

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

STARRED QUESTION NO:45
ANSWERED ON:27.02.2013
REVIEW OF BELOW POVERTY LINE CRITERIA
Alagiri Shri S. ;Sule Supriya

Will the Minister of PLANNING be pleased to state:

- (a) whether there is a proposal to review the existing methodology of estimating poverty and fixing poverty line;
- (b) if so, the details thereof along with the parameters to be considered under the review;
- (c) the time by which the review report is likely to be submitted;
- (d) the details of different central welfare schemes in operation for people living Below Poverty Line; and
- (e) whether the Government is planning to integrate various welfare schemes for better implementation and monitoring and if so, the details thereof?

Answer

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

(a) to (e) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 45 REGARDING "Review of Below Poverty Line Criteria" RAISED BY SHRIMATI SUPRIYA SULE AND SHRI S. ALAGIRI DUE FOR ANSWER ON 27th FEBRUARY, 2013.

(a) & (b) 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 Expert Group are as under:

- 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) As per Terms of Reference, the Expert Group has to submit its report within one year.

(d) Government has initiated various measures to improve the quality of life of the people and to reduce poverty in the country through direct intervention by implementing specific poverty reduction and mitigation programmes such as: Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), National Rural Livelihood Mission (NRLM), Swarna Jayanti Shahari Rozgar Yojana (SJSRY), National Rural Health Mission (NRHM), Sarva Shiksha Abhiyan (SSA), Mid-Day Meal Scheme (MDMS), Jawaharlal Nehru National Urban Renewal Mission (JNNURM), Integrated Child Development Services (ICDS), Rajiv Gandhi National Drinking Water Mission (RGNDWM), Total Sanitation Campaign (TSC), Indira Awaas Yojana (IAY), National Social Assistance Programme (NSAP), etc.

(e) The Planning Commission constituted B.K. Chaturvedi Committee to look into the issue of restructuring of Centrally Sponsored Schemes (CSS) which submitted its report in September 2011. The recommendations of the Committee, inter alia include rationalizing the existing 147 CSS into 59; providing flexibility in physical and financial norms of CSS to all States to enable State Governments to meet their special needs; introducing Flexi Fund by earmarking 10% of budget allocation in all Flagship Schemes and 20% in other CSS, which could be used by the State Governments on sub-schemes or components of CSS for which guidelines

should be notified by the concerned Ministries; reforming procedure for transfer of funds to the States so as to gradually move over to transfers through the State budgets to ensure full accountability of States; regular monitoring of CSS by concerned Ministry and Independent evaluation; and creating an interactive website and authenticated database for sharing experiences of States.