

**GOVERNMENT OF INDIA  
MINISTRY OF PLANNING**

**LOK SABHA  
UNSTARRED QUESTION No. 5325  
TO BE ANSWERED ON 28.03.2018**

**INCOME INEQUALITY**

5325. SHRI M. CHANDRAKASI:  
SHRI HARISHCHANDRA CHAVAN:  
SHRI MANSUKHBHAI DHANJIBHAI VASAVA:

Will the Minister of PLANNING be pleased to state:

- (a) whether it is a fact that the income inequality is higher in the country and the gap between the rich and the poor is getting widened as per the latest World Economic Forum Report which says that 60 per cent of the Indian population is poor;
- (b) if so, the details thereof;
- (c) the long term policy initiatives undertaken by the Government to bring down the widening gap between the rich and the poor;
- (d) whether the Government has any proposal to review the implementation of its welfare schemes in the country for better results keeping in view the widening gap between rich and poor; and
- (e) if so, the details thereof and the achievement made as a result of Government initiatives so far?

**ANSWER**

**MINISTER OF STATE (INDEPENDENT CHARGE) FOR THE MINISTRY OF PLANNING AND  
MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS**

**(RAO INDERJIT SINGH)**

(a) to (e) In India, the data on class distribution of income is not compiled centrally. However, household consumption expenditure data collected by National Sample Survey Office (NSSO) could be used as a proxy to capture the economic inequality in terms of consumption expenditure. The latest data of Large Sample Survey on Household Consumer Expenditure has been collected by NSSO in its 68<sup>th</sup> round conducted in 2011-12. The disparities in the class distribution of consumption expenditure are measured by the Lorenz ratio from the NSSO data on Consumer Expenditure. Based on consumption expenditure data, the Gini coefficient (measuring the inequality between different expenditure classes of the population) in rural areas is observed to be almost same in 2004-05 and 2011-12 at 0.27 and 0.28 respectively. In the urban areas, the Gini coefficient has increased marginally from 0.35 in 2004-05 to 0.37 in 2011-12.

The primary policy objective of the Government is development of all segments of the population. The Government is implementing a number of targeted programmes in this regard, like Pradhan Mantri Awaas Yojana (PMAY), Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), Deendayal Antyodaya Yojana - National Rural Livelihoods Mission (DAY-NRLM), Deendayal Antyodaya Yojana - National Urban Livelihoods Mission (DAY-NULM), National Social Assistance Programme (NSAP), Pradhan Mantri Jan-Dhan Yojana (PMJDY), Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), Shyama Prasad Mukherji Rurban Mission (SPMRM), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Jeevan Jyoti Bima Yojana, Atal Pension Yojana, Pradhan Mantri Mudra Yojana, Stand Up India Scheme etc. These interventions are expected to yield better results over time towards overall balanced development in the country. Government reviews programmes, at different level of implementation so as to ensure benefit reaches to the targeted group and programme meets its intended outcomes.