

**GOVERNMENT OF INDIA
MINISTRY OF PLANNING**

**LOK SABHA
UNSTARRED QUESTION NO. 3105
TO BE ANSWERED ON 11.03.2026**

RISING INEQUALITY BETWEEN RURAL AND URBAN INDIA

3105. SHRI UMMEDA RAM BENIWAL:

Will the Minister of PLANNING be pleased to state:

- (a) whether the Government has reviewed the rising inequality between rural and urban India;**
- (b) if so, the measures proposed to address income disparity; and**
- (c) whether concentration of wealth among a few corporate groups has worsened during the last five years and if so, the details thereof?**

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS & 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) According to the latest Household Consumption Expenditure Survey (2023-24), income inequality has declined in both rural and urban India, with the Gini coefficient falling to 0.237 and 0.284, respectively, from 0.266 and 0.314 in 2022-23. This improving trend is further corroborated by World Bank estimates (India Poverty and

Equity Brief, April 2025), which places India's Gini Index at 25.5 (as against 28.8 in 2011-12), ranking it fourth globally in income equality.

(b) & (c) The primary policy objective of the Government is development of all sections of the population. Its focus on inclusive growth is reflected in 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.

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, surcharge on income-tax is applicable to persons having income above a certain level. Thus a robust taxation system is already in place vis-a-vis taxation of higher brackets of income-earners.
