

POVERTY AS A CHALLENGE

1 Describe how the poverty line is estimated in India?

Ans In India, poverty line is estimated by multiplying prices of physical quantities like food, clothing, etc. Also, poverty line for urban and rural areas are different as lifestyle is different.

2 Do you think that present methodology of poverty estimation is appropriate?

Ans No, present methodology of estimation of poverty is inappropriate as it focuses on only basic needs. It should include corrections for inflation and market fluctuations.