

Thalinomics: The Economics of a Plate of Food in India

11 CHAPTER

उपनःपितवाचरशिवःशिवाभिरूतिभिः ।
मयोभुरद्विषेण्यःसखासुशेवोअद्वयाः ॥

**Come hitherward to us, O Food, auspicious with auspicious help,
Health-bringing, not unkind, a dear and guileless friend.**

-Rig Veda

Though economics affects the common lives of people in tangible ways, this fact often remains unnoticed. What better way to make economics relate to the common person than something that s(he) encounters every day – a plate of food? Enter “Thalinomics: The economics of a plate of food in India” – an attempt to quantify what a common person pays for a Thali across India. Has a Thali become more or less affordable? Has inflation in the price of a Thali increased or decreased? Is the inflation the same for a vegetarian Thali as for a non-vegetarian one? Is the inflation in the price of a Thali different across different states and regions in India? Which components account for the changes in the price of a Thali – the cereals, vegetables, pulses or the cost of fuel required for its preparation? Questions that can engage a dinner-table conversation in Lutyens Delhi or in a road-side Dhaba in the hinterland can now be answered and positions taken on either side of a “healthy” debate. Using the dietary guidelines for Indians (NIN, 2011), the price of Thalīs are constructed. Price data from the Consumer Price Index for Industrial Workers for around 80 centres in 25 States/UTs from April 2006 to October 2019 is used. Both across India and the four regions – North, South, East and West – it is found that the absolute prices of a vegetarian Thali have decreased significantly since 2015-16 though the price has increased in 2019. As a result, an average household of five individuals that eats two vegetarian Thalīs a day gained around ₹10887 on average per year while a non-vegetarian household gained ₹11787, on average, per year. Using the annual earnings of an average industrial worker, it is found that affordability of vegetarian Thalīs improved 29 per cent from 2006-07 to 2019-20 while that for non-vegetarian Thalīs improved by 18 per cent.

INTRODUCTION

11.1 Though economics affects each one of us in our everyday lives, this fact often remains unnoticed by the common man or woman. Economists possibly owe themselves

this predicament; after all, broody, technical conversations on “heteroscedasticity” can frighten away even the most diligent and intelligent. Can we relate economics to the common person’s life every day? Through the chapter on the “Behavioural Economics

of Nudge”, the Economic Survey 2018-19 made a humble attempt to understand humans as humans, not self-interested automatons, so that a common person can relate to his/her idiosyncrasies and use that easy prism to understand behavioural change as an instrument of economic policy. What better way to continue this modest endeavour of forcing economics to relate to the common man than use something that s(he) encounters every day – a plate of food?

11.2 Enter “Thalinomics: The economics of a plate of food in India” – an attempt to quantify what a common person pays for a Thali across India. Has a Thali become more or less affordable? Has inflation in the price of a Thali increased or decreased? Is the inflation the same for a vegetarian Thali as for a non-vegetarian one? Is the inflation in the price of a Thali different across different states and regions in India? Which components account for the changes in the price of a Thali – the cereals, vegetables, pulses or the cost of fuel required for its preparation? Questions that can engage a dinner-table conversation in Lutyens Delhi or in a road-side Dhaba in the hinterland can now be answered and positions taken on either side of a “healthy” debate.

11.3 As food is a necessity, a rapid rise in the price of a Thali has the most direct and conspicuous effect on the common man. Indeed, food and beverages constitute around 45.9 per cent in the Consumer Price Index-Combined. The most effective way, therefore, to communicate the trends in prices to the common man is through the cost incurred in putting together one complete, homemade meal – the Indian Thali.

11.4 Given its enormous diversity, India has very diverse cuisines with variety of food items, which is a delicious mix of variety of vegetables, cereals, fruits, and spices that

grow across the country. Indian traditional diet has always been a healthy mix of vegetables and cereals along with fish, meat and eggs. Thali prices are constructed for 25 States/UTs taking into account the prices for cereals (rice or wheat), sabzi (vegetables plus other ingredients), dal (pulses with other ingredients) as well as the cost of fuel that goes into making a meal in a household (Box 1). Two types of Thalis are analysed: a vegetarian Thali and a non-vegetarian one. A vegetarian Thali comprises of a serving of cereals, sabzi and dal and the non-vegetarian Thali comprises of cereals, sabzi and a non-vegetarian component. The evolution of prices of these two Thalis during the period from 2006-07 to October, 2019-20 is analysed.

11.5 Both across India and the four regions – North, South, East and West – we find that the absolute prices of a vegetarian Thali have decreased since 2015-16 though it increased during 2019. This is owing to significant moderation in the prices of vegetables and dal from 2015-16 when compared to the previous trend of increasing prices. In fact, the increase in prices of both components has contributed to the increase in the Thali price during 2019-20 (April - October) as well. If the prices of a vegetarian Thali had followed the trend obtained till 2015-16, an average household comprising of five individuals¹ would have had to spend ₹10887 more on average per year for eating minimum two healthy Thalis a day. In other words, after 2015-16, the average household gained ₹10887 per year on average from the moderation in Thali prices. Similarly, an average household that eats minimum two healthy non-vegetarian Thalis per day gained around ₹11787 on average during the same period. As another benchmark, we examine an industrial worker’s ability to pay for two Thalis a day for his/her household of five individuals.

¹ The assumption of five individuals per household is based on the fact that the average household in India has 4.8 individuals (Census, 2011).

Using this measure, we find that affordability of vegetarian Thalis has improved over the time period from 2006-07 to 2019-20 by 29 per cent and that for non-vegetarian Thalis by 18 per cent. Note that though non-vegetarian

Thalis are costlier than the vegetarian Thalis, the gains and therefore the affordability stem from the trends prevailing in the respective Thali till 2015-16.

Box 1: Construction of the Thali Prices

Thalis were constructed using average monthly price data (used for preparation of Consumer Price Index-Industrial Workers (CPI-IW)) for the period April 2006 to October 2019 from Labour Bureau, Government of India, for 78 centres in 25 States/UTs. Average monthly prices of various commodities are averages of the open market prices of specified variety of an item prevailing in the selected outlets in the selected markets in a given centre. For rationed items, the prices for the centres are weighted average prices, the weights being the proportion of the quantity available through Public Distribution System and quantity procured from the open market in different centres in relation to base year (2001) requirements of an average working class family.

Two types of Thali were considered for the analysis: a vegetarian Thali and a non-vegetarian Thali. The quantities of constituents required for preparation of a Thali were based on the dietary guidelines prescribed for Indians (NIN, 2011). We have taken the requirements for an adult male engaged in heavy work. Therefore, the estimated prices are likely to overestimate the cost of a meal to the average household than underestimate it. We have taken the quantities for cereals, vegetables, pulses and non-vegetarian items for each Thali assuming that at least two full meals would be consumed in a day such that the daily dietary requirements for these elements would be met. Vegetarian Thali consists of a serving of cereals (300 grams), vegetables (150 grams) and pulses (60 grams). Two cereals have been taken: rice and wheat. Potato, onion, tomato have been taken as the staple vegetables and brinjal, cabbage, cauliflower and lady's finger have been taken as the additional vegetables, broadly covering all the seasons, pan-India availability and general consumption. For dals, arhar, gram dal, masur dal, moong dal and urad dal have been taken. Other commodities include spices and condiments used in preparation of the vegetable and dal recipes. Mustard oil, groundnut oil, and coconut oil have been taken, depending on the state-wise differences in the type of oil used for cooking. For non-vegetarian dish, prices of eggs, fish (fresh) and goat meat have been taken, which are generally consumed across regions as well as religions. In the case of non-vegetarian Thali, dal is replaced by non-vegetarian component (60 grams); rest of the components remain unchanged. For fuel, cooking gas prices as well as firewood prices have been taken for which the data is available consistently. As such, the quantities of the items should not affect the analysis as the weights of the components could be scaled in any direction, and still the direction of price changes would remain the same.

Weighted price for each serving of the cereals (300 grams) is based on the quantity weights of rice and wheat in each State based on the data from NSS 68th Round Household Consumer Expenditure Survey. Average monthly consumption, each of rice and wheat, per capita, have been calculated from the household survey data for each State. Similarly, weighted prices of portions of vegetables as well as dals have been calculated based on the same data. Similar exercise was also done for non-vegetarian food. Fuel consumption per meal is calculated by dividing the total quantity, respectively, of LPG and firewood consumed in a month for a household by the average number of meals prepared at home obtained from the NSS 68th Round data. This is then used to calculate the weighted average price of fuel for one meal.

The weights from the Consumer Expenditure Survey are used along with the prices data to arrive at the weighted prices of the main components. 'Other ingredients' weightage is based on standardised recipes used to prepare the Thalis (Table A).

Table A: Other Ingredients

Component of Thali	Other Ingredients
Sabzi	0.2 grams of turmeric, 0.5 grams of chilies-dry, 1 gram of salt, 0.5 grams of coriander, 10 grams of cooking oil
Dal	0.2 grams of turmeric, 0.2 gram of salt, 0.2 grams of chilies-dry, 1 gram of zeera/mustard seeds, 10 grams of oil
Non-Vegetarian	0.1 grams of turmeric, 0.2 grams of chilies-dry, 0.5 gram of salt, 0.2 grams of coriander, 0.1 gram of mixed spices, 0.5 gram ginger, 0.5 gram garlic, 15 grams of onion, 12 grams of tomato, 10 grams of cooking oil

The Thali prices represent the total money spent in preparing all the constituents of the respective Thalis. State-wise calculations are based on the recipe, components and weights to arrive at the state-wise prices of Thalis. Region-wise and All-India level Thalis have been constructed by taking weighted average of Thali prices in each state using the state-wise population as the weight.

THALI PRICES

11.6 The year 2015-16 can be considered as a year when there was a shift in the dynamics of Thali prices. Many reform measures were introduced during the period of analysis to enhance the productivity of the agricultural sector as well as efficiency and effectiveness

of agricultural markets for better and more transparent price discovery (Table 1). This is reflected in a slowdown in the prices of Thalis at the All-India level (Figure 1). For the analysis, data from 2006-07 has been taken so that 10 years of data is available to analyse the price trend before 2015-16.

Table1: Some Major Initiatives for Enhancing Productivity of Agriculture and Efficiency of Agricultural Markets

Sl. No.	Name of Scheme	Description
1	Pradhan Mantri Annadata Aay SanraksHan Abhiyan (PM-AASHA)	PM-AASHA, launched in 2018, covers three sub-scheme i.e. Price Support Scheme (PSS), Price Deficiency Payment Scheme (PDPS) and pilot of Private Procurement & Stockist Scheme (PDPS). Under PSS, physical procurement of pulses, oilseeds and Copra is done by Central Nodal Agencies with proactive role of State governments. PDPS covers all oilseeds for which MSP is notified. Under this, direct payment of the difference between the MSP and the selling/modal price is made to pre-registered farmers selling his produce in the notified market yard through a transparent auction process.
2	Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) - Per Drop More Crop	PMKSY was implemented in the year 2015-16. It focuses on enhancing water use efficiency through expansion of cultivable area under assured irrigation, improve on-farm water use efficiency to reduce wastage of water, enhance the adoption of precision-irrigation and other water saving technologies, enhance recharge of aquifers and introduce sustainable water conservation practices.

3	Pradhan Mantri Fasal Bima Yojana (PMFBY)	PMFBY was introduced in 2015-16 to provide better insurance coverage for agricultural crops and thereby mitigate risk. A total of 69.9 lakh farmers have benefited from PMFBY. The scheme aims to provide comprehensive insurance coverage to farmers.
4	Soil Health Card	Soil Health Card scheme was introduced in the year 2014-15 to assist State Governments to issue soil health cards to all farmers in the country. Soil health card provides farmers information on the nutrient status of their soil along with recommendation on appropriate dosage of nutrients to be used for their soil conditions.
5	e-National Agricultural Market (e-NAM)	e-NAM is an online trading platform for agricultural commodities for transparent price discovery. So far, 585 wholesale regulated markets in 16 States and 2 UTs have connected to e-NAM.
6	National Food Security Mission (NFSM)	National Food Security Mission has been implemented since 2007-08. It was redesigned in 2014-15 to increase the production of rice, wheat, pulses and coarse cereals.
7	National Food Security Act (NFSA)	The National Food Security Act was enacted in July, 2013 and rolled out in 2014. The Act legally entitles 67 per cent of the population (75 per cent in rural areas and 50 per cent in urban areas) to receive highly subsidized food grains. Under the Act, food grain is allocated @ 5 kg per person per month for priority households category and @ 35 kg per family per month for AAY families at highly subsidized prices of ₹ 1/-, ₹ 2/- and ₹ 3/- per kg for nutri-cereals, wheat and rice respectively. Coverage under the Act is based on the population figures of Census, 2011. The Act is being implemented in all 36 States/UTs and covers about 81.35 crore persons.

Source: Ministry of Agriculture and Farmers' Welfare, Ministry of Consumer Affairs, Food & Public Distribution

11.7 We can see what would have been the case if the prices had continued to increase at the previous rate by fitting a linear trend for ten years before 2015-16 and projecting the prices from that particular year onwards. This projection provides a counterfactual estimate of what the prices would have been if the policies described in Table 1 had not been implemented. Comparing this with the actual prices, we can calculate the nominal gain that the consumers of the Thali have achieved due to the agricultural policy programmes since 2015.

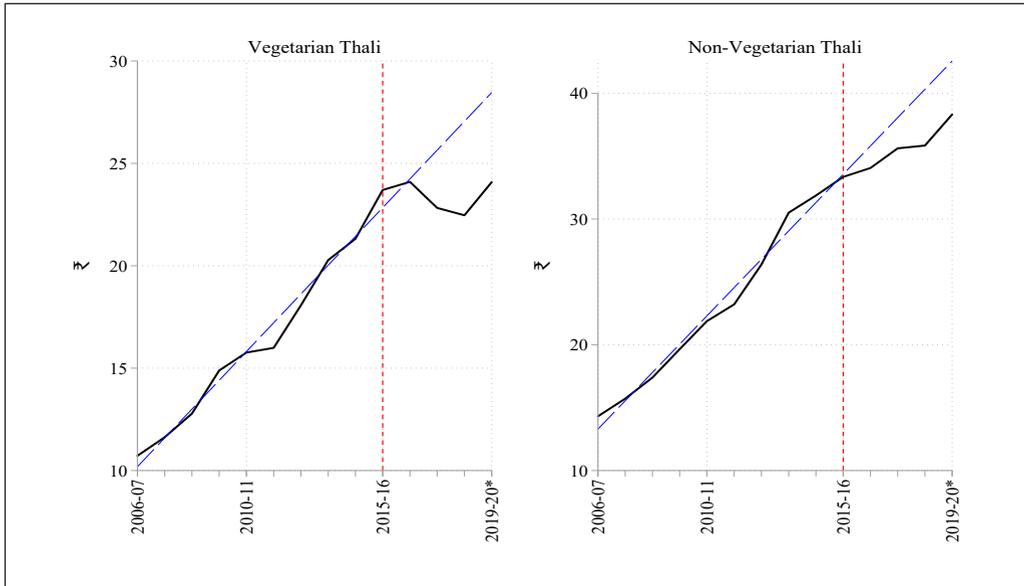
11.8 In figure 1, the year 2015-16 is shown by the red dotted vertical line. The blue dashed

line is the linear fit till 2015-16 and projected further for five years till 2019. For the years after 2015-16, we calculate the gap between the projected line, which is the counterfactual, and the actual prices. At the All-India level, for the vegetarian Thali, post 2015-16, there was an average gain of around ₹3 per Thali (₹0.1 in 2016-17, ₹2.8 in 2017-18, ₹4.6 in 2018-19 and ₹4.4 in 2019-20) (Figure 1). This may seem to be a small number at first glance. However, it is a large decline in the cost of food to the households. To understand this, the gains have been estimated for a household comprising five individuals and each consuming two vegetarian Thalis a

day. Average yearly gain for this family, in nominal terms, for the periods subsequent to 2015-16, equals around ₹10887. The gain is, on average, 6.5 per cent of an individual worker’s yearly wages (Table 2). For a non-

vegetarian Thali, the gain per Thali was ₹1.8 in 2016-17, ₹2.4 in 2017-18, ₹4.5 in 2018-19 and ₹4.2 in 2019-20. The average yearly gain to the household consisting of 5 individuals would then be around ₹11787.

Figure 1: Thali Prices at All-India Level



Source: Survey calculations

Note: The blue dashed line represents the linear trend till 2015-16 and thereafter projection. Red dotted vertical line represents 2015-16,

*: April-October, 2019

Table 2: All-India Annualised Gain to a Household of Five Individuals with Two Meals a Day

Year	Gain in ₹	As a proportion of annual earnings of a worker (in per cent)	
		Vegetarian Thali	Non-vegetarian Thali
2016-17	526.9	0.4	4.3
2017-18	10304.3	6.5	5.6
2018-19	16744.4	10	9.7
2019-20*	15972.3	9	8.7

Source: Survey calculations

Note: *: Calculations for 2019-20 based on prices for the period April-October, 2019

11.9 India, being a diverse country, it is important to look at the regional variation in the price trends. States in India have therefore been divided into four regions based on geographic location:

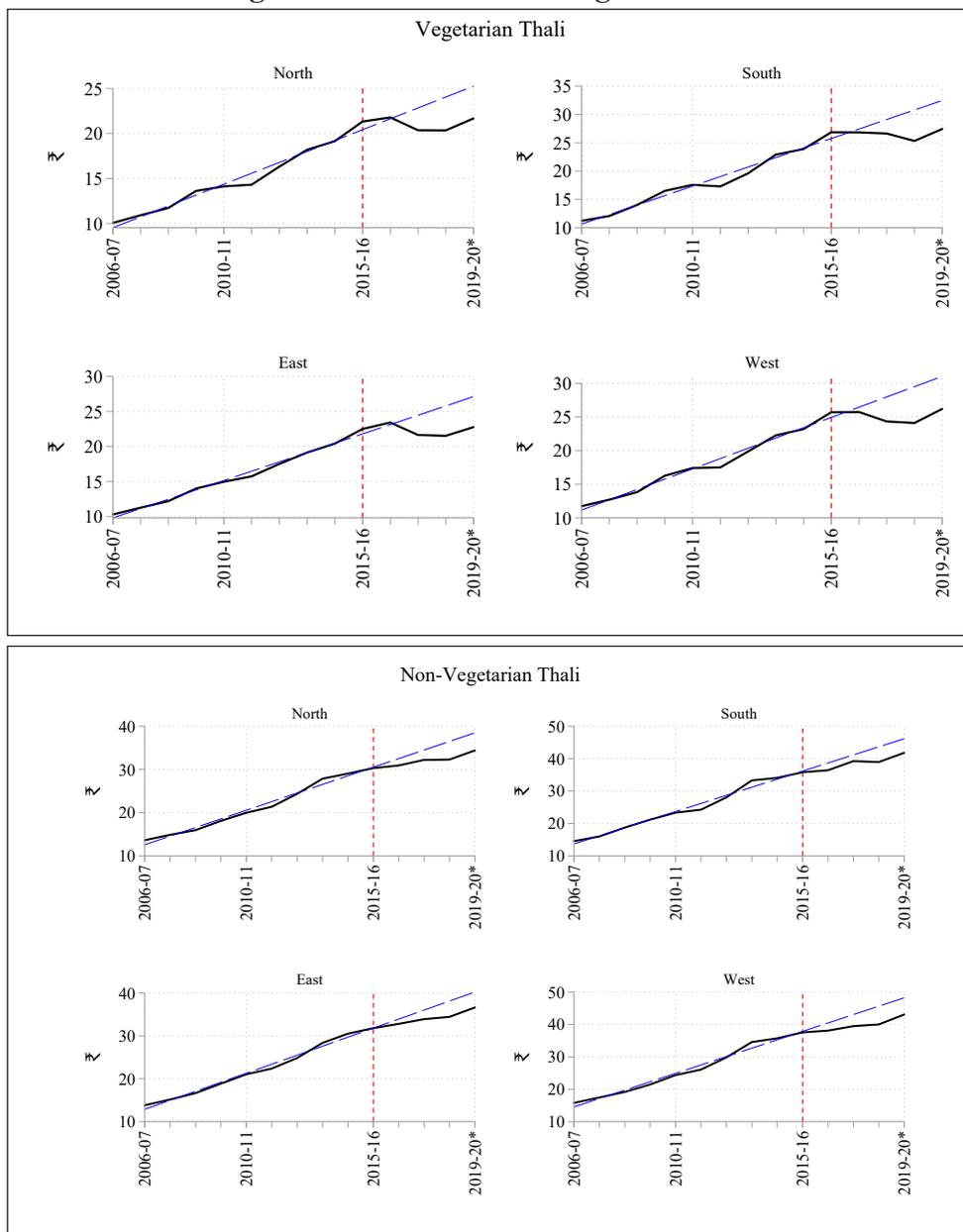
- Northern Region covers Chandigarh, Delhi, Haryana, Himachal Pradesh, Jammu & Kashmir, Madhya Pradesh, Punjab and Uttar Pradesh.
- Southern Region covers Karnataka,

Kerala, Puducherry, Tamil Nadu, Andhra Pradesh and Telangana.

- Eastern Region covers Assam, Bihar, Chhattisgarh, Jharkhand, Odisha, Tripura and West Bengal.
- Western Region covers Goa, Gujarat, Rajasthan and Maharashtra.

11.10 Similar gains are observed across regions, with the exception of Northern Region and Eastern Region in 2016-17 in the case of vegetarian Thali (Figure 2 and Table 3). The highest gain in any year was in the Southern region for a vegetarian Thali in 2018-19 of around 12 per cent of annual earnings of a worker.

Figure 2: Thali Prices at Regional Level



Source: Survey calculations

Note: The blue dashed line represents the linear trend till 2015-16 and thereafter projection. Red dotted vertical line represents 2015-16,

*: April-October, 2019

Table 3: Region-wise Nominal Gain to a Household of Five Individuals with Two Meals a Day

Year	Gain in ₹	As a proportion of annual earnings of a worker (in per cent)	Gain in ₹	As a proportion of annual earnings of a worker (in per cent)
Northern Region				
	<i>Vegetarian Thali</i>		<i>Non-Vegetarian Thali</i>	
2016-17	-578.7	-0.4	5,795.3	4.3
2017-18	9,055.1	6.2	8,348.0	5.8
2018-19	13,528.9	8.8	15,354.9	10
2019-20*	13,087.3	8	14,920.3	9.2
Southern Region				
	<i>Vegetarian Thali</i>		<i>Non-Vegetarian Thali</i>	
2016-17	2,166.1	1.5	8,169.5	5.7
2017-18	9,031.2	6	7,035.0	4.7
2018-19	19,935.9	12.4	17,118.1	10.7
2019-20*	18,361.6	10.8	15,865.5	9.3
Eastern Region				
	<i>Vegetarian Thali</i>		<i>Non-Vegetarian Thali</i>	
2016-17	-1,091.9	-0.7	4,044.1	2.6
2017-18	10,254.8	6.1	7,705.6	4.6
2018-19	15,558.5	8.8	13,454.7	7.6
2019-20*	15,886.0	8.5	13,123.8	7.1
Western Region				
	<i>Vegetarian Thali</i>		<i>Non-Vegetarian Thali</i>	
2016-17	2,612.9	1.6	8,632.2	5.1
2017-18	13,317.6	7.5	13,053.8	7.4
2018-19	19,724.3	10.5	20,563.7	10.9
2019-20*	17,661.4	8.9	18,885.2	9.5

Source: Survey calculations

Note: *: Calculations for 2019-20 based on prices for the period April-October, 2019

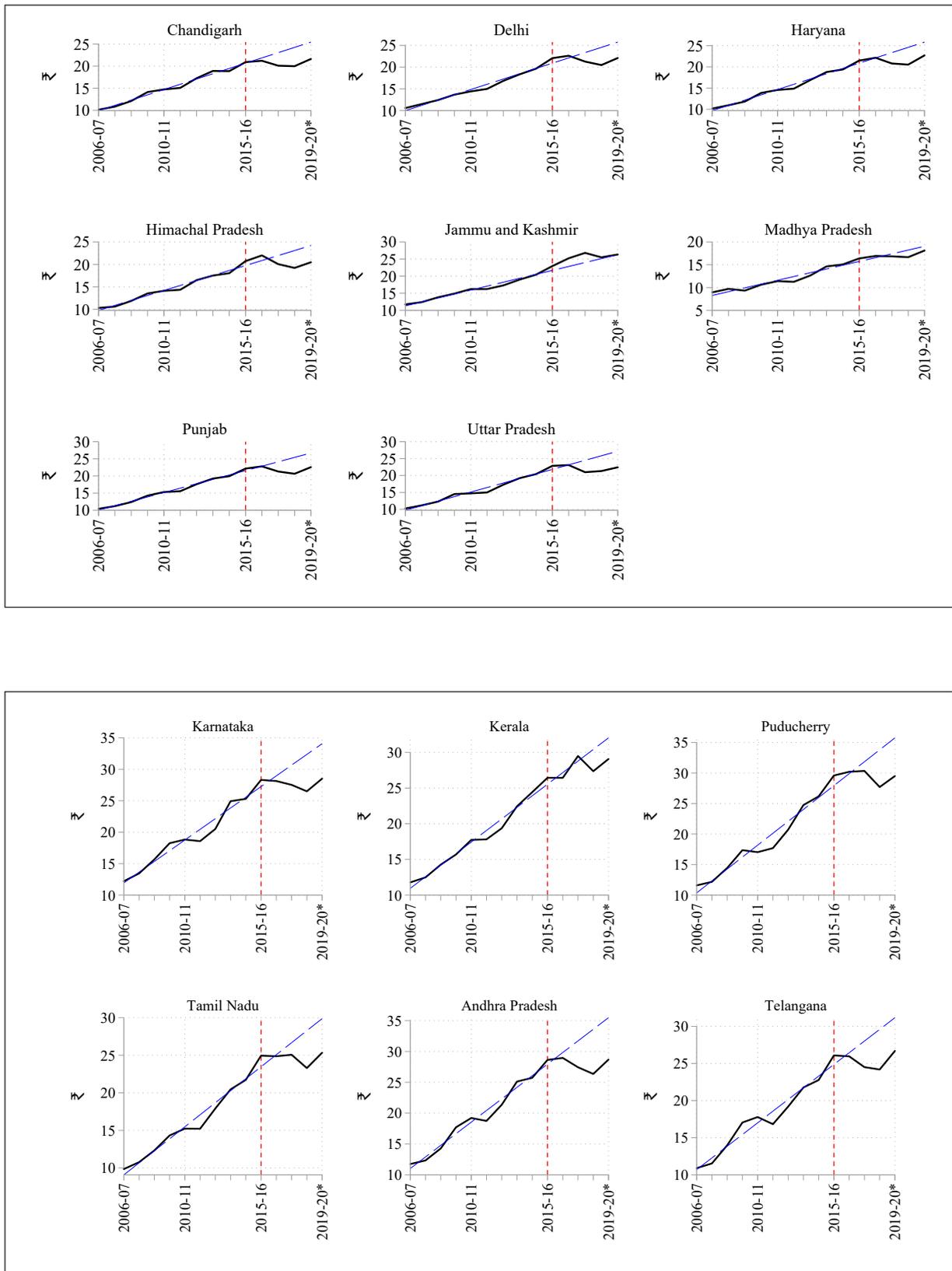
Figures 3 and 4 show the state-wise prices of Thalīs. We find a similar trend.

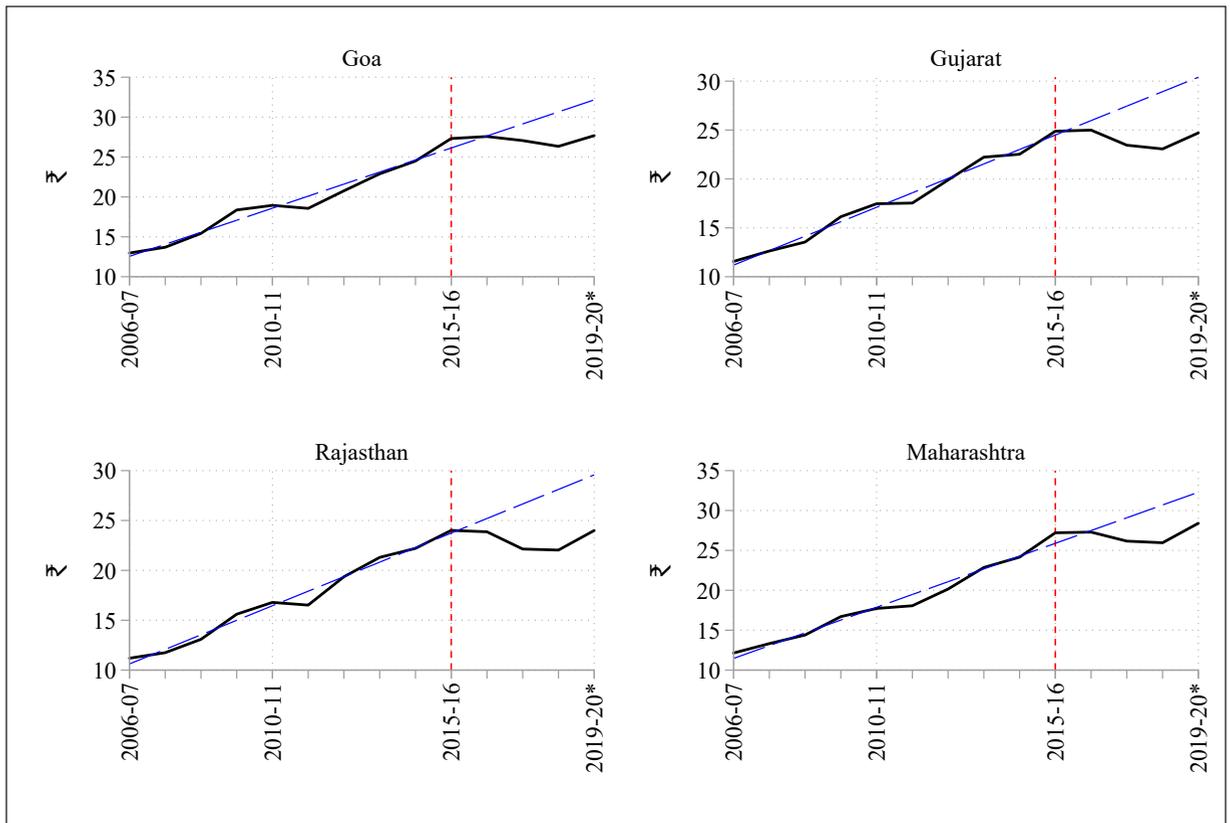
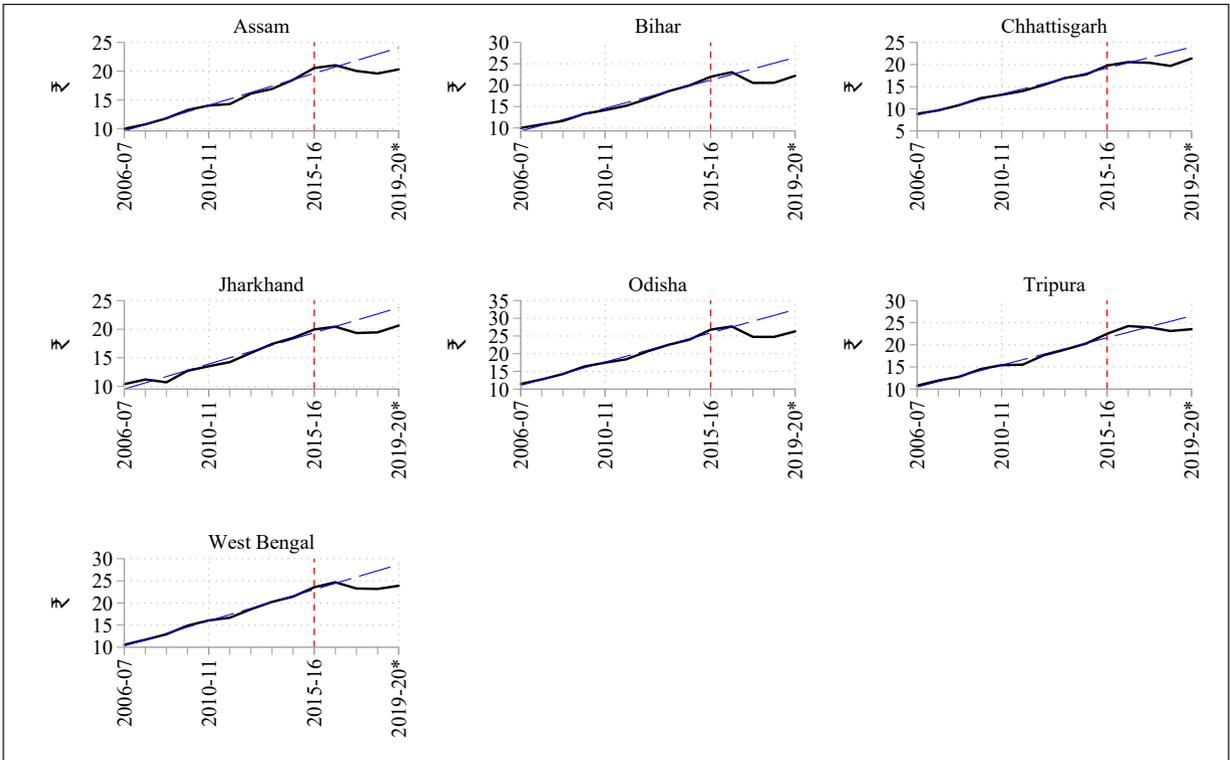
AFFORDABILITY OF THALIS

11.11 While the price of a Thali indicates the cost of consuming a healthy plate of food, knowing whether prices are increasing or decreasing is not sufficient to infer whether the common person is better-off or worse-off. What is also important to see is how have the earnings of the individual changed

during the same period of time compared to the prices of a Thali. In order to do this, we can look at what share of his/her daily wages does a worker require to acquire two Thalīs a day for his/her household members. If this metric decreases over time, we can conclude that the individual is better-off. On the other hand, if this metric increases, we can infer the contrary. This metric is constructed

Figure 3: State-wise Thali Prices of Vegetarian Thali



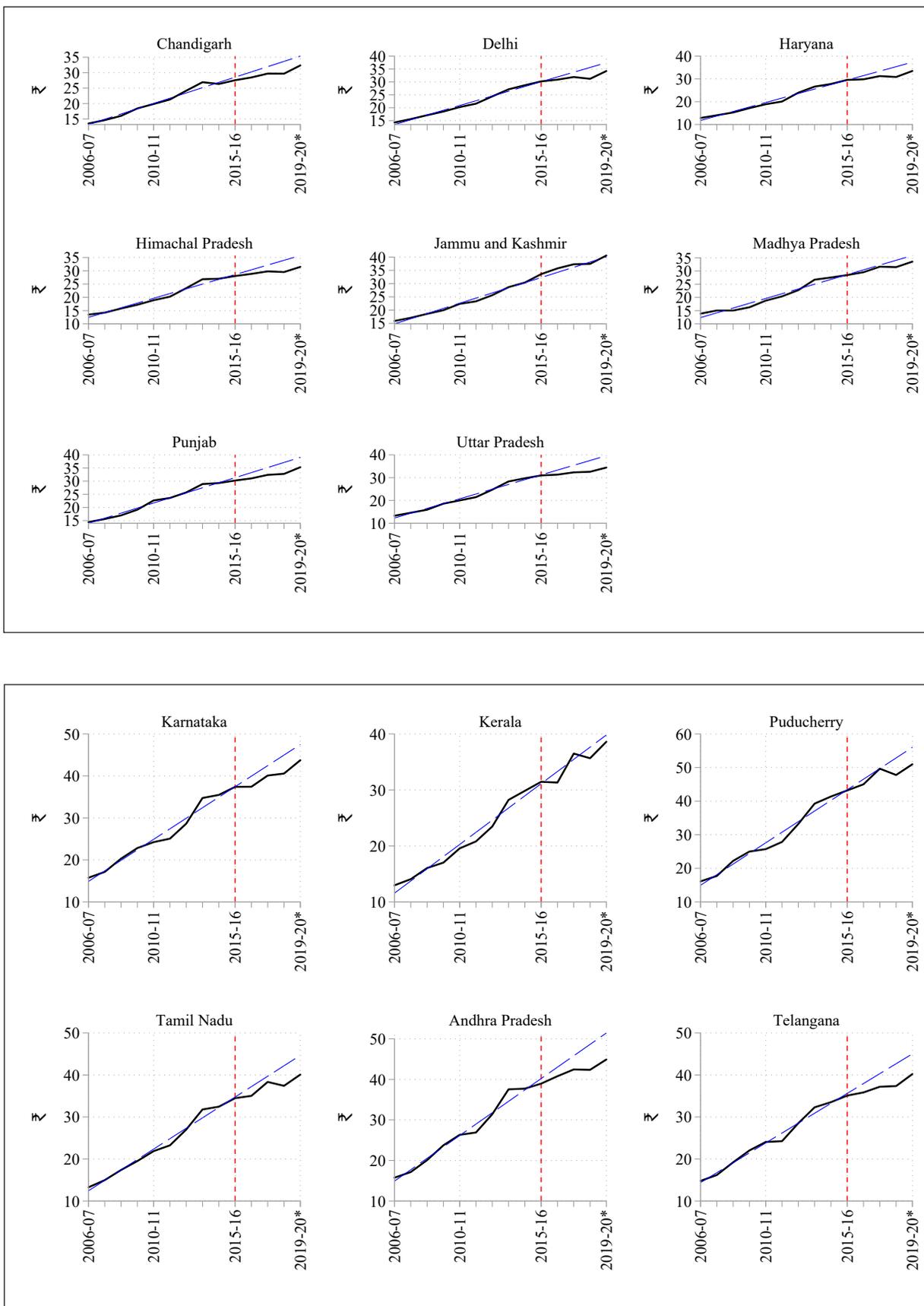


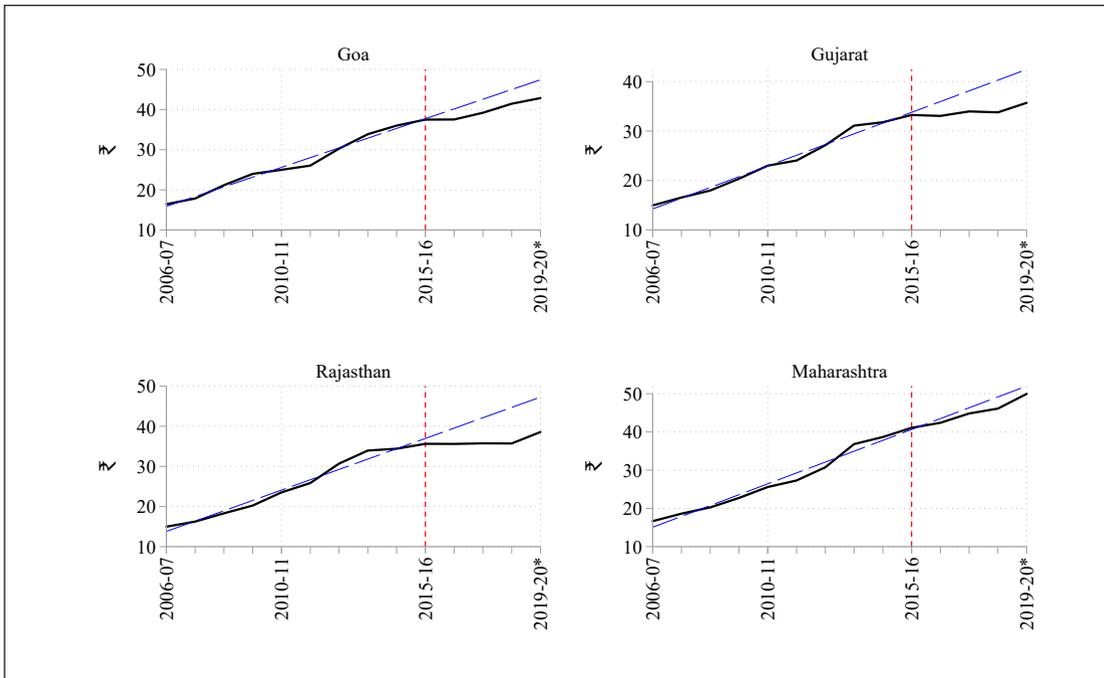
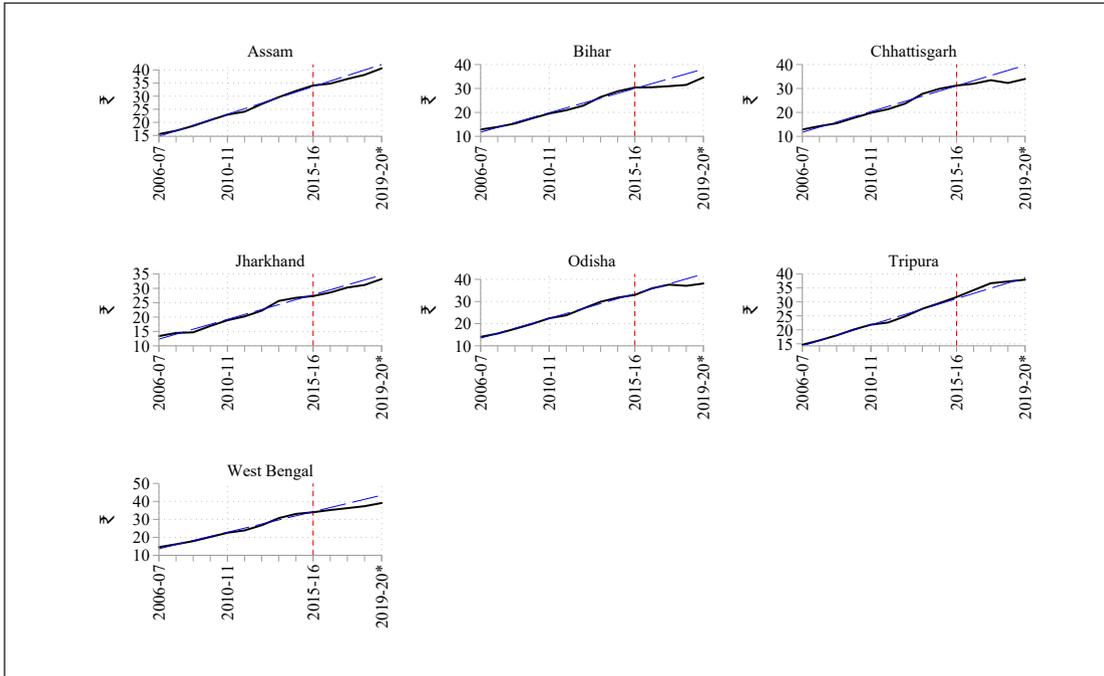
Source: Survey calculations

Note: The blue dashed line represents the linear trend till 2015-16 and thereafter projection. Red dotted vertical line represents 2015-16,

*: April-October, 2019

Figure 4: Statewise Prices of Non-Vegetarian Thali





Source: Survey calculations

Note: The blue dashed line represents the linear trend till 2015-16 and thereafter projection. Red dotted vertical line represents 2015-16,

*: April-October, 2019

by dividing the price of two Thalids in that year for five individuals by the daily wage derived from Annual Survey of Industries data (available till 2017-18 and extrapolated till 2019-20 based on the trend). ASI data is

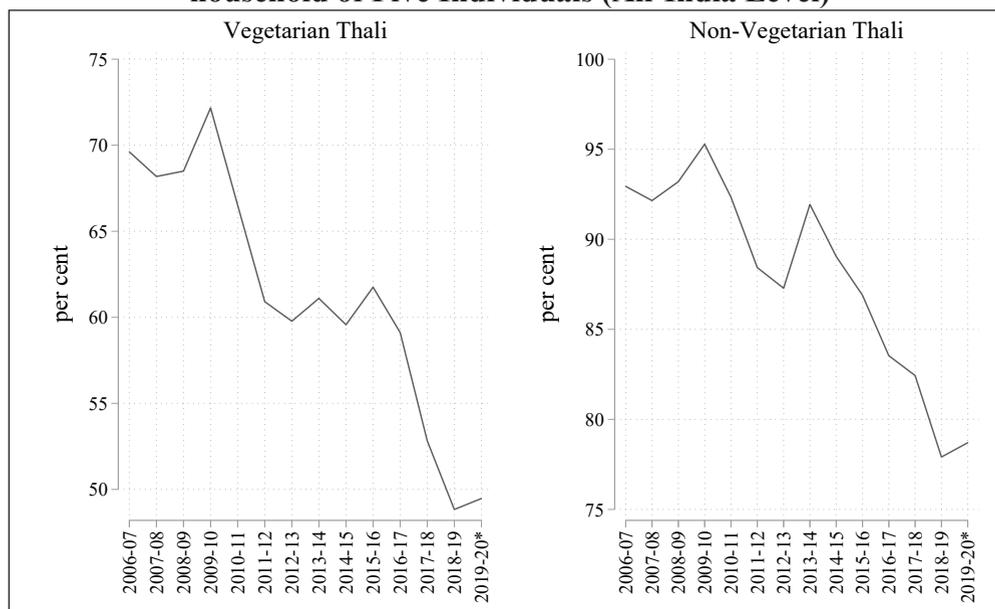
used for wages because the prices of food items have been taken from data collected for construction of CPI-IW. For the time-period covered in the analysis, ASI gives an annual estimate of wages of workers engaged in the

organized manufacturing sector. The annual wages of workers are arrived at by dividing the total wages to workers by the number of workers. We divide this annual wage per worker by 365 to arrive at the daily wage for a worker. From Figure 5, it is observed that the affordability of Thalīs has increased over the years. In terms of vegetarian Thali, it is found that, an individual who would have spent around 70 per cent of his/her daily wage on two Thalīs for a household of five in 2006-07 is able to afford same number of Thalīs from around 50 per cent of his daily wage in 2019-20 (April to October). Similarly, the affordability of non-vegetarian Thalīs has also increased with the share of wages required decreasing from around 93 per cent

to around 79 per cent between 2006-07 and 2019-20 (April to October).

11.12 In 2019-20 (April-October, 2019), the most affordable Thali was in Jharkhand; two vegetarian Thalīs for a household of five in Jharkhand required about 25 per cent of a worker's daily wage (Figure 6). Non-vegetarian Thali was also most affordable in Jharkhand (Figure 7). Comparing between 2006-07 and 2019-20 (April-October), vegetarian Thali has become more affordable in all states under consideration. In the case of non-vegetarian Thali, affordability has increased during this period in all states except Bihar and Maharashtra, where it has shown a marginal decline.

Figure 5: Share of a Day's Wage of a Worker Needed to Afford Two Thalīs for a household of Five Individuals (All-India Level)



Source: Survey calculations

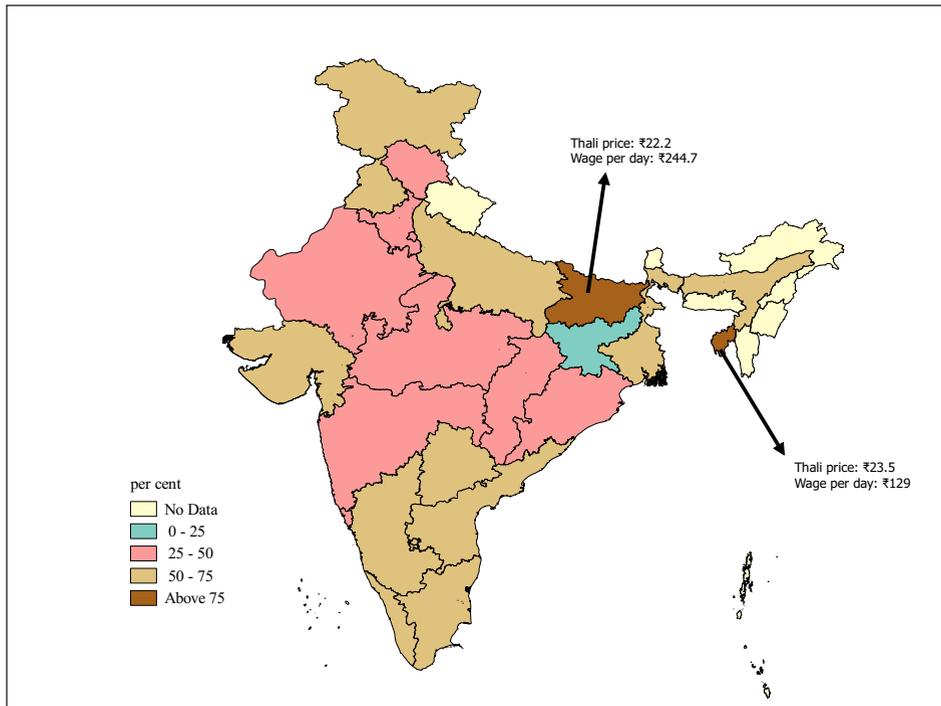
Note: *: Calculations for 2019-20 based on prices for the period April-October, 2019

PRICE TRENDS OF THALI COMPONENTS

11.13 Given the national and regional trends in the prices of Thalīs, it would be insightful to see what components of Thalīs have

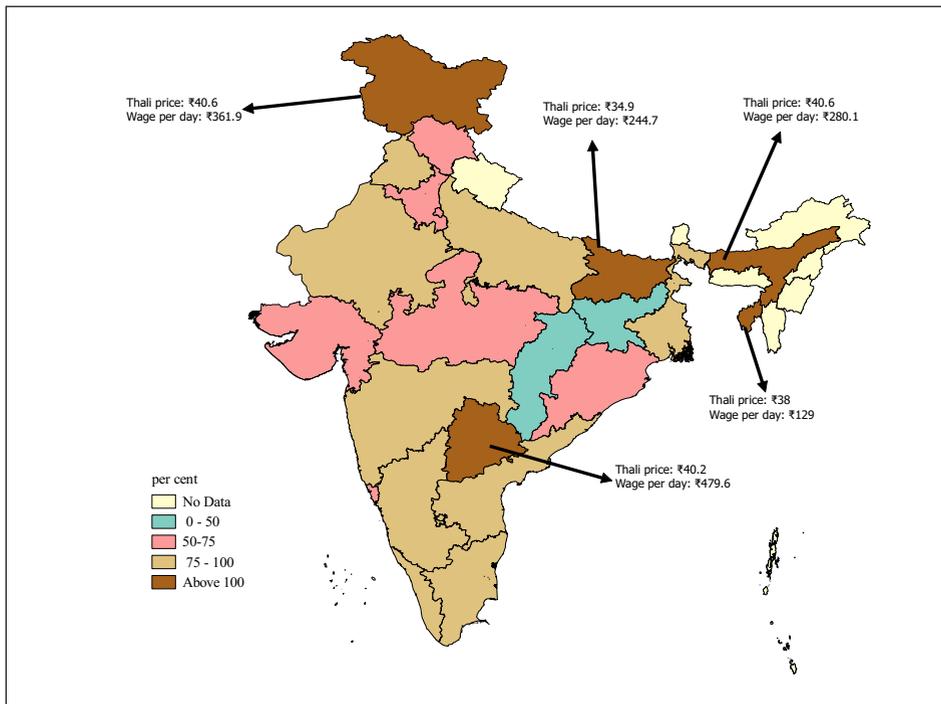
contributed to the observed trends in prices of Thalīs. It is observed that, at the all-India level, prices of almost all the components have been mostly lower compared to the projected prices since 2015-16 (Figure 8). Dal prices remained elevated till 2016-17,

Figure 6: Share of a Day’s Wage of a Worker Needed to Afford Two Vegetarian Thalīs for a Household of Five Individuals (All-India Level) in 2019-20*



Source: Survey calculations;
Note: *: April to October, 2019

Figure 7: Share of a Day’s Wage of a Worker Needed to Afford Two Non-Vegetarian Thalīs for a Household of Five Individuals(2019-20*)



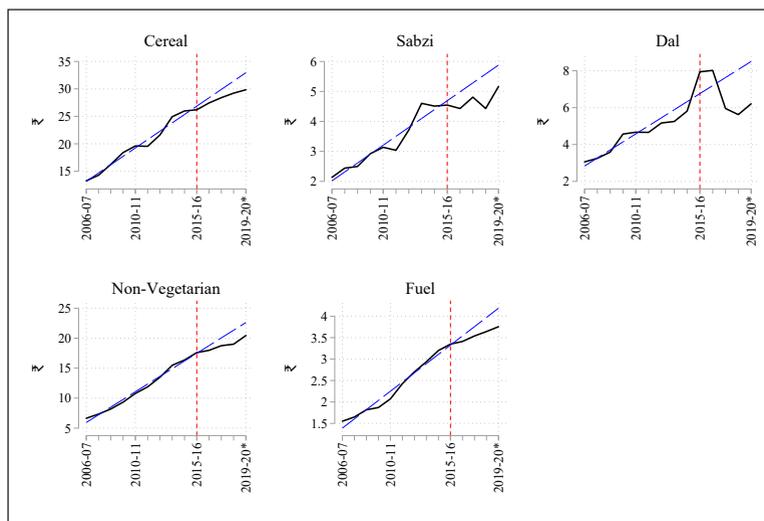
Source: Survey calculations;
Note: *: April to October, 2019

subsequent to which, a large decline was witnessed. Similar pattern is visible across the country (Figures 9-12). While in the other regions, Sabzi prices have remained clearly below the projected prices, in the Southern region, the variation has been greater and, in general, the Sabzi prices have been higher.

THALI INFLATION

11.14 Thali inflation (year-on-year growth in Thali prices), which remained elevated during the initial part of the period of our analysis, has shown significant reduction. As Figure 13 shows clearly, the increase in the rate of inflation in vegetarian and

Figure 8: All-India Prices of Thali Constituents

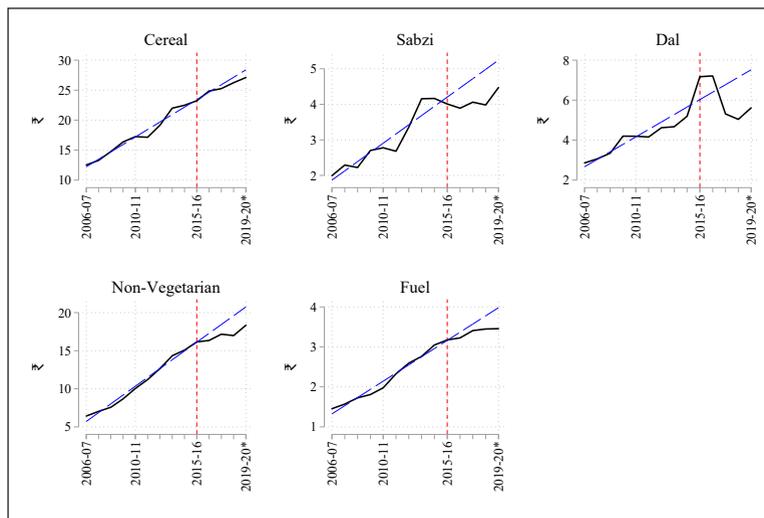


Source: Survey calculations

Note: Cereal prices are for 1 kg of cereal, other components prices are for a serving

*: April - October, 2019

Figure 9: Prices of Constituents – Northern region

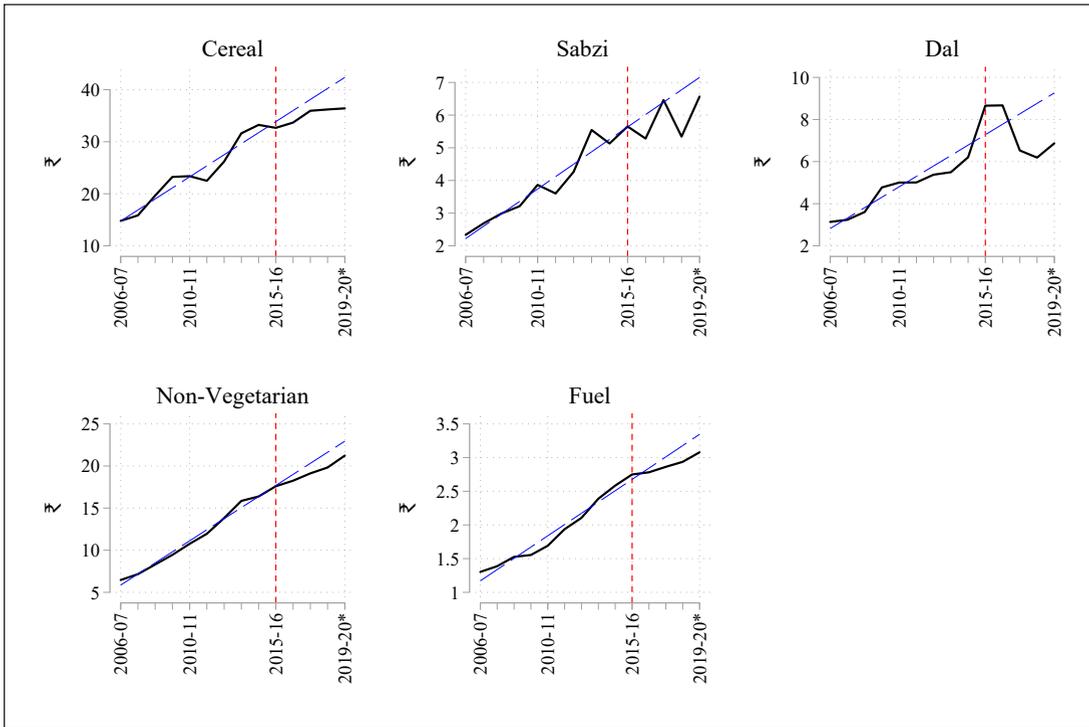


Source: Survey calculations

Note: Cereal prices are for 1 kg of cereal, other components prices are for a serving

*: April - October, 2019

Figure 10: Prices of Constituents – Southern Region

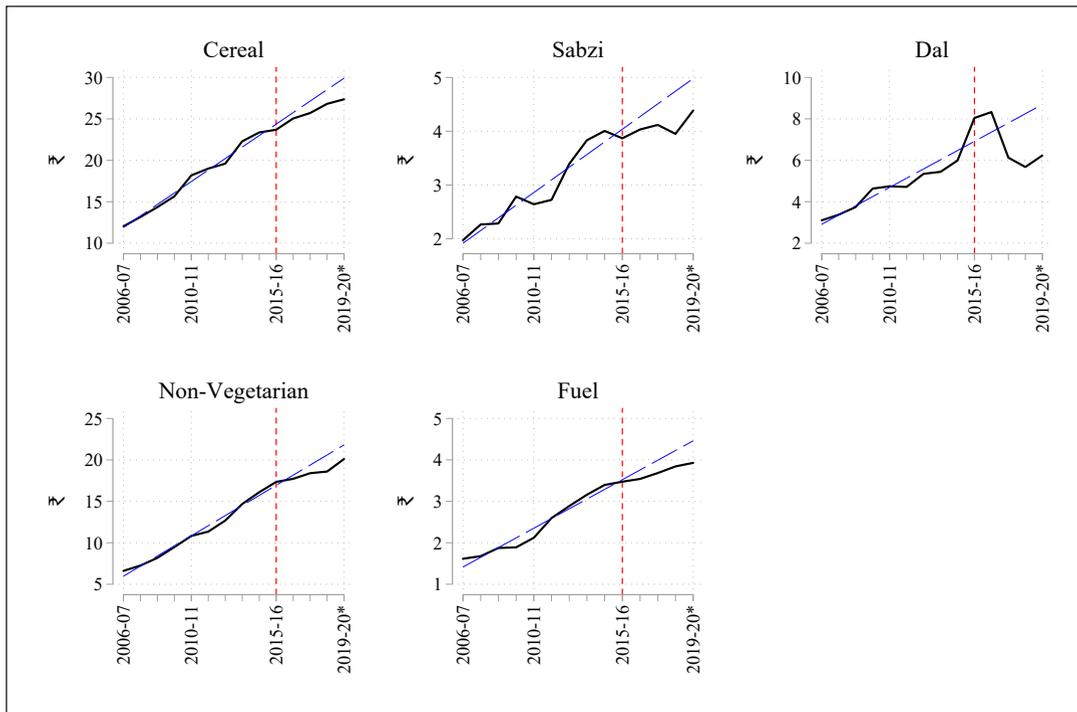


Source: Survey calculations

Note: Cereal prices are for 1 kg of cereal, other components prices are for a serving

*: April - October, 2019

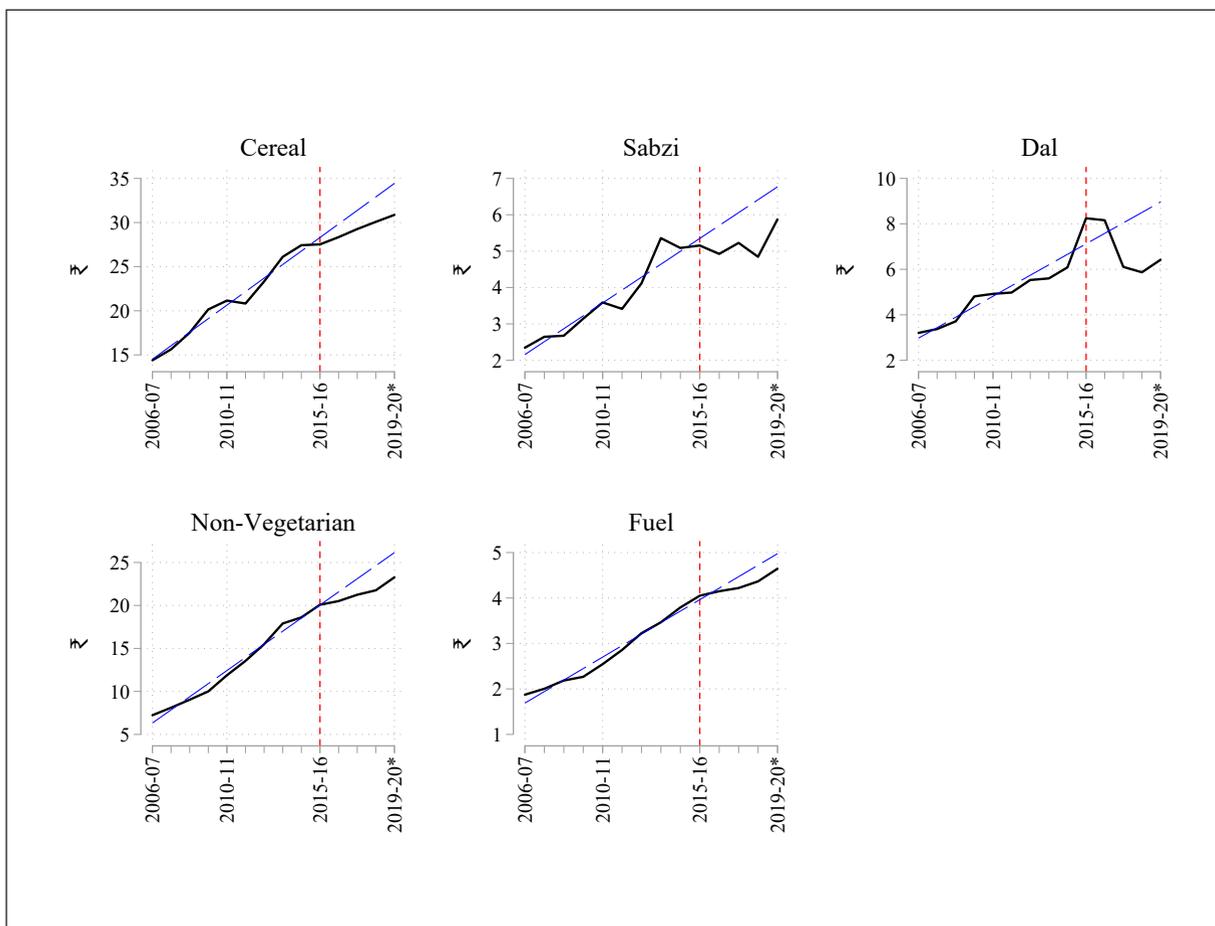
Figure 11: Prices of Constituents – Eastern region



Source: Survey calculations

Note: Cereal prices are for 1 kg of cereal, other components prices are for a serving

*: April - October, 2019

Figure 12: Prices of Constituents – Western region

Source: Survey calculations

Note: Cereal prices are for 1 kg of cereal, other components prices are for a serving

*: April - October, 2019

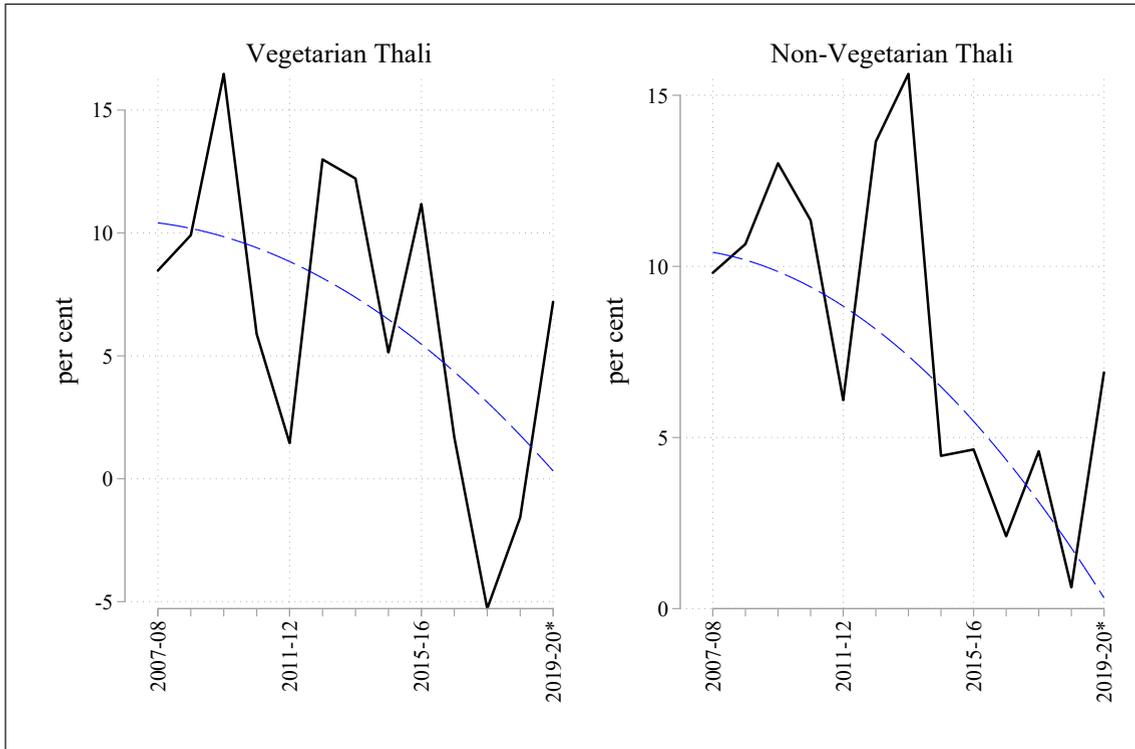
non-vegetarian Thalis during 2019-20 is a temporary phenomenon that should revert back as has happened in earlier years. In the case of vegetarian Thali, inflation at the All-India level fell from the significantly high level, attained in 2015-16, to below zero level in the subsequent years. In the case of non-vegetarian Thali, inflation fell drastically after 2013-14 (Figure 13). It is observed that inflation has been declining over time in all components. While inflation in cereals have been declining at a steady rate throughout the period, the fall in inflation has accelerated in all other components except Sabzi (Figure 14). Across regions and States, a similar

trend is seen in inflation with overall Thali inflation showing a downward trend (Figures 15 to 20). Over the last year, the rate of inflation for Dal, Sabzi and non-vegetarian components have increased.

VARIABILITY OF THALI PRICES

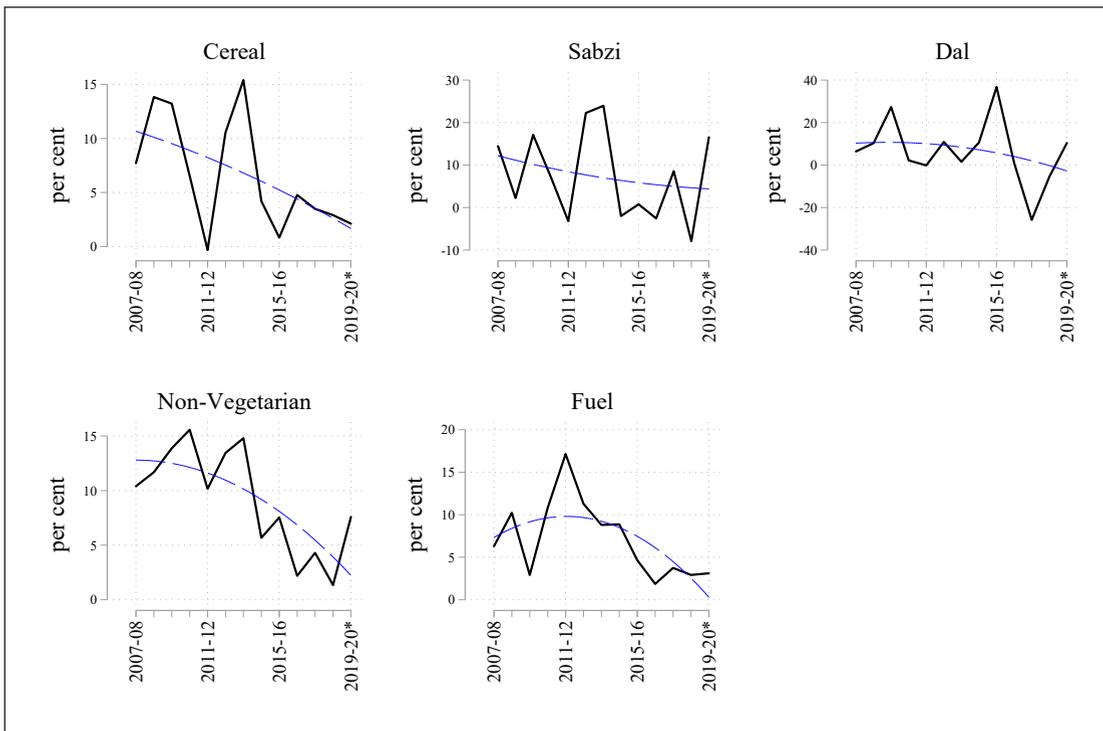
11.15 It is seen that over the years, there is no specific trend in the variability of Thali prices at the All-India level across months over the years (Figure 21). Similarly, in cases of variability across regions and across states, over time, there are no specific trends in the variability patterns (Figures 22 and 23).

Figure 13: All-India Inflation in Thali



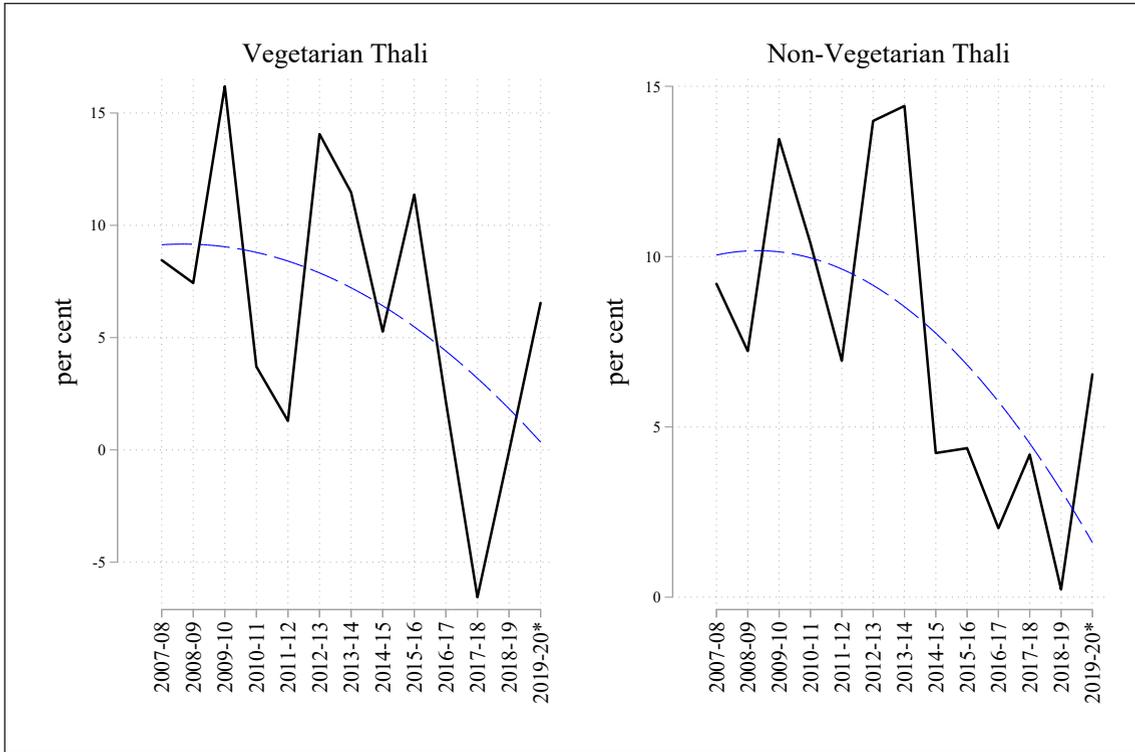
Source: Survey calculations
 Note: *: April - October, 2019

Figure 14: All-India Inflation in Thali Components



Source: Survey calculations
 Note: *: April - October, 2019

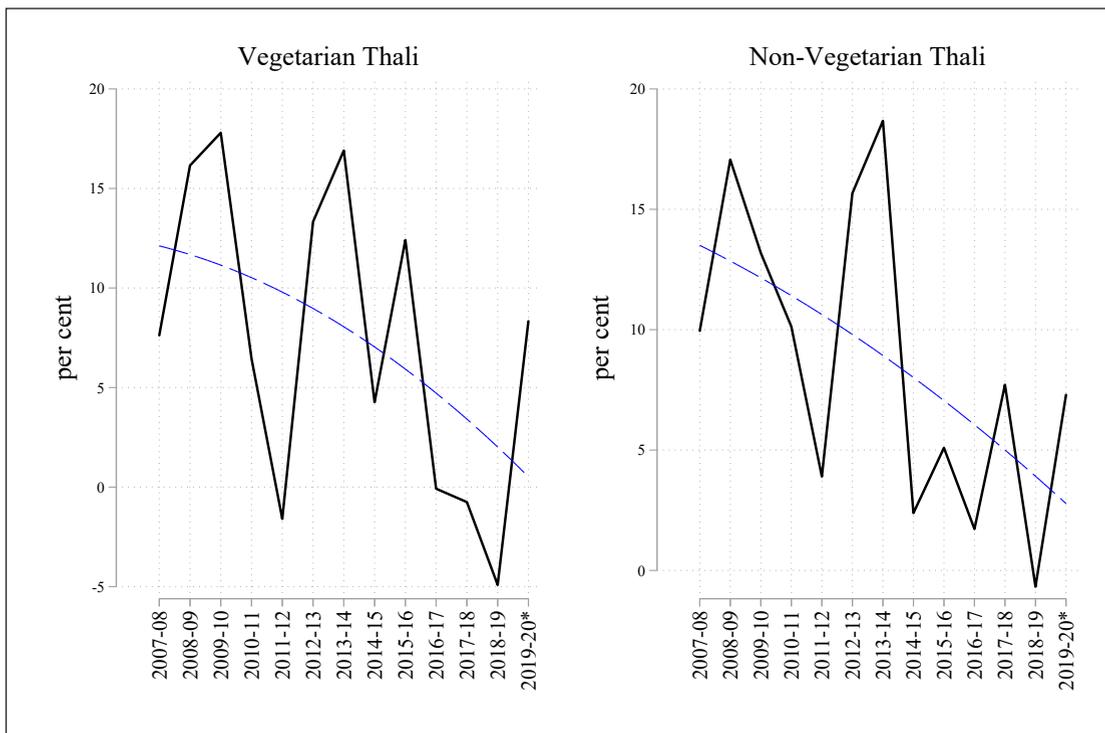
Figure 15: Northern Region Inflation in Thali



Source: Survey calculations

Note: *: April - October, 2019

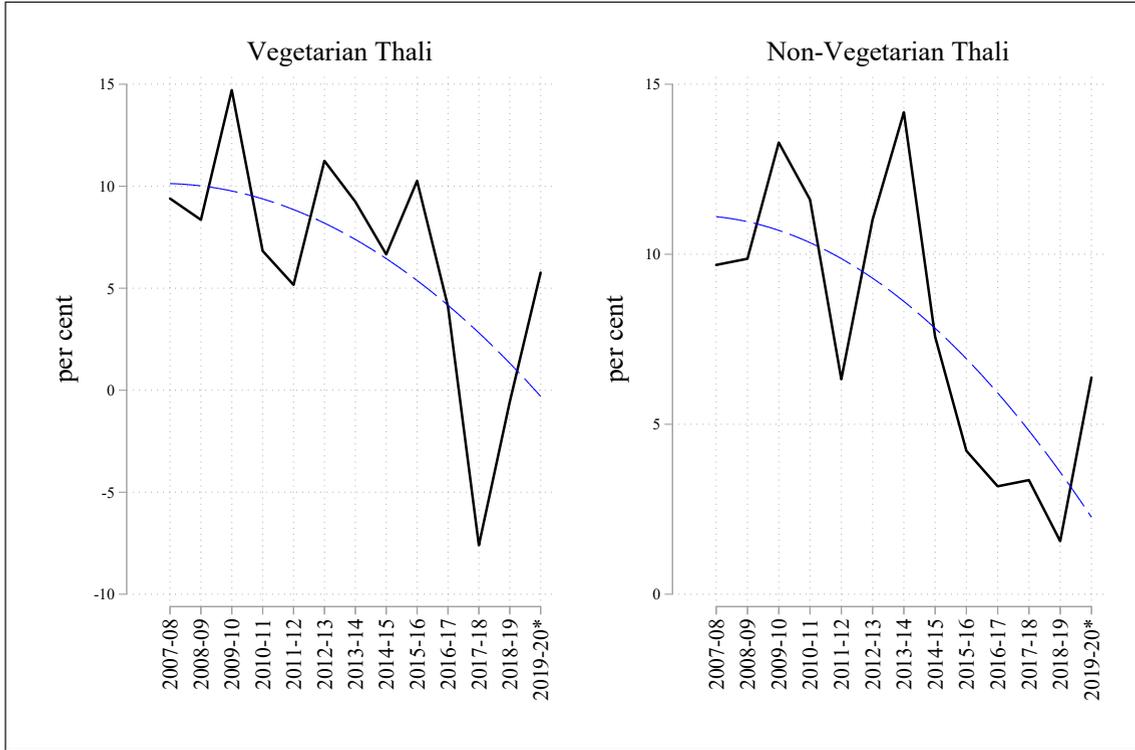
Figure 16: Southern Region Inflation in Thali



Source: Survey calculations

Note: *: April - October, 2019

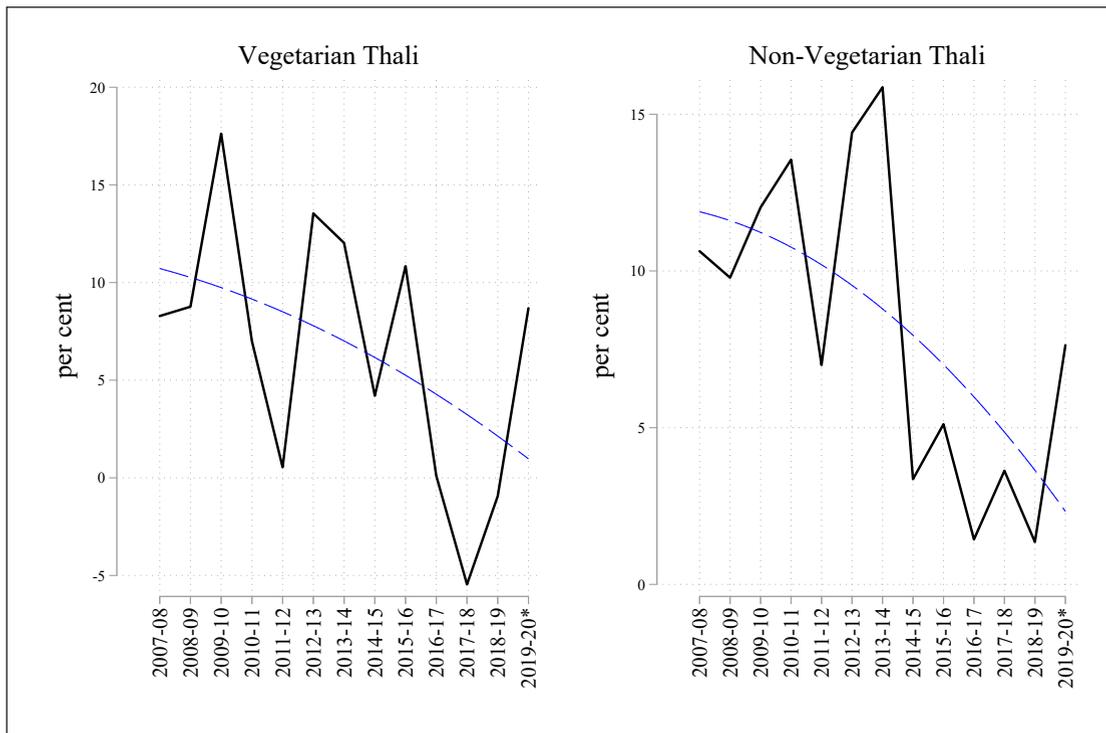
Figure 17: Eastern Region Inflation in Thali



Source: Survey calculations

Note: *: April - October, 2019

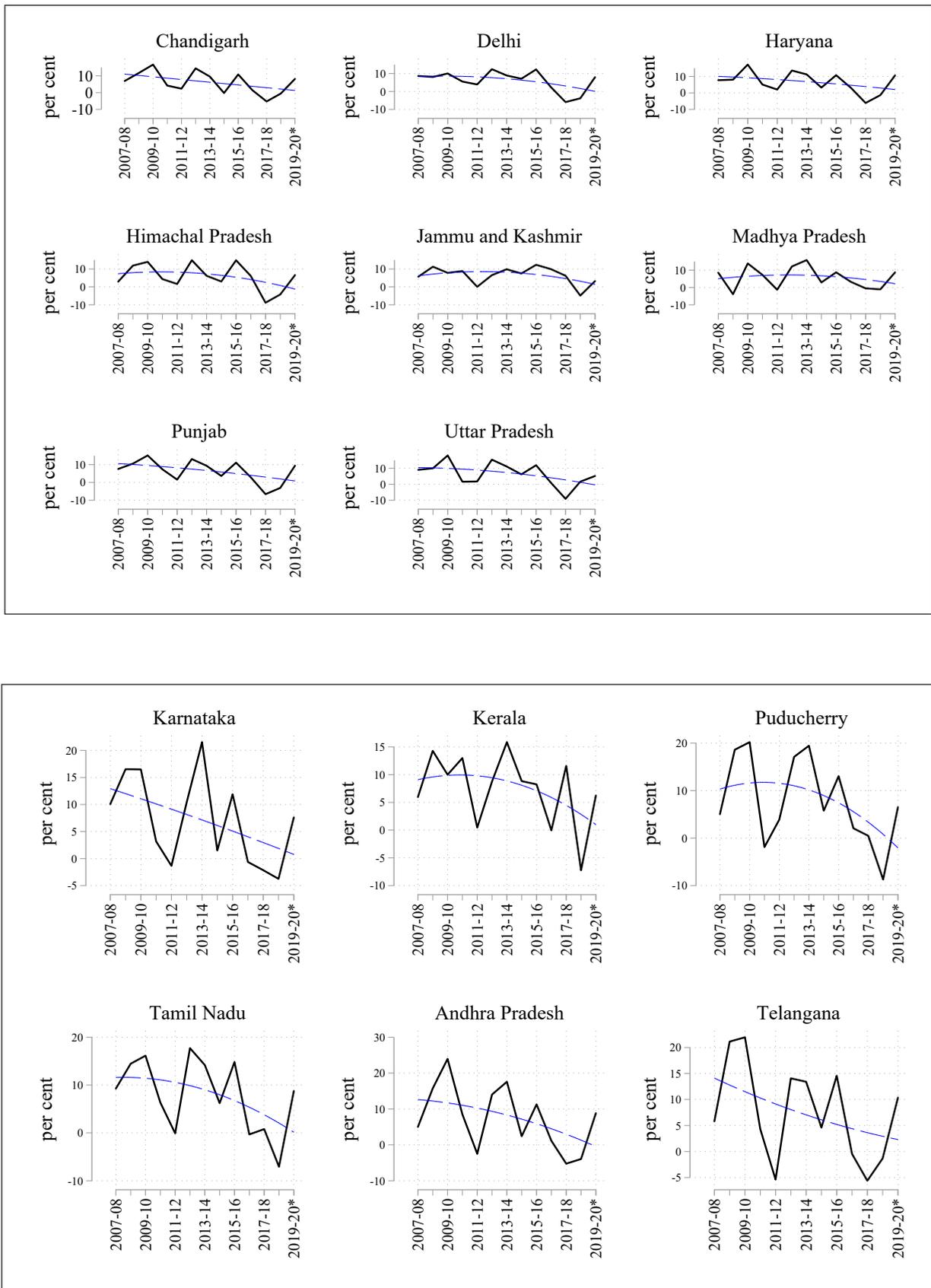
Figure 18: Western Region Inflation in Thali

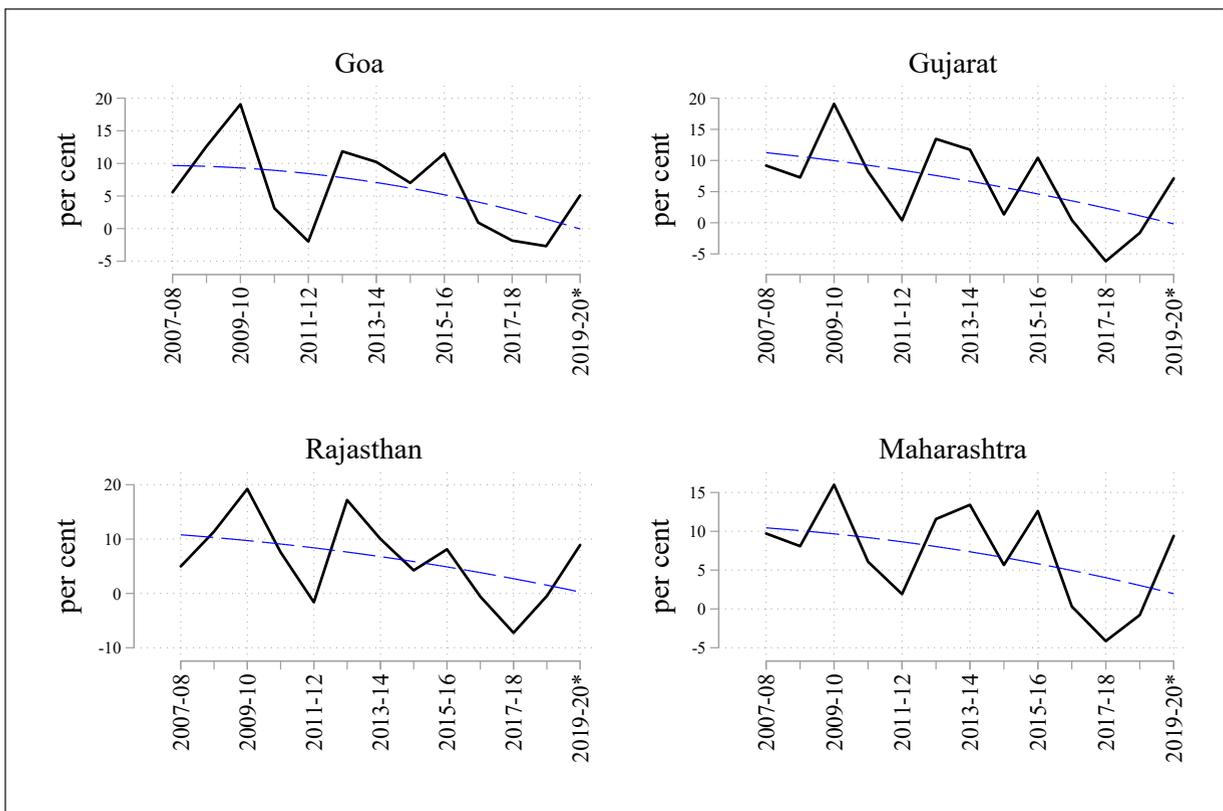
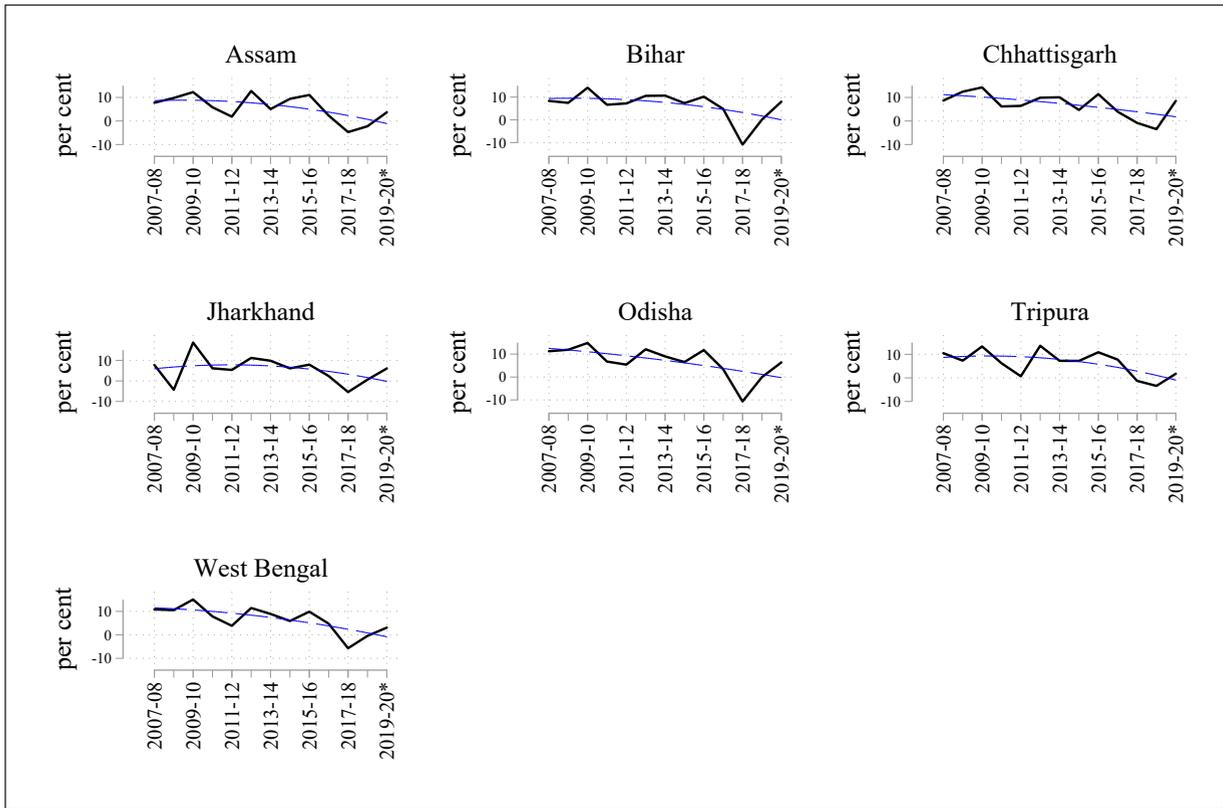


Source: Survey calculations

Note: *: April - October, 2019

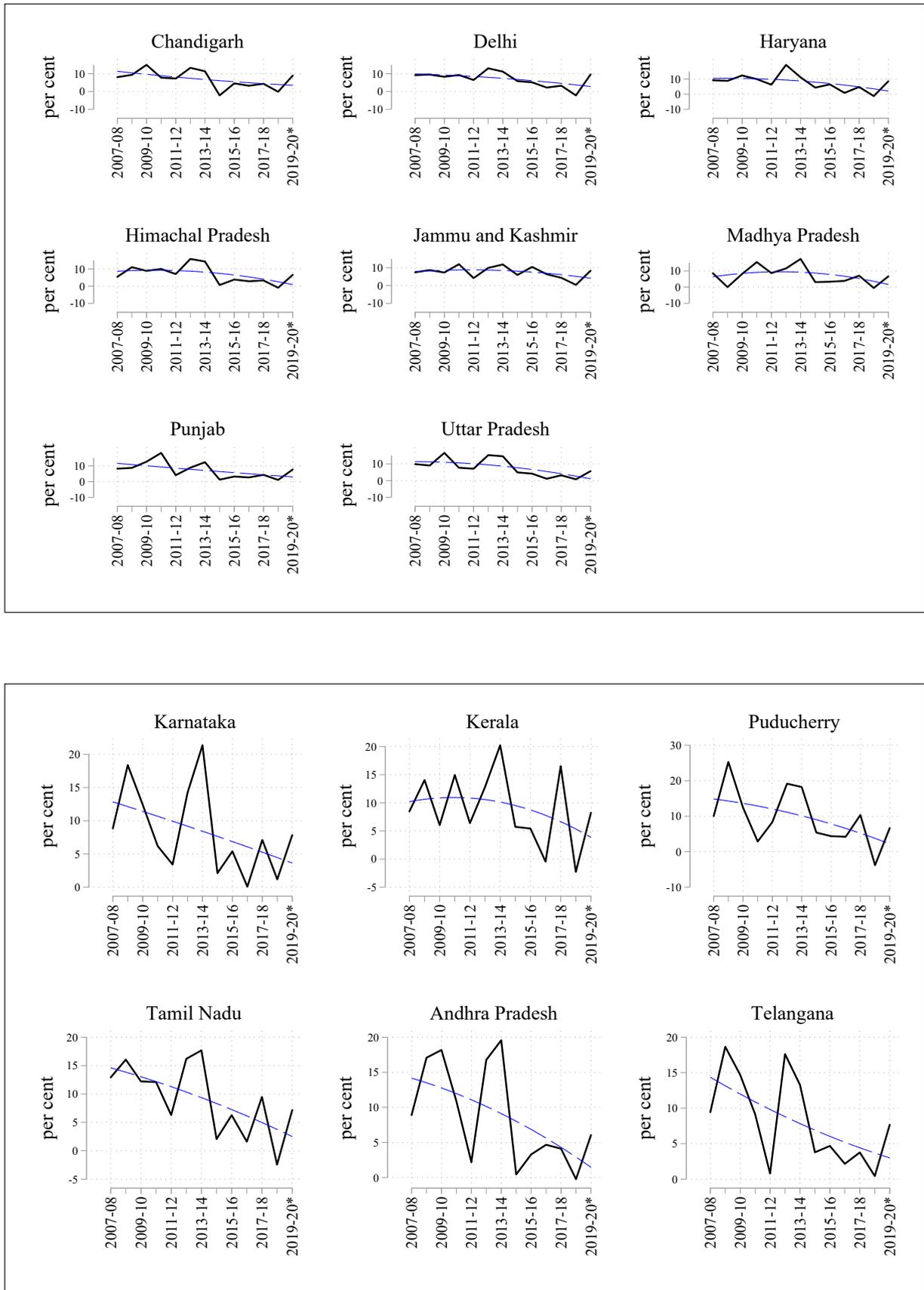
Figure 19: State-wise Inflation in Vegetarian Thali Prices

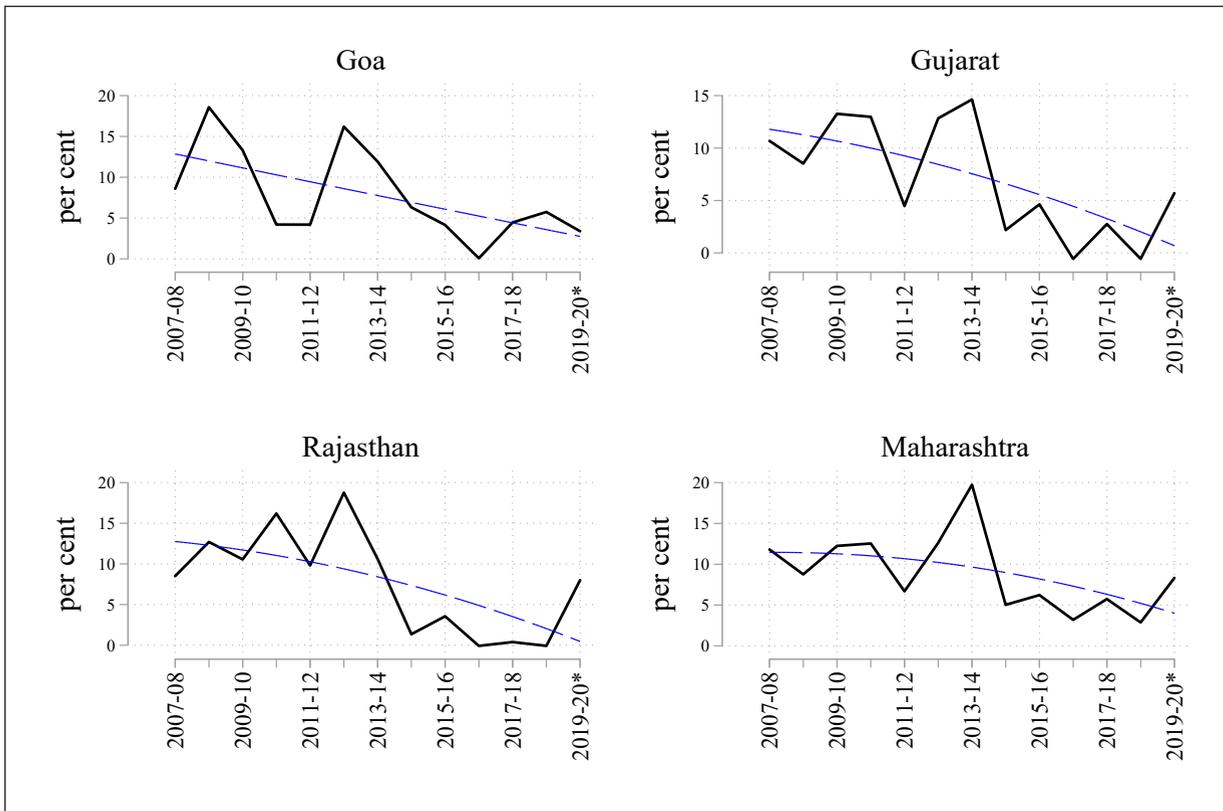
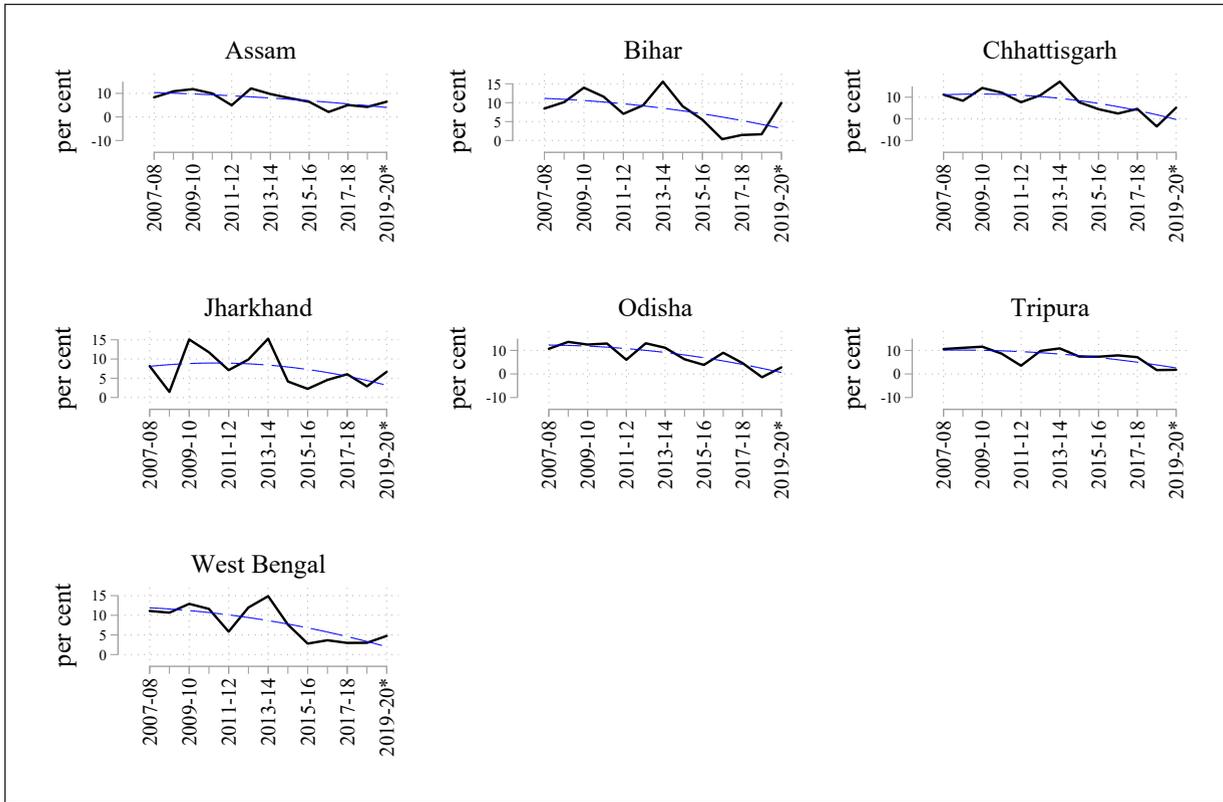




Source: Survey calculations
 Note: *: April - October, 2019

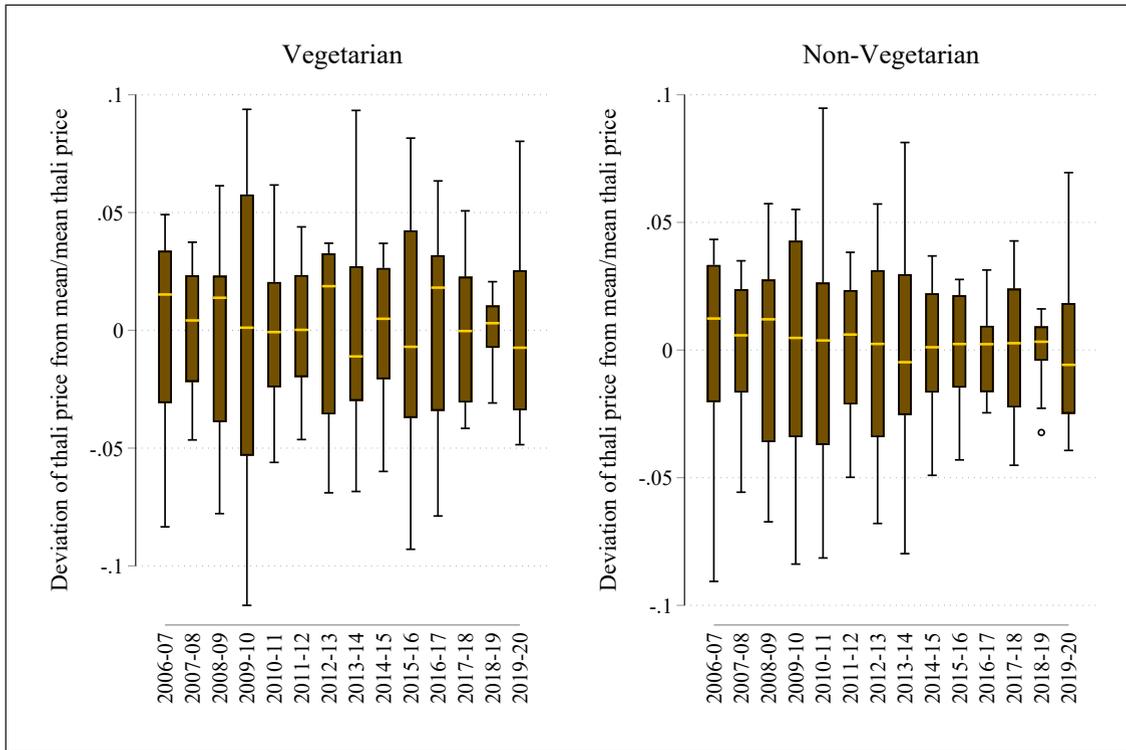
Figure 20: State-wise Inflation in Non-Vegetarian Thali Prices





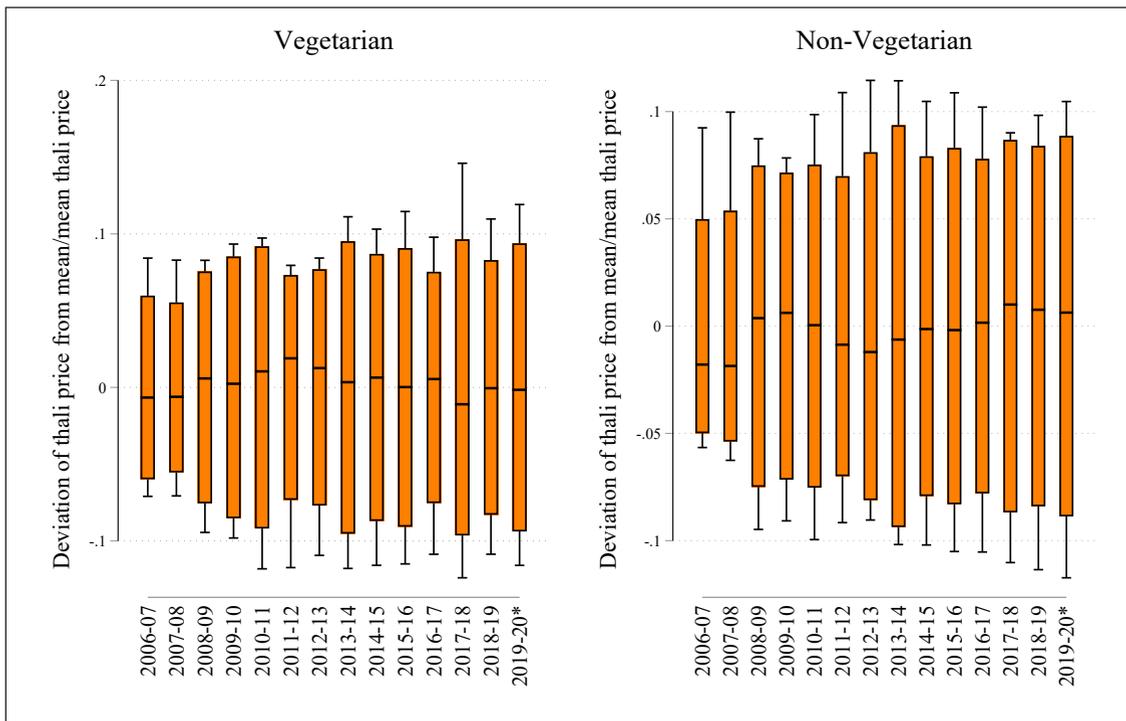
Source: Survey calculations
 Note: *: April - October, 2019

Figure 21: Variability of Thali Prices Across Months at All-India Level, 2006-07 to 2019-20*



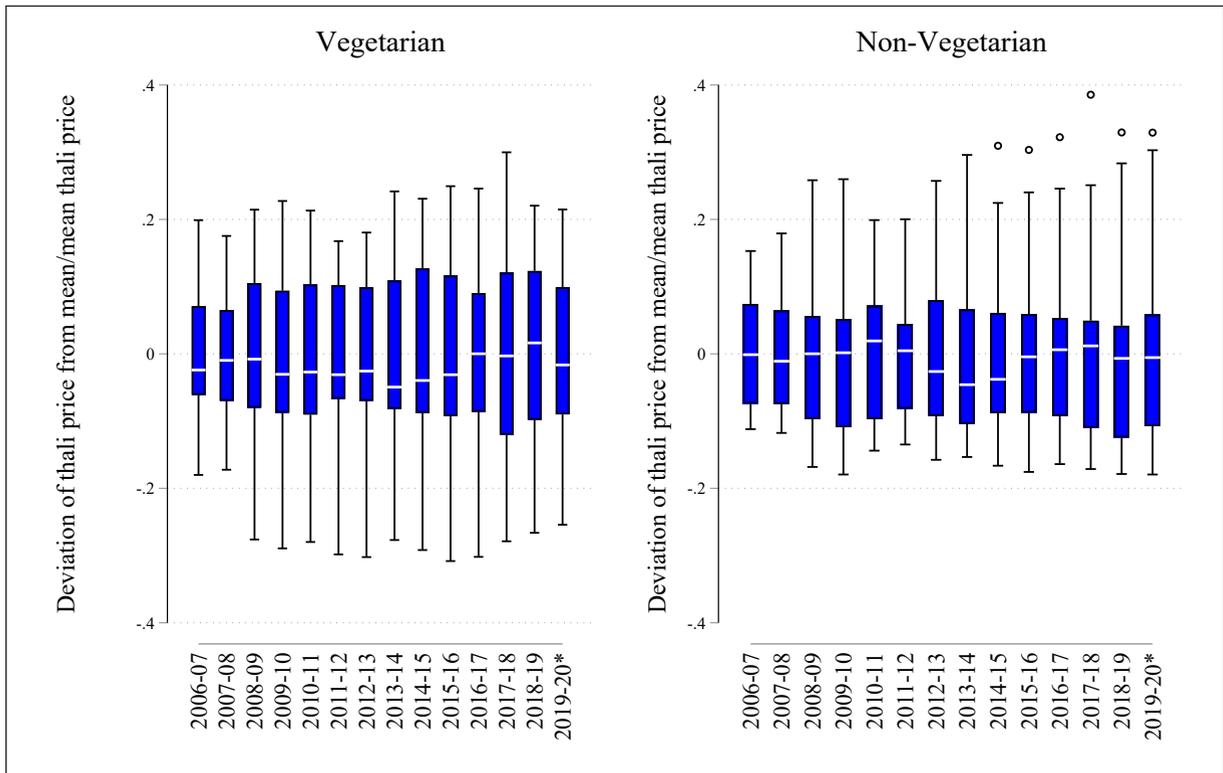
Source: Survey calculations
 Note: *: April - October, 2019

Figure 22: Variability of Thali Prices Across Regions, 2006-07 to 2019-20



Source: Survey calculations
 Note: *: April - October, 2019

Figure 23: Variability of Thali Prices Across States, 2006-07 to 2019-20



Source: Survey calculations
 Note: *: April - October, 2019

CONCLUSION

11.16 Food is not just an end in itself but also an essential ingredient in the growth of human capital and therefore important for national wealth creation. ‘Zero Hunger’ has been agreed upon by nations of the world as a Sustainable Development Goal (SDG). This goal (SDG 2) is directly related to other SDGs such as Goal 1 (No poverty), Goal 4 (Quality Education), Goal 5 (Gender equality), Goal 12 (Responsible consumption and production), Goal 13 (Climate action) and Goal 15 (Life on Land).

11.17 In this chapter, the evolution of prices of food items have been looked at

through the lens of Thalīs during the period from 2006-07 to 2019-20 (April-October, 2019). It is found that at the all-India level as well as regional levels, moderation in prices of vegetarian Thali have been witnessed since 2015-16 though Thali prices have increased this year. This is owing to the sharp downward turn in the prices of vegetables and dal in contrast to the previous trend of increasing prices. In terms of the inflation in Thali prices and all the components, we find a distinct declining trend during the period under review. Affordability of Thalīs vis-à-vis a day’s pay of a worker has improved over time indicating improved welfare of the common person.

CHAPTER AT A GLANCE

- Thalonomics is an attempt to quantify what a common person pays for a Thali across India.
- Prices data from the Consumer Price Index for Industrial Workers for around 80 centres in 25 States/UTs from April 2006 to October 2019 have been used for the analysis.
- 2015-16 can be considered as a year when there was a shift in the dynamics of Thali prices. Many reform measures were introduced since 2014-15 to enhance the productivity of the agricultural sector as well as efficiency and effectiveness of agricultural markets for better and more transparent price discovery.
- Both across India and the four regions – North, South, East and West – we find that the absolute prices of a vegetarian Thali have decreased significantly since 2015-16, though the price has increased during 2019-20.
- After 2015-16, the average household gained ₹10887 on average per year from the moderation in prices in the case of vegetarian Thali. Similarly, an average household that consumes two non-vegetarian Thalis gained around ₹11787 on average per year during the same period.
- Using the annual earnings of an average industrial worker, we find that affordability of vegetarian Thalis improved 29 per cent from 2006-07 to 2019-20 while that for non-vegetarian Thalis improved by 18 per cent.

REFERENCES

NIN, “*Dietary Guidelines for Indians -- A Manual*”, National Institute of Nutrition, Hyderabad, 2011.