

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:4340
ANSWERED ON:02.05.2012
ESTIMATES OF POVERTY
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Will the Minister of PLANNING be pleased to state:

- (a) whether the Union Government had earlier taken a decision to go for a fresh estimate of the poor population in the country;
- (b) if so, the details thereof and the current status of the fresh estimate being made;
- (c) the base year for the current poverty estimate; and
- (d) the time by which the task of fresh estimate is likely to be completed by the Planning Commission?

Answer

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

(a) to (d): The methodology for estimation of poverty followed by the Planning Commission has been based on the recommendations made by the experts in the field from time to time. Government has since decided to set up a Technical Group to revisit the methodology for estimation of poverty and identification of poor taking into account multiple dimensions and indicators of poverty so that the poor and deprived households can obtain the benefit of different government programmes and schemes. The composition of the Technical Group and its terms of reference are being finalized.

The Planning Commission constituted an Expert Group under the chairmanship of Prof. Suresh D. Tendulkar in 2005 to review the methodology for estimation of poverty. Tendulkar Committee computed the poverty lines at all India level as monthly per capita consumption expenditure (MPCE) of Rs. 447 for rural areas and Rs 579 for urban areas in 2004-05. The Planning Commission has updated these base year poverty lines of 2004-05 to MPCE of about Rs. 673 in rural areas and Rs. 860 in urban areas for 2009-10 as per the recommendations of the Tendulkar Committee using NSS 66th round (2009-10) data of Household Consumer Expenditure Survey.

The large sample surveys on Household Consumer Expenditure are carried out by the NSSO every 5 years. Since 2009-10 was not a normal year, NSSO decided to conduct Large Sample Survey on Household Consumer Expenditure again during 2011-12. The estimates of poverty will be reworked for the latest survey data available. Whenever methodology for estimation is revised the general practice is to rework the estimates for some of the previous years.