

V

TABLE OF CONTENTS

CHAPTER		PAGE
I : INTRODUCTION		1
- Importance of Household Budget Studies..	1	
- Need for Present Study ..	4	
- The Affluent Group ..	6	
- General Objectives of the Study ..	9	
- Hypotheses to be tested..	11	
- Scheme of the Work ..	16	
II : THEORETICAL FRAMEWORK		18
- The Concept of the Typical Consumer ..	18	
- The Ceteris Paribus Condition ..	20	
- Choice of Explanatory Variables ..	21	
- Engel Curves ..	22	
- Engel Curve and Grouping of Commodities	24	
- Engel Curve and Elasticity ..	25	
III : EARLIER STUDIES - A BRIEF REVIEW ..		28
- Studies in India on Consumption Patterns	37	
IV : DESIGN OF THE STUDY		61
- Sampling Frame	62	
- The Sampling Technique	64	
- Collection of Data	65	
- Interview Schedule and Questionnaire	65	
- Data Collection - Period of Reference-		
Period of Survey	65	
- Definition of Concepts and Variables		
Used in the Study	67	
- Major Commodity Groups	73	
- Statistical Methods Employed	74	
V : MAIN CHARACTERISTICS OF THE SAMPLE HOUSEHOLDS		79
- Family Size and Composition ..	81	
- Sex Ratio	87	
- Educational Qualification of the Head of the Family and Other Members of the Households	89	

(Continued...)

(Table of Contents continued)

CHAPTER		PAGE
V	- Religion	90
	- Language of the Head of the Household	90
	- Dietary Habit	91
	- Occupation of the Head of the Household	91
VI	: THE CONSUMPTION PATTERN OF THE AFFLUENT GROUP	95
	- The Spending Pattern of the Typical Affluent Household	96
	- Expenditure on Individual Commodities and Services	98
	- Expenditure on Total Food and Non-Food	104
	- Homogeneity of the Consumption Pattern Within the Affluent Group	108
	- The Hierarchy of Preferences	115
VII	: REGIONAL, OCCUPATIONAL AND SOCIAL FACTORS IN CONSUMPTION	119
	- Region as a Determining Factor ..	120
	- Variation in Consumption of Rice due to Region	121
	- Dietary Habit (Vegetarian / Non-Vegetarian)	123
	- Educational Level of Housewife as a Factor	125
	- Occupation as a Determinant of Consumption	130
	- Influence on Food Consumption	131
	- Occupation and Consumption of Non-Food Items	135
	- Income Group I (Less Affluent) - Role of Occupation	136
	- Income Group II (Moderately Affluent) - Role of Occupation	137
	- Income Group III (Highly Affluent) - Role of Occupation	139
VIII	: COMMODITY PREFERENCES AND INCOME LEVEL ..	144
	- Types of Preferences	146

(Continued...)

(Table of Contents continued)

CHAPTER	PAGE
IX : DETERMINANTS OF HOUSEHOLD EXPENDITURE ..	173
- Income and Expenditure of Household on Goods and Services ..	175
- Total Expenditure as Proxy for Income ..	177
- Aggregate or Per Capita ? ..	178
- Section I ..	179
A : Analysis of Per Capita Consumption Expenditure ..	179
Econometric Models ..	179
Commodity Groups ..	180
Relationship Between Expenditure on Commodities and Total Expenditure ..	181
Estimation of Total Expenditure Elasticity ..	184
B : Analysis of Per Capita Consumption at Three Levels of Income Through Simple Regression ..	187
General Discussion of the Regression Results based on Three Levels of Income ..	188
Vegetables ..	189
Conveyance ..	192
Servants ..	194
Vacation ..	195
Rent ..	198
- Section II ..	202
Influence of Income, Wealth, Age of the Head of the Household and Household Size ..	202
Models Fitted ..	204
Goods and Services Considered ..	206
Total Expenditure on Food ..	207
Total Expenditure of the Household on All Non-Food Items ..	210
Cereals and Pulses ..	212
Fats (Ghee, Butter, Oil) ..	214
Sugar, Milk, Milk Products, Eggs, Fruits and Vegetables ..	216
Rent, Other Rents, Maintenance ..	220
Utilities (Gas, Fuel, Electricity, Telephones) - Clothing and Footwear ..	222
Intellectual Activities (School Fees, Library Fees, Newspapers, Books and Magazines) - Insurance ..	225
Conveyance ..	228
Domestic Servants ..	230
Summary of the Results of the Multiple Regression ..	232
Influence of the Explanatory Variables ..	238

(Continued...)

(Table of Contents continued)

CHAPTER		PAGE
X : HOUSEHOLD EXPENDITURES ON DURABLES	241
- Family Life Cycle and Purchase of Durables	247	
- Income and Durable Purchase	251
XI : SUMMARY OF FINDINGS AND CONCLUSION	256
- Demographic Characteristics of the Sample	.. 261	
- The Consumption Pattern of the Affluent Group	262
- Determinants of Consumption	263
Income	263
Estimation of Marginal Propensities to Consume and Total Expenditure Elasticity	.. 267	
Linear Regression with Three Sub-Samples	.. 268	
Regression of 185 Observations with Per Capita Figures	270
Multiple Regression with Entire Sample	.. 272	
- Expenditure on Durables	275
- Conclusion and Recommendations	275
- BIBLIOGRAPHY	279
APPENDIX		
I : Interview Schedule and Questionnaire	..	289
II : Tables : Per Capita Expenditure of 185 Households (Per Month)		
I On Food Items	298
II On Non-Food Items	305
III Consumption Expenditure on Household Durables of 185 Households preceding the Date of Inquiry	312
III : Table I : Mean Per Capita Monthly Consumption of Selected Food Items (Value in Rs. and Percentage of Total Expenditure) .. (Rice, Wheat, Other Cereals, Dal, Fat (Ghee, Butter, Oil), Milk, Milk Products, Sugar, Fruits and Vegetables (Value in Rs. and Percentage of Total Expenditure).		313
Table II : Mean Per Capita Monthly Consumption of Selected Non-Food Items - Rent, Insurance, Clothing, Servants, Intellectual Activities, Utilities and Conveyance) .. (Continued...)		313

(Table of Contents continued...)

APPENDIX		PAGE
IV : Graphs :		
- Mean Per Capita Monthly Expenditure of the Household according to Expenditure Class on Selected Commodities :		
I : Rice, Wheat, All Cereals, Dal, Fat ..		314
II : Fruits and Vegetables, Milk ..		315
III : Sugar		316
IV : Rent, Insurance, Clothing		317
V : Intellectual Activities and Servants..		318
VI : Conveyance, Utilities		319
V : Tables :		
- Per Capita Monthly Expenditure of 185 Households according to the Three Income Groups and for Entire Sample and t-values of Difference-in-Means Test :		
I : For Food Items		320
II : For Non-Food Items		321
