30	.000	100	.000	57.40	.000
Time and energy saving devices	69.70	.000	84.80	.000	56.10	.000	100	.000	54.50	.000
Availability of means of conveyance	50.00	.000	72.60	.000	60.60	.000	52.10	.000	58.00	.000
Availability of cash	68.70	.000	41.20	.000	31.60	.000	62.20	.000	47.50	.000
Availability of money during contingencies	69.00	.000	41.80	.000	51.70	.000	76.60	.000	57.00	.000
Value of insurance policy and its monetary return	100	.000	31.30	.000	80.70	.000	77.90	.000	49.50	.000
Expected future sale price of house	44.70	.000	46.20	.000	54.80	.000	79.20	.000	51.10	.000
Possibilities of other income sources	80.40	.000	17.30	.000	77.00	.000	71.20	.000	78.90	.000
Availability of assets for monetary income	80.00	.000	48.90	.000	41.20	.000	100	.000	64.20	.000
Availability of mortgageable assets	71.80	.000	72.40	.000	79.80	.000	82.50	.000	62.40	.000
Medical Insurance	19.80	.000	104.00	.000	87.40	.000	75.20	.000	82.70	.000
Feeling of financial security	42.50	.000	73.70	.000	49.20	.000	59.10	.000	59.07	.000
Availability of opportunities to increase income	82.10	.000	39.80	.000	92.40	.000	55.00	.000	73.40	.000
Family harmony due to economic reasons	77.10	.000	48.30	.000	84.60	.000	74.10	.000	63.50	.000
Harmony between husband and wife	72.20	.000	34.40	.000	59.60	.000	68.50	.000	58.20	.000
Harmony amongst family members	51.80	.000	84.30	.000	72.40	.000	50.00	.000	59.70	.000
Kids' feelings about individual requirements met	50.00	.000	45.30	.000	47.50	.000	85.10	.000	64.00	.000

Maintenance of family's standard of living	30.40	.000	29.40	.000	50.70	.000	38.10	.000	57.00	.000
Maintenance of purchasing power	52.30	.000	29.50	.000	37.50	.000	43.50	.000	50.60	.000

At 4 df, chi square values were having significant relationship with rise in general price level and quality of life at .000 level of significance for all the five income groups. Hence, for all the five income groups, the null hypothesis was rejected for the independence between rise in general price level and quality of life.

The present study also attempted to examine the relationship between family's financial management practices and quality of life. As is known, the inflationary conditions of the economy and increase in cost of living expenses induce perturbations into Families' mental health and its resources, and therefore continuous attempts are needed by a household to maintain quality of life which was enjoyed in pre-inflationary scenario. This situation causes appropriate alterations in financial management practices. The hypothesis tests the relationship between quality of life (99-00) and family's financial management practices in the post inflationary situation.

N.H.3. No relationship exists between family's financial management practices and quality of life.

Table 4.38 : Analysis of Variance for Extent of Satisfaction towards Quality of Life

LIG	Quality of life Parameters											
	Wealth				Level of Consumption				Financial Security			
	Sum of Squares	d.f.	F	Sig.	Sum of Squares	d.f.	F	Sig.	Sum of Squares	d.f.	F	Sig.
V a r i a b l e s												
Planning												
Between the groups	754 286	6			726 824	6			821 431	8		
Within the groups	96 034	43	56 28	.01	123 492	43	42 18	.01	28 889	41	145 72	.01
Controlling												
Between the groups	1184 30	6			242 048	6			1474 864	8		
Within the groups	406 12	43	20 89	.01	3 212	43	75 34	.01	115 559	41	65 412	.01
Evaluation												
Between the groups	701 961	6			690 78	6			695 15	8		
Within the groups	75 419	43	66 704	.01	87 302	43	56 64	.01	82 22	41	43 330	.01
LMIG												
Planning												
Between the groups	769 246	11			613 136	13			801 05	11		
Within the groups	444 504	40	6 293	.01	600 614	38	2 98	.01	412 70	40	7 058	.01
Controlling												
Between the groups	948 152	11			659 786	13			1025 200	11		
Within the groups	461 848	40	7 465	.01	750 214	38	2 571	.01	384 800	40	9 68	.01
Evaluation												
Between the groups	552 770	11			397 598	13			415 027	11		
Within the groups	126 057	40	15 946	.01	281 229	38	4 13	.01	263 800	40	5 72	.01
MIG												
Planning												
Between the groups	624 157	16			534 614	16			1008 707	16		
Within the groups	568 824	36	2 469	.01	658 367	36	1 82	NS	184 274	36	12 316	.01
Controlling												
Between the groups	2097 486	16			1159 267	16			2617 06	16		
Within the groups	461 848	40	5 10	.01	750 214	38	1 40	NS	404 940	36	14 54	.01
Evaluation												
Between the groups	309 505	16			249 505	16			406 452	16		
Within the groups	345 967	36	2 01	.05	405 967	36	1 38	NS	249 020	36	3 67	.01

HMIG											
Planning											
Between the groups	2064 498	8			1619 831	8			1236 220	7	
Within the groups	4 222	41	25 92	.01	448 889	41	18 49	.01	832.500	42	8 91 .01
Controlling											
Between the groups	2563 824	8			2179 602	8			2314 880	7	
Within the groups	133 556	41	98 38	.01	517 778	41	21 57	.01	382 500	42	36 31 .01
Evaluation											
Between the groups	521 858	8			323 191	8			427 358	7	
Within the groups	130 222	41	20 53	.01	328 889	41	5 03	.01	224 722	42	11 41 .01
HIG											
Planning											
Between the groups	904 447	16			597 713	13			594 063	15	
Within the groups	288 533	33	6 46	.01	595 267	36	2 78	.01	598 917	34	2 24 .05
Controlling											
Between the groups	1550 313	16			1367 013	13			1305 663	15	
Within the groups	453 467	33	7 05	.01	636.767	36	5 94	.01	698 117	34	4 23 .01
Evaluation											
Between the groups	604 947	16			577 980	13			475 030	15	
Within the groups	189 533	33	6 58	.01	216 500	36	7 39	.01	319 450	34	3 37 .01

In order to ascertain the strength of the relationship between families' financial management practices and quality of life, analysis of variance technique was utilized to test for differences among the means of the population by examining the amount of variation within each of the samples relative to the amount of variation between the samples. The Quality of Life being the dependent variable, the 'F' test on the basis of ANOVA was utilized to assess the statistical significance of parameters of financial management practices in explaining the variations in quality of life parameters. A higher calculated value of F compared to the table value would reject the null hypothesis that there is no difference in the quality of life parameters with reference to financial

management practices For LIG, it was found that the extent of satisfaction towards wealth differed with financial management practices. Table shows that for LIG the calculated F values for planning, controlling and evaluation were 56.28, 20.89 and 66.70 and they show the significance level as 0.01 The implication was that the financial management parameters matter very much as sources of variations for the extent of satisfaction towards wealth for LIG These results were observed to be maintained across all income groups. It indicated that planning, controlling and evaluation practices were statistically significant in explaining the variations in the extent of satisfaction towards wealth. Similarly, the results for assessing the statistical significance of planning, controlling and evaluation practices in explaining the variations in the extent of satisfaction towards level of consumption, the evidence for MIG shows that financial management practices do not matter much in view of level of consumption. The extent of satisfaction towards level of consumption was not statistically significantly influenced by financial management practices for MIG For other income groups, LIG, LMIG, HMIG, and HIG variation in extent of satisfaction towards level of consumption were explained statistically significant by financial management practices Table further reports the results regarding whether financial management practices matter in explaining variations in the extent of satisfaction towards financial security All of F values for all income groups were statistically significant. These results imply that in order to ensure and augment the extent of satisfaction towards financial security, families across all income groups find a statistically significant and positive role for financial management practices Planning, Controlling and Evaluation practices appear to be major sources of variation for extent of satisfaction towards financial security across all income classes

since the reported F values were statistically significant at 01 level Therefore the null hypothesis was rejected.

N.H.4.1 There exists no association between coping strategies adopted by families and their quality of life.

The study also examined the issue of relationship of coping strategy and satisfaction with quality of life In the wake of rising prices, families adopt appropriate coping strategies to realize satisfaction toward wealth, level of consumption and financial security

Table 4.39 : Chi Square values for Coping Strategies adopted by Families and Satisfaction towards Quality of Life.

Income Group	Coping Strategies and satisfaction towards :		
	χ^2	d.f.	Sign.
Wealth			
LIG	270.9	572	.01
LMIG	212.8	572	.01
MIG	204.9	572	.05
HMIG	195.4	572	.05
HIG	155.9	572	N.S
Level of consumption			
LIG	158.8	418	N.S
LMIG	306.4	418	.01
MIG	189.8	418	N.S
HMIG	215.5	418	.05
HIG	126.1	418	N.S
Financial Security			
LIG	203.5	572	.05
LMIG	230.5	572	.01
MIG	186.6	572	.05
HMIG	215.5	572	.01
HIG	147.2	572	N.S

X^2 test was utilized to assess the independence between these variables across all income groups. The results indicate that for HIG, coping strategies and quality of life parameters were independent. For other income groups, the null hypothesis of independence was rejected, and this result was statistically significant for wealth as well as financial security. For HIG, MIG and LIG the reported results were not significant.

regarding level of consumption (Table 4.39). The implication could be that the coping strategies are oriented more towards improving satisfaction towards wealth and financial security. This was in alignment with the earlier discussion wherein it was shown that dissatisfaction has been found to have increased in 99-2000 especially in cases of wealth and financial security. For MIG and HMIG, the results were significant at .05 level while that for LIG and LMIG, they are significant at .01 level.

The results show that the satisfaction towards wealth was found to be significantly associated (.01 & .05) with coping strategies for all income groups except HIG. Further, the results also indicate that the satisfaction towards level of consumption was not found to be significantly related to coping strategy in case of LIG, MIG and HIG. It was highly significant in case of LMIG at .01 level and also for HMIG at .05 level. Coping strategy and satisfaction towards financial security were found to be statistically related. They were not independent in case of LIG, LMIG, MIG and HMIG. For HIG, coping strategy was found not to be statistically significant with respect to satisfaction towards financial security. Hence the null hypothesis of independence was partially rejected.

N.H.4.2 There exists no relationship between quality of life and economic profile of the families

Table 4.40 : Chi Square values for Quality of Life and Savings and Investment

Income Groups	Parameters of quality of life								
	Wealth			Consumption			Financial Security		
	χ^2	d.f.	Sign.	χ^2	d.f.	Sign.	χ^2	d.f.	Sign.
a. Savings									
LIG	57.73	12	.01	77.91	12	.01	90.33	16	.01
LMIG	64.95	22	.01	61.33	26	.00	46.70	22	.002
MIG	82.24	48	.002	97.42	48	.01	75.02	48	.008
HMIG	103.7	24	.01	120.01	24	.01	118.03	21	.01
HIG	126.7	64	.01	71.60	52	.03	124.43	60	.01
b. Investment									
LIG	26.6	6	.00	20.6	6	.002	41.05	8	.01
LMIG	27.2	11	.004	33.8	13	.001	23.02	11	.018
MIG	18.96	16	.27	25.21	16	.066	34.6	16	.005
HMIG	31.6	8	.00	40.3	8	.01	41.3	7	.01
HIG	30.4	16	.01	19.9	13	.096	26.51	15	.03

For low income group, the null hypothesis was rejected and the relationship between savings and quality of life parameters was accepted (0.01 level). In case of LMIG, savings and wealth, level of consumption & financial security showed statistical significance (0.01 and .00 level). For MIG, HMIG and HIG too, savings was found to be having statistical significance with all the three QoL parameters.

For investment, in case of MIG, statistical significance was not found between investment and wealth & level of consumption. Whereas, for HIG, significance between

investment and level of consumption was not found. For other three income groups, investment was having statistical significance with the parameters of Quality of Life.

Hence the null hypothesis for quality of life and economic profile was rejected.

4.ix Discussion on findings

Developing economies are achieving success in catching up with the technological developments compared to past. The gap between LDCS and developed nations regarding advancements in technology and achievements is narrowing down faster. These advances also bear a second side of the coin that is either overlooked or avoided by the experts of various sociological research.

With the advancements in technology, new industries are emerging at the suburbs of majority of the urban areas. The pace at which cities have expanded during past few decades exhibits the growth of the economy. On the other hand in many states of the country, the existing industries / mills have been shutdown leaving behind unemployed heads of the families. Deprivation of job and hope for the job opportunity attracts the mass to urban areas.

Vadodara is one such city where, because of perceived opportunity of employment, number of people keep on being added to the total population widening geographical boundaries of urban vadodara has further provided an opportunity for the increase in number of slums as well as the residential areas. Being a cosmopolitan city of Gujarat state, vadodara is chosen as a place to stay, by people from all income classes.

Families vary in their types by virtue of basic differences like the type and composition. Further based on the economic class to which they belong they exhibit the variation in living styles as well. Since each of the individual is a consumer, a group of

consumers i.e. the Families has a significant role to play in any economy. Though there are variety of goods and services that are consumed by the Families there always remains a commonality in those goods and services which are of regular use. Such items are known as the basket of goods. These commodities are so much woven with the life style of individuals that as purchase becomes part of the life style.

As the figures of National Statistical Survey reveal our country has experienced to penent rate of inflation over last years. Collectively, the consumers have to pay almost more than two times the prices for the basket of goods which is regularly purchased. As a result, the purchasing power declines and readjustments become necessary in the handling of family finance.

Out of several domains of quality of life, financial aspects too are important that govern the extent of satisfaction with quality of life. When financial domains are to be assessed, the classes of the society need to be focused upon. Since Vadodara is the city that is all income classes, cross sectional study is the most appropriate to judge the financial management and quality of life across various income classes.

1 Background characteristics of the respondents

As identified by the investigator the age range was found between 43 years to 49 years. As far as education was concerned, except for the low income group, the respondents from all other income groups had more number of graduates. A surprising feature identified was, that despite of increasing rate of educated unemployed, negligible percentage was found of vocationally trained respondents. The same was probably the reason behind the kind of occupation chosen by the respondents i.e. salaried job rather than self employeed.

As focused by Gore, (1973) the “cities which are supported by the technology of an industrial society are termed as modern cities” Vadodara can thus be categorized under the attributes of modern city he has highlighted the “differentiation between the kinship and occupational structures” This feature was observed to be very much applicable by the investigator of the present study. Looking at the comparative figures of joint vs nuclear family of the present findings, it can be observed that the number of nuclear families is much higher Further, though majority of the respondents had education level up to graduation, there were extreme variations found in the mean monthly income which was the clear evidence of varieties in occupational structures prevailing in the urban society

In any society, ownership of the house has for long been associated with the symbol of social and economic status This further adds to the psychological security and feeling of satisfaction and attainment by the family, especially the head of the family and the homemaker Majority of the families, owning a house, irrespective of the income class, was the finding of the present study

Which gets the support of home makers, focusing on the satisfaction with quality of life and home ownership to be having significant relationship

Though community facilities have been provided in every society, as far as urban modern cities are concerned, the privatization in all areas of life appears to have heavy effect on the people As revealed by the findings, municipal school and general hospitals were the facilities that were preferred by the small cluster of the society Similar were the findings for the services of health centres

11 General Price level and Cost of living

Present study was focused at impact of rise in general price level. As found from the secondary data there has been an increase in the cost of living over last 5 years. Increase in the cost of living exhibits the additional amount of money that has to be paid by the consumers of a selected basket of goods compared to past. Aiming at finding but the impact of rise in price on the cost of living of selected sample considering selected basket of goods, the income-expenditure data was gathered and based on expenditure relative method, the cost of living and indices for each of the selected income class was developed. The results showed that the overall CLI (Cost of living index) was almost in line with the aggregate CPI availed through the secondary data. Considering the CLI for each income class as well as the mean monthly, income during the base year (95-96) and the current year, (99-00), the real effect of inflation on purchasing power of the families was obtained. Which provided the clear picture that lower middle income with 47 percent rise in monthly income and 1.57 cost of living index (CLI) experienced 10 percent fall in the real purchasing power. Same way middle income group had 9 percent and high income group had 16 percent fall in purchasing power. Whereas Higher middle income group had only 18% real rise in money income because of 1.35 CLI. For low income group, purchasing power had gone down for with increased cost of living and fall in purchasing power, families were therefore forced to follow conscious money management and experience lower quality of life with respect to financial domains.

111 Economic Profile

Composition of savings and investments was found to construct the economic profile of the families under study. As observed in the data available for all India

regarding economic profile of Families from 93-94 to 99-2000, cash on hand and investment in shares and debentures had shown considerable decline, was 8.8% from 12.1% and 631% from 13.47% respectively. On the other hand claims of Government investments and insurance funds had gone up

Inflation is one of the major obstacles that most people face in achieving their financial goals. Inflation not only affects those on a fixed income by eroding their purchasing power but also those that need to save for the future. Investigator of the present study came across similar findings. Families from all income groups had reduced the investments on shares and debentures and increased the investments in government deposits.

iv Financial Management

Financial management is not only used as the major, resource handling activity but also is an important coping mechanism used by Families under financial strain Walker (1996). Family's financial management, termed as family cash flow management by Godwin (1990), is purely planning, controlling and evaluating of families involved in allocating their flow of income.

The present study aimed at identifying the extent to which the process of cash flow management is followed. As revealed by the findings of the present study compared to conscious planning in the form of written budget, families did exhibit promptness in keeping expenditure records and making quick decisions regarding purchase to bring the expenditure on various items in an alignment with the cash on hand. Similar kind of results were reported by Godwin and Carroll (1986). They had also found that families did follow evaluation practice at frequent intervals. The present study too had obtained

similar findings on evaluation as a part of management practice with respect to money where conscious evaluation was practiced by families all income groups.

v Problems faced by the Families

Situation, other than normal, causes problems. In case of family's resource management the problems are two fold, sudden scarcity of any resource or additional demands on the existing, available resource. Rise in general price level, due to indirectly governing the purchasing power of the families causes both the above mentioned effects.

The finding of the present study revealed that majority of the Families experienced problems in terms of difficulties in maintaining the level of consumption, especially those who belonged to the lower economic strata. On the other hand, those from upper economic strata expressed the problem of yield from investments gradually falling. Apart from these, forced to curtail expenditure on consumer goods, constant increase in feeling of financial insecurity, and rise in experience of mental stress due to financial matters were the highlighting features regarding problems backed by the increase in general price level.

vi Coping strategies

Coping involves conscious efforts to solve the problems. Present study aimed at identifying the coping strategies which are adopted by the families. To cope with the rise in general price level, families adopted certain strategies. In the present study, coping strategies adopted by families from all five income groups were studied. For twenty two coping strategies, the responses had shown which strategy was adopted.

Out of all the coping strategies, curtailing expenditure on daily use items, seasonal items, clothing, recreation, entertainment and electricity were the most commonly adopted ones

Performing domestic task, stitching clothes for home at home, cutting down children's pocket money, shifting to low cost house, and sharing the vehicle were less preferred coping strategies. It was evident from these results that majority of the families do not want to make change in their regular lifestyle. They prefer to cut down expenditure on consumer goods. Another alternative to cope with rising prices was to make efforts to raise the money income for the family however, the incidence for the same was not much significant among the families. Reasons for inability to raise money income were, primarily, the lack of funds to begin self employment, difficulties in raising loan and low education level of family members

vii Quality of life

In the present study, the dependent variable, satisfaction with quality of life, was based on the question "How satisfied or dissatisfied are you with the quality of your life?" Specifically from the financial aspect point of view. Financial domains covered three heads namely, satisfaction with wealth, with level of consumption and with financial security during the base year and the current year

The results of the present study revealed that the extent of satisfaction with wealth and level of consumption had gone down over a period of five years because of fall in the purchasing power which was due to rise in general price level. In case of low income lower middle income and middle income group, percentage of families who were dissatisfied with wealth had increased during current year. Similarly as far as level of

consumption was concerned, there was much increase in the percentage of dissatisfied during current year compared to base year. For the satisfaction with financial security all income groups had expressed extent of dissatisfaction to be higher during current year (99-2000) than that of the base year.

viii An evaluation of the conceptual framework set for the present study

As conceptualized in the present study, the selected personal and familial variables affected the economic profile and financial management practices of urban families. However, these selected independent variables also influenced the quality of life directly.

Situational variable affected family's cost of living. Coping strategies directly affected the quality of life but were not getting affected by selected personal and familial variables under study,

In order to confirm and support the framework, statistical analysis was done. The findings of the analysis confirmed that the quality of life of the families was affected by all the personal and familial variables and the situational variable.

Findings of the present study confirmed the relationship between economic profile of the families and the quality of life. Further, the findings revealed positive association between financial management practices of the families and their quality of life.

As conceptualized, coping strategies adopted by the families affected the quality of life.

Quality of life was affected by the situational variable i.e. rise in the general price level.

In recapitulation, the evidence furnished in the study was consistent with the conceptual framework initially proposed and the results were in alignment with the framework to a considerable extent. In light of this, it can be inferred that the proposed conceptual framework has a significant theoretical appeal and empirical validity. However, the results between coping strategies and personal as well as familial variables were found to be at variance statistically with the initially proposed conceptual framework while the coping strategies and quality of life relationship was observed to be consistent with the initially proposed conceptual framework. Therefore, there was an imperative need to revise that framework.

Fig 17 REVISED CONCEPTUAL FRAMEWORK

