

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:3336
ANSWERED ON:14.12.2011
NORMS FOR BPL DAILY INCOME
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Will the Minister of PLANNING be pleased to state:

- (a) the norms of daily income fixed by the Government for determining poverty line and BPL families in rural and urban areas;
- (b) whether the Government has used globally acceptable Food and Agriculture Organization (FAO) norms to define poverty;
- (c) if so, the details thereof;
- (d) whether the norms of daily income fixed for the BPL families and poverty line by the Government is sufficient;
- (e) if so, the State-wise number of people benefited from this scheme; and
- (f) if not, the reasons therefor?

Answer

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

(a) to (f): The poverty line is defined by the Planning Commission on the basis of Monthly Per Capita Consumption Expenditure (MPCE) as the criterion. The number and proportion of persons living below the poverty line (BPL) are computed using the data from Large Sample Surveys on Household Consumer Expenditure carried out by the National Sample Survey Office (NSSO) with an interval of approximately five years. The methodology for estimation of poverty has been reviewed from time to time. The Planning Commission constituted an Expert Group under the Chairmanship of Prof. Suresh D. Tendulkar in December, 2005. The Tendulkar Committee submitted its report in December, 2009, in which MPCE of Rs. 447 for rural areas and Rs 579 for urban areas was recommended as the poverty line at 2004-05 prices, which was accepted by the Planning commission. These poverty lines vary from state to state because of price differentials. The Tendulkar Committee has mentioned in its report that the proposed poverty lines have been validated by checking the adequacy of actual private expenditure per capita near the poverty lines on food, education and health by comparing them with normative expenditures consistent with nutritional, educational and health outcomes. The Tendulkar Committee has also stated:

"It may be noted that although those near the poverty line in urban areas continue to afford the original calorie norm of 2100 per capita per day, their actual observed calorie intake from 61st Round of NSS of is 1776 calories per capita. This actual intake is very close to the revised calorie intake norm of 1770 per capita per day currently recommended for India by the Food and Agriculture Organization (FAO). Actual observed calorie intake of those near the new poverty line in rural areas (1999 calories per capita) is higher than the FAO norm."

The Planning Commission estimates poverty lines and poverty ratios for the years for which Large Sample Surveys on Household Consumer Expenditure have been conducted by the National Sample Survey Office (NSSO). These surveys are conducted quinquennially. After 2004-05, this survey has been conducted in 2009-10 the results of which are now available. A final view on the methodology for measuring poverty in future can be taken inter-alia on the basis of 2009-10 NSSO survey and by taking into consideration all relevant indicia of poverty as identified by experts. A holistic view as to the approach to poverty measurement will be taken and if considered necessary, the issue will be revisited to arrive at the most credible methodology for poverty estimation.

The Government remains totally committed to the welfare of the under-privileged & poor sections of the society and is implementing a number of poverty alleviation programmes such as Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA), Swarnajayanti Gram Swarozgar Yojana (SGSY), Indira Awas Yojana (IAY), Antyoday Anna Yojana (AAY), Targeted Public Distribution System (TPDS), Jawaharlal Nehru National Urban Renewable Mission (JNNURM), Swarna Jyanti Shahri Rozgar Yojana (SJSRY), etc. All these programmes and Government policies relating to inclusive economic growth aim at reducing the incidence of poverty and improving living condition of poor in the country and have made a substantial contribution in blunting the sharp edges of poverty & deprivation. State wise reduction in percentage of persons below poverty line during 1993-94 to 2004-05 is given at Annexure.