

H/W

Ex.

Q1) Describe how the poverty line is estimated in India?

Ans) → A person is considered poor if his/her income/consumption level falls below a given 'minimum level' necessary to fulfill the basic needs. ~~This~~

→ This 'minimum level' is called poverty line.

→ In India, the poverty line is estimated by multiplying the prices of physical quantities like food, clothing, fuel, ~~light~~ electricity, medications etc in rupees.

Q2) Do you think that the present methodology of poverty estimation is appropriate?

Ans) → No, the present methodology of poverty estimation is ^{not} appropriate because it takes into account only the basic needs of food, clothing, fuel etc.

→ But the quality of these basic necessities is the lowest quality available.

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→ The poverty line should include some corrections for inflation & market fluctuations.