

→ Homework → Exercise →

① Describe how the poverty line is estimated in India?

Ans → i) In India, a minimum level of food requirement, clothing, footwear, fuel and light, educational and medical requirement, etc. are determined for subsistence.

ii) These things are multiplied by their prices in rupees.

iii) The desired caloric requirements are seen depending on age, sex and the type of work that a person does.

iv) The accepted average caloric requirements in India is 2400 calories per person per day in rural areas and 2100 calories per person per day in urban areas.

v) Since people living in rural areas are considered to be higher than urban areas.

vi) The monetary expenditure per capita needed for buying these caloric requirements is revised time to time, keeping in mind the rise in prices.

vii) On the basis of these calculations, for the year 2012, the poverty line for a person was fixed at Re. 816 per month for the rural areas and Re. 1000 for urban areas.

Like this, Poverty line is estimated in India.

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

Ans → No, the present day methodology of poverty estimation does not seem to be completely appropriate.

* This is because the only factor is taken into consideration is the economic status and moreover, it considers a minimum subsistence of living instead of a reasonable status of living.

* Poverty, today is a larger concept than only the economic status of the people. With advancements and development, the

- definition of poverty has also changed.
- * People may have been able to feed themselves and their family but education, shelter, health, job security and dignity at all are still a threat.
 - * To overcome poverty entirely, all the above-mentioned factors also need to be kept in consideration.
 - * To completely remove poverty from the country, the methodology to estimate poverty should also be changed.