

## Status of poverty in India: A state-wise analysis

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### Abstract

Poverty is a global issue. In simple words, poverty is the lack of basic amenities. This concept has been evading probe for few decades. Question like how to define and measure poverty have been raised by different scholars from their own point of view, still leaving many chances of improvement. Till recently, poverty was assessed on the basis of income level. Many social scientists have defined poverty as a multidimensional concept rather than uni-dimensional. Poverty includes various dimensions of deprivation. The main emphasis of this study is to understand the concept and measurement of poverty as well as to focus and explore the state- level poverty in India. The state-wise poverty has been explained with regard to rural areas as well as urban areas during 1972-73 to 2011-12. The study used the poverty data from Planning Commission's different reports, Government of India. The study explored that in the 2011-12 rural poverty was the highest in Chhattisgarh followed by Arunachal Pradesh Manipur, Madhya Pradesh, Orissa and Bihar, while it was the lowest in Goa followed by Punjab, Himachal Pradesh and Kerala. In Urban area, poverty was the highest Manipur, followed by Bihar, Jharkhand, Chhattisgarh, Assam, Arunachal Pradesh, Odessa, Nagaland and Karnataka stand above national level. In terms of combined rural and urban poverty, it was the highest in Chhattisgarh followed by Arunachal Pradesh, Assam, Bihar, Jharkhand, Madhya Pradesh, Manipur, Orissa and Uttar Pradesh and it was the lowest in Goa followed by Andhra Pradesh, Himachal Pradesh, Kerala, Punjab and Sikkim.

**Keywords:** poverty, deprivation, quality of life

### Introduction

Poverty has been a serious issue in the development process across the world for quite a long period of time and alleviation of poverty has been one of the major challenges faced by India too (Sharma and Chakravarty, 2015) <sup>[14]</sup>. To curb and reduce the curse of poverty, different countries have preferred to adopt different sets of measures like universal targeting, direct intervention for improving the condition of the poor and alleviating their poverty (Nayyar and Rohini 2016) <sup>[12]</sup>. For targeting, the first most important, yet the most difficult task, is to define poverty and still harder is to measure it. Faced with the poverty syndrome and to identify the poor and what constitutes poverty in an operational way, the Planning Commission of India and similar other agencies have been trying to address it from time to time much though in different ways, with shifting priorities quite often.

In 1962, an expert working group set up by the Planning Commission defined poverty criteria in term of monthly per capita consumption expenditure of Rs. 20 and Rs. 25 for rural and urban areas respectively. In 1979, a Task Force under the Planning Commission defined poverty line as per capita expenditure level at which the average per capita per day calorie intake was 2400 calories in rural areas and 2100 calories in urban areas. It was estimated that, on an average, consumer expenditure of Rs. 49.09 per capita per month was associated with a calorie intake of 2400 per capita per day in rural areas and Rs. 56.64 per capita per month with a calorie intake of 2100 per day in urban areas (Task Force Expert Report, Planning Commission, 1979).

An Expert Group Report (1993) on 'Estimation of Proportion and Number of Poor' constituted under the Chairmanship of

Professor D.T. Lakdawala to look into the methodology for estimation of poverty and to re-define poverty line, if necessary, re-iterated that the poverty line approach anchored in a calorie norm and associated with a fixed consumption basket (as recommended by the 1979 Task Force) be continued (Expert Group Report, Planning Commission, 1993). Further, an Expert Group (2004) of the Planning Commission under the Chairmanship of Professor S. Tendulker defined the poverty line criteria for rural as well as for urban people for 2004-05 in terms of monthly per capita consumption expenditure of Rs. 446.68 as poverty line. Those having monthly per capita consumption expenditure below this line were deemed to be poor, otherwise not poor for rural areas; and for urban areas those who had monthly per capita expenditure below Rs. 578.8 were considered as poor (Expert Group Report, Planning Commission, 2010).

Further, an Expert Group (2014) of the Planning Commission under the Chairmanship of Professor C. Rangarajan has defined the poverty line criteria for rural as well as for urban people for 2011 in terms of monthly per capita consumption expenditure of Rs. 972 as poverty line in rural area. Those having monthly per capita consumption expenditure below this line were deemed to be poor, otherwise not poor for rural areas; and for urban areas those who had monthly per capita expenditure below Rs. 1407 were considered as poor (Expert Group Report, Planning Commission, 2014). The main focuses of this study is to explore the state- level poverty in India. The state-wise poverty has been explained with reference to rural areas as well as urban areas during 1972-73 to 2011-12. The study has used the poverty data from Planning Commission's different reports, Government of India.

**Results and Conclusion**

In India, the official approach to define and measure poverty for purposes of policy formulation and evaluation in the context of a strategy for poverty reduction has provided much

of the impetus for academic as well as policy related studies on issues concerned with definition, measurement, interpretation, policy choice and evaluation. The official approach has laid emphasis on ensuring a subsistence.

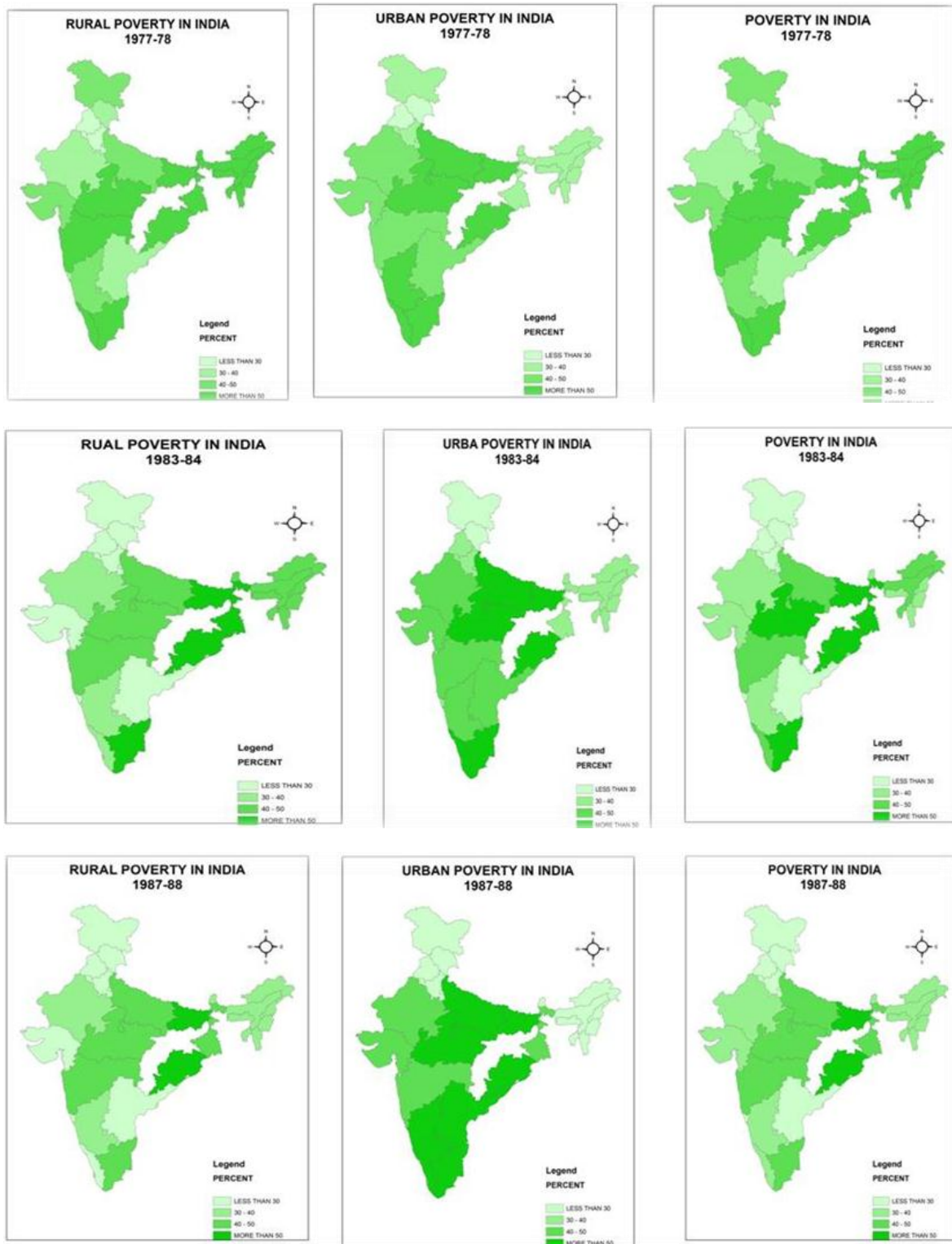
**Table 1: State-Wise Proportion of Population below Poverty Line in India**

State	1972-73			1977-78			1983-84		
	Rural	Urban	Total	Rural	Urban	Total	Rural	Urban	Total
Andhra Pradesh	48.4	52.5	49.2	38.1	46.4	39.9	26.5	40.1	29.8
Arunachal Pradesh	52.6	37.1	51.9	59.8	37.5	58.5	42.6	26.3	41.4
Assam	52.6	37.1	51.2	59.8	37.5	57.6	42.6	26.3	40.8
Bihar	62.9	51.7	61.7	63.2	52.1	61.9	64.3	50.4	62.5
Chhattisgarh	-	-	-	-	-	-	-	-	-
Delhi	24.4	49.1	46.8	30.1	33.3	33.0	7.6	28.3	26.9
Goa	46.8	36.8	44.0	37.6	36.6	37.3	14.8	27.2	19.0
Gujarat	46.3	49.3	47.2	41.7	43.1	42.1	29.8	40.6	33.2
Haryana	34.2	39.5	35.2	27.7	36.2	29.4	20.5	23.4	21.2
Himachal Pradesh	27.4	13.2	26.4	33.4	19.4	32.4	17.0	9.2	16.3
Jammu and Kashmir	45.5	30.4	42.5	42.8	31.8	40.6	26.0	17.1	24.1
Jharkhand	-	-	-	-	-	-	-	-	-
Karnataka	55.1	52.0	54.3	48.1	52.8	49.4	36.3	43.3	38.4
Kerala	59.1	62.2	59.7	51.4	59.5	52.9	39.0	48.6	40.9
Madhya Pradesh	62.6	58.3	61.9	62.5	62.0	62.4	48.9	54.5	50.1
Maharashtra	57.7	42.9	52.9	63.9	40.6	56.0	45.2	40.5	43.5
Manipur	52.6	37.1	50.0	59.8	37.5	54.8	42.6	26.3	38.0
Meghalaya	52.6	37.1	50.2	59.8	37.5	56.0	42.6	26.3	39.4
Mizoram	52.6	37.1	50.3	59.8	37.5	55.3	42.6	26.3	38.1
Nagaland	52.6	37.1	50.8	59.8	37.5	56.7	42.6	26.3	39.7
Orissa	67.2	56.2	66.2	72.3	53.5	70.3	67.5	50.6	65.3
Punjab	28.2	27.6	28.0	16.3	27.6	19.3	13.2	23.8	16.2
Rajasthan	44.7	53.1	46.3	35.8	46.3	37.9	33.5	40.3	35.0
Sikkim	52.6	37.1	50.9	59.8	37.5	56.6	42.6	26.3	39.6
Tamil Nadu	57.4	54.4	56.5	57.6	53.2	56.2	53.9	49.2	52.3
Tripura	52.6	37.1	51.0	59.8	37.5	57.4	42.6	26.3	40.7
Uttar Pradesh	56.5	59.4	56.9	47.6	57.0	49.1	46.4	50.2	47.1
Uttaranchal									
West Bengal	73.1	34.5	63.1	68.3	38.7	60.6	63.0	32.2	54.7
India	56.4	49.2	54.9	53.0	47.4	51.8	45.6	42.1	44.7

State	1987-88			1993-94			2004-05			2011-12		
	Rural	Urban	Total	Rural	Urban	Total	Rural	Urban	Total	Rural	Urban	Total
Andhra Pradesh	20.9	44.6	27.2	48.1	35.2	44.6	32.3	23.4	29.9	10.9	5.8	9.2
Arunachal Pradesh	39.3	17.3	37.4	60.0	22.6	54.5	33.6	23.5	31.1	38.9	20.3	34.6
Assam	39.3	17.3	36.8	54.9	27.7	51.8	36.4	21.8	34.4	33.8	20.4	31.9
Bihar	52.6	57.7	53.3	62.3	44.7	60.5	55.7	43.7	54.4	34.0	31.2	33.7
Chhattisgarh				55.9	28.1	50.9	55.1	28.4	49.4	44.6	24.7	39.9
Delhi	1.29	16.9	16.0	16.2	15.7	15.7	15.6	12.9	13.1	12.9	9.8	9.9
Goa	17.6	33.7	23.4	25.5	14.6	20.8	28.1	22.2	25.0	6.8	4.0	5.0
Gujarat	28.6	39.6	32.3	43.1	28.0	37.8	39.1	20.1	31.8	21.5	10.1	16.6
Haryana	16.2	17.7	16.6	40.0	24.2	35.9	24.8	22.4	24.1	11.6	10.2	11.1
Himachal Pradesh	16.2	6.18	15.4	36.7	13.6	34.6	25.0	4.6	22.9	8.4	4.3	8.0
Jammu and Kashmir	25.7	14.8	23.2	32.5	6.9	26.3	14.1	10.4	13.2	11.5	7.2	10.3
Jharkhand	-	-	-	65.9	41.8	60.7	51.6	23.8	45.3	40.8	24.8	36.9
Karnataka	32.8	49.0	38.1	56.6	34.2	49.5	37.5	25.9	33.4	24.5	15.2	20.9
Kerala	29.1	43.3	32.0	33.9	23.9	31.3	20.2	18.4	19.7	9.1	4.9	7.0
Madhya Pradesh	41.9	48.1	43.4	49.0	31.8	44.6	53.6	35.1	48.6	35.7	21.0	31.6
Maharashtra	40.7	38.9	40.1	59.3	30.3	47.8	47.9	25.6	38.1	24.2	9.1	17.3
Manipur	39.3	17.3	32.9	64.4	67.2	65.1	39.3	34.5	38.0	38.8	32.5	36.8
Meghalaya	39.3	17.3	34.6	38.0	23.0	35.2	14.0	24.7	16.1	12.5	9.2	11.8
Mizoram	39.3	17.3	32.5	16.6	6.3	11.8	23.0	7.9	15.3	35.4	6.3	20.4
Nagaland	39.3	17.3	34.8	20.1	21.8	20.4	10.0	4.3	9.0	19.9	16.4	18.8
Orissa	57.6	44.1	55.6	63.0	34.5	59.1	60.8	37.6	57.2	35.6	17.2	32.5
Punjab	12.6	12.9	12.7	20.3	27.2	22.4	22.1	18.7	20.9	7.6	9.2	8.2
Rajasthan	33.2	38.9	34.6	40.8	29.9	38.3	35.8	29.7	34.4	16.0	10.6	14.7

Sikkim	39.3	17.3	34.6	33.0	20.4	31.8	31.8	25.9	31.1	9.8	3.6	8.1
Tamil Nadu	45.8	43.8	45.1	51.0	33.7	44.6	37.5	19.7	28.9	15.8	6.5	11.2
Tripura	39.3	17.3	36.8	34.3	25.4	32.9	44.5	22.5	40.6	16.5	7.4	14.0
Uttar Pradesh	41.1	45.2	41.9	50.9	38.3	48.4	42.7	34.1	40.9	30.4	26.0	29.4
Uttaranchal	-	-	-	36.7	18.7	32.0	35.1	26.2	32.7	11.6	10.4	11.2
West Bengal	48.3	32.8	43.9	42.5	31.2	39.4	38.2	24.4	34.3	22.5	14.6	19.9
India	39.0	40.1	39.3	50.1	31.8	45.3	41.8	25.7	37.2	25.7	13.7	21.9

Source: Planning commission, Government of India.



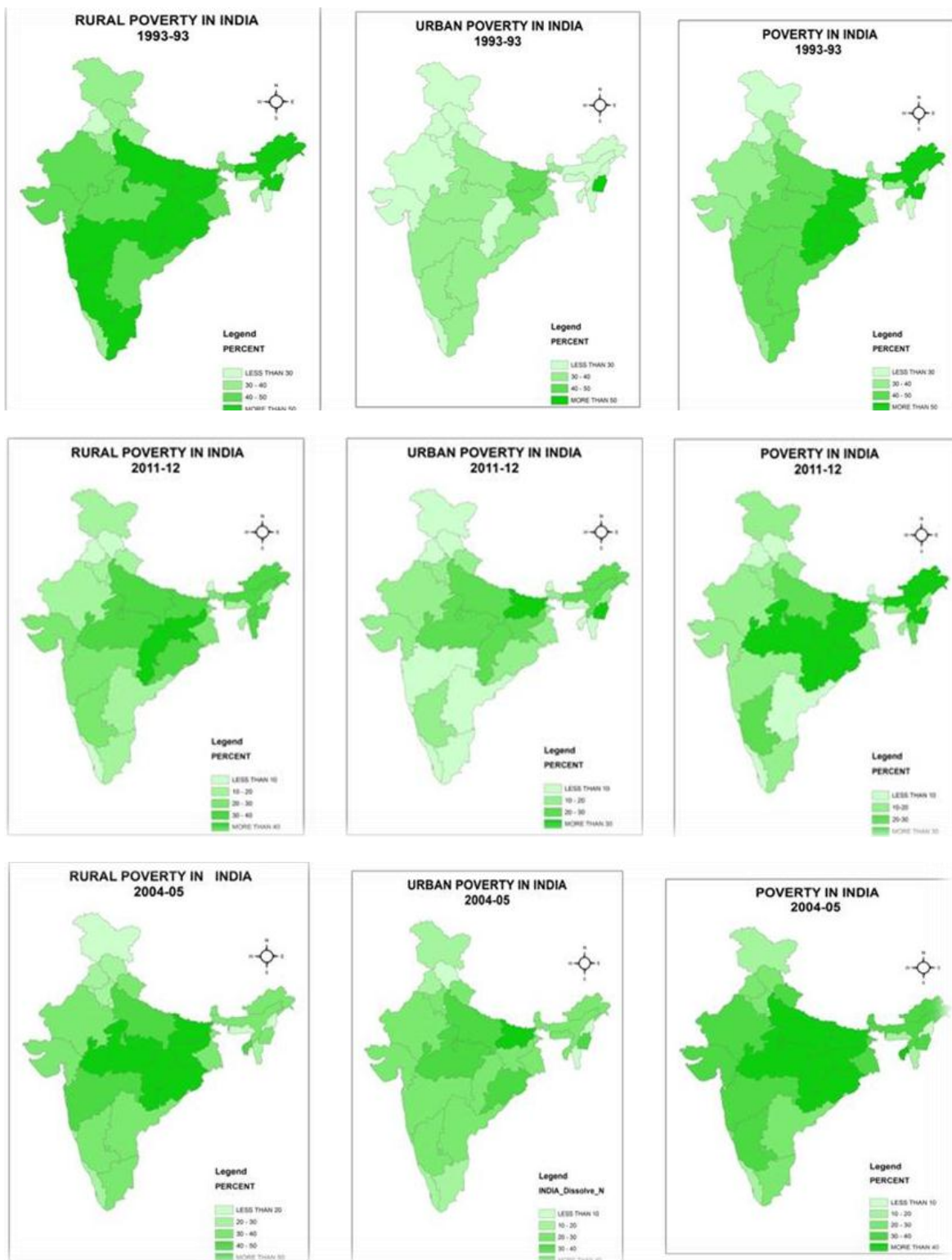


Table 1 reveals state-wise percentage of population below poverty line in India from the year 1973 to 2011. In 1973-74, about 56.44 percent of the rural population was living below poverty line, with poverty ratio the highest in West Bengal (73.16 percent) followed by Arunachal Pradesh (52.67 percent), Assam (52.67 percent), Bihar (62.99 percent), Karnataka (55.14 percent), Kerala (59.19 percent), Madhya Pradesh (62.66 percent), Maharashtra (57.71 percent), Manipur (52.67 percent), Meghalaya (52.67 percent), Mizoram (52.67 percent), Nagaland (52.67 percent), Orissa (67.28 percent), Sikkim (52.67 percent), Tamil Nadu (57.43

percent), Tripura (52.67 percent) and Uttar Pradesh (56.53 percent). On the other hand, poverty was found to be the lowest in Himachal Pradesh (27.42 percent) followed by Punjab and Haryana (28.21 percent and 34.24 percent respectively).

In case of urban area, about 49.23 percent of Indian population was living below poverty line in 1973-74 and more than 50 percent of the population was living below poverty line in Andhra Pradesh, Bihar, Gujarat, Karnataka, Kerala, Madhya Pradesh, Nagaland, Rajasthan, Tamil Nadu and Uttar Pradesh (that is with percentage points of 52.56, 51.75, 49.31,

52.01, 62.24, 58.34, 56.29, 53.15, 54.47, 59.48 respectively). More than 50 per cent of population was living below poverty line in Bihar, Karnataka, Kerala, Madhya Pradesh, Orissa, Tamil Nadu and Uttar Pradesh both in urban and rural areas. Thus, while the highest poverty existed in Orissa at 66.24 percent as against the national average level at 54.93 percent, the lowest poverty was in Himachal Pradesh (26.40 percent) followed by Punjab (28.08 percent).

In 1977-78, rural poverty was relatively the highest in Orissa, West Bengal, Maharashtra, Bihar and Madhya Pradesh (at 72.38, 68.34, 63.97, 63.25 and 62.52 percent respectively). In case of urban area, poverty was the highest in Madhya Pradesh, Kerala, Uttar Pradesh, Orissa, Bihar, Karnataka, and Tamil Nadu, while the combined rural and urban poverty was 70.35 percent in Orissa, 62.43 percent in Madhya Pradesh, 61.95 percent in Bihar, and 60.65 percent in West Bengal.

In 1983-84, about 45.61 percent of rural population was living below poverty line in India, with the highest in Orissa (67.53 percent) followed by Bihar (64.37 percent) and West Bengal (63.05) percent). It was the lowest in Punjab (13.20 percent) followed by Goa (14.8 percent) and Himachal Pradesh (17.0 percent). Urban poverty was the highest in Madhya Pradesh (54.59 percent) followed by Orissa, Bihar, Uttar Pradesh (with 50.61, 50.42 and 50.27 percent respectively), while it was the lowest in Himachal Pradesh (9.25 percent) followed by Jammu & Kashmir (17.14 percent). In terms of rural and urban combined, poverty was highest in Orissa (65.32 percent) followed by Bihar, West Bengal, Tamil Nadu and Madhya Pradesh (with 62.51, 54.72, 52.38 and 50.13 percent respectively). On the other hand, the combined poverty was lowest in Punjab (16.29 percent) followed by Himachal Pradesh, and Goa (16.39 and 19.05 percent respectively).

In 1987-88, the rural poverty was the highest in Orissa, and Bihar (at 57.64 percent and 52.63 percent respectively) followed by West Bengal, Tamil Nadu, Madhya Pradesh, Uttar Pradesh, and Maharashtra (with 48.30, 45.80, 41.92, 41.10 and 40.78 percent respectively). On the other hand, rural poverty was the lowest in Punjab (12.60 percent) followed by Haryana, Himachal Pradesh and Goa (at 16.22, 16.28 and 17.64 percent respectively). In case of urban area, poverty was the highest in Bihar (57.71 percent), while it was the lowest in Himachal Pradesh (6.18 percent). In case of combined rural and Urban poverty, the states of Orissa, Bihar West Bengal, Madhya Pradesh, Uttar Pradesh and Maharashtra (with 55.61, 53.37, 43.99, 43.40, 41.99 and 40.10 percent respectively), stand above the national poverty level (of 39.34 percent), whereas Andhra Pradesh, Arunachal Pradesh, Assam, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Karnataka, Kerala, Manipur, Meghalaya, Mizoram, Nagaland, Punjab, Rajasthan, Sikkim, and Tripura stood below the national poverty level.

In 1993-94, rural poverty was the highest in Manipur, Orissa, Bihar and Arunachal Pradesh (at 64.4, 63.0, 62.3 and 60 percent respectively), and the lowest in Mizoram, Nagaland, Punjab and Goa (at 16.6, 20.1, 20.3 and 25.5 percent respectively). In case of urban area poverty, it was the highest in Manipur (67.2 percent) followed by Bihar (44.7 percent) and Uttar Pradesh (38.3 percent) and lowest in Mizoram (6.3 percent) followed by Jammu Kashmir, Himachal Pradesh and Goa (at 6.9, 13.6, and 14.6 percent respectively). In terms of combined rural and urban poverty, more than 50 percent of population was living below poverty line in Manipur (65.1

percent), Bihar (60.5 percent), Orissa (59.01 percent), Arunachal Pradesh (54.5 percent) and Assam (51.8 percent).

In 2004-05, rural poverty was the highest in Orissa (60.8 percent) followed by Bihar (55.7 percent), Chhattisgarh (55.1 percent), Madhya Pradesh (53.6 percent), and Jharkhand (51.6 percent) and it was the lowest in Nagaland (10 percent) followed by Meghalaya, Jammu & Kashmir, Punjab, Haryana and Himachal Pradesh (14.0, 14.1, 22.1, 24.8 and 25.0 percent respectively). Urban poverty was the highest in Bihar (43.7 percent) followed by Orissa (37.6 percent), Madhya Pradesh (35.1 percent), Manipur (34.5 percent) and Uttar Pradesh (34.1 percent) and the lowest in Nagaland (4.3 percent), Himachal Pradesh (4.6 percent), Mizoram (4.9 percent, Jammu & Kashmir (10.4 percent), Kerala (18.4 percent), and Punjab 18.7 percent). In case of combined rural and urban poverty, Orissa, Bihar, Chhattisgarh, Madhya Pradesh, Uttar Pradesh and Tripura stand above the national poverty level.

In 2011-12 rural poverty was the highest in Chhattisgarh (44.61 percent) followed by Arunachal Pradesh (38.93 percent), Manipur (38.50 percent), Madhya Pradesh (35.74 percent), Orissa (35.69 percent) and Bihar (34.06 percent), while it was the lowest in Goa (16.81 percent) followed by Punjab (7.66 percent), Himachal Pradesh (8.48 percent) and Kerala (9.14 percent). In Urban area, poverty was the highest Manipur (32.59 percent), followed by Bihar (31.23 percent), Jharkhand (24.83 percent), Chhattisgarh (24.75 percent), Assam (20.49 percent), Arunachal Pradesh (20.33 percent), Odessa (17.29 percent), Nagaland (16.48 percent) and Karnataka (15.25 percent) stand above national level (13.70 percent). In terms of combined rural and urban poverty, it was the highest in Chhattisgarh (39.93 percent) followed by Arunachal Pradesh, Assam, Bihar, Jharkhand, Madhya Pradesh, Manipur, Orissa and Uttar Pradesh and it was the lowest in Goa (5.09 percent) followed by Andhra Pradesh, Himachal Pradesh, Kerala, Punjab and Sikkim.

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