

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:933
ANSWERED ON:03.03.2010
ASSESSMENT OF POVERTY LINE
Kanubhai Patel Jayshreeben

Will the Minister of PLANNING be pleased to state:

- (a) the details of the recommendations given by N.B. Saxena Committee and Tendulkar Committee for assessment of poverty line;
- (b) whether the Government has accepted all the recommendations;
- (c) if not, the reasons therefor;
- (d) whether the Government proposes to conduct survey of BPL in the near future;
- (e) if so, the details thereof; and
- (f) the time by which the survey work is likely to start?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI V.NARAYANA SAMY)

(a) to (f): Planning Commission constituted an Expert Group under the chairmanship of Prof. Suresh D. Tendulkar on 2nd December, 2005 to review the methodology for estimation of poverty and Expert Group submitted its report on December 8, 2009. The report of the Expert Group is being examined in Planning Commission. The major recommendations of the Tendulkar Committee are at Annexure.

The Ministry of Rural Development in association with States/UTs conducts the BPL Census to identify the rural households living Below the Poverty Line who could be assisted under its various programmes.

The Ministry of Rural Development, on 12th August, 2008, constituted an Expert Group, which advises the Ministry on the methodology for conducting the BPL Census for the Eleventh Five Year Plan which was chaired by Dr. N.C. Saxena. The Expert Group submitted its report on 21st August, 2009.

The Expert Group recommended the methodology for identification of Below Poverty Line families, which involves automatic exclusion of rural household from the BPL list, automatic inclusion in the BPL list and grading of the remaining households.

Recommendations made by the Expert Group are under consideration of the Ministry of Rural Development. The report of the Expert Group has been circulated among the States/UTs and the concerned Central Ministries for comments. It has also been posted on the Ministry of Rural Development website www.rural.nic.in. The Ministry of Rural Development is in the process of finalizing the methodology and schedule to carry out next BPL Census for identification of people living Below the Poverty Line in rural areas of the country, taking in to account the suggestions/ comments received.

Annexure

ANNEXURE REFERRED TO IN REPLY TO PARTS (a) TO (f) OF LOK SABHA UNSTARRED QUESTION NO. 933 REGARDING "ASSESSMENT OF POVERTY LINE" BY SHRIMATI JAYSHREEBEN PATEL, MP TO BE ANSWERED ON 03.03.2010

- i. The Expert Group has acknowledged the multi-dimensional nature of poverty and recommended that the estimates of poverty continue to be based on private household consumer expenditure collected by National Sample Survey Organization (NSSO).
- ii. The Group has recommended a move away from anchoring the poverty lines to the calorie intake norm.
- iii. In line with the decision of the National Sample Survey Organization (NSSO), it has been recommended to adopt the Mixed Reference Period (MRP) based estimates of consumption expenditure as the basis for future poverty lines.
- iv. The Expert Group has also recommended MRP equivalent of urban Poverty Line Basket (PLB) corresponding to 25.7% urban headcount ratio as the new reference PLB.
- v. The proposed poverty lines have taken into account the adequacy of actual private expenditure per capita near the poverty lines on food, education and health by comparing them with normative expenditures consistent with nutritional, educational and health outcomes.
- vi. The new poverty lines have been generated for all the states including the North-Eastern states.

vii. On the basis of the above methodology, the all-India rural poverty headcount ratio for 2004-05 is estimated at 41.8 %, urban poverty headcount ratio at 25.7% and All India level at 37.2%.