

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:1841
ANSWERED ON:05.12.2012
NEW PANEL TO REVIEW METHOD OF BPL
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Will the Minister of PLANNING be pleased to state:

- (a) whether a large number of people in the country are living Below Poverty Line (BPL);
- (b) if so, the details thereof;
- (c) whether the Government has set up a new panel headed by Dr. C. Rangarajan to review the method of identifying the poor in the country;
- (d) if so, the details thereof; and
- (e) the time by which the report of the panel/committee is likely to be submitted?

Answer

MINISTER OF STATE FOR PARLIAMENTARY AFFAIRS AND PLANNING (SHRI RAJEEV SHUKLA)

(a) & (b): As per the latest estimates of poverty, in 2009-10 the number of persons living below poverty line in the country is estimated as 354.7 million out of total population of 1189.9 million.

(c) & (d): The 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.

(e): As per Terms of Reference of the Expert Group, the committee has to submit its report in one year.