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**A Study of Consumption Expenditure Pattern of Scheduled Caste Households in Drought Prone Area and River Basin Area of Satara District: An Engel Perspective****Dr. Yogesh Balu Shikhare**

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**Abstract:**

*The British decision to leave the European Union is seen by many as a rejection of globalization, although the thumbs down was on free movement of labour within the bloc and not on free trade or unrestricted flow of capital within. At the same time, world's largest democracy India was preparing to mark its 25<sup>th</sup> anniversary of joining the list of globalizing nations. While lifting India's GDP, globalization has increased an already gap between a rich minority and poor majority. Thus this paper tried to evaluate the variation in consumption expenditure of scheduled caste households in drought prone and river basin area of Satara district. Examination of the consumption expenditure on each food and each non-food has been done by estimating Engel ratios based on primary data for sample scheduled caste households in drought prone area and river basin area of Satara district.*

**keywords:** Consumption, Engel Ratio, Food, GDP, Globalization, Non-Food.

**I) Introduction:**

The analysis of consumption expenditure pattern overtime would help in designing appropriate policies related to food and non-food. Due to increasing impact of liberalization, privatization and globalization family lifestyle change, Foods and non-foods are the most important item of the consumption basket; an analysis of the consumption expenditure pattern over time has a special significance which is the most important component for poor segment of society. Consumption expenditure pattern is an excellence indicator of economic well-being of people. If the society is rich will be made on comfort, luxury commodity as well as, if the society is at substance level, people will spend more on food rather than non-food. According to Engels law, the poorer the family greater proportion of its total income devoted to provision of food.

**II) Research Problem:**

India is a developing country where low infrastructural development coupled with high population growth has made the lives of many poor people very difficult. Although India has been "reforming" since 1991, almost nobody seems to be satisfied with either the progress or the outcome. In spite of liberalization, privatization and globalization there are wide ranges of variation in consumption expenditure in different income group of households. The benefits of LPG go to higher income group of household in rural India. In case of medical expenses and other necessary expenses are far away from these deprived masses which show a direct relationship with level of income. Hence the researcher has selected the topic for his study entitled "A Study of Consumption Expenditure Pattern of Scheduled Caste Households in Drought Prone Area and River Basin Area of Satara District: An Engel Perspective"

**III) Objectives:**

- 1) To examine the consumption expenditure pattern of scheduled caste households on food, non-food and total expenditure.
- 2) To suggest various methods or policies to increase income and standard of living.

**IV) Research Methodology:**

- a) Sample Size: Total 600 sample households were randomly selected for study. Out of 600 sample households, 300 sample households were selected from drought prone region and 300 from river basin region. This sample size constitute of 2.05% rural scheduled caste households from study area
- b) Methodology and Tools of Analysis: Examination of consumption expenditure pattern of scheduled caste households from drought prone region and river basin region of the Satara district is done by analyzing distribution of population by Monthly Per Capita Consumption Expenditure. Examination of the variation in consumption expenditure on each food and each non-food has been done by estimating Engel ratios based on primary data for drought prone area and river basin area sample households in Satara district.

**V) Consumption Expenditure Pattern of Scheduled Caste Households in Drought Prone and River Basin Area of Satara District: An Engel Ratio Analysis**

Table 1.1 and 1.2 indicates Engle ratio at the disaggregate level for comparable expenditure class. Consumption expenditure pattern of scheduled caste households in the drought prone region and river basin region are presented with different comparable monthly per capita expenditure classes.

In the lowest MPCE class ₹ 500-1000, among food items the estimated Engle ratios are found to be the higher for river basin region households for items pulse and pulse product, milk and milk product, sugar, meat, fish and eggs, vegetable, fruits, beverage and cooked food and lower for cereal, edible oil, spices and salt. On the other hand for non-food items the Engel ratio is found higher in river basin region for the items pan, tobacco and intoxicate, fuel and light, footwear, entertainment and traveling and lower for clothing education, medical personal care and durable goods.

**TABLE NO: 1.1 Engel ratio at the disaggregate level for comparable expenditure classes in Drought prone region**

Items	500-1000	1000-1500	1500-2000	2000-2500	Above 2500	General population
Cereal	28.23	27.86	28.45	27.90	28.96	28.26
Pulse & pulse product	3.50	3.59	3.48	4.13	4.34	3.66
Milk & milk product	2.41	2.42	2.37	2.25	2.12	2.35
Sugar	1.42	1.60	1.66	1.71	1.75	1.61
Edible oil	2.83	2.89	2.79	2.83	2.65	2.81
Meat, fish, eggs	3.36	3.51	3.46	3.60	3.67	3.48
Vegetable	3.25	3.41	3.50	4.28	3.99	3.56
Fruits	1.22	1.41	1.75	1.73	1.64	1.55
Spices	2.76	2.65	2.49	2.32	2.07	2.53
Beverage	0.93	0.86	1.31	1.43	1.31	1.15
Salt	0.20	0.17	0.15	0.16	0.18	0.17
Cooked food	1.02	1.46	1.71	1.74	1.78	1.50
Food total	51.18	51.90	53.18	54.14	54.52	52.69
Pan, tobacco, intoxicate	3.01	2.80	2.81	1.92	1.82	2.66
Fuel & light	6.33	6.10	6.00	5.60	5.48	6.00
Clothing	8.86	8.85	8.47	8.86	9.07	8.74
Footwear	4.45	4.56	4.06	4.58	5.00	4.40

Education	5.21	5.13	4.75	4.68	4.27	4.88
Medical	3.39	3.69	3.49	3.28	3.12	3.44
Entertainment	2.27	2.45	2.31	2.17	2.15	2.30
Personal care	1.30	1.79	1.74	1.63	1.50	1.61
Traveling	2.82	3.21	3.24	3.75	4.10	3.27
Durable goods	11.11	9.47	9.88	9.34	8.92	9.95
Non-food total	48.80	48.09	46.81	45.85	45.47	47.30
Total expenditure	100	100	100	100	100	100

Source: Compiled by Researcher

**TABLE NO: 1.2 Engel ratio at the disaggregate level for comparable expenditure classes in River basin region**

Items	500-1000	1000-1500	1500-2000	2000-2500	Above 2500	General population
Cereal	26.84	27.01	28.78	28.20	29.25	28.00
Pulse & pulse product	4.61	4.52	4.40	4.42	4.14	4.44
Milk & milk product	2.84	3.11	2.96	3.45	3.45	3.09
Sugar	1.96	2.09	2.00	2.12	2.11	2.04
Edible oil	2.16	2.30	2.28	2.50	2.50	2.31
Meat, fish, eggs	3.85	3.96	4.09	4.35	4.34	4.08
Vegetable	3.75	3.75	3.86	3.97	3.88	3.83
Fruits	2.14	2.31	2.32	2.43	2.38	2.30
Spices	2.14	2.10	2.09	2.12	1.94	2.09
Beverage	1.02	1.08	1.17	1.31	1.31	1.15
Salt	0.17	0.15	0.19	0.14	0.13	0.14
Cooked food	1.53	1.71	1.76	1.93	1.98	1.75
Food total	53.05	54.15	55.89	56.99	57.46	55.29
Pan, tobacco, intoxicate	4.04	3.63	3.30	2.09	1.59	3.17
Fuel & light	6.86	6.36	6.07	5.63	5.24	6.13
Clothing	8.49	8.30	7.49	8.01	7.58	7.93
Footwear	4.47	4.25	4.04	3.70	3.40	4.05
Education	4.36	4.16	4.40	4.51	4.12	4.32
Medical	2.35	2.44	2.55	2.78	2.58	2.52
Entertainment	2.39	2.36	2.35	2.16	1.94	2.29
Personal care	1.28	1.42	1.43	1.38	1.30	1.38
Traveling	3.51	3.51	3.32	3.45	3.60	3.44
Durable goods	9.15	9.37	9.13	9.26	11.15	9.42
Non-food total	46.94	45.84	44.10	43.00	42.53	44.70
Total expenditure	100	100	100	100	100	100

Source: Compiled by Researcher

Considering second MPCE class ₹ 1000-1500, Engel ratio are found to be lower in the river basin region for food items, cereals, edible oil, spices, salt and higher for pulse and pulse product, milk and milk product, sugar meat, fish and eggs, vegetable, fruits and cooked food. On the other hand for

non-food items the Engle ratio is found lower in river basin region for the items clothing, footwear, education, entertainment, medical, personal care and durable goods and higher for pan, tobacco and intoxicate, fuel and light, traveling.

In the third MPCE class ₹ 1500-2000 estimated Engel ratio are found to be lower in the drought prone region for food items cereals, pulse and pulse product, milk and milk product, sugar, vegetable, fruits, salt and cooked food and higher for edible oil, spices and beverages.

Among non-food items pan, tobacco and intoxicate, fuel and light, entertainment and traveling and higher for clothing, footwear, education, medical, personal care and durable goods.

Considering the fourth MPCE class ₹ 2000-2500 estimated Engel ratios are found to be higher in river basin region for food items cereal, pulse and pulse product, milk and milk product, sugar, meat, fish and eggs, fruits and cooked food lower for edible oil, vegetable, spices, beverage, salt. On the other hand for non-food items Engle ratio is higher in river basin region for non-food items pan, tobacco, intoxicate, fuel and light and lower for clothing, footwear, education, medical, entertainment, personal care, traveling, durable goods.

For the highest expenditure class ₹ above 2500 estimated Engel ratios are found to be lower in drought prone region for food items, cereal, milk and milk product, sugar, meat, fish and eggs, fruits and cooked food and higher for pulse and pulse product, edible oil, vegetable, spices, beverage, salt.

Among non-food items Engel ratio is lower in drought prone region on the only durable goods and higher for pan, tobacco and intoxicate, fuel and light, clothing, footwear, education, medical, entertainment, personal care and traveling.

#### **VI) Findings:**

- The estimated value of Engel ratio indicates that a drought prone region and river basin region difference in MPCE is only marginal for various items.
- Among food items Engel ratio on the items pulse and pulse product, milk and milk product, sugar, meat, fish and eggs, vegetable, fruits and cooked food purchased, river basin region sample household's expenditure exceeded drought prone region. There is no significance difference in food expenditure in both regions.
- Among non-food items, Engel ratio on the item pan, tobacco and intoxicant, fuel and light, travelling river basin region sample house household's expenditure exceed drought prone region sample household's expenditure. Engel ratio for other food and non-food items does not exhibit much variation in river basin region and drought prone region.

#### **VII) Conclusion:**

It is observed that, consumption expenditure for food items is higher than non-food items. A panoramic view of the study indicates that advance of NEP has been smooth. Increased GDP growth has come at the cost of ever-widening inequality. Grassroots resistance to NEP in India's democratic environment has made its progress intermittent. While lifting India's GDP, liberalization, privatization and globalization has increased wide gap between a consumption of higher expenditure class and lower expenditure class.

#### **Suggetion:**

- The present educational facilities provided by government to scheduled caste development should be continued.
- It is suggested that establish small scale and cottage industries at central places of drought prone region it will help to get employment opportunities to people from drought prone region.



- Drought prone region farmers need access to crop insurance so they can rebound from crop failure.
- It is suggested that there is need for taking some special drive on the part of the Non-government Organization (NGOs) and Voluntary organization to motivate the intoxicated addicted to give up such kind of habits. This will not only help to improve standard of living but also goes a long way in the process of welfare maximization of the society.

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