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# UNIT 11 FOOD BUDGETING

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## 11.1 INTRODUCTION

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Every month you have some money which is either given to you or which you earn yourself, to pay for various necessary items and facilities used by you and/or your family. Ideally speaking, the amount of money you spend should not be more than what is available to you, but this seldom happens. To make this happen, it is important to make a plan of expenditure. This is called budgeting. In this particular unit we shall talk only about expenditure on food i.e., food budgeting, and the ways and means by which it can be kept within the limits of the family's income without compromising on the nutritive value as well as the palatability of the meals consumed.

### Objectives

After studying this unit, you should be able to:

- define terms like income, expenditure and budget
- plan for your food requirements for a week
- plan for your family's food requirements for a month
- calculate how much money you are likely to spend for (a) one week's food and (b) one month's food
- prepare the daily, weekly and monthly market lists for your family's food requirements, and
- prepare short and long-term food budgets for your family.

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## 11.2 BUDGETING

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*A budget is a written-down plan of how the money available to you is going to be used to meet the needs of the family — a plan which, for example, will tell you how best you can spend your income of, let us say, Rs. 1500/- per month, to meet your monthly needs. The process of preparing a budget is called budgeting.*

Before we go on to studying this process, let us first briefly discuss the concepts of income and expenditure. Since we are interested in household income and expenditure we will limit our discussion to the family. *Income is what a family earns during a specific period of time in cash or kind; cash is the weekly or monthly earning and kind is what is grown by the family for its use, for example grains, pulses, oilseeds, fruits, vegetables, or cattle kept for milk, and poultry for eggs and meat. Any facility that is provided to the family like a free house, free medical treatment, or use of a car is also a part of the family's income. Expenditure, on the other hand, refers to the money that we pay for items we buy and the services we receive. Hence the word 'service' can mean anything from cleaning our clothes or houses to water and electricity facilities. Now let us see how we go about preparing a budget. The major principle is, of course, to use the money we have in such a way as to meet our needs and to keep our*

expenditure within the limits determined by our income.

The steps in making a budget are listed here for easy reference.

### Steps in making a budget

- Make a list of the items on which you need to spend money.
- Arrange these items in the order of preference. The essential ones like food, clothing, shelter, health and education get top priority.
- Estimate the probable expenditure on each of these items.
- Estimate the total money that will be available.
- Make an estimate of the maximum essential expenditure that you can incur on each of the items of expenditure with the assured income.
- Now balance the budget to bring your expenditure into line with the income.

In the overall family budget, food is the first of the three fundamental necessities, the other two being clothing and shelter. Expenditure on food is essential expenditure, and for most families the amount spent for food is the largest single item of expenditure in the family budget, ranging from about 50 per cent of the total income in the rich families to 90 per cent of the total income in the poor ones.

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## 11.3 FACTORS INFLUENCING FOOD BUDGETING

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We have so far talked about budgeting in general. We can also talk about *specifically allocating money for food out of our total income and then deciding how to spend it.*

This is called *food budgeting*.

Several factors influence the amount of money that needs to be allocated for food expenditure. Some of these relate to the individual and family while others relate to food availability and food cost. You will be introduced to the following factors in this sub-section:

- The income of the family
- The size of the family
- Current food prices
- Nearness of the family to the source of food supply
- Opportunity for home production and processing of foods, and
- Relative interest of the family in food and in other commodities.

**The income of the family:** In talking about expenditure of any kind we talk about the actual amount of money we spend, and also look at this expenditure as a percentage of the total money income we have. Since there is a basic minimum that you need to eat in order to live and work, the actual money spent on food becomes a higher percentage of the income as the income falls. People with a lower income spend a greater percentage of it on food. On the other hand, people with a higher income spend a lower percentage of it on food. However, the rich person would still be spending much more on food. Let us take an example. If the total amount spent on food is Rs. 100/- and the income Rs. 200/- the expenditure on food is 50 per cent of the income. If the income increases to Rs. 500/- and the quality of food improves, the amount spent on food goes upto Rs. 200/- but the expenditure on food is now 40 per cent of the income. If the income is Rs. 1000/- and the total amount spent on food is now even more, say Rs. 300/-, it is only 30 per cent of the income. In other words, the lower the income the higher the percentage of it spent on food. At the lowest of the low levels of income, a very large part of the income goes to find enough food for the family. A large section of our society lives at this level and spends upto 80 to 90 per cent of all its income on food. As you have seen, this major difference in food expenditure is not as much because of the total quantity of food consumed as it is because of the difference in the quality and variety of foods consumed (see Table 11.1). This is because there is a limit to which a person can eat and yet remain healthy. But a rich person has the access to a great variety of foods and food products of superior quality. The specific examples in Table 11.1 will make this concept clearer.

Table 11.1: Influence of income on food selection

| Food items        | Low income  | Moderate income   | High income   |
|-------------------|---|---|---|
| Cereal            | Rationed wheat<br>Rationed rice                           | Rationed wheat<br>Good quality rice   | Sharbati wheat<br>Basmati rice  |
| Pulses            | Green gram dal  | Red gram<br>Black gram  | Red gram<br>Rajmah<br>Bengal gram<br>Salad leaves<br>(raw)  |
| Leafy Vegetables  | Amaranth  | Spinach   | Capsicum  |
| Other Vegetables  | Bottle gourd<br>Brinjal or any seasonal veg.<br>Colocasia | Ladies fingers<br>Cauliflower   | Parwar  |
| Roots and tubers  |   | Potatoes  | Potatoes  |
| Milk              | Milk<br>(toned milk)                                      | Milk<br>(rich quality milk)   | Milk<br>Cheese<br>(processed)<br>Paneer   |
| Oil and fat       | Unrefined, cheapest                                       | Refined, cheapest   | More expensive refined oil<br>Ghee<br>Butter  |
| Sugar and Jaggery | Jaggery   | Sugar   | Sugar   |
| Additional        | None  | 1) Some seasonal fruit like orange or mango<br>2) Some pickles and papads<br>3) Can have a wider choice of vegetables<br>4) Can include curds in addition to milk | 1) Can choose from a variety of fruits available<br>2) Can use jam and jellies and pickles freely<br>3) Can buy prepared sweets from the market<br>4) Can use noodles etc. in place of rice, wheat<br>5) Can use more milk and paneer<br>6) Can use more vegetables |

In the lower income group money is spent on cheaper foods like cereals and among cereals, cheaper cereals like bajra and jowar. These are the foods that provide most of the calories in this income group. In the higher income group superior quality of cereals are used which are more costly, like basmati rice and sharbati wheat. Remember, that people belonging to the high income group do not always exclude cheaper foods from the diet. For example in Table 11.1 we have mentioned that green gram dal may be selected by the low income group. This does not mean that rich people would not consume it. As you are aware, foods such as milk and milk products, eggs, meat, fish and poultry rarely figure in the diets of low income group individuals. Expensive fruits and vegetables are also excluded.

**The size of the family:** It is quite obvious that with more number of people in a family, you spend more money on food. However, the expenditure *per person* declines as the number of people increases. This is the principle on which costing of meals for large groups is done — the larger the group you are cooking for, the lower are the charges per person and the smaller the group you are cooking for, the higher the charges per person, the menu being the same.

**Current food prices:** The trend of food prices in the market has a direct influence on the food budget. If food prices are low, you spend less money on food. When food prices rise your expenditure on food also increases. Being a necessity, food can very easily push the other items of expenditure out of the family budget thereby influencing the quality of life.

So what is the implication of this for food budgeting? We must make sure that we keep current food prices in mind when preparing a budget. Seasonal fruits are a good example. Including mangoes in the summer budget would mean allocating less than if we were to include it in winter.

**Nearness of the family to the source of food supply:** Our country is still largely rural. With the exception of a few large cities, most towns and cities are close to rural areas which produce most of our food particularly fresh fruits, vegetables, cereals, milk and eggs. The cost of food in areas of its production is very much lower than the cost of it in the city or town market, because (1) you are paying for the transport of food from the place where it is produced to the market; (2) you are paying for the damage to the food in transport — some eggs might break, some fruits and vegetables would get spoilt; (3) you are paying for the rent of the market area, and (4) you are providing income to the people who make a living by selling foods in the city markets. All these add up to a lot. No wonder the potatoes will perhaps cost Rs. 6/- per kilogram in the city as against Rs. 2/- per kilogram in the village where they are grown.

Between the place of production and the city or the town markets there are other selling points which one can take advantage of. In many towns there are *weekly markets* on the outskirts of the town where producers bring their product to sell. There prices are lower than those prevailing in the city/town markets since one or more of the four factors that determine the market prices is eliminated. No rent is paid for market area, for example. Transport and damage costs may also be minimal. In addition to weekly markets, *wholesale markets* are common in towns and cities. Items are sold in bulk to retailers at wholesale markets. Here the prices are again lower than the city market prices because only large amounts are sold at a time. If you have adequate storage facilities and enough money to invest, you can save money by purchasing from such wholesale markets. In addition to these, in large towns you also have *auction markets*. Here you have to bid for a certain stock or pile of the item, assessing the quality by just looking at it. One can take advantage of it in group buying during the pickling season, or when making tomato sauce, orange squash for the year. In fact two or three families could get together to make such large scale purchases.

**Opportunity for home production and processing of foods:** Producing and processing certain items of food at home helps to reduce expenditure on food besides improving the quality of meals consumed. This, however, depends upon the facilities and the expertise the family has for doing this. Growing vegetables, particularly the green-leafy ones like spinach, amaranth, mint and coriander in your garden, and preparing jams, jellies, butter, tomato sauce, tomato puree, all kinds of squashes, pickles and papads at home saves a lot of money in addition to improving the quality of the meals.

**The relative interest of the family in food and in other commodities:** This is a very important factor in determining the emphasis on the quality of food and the consequent expenditure on it. To some people what they eat matters a lot. They are particular about the quality of food as well as its nutritional adequacy and are prepared to make an effort to prepare good meals. Some, on the other hand, would not bother beyond the point of getting enough of the right kind of foods. Yet others might spend essential food-money on non-food items such as clothing. People with this kind of an attitude towards food need to be extra careful if they do not want to be undernourished.

### Check Your Progress Exercise 1

1) List the three basic needs of man:

- |          |          |
|----------|----------|
| a) ..... | b) ..... |
| c) ..... |          |

2) List the steps in preparing a budget:

- |          |          |
|----------|----------|
| a) ..... | d) ..... |
| b) ..... | e) ..... |
| c) ..... | f) ..... |

3) List the factors that influence food expenditure:

- |          |          |
|----------|----------|
| a) ..... | d) ..... |
| b) ..... | e) ..... |
| c) ..... | f) ..... |

- 4) Indicate if the following statements are true or false. Modify the false statement(s) to make it/them correct.
- a) In low income families the proportion of the monthly income spent on food is high. (True/False)
- .....
- .....
- .....
- b) The larger the group you cook for, the more the expenditure on food per person. (True/False)
- .....
- .....
- .....
- c) The major difference between the food expenditure of low and high income groups is because of the total quantity of food consumed. (True/False)
- .....
- .....
- .....

## 11.4 ECONOMY IN FOOD BUDGETING — FACTORS AND PRINCIPLES

To plan a food budget and keep the expenditure within the limits of the income is not an easy task. This is because our needs are much more than we can meet with the money available. To be able to fulfil our needs with the least amount of money then becomes very important. This is called economy and it requires a great deal of knowledge, information and expertise besides intelligent planning and careful execution of the plans. We shall now discuss three important factors which can bring economy in food budgeting.

**A) KNOWLEDGE OF NUTRITION:** The study of nutrition has given us an insight into our nutrient needs. Today we know a great deal about what we should eat and how much to eat. Information is available which can help us assess the nutritional requirements of each member of our family, and plan the food budget in such a way that it takes care of each member's nutritional needs.

Enough information is available in India regarding nutritional requirements of individuals, the nutritive value of foods, as well as planning nutritionally adequate diets (see Table 6.2 of the Practical Manual – Part I). In this block we will only mention that to get optimum satisfaction out of the money spent on food we should avoid food items with little or no nutritional value. If and when we do buy such food items it should be for a specific purpose, and only after the basic nutritional needs have been taken care of. Take the example of grapes. They contain approximately 80 per cent water and 20 per cent solids. The solid matter consists of 16.5 per cent carbohydrate in the form of sugar, and approximately 3 per cent cellulose and only 0.5 per cent of minerals. Eating grapes is almost as good as drinking a glass of water with a little flavour and sugar in it. Besides carbohydrate and some electrolytes (minerals like sodium, potassium, chloride) they do not provide any other nutrient to the body, and cost quite a lot in most places. As fruits, papayas and guavas are nutritionally superior to grapes as well as to apples and pomegranates and they are much cheaper too. Soups, particularly the thin watery kind, are not recommended for young growing children because they are nutritionally very dilute and occupy the space that could be filled by some other nutritionally superior foods like dal, meat or vegetables. You can probably add many more examples.

Do note that whenever there is a financial emergency in a family the first expenditure to be reduced is the expenditure on food. In such a situation it is very important to

make sure that in reducing your expenditure on food you do not reduce the nutritional adequacy of the meals. This is where the basic food groups help. You have studied about them in Block 2. You can adhere to the general plan of your meals and yet reduce the cost of meals by choosing cheaper items from each food group. As long as you select items from each group, the nutritional adequacy of your meal is assured.

**B) INTELLIGENT BUYING:** Getting the best product for your money involves a constant battle of wits between the seller and the buyer. In order not to be the loser in this, you need to know the following:

- i) *Prices and quality available in different markets:* What are the different markets? Where can you get what you want and the quality you want at the most economical prices? We must remember that price is not the only factor to be considered; quality is also very important when assessing prices. We might prefer to pay a little more for better quality rather than buying the cheapest item.

We have earlier talked about small weekly markets, wholesale markets as well as auction markets. It is worth repeating here that the auction markets and the wholesale markets are cheaper. The same is true of the weekly markets in small towns or on the outskirts of the cities. While these weekly or village markets do not insist on any minimum quantities to be purchased, the wholesale and auction markets most definitely do. Select your markets for daily purchase as well as for the weekly and the monthly purchases keeping in mind the factors of time, convenience, cost of transport, prices and quality of items available. You might find the hawker who comes to your doorstep cheaper in the ultimate analysis!

- ii) *Bulk buying is cheaper:* Any item when bought in bulk or large amounts costs less per unit — the cost of one lime when you buy a hundred, is less than the cost of one lime when you buy only six. The cost of onions per kilogram when you buy only one or two kilograms is more than when you buy a whole sack of 50 kilograms. All bottled or packed items are cheaper (per unit weight) in large packs than in smaller ones. You do, of course, need to have the facilities and the know-how for buying and storing such items. In addition, you will also need extra money for buying such large quantities at a time.

In the case of persons belonging to the low-income groups (LIG), the daily wages decide what food they can and will buy at any particular time. In the case of the middle income groups (MIG), which is generally the monthly salaried class, bulk buying can be a way to economize on food expenditure. One however needs to keep in mind that bulk buying involves extra time and attention to take care of the large amounts that you buy in order to maintain it well till the supplies finish. It is for the members of the family to decide how much work and expenditure they can afford in order to be able to take advantage of large-scale buying. Staggering your purchases between months and seasons is an important technique of such buying. It does, however, need careful planning and keeping a check on the stored material. You could perhaps buy a large bottle of tomato sauce one month which would last you for the next month also, and buy a large bottle of vinegar the next month — a month in which you are not buying tomato sauce.

Bulk purchase is recommended specially for non-perishable items like cereals, pulses, sugar and oils. It can then be done during the season when perhaps the item is best in quality and prices. Bulk purchasing also gives you uniformity of quality. Getting together with two or three other interested parties to join resources and share the labour involved for bulk purchasing, is one way of taking advantage of it without investing large amounts of money at one time — buy a 100 kg bag of wheat and share it among five families, buy a 15 litre tin of oil, or a bag of 500 limes, or a packet of 100 biscuits and share it with someone who also wants to economize in this manner.

- iii) *Seasonal buying is cheaper:* Every food item is cheaper in season than out of it. This is particularly true of fruits and vegetables. Unlike most western countries, we are still very dependent upon seasonal availability of fruits and vegetables. It is essential to take this into account while planning meals and making purchases. It is fun to have peas when they are in season but a drain on the food budget out of season. Tomatoes are an excellent example for seasonal buying. In the tomato season they are very cheap as compared to other times of the year. You can buy and preserve tomatoes as tomato puree (tomato pulp which is cooked like a ketchup but without any spices or flavouring). You can then use this puree in

cooking during periods when the cost goes exorbitantly high. For making pickles, jams, jellies and squashes, seasonal buying is important. Even for wheat, rice, dals, and items like tamarind and coriander seeds, seasonal buying saves quite a substantial amount of money. If you have facilities for home freezing, buying peas and other such items in season and freezing them is very useful both in terms of saving money in the long run and adding variety to the meals.

- iv) *Buying with a definite purpose in mind:* In other words, you need to know how each item of food that you are buying is to be used. For example if you are buying rice for making idlis you can buy the cheaper variety. If you are buying tomatoes for curries, you can buy the small ones which are cheaper rather than the large slicing variety. If you are buying mangoes for making mango-milk shake, buy the cheaper juicy variety rather than the expensive cutting variety. If you want to put cashewnuts in laddoos buy the broken variety which is cheaper than the whole cashewnuts.
- v) *Awareness of weights and volumes:* In almost all packaged food products you will find net weight mentioned. This is the weight of the actual food material inside and does not include the weight of the packaging itself. It is important to note what the net weight of the item we are buying is, and what the cost per unit weight turns out to be. Take bread (loaf) for example. You will find that two loaves look alike in size but one is cheaper than the other; quite often, the cheaper one is also less in weight. At times this is done deliberately to mislead customers into buying a product in preference to others. Always look at the price as well as the weight or volume of the contents, and calculate the price per unit of weight/volume before deciding which one to buy. A large bottle of tomato sauce gives you cheaper sauce on a per gram basis than the small bottle. This would be true of almost every product.
- vi) *Knowledge of grades, brands and labels:* Grade denotes a particular quality — superior or ordinary, “A” grade or “B” grade and so on. Brand tells us who makes the product — good or poor quality eventually gets associated with the brand names. Label is what is written outside the packaged product, and should give us enough information about what is inside to help us to decide whether we want to buy it or not. We should also be able to decide whether it would meet our requirements or not. With the variety of packaged food products flooding the markets day-by-day, it is essential that we understand what the different grades, and brands stand for, and how to use the information given on the labels to make our purchasing easier. We shall discuss grades, brands and labels in detail in Unit 13 of this block.
- vii) *Preparing market lists:* This only means putting down on a paper food items that we need to buy. The foods we generally consume fall into the following categories:

Cereals and pulses

Sugar, salt and spices

Butter, ghee, vanaspati and oils

Milk, paneer and cheese

Meats, fish and eggs

Vegetables, onions, potatoes, sweet potatoes, colocasia

Fresh vegetables and fruits

Tea and coffee

Jams, jellies, pickles and papads.

You would notice that some of these can be purchased in large quantities and stored well for months if not a year or more. Some can be stored well for a month or two, and some need to be purchased on a daily basis unless you have a refrigerator or freezing facilities.

Cereals, pulses can most certainly be purchased in bulk and stored with appropriate precautions for even a year. It would be a good idea to buy in bulk. For a family of 2 adults and 2 teenage children you may need approximately 30 kg of cereals per month. This could mean 15 kg of rice and 15 kg of wheat per month or 180 kg rice and 180 kg of wheat per year. You can either purchase these for a year when they are cheapest in the market (in season), or purchase 100 kg at a time in the wholesale market and still save money. Oils are also cheaper if you buy a 15 kg tin, and it can last for a few months. Onions and potatoes last for a month without much trouble and should be purchased in bulk if you have storage space and can share your buying with someone. Milk is best purchased on a daily

basis unless you have a refrigerator where it can last for a couple of days at the minimum refrigerator temperature.

Fresh vegetables, fruits and eggs also need to be purchased on a daily basis unless you store them in the refrigerator. Meat and fish should be purchased daily unless you can keep them in the freezing unit of your refrigerator where they last for about a week at the minimum temperature. If you have deep freeze facilities with minus 18 degree celsius (– 18 degrees C) temperature, you can keep meats frozen for months.

Tea and coffee is best purchased for a month because they tend to lose flavour fast unless you have well sealed containers for storing them. Even spices need to be stored in air-tight containers.

This means that we have four kinds of market lists — *the annual purchase list, the monthly purchase list, the weekly purchase list and the daily purchase list*. If the annual or seasonal purchase is not practical, the items from these lists move to the monthly purchase list.

Knowing how much of a particular item needs to be purchased is an important aspect of preparing market lists. In this you should be guided by the recommendation of a balanced diet, the eating habits of your family and, of course, the cost of the food items. It is also important to know how many portions can be served from a given quantity of a food item, particularly in the case of foods that have a high proportion of inedible portion like leafy vegetables, peas in the shell, prawns and meat with bones etc. This information makes it possible for you to purchase the correct amount of food needed and be assured of having enough for the meal without any wastage.

- viii) *Avoid unnecessary buying*: Let's take an example. Suppose you are planning to make banana raita for your family and you need only two bananas for it. If you buy six bananas you have four extra. These four will have to be eaten up to avoid wastage. We can call this "distress-eating". The "please-eat-otherwise-it-will-go-to-waste" kind of eating is unnecessary and costs more money besides adding unsolicited body weight. This is also a kind of wastage — any unnecessary expenditure is wastage. Those of us who have "enough" money for food, waste it by doing a great deal of unplanned buying and cooking, and then indulging in distress-eating, or forcing our family members into it. This brings us to another kind of buying which also leads to distress-eating and unnecessary expenditure of money. This is called "impulsive buying", i.e. you buy something on the spur of the moment without any plans about how you are going to utilize it. At times such buying does add interest to your purchasing as well as to your food plans. But this is so only when you are able to fit your impulsive purchase into your food plans for the week by making necessary alterations. You see something in the market which you did not expect to see and you buy it — perfectly acceptable as long as you start thinking about what you are going to do with it, and also adjust your remaining funds to accommodate the expenditure.

**C) HOME PRODUCTION AND PROCESSING:** Production means growing the food item while processing means further preparation of the food item to make it ready to eat. Very few of us produce the food we consume but most of us process nearly all of it, and in some cases, from stage one. Let us take wheat for example. We buy the wheat, clean it, perhaps wash and dry it in the sun, and get it ground for use as flour. However, with the advancement of science and technology and the boost to large scale, as well as small-scale business enterprise, our markets are fast getting crowded with completely or partially processed foods. Examples are noodles, tomato ketchup, packaged soups, soup cubes, jams and jellies, pickles, instant dosa, idli and gulabjamun mix, breads, biscuits, and other bakery goods, cleaned chicken cleaned and cut chicken, cleaned and packed meats and fish, besides ready-made foods from catering establishments. The cost of partially processed or completely processed foods is naturally higher. It is for us to decide to what extent we make use of these items if at all, and to what extent we produce and process all that we consume in order to save money. It is also a question of facilities besides the expertise required. Some of us may have the facility to grow foods like vegetables and fruits at home and then use them to make pickles, papads, jams, squashes and sauces.



Here again we must consider those aspects of home production and processing where the savings are the largest over the cost of fully processed foods. Ordinarily there is more to be saved from home production of those items in which labour represents a very large part of the cost of production. The feasibility of home production of items which are adapted to small scale production and which can be processed with the tools available in your kitchen is much higher than of those adapted to large-scale production. It is easier and more practical to make jams, jellies and pickles at home than to prepare canned peas or pineapples. It is more purposeful, as well as economical to grow green leafy vegetables in the kitchen garden than to grow potatoes and onions, unless you are a farming family or have a large area of land where you live.

It is not practical to lay down any general rule about the desirability of any type of home production activity. Each family must take such decisions in the light of its own resources and objectives. One family can decide that they would rather do partial production and processing of their foods at home thus reducing the actual money being spent on food, while the other might decide to go in more for partially or even completely processed food so that the time saved can be used to earn more money as well as to do other things which are more satisfying. The extra money earned pays for the processed foods — a difference in priorities and, therefore, in approaches.

### Check Your Progress Exercise 2

- 1) What are the three important factors that can help us economize on our food expenditure?

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 .....

- 2) Savita is a young housewife. What advice would you give her regarding the following:

- a) There is a discount on squashes in her local market. A free mug is also being offered with each bottle. Should Savita buy the squash?

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 .....  
 .....

- b) The guava tree in Savita's compound has brought forth a bumper crop. What would be the best way to utilize the extra guavas?

.....  
 .....  
 .....

- c) The family loves lemon pickle. The vegetable and fruit 'mandi' is close to her home but only very large quantities are sold at a time. What should Savita do?

.....  
 .....  
 .....

## 11.5 PREPARATION OF FOOD BUDGETS

We have so far talked about the factors influencing food budgeting. Let us now discuss the ways in which we can prepare a food budget. Keeping any expenditure, and more so expenditure on food within your control is very difficult without a written plan. *This plan of expenditure made with the help of past experience, taking into consideration the present market prices and trends, and the individual's buying capacity.*

is called a food budget. We mentioned this earlier. Food budgets can be of two types: a short-term monthly food budget, and a long-term annual food budget.

A *short-term monthly budget* is the one a majority of us are most likely to prepare since most income is on a monthly basis. We usually try to plan our expenditure on food so as to remain within a certain proportion of our monthly income. Short-term budgets are easier to prepare because expenditure on semi-perishables (foods that can stay for sometime without spoiling like onions and potatoes) is monthly expenditure and in the case of perishables (foods that spoil rapidly like milk, meats and leafy vegetables) a weekly or even a daily expense. The monthly budget takes into account the expenditure to be incurred on monthly basis plus the daily and weekly expenditure. Expenditure on the so-called non-perishables like cereals, pulses, sugar can be ideally planned on a yearly basis in order to take advantage of the lowered seasonal costs, and the fact that when bought in bulk things cost less.

The *long-term annual budget* is the forecast of our expenditure on food and the money available for it during the coming year. It would include annual purchases, if any, plus the monthly expenditure on food for the twelve months. It tells you what your expense on food is likely to be for the coming year. This is very helpful since in the case of unexpected expenditures you have the time and opportunity to perhaps make suitable adjustments by reducing certain food expenditures which you can do without for example, not freezing peas for the year — one can after all do without eating peas, or making less pickle than one usually does.

**PREPARING A SHORT-TERM FOOD BUDGET:** The following steps would be helpful in the preparation of a short-term monthly budget:

**Step 1 — Estimate the dietary requirements of each member of your family in terms of food exchanges.** Let us consider a family consisting of a father (works in an office), mother (school teacher), one son 10 years old, and one daughter 5 years old. We have already worked out balanced diets for these individuals in Table 6.2 given in Practical Manual — Part-I. The dietary requirement of this family has been given in Table 11.2.

Table 11.2: Daily food requirements of a family

| Foods                  | Requirement for father | Requirement for mother | Requirement for son | Requirement for daughter | Total requirement per day (g) |
|------------------------|------------------------|------------------------|---------------------|--------------------------|-------------------------------|
| Cereals                | 280                    | 200                    | 240                 | 160                      | 880                           |
| Roots & tubers         | 120                    | 60                     | 120                 | 120                      | 420                           |
| Sugar/jaggery          | 35                     | 25                     | 30                  | 35                       | 125                           |
| Fats and oils          | 40                     | 35                     | 40                  | 30                       | 145                           |
| Milk                   | 500                    | 500                    | 500                 | 500                      | 2000 ml                       |
| Pulses                 | 60                     | 60                     | 60                  | 30                       | 210                           |
| Eggs                   | one egg                | —                      | —                   | —                        | one egg                       |
| Green leafy vegetables | 100                    | 100                    | 100                 | 100                      | 400                           |
| Other vegetables       | 200                    | 200                    | 200                 | 150                      | 750                           |
| Fruits                 | 240                    | 160                    | 240                 | 160                      | 800                           |

Let us now convert these dietary recommendations into the daily, weekly, monthly and annual food requirements for this family:

*Food requirements for daily purchase*

2000 ml milk

400 g leafy vegetables

750 g other vegetables (these can be put on the weekly purchase list if you have a refrigerator, or the climate is cold)

800 g fruits

*Food requirements for weekly purchase*

2.94 kg roots and tubers — in cold climate these can be purchased once every fifteen days.

*Food requirements for monthly purchase*

26.4 kg cereals

6.3 kg pulses

4.35 kg oils and fats  
3.75 kg sugar

*Food requirements for annual purchase*

321.2 kg cereals  
76.65 kg pulses  
45.63 kg sugar

(This is possible if you have adequate finance, storage space and facilities)

**Step 2 — Convert the food requirements into the actual food items which the family would use.** Refer to the basic food groups to ensure the nutritional adequacy of your diet. Add a little extra quantity in each case to take care of wastage in cleaning and cutting, as well as to have some extra food available for guests. In the case of cereals, the total amount required would be distributed among the different cereals the family needs and prefers. For example, in the case of this family, we could include wheat and rice. In the case of pulses, red gram dal, black gram dal, lentils, green gram dal, rajmah and bengal gram could be included. The purchase lists would look something like the following:

*Daily purchase for 1 typical day*

2 litres milk  
500 g amaranth  
750 g other vegetables (perhaps, 300 g brinjals + 300 g ladies fingers + 150 g tomato, or any other vegetable you like)  
800 g fruits

*Weekly purchase*

2.94 kg roots, tubers and other vegetables (such as onion 1 kg, potatoes 1 kg and 0.94 kg colocasia)  
7 eggs

*Monthly purchase*

Total pulses or legumes to be used is 6.3 kg. These could consist of the following:

Red gram dal : 2 kg  
Black gram dal : 1 kg  
Bengal gram dal : 1 kg  
Lentils : 1 kg  
Green gram dal : 1 kg  
Rajmah : 0.3 kg

Total cereals to be used is approximately 26.4 kg. This could consist of 13.2 kg of wheat and 13.2 kg of rice, or any other combination you prefer.

Total amount of oils and fats is 4.35 kg. This could consist of: groundnut oil 3.5 kg (or any other oil you prefer), hydrogenated oils: 1.0 kg, Sugar can be purchased in amounts of 3.75 kg.

**Step 3 —** To this list of basic food items, you could add spices, salt, tea, coffee and other accessory food items like papads, jams, jellies and pickles that your family uses and enjoys.

**Step 4 — Estimate the cost of the items of food on the daily, weekly and monthly basis.** It would depend upon the market prices. Would you like to fill in the details in the charts that follow? It would help you to make monthly/weekly/daily purchase and expenditure lists for your own family.

**Daily expenditure**

| Food item              | Cost per kg<br>(or per litre) | Total amount purchased | Total cost (A) |
|------------------------|-------------------------------|------------------------|----------------|
| Milk                   |                               | 2 litres               |                |
| Green leafy vegetables |                               | 500                    |                |
| Other vegetables       |                               | 750                    |                |
| Fruits                 |                               | 800                    |                |

### Weekly expenditure

| Food item | Cost per kg<br>(or per litre) | Total amount purchased | Total cost (B) |
|-----------|-------------------------------|------------------------|----------------|
| Potatoes  |                               | 2 kg                   |                |
| Colocasia |                               | 0.9 kg                 |                |
| Onions    |                               | 1 kg                   |                |

### Monthly purchase for non-perishables only

| Food item                         | Cost per kg<br>(or per litre) | Total amount purchased | Total cost (C) |
|-----------------------------------|-------------------------------|------------------------|----------------|
| Pulses                            |                               |                        |                |
| Oils                              |                               |                        |                |
| Sugar                             |                               |                        |                |
| Wheat                             |                               |                        |                |
| Rice                              |                               |                        |                |
| Tea/Coffee &<br>other accessories |                               |                        |                |
| Fuel for cooking                  |                               |                        |                |

Now you can calculate the total cost for monthly purchase ( $30 A + 4 B + C$ ). We have left the total amount purchased column blank so that you can fill up details.

You can follow the same procedure in deciding on expenses for your own family. The information in Table 6.2 of the Practical Manual — Part I would be useful. First list the members in your family specifying sex and age. Then write down the diets for each member and add them up. Then work out daily, weekly and monthly purchases with expected expenses.

Let us now move on to the last step.

**Step 5 — Compare the estimated cost of the planned food expenditure with the funds available for food in the monthly budget, and if the money available is not enough, do one or more of the following in order to adjust the food plan to suit the money available:**

- *Cut out some of the accessory food items like jams, jellies, papads and pickles.* These are useful in making meals more appealing but do not contribute much nutritive value. These items also happen to be fairly expensive unless they are being prepared at home. If you can prepare appetising food, you can reduce the consumption of these food accessories.
- *Use cheaper varieties of pulses.* Most of us tend to have rigid ideas about food. For example, when we think of sambar we only think of using red gram dal which is one of the most expensive dals. Lentils or a mixture of red gram dal and lentils makes equally good sambar. Among the different dals and legumes there are considerable variations in prices but their nutritional contribution is very similar. We in India have quite a variety to choose from.
- *Use cheaper oils.* Today the market has quite a variety of refined oils. The most common one is refined groundnut oil. This is available under many different names. Besides groundnut you have sunflower, coconut, mustard, til (sesame), palm, cotton seed, and rice bran. Get adequate information about the merits and demerits of all these oils and choose one which, besides complying with your nutritional standards, is also the cheapest. You will find some useful guidelines on this in Unit 12.
- *Select cheaper vegetables.* Restrict yourself to seasonal ones only. If you use a lot of tomatoes and can process them at home, make tomato puree when tomatoes are cheap in the market and use it in place of fresh tomatoes when they are expensive.
- *You can reduce expenditure on wheat and rice by buying less costly varieties.* You could substitute part of the wheat and rice with millets like ragi (rich in calcium and iron) or bajra which are cheaper, or a combination of different cereals.
- *Pay very careful attention to meal planning with special emphasis on nutritional adequacy.* Remember when money is less and expenditure is more, the first tendency is to reduce the expenditure on food. Unless this is done very

judiciously, the health of family members can be affected adversely causing perhaps more expenditure by way of doctor's fees and medicine bills.

- *One-dish meals in which you combine cereals, pulses, and vegetables is nutritionally ideal.* We discussed this aspect earlier in Unit 6 of Block 2. Khichri, vegetable pulao, pulihara, bisibele-huli-anna (sambhar-bhat or bisibela-bhat), missal and haleem are examples of some of our one-dish meals. You would surely be able to think of many other dishes common in your family and in the area you live in. Serving these one-dish meals with a mint and coriander chutney and/or cucumber-tomato raita and curds, adds more vitamins and minerals. You also save on the total amount of oils and fats used, as well as on the fuel consumed and the time spent in cooking.
- *Make sure that food is not wasted.* Do not cook more than you need unless you have adequate facilities for storage, and can save time and fuel by cooking larger quantities at a time. Learn to use left-overs as quickly as possible. Avoid impulsive buying. When serving food do not give large helpings parts of which will be left uneaten. It is better to serve a second time than to have food wasted in the plate. Be careful in cooking, particularly in cooking rice. Much of the time rice gets semi-burnt or burnt at the bottom because it is left on the fire too long. A fair amount of rice gets thrown away in this way. This is a waste. Learn techniques whereby you can cook rice without the risk of scorching or burning it.
- *Save fuel in reheating a meal by* (a) using thermocole containers for keeping the serving dishes; (b) steaming all items in a large vessel with a small amount of water in it.

**PREPARING LONG-TERM ANNUAL FOOD BUDGETS:** We have just gone through the steps in preparing a short-term food budget. Now how would we proceed if we had to prepare a long-term food budget, say an annual budget? The long-term annual food budget takes into consideration the following:

- The estimated monthly expenditure on food for the twelve months.
- The annual expenditure related with food like making tomato sauce, pickles, papads, jams, jellies and squashes in different seasons.
- Festivals and other occasions (birthdays and anniversaries) during the year which the family celebrates, and the expenditure on food incurred because of them.
- Unexpected situations and guests which increase expenditure on food.

Thinking and planning about such expenditure for the coming year ahead of time and assessing the prospects against the income that you expect to have, can perhaps help to re-define priorities and mould the expenditure to suit the budget. You could estimate your annual expenditure using Chart 1.

Chart 1: Food Budget for the Year

| S. No. | Item                    | January |   | February |   | March |   | April |   | May |   | June |   |
|--------|-------------------------|---------|---|----------|---|-------|---|-------|---|-----|---|------|---|
|        |                         | Q       | A | Q        | A | Q     | A | Q     | A | Q   | A | Q    | A |
| 1)     | Rice                    |         |   |          |   |       |   |       |   |     |   |      |   |
| 2)     | Wheat                   |         |   |          |   |       |   |       |   |     |   |      |   |
| 3)     | Suji                    |         |   |          |   |       |   |       |   |     |   |      |   |
| 4)     | Besan                   |         |   |          |   |       |   |       |   |     |   |      |   |
| 5)     | Gram                    |         |   |          |   |       |   |       |   |     |   |      |   |
| 6)     | Urad                    |         |   |          |   |       |   |       |   |     |   |      |   |
| 7)     | Moong                   |         |   |          |   |       |   |       |   |     |   |      |   |
| 8)     | Edible oil              |         |   |          |   |       |   |       |   |     |   |      |   |
|        | a) Groundnut oil        |         |   |          |   |       |   |       |   |     |   |      |   |
|        | b) Mustard oil          |         |   |          |   |       |   |       |   |     |   |      |   |
|        | c) Palm oil             |         |   |          |   |       |   |       |   |     |   |      |   |
|        | d) Coconut oil          |         |   |          |   |       |   |       |   |     |   |      |   |
|        | e) Other vegetable oils |         |   |          |   |       |   |       |   |     |   |      |   |
| 9)     | Salt                    |         |   |          |   |       |   |       |   |     |   |      |   |
| 10)    | Sugar                   |         |   |          |   |       |   |       |   |     |   |      |   |
| 11)    | Jaggery                 |         |   |          |   |       |   |       |   |     |   |      |   |
| 12)    | Coconut                 |         |   |          |   |       |   |       |   |     |   |      |   |
| 13)    | Copra                   |         |   |          |   |       |   |       |   |     |   |      |   |
| 14)    | Coriander               |         |   |          |   |       |   |       |   |     |   |      |   |
| 15)    | Dry chillies            |         |   |          |   |       |   |       |   |     |   |      |   |

- 16) Tamarind
- 17) Cashewnuts
- 18) Kismis
- 19) Others
- 20) Ready-to-eat foods
  - a) Ketchups
  - b) Jams
  - c) Bread
  - d) Baby foods
  - e) Biscuits
- 21) Beverages
  - a) Coffee
  - b) Tea
  - c) Others
- 22) Milk
- 23) Egg
- 24) Meat
- 25) Fish
- 26) Vegetables
- 27) Fruits
- 28) Milk products
  - a) Butter
  - b) Ghee
  - c) Cheese

Total

Q = Quantity

A = Amount of money

You would notice that provision has been made for monthly purchases. This makes the plan easier to prepare on a yearly basis. It also allows flexibility in varying selection from one season to another.

If your finances and the facilities you have for storage permit annual purchasing of the non-perishable food items like cereals and pulses, you can save quite a lot of money by taking advantage of seasonal bulk purchases. Such purchasing will very much be a part of the estimated annual budget.

One point we must always keep in mind is that feeding a family is a highly individualized exercise. There is no one best way to feed a family; there is no best way to secure the family's food supply; there is no best way to make the money put aside for food go farther. In deciding which of the many options to use each family must keep in mind the amount of money, time, personal skills and equipment available, the availability of raw as well as processed foods in the market and the personal needs and preferences of the members. Each family must work out for itself the combination of materials and methods which will provide an adequate and attractive food supply with the finances available for food.

### Check Your Progress Exercise 3

- 1) Look closely at the figure given here. It depicts the influence of several factors on long-term budgeting.

Based on the discussion in the previous section, can you complete the figure?

| MARKET FACTORS | FAMILY FACTORS |
|----------------|----------------|
| ●              | ● Income       |
| ●              | ●              |
| ●              | ●              |
| ●              | ●              |

- 2) Suppose you were preparing a short-term budget for your family. You find that last month's expenses on food are excessive. Which of the following adjustments would you make in order to balance income and food expenditure?
- Cut down on total food purchases
  - Cut down on purchases of milk, fruits and vegetables
  - Cut down on accessory food items such as pickles and sauces
  - Reduce frequency of eating out
  - Cut down fuel costs by simplifying cooking procedures and preparing combination dishes
  - Reduce consumption of sweets
  - Select cheaper oils, cereals and pulses
  - Select seasonal vegetables and fruits

## 11.6 LET US SUM UP

In this unit you have learnt about:

- how you can get the maximum food value from a limited amount of money by carefully planning the expenditure on food i.e., by preparing a food budget.
- how factors like income and size of the family, the current food prices, the kind of markets from where the family buys its food items, the extent to which a family produces and/or processes some of the food items that it uses, and the importance that the family gives to food influence the expenditure on food.
- how you can economize on your expenditure on food by acquiring information regarding the nutritional needs of your family and the way these needs can be met; by exercising intelligence in buying in terms of prices and quality of food items, bulk purchasing, weights and volumes of food items, grade and brand specifications, and preparing lists of what you need to buy; by preparing some of the food items like pickles, squashes, jams and chutneys at home.
- how to prepare short-term as well as long-term food budgets.

## 11.7 GLOSSARY

|                                |   |
|--------------------------------|---|
| <b>Bisibele-huli-anna</b>      | : A Kannada preparation of rice, pulses, legumes and vegetables.                      |
| <b>Bulk</b>                    | : Large quantity.   |
| <b>Catering establishments</b> | : Those who take care of making food arrangements on payment.                         |
| <b>Dressed chicken</b>         | : Chicken that has been slaughtered and cleaned.                                      |
| <b>Haleem</b>                  | : A Hyderabadi preparation of wheat and meat cooked together like a porridge.         |
| <b>Laddoo</b>                  | : Indian sweet made with bengal gram flour or other ingredients in the form of balls. |
| <b>Legumes</b>                 | : The fruit or seed of a pod-bearing plant such as peas, beans etc.                   |
| <b>Missal</b>                  | : A Kannada preparation of different pulses sprouted and cooked together.             |
| <b>Percentage</b>              | : Out of every hundred units, for example 5 out of 100 is 5 per cent.                 |
| <b>Pulihara</b>                | : A South Indian fried rice dish with nuts and seasoned with lime or tamarind.        |
| <b>Puree</b>                   | : Pulp of a vegetable or fruit.   |
| <b>Thermocol</b>               | : A synthetic material used to make containers which                                  |

|              |  |
|--------------|--|
|              | maintain the temperature of any item kept in it.                     |
| To can       | : To pack inside a can for long period preservation.                 |
| Tomato sauce | : Tomato ketchup.  |
| Toned milk   | : Milk which has been standardized to the composition of cow's milk. |
| Unsolicited  | : Without having asked for.  |

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## 11.8 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

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### Check Your Progress Exercise 1

- 1) a) Food      b) clothing      c) shelter
- 2) a) Make a list of the items of expenditure  
b) Arrange the items of expenditure in order of preference  
c) Estimate the likely expenditure on each item  
d) Estimate total money available for expenditure  
e) Estimate the maximum essential expenditure on each item  
f) Adjust the expenditure plan to suit the amount of money available for it.
- 3) a) Income of the family  
b) Size of the family  
c) Current food prices  
d) Nearness of the family to the source of food supply  
e) Home production of food items  
f) Family's interest in food and other things
- 4) a) True  
b) True  
c) False; the major difference between low and high income groups is not as much because of the total quantity of food consumed as it is because of the difference in the quality and variety of foods consumed.

### Check Your Progress Exercise 2

- 1) a) Knowledge of nutrition  
b) Intelligent buying  
c) Home production and processing of food items
- 2) a) Savita should decide to buy the squash if she needs it and can use it (not because of the discount and free gift), if the quality is satisfactory and date of packing/manufacture is recent.  
b) Savita could prepare jams or jellies with the surplus guavas. She could also prepare guava drink concentrate which she can dilute for use. Savita could well consider the possibility of selling these products to neighbours and friends.  
On the other hand she may prefer to sell the guavas depending on availability of products.  
c) Savita can talk to her friends and neighbours and find out who is interested in bulk purchase of lemons. They can then pool together resources and divide the purchased lemons according to the needs of the respective families.

### Check Your Progress Exercise 3

- 1) Market factors: Relative cost of food items within a category e.g. cereals.



**Family factors:** Income or amount of money, personal needs and preferences, availability of time, equipment and use of personal skills.

- 2) (c), (d), (e), (f), (g) (h)

Depending on family factors you could select all the above or some of the above.