

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:203
ANSWERED ON:08.08.2012
DEFINITION OF POVERTY LINE
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Will the Minister of PLANNING be pleased to state:

- (a) the definition being used by the Government to define the poverty line for providing funds under different Centrally sponsored schemes;
- (b) whether the Government has commenced the BPL survey to identify the exact number of persons living below poverty line in the country as on date;
- (c) if so, the details thereof;
- (d) whether the Government has any data regarding the number of families moved from BPL to APL during the last three years; and
- (e) if so, the details thereof?

Answer

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

(a): The Planning Commission defines poverty line on the basis of Monthly Per Capita Consumption Expenditure (MPCE) as the criterion. 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 Planning Commission has computed poverty lines for the year 2009-10 based on the latest data of large scale survey on household consumer expenditure collected by National Sample Survey Office (NSSO) in its 66th round conducted during 2009-10 following Tendulkar methodology. These have been released through a Press Note issued on 19th March 2012. According to this Press Note poverty line at all India level is estimated as monthly per capita consumption expenditure (MPCE) of Rs. 673 for rural areas and Rs 860 for urban areas in 2009-10. However, Planning Commission, in June 2012, has constituted an Expert Group under the Chairmanship of Dr. C. Rangarajan to "Review the Methodology for Measurement of Poverty". This Committee will review the methodology for measurement of poverty and also recommend, inter-alia, how the estimates of poverty should be linked to eligibility and entitlements for schemes and programmes under the Government of India.

(b) & (c): While estimation of poverty is undertaken by the Planning Commission, the identification of BPL families who could be assisted under various programmes of the Government is done by conducting census in rural and urban areas by Ministry of Rural Development and Ministry of Housing and Urban Poverty Alleviation respectively. The BPL Census to identify the rural households living Below the Poverty Line is generally conducted at the beginning of a Five Year Plan. The last BPL Census was conducted in 2002 based on the methodology of Score Based Ranking of rural households based on 13 socio-economic parameters. The Ministry of Rural Development, through the Socio-Economic and Caste Census (SECC) has commenced a door-to-door census in rural and urban areas in the country in June 2011 to gather household level data for identification of BPL households.

(d) & (e): The Planning Commission estimates poverty from the large size sample survey on Household Consumer Expenditure carried out by the National Sample Survey Office (NSSO) after an interval of five years approximately. As such, the estimates for the last three years are not available. On the basis of two latest such surveys percentage of people living below poverty line in the country has declined from 37.2% in 2004-05 to 29.8% in 2009-10.