

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:216

ANSWERED ON:08.08.2012

EXPERT GROUP TO REVIEW TENDULKAR'S METHODOLOGY

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Will the Minister of PLANNING be pleased to state:

- (a) whether the Government has set up an expert technical group to review the Tendulkar Committee methodology in estimating poverty and overhaul the norms in tune with the present day prices;
- (b) if so, the details thereof;
- (c) whether the aforesaid expert technical group has submitted its report to the Government;
- (d) if so, the details thereof and the action taken by the Government thereon; and
- (e) if not, the time by when the aforesaid Committee will submit its report?

Answer

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

(a) & (b): Yes, Madam. 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". The Terms of Reference of the Group are as follows:

i. To comprehensively review the existing methodology of estimation of poverty and examine whether the poverty line should be fixed solely in terms of a consumption basket or whether other criteria are also relevant, and if so, whether the two can be effectively combined to evolve a basis for estimation of poverty in rural and urban areas.

ii. To examine the issue of divergence between consumption estimates based on the NSSO methodology and those emerging from the National Accounts aggregates; and to suggest a methodology for updating consumption poverty lines using the new consumer price indices launched by the CSO for rural and urban areas state-wise.

iii. To review alternative methods of estimation of poverty which may be in use in other countries, including their procedural aspects; and indicate whether on this basis, a particular method can be evolved for empirical estimation of poverty in India, including procedures for updating it over time and across states.

iv. To recommend how the estimates of poverty, as evolved above, should be linked to eligibility and entitlements for schemes and programmes under the Government of India.

(c) to (e): The Expert Group will submit its report to the Planning Commission within a year.