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THE PATTERN OF INCOME AND HOUSEHOLD CONSUMPTION EXPENDITURE

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ABSTRACT:

The present paper analyses the pattern of consumption expenditure of rural households to show the frequent changes in both food and non-food consumption expenditure due to the changes in income and occupation of the people. Consumption expenditure is increasing due to increase in urbanization, breaking up of the traditional joint family system, desire for quality food, lack of time which translates into an increased need for convenience. Increasing number of working women, rise in the per-capita income in forcible situations of other dominants, changing lifestyles and increasing level of affluence of the surroundings with lack of saving attitude and appropriate awareness brought a significant changes in the expenditure patterns among the rural communities. To examine the impact, the actual distribution of incomes and other selected characteristics of different income sources have been taken into consideration. With this background in this paper an attempt has been made to examine the impact of income and occupation on consumption expenditure among the rural population and to analyze the factors influencing the rural consumption pattern.

Keywords: Consumption Expenditure, Rural Household, Income, Urbanization

CHAPTER-I

INTRODUCTION

1.1 Introduction:

India is a developing country where low infrastructural development coupled with high population growth has made the lives of many poor people very difficult. Still there are wide ranges of variation on educational expenditure in different income groups of the households. The benefits of knowledge and education go to higher income groups of rural households. Similarly in case of medical expenses and other necessary expenses are far away from these deprived masses which show a direct relationship with level of income. The standard of living of a household can be understood from the consumption pattern, and the qualities of consumption budget which clearly indicate the level of welfare of the household. Food consumption pattern of household is an important barometer of individual welfare and well-being in any region. Human life is ultimately nourished and sustained by consumption (Vaidyanathan, 1985, Reddy 2004, Pavithra, 2008). Consumption clearly contributes to human development when it enlarges the capabilities and enriches the lives of people without adversely affecting the well-being of others. Consumption pattern of the rural households depends on many factors like assets, level of education, occupation and demographic characteristics. Saving in any community depends on these factors. The sources of income in the rural household sector are various. In most of the households the main occupation is not the only source of income and in the cultivator households, more than 50 per cent of the household income originate from other sources. India is a developing country where low infrastructural development coupled with high population growth has made the lives of many poor people very difficult. Still there are wide ranges of variation on educational expenditure in different income groups of the households. The benefits of knowledge and education go to higher income groups of rural households. Similarly in case of medical expenses and other necessary expenses are far away from these deprived masses which show a direct relationship with level of income. The present study relates the consumption patterns of rural households to show the frequent changes in both food and non-food consumption expenditure due to the changes of standard of living, income of the people and modernity of the society, especially due to the impact of Liberalization Privatization Globalization (LPG) plans and policies. Day-by-day the income elasticity of demand is increasing with the change in income. In other words the traditional Monthly Per-capita Consumption Expenditure (MPCE) of the rural masses has been largely influenced and affected by the grip of modernity. The present study tries to analyze the changing pattern of rural household consumption expenditure under various changing situations of the society and its surroundings. Majority of consumption expenditure is still at household. For instance, out of household expenditure, consumption expenditure is increasing due to increase in urbanization, breaking up of the traditional joint family system, desire for quality food, lack of time Consumption pattern of the rural households depends on many factors like assets, level of education, occupation and demographic characteristics. Saving in any community depends on these factors. The sources of income in the rural household sector are various. In most of the households the main occupation is not the only source of income and in the cultivator households, more than 50 per cent of the household income originate from other sources. Non-agricultural sources are the main source of income for many households in the rural areas of Odisha.

The living standard of the people can be clearly judged from the spending behaviour of the households and qualities of its consumption. Quality of life of the people can be judged by the household expenditure. Household consumption expenditure consists of all the expenditures incurred by the households on food and non-food items for their domestic needs. The household expenditure can be divided into two parts:

1. Food Expenditure

2. Non-Food Expenditure

Food expenditure consists of expenditure on the basic food items consumed by the households like cereals, pulses, sugar, salt &spices, vegetables, egg, fish & meat, milk, oil and beverages etc. Whereas expenditure on non-food items consists of expenditure on clothing, fuel, shelter, electricity, education, alcohol and internet etc. The quantity and quality of food intake by the households or individual family member is known as the food consumption. Conceptually 'food intake' is measured in terms of calories or the nutrients we get from food (Migotoo et al 2005). Consumption of the commodities depends upon the various types of needs. According to needs, consumption can be classified into essential and non- essential commodities and these can further be classified into primary and secondary consumption. Primary consumption means consumption of basic needs that arises because of thirst and hunger, like the needs for the shelter, clothing, health and education. The secondary consumption consist of a physiological needs of the person related to the social, cultural and intellectual interest. Human needs are varied in nature and subjective to the individual consumers.

1.2 Role of Credit in Consumption Expenditures:

The practice of giving loans to one person by another person or state is very old. In 'manusmriti' (a book in which there is a detailed study of laws and regulations regarding money lending), there is a mention of money lending. The system of providing loans was also prevalent in the Mughal period. In Mughal time, 'hundi or bills of exchange' was the name given to credit. Credit plays an important role in the survival of the society. It is a necessity for the whole system of production and consumption. In the early centuries, credit was required mainly by the farmers and agricultural labourers but these days the nature of credit system has totally changed and the availability of credit has become necessity for people of all the occupational groups. The socio-economic relationships play an important role in studying the role of credit in the rural households. The development of productive forces is mainly affected by the socioeconomic relations. The development of democratic institutions in the rural society is mainly based on the rural credit. Taking into mind this aspect, an attempt has also been made in this study to find the structure and composition of credit in rural areas.

1.3 Factors Affecting Expenditure Pattern

Individual consumers are assumed to be in the best position to judge their own needs and preferences and to make their own choices. It is unbiased to assume that people know what they are looking for and have reasons for their preferences when they choose one consumption pattern over another.

1.3.1 Income

Income gives people the ability to buy nutritious foods instead of eating only their own crops, to pay for motorized transport instead of walking, to pay for health care and education for their families, to pay for water from a tap instead of walking for many hours to collect it from a well. The increasing dependence of much consumption on private income means that changes in income have a dominant influence on changes in consumption. When income rises steadily consumption rises for most of the population. But for the same reason, when income decline, consumption also falls sharply, with devastating consequences for human wellbeing.

1.3.2 Social Barriers

Income cannot always remove barriers to access to opportunities. This is particularly so when considerations of gender, class or ethnicity limit people's freedom to consume the goods and services they want. For example, people belonging to certain ethnic groups might be denied equal access to education, employment and other basic social services by the state, regardless of how much they earn.

1.3.3 Globalisation

Due to globalization the purchasing power and opportunity to purchase has increased and a change has manifest in the activity of consumption. Globalisation is integrating not just trade, investment and financial markets; it is also integrating consumer markets around the world and opening opportunities. This has two effects- economic and social. Economic integration has accelerated the opening of consumer markets with a constant flow of new products. On the social side local and national boundaries are breaking down in the setting of social standards and aspirations in consumption. As a consequence, a host of consumption options have been opened for many consumers, but many are left out through lack of income. Spending has shifted from striving to match the consumption of a next door neighbor, to pursuing the life style of the rich.

1.3.4 Household Decision Making

A great deal of household consumption decision making is in the hands of one person often the mother or the father of the family. Although this may lead to good outcomes, it can also be a source of inequity within the family. The education and background given to children early in life play a critical part in establishing their ability to make good use of the options available for living a full and fulfilling life.

1.3.5 Time Use

Opportunities to consume can be severely limited by lack of time. Women, spend many hours a day meeting the household's needs and have no time left for education, better health care or opportunity activities. Similarly, overworked labourers may receive an adequate wage, but they often work long hours and are denied the opportunity of regular leave.

1.3.6 Information

Information is the key too raising awareness of the range of consumption options available and enabling the consumer to decide which choices are best. Without information, there is no way of knowing that goods and services are available in the market, and what services are being provided by the state and are, by right, available to all. Advertising and public information campaigns play an important role in this respect.

1.3.7 Availability of Infrastructure for Essential Goods and Services

Many of the most basic essential goods and services like water, sanitation, education, health care, transport and electricity cannot be provided without an infrastructure. Traditionally these facilities have been provided by the community and then by the state. As markets develop and the technology improves, the services increasingly are being provided by the private sector in areas where profit can be made.

1.4 Role of Expenditure on Economic Development:

Consumption is a vital factor of the gross domestic product (GDP). The total expenditure in an economy calculated as the sum of households and public expenditures is very important in terms of its contribution to economic growth. Consumption is, therefore, one of the most crucial components of GDP. Since consumption cutbacks in either private or public sector would reduce revenues of the firms, tax revenues from both direct and indirect taxes will eventually decrease. Since companies that act with the goal of profit maximization would employ fewer employees at lower wages due to their diminishing revenues, they will also cause an economic recession.

Development Scenario of the Rural Areas of Odisha Odisha as dependence of population on primary sector occupations is quite high, whereas agriculture with its present state of infrastructure and technology and, above all, operational holdings is itself not in a position to provide a substantial form of gainful livelihood to the majority of rural population. There have been little occupational diversifications of population at the village level. Irrigational initiatives taken through many development projects have failed to achieve desired goal across space and people. Often this serves the interest of only large, medium and semi medium farmers. Like this, the welfare programmes and Minimum Needs Programme implemented by the state under social sector development to lessen poverty and improve the 'quality of life' of poor in rural areas hardly reach the targeted sections of population. Compared to coastal region, the incidence of poverty is more in northern and southern regions of the State. It is higher among the scheduled tribes as compared to scheduled castes and general castes. Furthermore, the percentage of rural families living below the poverty line is found to be much higher in the State (66.37 per cent, as per the estimate made by Panchayati Raj Department, Govt. of Odisha in 2007). Besides structural poverty, the state also faces the poverty like conjectural poverty (due to floods, cyclones, droughts, etc.) and destitute poverty (of persons lacking either money or material to survive). In terms of the development indicators like literacy rate, infant mortality rate, per capita income, etc., the living conditions of the people of the state are considerably lower than the national average. Greater inter-district variations in the living conditions of the people exist within the state.

1.5 Human Development in Odisha:

The value of HDI (Human Development Index) for the state as a whole turns out to be 0.579. This may be regarded as a somewhat medium level of human development. Of the three components of HDI, the education index has the highest weight (0.723) whereas the health index has the lowest weight (0.468) and the income index (0.545) lies in between. On the whole, inter-district disparity in HDI values is low [coefficient of variation (CV), (Odisha Human Development Report 2010). This is essentially because there is a bunching of 13 districts in terms of their HDI values (lying between 0.5 and 0.6) around the state mean (0.579). The value of GDI (Gender Development Index) for the state as a whole is seen to be 0.546; in this, the equally distributed education index has a much greater weight than either the health or income index, as in the case of overall HDI. The highest five and lowest five districts in terms of GDI values mostly correspond to the same in terms of HDI values. As in the case of HDI, inter-district disparity in GDI values is low (CV: 17.16) and this is again because of bunching of the GDI values of 13 districts (lying between

0.5 and 0.6) around the state mean value of GDI (0.546). The mean value of RHI (Reproductive Health Index) for the state as a whole turns out to be 0.55. This suggests, as in the cases of HDI and GDI, a somewhat medium level of reproductive health status of Odisha. Overall, the three measures of human development suggest a low average attainment, which is essentially due to the fact that a majority of districts have values of HDI/GDI/RHI close to the mean value for the state as a whole. Therefore, the challenge of human development in the context of Odisha is to focus not only on the districts at the bottom end but also on a large.

1.6 Research Question:

Even after the economic reforms of 1991, Odisha is unable to achieve the objective of equitable distribution of income. Today, people residing in the remotest corner of the state are always facing the stress of low income which is further pushing them into untold misery. The present paper analyses the pattern of consumption expenditure of rural households to show the frequent changes in both food and non-food consumption expenditure due to the changes in income and occupation of the people. Since, from multiple sources I found that this particular topic has not been paid enough importance, I look forward to initiate a comprehensive study on this particular objectives like:

1. To analyze the patterns of Income in the rural area of Bhadrak.
2. To study the patterns of household consumption expenditure among the rural households in the study area.

1.7 Objectives of the Study:

Since there are many studies which haven't covered this topic comprehensively, the present study aims at covering the issues in an holistic manner.

The objectives of the present study are as follows:

1. To analyze the patterns of Income in the rural area of Bhadrak.
2. To study the patterns of household consumption expenditure among the rural households in the study area.

1.8 Research Methodology

1.8.1 Data and Data Source:

The study is mainly based on primary data. Primary data were collected from the field in the month of February ,2026 through face to face interview on income and expenditure related data using a questionnaires from the members. The required secondary data for the study were collected from books, journals, DRDA, Block offices and from various publications and reports of the Government and other agencies.

1.8.2 Sampling Design:

We use a multi-stage random sampling technique to select the sample respondents. The sample frame is as follows: Bhadrak district of Odisha was selected purposively for the study as there is an increasing need to study the current patterns of income and expenditure. Out of 7 blocks in the district, one development

blocks, namely, Bhadrak(Nuasahi) have been selected for the present study based on the their tendency of consumption expenditure and the patterns of household income kind. Then, 100 households from the study were selected randomly. The guardian of the family were asked to provide responses. As a result, there were a total no of 100 respondents took part in the active survey.

1.8.3 Estimation of the data:

After the data has been collected from the respondents, we have adopted the Arithmetic mean and Standard Deviation to estimate the value of various input data. At the same time, to know the level of changes/ variations among different groups, we have taken the help of Coefficient Variation (CV). Where less CV states about more stable group. At the same time, more CV represent that the variable is not that much stable.

1.9 Limitations of the Study:

1. Its limited to only Bhadrak district.
2. Conclusion drawn cannot be applied to other areas due to a less geographical coverage.
3. The sample is also not quite large.
4. The respondents might have provided incorrect data due to lack of awareness of factors.

CHAPTER II REVIEW OF LITERATURE

Review of literature plays an important role in conducting the meaningful research of the study. The planning and execution of any study has to be proceeded by the thorough review of the study in the related field. The review of the studies relating to income and expenditure has been done in order to access the various determinants of income and expenditure pattern and to examine the concentration and elasticities of expenditure of the rural households in Odisha. In this chapter a brief review of the different studies has been done.

Rashida (1999) observed that income from self employment was found to be regressive from the period 1979 to 1993 both in rural and urban areas in Pakistan due to redistribution of income in favour of rich families as compared to poor families. Property income was also found to be regressive by them in Pakistan due to concentration of property income in rich families. On the expenditure side, food components were found to be most progressive expenditure items but the consumption of milk, meat, fish, poultry and fruits was found to be regressive and concentrated among rich families. Similarly, it was found in the study that the energy items, gas and electricity, durable goods were mostly concentrated among rich families.

Goyal and Singh (2001) in their paper analyzed that there is an increase in the cereal production and pulses and coarse grains have showed a declining trend. In both rural and urban India, per capita consumption of cereals has declined. Urbanization and increase in per capita income are responsible for this change. The total per capita monthly consumption expenditure has increased by about six to seven times in rural and urban areas. Per capita cereal consumption has shown declining trend in both rural and urban India. The expenditure on food items has declined over a period of time.

Panos and Panagiotis (2001) used the non-parametric (kernel) regression analysis in order to estimate and

compare the Engel curves for food demand of urban and rural households. It was found in the study that regardless of the number of children in a household, the poorer rural households tend to devote higher share of their budget to food compared to the poorer urban householdsThe food share of rural households was found higher as compared to the urban households (taking into account that numbers of children are constant). It was also found in the study that the difference in the behaviour was found between poorer urban and rural households with respect to food demand but no difference in the behaviour with respect to food demand was found between the wealthier people.

Laura (2003) in his study tries to find a trend in food spending and defines that in order to test the presence of economic growth, it is necessary to examine the rate at which expenditure on basic necessities such as food and clothing is shrinking as a proportion of the total expenditure. He used the Hamilton's methodology in order to explain the per capita expenditure and aggregate food share. Any change in price is unlikely to have any effect on the budget share of food. It was also indicated that coefficients for leisure goods does not indicate a positive price bias and there are a number of other factors, other than increasing average income, which affected the average food spending in U.K. Most important among these are household composition, a fall in household size, change in labour market, participation of women and older men.

Mathew (2003) in his study on consumption expenditure pattern of scheduled caste households in Kerala revealed that in the rural sector of Kerala, percentage of expenditure on cereals has declined from 45.41% in 1972-73 to 26.92% in 1999-2000, whereas the expenditure on 'milk & milk products', pulses, eggs, fish , fruits and vegetables has increased during this period. On the other hand in urban sectors of Kerala, the percentage expenditure on cereals has declined from 37.47% in 1972-73 to 23.12% in 1999-2000. It was also found in the study that in India, the expenditure on 'milk & milk products' declined during this period, whereas per capita consumption of milk per month was found to be increased by about 150 million. In urban areas of Kerala, per capita consumption of Atta, Gram and Pulses was found higher than that of rural areas of Kerala.

Ozar (2003) estimates the household demand pattern of six major food groups in Turkey. In order to estimate the price and expenditure elasticities, he used the Linear Expenditure System (LES) and found that demand pattern was expenditure elastic for meat, fish, poultry, tobacco and beverages, while expenditure was inelastic for the remaining food groups and all the expenditure elasticities were found to be positive. The study further found that cross-price elasticities shows that bread and cereals are complements while the compensated cross-price elasticities show that all the food groups are not substitutes. The study found that the income compensated own-price elasticities were lower in absolute terms as compared to own price elasticities, indicating that consumers are more sensitive to changes in own prices of food items.

Kalwij and Salverda (2004) examined, whether there has been any decline in the household budget on basic goods like food, beverages and clothing and increase in the household expenditure on service sector related goods in Netherland. The study found that there has been decline in the shares of expenditure on food and clothing and increase in the share of housing expenditure in the country.

Aguiar and Hurst (2005) in their study show that a decline in food expenditure is matched by an equal dramatic rise in time spent on shopping and preparing meals. In their paper, the authors examine the link between food expenditures, time spent on food production, actual food consumption, and changes in individual's food consumption after retirement.

Giri (2006) in his study on the consumption of cereals defines that per capita consumption of cereals has declined in India. There is a large scale variation in the consumption pattern among states. The decline in the consumption was found more in rural areas than in the urban areas. In some of the states of India,

consumption of rice was found declined over various NSSO rounds. However in some states, increasing trend was found. Lots of variations were found in the consumption level of cereals in both rural and urban areas. It was given in the study that there is a need for the re-examination of the studies on self sufficiency in food.

Browne et. al. (2007) investigated the household consumption pattern in order to determine the impact of an income shock on household expenditure. They estimated the budget shares and expenditure elasticities for household consumption categories. It was found in the study that expenditure elasticities were highly elastic for consumer durables and transport, while for food category, the expenditure elasticity was found to be negative and highly inelastic. The estimated expenditure elasticity for food was found to be negative resulting in, that an increase in the household income leads to a decline in the expenditure on food. The income elasticity for food is expected to be higher for low income households than that for high income earners.

CHAPTER III

PROFILE OF STUDY AREA

3.1 Bhadrak District Profile:

Bhadrak district is one of the centrally located districts in Odisha. It lies between 86o 16’ to 87o 0’ East longitude and between 20º 43′ to 21 o 13’ North latitude. It is bounded by the Keonjhar district in north, Cuttack district in south, Jajpur district in the east an Angul district in the west. The district has an area of 2505 sq.kms and 15.06 lakhs of population as per 2011 census. The district accounts for 1.61 percent of the state territory and shares 3.59 percent of the state population. The density of population of the district is 601 per sq. kms. As against 270 person per sq.km of the state. It has 1312 villages (including 62 un-inhabited villages) covering 7 blocks, 7 Tahasils and 1 Subdivisions. As per 2011 census the schedule caste population is 334896 (22.2%) and schedule tribe population 30428 (2.0%). The literacy percentage of the district covers 82.8 against 72.9 of the state. The climate condition of the district is generally hot with high humidity during May and June and cold during November and December. The monsoon generally breaks during the month of June. Annual average rainfall of the district was 1775.6 m.m in 2018 which is higher than the normal rainfall (1427.9 m.m).

3.2 Nuasahi Profile:

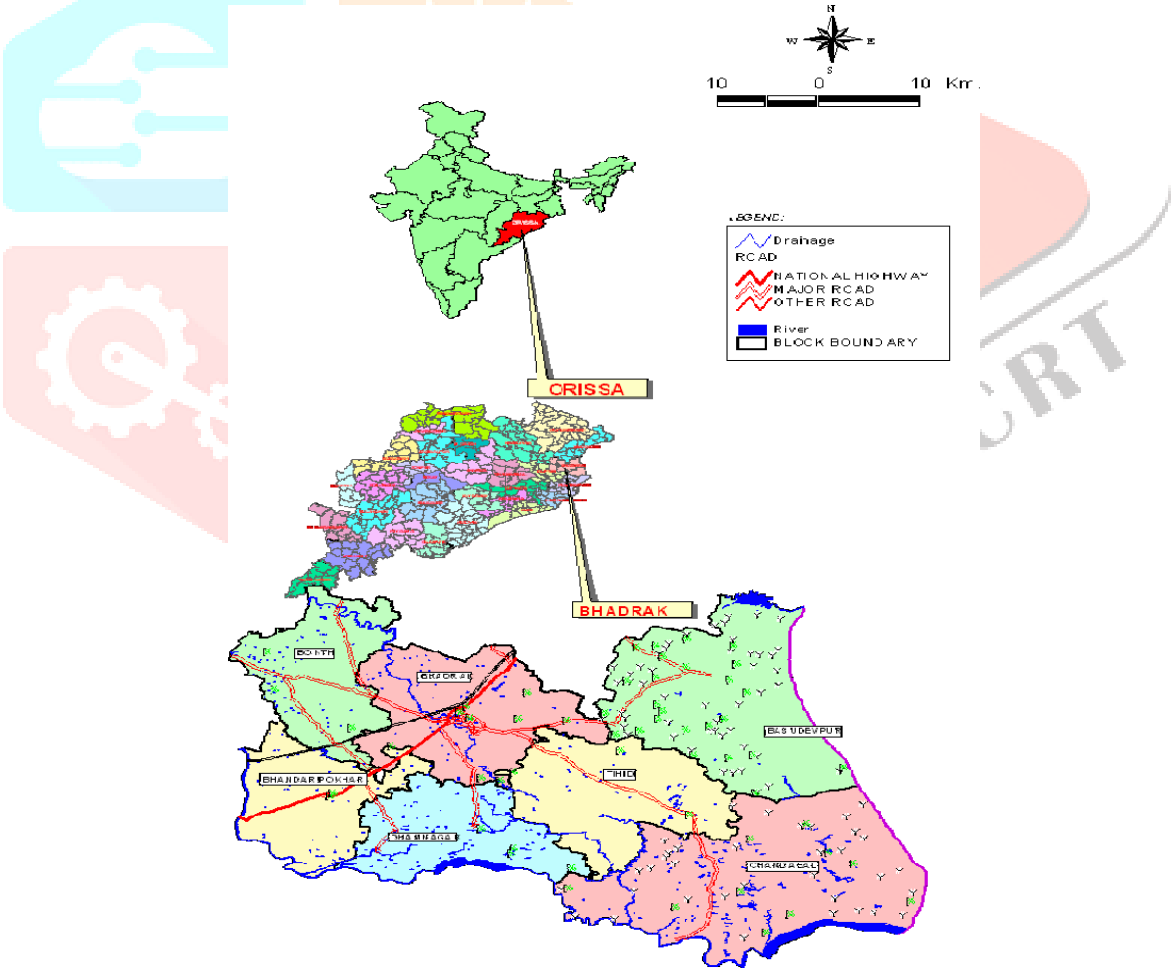
Nuasahi is a medium size village located in Bhadrak Rural Block of Bhadrak district, Odisha with total 322 families residing. The Nuasahi village has population of 1628 of which 854 are males while 774 are females as per Population Census 2011. In Nuasahi village population of children with age 0-6 is 169 which makes up 10.38 % of total population of village. Average Sex Ratio of Nuasahi village is 906 which is lower than Orissa state average of 979. Child Sex Ratio for the Nuasahi as per census is 594, lower than Orissa average of 941. Nuasahi village has higher literacy rate compared to Orissa. In 2011, literacy rate of Nuasahi village was 88.35 % compared to 72.87
% of Orissa. In Nuasahi Male literacy stands at 93.32 % while female literacy rate was 83.12 %. As per constitution of India and Panchyati Raaj Act, Nuasahi village is administrated by Sarpanch of Korakora who is elected representative of village. Schedule Caste (SC) constitutes 13.88 % while Schedule Tribe (ST) were 0.43 % of total population in Nuasahi village. In Nuasahi village out of total population, 463

were engaged in work activities. 94.82 % of workers describe their work as Main Work (Employment or Earning more than 6 Months) while 5.18 % were involved in Marginal activity providing livelihood for less than 6 months. Of 463 workers engaged in Main

Work, 102 were cultivators (owner or co-owner) while 66 were Agricultural labourer.

Particulars	Total	Male	Female
Total No. of Houses	322	-	-
Population	1,628	854	774
Child (0-6)	169	106	63
Schedule Caste	226	114	112
Schedule Tribe	7	4	3
Literacy	88.35 %	93.32 %	83.12 %
Total Workers	463	425	38
Main Worker	439	-	-
Marginal Worker	24	18	6

Source: Census of India 2011



3.3 Socio-Economic Profile of the Respondents:

Age of the Respondents: The age-wise classification of the members is given in table 1 shows that majority, i.e., belong to the age group of 20-30 and 30-40, followed by the age group of 50-60. Respondents in the category of below 20 and above 60 are few.

Table 1: Population wise age and gender in the study area

Source: Primary Data through Field Survey

Variables	ST		SC		OBC		Gen	
	male	female	male	female	male	female	male	female
Age								
Below 20 years								
20-30 years	12	8	3	2	1	4	15	3
30-40 years	3	2	4	3	3	2	2	
40-50 years	3	5	3	1	2	2	4	
50-60 years	1		2		4		1	2
60-70 years	1		1					
Above 70 years			1					
Total	20	15	14	6	10	8	22	5

3.4 Educational Status:

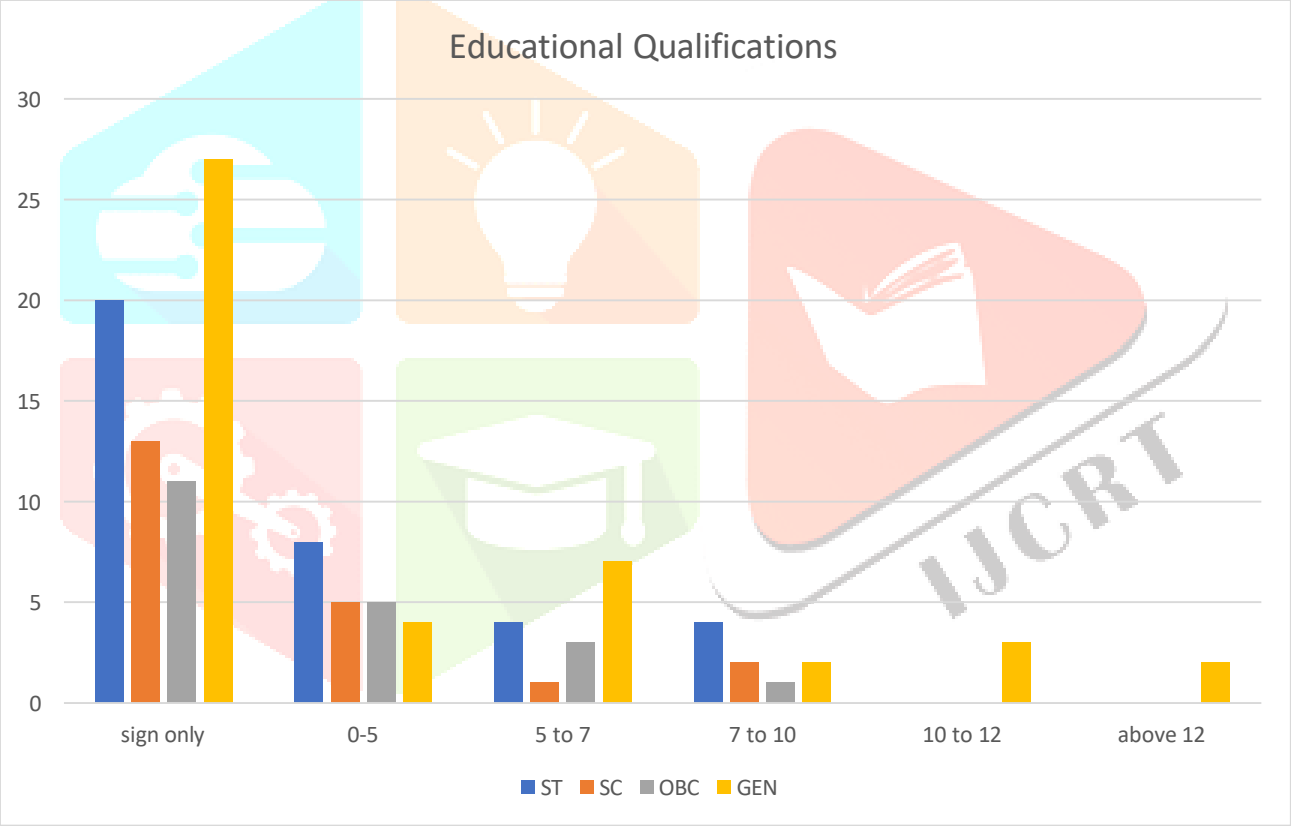
Table 2 shows the education-wise classification of respondents. The most important benefit of the microfinance programme is perhaps the opportunity that both illiterate and literate women can participate in the programme. The poor women who are generally illiterate or merely literate and who are generally excluded from formal line are becoming vulnerable to diseases and on the account of lack of income, they also hesitate to pay a visit to the hospitals. The table says that majority of the people are only able to sign followed by Below 5, 5-7 and 7-10. As far as higher studies are concerned, only a handful of people have an access to that. In such a situation, improving the health conditions through community participation is indeed a matter of concern.

Table 2: Educational Status of the respondents.

Variables	ST		SC		OBC		Gen	
Education status								
Sign only	10	5	3	0	2		5	0
Below Class 5	5	3	4	1	3	2	3	1

Classa5 to 7	2	2	0	1	2	1	5	2
Class 7 to 10	3	1	1	1	1	0	2	0
Class 10 to 12	0	0	0	0	0		1	2
Above 12th class	0	0	0	0	0	0	2	0
Total	10	10	10	3	8	3	22	5

Source: Primary Data through field survey



Graphical presentation of educational qualification in the study area.

3.5 Occupations Of The People:

As per the data, majority of the population is working out of which SC are in majority. Majority are working as part time workers while only a few are engaged as full time workers. Majority are engaged in the service sector followed by agriculture and services. There are a small portion of workers who are engaged in industry and agriculture alone.

Table 4: Occupation pattern of the people.

Occupation Detail	ST	OBC	GENERAL	Others
No of person work	75	37	34	45
Average age of workers	45.3	42.67	40.33	44.67
Type of Occupation				
Part Time	21	4	7	7
Full time	9	10	5	2
Both	5	6	8	18
Total	35	20	18	27
Sector of work				
Agriculture	1	2	3	3
Industry	00	1	00	2
Service	17	7	5	6
Agriculture &service	13	5	2	4
All of the above	4	5	8	12
Total	35	20	18	27

Source: Primary data through field survey

CHAPTER IV

PATTERNS OF INCOME AMONG THE RURAL HOUSEHOLDS

4.1 Number of Sources of Household Income:

Number of Sources of household income	ST	SC	OBC	Gen
Single	23	11	9	12
Double	10	8	6	10
Multiple	2	1	3	5
Total	35	20	18	27

Source: Primary Data

The above table deals with the number of sources of household income among the rural people in the study area. As the data says 23 STs are getting employed in the single source of income. The case is 11 on the part of SCs. At the same time, as far as the OBC and GEN are concerned, 9 and 12 respctively are earning income from a single source. Similarly, in case of Double sources of employment, STs stands equal with the Generals with 10 people earning their income from double sources. Only 8 SCs are receiving income

from double sources. OBC lies at the bottom of the list of double income category. As far as multiple sources of income is concerned, SC are at the bottom of list with a single individual. At the same time, 5 Generals were receiving income from multiple sources.

4.2 Nature of Income:

2.Nature of Income	ST	SC	OBC	GEN
Regular	8	6	10	14
Irregular	27	14	8	13
Total	35	20	18	27

Source: Primary Data

The above table deals with the nature of income among the rural households in the study area. It shows that STs are not engaged in a regular source of income. They are primarily dependent on irregular sources of income(27). At the same time, 6 of SCs are also engaged in regular source of income whereas 14 were irregular income holder. But 10 and 14 OBC and GEN were engaged in regular sources of income respectively. At the same time, 13 generals were engaged in the irregular sources of income.

4.3 Annual Income of the Households:

Annual Income	ST	SC	OBC	GEN
Less than 25000/-	13	8	4	6
25 000-50000	10	6	4	10
50000-75000	7	3	5	5
75000-100000	2	1	2	4
Above 100000	3	2	3	2
Total	35	20	18	27

Source: Primary Data

The above table deals with the annual income of different social groups like SCs, STs, OBCs and Generals. As the data suggests that majority of the people were earning less than 25k per annum out of which 13 are from ST, 8 from SC, 4 from OBC and 6 from GEN. At the sometimes, people earning 25-50k per annum were also at the second of the table with 10, 6, 4, 10 in case of ST, SC, OBC and Gen respectively. Likewise, the persons belonging to the 50-75k category were only 7,3,5,5 on the part of ST, SC, OBC and Gen respectively. If we look at the household having more than 100000 per year were also minimal and the ratio is quite similar among various caste groups.

By applying Standard Deviation and Arithmatic Mean, we estimate the value in the following manner:

Values	ST	SC	OBC	GEN
Mean	44500	43500	59583.4	51018.52
Standard Deviation	32605	33924	36773	31352
Coefficient Variation(CV)	73.26%	77.98%	61.71%	61.45%

Source: Calculation by SD and Mean from the primary data

It is clearly understandable from the above table that average income of OBC is higher with 59583.4 followed by Generals(51018.52). SCs have the least average income with 43500 while STs have 44500. The coefficient variation is used to measure the stability of variables. Here less CV means the income is more stable and vice versa. Similarly, the income of the Generals are more stable since CV is 61.45%. whereas the income of SC is the most unstable one with 77.98%. At the same time, STs have 73.26% CV.

4.4 Major Sources of Income:

Major source Income	ST	SC	OBC	GEN
Farming	00	00	2	3
Business	00	2	4	6
Labour	25	13	7	9
Caste Occupation	00	2	2	1
Service	2	3	3	5
Total	35	20	18	27

Source: Primary Data

The above table represents the various major sources of income of different caste groups in the study area. As far as Farming is concerned, there was no participation of ST and SC since these were primarily landless. At the same time, people from OBC and GEN also not consider agriculture to be their primary source of income. The data clearly speaks that the people are primarily working as the daily labourers. And the case is especially higher in case of STs followed by SC, OBC and Generals. People are not engaged in their traditional occupation since the data shows very negligible figures. In case of daily wage employment, GEN are at the least. Similarly in case of Service sector, less than 10 people and gen people tops the list with 5 people.

4.5 Subsidiary Sources of Income:

Subsidiary source of Income	ST	SC	OBC	GEN
Agriculture	10	5	3	6
Business	1	1	5	2
Labour	20	12	3	10
Caste Occupation	00	00	1	8
Service	4	2	6	1
Total	35	20	18	27

Source: Primary Data

The above table deals with the availability of subsidiary sources of income in the study area. As the data suggests that people in this area are still engaged as wage labour. Agriculture is only regarded as a subsidiary source since majority of the people don't have agricultural lands to undertake cultivation activities. And here also only 8 GEN people who consider their traditional occupation as their subsidiary source of income.

Conclusion:

Since we talk about the pattern of income of the rural households in the study area, we can conclude that majority of the people earn less than 25k income per annum. This is due to unavailability of daily work and insufficient subsidiary sources of income. Since they are engaged in an irregular mode of employment, their income level goes down drastically. People also don't follow the traditional occupation that's why they chose to do other works.

CHAPTER V

PATTERN OF CONSUMPTION EXPENDITURE

The living standard of the people can be clearly judged from the spending behaviour of the households and qualities of its consumption. Quality of life of the people can be judged by the household expenditure. Household consumption expenditure consists of all the expenditures incurred by the households on food and non-food items for their domestic needs.

5.1 Major Heads of Expenditure;

Major head of expenditure	ST	SC	OBC	GEN
Food	35	20	18	27
Non- Food	00	00	00	00
Total	35	20	18	27

Source: Primary Data

The data present in the table clearly states that all the caste groups are spending more on the Food Items.

5.2 Expenditure on Major food items:

Major food items	ST	SC	OBC	GEN
1 Rice	30	18	13	20
2Vegetables		00	0	00
3Wheat	5	2	4	7
4Non-veg		0	0	00
5Dal		0	0	0

Source: Primary Data

The data presented in the above table deals with the expenditure made by various groups on major food items. As the data says 30 people from ST spend on rice, 18 SC, 13OBC and 20 GEN are consuming rice. This signifies that since income of the STs are lower, they prefer to have more rice. As far as wheats are concerned, there are 5 people from ST who consume wheat and 7 GEN consume the same.

5.3 Expenditure on Major Non-food items:

Majornon -food items	ST	SC	OBC	GEN
Cloth	13	10	7	15
Wine	32	6	6	16
Tobbacco	30	18	16	18
Medicine	5	6	6	5
Asset	12	5	8	14

Source: Primary Data

The above table deals with the expenditure on major nonfood items. The data suggest that 13 STs were there who spent on Clothes and the same is for 10 SCs, 7 OBCs and 15 Gen. Likewise if we talk about the consumption of wine, STs are at the top of the list with 32 individuals. Where SC, OBC were similar with only 6 people consume wine. In case of Tobacco also, STs are at the top of the list with 30 people spend to consume wine. People spend less on medicines and the data remains quite similar. As far as assets are concerned, 12 from ST and 14 from GEN spend on this. Likewise, 5 SC and 8 OBC spend on these.

5.4 Expenditure on Education:

Spending on child education	ST	SC	OBC	GEN
Admission fees(Yes/no)	3	2	3	7
Tuition fees	10	5	6	11
Purchase of study materials	17	5	4	6
Fooding	3	2	1	2
Hostel	1	0	2	0
Transportation	3	0	2	1
None	13	15	12	26
All of the above	00	2	4	8

Source: Primary Data

The data says that STs are spending more on each aspects of education like tuition fees, purchase of study materials, Fooding, hostel and transportation. After that comes GEN which also spend a significant amount of their income on various aspects of education.

Conclusion:

By analyzing the above data we can conclude that people in Nuasahi are spending more on food items as compared to the non-food items. As far as expenditure on regular diet is concerned, people in this area are preferring rice over the others. This can be attributed to the fact that rice is comparatively cheaper and easily available. They are also getting rice from the govt through Public Distribution System. Likewise, majority of the ST population ae addicted to wine and tobacco consumption. But the people from all the categories are spending a lesser amount on their health needs. This signifies that they are undermining the diseases in the initial stages.

CHAPTER VI CONCLUSION AND SUGGESTION

6.1 Conclusion:

By analyzing the above data we can conclude that people in Nuasahi are spending more on food items as compared to the non-food items. As far as expenditure on regular diet is concerned, people in this area are preferring rice over the others. This can be attributed to the fact that rice is comparatively cheaper and easily available. They are also getting rice from the govt through Public Distribution System. Likewise, majority of the ST population ae addicted to wine and tobacco consumption. But the people from all the categories are spending a lesser amount on their health needs. This signifies that they are undermining the diseases in the initial stages. Since we talk about the pattern of income of the rural households in the study area, we can conclude that majority of the people earn less than 25k income per annum. This is due to unavailability of daily work and insufficient subsidiary sources of income. Since they are engaged in an irregular mode of employment, their income level goes down drastically. People also don't follow the traditional occupation that's why they chose to do other works. It is clearly understandable from the above table that average income of OBC is higher with 59583.4 followed by Generals(51018.52). SCs have the least average income with 43500 while STs have 44500. The coefficient variation is used to measure the stability of variables. Here less CV means the income is more stable and vice versa. Similarly, the income of the Generals are more stable since CV is 61.45%. whereas the income of SC is the most unstable one with 77.98%. At the same time, STs have 73.26% CV.

6.2 Suggestions:

1. More employment opportunities can be created to enhance the income of the people.

2. MSMEs should be improved in an effective manner to create employment opportunities in the rural areas.

3. Awareness campaigns should be launched to keep the people outside of their alcohol and tobacco consumption.

4. Provision of facilities under various welfare schemes of the government should be accelerated to improve the quality of life.

5. Proper implementation of MGNREGA schemes should be ensured by the District Administration so that people engaged in manual labor can be provided with guaranteed wage employments.

6. Efforts should be made to enhance the working skills of the people so that they will be able to explore more employment opportunities.

7. Various micro startups should be promoted so that women in the area can get income as a part time worker.

8. More financial assistance should be provided so that the burden of out of pocket expenditure on education of the children should be reduced to a certain extent.

9. The govt should come up with proactive measures so as to boost the engagement of the people in the farming sector and commercial sector.

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