

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:2362
ANSWERED ON:24.11.2010
PARAMETERS OF BPL FAMILIES
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Will the Minister of PLANNING be pleased to state:

- (a) whether the Government is aware that the Planning Commission has not amended the yardstick of Rs. 17 and Rs. 11 in urban and rural areas respectively, the parameters to identify Below Poverty Line families;
- (b) if so, the reasons therefor;
- (c) the steps being taken to amend the same; and
- (d) the number of families likely to be benefited by this amendment, State-wise?

Answer

MINISTER OF STATE FOR PLANNING, PARLIAMENTARY AFFAIRS, PERSONNEL PUBLIC GRIEVANCES & PENSION (SHRI V. NARAYANASAMY)

(a) to (d): Since 1997, the Planning Commission has been estimating the poverty on the basis of the methodology recommended by the Expert Group on Estimation of Proportion and Number of Poor (Lakdawala Committee). Based on the above methodology, the poverty lines for rural and urban areas at all India level were calculated as per capita consumption expenditure of Rs 356.30 and Rs 538.60 per month respectively for the year 2004-05 resulting head count poverty ratio of 27.5% at all India level with total number of poor as 30.17 crore.

The Planning Commission in December, 2005 constituted an Expert Group under the Chairmanship of Prof. Suresh D. Tendulkar to review alternate concepts of poverty and to recommend changes in the existing procedures used for official estimates of poverty. The Tendulkar Committee submitted its report in December, 2009. The Committee has recommended that the rural poverty line should be recomputed to reflect money value in rural areas of the same basket of consumption that is associated with the existing urban poverty line. The Tendulkar Committee recomputed the poverty lines for rural and urban areas as per capita consumption expenditure of Rs 446.68 and Rs 578.80 per month respectively for the year 2004-05. The resulting estimate of the all-India rural poverty head count ratio for 2004-05 was placed at 41.8 percent, urban poverty head count ratio at 25.7 percent and 37.2 percent at all-India level. Based on these recomputed lines, the total number of persons Below Poverty Line (BPL) in the country has been estimated as 40.74 crore. The recomputed poverty lines for 2004-05 as recommended by the Tendulkar Committee have been accepted by the Planning Commission.

As for identifying the households Below Poverty Line (BPL), this has been done in rural areas based on the surveys conducted by the States/UTs on the basis of the criteria prescribed by the Ministry of Rural Development (MoRD). The last BPL Census was conducted in 2002 and for conducting the new BPL Census; the Ministry is finalizing the methodology. Similarly, the Ministry of Housing and Urban Poverty Alleviation (HUPA) had issued guidelines for identification of BPL families in the urban areas. Therefore, estimation of poverty and identification of BPL households in rural and urban areas are two separate exercises. A statement showing the state-wise distribution of poverty ratio and number of persons Below Poverty Line based on existing official poverty estimates and Tendulkar Committee report are at Annexure-I