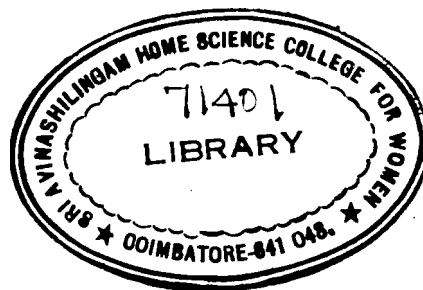


# Income and Expenditure Pattern of Selected Families in Coimbatore City

BY

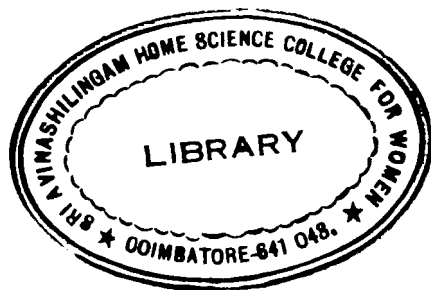
Manimozhi K.



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# Introduction

## INTRODUCTION

In personal finance, the purchasing power at the disposal of the family decides to a large extent its standard of living, its social and intellectual interests, its hopes and aspirations. As economy has grown, the family managerial options have focussed increasingly on money and have become more interdependent<sup>with</sup> the general economy.

Family income comes under the control of the family to be used by them to satisfy needs and desires and to discharge obligations, (Nickell and Dorsey, 1975). It consists of goods and services from various sources such as salaries, wages, interest, rent and profits which are payments for the services, contributing to manufacture and sale of good, (Newlyn, 1971). Income is composed of many aspects one of which is money, (Swanson, 1981).

Money income of the family is the main material resource. With money other goods and services required by the family or an individual can be obtained. Family expenditure is the money expended to purchase a quantity of product, (Thomas, and Hall, 1973). Household expenditure includes all purchases of current output by consumers. These include durable consumer's goods, non-durable consumer's goods and consumer services, (Chandla, 1973).

The role of money is primarily indirect and it plays an important role in the lives of people both psychologically and economically, (Chayya, 1971). Money has a strategic role when decisions are made about total resources, (Deacon and Firebaugh, 1975).

As indicated by Mithani (1973), in every household the income and expenditure play an integral, part of the life of the family. Balancing of income and expenditure is vitally important in the present day set up, when the cost of living has risen much beyond human imagination.

Good financial management foretells better living conditions. It is an integral part of the effective family living. It involves careful planning depending on the resources of the family, implementing these plans and evaluating them in terms of family goals. Money management is important for financial survival.

Money Management is an integral part of every family's activity to achieve their desired quality of life. It involves both the financial spending plan and the family financial plan. The former refers to the development and implementation of a plan to allocate and use the money

income, the latter involves the development and implementation of plan to allocate and use of resources inherent within the family income, (Swanson, 1981).

Income Management like other Management processes involves planning, controlling and evaluation. The main objectives of Money Management are all-round development of the members of the family, enhancing their happiness and health by making best use of the income of the family. To achieve these goals the housewife should prepare the family budget, (Mann and Mann, 1982).

Budgeting helps a household to spend money wisely since every paise wise spent is a paise saved. The household budget varies according to the size and needs of the family as well as the educational, social and economic status of the family (Devadas, 1970 Soundararaj, 1974 and Mullick, 1981).

Account keeping is an important pre-requisite for efficient budgeting. Account is a device for co-ordinating the economic aspects of a family's standards of living with its income potential. A good housewife must keep a

strict account of all that she spends so that at the end of each month, she may know how much she has spent for each item and see whether she has not exceeded her budget, (Devadas, 1970).

The fact that income, is limited and the number of people in a family are usually dependent on that sole source of income suggests the need for a fool-proof spending and recording of expenditure and other financial operations. Hence the investigator has made an attempt to study the "Income and Expenditure Pattern of the Selected Families" residing Coimbatore City with the following objectives:

1. To gather information regarding socio-economic status of the selected families
2. To assess the various sources of income among the families
3. To find out the expenditure pattern of the selected families
4. To gather information on family debts
- and 5. To get insight into the savings pattern of the families.

# Review of Literature

## II. REVIEW OF LITERATURE

The literature pertaining to the study 'Income and Expenditure Pattern of Selected Families in Coimbatore City' are reviewed under the following headings:

- A. Family Income
- B. Methods of Handling Money
- C. Family Expenditure
- and D. Factors Affecting the use of Family Income

### A. Family Income:

The word income is of such a wide importance that it is very difficult, rather impossible to define it precisely. Income has been compared with fruit of <sup>a</sup>tree or crop of the field. Fruit comes from a tree and crop from field. Thus the source is definite in both cases, (Gour and Narang, 1984).

The expression "Income" includes not merely what is received or what comes in by exploiting the use of property but also what one saves by using it oneself (Lal, 1983). Family income may be derived from various sources as rents, from lands, house property, interest from invested money and as wages for one's work (Devadas, 1970, Soundararaj, 1974 and Mullick, 1981).

In general term income means any monetary gain either in the form of money or money's worth coming from certain sources with some sort of regularity. It is said that the income is return on capital but capital is not essentially a source of income in all cases. The term 'income' is a receipts from one's business, land, work, investments etc., (Oxford Dictionary).

According to the National Council of Applied Economic Research (NCAER, 1980) the income of the household was the sum of the following components.

- self employment income from agriculture and allied activities
- self employment income from business, profession and service
- salary income
- agricultural and non-agricultural
- wage income
- rent , interest and dividend income and
- transfer income

Other sources of income:

In some cases the money given to the homemaker for expenditure was not sufficient and they had to seek some other sources. For employed and unemployed homemakers having tuitions, household production, skill and rent are other sources of income, skills include knitting, painting

and embroidery not only for the members of the family but for outsiders also. On payment, Household production includes selling species, papad, turmeric, chilli powder etc. However 76 per cent employed homemakers and 45 per cent unemployed homemakers had other sources of income (Nimkar and Vaza, 1983; and Burman and Reddy, 1983).

#### Classification of Family income:

As per Goodyear and Klbhr, 1965. Gross and Crandall, 1970; Nickel and Dorsey, 1975 and Deacon and Firebough, 1975). There are three types of income that families work with making up their realized income, which will be discussed. All should be understood to appreciate the total content of family living. They are:

- a) Money income
- b) Real income, and
- c) Psychic income

#### Money income:

We are familiar with Money income which is the purchasing power in dollars and cents that goes into the family treasury in a given period of time - weekly, monthly and so forth. It may accrue to the family in the form

of wages, salary, sick benefits, dividends and interest, profits, net rent, gifts, pensions and social security or royalties . Money income is converted into goods and service required for daily living, and often a part is diverted into savings for delayed use or for investment, (Nickell and Dorsey, 1975).

Man's earning power as well as the worth of goods and services he wishes to purchase, is measured in terms of money income or the money received during a given period of time. In urban areas the majority of the population earn their income from the use of their hands and minds, (Thingan, 1983).

Real income:

A family's real income, actual goods and services available during a given period of time, is more significant in the realization of goals than money income. That is to say within a certain ranges of income there is wide variation in the amount of goods and services that can be provided for family use, (Goodyear and Klohr, 1965).

As given by Gross and Crandall (1970), the real income is made up of two major types

- a) Direct and
- b) Indirect income

A Direct income consists of those material goods and services available to the family members without the use of money.

Indirect income consists of those material goods and services which are available to the family only after some means of exchange, ordinarily money, has been obtained.

Either directly or indirectly, these fixed charges represent real income. In addition to income taxes, retirement, health and life insurance are frequently taken out of earnings by the employer who, in turn, pays all of his employees bills for these items in a lumpsum.

**Psychic Income:**

Increased psychic income, satisfactions received from real income over a given period of time, is the ultimate goal in the provision of both real and money income. It is expressed as feelings, employment, pleasure, satisfaction and others, (Davidson, 1960).

**b. Money Income:**

Money income is composed of the wages or salary received from gainful employment as well as income derived from other money income sources. Money income may be derived

from one or multitude of sources. Salary or wages is probably the largest potential source of money income.

Other sources of money income might be allowances monetary gifts from friends and relatives, or rent accrued from the leasing of property or tangible goods. Regardless of the source, the actual dollar amounts can be seen and measured. The flow of this income can be directed more accurately than any other income.

C. Hidden Income:

Hidden income is composed of the community income, psychic income, employment benefits, and consumers "Savings"

B. Methods of Handling Money:

Most families do not have enough money to meet all the needs and wants of their members. Learning how to get the most out of every dollar therefore become a matter of urgency. The resources of the family do not depend entirely upon the amount of money earned, but also upon the ability to use it wisely (Holland, 1973).

Five major methods of handling family income may be the family finance plan, or budget, the allowance or apportionment plan, the fifty-fifty system, the equal-salary method and the handout method.

The family finance plan:

The family finance plan, called the budget, is the method of using income as a planned and shared family project. During the early stage of family cycles the husband and wife share jointly in planning the distribution of income into the expenditure pattern. Which represents their desired living. A family finance plan is part of the way of life of the family using it, and is based upon the understanding by both husband and wife of the importance of shared experiences in human development and of working out a plan for the use of money in accordance with the analysis.

The allowance or apportionment Method:

In this method a certain portion of the money is allocated for all or a part of family living expenses. The husband generally gives the wife a stipulated amount which is to cover specified expense items in family living. The remainders of the income is used to cover other living costs such as payments on a house, investments, insurance, taxes or any other items for which the husband wishes to carry the responsibility. This system is likely to be used by the business or professional group with irregular incomes.

The equal salary method:

This method is one in which all family expenses are paid from the total income and the part of the income which is left is then divided equally between husband and wife as a salary for the contribution of the enterprise. The plan makes no provisions for managing the portion allocated to family living. Thus the part of the income can be operated as a handout or as a highly planned system of spending.

The fifty-fifty system:

The fifty-fifty system is a method in which total and income and expenditures are divided into two equal parts. The system operates by the husband's assuming half of the expenditures and paying them from his part of the income, the wife assumes responsibility for the other half and pays for expenditures from her half of the income. The system assumes a known and regular incomes and known expenditure, otherwise an equal division could not be made.

The handout method:

The handout or dole system is explained by its name one person, usually the husband, although sometimes the wife, maintaining complete control of the income and hands

out small or large sums of money as need arise or wants are insistant enough to interest him in making the doll. The handout method is likely to be used in a family that has little knowledge of its exact income or one that still operate under the patriarchal system. It represents the crudest form of family finance, with no justification in light of our knowledge of psychology human development, and human relationship, (Nickell and Dorsey, 1975).

Meaning of Budget:

A budget is essentially a plan for living as comfortably as possible on a given income and expenditures are listed not only to show how the income is spent but to see how it may be spent more advantageously, (Humphrey, 1950).

According to Jorden, (1937) these must be a plan which will take care of house hold expenditures, personal expenditures, savings and emergency funds. Budget is an estimate of income and expenditure, (Cruz, 1963). A budget is a plan for saving and spending one's income (Miller, 1954) A budget is a detailed plan of spending money, time or anything else that is valuable (Andrix et al , 1951).

According to Gross, crandall and Knoll (1980) c  
"Budget is a plan for the future use of financial resources- with accounting for expenditure as or after they take place.

Need for Budget:

The household is a miniature centre catering to the various needs of the inmates. It may be a business enterprise under a sole proprietor or run under joint partnership of two persons; or it may be managed by a number of partners. In some houses the father by a number of partners. In some house the further alone manage the business of running it, an other alone manage the business of running it, an the father and mother and other earning members of the family all have a finger in the pie., However it is not correct to call house keeping 'a business' in the strict sense of the world, since it is not a profit making body like a commercial enterprise.

The human body receives food, expends it on warmth, energy and movement, and stores the excess in the form of fat. Similarly in a household salaries and other income are spent on the three main necessities of food, shelter and clothing, and a portion is put by a rainy day,(Soundararaj, 1974)

1. Budgeting the income is a means of avoiding friction over expenditures and of providing greater economic security,(Jorden, 1937)

2. The most important thing a budget can do for a person is to make him aware of the ways in which he throws money away ,(Henry et al, 1956)
3. Budgeting keeps household to spend money wisely since every paisa wisely spend in a paisa saved,( Mullick,1984)
4. Cruz (1963) opines that the over all aim of a budget is to help us to attain a better standard of living by helping us to
  - 1) Avoid over spending- By calculating the habit of careful planning as regards expenditure
  - 2) Avoid wastage - By buying only what is necessary and in the required quantities
  - 3) Stabilize the household economy
  - 4) Practice thrift, leading to economy and small savings in the home.
- 5) According to Gross Crandall and Knoll(1980)
  1. The major advantage of making a budget is that is enables a family to take an overview of its use of money
  2. Budgeting is an example of multi-tract thinking because at the same time the family must balance present against future needs and establish a balance among

- a. Expenditure for consumption eg(Providing food and clothing for rapidly growing teenagers and operating expenses of the family car
  - b. Current provisions for future consumption such as setting aside money for the children's education
  - c. General plans for future expenditure
  - d. A budget determine how most if not all resources will be used and the kinds of interest family members will develop.
6. Mann and Mann (1982) point out the advantages of making the family budget are as follows.
1. Budgeting keeps the family in spending money carefully as the family can keep its expenditure within it means
  2. Budget is a good guide for the family spending
  3. It brings about a balance between the present and future wants of the family because of the family can save some
  4. It saves the family from becoming extra vagent and falling into debt.
  5. It helps in the proper distribution of family income on various items of expenditure
  6. Members of the family understanding their responsibility in sharing income.

7. The earning members of the family is relieved of the constant worry of meeting the demands of the family
8. Family members learn the value<sup>of</sup> co-operation
9. The family budget provide the family a record of expenditure for future use.
10. The greatest advantage is that it makes the family healthes and happiness within its means.

The family budget standard as a yardsticks of average needs and costs, according to standards and prices.

It provides a basis for

1. assessing income adequacy and family use of money
2. determining whether a family is eligible for free social and health services, and if not eligible for free social and health services and if not eligible establishing fees that are consistant with ability to pay and
3. Counselling families on money management (Consumer and Food Economic Research Division, 1985).

Family budget is an estimate of family income from various sources and estimate of distribution of family expenditure on various items for a specified period of

of time, (Faber and Faber, 1970). Family budget is an estimate of future income and expenditure of the family for a given period of time, (Mann and Mann 1982).

**Types of Budget:**

There are three types of budget:

- a. Surplus budget
- b. Balance budget
- c. Deficit budget

**Surplus budget:** The income is more than the expenditure so there is saving of income for the family

**Balance Budget:** In a balance budget the estimated income meets the estimated expenditure

**Deficit Budget :** There is neither much saving nor deficit for the family

**Steps in Making Budget: Factors to be considered**

Margaret(1963), says that the family budget will depend on many factors such as the size of the family income, the size of the family, the ages of different family members food , habits state of health, number of school-going children etc.

Gross, Crandall and Knoll (1980), state that basically a budget, consists of four steps

1. Estimating funds available for spending
2. estimating expenditures
3. comparing requirements and resources and
4. reviewing the plan as a whole

Baxter et al (1952) indicate the steps in making budget as

1. List the income from all sources during the period  
for which the plan is to be made
2. Add to find the total income
3. Deduct all taxes
4. Subtract the amount of any debts, to be paid
5. Set aside the amount to be saved
6. List the necessary items as food, housing,  
household maintenance, clothing, education, another  
heading, with approximate allowances
7. List other desired items with approximate  
allowances
8. Total the estimate allowances
9. Compare income, saving, and estimated allowances
10. Make necessary adjustments.

Chief Budget items:

The components of a budget are determined wholly by the needs of the family. It is customary to classify expenditure under a variety of budget headings. This helps to divide a lengthy list of different kinds of apparently unrelated items into workable units. It can then be further split into smaller items so that no important item is overlooked, (Mullick, 1984).

One's income may be large, medium or small but we all need food, shelter and clothing. Other necessities such as care of sickness and education is important. Besides the five primary necessities—food, shelter, clothing, care in sickness and education—those who are better to make provisions for household services. Conveyance, travelling and intellectual, social and religious pursuits including charities, pilgrimages and arrangements for old age. The first five belong in the realm of necessity in other in the realm of preference and affluence. The opportunity of income for these different items is known as preparing a budget, (Devadas, 1970).

There are some of the essential heads to be borne in mind while formulating a budget.

- a. Housing or shelter
- b. Food
- c. Clothing
- d. Operational or Housekeeping expenses
- e. Education
- f. Sundries and other personal expense and
- g. savings

**Housing or Shelter:**

This budget head includes charges on a rented house, such as the actual rent paid, and the repair charges paid by the tenant, if any, in the case of home ownership the money used to pay the taxes. Fire insurance, water bills, repairs, and upkeep of the house and lot.

**Food:**

The expenses incurred in the actual purchase of groceries, meat, fruit and vegetables, eggs, milk and other articles of food are included under this head.

**Clothing:**

As in the case of food, in clothing also only such of the items are bought from a shop or dealer are included. These may be garments, shoes, hats and other accessories,

for the husband, wife and the children and also furnishing fabrics and tailoring expenses. This does not include cleaning and washing expenses.

Housekeeping Expenses:

All the miscellaneous expenses for running the house such as electricity, telephone, water fuel, washing, servant's wages, as well as other expenses incurred in connection with housekeeping activities under this head.

Education:

Under this head are included all the expenses incurred in connection with schooling, such as tuition and other fees, as well as cost of books, note books and other school equipment.

Sundries or Personal Expenses:

All other items of expenditure in a household which are not included under shelter, food, clothing and education, find a place under this miscellaneous head of accounts.

Family expenses of a cultural nature of the recreation of the members of the family, in dance, dramas, films, kalashepams, music, recitals and the like, Doctor's fees, cost of medicines, club fees, church subscriptions, or donations to temples, transportation charges, personal

expenses of the individual like cigarattes, sweets, toilet articles etc. are included.

#### Savings:

Savings are a means of providing for future wants. They consist of money put aside for future spending, saving is an essential item in budgeting, (Baxter, et al, 1952 and Pennock, 1970 and Devadas, 1970).

#### C. Family Expenditure:

The level of living of families may be measured by atleast two monetary yardsticks. Easier to obtain and therefore more often used is the expenditure made in a year for goods and services for family living. The use of value of these goods enters into the value of consumption. The value of goods and services families obtain without direct expenditure are adds to their value of consumption, (Pennock, and Mork, 1970).

The income of an individual in a year is what he earns by his labour or services plus what an individual spends on current consumption, (Singh, 1983).

Total expenditure is the money expended to purchase a w quantity of a product- The "total expenditure function" is the name of the relation between total expenditure and

quantity purchased of the product per unit of time (Holland, 1973).

The expenditure are more or less fixed with the except of operation expenses and advancement standing expenses not likely to vary throughout the year if circumstances remain the same, (The British Good House Keeping Institute, 1963).

The normal items of expenditure for a family for food, clothing, shelter, lighting, household service schooling of children, Health, convenient travellings and intellectual , social and religious functions including charity, pilgrimages and arrangement for old<sup>age</sup>, (Devadas, 1970; Soundararaj, 1974; Nickell and Dorsey, 1975; Faber and Fabres, 1970).

#### Types of Expenditure:

Certain expenses are fixed for a certain period of time or in relation to the income. Examples of the first are mortgages on a house, rent of a house and certain dues. Taxes and dues to labour unions are examples of the latter. Other items that must be given priority in the plan for spending are food, fuel and lighting. The demand for

the remaining items on the budget will in general be more flexible through due consideration must be given to all of them, (Bane and Chaping, 1945).

**Food:**

Food is the most important items of the family budget. The percentage of income spent on food varies with the size of the family and its income. Food will in most cases take a larger shares of the income than any other items. This share being proportion<sup>tion</sup>ately larger in low income families and in large families. The total amount spent on food depends largely on the income. This item will include all the money spent on buying of groceries, dairy products, vegetables, fruits, spices and condiments etc. Money spent on cooking and serving of meals is also included in this items.

**Clothing:**

This item is perhaps one of the most difficult to handle in the family budget. Consideration must be given to the needs of each members of the family. Those working outside the home will need more money for clothing than those working at home. Money spent on buying

of clothes for the family, sewing charges of clothes, the money spent on washing and repairing of clothes, dry cleaning charge, cost of boxes for storing clothes in various seasons, all form part of the expenditure on clothing, shoes, hats purses, rain coats, umbrellas etc also from part of the dresses worn by the members of the family.

**Shelter:**

Expenditure on housing varies considerably in different localities. The money spent by the family on house repairing and maintenance in case the family lives in their own house, will be included under the expenditure on shelter. The house owning family has to pay one or more taxes on the house such as house tax, property tax etc. The cost of furnishing and decorating the house, the money paid to the cleaning women, the money spent on cleaning agents and on equipment such as various types of brooms, brushes, dust bins, doormats, curtains will come under the expenditure on shelters, (Warren, 1961).

**Fuel and light:**

The type of fuel and lighting used, the size of the house and of the household, as well as the customs of the family will influence the amount of expenditure.

Different family use different types of fuel such as gas and kerosene or charcoal or firewood.

Education :

The Expenditure on education will depend upon the age of children, whether they are attending school or colleges. This will include all the expenditure on books, notebooks, stationery, school or college fees. Transport charges including the fare for the school bus and uniforms worn by the children for going to the educational institutions. Beside these, there are university examination fees and fee for the private clothing and various such other expenses connected with getting education and training by the children of different ages in the family. Money paid for educational trips of which the children make use should also be added in this item. The hostel expenses of children staying in school and college hostels are also included in this items.

Health:

Health of the family is the most important goal in the planning of all type of resources of the family. All the money spent on medicines, medical check-ups, fees of

doctors, dentists, hospital charges, special diets required for sick members of the family for their personal care, etc. comes under the expenditure on health. Cost of reading glasses, hearing aids, etc. used by members of the family will also be covered under this item.

**Transport:**

The cost of transportation depends on the location of the home, the place of work and availability of public transport. For many people the cost of travelling within their island or district is negligible because of the lack of transportation facilities when an urban areas are apt to use transportation facilities more frequently, those living in more isolated places may have to spent large amounts on transportation in case of emergency or sickness, and some provision should be made in the spending plan for these eventualities. All the money spent on petrol, repairing vehicle. Auto charges etc. will also be included under this.

**Recreation:**

Some money, even it is a small sum, must be allocated to recreation. It must be kept in mind, that many forms of recreation can be enjoyed at the negligible cost or at not cost at all. The purpose of all recreation should be to provide a necessary charges of occupation and environment. It should help to relieve the mind from

worries and offer an outlet to spare energy.

Every one likes to have some sort of recreation. It varies from person to person as it depends upon so many factors such as age of the individual, education, socio-economic status of the family, size of the town where the families, lives, standard of living of the community to which the family belongs etc. Expenditure on recreation will include Cost of general books- newspapers, magazines, bought by the family, going to cinema, plays, dances, use of radio-television, radiogram, tape recorder etc. Being members of the recreational as well of service clubs, playing cards, billiards, golf, tennis badminton and other indoor as well as outdoor games by members of the family all form part of this items.

The cost of hobbies of the members of the family will also come under the item of recreation of the family budget.

Taxes and dues:

Persons whose income is above a certain level are liable to pay income tax. This tax is either collected at the source (P.A.Y.E.- Pay as you earn) or paid at

certain times of the year.

**Insurance:**

Some provisions should be made in the budget for insurance of life and goods that will relieve the family from some financial strain in the case of death, or loss of property through fire. The size and type of insurance policies chosen should be related both to the needs and the means of the family. An adequate amount of insurance will give to the family certain measures of security.

**Savings:**

Savings must form part of the family budget. It is the family savings which enables the family to meet the unthought of needs of the family in the future. Every individual or family must save money in the present to guard itself against the rainy day in the future.

The needs of the family are bound to change with increase in size, and emergencies will occur. For such occasions it is necessary and put aside some money. Every little bit of saving helps and give security for the future.

In such cases family savings can help the family at least for short periods. To meet such non-recurring expenditure as building a house for the family, marriage of children as well as marriage of relatives are all met from the savings of the family.

**Miscellaneous:**

Under this item the housewife can include all those expenses which have not been put under the various items discussed above. For example, money paid for charities and handicapped people, social or religious institutions will be shown under this item, (Hagland 1958, Davidson, 1960; Boserup, 1970; Mann and Mann, 1982 and Mullick, 1984).

**Household Accounting:**

Accounting is the complement to the family budget. It is a record of expenses incurred each day on every single item, (Cruz, 1963) Keeping daily accounts is a very good way to find out the strength and weakness in one's spending, (Lewis et al, 1960).

By keeping a strict account of daily expenditure one will know in which direction the money is being spent and in which proportion. Moreover this practice



will soon make one conscious of the speed with which all the little paise total up to rupee. At the end of the month, when we analyse our expenditure, we will be in a better position to draw up the next month's budget with greater accuracy, and perhaps, economy, (Newton, 1968).

Keeping accounts is a good check on extravaganes. A good housewife must keep a strict account of all that she spends, so that at the end of each amount she may know how much she has spent for each items, and see whether or not she has kept with in needed her budget, (Devadas, 1970).

A spending plan will assit and control the how, where, when and for what purpose money should be used, (Raines, 1966).

Need for account keeping:

As far as the housewife is concerned, she is not only queen of the Realm, but ex-officio "Ministers of finance" as well. Thus she has to see that has state is not only variable, but that a certain pattern of her revenue is heed in reserve for the upbringing of children and to cope with emergencies such as

illness. Therefore, she must begin to keeping a close on income and expenditure (Eaiten and 1964 Miller, 1964).

The purpose of household accounting is to enable to live within the family income by staying with in the limited amounts allowed in budget for various items, (Cruz, 1963).

The advantages of keeping accounts are manifold. Account given an idea how the available money was really spent and are a check on losses through carelessness or theft. Planning of future spending is simplified simplified given a record of the purchase made, it is ipossible to determine the time of purchase and value of an article, and compared its cost with its "length of life". When different items of expenditure are added up it becomes clear that small purchases, it made often, amount to considerable sums of money.

Method of account keeping:

There are four types of accounting steams are in current use. These are the sheet, envelope, notebook, and cardfile system.

Sheet Method:

Records of expenditure may be kept on a single double or multiple (four fold) sheet. This method is simple

and flexible. Since the sheet can be tacked on the back of the bread board, the end of a cabinet, or the back of door, with a pencil hanging nearby, it is convenient. Naturally the durable or multiple sheet is better than the single. Though if the single sheet is well worked out it may be large enough and give essential data.

Envelope system:

Two types of envelope systems are currently used, only one really a cash payment system, consist of dividing the money into previously planned amounts and placing the money for each group of items into separate envelopes and the dispensed as the need arises. The second envelop type is a pure sheet according system. A large Manila envelope either single or double, is used. Into it all bills, slips, notations, and memoranda are put. The out side of the envelope can be or is ruled for totalling and summarizing recording. The system is simple flexible and convenient. It is likely to be adequate because, if there is not enough area on the outside of the envelope.

Note Book:

Either bound or loose-leaf notebooks be used for keeping household accounts. The book itself may be

simple if the organization of the items to be recorded is simple and direct. The loose leaf book has the advantages of being more flexible than the bound book, because new leaves can be easily added and old ones replaced. Notebooks are especially convenient when children are winding in account keeping, for they are durable and will with stand much handling.

Card- File system:

The Card- file account system can be expanded indefinitely, thus it is highly flexible, It can be adequate, but it may not be simple, or convenient, except for the highly organized person. If children are to aid in accounting, the card file is a inadvisably because of possibility of maxing cards or even scattering them. The cord file is really a one-man system,(Nickell and Donesey, 1975),Deacon and firebaugh, 1975).

Engel's Law:

A German statistician named Ernest Engel made a statistical analysis of budget facts by research. The principles enūnciated by him through his study of family budget are known as Engel's Laws of Consumption.

They are:

1) As income increase, the proportion of income spent on food decreases, though the actual amount of money spent on food increases.

2) The proportion spent on sundries, cultural wants, recreation, education, health, etc., increase as income increases.

3) The proportion spent on shelter, clothing, lighting and fuel remains practically unchanged whatever the income may be.

D. Factors affecting the use of family income:

Income and expenditure is quite impossible lay down hard and fast rules as to how money should be parcelled out to meet different sections of the family requirements because these differ according to the size of the family and the ages of the children and also to the whole situation of the household. The important thing is to assess the actual priorities that should be given to each items of the requirements, (Joan Robins, 1972).

Although money income is a some what limited concept it is s<sup>the</sup> simplest way to comparing the financial situation of two families. That wide vari<sup>ation</sup> in size of income exist is known. Income distribution based on occupation, on age of the bread winners,

size of the family, and location of the family, (Fitzgerald, 1965 and Grass and Crandall, 1970).

Factors affecting planning and implementing include the nature of income flow, organization patterns and changing price levels, the stability, frequency, and amount of income characterize the nature of its flow, (Deacon and Firebaugh, 1975).

Size of income are occupation and level of skill required, total hours worked, and education women employed in full time salaried professional and technical jobs had the highest income, followed by those employed as full time salaried professional and technical jobs had the highest incomes followed by those employed as full time salaried manager and administrators as full time clerical workers was next highest, (Rudd, 1973 and Andley and Sundharam, 1986).

Income distribution according to the age to the head is important for two reasons, not only because it gives an individual family, some idea of its position in relation to other families in the same age bracket but also because it gives an indication of how family income is apt to vary throughout the family life cycle.

Recognising that it costs more to provide a given level of consumption for a large family than for a small one a person immediate question whether or not larger families have light income than do small ones.

Location of the family is another factor which affects the amount of family income. Size of money income is probably that most important single factor in determining the pattern of how that income will be used.

Income frequency is the time between pay periods. Expenditure are more highly related to the pay day with shorter pay periods, that is a higher portion of expenditure cluster around pay day, Food, household operation, personal and total expenditure- are especially oriented to pay day.

For families in general, <sup>e</sup>ither the husband nor wife is more effective. As the financial managers, effectiveness seems to depend more on what the procedure is not on who follows it. In a study of couples with professionally employed wives it was usual for either the husband or wives to keep accounts, pay bills, and prepare tax returns.

Changing economic conditions have an important effect on available financial alternatives for individuals and families. Risks in price level changes are difficult to avoid because of the unknown direction and timing of changes but the effect of fluctuating prices can be minimized, (Gross and Crandall; 1970 and Moore and Leality, 1953).

Upto this point, the patterns given have dealt with families in general and those at different income levels. Yet the importance of the size of family, the stages of the family life cycle and location of the family in determining use of resources has been stressed.

The fact that a family passes through definite stages in its life cycle. An analysis of money income use cannot be complete unless the long-time family picture, is paralleled with the probable long-time picture of income.

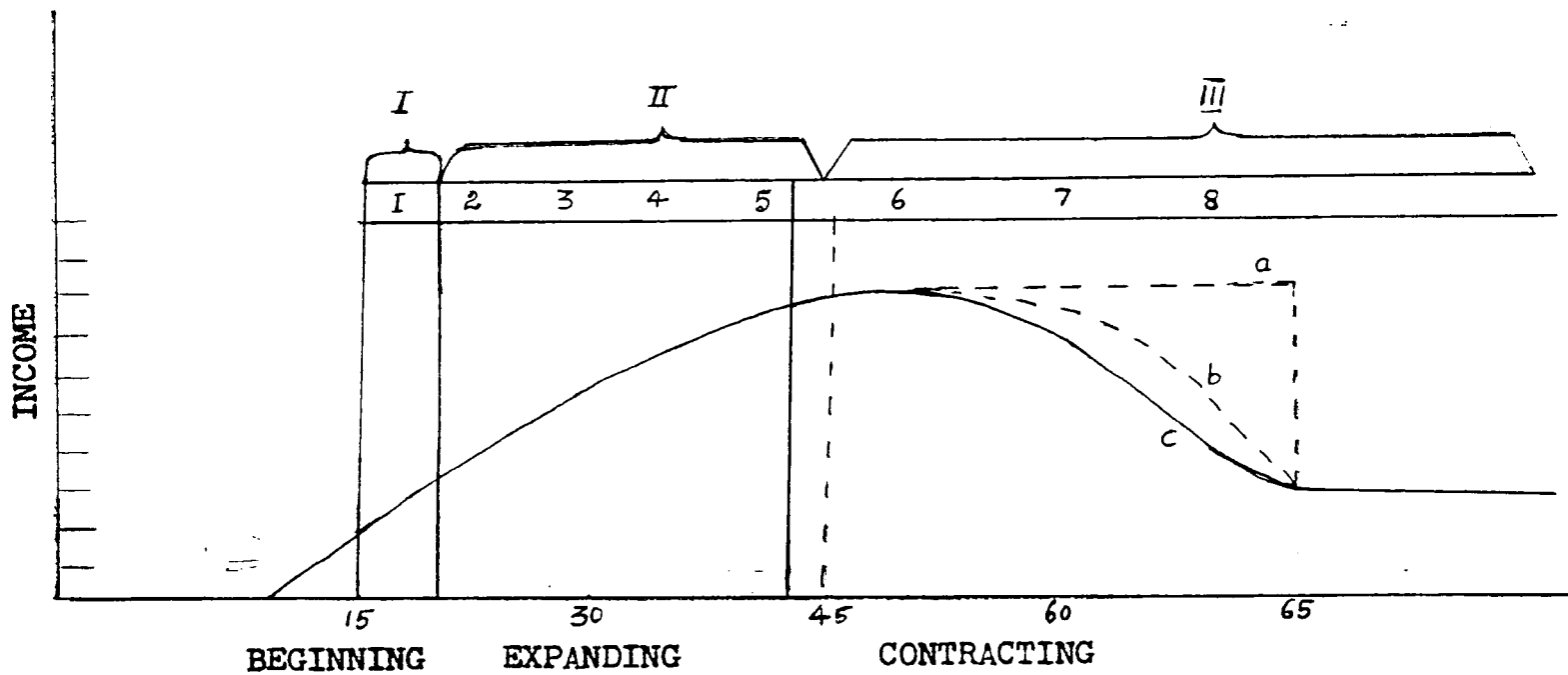
When viewed from beginning to end, the family life cycle with children passes through three stages, each with a number of sub-stages. Each phase makes specialised demands upon the family income as given in Table I and Figure I.

TABLE I

STAGES OF FAMILY LIFE CYCLE AND DEMAND OF INCOME

FAMILY STAGE	SUBSTAGE	DEMAND ON INCOME
1. Beginning	1. Period of establishment	Light to heavy
2. Expanding	2. Child bearing and preschool	Heavy
	3. Elementary school	Light to heavy
	4. High school	Moderately heavy
	5. College	Heaviest
	6. Vocational adjustment of children	Heavy
3. Contracting	7. Financial recovery	Light to Heavy
	8. Retirement	Lightest

The recognition of the influence of various stages in the family life cycle upon income use is a necessary preliminary to the forecasting of desirable accomplishments during these stages. In order to show how such forecasting for each stage aids the family in analysing its problems of income



**FIGURE - I**  
 EXPENDITURE PATTERN DURING THE DIFFERENT  
 STAGES OF FAMILY LIFE CYCLE

of income use, the family stages have been super imposed upon two of the life time income profiles. In this way, the force of the demand within the various stages may be more easily identified. If a family can forecast its probable life time income and locate the particular stage through which it is passing at a given time on a curve, the long time view of needs and the resources to meet them can be visualized (Nickell and Dorsey, 1975).

According to Starr, (1956), Smythe, (1970) and soundararaj, (1974) and Sinclair, (1982) the following factors affects one's spending

1. Actual money income of the family derived from all sources. Size of the family, including not only the father, mother and children but other dependants. Such as grand parents, inlaws, etc.
2. Age and Sex of the children the fewer the children, the lesses the expenses. As children grow up, more money has to be spent on their education, clothing, foods etc. till they can earn for themselves.
3. The profession of the father is another determinant of expenditure. A doctor, instance, may have spend quite a lot for setting up clinic, equiping, it properly and maintaining it.

4. The skill of the housewife in running the home is another factor controlling expenditure.
5. The normal standard of living of the family affect it so the town or village in which the family lives has also to be considered. A family living in a city like Madras will have to spend more than one living in a rural areas.
6. The location of the house also affects expenditure A house situated in a busy part of the town will normally entail more expense than one situated on the outsides.
7. Social and religious customs of the family also contribute to the spending
8. Personal choice, performing one expenditure to another is to be taken into consideration also. One person may have a liking for expensive perfumes and jewellery while <sup>Other</sup> may have simple taste.
9. Spending may also be affected by the measures taken in a family to make provision for the future.
10. Since so many consideration influence one's spending a households, especially one belonging to the middle or low income. has to be continually on his guard to make both ends meet.

## Methodology

### III METHODOLOGY

The Methodology adopted for the study on "Income and Expenditure Pattern of Selected Families in Coimbatore City" consists of the following aspects:

- A. Household Survey
- B. Case Study

#### A. Household Survey

This aspect involved the following steps

1. Selection of sample
2. Selection of method
3. Selection of tool
4. Conducting the survey
- and 5. Consolidating and presenting the data.

#### 1. Selection of sample:

The sample selected for the study consisted of 50 families representing 25 beginning families and 25 expanding families with two school going children. The samples were selected in Coimbatore City so that it would be easy for the investigator to contact the families and collect the required information.

#### 2. Selection of Method:

Interview is a two-way method which permits an exchange of ideas and information. It is an unique

method in that it involves the collection of data through direct verbal interaction between the interviewee and the interviewer, (Sidhu, 1984).

Collecting information regarding the income-expenditure pattern is a delicate process since it is a personal matter which people do not usually like to tell. The interview situation makes it possible for the interviewer to decide what questions are appropriate, (Bailey, 1982). Hence the interview method was selected for the study.

### 3. Selection of Tool:

A detailed interview schedule was prepared to gather information on the family background, sources of family income, budget, the expenditure pattern, saving habits and details of family debts. The schedule thus prepared was pretested and finalised by conducting a pilot study in five families. As mentioned by Brog (1983), the purposes of the pilot study helps in improving data collecting routines, trying scoring techniques, revising, locally developed measures and checking the appropriateness of standard measures. The schedule was suitably modified and finalised (Appendix I)

4. Conducting the Survey:

The families were approached at the convenient time and good rapport was established and the necessary informations were collected for the study.

5. Consolidating and presenting the data:

The information collected were consolidated analysed and presented in the next chapter.

B. Case Study:

The case study is concerned with everything that is significant method of exploring and analysing the development of the case, the case may be an individual person, a family, a group, a social institution or an entire community, (Aggarwal, 1975; and Willinson and Bhandarkay, 1982).

The case study is further explained in a form of qualitative analysis involving the very careful and complete observation of a person situation or an institution by, (Biesan, 1975; and Brog, 1983).

Realising the importance of the case studies the investigator has selected ten families among the surveyed

familiesa(five beginning + five expanding) for an indepth study of the expenditure pattern of the families.

Each family was given a note book. The investigator explained the purpose and guided the families how to write down the expenditure in the note book. They were asked to maintain a detailed account for three months - January, February, and March. Investigator visited these families frequently, and checked the data for accurate information. During the process she cleared their doubts and guided them for proper recording. After three months the note books were collected. The data collected from the notebooks were consolidated and analysed and discussed in the next chapter.

## Results and Discussion

#### IV. RESULTS AND DISCUSSION

The findings of the study on the Income and Expenditure Pattern of the Selected Families in Coimbatore City are analysed and presented under the following major headings:

- A. Findings of the Household Survey
- and B. Findings of the case study

##### A. Findings of the Household Survey:

The findings of the household survey are discussed under the following aspects:

- 1. General Background of The Selected Families
- 2. Income Pattern of The Selected Families
- 3. Budgeting Practices of The Selected Families
- and 4. Expenditure pattern of The Selected Families

##### 1. General background of the selected families include

- a. Type of family
- b. Size of family
- c. Age of the family members
- and d. Educational and occupational status of the selected families

a) Type of family:

Regarding the type of family all the selected 50 families were belonging to nuclear family, where only the parents and children stay together.

b) Size of family:

The families' selected were in the beginning stage (25 families) and expanding (25 families) stages of family life cycle.

c) Age of the family members

The age of the members of the selected families is given in Table II.

TABLE II

AGE OF THE FAMILY MEMBERS					
S.No.	AGE IN YEARS	NUMBER OF MEMBERS			
		BEGINNING		EXPANDING	
		NUMBER	PERCENTAGE	NUMBER	PERCENTAGE
1.	0 - 5	-	-	20	20
2.	6 - 10	-	-	26	26
3.	11-15	-	-	4	4
4.	21 - 25	10	20	-	-
5.	26 - 30	25	50	10	10
6.	31 - 35	15	30	15	11
7.	36 - 40	-	-	21	21
8.	40 - 44	-	-	4	4

The age range of the beginning families, falls between 21 and 33 where in the expanding stage, the members are categorised into two section, one age range between 5 and 15, the other the age range between 26 and 44.

d. Educational status:

The educational status of the heads of the selected families are given in Table III

TABLE III  
EDUCATIONAL STATUS OF THE HEADS OF THE FAMILIES

S.NO.	EDUCATION	NUMBER OF HEADS			
		BEGINNING		EXPANDING	
		NUMBERS	PERCENTAGE	NUMBER	PER CENTAGE
1.	Secondary	2	8	5	20
2.	Graduate	7	28	7	28
3.	Post Graduate	3	12	9	36
4.	Professional	13	52	4	16

Regarding the educational status as depicted in the above Table, 52 per cent of the heads of beginning

families were having professional qualification (doctor and engineer). Thirty six per cent and 28 per cent of the expanding families studied upto graduate and post graduate levels respectively.

ii) Educational status of the homemakers

The educational status of the homemakers is yet another factor primarily significant in determining the nature and type of income and expenditure pattern of the whole families.

"If you educate a man, you educate an individual,

If you educate a woman you educate fa family"

is a common saying. The educational status of the selected homemakers.

TABLE IV  
EDUCATIONAL STATUS OF THE HOMEMAKERS

S.NO.	EDUCATION	NUMBER OF MEMBERS			
		BEGINNING		EXPANDING	
		NUMBER	PERCENTAGE	NUMBER	PERCENTAGE
1.	Secondary	3	12	7	29
2.	Graduate	18	72	10	40
3.	Post Graduate	3	12	8	32
4.	Professional	1	4	-	-

All homemakers of the selected families were educated that shows the changing trend in women's educational system. Seventy two per cent of the homemakers of beginning families were educated upto degree level. One homemaker was a doctor.

Forty per cent and 32 per cent of the homemakers of expanding families were educated upto degree level and post graduate level respectively.

e. Occupational status of the selected families

Occupational status decides the standard of living of any family. Table V shows the occupational status of the heads of the families.

TABLE V

OCCUPATIONAL STATUS OF THE HEADS OF THE FAMILIES					
		NUMBER OF MEMBERS			
S.No.	OCCUPATION	BEGINNING		EXPANDING	
		NUMBER	PER CENTAGE	NUMBER	PER CENTAGE
1.	Teacher	16	64	5	20
2.	Clerk	5	20	8	32
3.	Doctors	2	8	2	8
4.	Engineers	2	8	6	24
5.	Driver	-	-	3	12
6.	Business	-	-	1	4
=====					

Among the selected families 64 per cent of beginning, and 20 per cent of expanding families' heads were teachers. In sixteen per cent of beginning and 32 per cent of expanding families the heads of the families were professionals. The remaining heads were working as clerks, business men and drivers.

Employment status of the homemakers raises the standard of living of the family. Table VI depicts the occupational status of the selected homemakers.

TABLE VI

OCCUPATIONAL STATUS OF THE HOMEMAKERS

S.No.	OCCUPATIONAL	NUMBER OF MEMBERS			
		BEGINNING	PER CENTAGE	EXPANDING	PERCENTAGE
		NUMBERS		NUMBERS	
1.	Teacher	19	76	17	68
2.	Clerk	2	8	1	4
3.	Tailor	4	16	6	24
4.	Doctor	-	-	1	4

Majority of the selected homemakers (were teachers. A few were doing clerical job. Nearly 20 per cent were employed in tailoring units. Only one home maker was a doctor.

2. Income and ~~Expenditure~~ pattern of The Selected Families

This includes the monthly income of the selected families and other sources of income.

a. Monthly income of the selected families

The income which a family receives and the way in which it spends are factors which are vital to its prosperity.

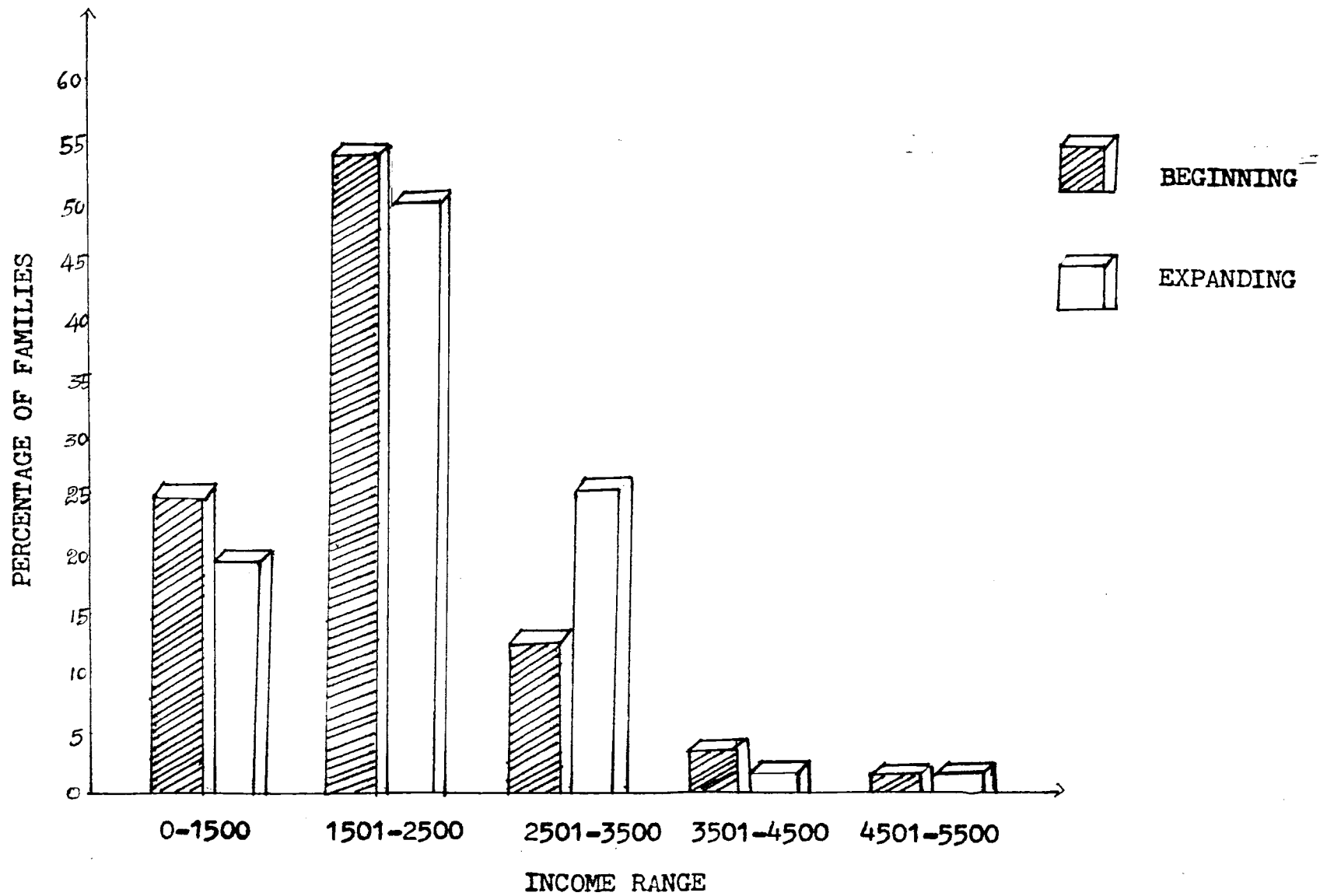
Table VII presents the monthly income of the selected families.

TABLE VII

MONTHLY INCOME OF THE SELECTED FAMILIES

S.NO.	MONTHLY INCOME	NUMBER OF FAMILIES			
		BEGINNING		EXPANDING	
		NUMBERS	PER CENTAGE	NUMBER	PER CENTAGE
1.	0-1500	13	26	10	20
2.	1501-2500	27	54	25	50
3.	2501-3500	7	14	13	26
4.	3501-4500	2	4	1	2
5.	4501 and above	1	2	1	2
Total		50	100	50	100

From the above Table it is clear that nearly 50 per cent of both beginning and expanding families were earning



**FIGURE - II**  
**MONTHLY INCOME OF THE SELECTED FAMILIES**

Rs.1501-2500 as their monthly income. Twenty six per cent of beginning and twenty per cent of expanding families were earning upto Rs.1500 per month. Seven per cent of the beginning families and 13 per cent of the expanding families were earning 2501-3500 .

b. Other sources of income:

The main source of income for the selected families was money income given in the form of salary. Only 36 per cent of beginning and 20 per cent of expanding families were getting income from other sources like land, live stock, rent and interest from investment.

C. Budgetary practice:

All the selected families were planning their income. More than 60 per cent of beginning and expanding families were planning the budget mentally. The remaining families were having written plan.

The reasons for making budget as mentioned by all the families were as follows:

- To spend income wisely
- To distribute income properly on various items of expenditure
- To check the expenditure to lead a better life
- and - to increase the standard of living.

#### 4. Expenditure Pattern of The Selected Families

"The standard of life is a resultant of two forces- the total income and expenditure liability", (Gatail, 1945).

The main items of expenditure in the family are food, clothing, shelter, health, education, transport and recreation, (Mann and Mann, 1980).

Based on the above statement the expenditure pattern of the families are analysed with reference to the specific expenditure on:-

- |                         |                            |
|-------------------------|----------------------------|
| a. Food                 | h. Health                  |
| b. Shelter              | i. Education               |
| c. Clothing             | j. Recreation              |
| d. Household operation  | k. Functions and Festivals |
| e. Fuel and lighting    | l. Loans repaid            |
| f. Transport            | m. Savings                 |
| g. Personal expenditure | n. Miscellaneous           |

Average Monthly expenditure of the selected families is analysed for each of the above mentioned items separately and presented in the Figure 2 and in the Tables VIII to XIX.

a. Food

Table VIII throws light on the details of food expenditure pattern of the selected families.

TABLE VIII  
EXPENDITURE ON FOOD

S. No.	RANGE OF PERCENTAGE EXPENDITURE ON FOOD	NUMBER OF FAMILIES			
		BEGINNING		EXPANDING	
		NUMBER	PERCENTAGE	NUMBER	PERCENTAGE
1.	0-10	2	8	3	12
2.	11-20	16	64	12	48
3.	21-30	5	20	7	28
4.	31-40	2	8	2	8
5.	40 and above	-	-	-	4

Sixty four per cent of beginning families and 48 per cent of expanding families were spending 11 to 20 per cent of their income on food. Twenty per cent beginning families and 28 per cent expanding families were spending 21-30 per cent on food. More than 12 per cent of expanding families were spending above 30 per cent because the number of member were more when compared to beginning families. only one expanding family was spending 45 per cent on food.

b. Shelter:

Shelter is another essential expenditure item. Among the selected families 56 per cent each of beginning and expanding families were living in rented house. The remaining families were owning their houses. The expenditure on shelter includes rent, house tax and maintenance charges.

Table IX presents the expenditure details on shelter

TABLE IX

EXPENDITURE ON SHELTER					
S.NO.	RANGE OF PERCENTAGE EXPENDITURE ON SHELTER	NUMBER OF FAMILIES			
		BEGINNING		EXPANDING	
		NUMBER	PERCENTAGE	NUMBER	PERCENTAGE
1.	0-3	13	52	11	44
2.	4-6	4	16	6	24
3.	7-9	3	12	4	16
4.	10-12	3	12	2	8
5.	13-15	1	4	8	2
6.	15 and above	1	4	-	-

When compared to food expenditure the expenditure on shelter presents strikingly contrast picture. It ranges

from 0-15 per cent. Fifty two per cent of beginning and 44 per cent of expanding families were spending upto three per cent of their income on shelter. The remaining families were spending four to fifteen per cent.

C. Clothing:

Besides food and shelter the family has to be clothed according to the place and weather they are living in. This includes money spent on buying of clothes, \* sewing charges and washing and ironing charges.

The expenditure on clothing is given in Table X

TABLE X  
EXPENDITURE ON CLOTHING

S.NO.	RANGE OF PERCENTAGE EXPENDITURE ON CLOTHING	NUMBER OF FAMILIES			
		BEGINNING		EXPANDING	
		NUMBER	PERCENT AGE	NUMBER	PERCENTAGE
1.	0-10	17	68	18	72
2.	11-20	3	12	6	24
3.	21-30	2	8	1	4
4.	31-40	2	8	-	-
5.	41 and above	1	4	-	-

Sixty eight per cent of beginning families and 72

per cent of expanding families were spending upto ten percent of their income on clothing. The expanding families were spending upto 30 per cent only on clothing since they have to spend on other items for the children in the families. But the beginning families (32 per cent) were spending upto 40 per cent on clothing. Since they have no other commitment at this stage.

d. Household operation

The expenditure on household operation includes the sum of money spent on water, electricity, <sup>and</sup> wages paid to domestic servants.

Table XI shows the expenditure on household operation

TABLE XI

EXPENDITURE ON HOUSEHOLD OPERATION

S. NO.	RANGE OF EXPENDITURE ON HOUSEHOLD OPERATION	NUMBER OF FAMILIES			
		BEGINNING		EXPANDING	
		NUMBER	PERCENTAGE	NUMBER	PERCENTAGE
1.	0-2	6	24	1	4
2.	3-5	14	56	15	60
3.	6-8	4	16	3	12
4.	9-11	1	4	3	12
5.	12-13	-	-	2	8
6.	13 and above	-	-	1	4

Majority of selected families (56 per cent beginning and 60 per cent expanding) were spending 3 - 5 per cent of total income for household operation. The expenditure on household operation of beginning families ranges from 0 to 11 per cent. At the same time it ranges from 0-15 per cent for expanding families due to the extra alternation needed in the household.

e. Fuel and Lighting

Different families use different types of fuel. Even one family may use more than one type of fuel such as gas and kerosene or charcoal and kerosene. All of them were using electricity for lighting purpose. The details on the percentage of money spent are given in the Table XII.

TABLE XII  
EXPENDITURE ON FUEL AND LIGHTING

S. No.	RANGE OF PERCENTAGE EXPENDITURE ON FUEL	NUMBER OF FAMILIES			
		BEGINNING		EXPANDING	
		NUMBER	PERCENTAGE	NUMBER	PERCENTAGE
1.	0-2	2	8	1	4
2.	2-4	11	44	7	28
3.	5-6	12	48	17	68

The percentage expenditure on fuel and lighting

ranges between 0 and 6 per cent. Forty eight per cent of beginning families and 68 per cent of expanding families were spending 5 - 6 per cent on fuel and light. All the selected families were using gas for cooking purpose. A very few families (10 per cent) were using kerosene, charcoal and firewood along with gas for heating water.

f. Transport

The cost of transportation depends on the location of the home, the place of work, and availability of public transport the type of vehicle owned. Percentage of expenditure on transport per month by the selected families is presented in Table § XIII.

TABLE XIII  
EXPENDITURE ON TRANSPORT

S. NO.	RANGE OF TRANSPORT PERCENTAGE EXPENDITURE ON TRANSPORT	NUMBER OF FAMILIES			
		BEGINNING		EXPANDING	
		NUMBER	PERCENTAGE	NUMBER	PERCENTAGE
1.	0-5	17	68	16	64
2.	6-10	3	12	4	16
3.	11-15	2	8	2	8
4.	16-20	1	4	2	8
5.	21-25	2	8	1	1

The above table clearly indicates that 0-25 per

cent of income is spent on transport. A majority of (68 per cent of beginning and 64 per cent of expanding families) were spending upto five per cent on transport. The remaining families were spending more than five per cent upto 25 per cent because, they were having their own vehicles to go to working places. Acute fuel shortage and rise in transport cost are responsible for the trend.

g. Personal Expenditure

Personal expenditure includes the amount spent in the work place for coffee, tea, smoking, betal nuts, etc.

Table XIV presents the details on personal expenditure of selected families

TABLE XIV  
PERSONAL EXPENDITURE

S. NO.	RANGE OF PERCENT- AGE EXPENDITURE ON PERSONAL expenditure	NUMBER OF FAMILIES			
		BEGINNING		EXPANDING	
		NUMBER	PERCENT- AGE	NUMBER	PERCENTAGE
1.	0-5	21	84	22	88
2.	6-10	4	16	3	12

The above Table clearly indicates that the percentage

of money spent on personal expenditure. Eighty four per cent of beginning and 88 per cent of expanding families were spending upto 5 per cent on personal expenses. The remaining families were spending 6-10 per cent on this item. Since both heads and homemakers were employed they were spending more amount on personal expenditure.

**h. Health:**

Health of the family is the most important goal in the planning of all types of resources of the family. All the money spent on medicines, medical check-ups, fees of doctors, dentists, hospital charges, special diets required for sick members of the family for their personal care, etc. come under the expenditure on health. Table XV gives a detailed account of the range of percentage of money spent on health.

TABLE XIV  
EXPENDITURE ON HEALTH

S. No.	RANGE OF PERCENTAGE expenditure ON HEALTH	NUMBER OF FAMILIES			
		BEGINNING		EXPANDING	
		NUMBER	PERCENTAGE	NUMBER	PERCENTAGE
1-	0-2	7	28	3	12
2.	3-5	13	52	8	32
3.	6-8	3	12	7	28
4.	9-11	2	18	7	28
TOTAL		25	100	25	100

Health expenditure ranges from 0-11 per cent for the selected families. All the selected families spent on health but for 28 per cent of beginning and 12 per cent of expanding families this constitutes a negligible fraction of their monthly income that is upto 2 per cent

1. Education

The expenditure on education will depend upon the age of children, whether they are attending schools or colleges. This will include all the expenditure on books, note books, stationary, school fees, transport charge

including the fare for the school bus, uniforms worn by the children for going to the education institutions.

Only expanding families with school going children were spending money on education. A majority of 68 per cent were spending up <sup>to</sup> 2 per cent of the total income on Education. The remaining percentage of the families were spending 3 to 5 per cent. The amount spent on education is very less because the children were studying up to seventh standard only.

J. RECREATION

Expenditure on recreation will include cost of general books, newspapers, magazines bought by the family, going to cinema, plays, dances and such other shows where the entry by tickets, going to hill station, use of Radio, television, radiogram, tape recorder etc.

As the urban life offers good scope for recreation, it is a usual, not an optional item of expenditure.

Table XVI shows the details on recreation expenditure

TABLE XVI

EXPENDITURE ON RECREATION					
No.	RANGE OF S. PERCENTAGE EXPENDITURE ON RECREATION	NUMBER OF FAMILIES			
		BEGINNING		EXPANDING	
		NUMBER	PERCENTAGE	NUMBER	PERCENTAGE
1.	0-2	21	84	21	84
2.	3-5	4	16	4	16

The percentage expenditure on recreation ranged from 0-5 per cent. A majority of (84 per cent of each beginning and expanding) families were spending upto two per cent of their income on recreation. Only 16 per cent each of beginning and expanding families were spending 3-5 per cent on recreation.

K. Expenditure on Functions and Festivals:

It includes the expenditure on functions like birth day celebrations, wedding annuasary and rituals and festivals, like pongal, Deepavali, Christmas and Ramzan.

The details on the percentage expenditure on functions and festivals are given in Table XVII.

TABLE XVII  
EXPENDITURE ON FUNCTIONS AND FESTIVALS

S. No.	RANGE OF PERCENTAGE EXPENDITURE ON FUNCTIONS AND FESTIVALS	NUMBER OF FAMILIES			
		BEGINNING		EXPANDING	
		NUMBER	PERCENTAGE	NUMBER	PERCENTAGE
1.	0-5	17	68	14	56
2.	6-10	8	32	11	44

Since the survey was conducted during the month of December and January all the families have given expenditure detail on functions and festivals. The percentage expenditure on this aspect ranges from 0 - 10 per cent

L. Loans repaid:

Only 24 per cent of beginning and 32 per cent of expanding families have taken loans. The reasons for taking up the loans were to construct the house, to purchase the vehicle, to start the business and to purchase jewellery. The percentage of money spent on repaying loans ranges from 0 to 5 per cent of their total income.

m. Saving:

Saving must form an indispensable part of the family budget. Every family must save some money in the present to guard itself against the rainy days in the future. Table XVIII shows the details of Savings by selected families.

TABLE XVIII

DETAILS ON SAVINGS

No.	RANGE OF S. PERCENTAGE EXPENDITURE ON SAVING	NUMBER OF FAMILIES			
		BEGINNING		EXPANDING	
		NUMBER	PERCENTAGE	NUMBER	PERCENTAGE
1.	0-10	11	58	8	33
2.	11-20	5	26	9	38
3.	21-30	3	16	7	37
4.	=====				

This study investigated the degree of savings in the selected families. It is very encouraging to note that except six beginning families and one expanding families all selected families counted on savings as a regular monthly feature. The mode of savings indicated by the families were post office savings, bank savings,

chit funds, and Insurance. The percentage expenditure on saving<sup>s</sup> ranges from 0-30 per cent.

n. Miscellaneous expenditure

The miscellaneous items consist of expenditure on handicapped people institution and social or religious institutions. The details are given in Table XIX

TABLE XIX  
MISCELLANEOUS EXPENDITURE

S.No.	RANGE OF PERCENTAGE EXPENDITURE ON MISCELLANEOUS	NUMBER OF FAMILIES			
		BEGINNING		EXPANDING	
		NUMBER	PERCENTAGE	NUMBER	PERCENTAGE
1.	0-3	15	60	22	88
2.	4-6	10	40	3	12

On the whole 0-6 per cent of income was spent on miscellaneous items. All the selected families were having this expenditure. A majority of families (60 per cent beginning and 88 per cent expanding were spending upto t three per cent <sup>on</sup> miscellaneous item.

Figure 3 and Table .xx presents the percentage of expenditure pattern of the selected beginning and expanding families.

TABLE XX  
PERCENTAGE OF EXPENDITURE PATTERN OF THE SELECTED FAMILIES

S.No	ITEMS	PERCENTAGE OF MONEY SPENT ON DIFFERENT ITEMS	
		BEGINNING	EXPANDING
1.	Food	29	32
2.	Clothing	15	11
3.	Saving	14	15
4.	Transport	10	6
5.	Functions and festivals	7	5
6.	Household operation	6	6
7.	Recreation	5	2
8.	Health	4	7
9.	Personal Expenses	4	2
10.	Fuel and lighting	3	5
11.	Loans repaid	2	3
12.	Education	-	4
13.	Miscellaneous	1	2

=====

A glance at the table shows that food occupies major share of the expenditure pattern. The beginning families could save 14 per cent of their income. Education taken no share in beginning families. The expanding families spent 7 per cent of their income on health. Since they have children.

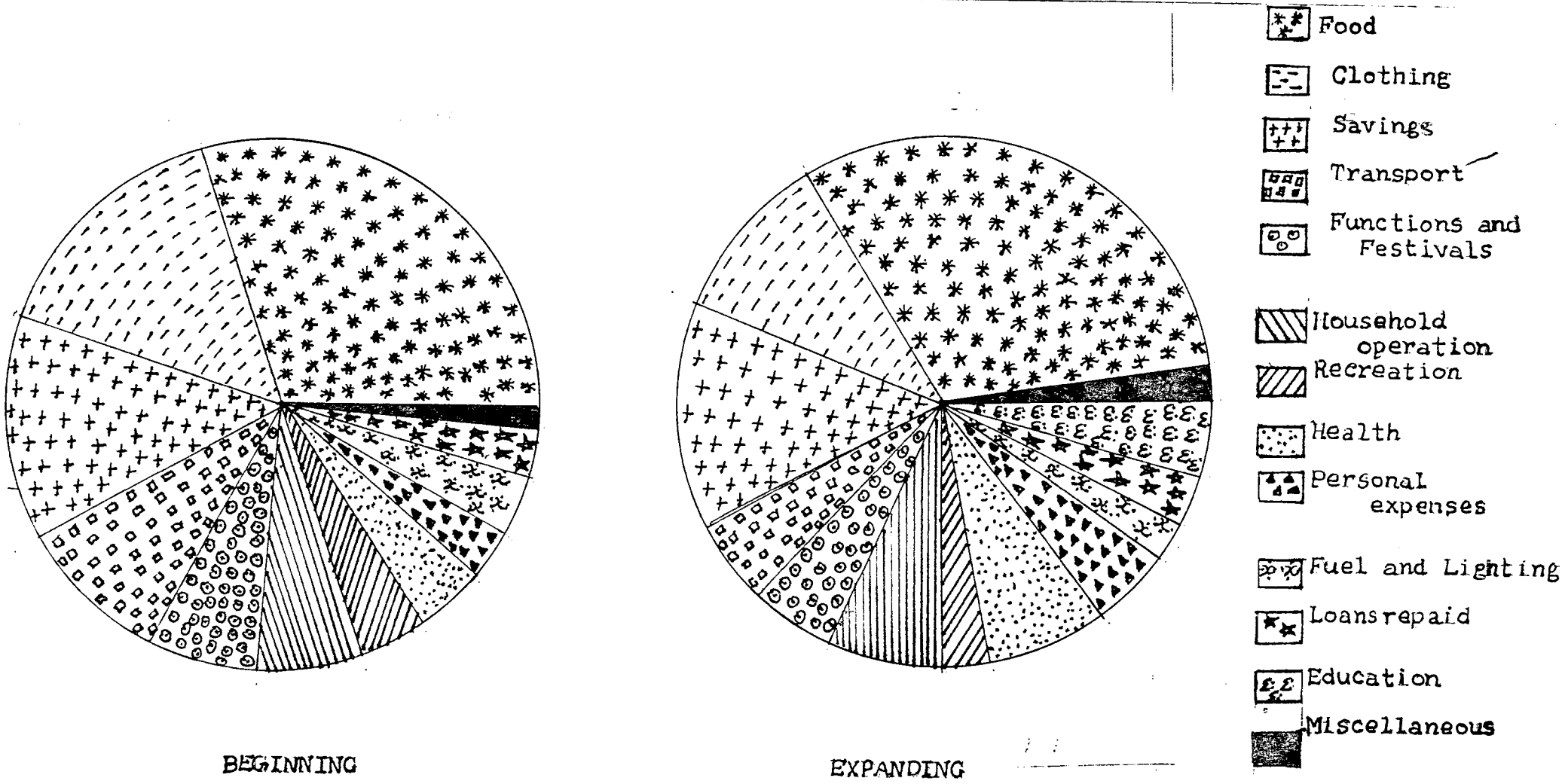


FIGURE - III  
 PERCENTAGE OF EXPENDITURE PATTERN OF THE SELECTED FAMILIES

## B. Findings of the Case Study

The purpose of the case study was to understand the expenditure pattern of selected beginning and expanding families. The expenditure details recorded during the three months are discussed under the following aspects.

1. Income and expenditure pattern include
  - a) General details
  - b) Expenditure pattern
  - c) Food expenditure
2. Comparison of monthly income of beginning and expanding families
3. Comparison of average expenditure pattern of beginning and expanding families
4. Comparison of food expenditure of beginning and expanding families.

The important aspects studied in relation to expenditures pattern of beginning and expanding families are discussed individually and presented.

FAMILY I

I. Income and Expenditure pattern

a. General Details

Age :

Head : 35 Years

Homemaker : 30 Years

Education :

Head : B.A.

Homemaker : P.U.C.

Employment status :

Head : Driver

Homemaker : Lab assistant

Type of house : Rented

Monthly income :

Head : Rs.1100

Homemaker : Rs. 200

Total : Rs.1300

b. Expenditure pattern :

The details on the expenditure pattern are given in Table XXI.

TABLE XXI

EXPENDITURE PATTERN

S.No. ITEMS	I MONTH		II MONTH		III MONTH		AVERAGE	
	AMOUNT	PER	AMOUNT	PER	AMOUNT	PER	AMOUNT	PER
1. Food	497	38	453	35	440	39	463	36
2. Clothing	85	6	100	8	150	12	112	9
3. Shelter	82	6	82	8	82	6	82	6
4. Household operation	25	2	25	2	30	2	28	2
5. Transport	120	9	150	11	150	9	140	11
6. Personal expenses	25	2	25	2	50	4	34	3
7. Fuel and lighting	105	8	105	8	105	8	105	8
8. Health	47	4	50	4	20	1	39	3
9. Recreation	50	4	100	8	50	4	67	5
10. Functions and Festivals	44	3	50	4	50	4	48	4
11. Loans repaid	100	8	50	3	-	-	50	4
12. Savings	85	6	85	6	85	6	85	6
13. Miscellaneous	35	3	25	2	88	7	49	4

Since the income of this family was less (Rs.1500) the percentage of money spent on food was more (36 per cent) when compared to other four beginning families (I-28 per cent, II 14 per cent; III 22 per cent and IV 14 per cent) Eleven per cent was spent on transport. The expenditure on all other items ranges between 2- 9 per cent of total income.

C. Food Expenditure:

Table XXII shows the expenditure on food

TABLE XXII  
FOOD EXPENDITURE

S. NO.	ITEMS	I MONTH		II MONTH		III MONTH		AVERAGE	
		AMOUNT	PER	AMOUNT	PER	AMOUNT	PER	AMOUNT	PER
1.	Cereals	125	25	100	22	80	18	108	22
2.	Pulses	30	6	40	9	60	14	43	9
3.	Vegetables and fruits	80	16	100	22	40	21	90	20
4.	Milk and Milk products	156	31	120	26	140	32	139	30
5.	Oils and fats	50	10	45	10	25	6	40	9
6.	Sugar and Jaggery	23	6	25	6	15	3	21	4
7.	Spices and condiments	8	2	3	6	20	5	10	2
8.	Meat, fish and poultry	20	4	20	4	-	-	7	2
9.	Miscellaneous	25	5	1	1	10	2	12	3

Major portion of money was spent on milk and milk products. Twenty two per cent and Nineteen point nine per cent of money were spent on cereals and vegetables and fruits respectively. Nine per cent were spent on pulses and oil and sugar. Only four per cent was spent on sugar and jaggery. During the first two months fleshy foods since the head of the family went to Ayyappan temple.

FAMILY II

Selected Beginning Families

FAMILY II; INCOME AND EXPENDITURE PATTERN

a. General details

Age :

Head : 36 Years

Homemaker : 26 years

Education:

Head : D.E.E. (Diploma in Electrical Engineering)

Homemaker : B.A.

Employment status :

Head : Manager in small scale Industry

Homemaker : Primary School Teacher

Type of House : Rented

Monthly income :

Head : Rs. 1,300

Homemaker : Rs. 400

Total : Rs. 1,700

B. Expenditure Pattern:

The expenditure on various items was recorded for three months. The details were consolidated and given in Table XXIII.

TABLE XXIII

EXPENDITURE PATTERN

S. NO.	ITEM	I MONTH		II MONTH		III MONTH		IV MONTH	
		Amount	Per	Amount	Per	Amount	Per	Amount	per
1.	Food	480	28	450	26	495	29	475	28
2.	Clothing	400	23.5	200	12	-	-	200	12
3.	Shelter	200	12	200	12	200	12	200	12
4.	Household operation	60	3.5	10	0.5	40	2	37	2
5.	Transport	60	3.5	55	3	170	10	95	5.5
6.	Personal expenses	50	3	40	2	60	3.5	50	3
7.	Fuel and lighting	115	7	115	7	115	7	115	7
8.	Health	25	1.5	50	3	70	4	49	3
9.	Recreation	40	2	65	4	40	2	48	3
10.	Function and Festivals	100	6	300	18	300	18	233	4
11.	Savings	150	9	150	9	150	9	150	9
12.	Miscellaneous	20	1	65	4	60	3.5	48	3

The above Table XXIII clearly shows the distribution on monthly income on various items. On an average only 28 per cent of the total income was spent on food since the size

of the family is small(2 persons). The expenditure on clothings and shelter in one and the same (12 per cent. Eighten per cent of the income was spent on functions and festival. Since the families were asked to maintain accounts for the month of December, January and February. Nine per cent of the income was saved for future expenditure.

C. Food Expenditure:

Since food expenditure occupies the major portion of the family income it is analysed separately for each family. The details are given in Table XXIV.

TABLE XXIV

FOOD EXPENDITURE

S.NO.	ITEMS	I MONTH		II MONTH		III MONTH		IV MONTH	
		AMOUNT	PER CENTAGE	AMOUNT	PER CENTAGE	AMOUNT	PER CENTAGE	AMOUNT	PER CENTAGE
1.	Cereals	100	21	95	21	102	21	99	21
2.	Pulses	70	14.5	70	15.5	73	15	71	15
3.	Vegetables and fruits	70	14.5	100	22	50	10	73	15
4.	Milk and Milk products	100	21	100	22	100	20	100	21
5.	Oils and Fats	30	6.5	25	6	40	8	32	6.5
6.	Sugar and Jaggery	20	4	15	3	30	6	21	4.5
7.	Spices and condiments	20	4	-	-	10	2	10	2
8.	Meat and fish	50	10.5	35	8	40	8	42	9
9.	Miscellaneous	20	4	10	2	50	10	27	6

Twenty one per cent each of the total money spent of food was utilized to purchase cereals and milk and milk products. The next major items were pulses and vegetables and fruits (15 percent each) since the cost of vegetables and fruits is high in coimbatore city

FAMILY III

INCOME AND EXPENDITURE PATTERN

a. General Details

Age

Head : 33years

Homemaker : 26 Years

Education

Head : M.Sc., M.Phils.,

Homemaker : M.Sc.,

Employment status

Head : Assistant Professor  
(T.N.A.U)

Homemaker : Project staff  
(S.A.H.S.College)

Type of House : Rented

Monthly Income

Head : Rs 1,800

Homemaker : Rs 700

Total : Rs 2,500

b. Expenditure Pattern

The details the expenditure pattern for three months and a average expenditure on various items are given in Table XXV.

TABLE XXV  
EXPENDITURE PATTERN

S.No.	Items	I Month		II Month		III month		IV Month	
		AM	Percen tage	AM	Percen tage	AM	Percen tage	AM	Percen tage
1.	Food	500	20	657	26	487	19	548	22
2.	Clothing	205	8	150	6	80	3	145	6
3.	Shelter	250	10	250	10	250	10	250	10
4.	Household operation	-	-	50	2	100	4	50	2
5.	Transport	197	8	198	8	310	12	235	10
6.	Personal Expenses	72	3	100	4	40	2	71	3
7.	Fuel & Lightong	62	2	72	3	62	3	68	3
8.	Health	145	6	100	4	75	3	106	4
9.	Recreation	156	6	220	9	100	4	158	6
10.	Function & Festival	450	18	223	9	400	16	357	18
11.	Savings	400	16	400	16	500	20	433	17
12.	Miscellaneous	63	3	80	3	96	4	79	3

On an average 22 per cent of income was spent on food. Seventeen per cent of the income was saved for future. Since they were paying less rent (10 percent) they could save more.

Only two per cent was spent on household operations. Six per cent and 10 per cent of the income were spent on clothing and transport respectively, Forteen per cent was spent on functions and festivals. Three to six per cent of income was spent on other items of expenditure.

c. Food Expenditure:

The details of food expenditure are given in Table XXVI

TABLE XXVI

FOOD EXPENDITURE

S.No.	ITEMS	I MONTH		II MONTH		III MONTH		AVERAGE	
		Amo- unt	Per- cent age	Amo- unt	Per- cent age	Amo- unt	Per- cent age	Amo- unt	Per- cent age
1.	Cereals	60	12	55	8.5	48	10	54	10
2.	Pulses	40	8	50	8	72	15	54	10
3.	Vegetables and fruits	150	30	160	24.5	100	20	137	25
4.	Milk and Milk Product	150	30	150	23	140	29	147	27
5.	Oils and Fats	50	10	100	15	30	6	60	11
6.	Sugar and Jaggery	30	6	42	8	10	2	20	4
7.	Spices and Condiments	-	-	22	3	-	-	7	1
8.	Meat, fish and Poultry	-	-	-	-	63	12	20	4
9.	Miscellaneous	20	4	100	15	27	6	49	8

Ten per cent each of money spent on food was spent on cereals and pulses respectively. Vegetables and milk and milk products were given much importance since 25 per cent and 27 per cent were spent on vegetables and fruits and milk and milk products respectively. Eleven per cent was spent on oil and Fat one to six per cent was spent on other items of expenditure.

FAMILY IV

INCOME AND EXPENDITURE PATTERN

a. General Details

Age:

Head : 31 Years

Homemaker : 25 years

Education :

Head : B.B.A.

Homemaker : B.Sc.,

Employment status :

Head : I.O.B. Officer

Homemaker : Secondary School teacher

Type of House: Rented House

Monthly income :

Head : Rs.2600

Homemaker : Rs.1010

Total : Rs. 3610

b. Expenditure pattern

The details on expenditure pattern of this family are given in Table XXVII

TABLE XXVII  
EXPENDITURE PATTERN

S. No	ITEMS	I MONTH		II MONTH		III MONTH		AVERAGE	
		AMO UNT	PER- CENT AGE	AMO UNT	PER CENT AGE	AMO- UNT	PER- CENT AGE	AMOUNT	PER- CENT- AGE
1.	Food	480	13	580	16	495	14	518	14
2.	Clothing	645	18	185	5	80	2	303	8
3.	Shelter	800	22	800	22	800	22	800	22
4.	Household operation	25	6	50	1	100	3	58	2
5.	Transport	150	4	200	6	250	7	200	6
6.	Personal Expenses	100	3	170	5	90	3	120	3
7.	Fuel and lighting	100	3	125	3	150	4	125	4
8.	Health	65	2	70	2	100	3	78	2
9.	Recreation	110	3	170	5	305	8	195	5
10.	Functions and F Festivals	600	17	800	22	755	21	718	20
11.	Savings	440	12	640	12	440	12	440	12
12.	Miscell- aneous	495	3	30	5	45	1	53	2

Since this family was living in a rented house they were spending 22 per cent of their total income. On paying rent to the house. They were spending only 14 per cent of

food. They were spending more (20 per cent ) on function and festivals. Since they had pongal celebrations and wedding anniversary during these three on an average

12 per cent of income was saved by this family future expenditure.

C. Food Expenditure:

The details of food expenditure are given in Table XXVIII.

TABLE XXVIII

FOOD EXPENDITURE

S. NO.	ITEMS	I MONTH		II MONTH		III MONTH		IV MONTH	
		AMO UNT	PER CENT AGE	AMO UNT	PER CENT AGE	AMO UNT	PER CENT AGE	AMO UNT	PER CENT AGE
1.	Cereals	40	8	100	17	55	11	65	13
2.	Pulses	50	10.5	70	12	40	8	53	10
3.	Vegetables and Fruits	90	19.5	100	17	100	20.5	97	19
4.	Milk and Milk products	160	33	170	29.5	160	32.5	163	32
5.	Oils and Fats	50	10	40	7	20	4	37	7
6.	Sugar and Jaggery	35	7	10	2	60	12	35	7
7.	Spices and condiments	-	-	30	5.2	10	2	10	2
8.	Meat and Fish	20	4	40	7	25	5	28	5
9.	Miscellaneous	35	7	20	3.5	25	5	27	5

The major portion (32 per cent) of money spent on food was utilized to purchase milk and milk products. Nineteen per cent was spent on vegetables and fruits. Thirteen per cent and 10 per cent were spent on cereals and pulses respectively seven per cent were spent on oil and sugar. The other items consumed meager portion of the money spent on food.

FAMILY V      Income and Expenditure Pattern

a. General Details.

Age :	:	36 Years
Head	:	35 Years
Homemaker		
Education :		
Head	:	B.Sc., A.C.A
Homemaker	:	M.Sc
Employment :		
Head	:	Auditor
Homemaker	:	Professor
Type of house	:	Rented
Monthly income :		
Head	:	Rs.1,800
Homemaker	:	Rs.2,200
Total	:	Rs.4,400

b. Food Expenditure

The details on expenditure pattern are given in Table XXIX.

TABLE XXIX  
EXPENDITURE PATTERN

S. No.	ITEMS	I MONTH		II MONTH		III MONTH		AVERAGE	
		AMOUNT	PER CENT-AGE	AMOUNT	PER CENT-AGE	AMOUNT	PER CENT-AGE	AMOUNT	PER CENT-AGE
1.	Food	700	17	648	16	401	10	583	14.5
2.	Clothing	380	10	700	17	50	1	377	9
3.	Shelter	500	12	500	12	500	12	500	12
4.	Household operation	98	2	56	1	108	3	87	2
5.	Transport	120	3	140	4	300	8	187	5
6.	Personal expenses	60	1	10	.2	140	3.5	70	2
7.	Fuel and lighting	87	2	100	3	96	2	94	2
8.	Health	100	3	486	12	20	.5	202	5
9.	Recreation	200	6	200	6	100	3	167	4
10.	Functions and festivals	700	17	90	2	680	17	490	12
11.	Savings	1000	25	1000	25	1500	37.5	1167	30
12.	Miscellaneous	55	1	70	2	105	3	76	2

It is encouraging to note from the above Table that

This family was saving on an average 30 per cent of their income. Since there were only two members in the family and they were earning Rs. 4000 as monthly income, they could save more amount.

C. Food Expenditure.

The details are given in Table + XXX.

TABLE XXX

FOOD EXPENDITURE

S. No.	ITEMS	I MONTH		IIMONTH		IIIMONTH		AVERAGE	
		AMOUNT	PER-CENT AGE	AMOUNT	PER-CENT AGE	AMOUNT	PER-CENT AGE	AMOUNT	PER-CENT AGE
1.	Cereals	150	21	100	15	60	15	103	18
2.	Pulses	50	7	70	11	50	12	57	10
3.	Vegetables and fruits	140	20	150	23	100	25	130	22
4.	Milks <sup>and</sup> milk products	160	23	100	15	120	30	127	21
5.	Oils and fats	60	9	80	12	40	10	60	17
6.	Sugar and jaggery	20	3	70	11	20	5	37	6
7.	Spices and condiments	20	3	40	6	10	3	23	4
8.	Meat, fish and poultry	40	6	-	-	-	-	13	2
9.	Miscellaneous	60	9	38	6	1	.2	33	6

It is clear from the above Table on an 22 per cent and 21 per cent of money was spent to purchase vegetables and milk and milk products. Eighteen per cent, 17 per cent and ten per cent were spent on cereals oil and sugar and pulses respectively. During the first month they had more guest during pongal since the expenditure on food was more.

Avarage expenditure on various items of the five beginning families is given in Table XXXI and Figure 4.

TABLE XXXI

AVERAGE EXPENDITURE OF BEGINNING FAMILIES

S. No.	ITEMS	I FAMILY (Rs. 1300)		II FAMILY (Rs. 1700)		III FAMILY (Rs. 2500)		IV FAMILY (Rs. 3610)		V FAMILY (Rs. 4000)		AVERAGE	
		AMOUNT	PER CENT AGE	AMOUNT	PER CENT AGE	AMOUNT	PER CENT AGE	AMOUNT	PER CENT AGE	AMOUNT	PER CENT AGE	AMOUNT	PER CENT AGE
1.	Food	463	36	475	28	548	22	518	14	583	15	517	20
2.	Clothing	112	9	200	12	145	6	303	8	377	9	227	9
3.	Shelter	80	6	200	12	250	10	800	22	500	12	366	14
4.	Household operation	28	2	37	2	50	2	58	2	87	2	52	2
5.	Transport	140	11	95	5	235	10	200	6	187	5	172	7
6.	Personal	34	3	50	3	71	3	120	3	70	2	69	3
7.	Fuel and lighting.	105	8	115	7	68	3	125	4	94	2	102	4
8.	Health	39	3	49	3	106	4	78	2	202	5	95	3
9.	Recreation	67	5	48	3	138	6	195	5	167	4	127	5
10.	Functions and Festivals	48	4	233	14	357	14	718	20	490	12	369	14
11.	Savings	50	4	150	9	433	17	440	12	1167	30	448	17
12.	Miscellaneous	85	6	48	3	79	3	53	2	76	2	68	2

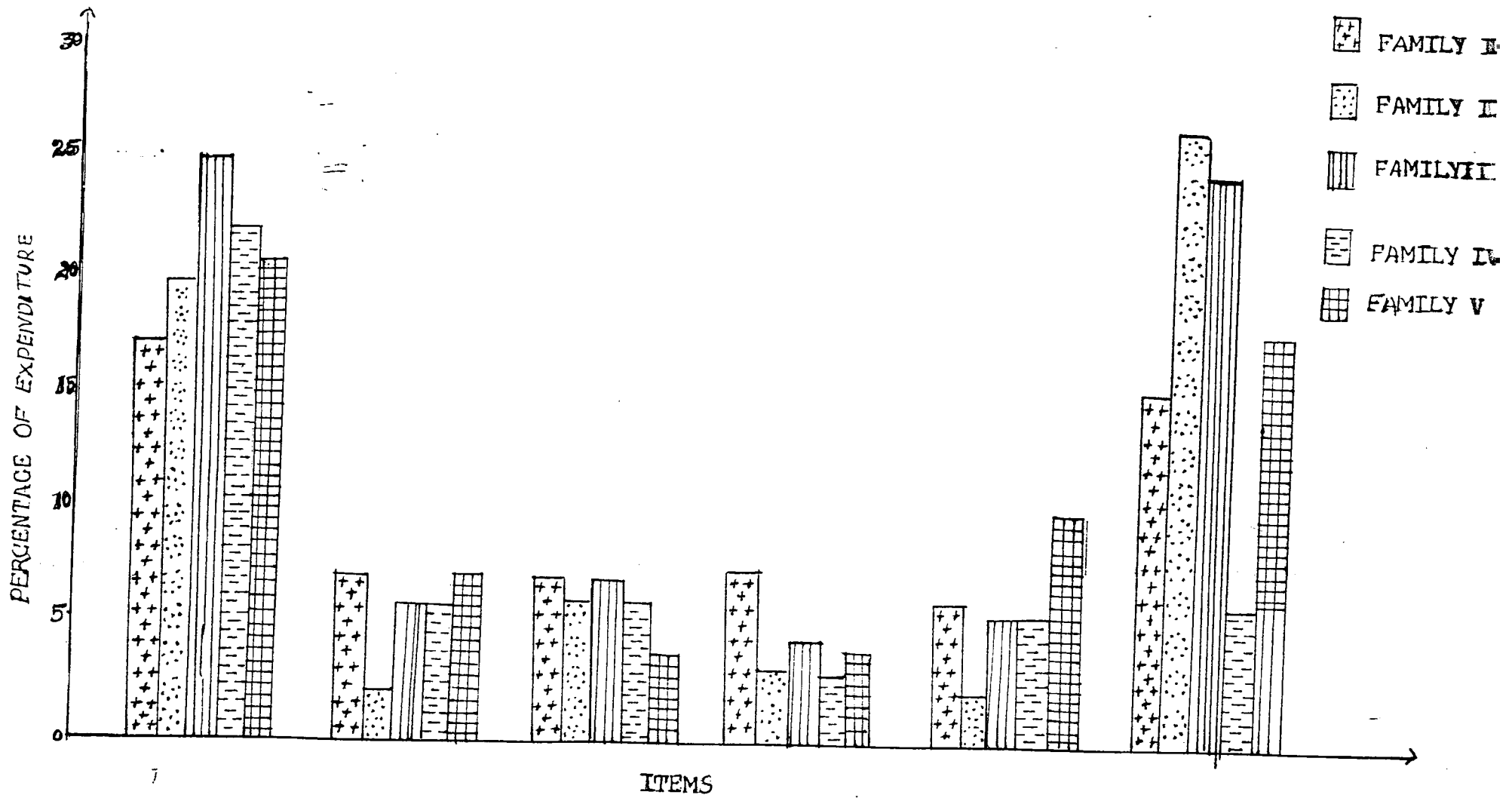


FIGURE - IV

AVERAGE EXPENDITURE ON MAJOR ITEMS OF BEGINNING FAMILIES

The findings of the study are in coincidence with Engel's Laws of consumption. As income increases the percentage of money spent on food decreases, the percentage spent on, recreation and savings increases and percentage spent on household operation remains the same .

FAMILY I

I. Income and Expenditure Pattern

a. General Details

Age ;

Head	:	39 Years
Homemaker	:	38 Years
Son	:	7 Years
Daughter	:	1/2 Years

Educational status :

Head	:	M.Sc., Dip. in Banking Administration
Homemaker	:	M.Sc., M.Phil
Son	:	Ist std.

Occupational status :

Head	:	Manager
Homemaker	:	Assistant Professor
Types of house	:	Rented

Monthly income :

Head	:	Rs.1500/-
Homemaker	:	Rs.2050/-
Total	:	Rs.3550/-

b. Expenditure pattern:

The details on expenditure pattern are given in Table XXXII.

TABLE XXXII  
EXPENDITURE PATTERN

S.NO	ITEMS	I MONTH		II MONTH		III MONTH		AVERAGE	
		AMO UNT	PER CENT AGE	AMO UNT	PER CENT AGE	AMO UNT	PER CENT AGE	AMO UNT	PER CENT AGE
1.	Food	850	24	600	17	489	24	646	18
2.	Clothing	300	8	301	8	200	6	267	8
3.	Shelter	100	3	100	3	100	3	100	3
4.	Household operation	70	2	120	3	110	3	100	3
5.	Transport	265	7	280	8	255	7	267	8
6.	Personal Expenditure	175	5	96	2.5	200	6	157	4
7.	Fuel and Lighting	400	11	486	14	500	14	462	13
8.	Health	280	8	250	7	319	9	283	8
9.	Education	200	6	310	9	240	7	250	7
10.	Recreation	80	2	90	2.5	79	2	83	2
11.	Functions and Festivals	200	6	310	9	474	13	325	9
12.	Loans repaid	50	1	50	1	50	1	50	1
13.	Savings	517	15	517	15	517	15	517	15
14.	Miscellaneous	63	2	40	1	17	.4	40	1

=====

On an average 18 per cent were spent on food. 13 per cent were spent on fuel and lighting. An average of 15 per cent of the Income were saved. The average percentage of income spent on various other items ranges from 1 to 9 per cent of the total income of the family.

C. Food expenditure:

The details on food expenditure are given in  
Table XXXIII

TABLE XXXIII  
FOOD EXPENDITURE

S.No. ITEMS	I MONTH		II MONTH		III MONTH		AVERAGE	
	AMO UNT	PER CENT AGE	AMO UNT	PER CENT AGE	AMO UNT	PER CENT AGE	AMO UNT	PER CENT AGE
1. Cereals	100	11.8	52	8.7	100	20.4	84	8.6
2. Pulses	50	6	27	4.5	27	5.5	24.6	3.5
3. Vegetables & Fruits	100	11.8	50	8.3	50	10.2	66.6	6.8
4. Milk and Milk products	150	18.6	150	25	100	20.4	153	15.6
5. Oils and fats	75	9	60	10	40	8	49	5
6. Sugar and Jaggery	25	3	40	6.7	16	3.4	27	3
7. Spices & condiment	20	2.3	7	1.2	10	2.0	12	1.2
8. Meat and fish and poultry	45	6.0	20	3.3	-	-	23	2.3
9. Baby food	100	11.8	150	25	140	28.6	390	39.8
10. Miscellaneous	80	9.4	44	7.3	6	1.2	130	13.5

Since this family had a small baby they were spending more than 39 per cent on baby foods. The next item is milk and milk products (15.6 per cent). The average per cent of money spent on cereals and pulses were less, more than 8 per cent and 3 per cent respectively.

FAMILY II

N. G

Income and Expenditure Pattern

a. General Details

Age :

Head : 36 years

Homemaker : 34 years

Educational Status :

Head : M.Sc., M.Phil.,

Homemaker : M.Sc., M.Phil

son I : 7 years

son II : 2 years

Occupational status :

Head : Assistant Professor of Chemistry

Homemaker : Assistant Professor of Home Science

son I : 2<sup>nd</sup> standard

Types of house : Rented

Monthly Income :

Head : Rs.1900

Homemaker : Rs.1825

Total : Rs.3725

B. Expenditure Pattern

The details on Expenditure pattern are given in Table XXXIV

TABLE XXXIV  
EXPENDITURE PATTERN

S. No.	ITEMS	I MONTH		II MONTH		III MONTH		AVERAGE	
		AMO UNT	PER CENT AGE	AMO UNT	PER CENT AGE	AMO UNT	PER CENT AGE	AMOUNT	PER CENT AGE
1.	Food	690	16	710	19	850	23	750	20
2.	Clothing	70	2	150	4	150	4	123	3
3.	Shelter	300	8	300	8	300	8	300	8
4.	Household operation	62	2	70	2	40	1	57	2
5.	Transport	250	7	275	7	285	8	270	7
6.	Personal expenses	425	12	400	11	120	3	315	9
7.	Fuel and Lighting	117	3	120	3	175	5	137	4
8.	Health	145	4	150	4	50	1	115	3
9.	Education	45	1	45	1	100	3	63	2
10.	Recreation	204	7	100	3	240	6	181	5
11.	Functions and Festivals	76	2	70	2	60	2	78	2
12.	Loans repaid	300	8	300	8	300	8	300	8
13.	Savings	1010	28	1000	27	1000	27	1000	27
14.	Miscell- aneous	28	0.8	25	0.6	55	1	36	0.8

It is very interesting to note that this family was saving an average of the total income. Twenty per cent was spent on food. The expenditure on shelter is very minimum (3 per cent). The average expenditure on all other items ranged from 1.9 per cent of the total income of the family.

C. Food Expenditure

The details on food expenditure are given in Table XXXV

TABLE XXXV  
FOOD EXPENDITURE

S. NO	ITEMS	I MONTH		II MONTH		III MONTH		AVERAGE	
		AMO UNT	PER CENT AGE	AMO UNT	PER CENT AGE	AMO UNT	PER CENT AGE	AMO UNT	PER CENT AGE
1.	Cereals	150	22	35	5	179	21	121	16
2.	Pulses	34	5	42	6	34	4	37	5
3.	Vegetables and Fruits	97	14	100	14	97	11	98	13
4.	Milk and Milk product	155	22	145	21	155	18	152	20
5.	Oils and Fats	100	15	80	11	100	12	93	12
6.	Sugar and Jaggery	50	7	40	6	58	7	49	7
7.	Spices and condiments	18	3	20	3	18	2	19	3
8.	Meat, fish and Poultry	48	7	65	9	48	6	54	7
9.	Miscellaneous	28	4	152	21	151	18	110	15
10.	Convenient food	10	1	31	4	10	1	17	2

Milk and milk products occupied the first place in the expenditure of this family (20 per cent) sixteen per cent and 12 per cent were spent on cereals and oil and fat respectively. Thirteen per cent and 15 percent were spent on vegetables and fruits and miscellaneous items respectively.

FAMILY III

Income and Expenditure Pattern

a. General Details

Age .

Head : 38 Years  
Homemaker : 35 years  
Daughter : 4 years  
Son : 2 1/2 Years

Educational status :

Head : B.E.,  
Homemaker : M.Sc., M.Phil.,  
Daughter : U.K.G.

Employment Status:

Head : Junior Engineer in  
Indian Telephones  
Homemaker : Assistant Professor in  
Bio-chemistry

Type of house : Rented

Monthly income :

Head : Rs.1900  
Homemaker : Rs.2100  
Total : Rs.4000

## b. Expenditure pattern

The details on expenditure pattern is given in Table XXXVI

TABLE XXXVIEXPENDITURE PATTERN

S. No.	ITEMS	I MONTH		II MONTH		III MONTH		IV MONTH	
		AMOUNT	PERCENTAGE	AMOUNT	PERCENTAGE	AMOUNT	PERCENTAGE	AMOUNT	PERCENTAGE
1.	Food	1021	25	1050	26	956	24	1009	25
2.	Clothing	139	3	-	-	500	125	213	6
3.	Shelter	200	5	200	5	200	5	200	5
4.	Household operation	50	1	4	1	250	6	114	3
5.	Transport	300	8	325	8	300	7	303	8
6.	Personal expenditure	75	2	79	2	105	3	86	2
7.	Fuel and Lighting	180	5	200	5	180	4	186	4
8.	Health	148	4	275	7	200	5	207	5
9.	Education	400	10	250	6	25	.6	225	6
10.	Recreation	100	2	200	5	150	4	150	4
11.	Functions and Festivals	287	7	300	8	50	1	212	5
12.	Savings	1000	25	1000	25	1000	25	1000	25
13.	Miscellaneous	700	3	80	2	110	3	96	2

Expenditure on food and savings are same as 25 per cent of total income. The expenditure on other items is less ranging from 2-8 per cent of the total income.

b. Food expenditure

The details on food expenditure are given in Table XXXVII.

TABLE XXXVII  
FOOD EXPENDITURE

S. NO.	ITEMS	I MONTH		II MONTH		III MONTH		AVERAGE	
		AMOUNT	PER CENT AGE	AMOUNT	PER CENT AGE	AMOUNT	PER CENT AGE	AMOUNT	PER CENT AGE
1.	Cereals	180	18	90	9	150	16	140	13
2.	Pulses	70	7	50	5	100	11	73	7
3.	Vegetables and fruits	120	12	124	12	150	16	132	14
4.	Milk and Milk products	170	17	190	19	170	18	147	16
5.	Fats and Oils	100	11	200	19	70	7	123	13
6.	Sugar and Jaggery	100	11	100	10	100	11	100	10
7.	Meat, Fish and poultry	75	8	60	6	50	5	62	6
8.	Convenience food	46	5	100	10	100	11	99	10
9.	Micellane- ous	100	11	86	9	40	5	75	8

On an average 15.8 per cent was spent on milk and milk products. The average per cent of expenditure on food and spices and condiment are same as 12.5 per cent. More than 11 per cent each was on vegetables and fruits and oil and fats only 6.6 per cent was spent on Pulses.

Selected Expanding Families

Family IV

Income and Expenditure Pattern

a. General Details:

Age :

Head : 47 years  
Homemaker : 38 years  
Education :  
    <sup>Son I</sup> : 12 years  
    <sup>Son II</sup> : 9 years

Head : Ph.D.,  
Homemaker : Ph.D.,

Employment status :

Head : Director of Research (T.N.A.U)  
Homemaker : Assistant Professor, Microbiology

Type of house : Rented (TNAU Quarters)

Type of house

Monthly Income :

Head : Rs.2500/-  
Homemaker : Rs.1500/-  
Total : Rs.4000/-

B. Expenditure pattern:

The expenditure on various items was recorded for three months and the data were analysed and presented in Table XXXVIII

TABLE XXXVIII

EXPENDITURE PATTERN

S. NO	ITEMS	I MONTH		II MONTH		III MONTH		AVERAGE	
		Amount	PER-CENT-AGE	AMO-UNT	PER-CENT-AGE	AMO-UNT	PER-CENT-AGE	AMO-UNT	AV PER-CENTAGE
1.	Food	965	24	894	22	955	23	939	23
2.	Clothing	443	11	147	4	100	2.5	230	6
3.	Shelter	350	9	350	9	350	9	250	9
4.	Household operation	40	1	25	.6	235	6	100	2
5.	Transport	240	6	260	6.5	250	6	250	7
6.	Personal Expenditure	110	3	50	1	50	1	70	2
7.	Fuel and Lighting	260	6.5	260	6.5	260	6.5	260	7
8.	Health	150	4	175	4	-	.	125	3
9.	Education	80	2	120	3	28	0.7	76	2
10.	Recreation	400	10	422	10.5	9	0.2	250	7
11.	Functions and festivals	288	7	600	15	1002	25	630	16
12.	Loans repaid	324	8	324	8	324	8	324	8
13.	Savings	300	7.5	300	7.5	300	7.5	300	7
14.	Miscellaneous	50	1	73	2	137	3	76	3

On an average 23 per cent of the total income was spent on food. Sixteen percent was spent on functions and festivals six per cent and nine per cent on clothing and shelter.

## C. Food Expenditure

The details on food expenditure are given in Tabel XXXIX

TABLE XXXIX

		FOOD EXPENDITURE							
S. NO.	ITEMS	I MONTH		II MONTH		III MONTH		AVERAGE	
		AMO UNT	PER- CENT- AGE	AMO UNT	PER- CENT- AGE	AMO- UNT	PER- CENT- AGE	AMO UNT	Per- CENT- AGE
1.	Cereals	100	10	126	14	210	22	145	15
2.	Pulses	50	5	79	9	68	7	66	7
3.	Vegetables and Fruits	250	26	200	23	189	20	213	23
4.	Milk and Milk product	200	21	150	17	190	20	180	20
5.	Oils and fats	100	10	76	9	81	9	86	9
6.	Sugar and Jaggory	50	5	75	8	72	8	66	3
7.	Spices and condiments	20	2	18	2	20	2	19	2
8.	Meat fish and Poultry	50	5	24	3	76	8	50	5
9.	Baby food	50	5	-	-	-	-	66	2
10.	Miscella- neous	95	10	146	16	49	5	97	10

On an average 23 per cent was spent on vegetables and fruits. More than 19 per cent spent by this family on milk and milk products. On an average more than 15 per cent was spent on cereals. Two per cent was spent on purchasing baby foods, because one small baby in the family. Two per cent was spent all other item.

FAMILY V

Income and Expenditure Pattern:

a. General Details

Age :

Head : 39 years  
Homemaker : 37 Years  
Daughter I : 12 years  
Daughter II : 5 1/2 Years

Education status :

Head : M.Sc., Ph.D.,  
Homemaker : M.Sc., M-Phil.,  
Daughter I : 8th Standard  
Daughter II : 4<sup>th</sup> Standard

Employment States :

Head : Assistant Professor in  
Agricultural University  
Homemaker : Assistant professor

Type of house : Rented

Monthly income :

Head : Rs.2300  
Homemaker : Rs.2000  
Total ₹ Rs.4300/-

B. Expenditure pattern:

The expenditure on various items is given in the Table XL

TABLE XL  
EXPENDITURE PATTERN

S. ITEMS No	I MONTH		II MONTH		III MONTH		AVERAGE	
	AMO- UNT	PER- CENT- AGE	AMO- UNT	PER- CENT- AGE	AMO- UNT	PER- CENT- AGE	AMO UNT	PER- CENT- AGE
1. Food	840	20	1000	24	910	21	919	21
2. Clothing	625	15	450	10	100	2	359	8
3. Shelter	300	7	300	7	300	7	300	7
4. Household operation	70	21	60	1	100	2	59	4
5. Transport	132	3	175	4	250	6	186	4
6. Personal Expenses	90	2	100	2	225	5	138	3
7. Fuel & lighting	210	5	215	5	275	6	233	6
8. Health	180	4	200	5	100	2	160	4
9. Education	533	12	500	12	356	8	463	11
10. Recreation	114	3	112	3	50	1	92	2
11. Functions and Festivals	479	10	400	9	400	9	426	10
12. Loans repaid	-	-	-	-	350	8	113	3
13. Savings	668	16	670	16	1000	23	779	18
14. Miscellaneous neous	59	1	70	2	89	2	73	2

=====  
On an average 21 percent of the income was spent on food, upto 18 per cent of the income was saved for future needs. Eight and seven per cent were spent on clothing and shelter respectively. As expanding family two more items education and repayment of loan are added to the list of expenditure.

C. Food expenditure

The ~~xxx~~ percentage of money spent on food items is given in Table XLI

TABLE XLI  
FOOD EXPENDITURE

S. No.	ITEMS	I MONTH		II MONTH		III MONTH		AVERAGE	
		AMO- UNT	PER- CENT- AGE	AMO- UNT	PER- CENT- AGE	AMO- UNT	PER- CENT- AGE	AMO- UNT	PER- CENT- AGE
1.	Cereals	150	18	148	15	170	19	155	16
2.	Pulses	100	12	80	8	40	4	73	10
3.	Vegetables and Fruits	130	15.5	150	15	100	11	127	14
4.	Milk and Milk products	170	20	170	17	170	19	170	18
5.	Fats and Oils	80	10	200	20	70		117	13
6.	Sugar and Jaggery	50	6	100	10	100	11	83	9
7.	Meat and fish and Poultry	56	7	40	4	100	11	65	7
8.	Spices and condiments	40	5	20	2	16	2	25	21
9.	Convenient foods	44	5	34	3	44	50	40	4
10.	Miscellaneous	20	2	76	7	100	11	65	7

On an average 18 per cent of money spent on food was spent on milk and milk products. More than 16 per cent and 10 per cent were spent on cereals and pulses ~~respectively~~<sup>ctively</sup> fourteen per cent and 12.5 per cent and were spent on vegetables and fruits and oil and fat respectively.

Average expenditure on various items of the selected five expanding families is given in Table XLII and Figure. 5

TABLE XLII

## AVERAGE EXPENDITURE OF EXPANDING FAMILIES

S.No.	ITEMS	I FAMILY		II FAMILY		III FAMILY		IV FAMILY		V FAMILY		AVERAGE	
		AMO UNT	PER CENT AGE	AMO UNT	PER CENT AGE	AMO UNT	PERCENT AGE	AMO UNT	PER CENT AGE	AMO UNT	PER CENT AGE	AMO UNT	PERCENT AGE
1.	Food	646	18	750	20	1009	25	939	23	919	21	853	22
2.	Clothing	267	8	123	3	213	6	230	6	359	8	239	6
3.	Shelter	100	3	300	8	200	5	350	9	300	7	250	6
4.	Household operation	100	3	57	2	113	3	100	2	59	1	80	2
5.	Transport	267	8	270	7	308	8	250	7	186	4	256	7
6.	Personal expenses	157	4	315	9	86	2	10	2	138	3	153	4
7.	Fuel and Lighting	462	13	137	4	186	4	260	7	233	6	256	7
8.	Health	283	8	115	3	207	5	125	3	160	4	178	5
9.	Education	250	7	63	2	225	6	76	2	463	11	216	5
10.	Recreation	83	2	181	5	150	4	250	7	92	2	151	4
11.	Functions and Festivals	328	9	78	2	212	5	620	16	426	10	335	9
12.	Loans repaid	50	1	300	8	-	-	324	7	113	3	158	4
13.	Savings	517	15	1000	27	1000	25	300	7	779	18	719	18
14.	Miscellaneous	40	1	36	8	96	2	76	3	73	2	64	1

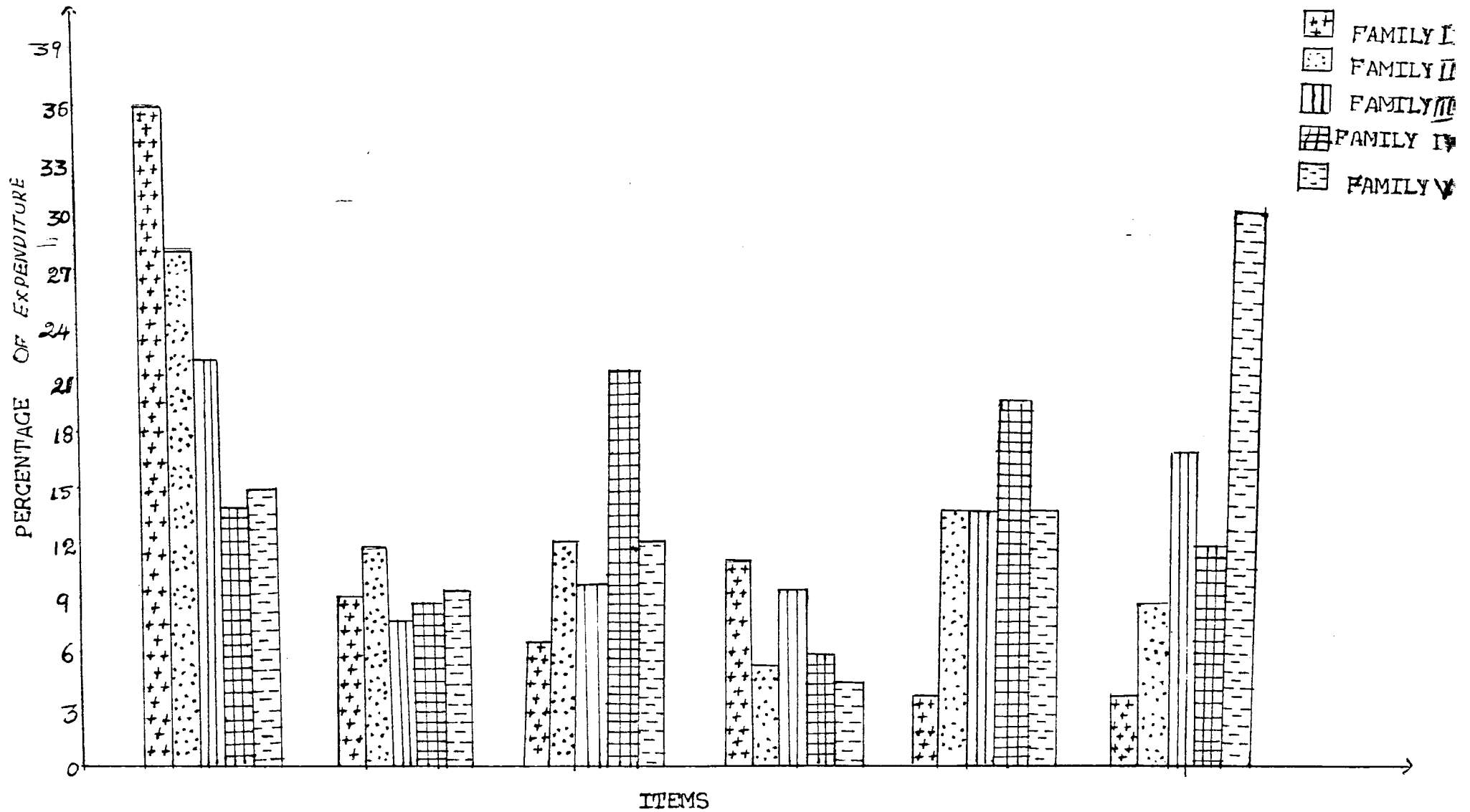


FIGURE - V  
 AVERAGE EXPENDITURE ON MAJOR ITEMS OF EXPANDING FAMILIES

When compare the expenditure of expanding families the percentage of money spent on food is not decreasing with the increase in income because there is only a slight variation in the income of the families. As income increases the percentage spent on saving to some extent increases. Percentage spent on household operations and transport remains the same.

2. Comparison of monthly income, and expenditure and savings of beginning and expanding families are given in Table XLIII and Figure 6

TABLE XLIII

COMPARISON OF INCOME AND EXPENDITURE AND SAVINGS OF BEGINNING AND EXPANDING FAMILIES

Sl. No.	FAMILIES	BEGINNING					EXPANDING				
		MONTHLY INCOME	EXPENDITURE	PERCENT AGE	SAVINGS	PERCENT AGE	MONTHLY INCOME	EXPENDITURE	PERCENT AGE	SAVINGS	PERCENT AGE
1.	I	1300	1250	96	50	4	3550	3033	85	517	15
2.	II	1700	1550	91	150	9	3725	2725	73	1000	27
3.	III	2500	2067	83	433	17	4000	3000	75	1000	25
4.	IV	3610	3170	88	440	12	4000	3700	93	300	7
5.	V	4000	2833	71	1167	29	4300	3521	82	779	8

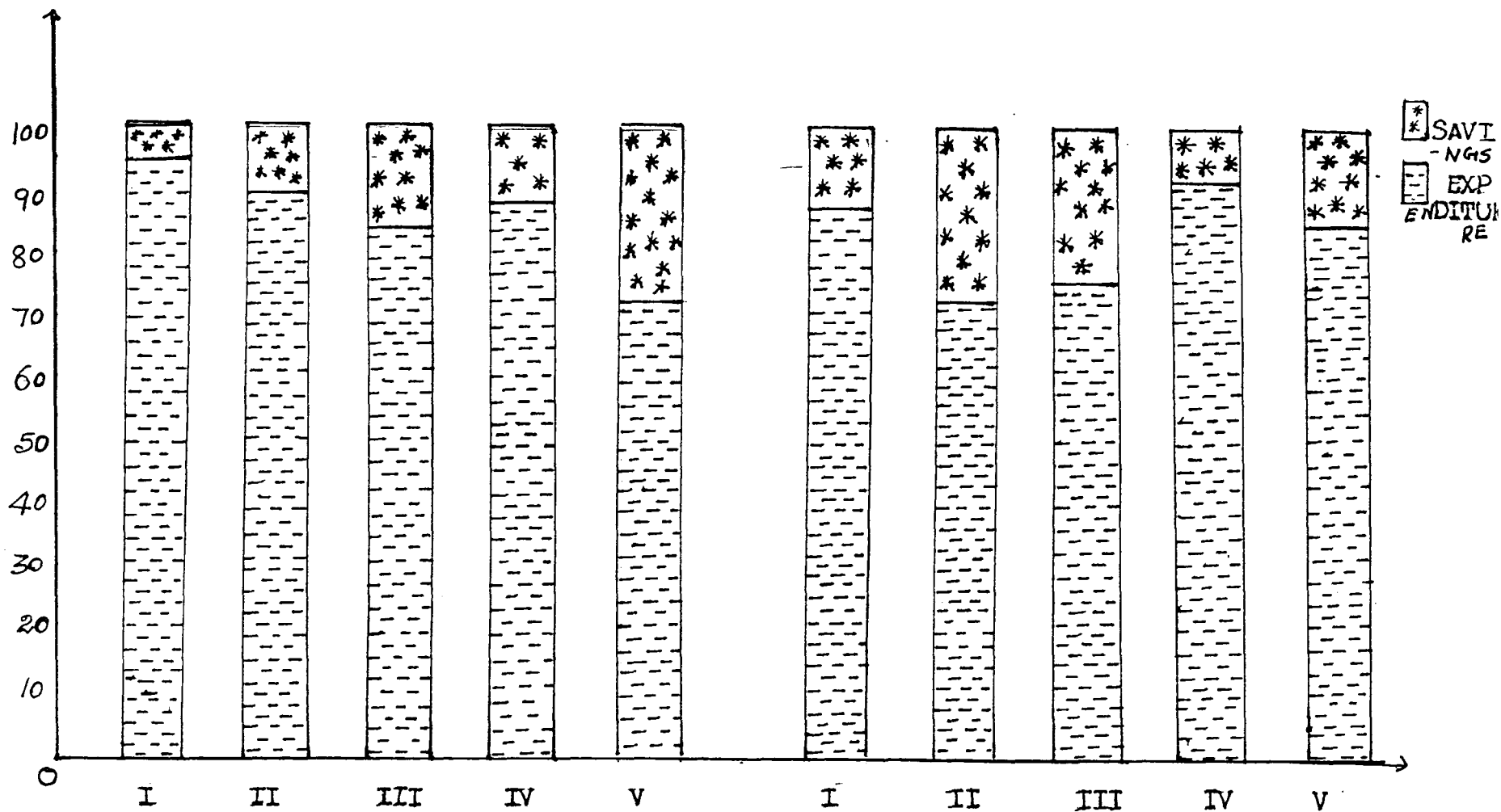


FIGURE - VI

INCOME, EXPENDITURE AND SAVINGS PATTERN OF SELECTED FAMILIES

The monthly income of selected five beginning families ranges between Rs.1300 to 4000. The monthly income of selected five expanding families ranges from Rs.3400 to 4300/- The necessity for saving was realised by all the families. The selected families were in the habit of saving regularly.

3. comparison of average expenditure pattern of beginning and expanding families.

Table XLIV and Figure 7 show the average expenditure pattern of beginning and expanding families.

TABLE XLIV

## 5. AVERAGE EXPENDITURE PATTERN OF BEGINNING AND EXPANDING FAMILIES

TABLE XLIV

S. No.	ITEMS	BEGINNING		EXPANDING	
		AMOUNT	PER- CENT AGE	AMOUNT	PER CENT AGE
1.	Food	517	20	853	22
2.	Clothing	227	9	239	6
3.	Shelter	366	14	250	6
4.	Household operation	52	2	86	2
5.	Transport	172	7	256	7
6.	Personal expenses	69	2	153	4
7.	Fuel and lighting	102	4	256	7
8.	Health	95	4	178	5
9.	Education	-	-	216	6
10.	Recreation	127	5	151	4
11.	Functions and Festivals	309	14	335	9
12.	Loans repaid	-	-	158	4
13.	Savings	448	17	719	18
14.	Miscellaneous	68	2	64	1

Beginning families spend

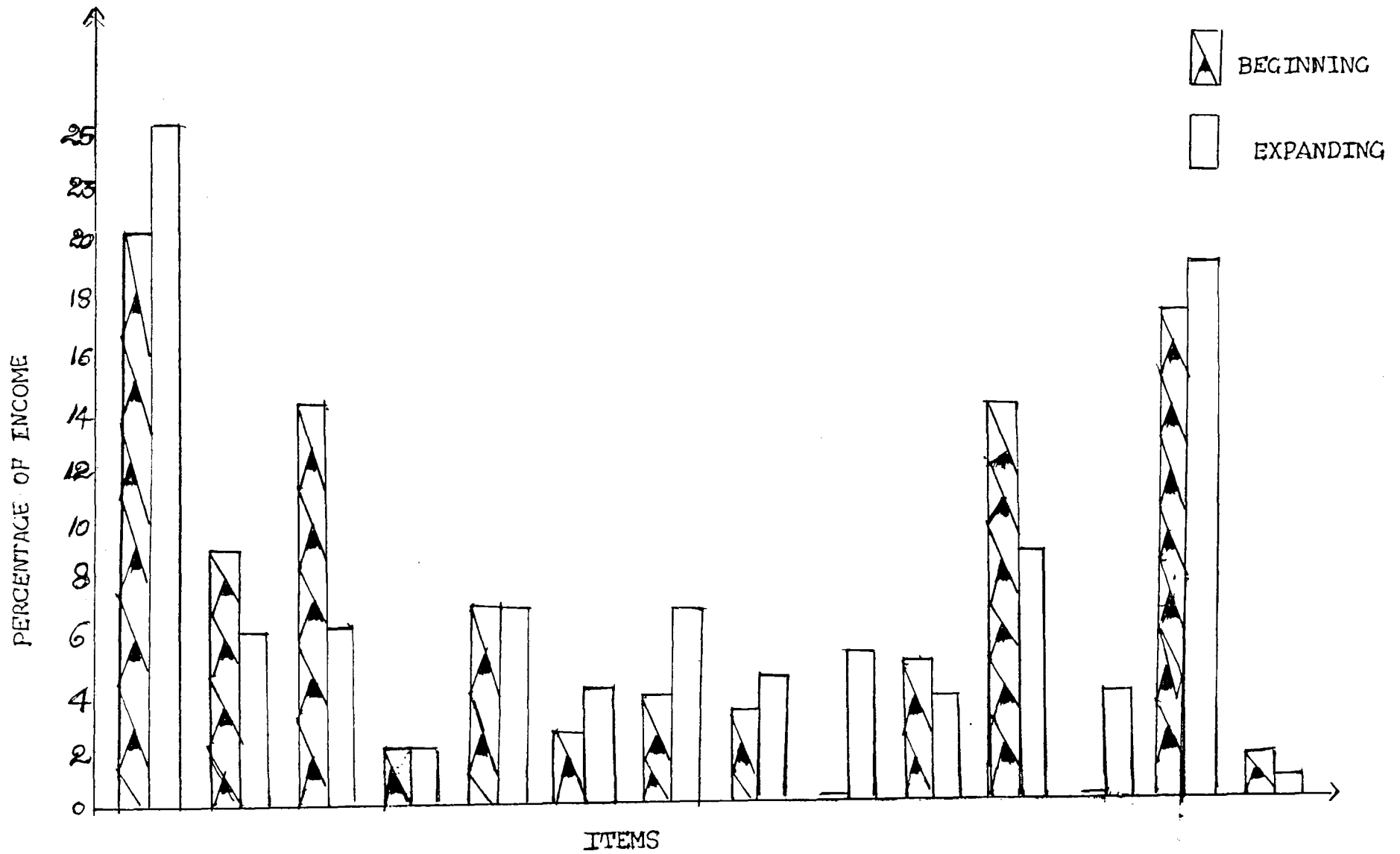


FIGURE -VII

AVERAGE EXPENETURE PATTERN OF BEGINNING AND EXPANDING FAMILIES

more on food, shelter, functions and festivals and savings. Since they do not have other expenses they like to celebrate more functions and festivals.

Expanding families spend more on food, fuel and lighting health and education. This may be due to additional members in the families.

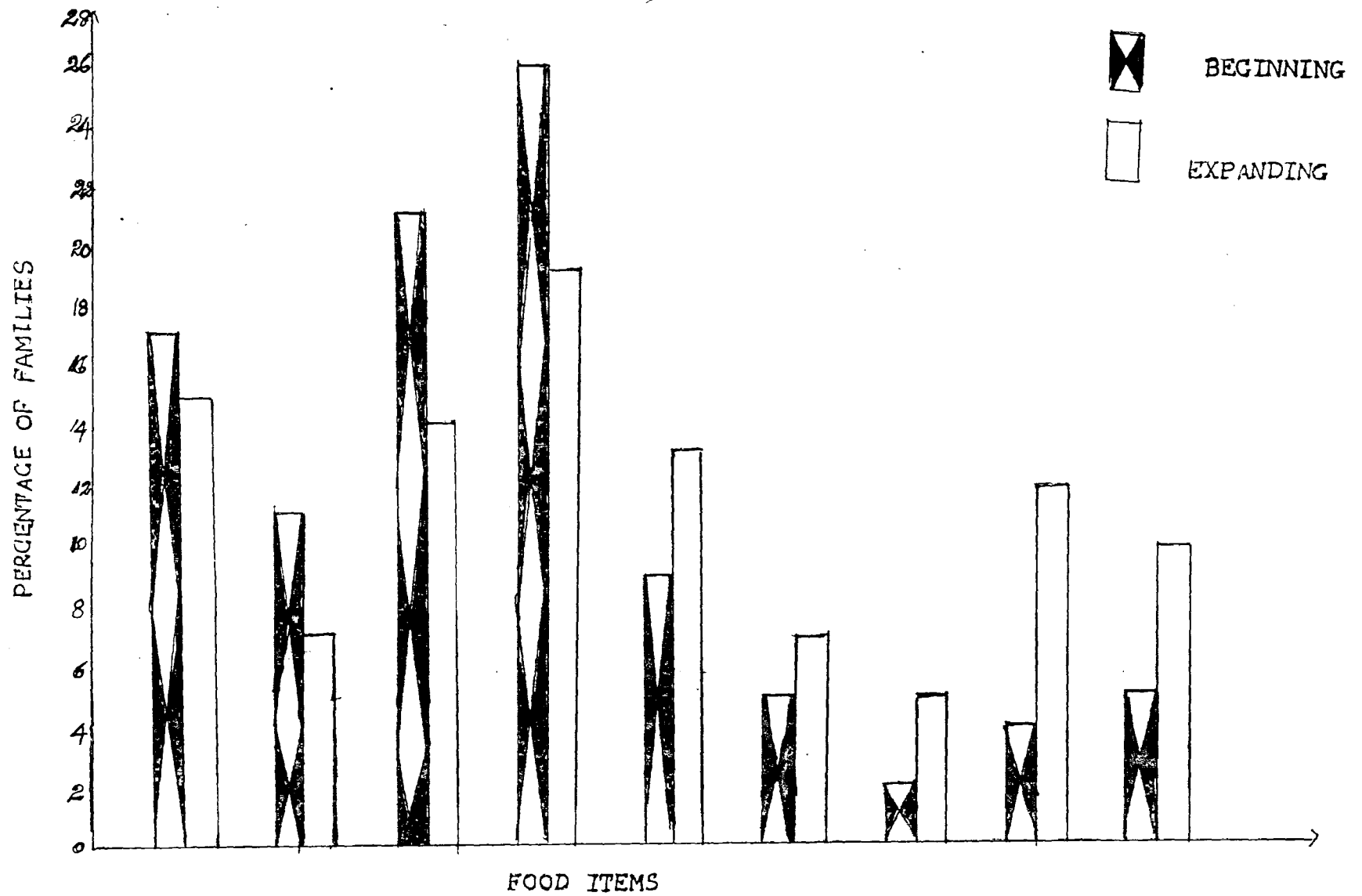
4. Comparison of food expenditure of beginning and expanding families

The details are given in Table XLV and Figure 8

TABLE XLV

AVERAGE FOOD EXPENDITURE OF BEGINNING AND EXPANDING FAMILIES					
		FOOD EXPENDITURE			
S.NO.	ITEMS	BEGINNING		EXPANDING	
		AMOUNT	PERCENTAGE	AMOUNT	PERCENTAGE
1.	Cereals	85	17	129	15
2.	Pulses	56	11	63	7
3.	Vegetables & Fruits	105	21	127	14
4.	Milk and Milk product	47	9	101	19
5.	Oils and fats	47	9	101	11
6.	Sugar & Jaggery	25	5	62	7
7.	Spices and condiments	12	2	551	5
8.	Meat, fish and Poultry	22	4	1102	12
9.	Convenience food	25	5	20	10

The average expenditure on milk and milk products occupies the first place both in beginning and expanding families. Seventeen per cent and 15 per cent were spent on cereals by beginning and expanding families respectively.



FOOD ITEMS

FIGURE - VIII

COMPARISON OF FOOD EXPENDITURE OF BEGINNING AND EXPANDING FAMILIES

## Summary and Conclusion

## V SUMMARY AND CONCLUSION

For the present study on 'Income and Expenditure Pattern of the Selected Families in Coimbatore City. 50 families - 25 beginning and 25 expanding families were surveyed in Coimbatore City. Five beginning and five expanding families were selected to conduct the indepth study on expenditure pattern.

The find<sup>ings</sup> of the survey are summarised as follows:

1. All the families selected were of nuclear type
2. All heads and homemakers of the selected families were employed. A majority of them were teachers. The monthly income of the families ranged between Rs.1,500 and Rs.4,500. The major source of income was money income in the form of salary.
3. All of them planned their income for better standard of living
4. The analysis indicated that 10 to 45 per cent of the money had been spent on food. Expanding families were spending more when compared to beginning families.
5. Fifty six per cent of each of beginning and expanding families were living in rented houses. The expenditure on shelter ranged from 5 five to fifteen per cent.

A majority of beginning and expanding families were spending upto three per cent of their income on shelter.

6. Beginning families were spending more on clothing than expanding families. Since they have no other commitments at this stage.
7. Expanding families were spending more on household operations than beginning families due to the extra attention needed in the household.
8. Gas was used for cooking, electricity for lighting by all the families and kerosene, charcoal and fire-wood were used for heating water in few families. The expenditure on fuel and lighting ranged from 0-6 per cent.
9. The expenditure on transport ranged from 0-25 per cent Those who have own vehicles spent more than others.
10. Five per cent of the money was allotted for personal expenses.
11. The expanding families spent more on health since they have young children who needs medical attention.
12. Only expanding families were spending on education. The amount spent on education was very less upto 2 per cent because the children were studying at the middle school level.

13. The beginning families spent more on recreation than expanding families, due to the availability of time and money.
14. The expenditure on functions and festivals ranged from 0-10 per cent.
15. Loans were taken by few families to construct house, to purchase the vehicles, to start the business or to purchase jewellery.
16. Savings occupied a regular monthly feature in the expenditure pattern by majority of the families.

In the case study 10 families(5 beginning, 5 expanding) maintained their accounts for three months. The aspect revealed the following conclusion.

1. As income increase<sup>d</sup> the percentage money spent on food decrease<sup>d</sup>. As income increase<sup>d</sup> the percentage spent on savings, increase<sup>d</sup> percentage spent on household operation, transport, remaine<sup>d</sup>/the same.
2. Beginning families spent more on food, shelter, function and festivals and savings. Since they do have other expenses at the stage. The expanding

families spent more on food fuel and lighting, health and education due to presence of additional members in the families.

3. Comparison of food expenditure, revealed that the average expenditure on milk and milk products occupied was more both in beginning and expanding families.
4. The necessity for savings was realised by all the families. The selected families were in the habit of saving regularly.

"Small drops make the ocean"

The study on income and expenditure pattern highlighted that savings formed a prominent place in all the families indicating a healthy habit in making their homes as well as nation a prosperous one.

Further studies can be undertaken to compare the other stages of life cycle, and also with fluctuating income.

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## Appendices

## APPENDIX

SRI AVINASHILINGAN HOME SCIENCE COLLEGE (AUTONOMOUS)  
FOR WOMEN, COIMBATORE-641043

Interview schedule to Elicit Information on Income and  
Expenditure pattern of Selected Families

Name of the Place: \_\_\_\_\_ :

Name of the Investigator: \_\_\_\_\_

Date of Interview \_\_\_\_\_ :

### I GENERAL INFORMATION:

1. Name of the Interviewee \_\_\_\_\_ :

2. Name of the Head of the  
Family \_\_\_\_\_ :

Religion \_\_\_\_\_ :

Address \_\_\_\_\_ :

3. Type of Family \_\_\_\_\_ : Joint  \_\_\_\_\_  
Nuclear  \_\_\_\_\_



5. Sources of Income

S.No.	Sources of Income	Amount per month		Annual Income	
		Rs.	Ps.	Rs.	Ps.

1. Salaries/Wages from main resource

2. Income from subsidiary sources

a. Land

b. Livestock

c. Rent

d. Interest

e(Others (Specify)

II. DETAILS ON EXPENDITURE PATTERN

a) Do you plan your expenditure : Yes  No

If yes, reasons:

If no, reasons:

If yes method

1)

2)

3)

4)

b) Type of budget

(a) Written method

(b) Mentally plan

(c) who will take decision regarding expenditure ?

A. FOOD EXPENDITURE :

S.No.	Food items	Quantity purchased for month	Amount spent	Sources purchase	Produced at home/freely	If obtained free source
1.	Cereals					
2.	Pulses					
3.	Vegetables					
4.	Fruits					
5.	Oils					
6.	Milk					
7.	Condiments					
8.	Meat, fish, Poultry					
9.	Convenient foods					
10.	Others (Specify)					

**B. EXPENDITURE ON HOUSE**

1. Type of House : Owned  Rented
2. If owned
- (a) Cost of construction :
  - (b) Tax/year :
  - (c) Electricity charges :
  - (d) Water charge :
  - (e) Cost of maintenance per year :
3. If rented
- (a) Amount of Rent/month :
  - (b) Electricity :
  - (c) Water :
  - (d) Other expenses :

**C. EXPENDITURE ON CLOTHING**

S.No.	Number of items	Weekly	Monthly	Yearly
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Tailoring charge : Rs.

Total expenditure on clothing : Rs.

D. FUEL EXPENDITURE

S.No.	Types of Fuel	Rs./month
1.	Fire wood	
2.	Kerosene	
3.	Gas	
4.	Electricity	
5.	Any other	

=====

b. Quantity of fuel used per month and purpose

S.No.	Fuel	Quantity of fuel used/ month	Amount/ month		Purpose for which use			
			Rs.	Ps.	Cooking	Heating	Water for	Lighting
					Drink	Bathing		
					ing			

=====

**E. EXPENDITURE ON EDUCATION**

Money spend on foollowing items

a) Fees

- 1) Tution fees
- 2) AYya fees
- 3) College fees
- 4) School
- 5) Transport

b) Uniform

c) Stationary

- a) Note Book
- b) Text books
- c) Pensils
- d) Rubber
- e) Pen
- f) Ink

Total expenditure on Education :

**F. EXPENDITURE ON HEALTH:**

How much will you spend on health?

- a) Tonics
- b) Tablets
- c) Transport charge .
- d) Doctor fees



**H. EXPENDITURE ON RECREATION:**

(1) What type of Recreational equipment do you have at home?

(a) Radio

(b) T.V.

(c) Vedio

(d) Veena

(e) Any others specify

(2) What is your main recreation?

(a) Movie

(b) Dramas

(c) Dance programmes

(d) Music programmes

(e) Others

(3) Are you a member of any recreational club? Yes

No

If yes

How much money spend on club?

**I EXPENDITURE ON FUNCTIONS AND FESTIVALS:**

(1) Functions

(a) Birth day

(b) Wedding day

(c) Any other specify

- (2) FESTIVALS
  - (a) Pongal
  - (b) Dewali
  - (c) Christmas
  - (d) Krishna Jayanthi
  - (e) Others

J. PERSONAL EXPENDITURE ON

- (1) Tabacco
- (2) Bettle nut
- (3) Drinks
- (4) Toilet items 
  - (a) Soap.
  - (b) Powder
  - (c) Oil
  - (d) Bindi
  - (e) Nail polish
  - (f) Any others: Specify
    - i. Sanitary napkins
    - ii. Shaving soap

K. EXPENDITURE ON MISCELLANEOUS ITEMS

- (a) Do you have a servant at home? Yes  No
- (b) If yes Number

(c) Servant Part time  Full time

(d) Dobby

(1) Washing

(2) Ironing

(e) Donation Temple  Orphanage

Any other expenses:

L. SAVINGS

(a)

1. Do you have the habit of saving regularly? Yes  No

2. Reasons

3. Methods of saving

S.No.	Methods	Frequency				Amount	
		Weekly	Monthly	Yearly	Rarely	Rs.	Ps.

1. Hundi

2. Chit funds

3. Post-office saving

4. Bank

5. Insurance

6. Provident fund

7. Shares

8. Others (Specify)

4. What are the purposes for which you are saving?

b. DEBTS

(1) Do you have debts? Yes  No

Purpose for which taken:

(2) Sources of debts

S.No.	Sources of debts	Stem	Amount outstanding pledged as on date	Mode	Repay
			Rs.	Ps.	
1.	Co-operative Societies				
2.	Banks				
3.	Ban Brokers				
4.	Advance from				
5.	Friends, relatives & Neighbourhood				
6.	Others (Specify)				