

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:6523
ANSWERED ON:16.05.2012
GAP BETWEEN RICH AND POOR
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Will the Minister of PLANNING be pleased to state:

- (a) whether there is a huge gap between the rich and the poor and between the developed and under- developed regions in the country;
- (b) if so, the details thereof and the reasons therefor; and
- (c) the steps taken by the Government to bridge these gaps?

Answer

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

(a) to (c): The development of various States/regions in the country, in terms of growth rate of Gross State Domestic Product (GSDP) and per capita income, depends on a number of factors including resource endowment, infrastructure, demographic features and other State specific factors. Therefore, the growth rates and the pattern of development across the States vary over the years. On the basis of expenditure class wise population distribution obtained from the large sample survey on household consumption expenditure carried out by the National Sample Survey Office (NSSO), it is estimated that the ratio of average monthly per capita consumption expenditure (MPCE) of the highest 10% of population to the lowest 10% of the population in the rural India is 5.76 for the year 2009-10 as compared to a ratio of 5.26 in 2004-05. The corresponding ratio for urban areas is estimated as 10.11 for the year 2009-10 as compared to 8.41 in 2004-05. However, as per Planning Commission's estimates, on an overall basis there has been a reduction in the percentage of people living below poverty line from 37.2 % in 2004-05 to 29.8% in 2009-10. The reduction of economic disparities and balanced regional growth has been the primary policy objectives of the development planning in India. The Eleventh Five Year Plan adopted the strategy of inclusive growth to ensure that the benefits of growth reach all the sections of the society. The government is implementing a number of flagship programmes such as Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Swarnajayanti Gram Swarozgar Yojana (SGSY), Swarna Jayanti Shahri Rozgar Yojana (SJSRY), Indira Awaas Yojana (IAY), Integrated Child Development Scheme (ICDS), Mid-Day Meal Scheme, Rural Drinking Water Supply and Total Sanitation Campaign, Targeted Public Distribution System (TPDS) etc. towards this end. In addition, implementation of National Social Assistance Programme (NSAP) is one of the initiatives to strengthen the social security. Moreover, Backward Regions Grant Fund (BRGF), a specific scheme to remove the regional imbalance in development in the country was launched in 2006-07, approved for implementation during the Eleventh Five Year Plan, to fill the critical gaps in development in the identified backward districts/regions. These interventions are expected to yield better results over time in terms of reduction in the gap between rich and poor and overall balanced development in the country. The Approach Paper to the 12th Five Year Plan emphasizes the need to build upon the achievements of the 11th Five Year Plan and strive for faster, sustainable and more inclusive growth in order to reduce economic disparities.