

GOVERNMENT OF INDIA
MINISTRY OF PLANNING

RAJYA SABHA
UNSTARRED QUESTION NO. 784
TO BE ANSWERED ON 10.02.2025

METHODOLOGICAL DISPARITIES IN POVERTY ESTIMATION

784 SHRI MALLIKARJUN KHARGE:

Will the Minister of PLANNING be pleased to state:

- (a) whether Government has noted disparities in poverty estimation between monetary approaches and NITI Aayog's Multidimensional Poverty Index;
- (b) if so, the details of methodologies used to assess these variations;
- (c) whether there are plans to introduce a new poverty line to account for monetary poverty based on current economic realities; and
- (d) whether Government plans to harmonize monetary and multidimensional approaches for a unified poverty assessment framework?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION; MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF CULTURE

(RAO INDERJIT SINGH)

- (a) to (d): In 2021, Government has developed a comprehensive index known as Multidimensional Poverty Index (MPI) to measure poverty that captures overlapping deprivations in dimensions such as health, education and standard of living, covering 12 indicators. This is the only methodology that is being used presently to measure poverty. The second edition of the index was released in 2023. As per the latest National MPI Report, 2023 released by NITI Aayog, the proportion of population in multidimensional poverty declined from 24.85% to 14.96% between 2015-16 and 2019-21, indicating that about 135.5 million persons have escaped poverty during the period. It is a major contribution towards achieving SDG target 1.2 that aims to reduce "at least by half the proportion of men, women

and children of all ages living in poverty in all its dimensions according to national definitions”. This indicates that India is well on course to achieve the SDG target 1.2 much ahead of 2030. The State/Union Territory-wise details of MPI are in public domain and can be accessed at <https://www.niti.gov.in/sites/default/files/2023-08/India-National-Multidimensional-Poverty-Index-2023.pdf> .
