

SM255M - MACRO ECONOMICS

Analysis of State level rural and urban growth of Consumption using NSSO data of MoSPI



1. N Yaswanth - 221CS232
2. Adithya M - 221CV104
- Team Members:**
3. Srujan Shantagouda Mukund - 221EE253
4. Shashank J Shetty - 221EE247
5. Hazik Kirmani - 221

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Introduction

The Household Consumption Expenditure Survey (HCES) serves as a vital mechanism for capturing comprehensive data on the consumption patterns of households. Its primary aim is to gather detailed information regarding the expenditures made by households across various goods and services. In addition to tracking expenditure, the survey also collects auxiliary data pertaining to household characteristics and demographic details. This auxiliary information encompasses factors such as household income, size, composition, education levels, employment status, and geographical location, providing a holistic view of household dynamics. By delving into the data obtained through HCES, economists and policymakers can glean valuable insights into the consumption behavior of households. This includes discerning trends in spending, identifying preferences for different types of goods and services, and tracking changes in consumption patterns over time. Furthermore, HCES data plays a pivotal role in assessing the standard of living and overall well-being of households. By analyzing the types of goods and services that households are able to afford, policymakers can gauge economic status and quality of life indicators.

One of the critical uses of HCES data lies in the calculation of official Consumer Price Indices (CPIs). The survey collects information on the budget shares allocated by households to different commodity groups, which is then utilized to construct weighting diagrams determining the relative importance of various goods and services in the CPI basket. Moreover, HCES data is instrumental in deriving a plethora of other macroeconomic indicators, including measures related to inflation, poverty levels, income distribution, and overall economic growth.

The decision to conduct consecutive surveys for 2020-21 and 2021-22 was made to evaluate the appropriateness of revising the 'base year' used in calculating macroeconomic indicators. However, the outbreak of the Covid-19 pandemic disrupted these plans, leading to the postponement of the 2020-21 survey. The first survey of the consecutive series commenced in August 2022 and continued until July 2023, once conditions were deemed conducive for conducting fieldwork. In essence, HCES serves as an invaluable tool for policymakers, researchers, and analysts in understanding household behavior, assessing economic conditions, and formulating evidence-based policy interventions.

Background [1]

The National Sample Survey Office (NSSO) is an institution responsible for conducting household surveys on consumption and consumer expenditure at regular intervals. These surveys, known as rounds, typically last for one year. Since the inception of the National Sample Survey (NSS) in 1950-51, data on household consumer expenditure has been collected in every round up to the 28th round (1973-74). After the 26th round of the survey, the Governing Council of NSSO made a decision to conduct surveys on consumer expenditure and employment-unemployment together on a large scale, once every five years. This led to the introduction of quinquennial surveys, where data on consumption and employment were collected comprehensively and published in the subsequent rounds of NSS, roughly at 5-year intervals.

The quinquennial surveys on household consumption expenditure were conducted and results were published in the following rounds of NSS: 27th (1972-73), 32nd (1977-78), 38th (1983), 43rd (1987-88), 50th (1993-94), 55th (1999-00), 61st (2004-05), 66th (2009-10), and 68th (2011-12). These surveys provided valuable insights into consumption patterns, expenditure trends, and the standard of living of households at periodic intervals.

The latest survey on household consumption expenditure is the one conducted in 2022-23, titled "Household Consumption Expenditure Survey" (HCES). This survey aims to collect up-to-date and comprehensive data on the consumption behavior of households, their expenditure patterns, and the factors influencing their consumption decisions. The data collected in HCES 2022-23 will serve as a crucial source of information for policymakers, researchers, and analysts to analyze and understand the dynamics of household consumption in the current economic landscape.

Coverage

The Household Consumption Expenditure Survey conducted in 2022-23 has achieved comprehensive coverage across the Indian Union, with the exception of a few inaccessible villages in the Andaman and Nicobar Islands. The survey has reached a vast geographic expanse, gathering information from 8,723 villages and 6,115 urban blocks spread across the entire country. This extensive coverage ensures that data is collected from diverse regions, reflecting the varied economic and social dynamics present in different parts of India. In total, the survey has targeted 2,61,746 households, comprising 1,55,014 households in rural areas and 1,06,732 households in urban areas. By including both rural and urban settings, the survey captures a comprehensive picture of household consumption patterns and expenditure behavior across different demographic and geographical contexts.

The inclusion of such a large number of households and geographical areas enhances the representativeness and reliability of the survey findings. It allows policymakers, researchers, and analysts to gain insights into consumption trends, economic disparities, and standard of living across rural and urban India. The data collected from this extensive survey serves as a valuable resource for informed decision-making, policy formulation, and economic analysis aimed at addressing the diverse needs and challenges faced by households in the country.

I. Estimation of MPCE [2]

The summary of the level of household consumption expenditure, as measured by Monthly Per Capita Consumption Expenditure (MPCE) during 2022-23, is presented in this section. The estimates of MPCE presented here have been generated without imputing the value figures of the items (as mentioned in Para (b) of Page 5) received free by the households through various social welfare programs. The estimates of MPCE along with break-up by item groups and comparison with some previous NSS rounds are discussed here at all-India level. In addition, the estimates of average MPCE for the States and UTs are also included.

Average MPCE: All-India

Average estimated MPCE in 2022-23 has been Rs. 3,773 in rural India and Rs. 6,459 in urban India. The share of food and non-food items in total MPCE is shown below in table1.

Item Group	Rural India		Urban India	
	Average MPCE (Rs)	Share (%)	Average MPCE (Rs)	Share (%)
Food	1,750	46	2,530	39
Non-food	2,023	54	3,929	61

Table 1: Average MPCE (Rs.) and share of food and non-food items: All-India

1. The bottom 5 % of India's rural population, ranked by MPCE, has an average MPCE of Rs. 1,373 while it is Rs. 2,001 for the same category of population in urban areas.
2. The top 5 % of India's rural and urban population, ranked by MPCE, has an average MPCE of Rs. 10,501 and Rs. 20,824, respectively.
3. Among the states, MPCE is the highest in Sikkim for both rural and urban areas (Rural – Rs. 7,731 and Urban – Rs. 12,105). It is the lowest in Chhattisgarh (Rural – Rs. 2,466 and Urban – Rs. 4,483).
4. The rural-urban difference in average MPCE, among the states is the highest in Meghalaya (83%) followed by Chhattisgarh (82%).
5. Among the UTs, MPCE is the highest in Chandigarh (Rural – Rs. 7,467 and Urban – Rs. 12,575), whereas, it is the lowest in Ladakh (Rs. 4,035) and Lakshadweep (Rs. 5,475) for rural and urban areas respectively.

Trend in level of consumption (average MPCE): All-India

The table 2 below shows a comparison of the estimates of all-India average MPCE from the last four quinquennial surveys of consumption expenditure and HCES: 2022-23.

Sector	Average MPCE (Rs.)				
	1999-'00	2004-05	2009-10	2011-12	2022-23
Rural	486	579	1,054	1,430	3,773
Urban	855	1,105	1,984	2,630	6,459
Difference as % of Rural MPCE	75.9	90.8	88.2	83.9	71.2

Table 2: Average MPCE (Rs.) over Different Periods

Trend in share of consumption of cereals and food items in average MPCE: All-India

The table 3 below shows the percentage share of ‘cereals’ and ‘all food items together’ in average MPCE at all-India level since 1999-00

Period	Rural		Urban	
	% share of cereals in avg. MPCE	% share of food in avg. MPCE	% share of cereals in avg. MPCE	% share of food in avg. MPCE
1999-00	22.23	59.40	12.39	48.06
2004-05	17.45	53.11	9.63	40.51
2009-10	13.77	56.98	8.16	44.39
2011-12	10.75	52.90	6.66	42.62
2022-23	4.91	46.38	3.64	39.17

Table 3: Percentage Share of Cereals in Average MPCE

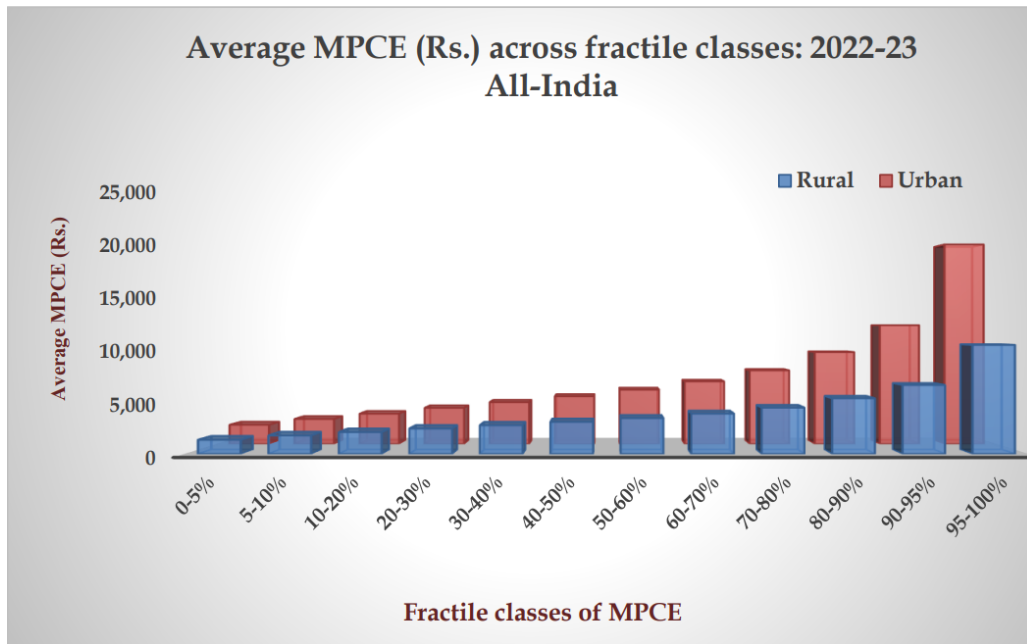
Note: For the years 1999-00 & 2004-05, the percentage shares are based on MRP estimates and for the years 2009-10, 2011-12 and 2022-23, these are based on MMRP estimates.

Average MPCE across the fractile classes of MPCE in 2022-23: All-India

Fractiles and fractile classes of MPCE: For any fraction f ($0 \leq f \leq 1$), the corresponding fractile of the distribution of MPCE (Y) is the level of MPCE, say, Y_f such that the proportion of population whose household MPCE lies below Y_f is f . A fractile class of MPCE is a segment of the population lying within two fractiles f_1 and f_2 . The estimates of average MPCE, at all-India level, across different fractile classes of MPCE is provided below in table 4.

Fractile class of MPCE	Rural	Urban
	Average MPCE (Rs.)	Average MPCE (Rs.)
0-5%	1,373	2,001
5-10%	1,782	2,607
10-20%	2,112	3,157
20-30%	2,454	3,762
30-40%	2,768	4,348
40-50%	3,094	4,963
50-60%	3,455	5,662
60-70%	3,887	6,524
70-80%	4,458	7,673
80-90%	5,356	9,582
90-95%	6,638	12,399
95-100%	10,501	20,824
All Classes	3,773	6,459

Table 4: Average MPCE in Rural and Urban Areas



Absolute and percentage break-up of MPCE by item groups in 2022-23: All-India

The following table shows the average MPCE and percentage break-up of MPCE by the item groups at all-India level.

Item group	MPCE (Rs.)		share in total MPCE	
	RURAL	URBAN	RURAL	URBAN
Cereals & cereal substitutes	185	4.91	364	3.64
Pulses & their products*	76	2.01	90	1.39
Sugar & salt	35	0.93	39	0.60
Milk & milk products	314	8.33	466	7.22
Vegetables	203	5.38	245	3.80
Fruits	140	3.71	246	3.80
Egg, fish & meat	185	4.91	231	3.57
Edible oil	136	3.59	153	2.37
Spices	113	2.98	138	2.13
Beverages, refreshments, processed food#	363	9.62	687	10.64
Food total	1,750	46.38	2,530	39.17
Pan, tobacco & intoxicants	143	3.79	157	2.43
Fuel and light	251	6.66	404	6.26
Education	125	3.30	374	5.78
Medical	269	7.13	382	5.91
Conveyance	285	7.55	555	8.59
Consumer services excluding conveyance	192	5.08	382	5.92
Misc. goods, entertainment	234	6.21	424	6.56
Rent	30	0.78	423	6.56
Taxes and cesses	5	0.13	16	0.24
Clothing, bedding & footwear	230	6.10	350	5.41

Table 5: Absolute and percentage break-up of MPCE by item group in 2022-23: All-India

Trend in percentage composition of MPCE by item groups: All-India

Percentage composition of MPCE by item groups since 1999-'00 is provided below separately, for rural India and urban India in tables 6 & 7, respectively.

Item Group	NSS Round				
	1999-00 (55th)	2004-05 (61st)	2009-10	2011-12 (68th)	2022-23
cereal	22.16	17.38	13.71	10.69	4.89
cereal substitutes gram	0.07	0.07	0.06	0.06	0.02
pulses and pulse products*	0.13	0.13	0.13	0.14	0.24
sugar & salt	3.81	2.97	3.19	2.76	1.77
milk and milk products	2.60	2.48	2.34	1.83	0.93
vegetables	8.75	8.17	7.64	8.04	8.33
fruits (fresh)	6.17	5.88	8.29	6.62	5.38
fruits (dry)	1.42	1.46	1.93	2.25	2.54
egg, fish & meat	0.30	0.34	0.49	0.58	1.17
edible oil	3.32	3.21	4.74	4.79	4.91
spices	3.74	4.44	3.69	3.74	3.59
beverages, processed food# etc.	2.74	2.21	3.36	3.50	2.98
food: total	41.90	53.11	56.98	52.90	9.62
pan, tobacco & intoxicants	2.87	2.60	2.95	3.21	49.38
fuel and light	7.52	9.81	8.03	7.98	3.79
toilet articles & other household consumables	4.73	4.83	4.02	4.01	6.66
education	1.93	3.12	3.59	3.49	5.12
medical (hospitalization)	1.37	1.62	1.65	2.15	3.30
medical (nonhospitalization)	4.72	4.65	3.75	4.50	4.77
conveyance	2.94	3.63	3.45	4.20	7.55
consumer services excluding conveyance	2.98	3.66	4.21	3.99	5.08
entertainment rent	0.42	0.60	0.79	0.99	1.09
other taxes & cesses	0.39	0.48	0.46	0.45	0.78
clothing & bedding	0.16	0.19	0.21	0.25	0.13
footwear	6.85	6.74	5.30	5.99	5.24
durable goods	1.10	1.01	0.92	1.02	0.86
non-food: total	40.60	46.89	43.02	47.10	53.62
total expenditure	100.00	100.00	100.00	100.00	100.00

Table 6: Share in Total MPCE by Item Group in NSS Rounds (1999-00 to 2022-23) in RURAL India

Item Group	NSS Round				
	1999-00 (55th)	2004-05 (61st)	2009-10	2011-12 (68th)	2022-23
cereal	22.16	17.38	13.71	10.69	4.89
cereal substitutes gram	0.07	0.07	0.06	0.06	0.02
pulses and pulse products*	0.13	0.13	0.13	0.14	0.24
sugar & salt	3.81	2.97	3.19	2.76	1.77
milk and milk products	2.60	2.48	2.34	1.83	0.93
vegetables	8.75	8.17	7.64	8.04	8.33
fruits (fresh)	6.17	5.88	8.29	6.62	5.38
fruits (dry)	1.42	1.46	1.93	2.25	2.54
egg, fish & meat	0.30	0.34	0.49	0.58	1.17
edible oil	3.32	3.21	4.74	4.79	4.91
spices	3.74	4.44	3.69	3.74	3.59
beverages, processed food# etc.	2.74	2.21	3.36	3.50	2.98
food: total	41.90	53.11	56.98	52.90	9.62
pan, tobacco & intoxicants	2.87	2.60	2.95	3.21	49.38
fuel and light	7.52	9.81	8.03	7.98	3.79
toilet articles & other household consumables	4.73	4.83	4.02	4.01	6.66
education	1.93	3.12	3.59	3.49	5.12
medical (hospitalization)	1.37	1.62	1.65	2.15	3.30
medical (nonhospitalization)	4.72	4.65	3.75	4.50	4.77
conveyance	2.94	3.63	3.45	4.20	7.55
consumer services excluding conveyance	2.98	3.66	4.21	3.99	5.08
entertainment rent	0.42	0.60	0.79	0.99	1.09
other taxes & cesses	0.39	0.48	0.46	0.45	0.78
clothing & bedding	0.16	0.19	0.21	0.25	0.13
footwear	6.85	6.74	5.30	5.99	5.24
durable goods	1.10	1.01	0.92	1.02	0.86
non-food: total	40.60	46.89	43.02	47.10	53.62
total expenditure	100.00	100.00	100.00	100.00	100.00

Table 7: Share in Total MPCE by Item Group in NSS Rounds (1999-00 to 2022-23) in URBAN India

Average MPCE by State & UTs in 2022-23

The average MPCE in 2022-23 for each State & UT is provided below in table 8 [3].

State/UT	Average MPCE (Rs.)	
	RURAL	URBAN
Andhra Pradesh	4,870	6,782
Arunachal Pradesh	5,276	8,636
Assam	3,432	6,136
Bihar	3,384	4,768
Chhattisgarh	2,466	4,483
Delhi	6,576	8,217
Goa	7,367	8,734
Gujarat	3,798	6,621
Haryana	4,859	7,911
Himachal Pradesh	5,561	8,075
Jharkhand	2,763	4,931
Karnataka	4,397	7,666
Kerala	5,924	7,078
Madhya Pradesh	3,113	4,987
Maharashtra	4,010	6,657
Manipur	4,360	4,880
Meghalaya	3,514	6,433
Mizoram	5,224	7,655
Nagaland	4,393	7,098
Odisha	2,950	5,187
Punjab	5,315	6,544
Rajasthan	4,263	5,913
Sikkim	7,731	12,105
Tamil Nadu	5,310	7,630
Telangana	4,802	8,158
Tripura	5,206	7,405
Uttarakhand	4,641	7,004
Uttar Pradesh	3,191	5,040
West Bengal	3,239	5,267
Andaman Islands	7,332	10,268
Chandigarh	7,467	10,268
Dadra & Nagar Haveli and Daman & Diu	4,184	6,298
Jammu & Kashmir	4,296	6,179
Ladakh	4,035	12,575
Lakshadweep	5,895	6,298
Puducherry	6,590	6,179
all-India	3,773	6,215

Table 8: Average MPCE for each State/UT in 2022-23

Average MPCE by Household type: All-India

The average MPCE by household type during the year 2022-23 is provided below in table 9.

Household type	Average MPCE	
	Rural	Urban
Self-employed in agriculture	3,702	
Self-employed in non-agriculture	4,074	
Regular wage/salaried earning in agriculture	3,597	
Regular wage/salaried earning in non-agriculture		7,146
Casual labour in agriculture	3,273	
Casual labour in non-agriculture	3,315	4,379
Others	4,684	8,619
All	3,773	6,459

Table 9: Average MPCE by household type in 2022-23: All India

Average MPCE by Social Groups : All-India

The average MPCE by social groups is provided below in table 10.

Social groups	Average MPCE (Rs.)	
	RURAL	URBAN
Schedule Tribe	3,016	5,414
Schedule Caste	3,474	5,307
Other Backward Class	3,848	6,177
Others	4,392	7,333
All	3,773	6,459

Table 10: Average MPCE by Social Groups in 2022-23: All-India Average MPCE (Rs.)

II. Estimates of MPCE with imputation

The estimates of average Monthly Per Capita Consumption Expenditure (MPCE) presented in the context refer to the calculations made for assessing the average expenditure of individuals in households. These estimates are derived by considering various factors, including the imputed value figures of items received free by households through social welfare programs, consumption out of home-produced goods, free collection, gifts, loans, and other sources. The imputed value figures of items received free through social welfare programs are an essential component of the MPCE estimation process. These programs often provide essential goods and services to households without monetary transactions, such as subsidized food items, healthcare services, education benefits, and housing support. The imputed values assigned to these items help in accurately reflecting the economic well-being of households, as they represent the value of benefits received through such programs [4].

Additionally, MPCE estimates also take into account consumption patterns related to home-produced goods, items obtained through free collection (such as wild fruits, firewood, etc.), gifts from relatives or friends, and loans. These non-monetary transactions contribute to the overall consumption behavior of households and are factored into the MPCE calculations to provide a comprehensive understanding of expenditure patterns. It's important to note that while detailed break-ups of MPCE by item groups and comparisons with previous NSS rounds are discussed at the all-India level, the estimates presented for States and Union Territories (UTs) focus primarily on average MPCE. This approach allows for a broader overview of consumption expenditure trends across different geographical regions while still providing valuable insights into the average spending patterns of individuals within households.

Overall, the inclusion of imputed values and considerations for non-monetary transactions in MPCE estimation enhances the accuracy and completeness of the data, enabling policymakers, researchers, and analysts to make informed decisions and assessments related to consumption patterns, welfare programs, and economic well-being at both national and regional levels.

Average MPCE : All-India

Average estimated MPCE with imputed values of free items in 2022-23 has been Rs. 3,860 and Rs. 6,521, respectively in rural and urban India. The share of food and non-food items in total MPCE is shown below in table 11.

Item Group	Rural India		Urban India	
	Avg. MPCE (Rs.)	Share (%)	Avg. MPCE (Rs.)	Share (%)
Food	1,832	47	2,589	40
Non-food	2,028	53	3,932	60

Table 11: Average MPCE (Rs.) and share of food and non-food items: All-India

1. The bottom 5% of India's rural population, ranked by MPCE, has an average MPCE of Rs. 1,441 while it is Rs. 2,087 in the urban areas.
2. The top 5% of India's rural and urban population, ranked by MPCE, has an average MPCE of Rs. 10,581 and Rs. 20,846, respectively.
3. Among the states, MPCE is the highest in Sikkim (Rural – Rs. 7,787 and Urban – Rs. 12,125) and it is the lowest in Chhattisgarh (Rural – Rs. 2,575, Urban – Rs. 4,557). The rural-urban difference in average MPCE among the states is the highest in Meghalaya (83%) followed by Chhattisgarh and Jharkhand (77%).
4. Among the UTs, MPCE is the highest in Chandigarh (Rural – Rs. 7,467 and Urban – Rs. 12,577), whereas, it is the lowest in Ladakh (Rs. 4,062) and Lakshadweep (Rs. 5,511) for rural and urban areas, respectively.

Trend in level of consumption (Average MPCE): All-India

The table 12 shows a comparison of the estimates of all-India average MPCE from the last four quinquennial consumption expenditure surveys and HCES: 2022-23.

Sector	1999-'00 NSS (55th round)	2004-05 NSS (61st round)	2009-10 NSS (66th round)	2011-12 NSS (68th round)	2022-23
Average MPCE (Rs.)					
Rural	486	579	1,054	1,430	3,860
Urban	855	1,105	1,984	2,630	6,521
Difference as % of Rural MPCE	75.9	90.8	88.2	83.9	68

Table 12: Trend in level of Consumption since 1999-'00: All-India

Trend in share of consumption of cereals and food items (all) in average MPCE: All-India

The table 13 shows the percentage share of 'cereals' and 'all food items together in average MPCE at all-India level.

Period	Rural		Urban	
	% share of cereals	% share of food	% share of cereals	% share of food
1999-00	22.23	59.40	12.39	48.06
2004-05	17.45	53.11	9.63	40.51
2009-10	13.77	56.98	8.16	44.39
2011-12	10.75	52.90	6.66	42.62
2022-23	6.92	47.47	4.51	39.70

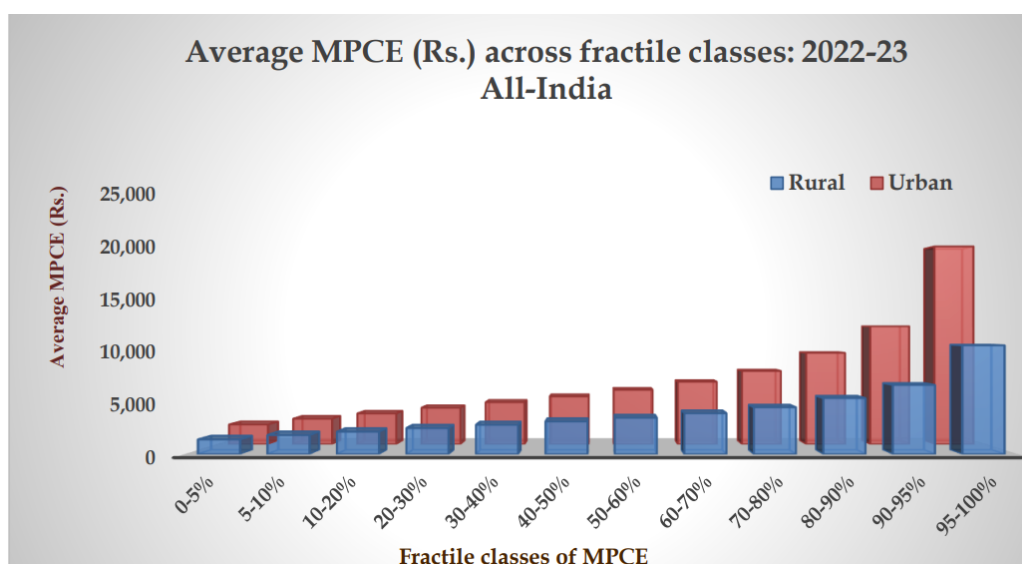
Table 13: Trend in share of consumption of cereals and food items since 1999-'00: All-India

Average MPCE across the fractile classes of MPCE in 2022-23: All- India

The estimates of average MPCE across different fractile classes of MPCE at all-India level is provided in table 14 below.

Fractile class of MPCE	Average MPCE (Rs.) Rural	Average MPCE (Rs.) Urban
0-5%	1,441	2,087
5-10%	1,864	2,695
10-20%	2,196	3,241
20-30%	2,540	3,839
30-40%	2,856	4,422
40-50%	3,183	5,032
50-60%	3,545	5,726
60-70%	3,978	6,579
70-80%	4,551	7,721
80-90%	5,447	9,625
90-95%	6,725	12,430
95-100%	10,581	20,846
All Classes	3,860	6,521

Table 14: Average MPCE (Rs.) across fractile classes in 2022-23: All-India



Absolute and percentage break-up of MPCE by item groups in 2022-23: All-India

The table 15 shows the average MPCE and percentage break-up of MPCE by the item groups at all-India level.

Item group	MPCE (Rs.)		% share in total MPCE	
	Rural	Urban	Rural	Urban
cereals & cereal substitutes	267	294	6.92	4.51
pulses & their products*	76	90	1.97	1.38
sugar & salt	35	39	0.92	0.60
milk & milk products	314	466	8.14	7.15
vegetables	203	245	5.26	3.76
fruits	140	246	3.63	3.77
egg, fish & meat	185	231	4.80	3.54
edible oil	136	153	3.52	2.35
spices	113	138	2.92	2.11
beverages, refreshments, processed food#	363	687	9.41	10.53
food total	1,832	2,589	47.47	39.70
pan, tobacco & intoxicants	143	157	3.70	2.41
fuel and light	251	404	6.51	6.20
education	125	374	3.23	5.73
medical	269	382	6.96	5.85
conveyance	285	555	7.38	8.51
consumer services excluding conveyance	192	382	4.96	5.86
misc. goods, entertainment	234	424	6.07	6.50
rent	30	423	0.76	6.49
taxes and cesses	5	16	0.12	0.24
clothing, bedding & footwear	233	351	6.03	5.38
durable goods	262	465	6.79	7.13
non-food total	2,028	3,932	52.53	60.30
all items	3,860	6,521	100.00	100.00

Table 15: Absolute and percentage break-up of MPCE by item group in 2022-23: All-India

Trend in percentage composition of MPCE by item groups: All-India

Percentage composition in MPCE since 1999-'00 is provided below separately for rural and urban India in tables 16 & 17, respectively [5].

Item group	% share in total MPCE				
	1999-00	2004-05	2009-10	2011-12	2022-23
cereal	22.16	17.38	13.71	10.69	6.90
cereal substitutes	0.07	0.07	0.06	0.06	0.02
gram	0.13	0.13	0.13	0.14	0.24
pulses and pulse products*	3.81	2.97	3.19	2.76	1.73
sugar & salt	2.60	2.48	2.34	1.83	0.92
milk and milk products	8.75	8.17	7.64	8.04	8.14
vegetables	6.17	5.88	8.29	6.62	5.26
fruits (fresh)	1.42	1.46	1.93	2.25	2.48
fruits (dry)	0.30	0.34	0.49	0.58	1.15
egg, fish & meat	3.32	3.21	4.74	4.79	4.80
edible oil	3.74	4.44	3.69	3.74	3.52
spices	2.74	2.21	3.36	3.50	2.92
beverages, processed food#	4.19	4.38	7.40	7.90	9.41
food: total	59.40	53.11	56.98	52.90	47.47
pan, tobacco & intoxicants	2.87	2.60	2.95	3.21	3.70
fuel and light	7.52	9.81	8.03	7.98	6.51
toilet articles & other household consumables	4.73	4.83	4.02	4.01	5.01
education	1.93	3.12	3.59	3.49	3.23
medical (hospitalization)	1.37	1.62	1.65	2.15	2.31
medical (non-hospitalization)	4.72	4.65	3.75	4.50	4.66
conveyance	2.94	3.63	3.45	4.20	7.38
consumer services excluding conveyance	2.98	3.66	4.21	3.99	4.96
entertainment	0.42	0.60	0.79	0.99	1.06
rent	0.39	0.48	0.46	0.45	0.76
other taxes & cesses	0.16	0.19	0.21	0.25	0.12
clothing & bedding	6.85	6.74	5.30	5.99	5.18
footwear	1.10	1.01	0.92	1.02	0.85
durable goods	2.62	3.95	3.69	4.85	6.79
non-food: total	40.60	46.89	43.02	47.10	52.53

Table 16: Trend in percentage composition of MPCE since 1999-'00: Rural India

Item group	% share in total MPCE				
	1999-00	2004-05	2009-10	2011-12	2022-23
cereal	12.35	9.58	8.12	6.61	4.49
cereal substitutes	0.04	0.05	0.04	0.05	0.02
gram	0.11	0.10	0.10	0.11	0.18
pulses and pulse products*	2.84	2.04	2.37	1.93	1.20
sugar & salt	1.80	1.57	1.49	1.15	0.60
milk and milk products	8.68	7.54	6.90	7.01	7.15
vegetables	5.13	4.24	5.67	4.63	3.76
fruits (fresh)	1.95	1.68	2.54	2.64	2.48
fruits (dry)	0.47	0.46	0.63	0.78	1.29
egg, fish & meat	3.13	2.58	3.63	3.65	3.54
edible oil	3.14	3.29	2.66	2.66	2.35
spices	2.07	1.47	2.21	2.42	2.11
beverages, processed food#	6.35	5.91	8.03	8.98	10.53
food: total	48.06	40.51	44.39	42.62	39.70
pan, tobacco & intoxicants	1.90	1.54	1.53	1.61	2.41
fuel and light	7.75	9.47	6.94	6.69	6.20
toilet articles & other household consumables	5.50	4.65	3.88	3.88	4.93
education	4.33	6.67	8.09	6.90	5.73
medical (hospitalization)	1.44	1.44	1.83	1.96	1.89
medical (non-hospitalization)	3.62	3.76	3.16	3.58	3.96
conveyance	5.52	6.21	5.63	6.52	8.51
consumer services excluding conveyance	4.73	6.71	6.25	5.60	5.86
entertainment	1.16	1.79	1.60	1.61	1.57
rent	4.46	5.38	5.79	6.24	6.49
other taxes & cesses	0.69	0.77	0.79	0.82	0.24
clothing & bedding	6.05	5.60	4.85	5.37	4.62
footwear	1.18	1.03	0.96	1.00	0.76
durable goods	3.61	4.46	4.31	5.60	7.13
non-food: total	51.94	59.49	55.61	57.38	60.30

Table 17: Trend in percentage composition of MPCE since 1999-'00: Urban India

Average MPCE by State & UTs in 2022-23

The average MPCE in 2022-23 for each State & UT is provided below in table 18 [6].

State/UT	Average MPCE (Rs.) Rural	Average MPCE (Rs.) Urban
Andhra Pradesh	4,996	6,877
Arunachal Pradesh	5,300	8,649
Assam	3,546	6,210
Bihar	3,454	4,819
Chhattisgarh	2,575	4,557
Delhi	6,595	8,250
Goa	7,388	8,761
Gujarat	3,820	6,630
Haryana	4,912	7,948
Himachal Pradesh	5,573	8,083
Jharkhand	2,796	4,946
Karnataka	4,578	7,781
Kerala	5,960	7,102
Madhya Pradesh	3,158	5,011
Maharashtra	4,076	6,683
Manipur	4,370	4,902
Meghalaya	3,530	6,450
Mizoram	5,243	7,664
Nagaland	4,457	7,159
Odisha	2,996	5,223
Punjab	5,363	6,577
Rajasthan	4,348	5,970
Sikkim	7,787	12,125
Tamil Nadu	5,457	7,742
Telangana	4,959	8,251
Tripura	5,301	7,473
Uttarakhand	4,721	7,034
Uttar Pradesh	3,277	5,104
West Bengal	3,407	5,426
Andaman & N Islands	7,332	10,268
Chandigarh	7,467	12,577
Dadra & Nagar Haveli and Daman & Diu	4,229	6,306
Jammu & Kashmir	4,357	6,200
Ladakh	4,062	6,227
Lakshadweep	5,979	5,511
Puducherry	6,627	7,741
All-India	3,860	6,521

Table 18: Average MPCE for each State/UT in 2022-23

Average MPCE by Household type: All-India

The average MPCE by household type in the year 2022-23 is provided below in table 19.

Household type	Average MPCE (Rs.)
Rural	
Self-employed in agriculture	3,783
Self-employed in non-agriculture	4,159
Regular wage/salaried earning in agriculture	3,692
Regular wage/salaried earning in non-agriculture	4,606
Casual labour in agriculture	3,379
Casual labour in non-agriculture	3,410
Others	4,771
All	3,860
Urban	
Self-employed	6,132
Regular wage/salaried earning	7,198
Casual labour	4,474
Others	8,666
All	6,521

Table 19: Average MPCE by Household Type in 2022-23: All-India

Average MPCE by Social Groups: all-India

The average MPCE by social groups in India is provided below in table 20.

Social Groups	Average MPCE (Rs.) Rural	Average MPCE (Rs.) Urban
Schedule Tribe	3,098	5,472
Schedule Caste	3,571	5,386
Other Backward Class	3,935	6,245
Others	4,472	7,382
All	3,860	6,521

Table 20: Average MPCE by Social Groups in 2022-23: All-India

III. Conclusion

Number of households surveyed in Household Consumption Expenditure Survey: 2022-23 along with estimated number of households

State/UT	Sample Rural	Sample Urban	Estimated (OO') Rural	Estimated (OO') Urban
Andhra Pradesh	6,245	4,025	95,813	45,443
Arunachal Pradesh	2,581	1,440	1,953	602
Assam	6,045	2,517	63,174	9,279
Bihar	13,602	3,564	1,98,464	18,955
Chhattisgarh	2,867	2,141	47,120	12,298
Delhi	305	2,931	510	30,965
Goa	360	323	1,569	2,270
Gujarat	5,726	5,560	73,816	58,955
Haryana	2,796	2,472	33,394	22,330
Himachal Pradesh	1,406	1,036	17,260	2,601
Jharkhand	3,927	2,458	55,031	14,021
Karnataka	6,688	5,701	89,231	61,965
Kerala	3,870	3,507	46,172	42,846
Madhya Pradesh	8,551	5,644	1,14,334	41,241
Maharashtra	11,596	11,163	1,50,360	1,19,824
Manipur	2,572	2,261	4,440	1,767
Meghalaya	2,132	1,079	5,610	1,112
Mizoram	1,439	2,157	1,229	1,033
Nagaland	1,996	1,079	2,341	979
Odisha	6,732	2,453	87,449	15,796
Punjab	3,076	2,754	40,039	24,166
Rajasthan	8,724	4,438	1,10,176	39,106
Sikkim	1,411	720	1,189	608
Tamil Nadu	7,447	6,917	1,10,296	1,01,180
Telangana	3,553	3,233	58,055	52,002
Tripura	3,222	1,800	7,032	2,083
Uttarakhand	1,700	1,073	18,136	5,353
Uttar Pradesh	19,611	10,627	3,07,870	85,072
West Bengal	10,715	7,421	1,68,057	67,825
Andaman & N Islands	644	356	625	498
Chandigarh	360	360	82	2,521
Dadra & Nagar Haveli and Daman & Diu	350	324	716	1,389
Jammu & Kashmir	1,761	1,772	18,123	6,347
Ladakh	359	360	371	79
Lakshadweep	252	355	26	80
Puducherry	359	711	1,137	2,437
All-India	1,55,014	1,06,732	19,48,954	8,95,030

Table 21: Number of Households and Sample Estimated for Rural and Urban Areas

The analysis of State-level rural and urban growth of consumption based on the data from the Household Consumption Expenditure Survey reveals several key insights into the consumption patterns and expenditure behavior across different regions of India. Firstly, it is evident that there is significant variation in the number of households surveyed and estimated in both rural and urban areas across states and Union Territories (UTs). States like Uttar Pradesh, Bihar, Madhya Pradesh, Maharashtra, and West Bengal have large sample sizes, reflecting their high population density and economic significance. Conversely, smaller states and UTs such as Goa, Sikkim, Manipur, and Ladakh have comparatively smaller sample sizes due to their lower population.

The average Monthly Per Capita Consumption Expenditure (MPCE) figures provide valuable information about the standard of living and economic well-being of households. Rural areas generally exhibit lower average MPCE compared to urban areas, indicating differences in consumption levels and affordability. States like Sikkim, Chandigarh, and Delhi stand out with higher average MPCE figures, reflecting better economic conditions and higher purchasing power. The rural-urban difference in average MPCE varies across states, with some regions showing significant disparities. Meghalaya, Chhattisgarh, and Jharkhand, for instance, have substantial rural-urban gaps in average MPCE, highlighting economic inequalities within these states. The percentage composition of MPCE by item groups provides insights into consumption patterns. The share of food items in total MPCE remains substantial across all states, emphasizing the importance of food expenditure in household budgets. Additionally, trends in consumption of cereals and food items over the years show stability in consumption preferences among households.

Overall, the analysis underscores the diverse consumption behaviors and economic conditions prevailing in different states and UTs. It highlights the need for targeted policies and interventions to address economic disparities, improve living standards, and promote inclusive growth across rural and urban areas. Policymakers can leverage this data to design strategies aimed at enhancing household welfare, promoting sustainable consumption patterns, and fostering balanced regional development.

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