1. a. Explain the factors that influence food expenditure.
   Ans: FACTORS INFLUENCING FOOD EXPENDITURE
   Income
   It will be easier to understand and evaluate the amount of expenditure on food when you classify consumers into different classes of income earners.
   Let us take the case of those who belong to low income groups. In popular terms, they are called poor people. Though their income is very low, they have to eat some food to live and without food they cannot think of earning even that low income.
   Their requirement of energy is the same as the energy requirements of others in their age group. Hence, they have to save as much of their earnings as possible by buying food. Food articles like wheats and rice are considered to be superior than other grains like bajra, ragi and jowar which are usually called coarse cereals. Even within rice, you have coarse varieties and medium and fine varieties. The cost of buying these commodities will vary because you pay different prices when you buy them. Similarly, there are other items of food which are available at cheaper rates like jaggery instead of sugar which is more costly. There are also cheaper varieties of meat, fish, etc., available in market. However, people in the lower income groups have to spend a large part of their income on food items. They are, therefore, left with very little money out of their income for expenditure on other items.
   One important factor you should remember about food requirement is that a child or an adult requires the same amount of calories whether he/she is in the higher income group (rich) or lower income group (poor). Hence, commodities in the food group (a) especially the food grains like rice, wheat, jowar, etc., are also referred to as wage goods, since a major portion of the wages of the lower income groups are spent on the consumption of these commodities. Food Price and Quantity
   In addition to the income factor influencing the expenditure on food within a given income group and the total expenditure on food, prices of individual food items determine the pattern of our consumption. Many of the food items you consume can be substituted for one another. Rice for wheat, tea for coffee, different vegetables, milk from cow and buffalo, etc., are good examples of such substitutes. If the price of one commodity in a group is high, you tend to buy another commodity which gives you the same service (utility) and which is cheaper. Technically this is the type of effect called a high cross elasticity of demand. This factor is very important when you plan your expenditure on food and also to determine how much money you spend on each food item.
   Above all, the price you pay for the food items you buy and the quality and quantity of these commodities you buy will determine your total expenditure on food. In case of those food items we listed in group (a) earlier, you will not be able to make much alterations in the quantity of commodities you consume (though you may alter, the quality) because they are important for your living. So, whether the prices of commodities in this group are high or low, the quantities consumed will not change much. This phenomenon is referred to as a condition of inelastic demand. This means that the extent of change you can bring about in the quantity of a commodity you consume is much less than the extent of increase in the price of the commodity which causes such a change. The reverse is also true.
   It is also clear from the foregoing discussion that food articles in Group (b) are not subject to such rigid behaviour patterns. You may increase or decrease the level of your consumption of these commodities depending upon the price you pay for them.
   The best examples that you can find of such types in your daily consumption are those seasonal vegetables like cabbage, cauliflower and many others which are cheaper during winter. You tend to consume more of them. During summer, they will be sold at higher prices and hence, you do not buy them. In the case of fruits, apples are more easily available in winter and mangoes in summer, etc. So you see that the expenditure incurred on food depends upon:
   - Your income
   - Your tastes and preferences for different types of food
   - The extent of substitutes available for the food you consume
   - The price you pay for the food items you consume.

b. What is a food budget? What factors would you consider while preparing a food budget?
   Ans: Food budget means a right way of spent money on food. A food budget is a spending tool designed to estimate the amount of money you can spend (per week/per month) on food and food related items.
   Factors we need to keep in mind while preparing a food budget are -
   Income
   The first important factor in preparing a budget is your income. When preparing a budget you need to focus on your net income, not gross. The amount of money you take home each month is what you use to pay your obligations. You could still choose to list amounts that get deducted from your income on a pretax basis, such as retirement contributions, in a separate area of your budget worksheet.
   Costs
   Think of your personal finances as a business, and with any business you have costs required to stay in operation. When preparing your budget you must take every expense into account. Anything that you spend over the course of the month must get recorded in your budget, and that can prove difficult in some cases. You must include even the small purchases you make at the neighborhood convenience store to get an accurate total for your budget.
   Balance
   The next important factor in preparing a budget is achieving balance. The side of your budget worksheet that lists income must equal the side for expenses. More income than expenses is a nice problem to have — just assign the excess to a savings account or other initiative. If after you record your budget details you have more expenses than income, that’s a more serious problem that requires you to reduce expenses and possibly identify new ways of making money.
   Goals
   Another key component you need to address when preparing a budget is how to reach certain financial goals. Take time to mull over the short- (less than a year) and long-term (one or more years into the future) goals you want to achieve with your money. Record this information in your budget worksheet and monitor your progress toward those goals regularly.

2. Briefly enumerate the importance of kitchen garden. How would you plan a kitchen garden at your place?