

**GOVERNMENT OF INDIA  
PLANNING  
LOK SABHA**

UNSTARRED QUESTION NO:4367

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POVERTY REDUCTION

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**Will the Minister of PLANNING be pleased to state:**

(a) whether as per the estimates of the Planning Commission, reduction rate of poverty in the country has been 1.5 per cent during 2004-05 to 2009-10;

(b) if so, the details thereof, State-wise;

(c) whether the Government has diluted poverty norms to show the decline in poverty;

(d) if so, whether the poverty line adopted by the Government is sufficient to survive for common man with this figure; and

(e) if so, the steps taken or being taken by the Government to publish actual poverty figures in the country?

**Answer**

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

(a) & (b): The Planning Commission has recently computed estimates of poverty for the year 2009-10 based on the data of large scale survey on household consumer expenditure collected by National Sample Survey Office (NSSO) in its 66th round conducted during 2009-10. The State-wise poverty lines and poverty ratio for 2009-10 have been computed following the extant Tendulkar methodology. Based on the said methodology the Planning Commission has released the estimates through a Press Note issued on 19th March 2012. As indicated in the Press Note, the poverty ratio in the country has come down from 37.2% in 2004-05 to 29.8% in 2009-10. During this period, poverty ratio has reduced by 1.5 percentage points per annum. The state wise reduction in poverty is given at Annexure.

(c) to (e): 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. An Expert Group was constituted under the chairmanship of Prof. Suresh D. Tendulkar in 2005 to review the methodology for estimation of poverty. The Tendulkar Committee recommended MPCE of Rs. 447 for rural areas and Rs 579 for urban areas as the poverty line at 2004-05 prices, which was accepted by the Planning commission. The Tendulkar Committee, which submitted its Report in 2009, has incorporated adequacy of expenditure from the normative and nutritional viewpoint. It stated:

"while moving away from the calorie norms, the proposed poverty lines have been validated by checking 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." The large sample surveys on Household Consumer Expenditure are carried out by the NSSO every 5 years. After 2004-05, this survey has been conducted in 2009-10. The Planning Commission has updated the poverty lines for the year 2009-10 as per the recommendations of the Tendulkar Committee using NSS 66th round (2009-10) data of Household Consumer Expenditure Survey and released poverty estimates for 2009-10 on 19th March 2012. According to this Press Note poverty line at all India level is estimated as MPCE of Rs. 673 for rural areas and Rs 860 for urban areas in 2009-10.

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.