

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:1409
ANSWERED ON:30.11.2011
NATIONAL POVERTY LINE
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Will the Minister of PLANNING be pleased to state:

- (a) whether national poverty line is unacceptable to many States in the country;
- (b) if so, the details thereof, State-wise, including Andhra Pradesh; and
- (c) the steps being taken to correct the situation in future?

Answer

MINISTER OF STATE FOR PLANNING, SCIENCE & TECHNOLOGY AND EARTH SCIENCES (SHRI ASHWANI KUMAR)

(a) to (c): The Planning Commission, as the nodal agency, estimates poverty for the country as well as for the states on the basis of recommendations made by the Expert Committees as accepted by the Government. The Expert Committee constituted by the Planning Commission to review the methodology for estimation of poverty under the chairmanship of Prof. S.D.Tendulkar submitted its report in December 2009. The Planning Commission has for the present accepted the poverty ratios and the poverty lines computed by this Committee for the year 2004-05. As per Tendulkar Committee Report, the national Poverty line at 2004-05 prices is Rs. 446.68 per capita per month in the rural areas and Rs. 578.80 per capita per month in urban areas.

In response to the direction in a Supreme Court case, the Planning Commission has filed an affidavit updating the poverty line to monthly per capita consumption expenditure of Rs. 781 in rural areas and Rs. 965 in urban areas at June, 2011 price level using Consumer Price Index for Agricultural Labourers (CPI-AL) and Consumer Price Index for Industrial Workers (CPI-IW) respectively.

These figures as per capita per day expenditure of Rs. 26 and Rs. 32 in rural and urban areas respectively, have been viewed by some as too low. State Governments like Bihar and U.P. have also expressed their reservations in this regard.

Information relating to percentage of population below poverty line by States, including Andhra Pradesh, for 2004-05 as per Tendulkar Methodology is given at annexure I. After 2004-05, the Large Sample Survey on Household Consumer Expenditure has been conducted in 2009-10 the results of which are now available. A final view on the methodology for measuring poverty in future can be taken inter-alia on the basis of 2009-10 NSSO survey and by taking into consideration all relevant indicia of poverty as identified by experts. A holistic view as to the approach to poverty measurement will be taken and if considered necessary, the issue will be revisited to arrive at the most credible methodology for poverty estimation. A Committee of experts will be set up to decide a comprehensive criteria for identifying the BPL families in consultation with states and other stakeholders.