

**GOVERNMENT OF INDIA  
PLANNING  
LOK SABHA**

UNSTARRED QUESTION NO:2686  
ANSWERED ON:13.03.2013  
POVERTY ESTIMATION BY WORLD BANK  
Sinh Dr. Sanjay;Yadav Shri M. Anjan Kumar

**Will the Minister of PLANNING be pleased to state:**

- (a) whether the Government does not use the international poverty norms set by the World Bank to estimate the number of poor in the country;
- (b) if so, the details thereof and the reasons therefor;
- (c) the major differences between the methods adopted by the Government and the World Bank in this regard; and
- (d) the details of estimated poverty in the country by these two methodology?

**Answer**

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

(a) to (d) Planning Commission does not use the international poverty norms set by the World Bank to estimate number of poor in the country primarily because international poverty line does not distinguish between rural and urban areas or between different States of the country.

The Planning Commission estimates poverty at the national and state level with reference to poverty line defined in terms of Monthly Per Capita Consumption Expenditure (MPCE) as recommended by the experts from time to time. 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 approximately five years. On the basis of data of two latest surveys, the percentage of people living below poverty line in the country has declined from 37.2% in 2004-05 to 29.8% in 2009-10.

The World Bank estimate poverty in the member countries on the basis of the international poverty line in order to monitor progress in reducing poverty worldwide. As per the World Bank database, the Indian population living below International poverty line of U.S. \$ 1.25 a day has declined from 41.6% in 2004-05 to 32.7% in 2009-10.