

EXERCISES

1. Describe how the poverty line is estimated in India?

Ans A person is considered below the poverty line if his/her income or consumption level falls below a 'minimum level' necessary to fulfil basic needs. Estimating the poverty line is also based on the desired calories requirement. It is 2400 calories

per person per day in the rural areas and 2100 calories in the urban areas.

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

Ans The present methodology of poverty estimation is not appropriate because it takes into account only the basic needs of food, clothing, fuel, etc. The quality of these basic necessities is the lowest quality available, which is not appropriate.