

PRESS NOTE ON

HOUSEHOLD CONSUMER EXPENDITURE IN INDIA, 2005-06



NATIONAL SAMPLE SURVEY ORGANISATION

MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION

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"Household Consumer Expenditure in India, 2005-06"- Report No. 523 based on the data of 62nd round survey of National Sample Survey Organisation (NSSO) in the Ministry of Statistics and Programme Implementation, Government of India, has been released. The field work of the survey was carried out during July 2005-June 2006. Data collected included commodity-specific information on 148 items of food, 13 items of fuel, 28 items of clothing, bedding and footwear, 18 items of educational and medical expenses, 52 items of durable goods, and about 85 other items. The present report contains the information on distribution of households and persons by 12 classes of household monthly per capita consumer expenditure (MPCE), average MPCE, composition of MPCE by item category (cereals, pulses, clothing, etc.), quantity and value of per capita consumption of different cereals, distributions of households or persons by other characteristics such as educational level, structure and area of dwelling unit, and energy sources used for cooking and lighting etc. The estimates are provided separately for rural and urban sectors at State level as well as for all-India. No separate estimate is provided for small States & UT's due to small sample size, instead, in such cases the estimates have been provided for a group of States/ UT's.

The survey covered the whole of the Indian Union except (i) Leh (Ladakh) and Kargil districts of Jammu & Kashmir, (ii) interior villages of Nagaland situated beyond 5 kilometres from the bus routes and (iii) villages in Andaman and Nicobar Islands which remain inaccessible throughout the year. The survey was spread over a randomly drawn sample of 39436 households spread over 4750 villages and 5120 urban blocks,

The earlier survey on the same subject was the NSS 61st round quinquennial survey (2004-05) spread over 7999 villages and 4602 urban blocks covering 1,24,644 households (79,298 in rural areas and 45,346 in urban areas) and enumerating 6,09,736 persons. The main characteristics associated with household consumer expenditure are broadly comparable at the national level. However, at State/UT level comparison of the results of this round with the quinquennial round on some of the characteristics needs to be attempted with due caution.

Some of the important findings of the survey are given below:

- o In 2005-06, nearly 19% of the Indian rural population belonged to households with monthly per capita consumption expenditure (MPCE) less than Rs.365, that is, spending less than Rs.12 per person per day on consumption, at 2005-06 prices.
- o In urban India, 22% of the population belonged to households with monthly per capita expenditure less than Rs.580 (about Rs.19 per person per day).
- o Average monthly per capita consumer expenditure (average MPCE) in 2005-06 was Rs.625 in rural India and Rs.1171 in urban India at 2005-06 prices.
- o Out of every rupee spent in 2005-06 by the average rural Indian on consumption, 53 paise was spent on food. Of this, 17 paise was spent on cereals and cereal substitutes, 8 paise on milk and milk products, 6 paise on vegetables, 5 paise on sugar, salt and spices, and 4 paise on beverages, refreshments, processed food and purchased meals.
- o Out of every rupee spent in 2005-06 by the average urban Indian on consumption, 40 paise was spent on food. Of this, 9 paise was spent on cereals and cereal substitutes, 7 paise on milk and milk products, 6 paise on beverages, refreshments and processed food, and 4 paise on vegetables.
- o Value of average food consumption per person in urban areas was within the range Rs.451-Rs.500 per month in 7 out of 17 major States. In respect of rural food consumption, 13 major States belonged to the range Rs.251-400.
- o Average quantity of cereals consumed per person per month in 2005-06 was 11.9 kg in rural areas and 9.8 kg in urban areas.
- o About 19% of rural households lived in katcha structures (both roof and walls made of katcha materials). About 50% lived in pucca structures (both roof and walls made of pucca materials). The remaining 31% of rural households lived in semi-pucca structures, that is, structures of which either the roof or the walls (but not both) were made of pucca materials.
- o In urban India, the percentage of households using LPG as the major fuel for cooking was in the range of 40-75% in all the major States. In rural India, 74% of households continued to depend on firewood and chips as their major cooking fuel. About 9% used dung cake and another 9% used LPG.
- o About 56% of households in rural India used electricity for lighting while 42% used kerosene.
- o The average rural and urban MPCE for major States and All India is given in the Annex.

This report is also available in the website (www.mospi.gov.in) of Ministry of Statistics and Programme Implementation.

Annex

Average rural and urban MPCE in the major States and at All India level, 2005-06

State	Average MPCE (Rs.)	
	Rural	Urban
(1)	(2)	(3)
Andhra Pradesh	704	1304
Assam	626	1352
Bihar	465	684
Chhattisgarh	429	1214
Gujarat	684	1105
Haryana	743	1156
Jharkhand	469	1093
Karnataka	573	1154
Kerala	1056	1566
Madhya Pradesh	487	982
Maharashtra	697	1342
Orissa	460	900
Punjab	1010	1520
Rajasthan	701	1004
Tamil Nadu	688	1171
Uttar Pradesh	570	908
West Bengal	583	1233
All India	625	1171