

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS**

**LOK SABHA  
UNSTARRED QUESTION NO. 1302  
TO BE ANSWERED ON 08.12.2025**

**LOW INCOME OF POOR CITIZENS**

1302. SHRI MURARI LAL MEENA

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is aware that the average daily income of the poorest citizens of the country is extremely low, if so, the details of average daily income during the last five years, State-wise;
- (b) whether it is true that income of the rich class has increased significantly during last few years, while the income of the poor class has remained comparatively stable or even decreasing, if so, the details thereof;
- (c) whether the Government agree that current economic policies are making the rich richer and the poor poorer, if so, the details thereof;
- (d) the concrete steps taken by the Government to reduce this growing economic inequality so far; and
- (e) whether the Government is considering to bring any new policy in the coming years to increase the income of the low income groups and strengthen the social security schemes and if so, the details thereof?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PANKAJ CHAUDHARY)

(a) & (b): In India, the data on the class distribution of income is not compiled centrally. However, the estimates from the Household Consumption Expenditure Survey (HCES) conducted by the Ministry of Statistics and Programme Implementation (MoSPI) could be used as a proxy to capture the distribution of income in terms of consumption expenditure.

According to the latest HCES 2023-24, the average monthly per capita consumption expenditure (MPCE) has risen from ₹ 3773 in 2022-23 to ₹ 4122 in 2023-24 in rural areas, and from ₹ 6459 in 2022-23 to ₹ 6996 in 2023-24 in urban areas. In addition, the Gini coefficient, a key measure of inequality, has improved significantly, declining from 0.266 to 0.237 in rural areas and from 0.314 to 0.284 in urban areas between 2022-23 and 2023-24. The increase in the average MPCE in 2023-24 from the 2022-23 level has been the maximum for the bottom 5 to 10 per cent of India's population, in both rural and urban areas.

In addition, as per the discussion paper on Multidimensional Poverty in India since 2005-06 published by NITI Aayog, multidimensional poverty in India is estimated to have declined from 29.17 per cent in 2013-14 to 11.28 per cent in 2022-23, implying that 24.8 crore people have escaped poverty during this period.

Based on the recently released HCES data for 2022-23 and 2023-24, the state-wise average MPCE for rural and urban areas is placed in *Annexure I*.

(c), (d) & (e): No, Sir. The primary policy objective of the Government is the development of all sections of the population. Its focus on inclusive growth is reflected in its commitment to “Sabka Saath, Sabka Vikas” to reduce poverty and inequality, provide social security, income generation and livelihood options, and improve the quality of life of the vulnerable sections of the population in the country.

With these objectives, the Government is implementing a number of targeted programmes such as Pradhan Mantri Awas Yojana, Mahatma Gandhi National Rural Employment Guarantee Scheme, Deendayal Antyodaya Yojana - National Rural Livelihoods Mission, National Social Assistance Programme, Deen Dayal Upadhyaya Grameen Kaushalya Yojana, Pradhan Mantri Suraksha Bima Yojana, Pradhan Mantri Jeevan Jyoti Bima Yojana, Atal Pension Yojana, Pradhan Mantri Mudra Yojana, Stand Up India Scheme, Umbrella Programmes for Development of Minorities and Other Vulnerable Groups; Rashtriya Krishi Vikas Yojna; fund transfer under PM-KISAN, PM Fasal Bima Yojana claim payments; fertiliser subsidies; interest subvention for dairy cooperatives; Agri-Infrastructure Fund for farm gate infrastructure etc. Further, the Government has implemented various programmes, including Jal Jeevan Mission, Swachh Bharat Abhiyan, PM Ujjwala Yojana, PM Saubhagya Yojana, Ayushman Bharat, Pradhan Mantri Jan-Dhan Yojana, etc., to bring about overall improvement in the quality of life of the people through universal access to basic amenities.

The Government has a multi-pronged approach that addresses economic inequality, promotes social mobility, and ensures fair economic participation. It has been prioritising employment generation and improving employability. The annual periodic labour force survey (PLFS) report shows that labour markets have recovered beyond pre-COVID levels in both urban and rural areas. The unemployment rate for individuals aged 15 and above has decreased from 5.8 per cent in 2018-19 to 3.2 per cent in 2023-24.

Various schemes and programs have been implemented to expand job opportunities. Besides, the focus on growth-promoting measures like robust capital expenditure, continuing improvements in logistic facilities, urban development, promotion of MSMEs, agriculture and manufacturing are promoting overall economic growth, thereby improving employment and purchasing power of the citizens.

The Government is also implementing the Skill India Mission (SIM) to provide skill, re-skill, and up-skill training through an extensive network of skill development centres, schools, colleges, and institutes. The SIM aims at enabling the youth of India to get future-ready, equipped with industry-relevant skills. Besides, the PM Vishwakarma scheme was launched in September 2023 to provide end-to-end support to artisans and craftspeople of 18 trades who work with their hands and tools. India has a progressive direct taxation regime wherein a person in the higher bracket pays income tax at higher rates as compared to a person in the lower income bracket. Further, a surcharge on income-tax is applicable to persons having income above a certain level. Thus, a robust taxation system is already in place vis-à-vis taxation of higher brackets of income earners.

The Government has proposed significant measures in the Union Budget 2025-26 to enhance the spending power of the middle class. The Union Budget has proposed that there will be no income tax payable up to an income of ₹12 lakh per annum under the new tax regime. The Budget has also proposed a change in slabs and rates of personal income tax across the board to benefit taxpayers. The new structure is expected to substantially reduce the taxes of the middle class and leave more money in their hands. The other measures of the Government to benefit the middle class include enhanced pension schemes, support for affordable housing, public health schemes and financial support to entrepreneurs.

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## Average MPCE for each State/UT in 2023-24 (in ₹)

State/UT	Rural	Urban
Andhra Pradesh	5,327	7,182
Arunachal Pradesh	5,995	9,832
Assam	3,793	6,794
Bihar	3,670	5,080
Chhattisgarh	2,739	4,927
Delhi	7,400	8,534
Goa	8,048	9,726
Gujarat	4,116	7,175
Haryana	5,377	8,428
Himachal Pradesh	5,825	9,223
Jharkhand	2,946	5,393
Karnataka	4,903	8,076
Kerala	6,611	7,783
Madhya Pradesh	3,441	5,538
Maharashtra	4,145	7,363
Manipur	4,531	5,945
Meghalaya	3,852	7,839
Mizoram	5,963	8,709
Nagaland	5,155	8,022
Odisha	3,357	5,825
Punjab	5,817	7,359
Rajasthan	4,510	6,574
Sikkim	9,377	13,927
Tamil Nadu	5,701	8,165
Telangana	5,435	8,978
Tripura	6,259	8,034
Uttar Pradesh	3,481	5,395
Uttarakhand	5,003	7,486
West Bengal	3,620	5,775
A & N Islands	7,771	10,453
Chandigarh	8,857	13,425
Dadra & Nagar Haveli and Daman & Diu	4,311	6,837
Jammu & Kashmir	4,774	6,327
Ladakh	5,010	7,533
Lakshadweep	6,350	6,377
Puducherry	7,598	8,637
<b>All-India</b>	<b>4,122</b>	<b>6,996</b>

**Average MPCE for each State/UT in 2022-23 (in ₹)**

<b>State/UT</b>	<b>Rural</b>	<b>Urban</b>
Andhra Pradesh	4,870	6,782
Arunachal Pradesh	5,276	8,636
Assam	3,432	6,136
Bihar	3,384	4,768
Chhattisgarh	2,466	4,483
Delhi	6,576	8,217
Goa	7,367	8,734
Gujarat	3,798	6,621
Haryana	4,859	7,911
Himachal Pradesh	5,561	8,075
Jharkhand	2,763	4,931
Karnataka	4,397	7,666
Kerala	5,924	7,078
Madhya Pradesh	3,113	4,987
Maharashtra	4,010	6,657
Manipur	4,360	4,880
Meghalaya	3,514	6,433
Mizoram	5,224	7,655
Nagaland	4,393	7,098
Odisha	2,950	5,187
Punjab	5,315	6,544
Rajasthan	4,263	5,913
Sikkim	7,731	12,105
Tamil Nadu	5,310	7,630
Telangana	4,802	8,158
Tripura	5,206	7,405
Uttarakhand	4,641	7,004
Uttar Pradesh	3,191	5,040
West Bengal	3,239	5,267
A & N Islands	7,332	10,268
Chandigarh	7,467	12,575
Dadra & Nagar Haveli and Daman & Diu	4,184	6,298
Jammu & Kashmir	4,296	6,179
Ladakh	4,035	6,215
Lakshadweep	5,895	5,475
Puducherry	6,590	7,706
<b>All-India</b>	<b>3,773</b>	<b>6,459</b>

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