The health status of any country depends on the socio economic status (SES) and the per capita income of the citizens of that country. The SES also decides the affordability and utilization of the health facilities. In India, several methods or scales have been proposed for classifying different populations by socioeconomic status: Rahudkar scale 1960, Udai Pareekh scale 1964, Jalota Scale 1970, Kulshrestha scale 1972, Kuppuswamy scale 1976, Shrivastava scale 1978, Bharadwaj scale 2001. Modified Kuppuswamy classification is used in urban and peri urban areas which considers the education of the head of family, occupation of head of the family and per capita monthly income. Uday Pareekh classification is used for rural areas which takes into account following characteristics namely caste, occupation of family head, education of family head, level of social participation of family head, landholding, housing, farm power, material possessions and type of family.

BG Prasad’s classification, Standard of living index and poverty line assessment are used in both urban and rural areas. BG Prasad’s classification is based on per capita monthly income. SLI is based on following items-type of house, own/rented house, possession of agricultural land, irrigated land, possession of live stock, separate kitchen.

1 Kontakt autora: drgurums@gmail.com. Autori izjavljuju da nemaju značajne materijalne ili finansijske interese koji se odnose na istraživanje opisano u ovom radu. Takođe, autori izjavljuju da je podneti članak njihov originalan rad i da nakon izdavanja ništa od sadržine neće predstavljati povredu autorskog prava. Rad primljen 03.09.2014. godine. Odobren za objavljivanje 25.11.2014. godine. The authors declare that they have no relevant or material financial interests that relate to the research described in this paper. Also, the authors declare that the submitted paper is their original work and that, upon publication, nothing contained in it will not constitute an infringement of any copyright. Paper received 03.09.2014. Approved 25.11.2014.
fuel used for cooking, source of lighting, source of drinking water, type of toilet, items owned by the family e.g. cooker, TV, telephone. Measurement of poverty line is based on the following Score able Socio- Economic indicators: Size of operational landholding, Type of house, Availability of clothes, Food security, Sanitation, Ownership of consumer durables, Literacy status, Status of household labor force, Means of livelihood, Status of children (going to school), Type of indebtedness, Reason for migration from household and Preference for financial assistance.

Of these classifications Kuppuswamy classification and the B G Prasad classification are most commonly used.

The advantage with BG Prasad's classification is that it takes into consideration only the income as a variable and it is easy to calculate and unlike the commonly used Kuppuswami scale and later its modification, the modified version of Kuppuswami scale and Pareekh scale, the Prasad's classification is applicable both for urban as well as rural families. Moreover, this classification can be applied for all sections of the society.

This classification was developed in 1961, modified in 1968 and 1970 by Prasad B G.10-12 It was later modified by Kumar due to the inflation in economy in 1993-94. Currently year 2001 is taken as the base year by the ministry of labor, Govt of India. Linking factors which link the AICPI between 2 years i.e. between 1961 and 1982 as well as between 1982 and 2001 are available.

**BG Prasad’s classification is based on the following factors:**

Per capita monthly income = total monthly income of the family/total members of family.

All India Average Consumer Price Index.

**The Multiplication factor or Correction factor**

Multiplication factor is derived by multiplying the linking factor between 1960 and 1982 i.e. 4.63 and the linking factor between 1982 and 2001 i.e. 4.93 (as 2001 is considered as the base year) and AICPI for the base year 2014 i.e. 237 (as of January 2014). The product thus obtained is divided by 100.

In the next step the product is multiplied by the income limits of original BG Prasad’s classification. Thus the new income limits are obtained after taking into consideration, the correction factor and the latest AICPI (Refer to Table – 1.).

**Table – 1. Proposed updating of B.G. Prasad’s Classification of socioeconomic status—January 2014**

<table>
<thead>
<tr>
<th>Socio-economic Classification</th>
<th>Per capita monthly income (PRASAD’S CLASSIFICATION-1961)</th>
<th>Per capita monthly income (Modified PRASAD’S CLASSIFICATION)</th>
<th>Per capita monthly income (Modified PRASAD’S CLASSIFICATION) with Formula</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>100 &amp; above (MF# x100)</td>
<td>5410</td>
<td>Infinity</td>
</tr>
<tr>
<td>II</td>
<td>50-99 (MF x 50)</td>
<td>2700</td>
<td>5409</td>
</tr>
<tr>
<td>III</td>
<td>30-49 (MF x 30)</td>
<td>1620</td>
<td>2699</td>
</tr>
<tr>
<td>IV</td>
<td>15-29 (MF x 15)</td>
<td>810</td>
<td>1619</td>
</tr>
<tr>
<td>V</td>
<td>&lt;15 (MF X 15)</td>
<td>0</td>
<td>809</td>
</tr>
</tbody>
</table>
#MF = Multiplication Factor = 4.93 \times 4.63 \times \text{AICPI}^{**}/100 \\
*Linking Factor between 1982 and 2001 Series for the AICPI** is 4.63 \\
**AICPI for January 2014=237 \{\text{All-India Average Consumer Price Index Numbers for Industrial Workers (Base: 2001=100)}\}.

† Number is rounded off to nearest 10 rupees after multiplication with MF.

**LIMITATIONS:**

As AICPI value will be updated at frequent intervals there is need for simultaneous updating of all socio-economic classifications which consider income as a parameter.

**References**


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