

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:212
ANSWERED ON:03.07.2009
IDENTIFICATION OF BPL PEOPLE
Singh Shri Sushil Kumar

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) the criteria laid down for estimation and identification of people living below poverty line (BPL) in the country;
- (b) whether there has been variation in the poverty estimates of the Union and the State Governments;
- (c) if so, the details thereof and the reasons therefor;
- (d) whether any Committee has been set up to look into the matter; and
- (e) if so, the details thereof and the composition and terms of reference of the Committee?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT(SHRI PRADEEP JAIN 'ADITYA')

(a) to (e): The estimation of people living below poverty line (BPL) in the country is done by the Planning Commission. The Planning Commission uses a poverty line based on per capita consumption expenditure as the criteria to determine the persons living below the poverty line. The poverty lines are expressed as monthly per capita consumption expenditure of Rs. 49.09 in rural areas and Rs. 56.64 in urban areas at 1973-74 prices. These national level poverty lines are disaggregated into state-specific poverty lines using the method outlined in the Report of the Expert Group on Estimation of Proportion and Number of Poor (Lakdawala Committee). These state-specific poverty lines of 1973-74 are updated for the later years using state-specific Consumer Price Index of Agricultural Labourers (CPIAL) in the rural areas and Consumer Price Index of Industrial Workers (CPIIW) in the urban areas.

The Ministry of Rural Development provides financial and technical support to the States/UTs for conducting the BPL Census to identify the families living Below the Poverty Line in the rural areas who could be targeted under its programmes. The last BPL Census was conducted in 2002 using the methodology of score based ranking of rural households for which 13 socio-economic parameters were used on the recommendation of an Expert Group constituted by the Ministry of Rural Development.

The Planning Commission is the nodal agency in the Government of India for estimation of poverty at the national and state level. The state-wise poverty is estimated by the Planning Commission from the state-specific poverty lines and State Specific Consumer Expenditure Distribution obtained from the large sample surveys on Household Consumer Expenditure conducted by the National Sample Survey Organisation (NSSO) following the Expert Group method.

The Planning Commission has constituted an Expert Group under the Chairmanship of Prof. Suresh D. Tendulkar in December, 2005 to review the methodology for estimation of poverty. The composition of the Expert Group and its Terms of Reference are at Annexure-I.

Annexure-I

Annexure-I referred to in reply to Lok Sabha Unstarred Question No.212 to be answered on 3.7.2009

A. Composition of Expert Group to review the methodology for estimation of poverty

1. Prof.. Suresh D. Tendulkar Chairman Delhi School of Economics University of Delhi, Delhi.
2. Dr. R. Radhakrishnan, Member Director Indira Gandhi Institute of Development Research, Mumbai.
3. Prof. Raghav Ghaia Member Faculty of Management Studies, University of Delhi.
4. Dr. Suranjan Sengupta Member AE-710, Sector-I, Salt Lake, Kolkata-700064.

B. Terms of Reference

1. To examine the issues relating to the comparability of the 50th, 55th and 61st round, and to suggest methodologies for deriving such comparability with past and future surveys.

2. To review alternative conceptualizations of poverty, and the associated technical aspects of procedures of measurement and database for empirical estimation including procedures for updating over time and across States.
3. In the light of (2), to recommend any changes in the existing procedures of official estimates of poverty.