

ASSET HOLDING PATTERN AND INDEBTEDNESS AMONGST URBAN POPULATION IN INDIA

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ABSTRACT

Inequality of economic wealth is the focus of this study as the distribution of asset holdings and indebtedness are becoming a matter of growing importance in the urban society in India. The study uses the National Sample Survey data for the years 1991 and 2001 and finds that the vertical inequality in asset distribution has decreased marginally from 0.58 to 0.52 between 1991 and 2001 time as measured by Gini coefficient for urban India. Across states the Lorenz curve for Andhra Pradesh lies everywhere below that compared to Tamilnadu in 2001 indicating larger inequality in former compared to latter. Apart from comparisons based on Lorenz curves, concentration curves are also used to compare distribution of asset holdings across monthly per capita expenditure (mpce) classes. Further the study uses primary survey based information to assess the purpose and source of borrowing across households in slums of Hyderabad and Chennai. An important finding is that Chennai has a higher prevalence of borrowing from microfinance compared to Hyderabad among the slum population.