

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:1006

ANSWERED ON:11.12.2013

POVERTY ESTIMATION

Dome Dr. Ram Chandra;Karunakaran Shri P.

Will the Minister of PLANNING be pleased to state:

- (a) whether as per Government estimates poverty in the country has been declining over the years;
- (b) if so, the percentage of citizens living below poverty line in the country during the last three years; and
- (c) the norms set for estimating the poverty line in the country?

Answer

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

(a) & (b): The Planning Commission estimates the extent of poverty from the Large Sample Surveys on Household Consumer Expenditure carried out by the National Sample Survey Office (NSSO) of the Ministry of Statistics and Programme Implementation. These surveys are normally conducted on quinquennial basis. The latest data of Large Sample Survey on household consumer expenditure has been collected by NSSO in its 68th round conducted in 2011-12. As per the estimates of Planning Commission, the percentage of people living below the poverty line as computed using the Tendulkar methodology has come down from 37.2% in 2004-05 to 21.9% in 2011-12. As such the estimates of percentage of people living below the poverty line are not available for the last three years.

(c): The Planning Commission estimates the extent of poverty using a poverty line defined in terms of the Monthly Per Capita Consumption Expenditure (MPCE). 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. The Planning Commission constituted an Expert Group 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 for the year 2004-05, which was accepted by the Planning commission. For 2011-12, the poverty line has been estimated at MPCE of Rs. 816 in rural areas and Rs.1000 in urban areas. Since January 2011, the Planning Commission has been using Tendulkar Committee methodology to estimate the poverty line and the poverty ratio at national and state level.