REPORT OF THE EXPERT GROUP ON THE CRITERION FOR ALLOCATION OF FUNDS UNDER MAJOR RURAL POVERTY ALLEVIATION PROGRAMMES

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CHAPTER - 1

INTRODUCTION

The poverty ratios for rural areas computed by the Planning Commission have been the basis for apportionment of funds among States/UTs under the major rural development programmes. The rural poverty ratios of 1987-88 based on the Task Force methodology were used for this purpose till 1997-98. However, after the acceptance of the poverty ratios given by the Expert Group – constituted in September, 1989 under the Chairmanship of Prof. D.T. Lakdawala – it was decided that the poverty ratios of 1993-94 for rural areas based on the Expert Group methodology should be form the basis for State-wise allocation of funds.

However, some States were adversely affected in their respective shares of allocation under rural poverty alleviation programmes after the adoption of the poverty ratios of 1993-94 for rural areas based on the Expert Group methodology. Therefore, an adjustment formula was worked out to contain the losses of the States as per the poverty ratios of 1993-94 based on the Expert Group methodology to not more than 15 per cent of their expected entitlement based on their share as per the poverty ratios of 1993-94 computed according to the Task Force methodology. These adjusted shares approved by the full Planning Commission under the Chairmanship of the Prime Minister are being used w.e.f. 1998-99 as the criterion for allocation of funds under major rural development programmes. The share of the States as per the poverty ratios of 1987-88 and 1993-94 based on the Task Force methodology and shares as per the poverty ratios of 1993-94 based on the Expert Group methodology alongwith the Adjusted shares may be seen at Table 1. The details of the adjustment exercise are at Annexure-I.

Some States, however, expressed reservations on the use of Adjusted shares as the criterion and the issue was placed before the National Development Council (NDC) in February 1999 for a decision. In pursuance of the decision taken in the meeting of the NDC a Committee of the NDC was set up on the Criterion for Allocation for Funds under Major Rural Poverty Alleviation Programmes under the Chairmanship of Deputy Chairman, Planning Commission. The Members of the Committee included Minister for Rural Development, Minister of State for Planning, Chief Ministers of Orissa, Rajasthan, Tamil Nadu and Uttar Pradesh with Member, Planning Commission as Member-Secretary of the Committee. The Terms of Reference of the Committee was to work out the criterion for allocation of funds under the major rural poverty alleviation programmes in the Ninth Plan.

The NDC Committee deliberated on the various options and criteria for allocation of funds under major rural poverty alleviation programmes. The committee arrived at a consensus and agreement to continue with the 15 per cent adjusted shares as approved by the full Planning Commission under the Chairmanship of Prime Minister. However, some State members of the NDC committee made the observation that some incentive might be provided to the States that had performed well in terms of poverty reduction. It was also noted that there were special needs and pockets of acute distress in some States and these issues also needed to be addressed. It was agreed that such issues could be considered at the time of the formulation of the Tenth Five Year Plan.

Under this back drop and in light of the announcement of the official poverty ratios of 1999-2000, the present Expert Group has been set up to deliberate upon the issue of determining a suitable criterion for allocating of funds under various rural poverty alleviation programmes in accordance with the recommendations made by the NDC Committee The composition of the Expert Group and its terms of reference may be seen at Annexure II.

The Expert Group held meetings and discussed at length the various alternatives that could be used as the criterion for allocation of funds to the States and the issues involved. This report has been prepared on the basis of the detailed discussions and the views of the experts.

CHAPTER - 2

ALTERNATIVE POVERTY ESTIMATES

At the outset, the Expert Group noted that the rural poverty ratios have been used as a basis for allocation of funds for major rural development programmes for many years now. Up to 1997-98, the poverty ratios based on the Task Force methodology were used and thereafter, from 1998-99 the Adjusted Shares are being used. In the meantime poverty ratios for 1999-2000 estimated by the Planning Commission have become available and these are also based on the Expert Group methodology. However, these have not so far been used for allocation of funds for rural poverty alleviation programmes.

It was also observed that besides the official poverty estimates for 1999-2000, scholars have also prepared alternative State-wise poverty estimates for 1999-2000 for rural areas which diverge from the official estimates. To begin with the group decided to examine the various alternative poverty estimates available and the methodologies adopted for measurement of poverty.

Official Estimates (1999-2000)

The National Sample Survey Organisation (NSSO) has been conducting household consumer expenditure surveys regularly since 1950. It provides the basis for one of the longest continuous time series of poverty estimates in the world. Upto the 28th round (1973-74), the NSSO collected data on consumer expenditure for each year in each of the rounds. However, from the 26th round of the survey (1971-72), the NSSO decided to undertake the surveys on consumer expenditure and employment-unemployment together from a larger sample once in five years. Accordingly, quinquennial surveys on consumer expenditure and employment-unemployment have been conducted in the 27th round (1972-73), 32nd (1977-78), 38th (1983), 43rd (1987-88), 50th (1993-94) and 55th (1999-2000) rounds of NSS. Apart from these from its 42nd round (1986-87) the NSSO re-introduced the collection of consumer expenditure data annually though on a reduced scale in order to maintain continuity in the consumer expenditure data. These surveys are termed as small-scale (thin) surveys due to the smaller size of the sample as compared to the quinquennial surveys.

In all NSS rounds after the early 1950s, the reference period has essentially been uniform, with respondents being asked about their consumption during the past 30 days up to the 50th round. However, the NSSO experimented during rounds 51 to 54 with an alternative questionnaire using a 'past week' reference period for food, 'past 30 day' reference for high frequency non food and 'past 365 days' for low frequency non food items. The changed questionnaire was also adopted in the 55th round. Using the expenditure distribution as provided by the NSS the Planning Commission estimates the population below the poverty line.

Task Force Method

The Planning Commission, in 1977, constituted a Task Force on Projections of Minimum Needs and Effective Consumption Demand, which submitted its report in 1979. The Task Force(1979) defined the poverty line as per capita consumption expenditure level, which meets the average per-capita daily calorie requirement of 2400 kcal in rural areas and 2100 kcal in urban areas alongwith a minimum of non-food expenditure. The Task Force used the age-sex-activity specific calorie allowances recommended by the Nutrition Expert Group (1968) to estimate the average daily per capita requirement for rural and urban areas using the age-sex-occupational structure of their respective population (as projected for 1982-83). Thus, to the extent the data permitted, the age, sex and occupational differentials in the daily calorie requirement of the population were captured in the average norms.

The Task Force used the 28th Round (1973-74) NSS data relating to household consumption both in quantitative and value terms in order to compute the monetary equivalent of these calorie norms, which is known as the poverty line. Based on the observed consumer behaviour in 1973-74 it was estimated that, on an average, consumer expenditure of Rs. 49.09 per capita per month meets the calorie requirement of 2400 kcal per capita per day in rural areas and Rs. 56.64 per capita per month meets the calorie intake of 2100 kcal per capita per day in urban areas.

For the estimation of persons below the poverty line, the percentage distribution of persons in different expenditure classes was obtained from the NSS. Data on household consumer expenditure was utilized. The NSS distribution of private consumption was adjusted pro-rata to correspond to the consumption estimates of National Accounts made by the Central Statistical Organisation(CSO). Using the poverty line and the state-wise adjusted distribution of persons by expenditure classes for the reference year the percentage of persons below the poverty line were estimated. Applying the projected population of the year, the number of persons in poverty was estimated from the percentage of persons. The same poverty line defined at national level (separately for rural and urban areas) was used in all the States/UTs.

The poverty line defined by the Task Force at 1973-74 prices was being updated for the reference year using the implicit CSO private consumption deflator. CSO in their national accounts publish the estimates of expenditure at current and constant prices. The ratio between the two yields the implicit consumption deflator.

The Task Force methodology for estimating poverty at national and state level was regarded by some as inappropriate and even inadequate in giving a representative picture of the incidence of poverty in India. The main points of the criticism were:

(i) the adjustment procedure;
(ii) the choice of deflators to represent price changes in the poverty line;
(iii) application of the same poverty line in all the States, which implied the absence of price differentials across the States;
(iv) use of a fixed consumption basket over time; and
(v) the uniform consumption basket for all the States.

Expert Group Method

The Planning Commission, in September, 1989, constituted the Expert Group on Estimation of Proportion and Number of Poor to "look into the methodology for estimation of poverty and to re-define the poverty line, if necessary". The Expert Group submitted its report in July,1993.

The Expert Group did not redefine the poverty line and adopted the one defined by the Task Force, which was at national level in rural and urban areas. The Expert Group, however, estimated separate poverty lines for each State by disaggregating the national level poverty line.

The important points of departure between the Expert Group and the Task Force methodology are:

(i) Giving up adjustments of the NSS data. When the Task Force recommended the adjustment in 1979, it was around 10 per cent. In 1993-94, it had gone up to about 40 percent. Such a high level of adjustment of a survey data distorts its basic characteristic.
(ii) The Expert Group uses State-specific poverty lines as against a national poverty line for rural and urban areas.
(iii) The Expert Group suggested use of State-specific cost of living indices for estimating and up-dating the poverty lines separately for rural and urban areas. The Task Force estimates were based on one national index, which was the same for all the States and also for rural and urban areas. The Expert Group methodology uses State-wise Consumer Price Index of Agricultural Labourers (CPIAL) for estimating and updating the rural poverty lines and Consumer Price Index of Industrial Workers(CPIIW) for estimating and updating urban poverty lines.

In March,1997, a meeting of the full Planning Commission under the Chairmanship of Prime Minister accepted the Expert Group methodology for poverty estimation as the basis for computing the official estimates of poverty in

India. The Expert Group method was modified slightly for poverty estimation in the urban areas. The estimates for the past years were re-computed accordingly.

Details of the Expert Group Methodology

Rural Poverty Line: The national rural poverty line of Rs. 49.09 in 1973-74 worked out by the Task Force is disaggregated into State-specific poverty lines on the basis of State-specific Consumer Price Index of Agricultural Labourers(CPIAL), adjusted by inter-state price differentials. The state-specific poverty lines in 1973-74 are updated by state-specific CPIAL for use in later years.

Urban Poverty Line: The methodology of working out state-specific urban poverty lines is identical to that in rural areas. The national urban poverty line of Rs. 56.64 in 1973-74 is disaggregated into state-specific poverty lines using state-specific Consumer Price Index of Industrial Workers(CPIIW) adjusted for inter-state price differentials. The State-specific poverty lines of 1973-74 are updated by state-specific CPIIW for use in later years.

Although the NSS data on distribution of persons were available for all the major States and UTs, the Expert Group used the data for only those States and UTs for which the poverty line could be estimated. The poverty lines, could be estimated in rural and urban areas of 18 States and UTs but could not be computed for the other States mainly due to non-availability of State level prices. The 18 States/UTs are: Andhra Pradesh, Assam, Bihar, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Orissa, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, West Bengal and Delhi. Hence, the poverty ratios could estimated for these States and UTs by the Expert Group.

The possibility of using neighbouring State's poverty line in the remaining States, viz., Arunachal Pradesh, Goa, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Andaman and Nicobar Islands, Lakshadweep, Dadra and Nagar Haveli, Daman and Diu, Pondicherry and Chandigarh was assessed. A separate poverty ratio in these States/UTs was not made due to non-availability of NSS consumption distribution for all the quinquennial rounds since 1973-74 and also as the sample size of the NSS consumption distribution for some States/UTs was found inadequate.

Consequently the poverty ratio of another adjoining States and/or with similar economic profile was adopted in the case of these States/UTs. The details (with regard to 1999-2000) are as under:

1. Poverty Ratio of Assam is used for Sikkim, Arunachal Pradesh, Meghalaya, Mizoram, Manipur, Nagaland and Tripura.

2. Poverty Line of Maharashtra and expenditure distribution of Goa is used to estimate poverty ratio of Goa.
3. Poverty Line of Himachal Pradesh and expenditure distribution of Jammu & Kashmir is used to estimate poverty ratio of Jammu & Kashmir.
4. Poverty Ratio of Tamil Nadu is used for Pondicherry and A & N Island.
5. Urban Poverty Ratio of Punjab used for both rural and urban poverty of Chandigarh.
6. Poverty Line of Maharashtra and expenditure distribution of Dadra & Nagar Haveli is used to estimate poverty ratio of Dadra & Nagar Haveli.
7. Poverty Ratio of Goa is used for Daman & Diu.
8. Poverty Ratio of Kerala is used for Lakshdweep.

Major Deviation in NSSO Survey (55th Round)

As already mentioned above in the 55th Round, the National Sample Survey Organisation (NSSO) made a major deviation from the procedure it was using so far to establish household consumption levels. The basic change was in terms of the reference period used in questions asked on consumption. In all NSS rounds after the early 1950s, the reference period was essentially uniform, with respondents being asked about their consumption during the past 30 days upto the 50th round. However, the NSSO experimented during rounds 51 to 54 with an alternative questionnaire using a 'past week' reference period for food, 'past 30 day' reference for high frequency non-food and 'past 365 days' for low frequency non-food. The changed questionnaire was also adopted in the 55th round.

In the 55th round spending on food items with a budget share of about 60 per cent were obtained using both a 7 day and a 30 day recall. Further, the columns for 7-and 30-day recall appeared side by side on the same page in the questionnaire with the interviewer requested to ask the questions in reverse order. Spending on low-frequency non food consumption items, typically with a budget share of about 20 percent, was obtained using a one-year recall. This was also a change from earlier rounds of the NSS. The 30-day recall period was only used for the high-frequency non food items with a budget share of about 20 per cent.

Therefore, two sets of poverty ratios were derived from the 55th round by the Planning Commission: one using 7/30/365-day recall and the other using 30/30/365-day recall. The rural poverty ratios based on these 2 recall periods may be seen at Table 2. The poverty ratios based on the 30/30/365 day recall have been accepted as the official poverty estimates. The State specific rural poverty lines for 1999-2000 used for computing the poverty estimates may be seen at Table 3.

Poverty Gap/Consumption Gap

There are other measures of poverty, which also need consideration. It is recognized that the State-wise poverty ratio which is defined as the percentage of poor in the total population has certain limitations as it ignores the extent to which different households fall short of the poverty line. The calculation of poverty ratio makes no distinction within the broad category of the poor and as a result, it fails to capture the depth and severity of poverty in an adequate manner.

The inadequacy of poverty ratio in capturing deprivation has led researchers to look for alternatives indices. One index is calculating the poverty gap of the poor which is the average of per capita consumption expenditure of the poor required to reach the poverty line. It is a quantification of the money equivalent consumption required to attain the poverty line consumption. An important use of the consumption gap is its normalized version, which normalizes the consumption gap in terms of the poverty line. For India, the Poverty Gap is interpreted as the headcount ratio multiplied by the mean shortfall of consumption from the poverty line (among the poor). The Statewise poverty gaps for rural areas computed by Abhijit Sen using the official poverty lines may be seen at Table 4.

Poverty Gap Ratio/Income Gap Ratio and Squared Poverty Gap

A measure for capturing the depth of poverty is the Poverty Gap Ratio (PGR) which adjusts the poverty ratio with the difference between the per capita consumption of the poor and the poverty line expressed as a percentage of the poverty line. Poverty Gap Ratio is a measure of the magnitude of the effort required to shift the consumption of all persons below the poverty line to the level of the poverty line. It is a normalization of the aggregate gap by the total income or the consumption of the poor in a situation where every poor's income or consumption is equal to the poverty line. It is the average distance of the people below the poverty line expressed as a percentage of the poverty line and measures the depth of the poverty. In other words, it is the percentage average shortfall of the income/consumption of the poor from poverty line. Deaton has computed poverty gap index based on official poverty lines for 1999-2000 which may be seen at Table 5.

The severity of poverty is captured from the Squared Poverty Gap (SPG). The SPG comprises the poverty ratio and poverty gap ratio and captures the consumption distribution of the poor as measured by the coefficient of variation. This measure explicitly takes into account the higher intensity of effort required to bring those who are further away from the poverty line, out of poverty.

Poverty Estimates from the Employment Unemployment Surveys

The NSSO 1993-94 and 1999-2000 employment unemployment surveys (EUS) also include consumer expenditure data. The employment unemployment survey provides an important alternative database to examine the issue of incidence of poverty in the 1990s. It was noted that the consumption survey in the 1999-2000 EUS uses the traditional 30 day reporting period but differs from the standard questionnaire by only asking an abbreviated set of questions.

Researchers have examined the evidence from the Employment Unemployment Survey with regard to the incidence of poverty on the basis of the size distribution of per capita consumption expenditure emerging from the canvassing of an abridged consumer expenditure schedule from the sample households surveyed in the 55th Round Employment Unemployment Survey. This survey was canvassed over a different set of households (from that surveyed for the 55th Round Consumer Expenditure Survey) with a 30-day reference period for food, paan, tobacco and intoxicants, as in the 1993-94 survey, as such these estimates are expected to be free from the problem of possible 'contamination' from the simultaneous canvassing of expenditure on these items with two reference periods of 7 day and 30 day as in the 55th Round Consumer Expenditure Survey. The results from the exercise carried out by using the employment unemployment survey to compute State wise rural poverty ratios may be seen at Table 6. These have been separately computed by Abhijit Sen & Sundaram and Tendulkar.

Market Information Survey of Households(MISH)

Alternative State-wise estimates of poverty have also been computed by the National Council of Applied Economic Research (NCAER) based on a large scale survey conducted by them called the Market Information Survey of Households (MISH). This was essentially designed to estimate the size of the market for a variety of consumer goods, both durables and expendables and also to provide a profile of consumers of such goods in terms of income, occupation, location, etc. This is an annual survey and has been conducted for all years beginning 1985-86 except 1988-89, 1990-91 and 1991-92. The latest survey data available is for the year 1997-98. The sample size of MISH stands at 3 lakhs and it uses the same sample design and sample size for all its annual surveys.

In order to compute the State-wise Poverty ratios, the expenditure poverty lines (EPL) for 1987-88 of Planning Commission are used as the base to calculate the Income Poverty Line (IPL) from MISH data. If 'p' was the proportion of population below poverty line in 1987-88 as per Planning Commission, the income level below which proportion 'p' of the population lies in 1987-88, was calculated based on the distribution of per capita income from Market Information

Survey of Households(MISH). This exercise was carried out separately for rural areas for all the major states. Thereafter for computing the Income Poverty Line(IPL) from MISH data for later years the price deflator for rural [CPI(AL)] were calculated and these were used to derive the IPL. This has been done state-wise separately for rural areas for all successive years up to 1998-99. Using these IPL, State-wise poverty ratios (separately for rural and urban areas) for different years were calculated. The results of this exercise may be seen at Table 7.

Econometric model results by Gaurav Datt, Valarie Kozel and Martin Ravallion

The group observed that a new set of poverty estimates have been proposed by Gaurav Datt, Valarie Kozel and Martin Ravallion using an econometric model to predict poverty levels in 1999-2000. Based on their research they have indicated that the key determinants of poverty reduction rates are agricultural yields, non-farm growth, development spending and inflation. Their model predicts a much slower rate of rural poverty reduction i.e. the headcount ratio is predicted to fall from 41.9 per cent of India's population in 1993-94 to 37.5 percent in 1999-2000. The State-wise results of their exercise may be seen at Table No. 8. They have stated that the differences between official and predicted rates of progress are in large part due to slower progress in some of India's largest and poorest States – e.g. Bihar, Uttar Pradesh, and Maharashtra. Bihar and Uttar Pradesh alone account for over half the difference between official estimates and predicted poverty levels.

CHAPTER – 3

LIMITATIONS OF THE VARIOUS ESTIMATES OF POVERTY

Official Estimates(1999-2000)

As already noted the Planning Commission has computed the latest official estimates of poverty (1999-2000) from the 55th round of the NSS. These could be used as the criterion for allocation of funds. However, these estimates are beset with some problems (a) the change in design adopted by NSSO which has resulted in release of 2 sets of estimates from consumer expenditure survey namely a 30 day recall and a 7 day recall period (b) the use of inappropriate price indices for construction of state specific poverty lines (c) the definition of the poverty line based on the calorie norm and (d) the use of published tables of NSSO rather than unit data for computing poverty estimates.

A). **Modification in Survey Methodology of NSS:** As already stated in Chapter 2 in the 55th Round, the National Sample Survey Organisation (NSSO) made a major deviation from the procedure it has been using so far to establish household consumption levels. The basic change was in terms of the reference period used in questions asked on consumption. In all NSS rounds after the early 1950s, the reference period has essentially been uniform, with respondents being asked about their consumption during the past 30 days upto the 50th round. However, the NSSO experimented during rounds 51 to 54 with an alternative questionnaire using a 'past week' reference period for food, 'past 30 day' reference for high frequency non food and 'past 365 days' for low frequency non-food. The changed questionnaire was also adopted in the 55th round.

In the 55th round spending on food items with a budget share of about 60 per cent were obtained using both a 7 day and a 30 day recall. Further, the columns for 7 and 30-day recall appeared side by side on the same page in the questionnaire with the interviewer requested to ask the questions in reverse order. Spending on low-frequency non food consumption items, typically with a budget share of about 20 percent, was obtained using a one-year recall which was also a change from earlier rounds of the NSS. The 30-day recall period was only used for the high-frequency nonfood items with a budget share of about 20 per cent.

With the changes in survey design, comparisons over time are problematic using the official estimates from the 55th round with the earlier rounds. It was pointed out is that it is difficult to ignore the likely bias from the presence of the 7-day food recall questions in the same survey and the change in the recall period for high frequency nonfood goods, of the 30/30/365 day recall of 55th

round while comparing the results with the previous rounds of the NSS. It has been argued by scholars that laying the 7-day and 30-day recall questions side-by-side on the same page of the questionnaire probably leads to convergence; as interviewers and respondents tend to cross-check or validate the response based on one recall period with that based on the other. A reasonable supposition is that, by being asked to report for both reporting periods side by side, respondents were unlikely to report inconsistent patterns. In particular, the 7 day reporting period for the high frequency items generates larger reported expenditures than does the 30 day period. The presence of the 7 day questions, which tend to lead to higher reporting of expenditure, might have caused respondents to shift upwards their 30 day reports, thus overstating their total expenditures compared with what they would have reported given the questionnaires used in the 43rd and 50th rounds. The move to use the mixed reference period comprising of using 365 days for the low frequency items, although lowering the average amount reported, caused a much larger number of households to report something. It is therefore likely that both changes to the questionnaire effected an increase in reported expenditures among the poor. As a result the 30/30/365 day headcount ratios of the 55th round are low compared with earlier rounds. The existence of the bias and its extent and the use of mixed reference period have been the subject of considerable debate. It was noted that these methodological changes in design were considered significant by the Planning Commission also, and while releasing its official poverty estimates, for 1999-2000 an important caveat was that these estimates 'may not be strictly comparable to earlier estimates of poverty'.

Scholars argue that the existence of the bias is supported by the results of the thin samples. It was noted that in each of the four thin sample rounds 51st to 54th, the 7 and 30 day recalls for the food group had been canvassed on two independent sets of samples. A sizeable divergence from the 51st to the 54th rounds (average of 30 per cent in rural India) between the estimates of monthly per capita consumer expenditure (MPCE) on food group on the 7-day and the 30-day reference period(with the former being higher) was obtained. However, a considerably lower difference (6.5 per cent in rural India between the 7-day and 30-day estimates) was reported in the 55th round. However, Sundaram & Tendulkar have opined that they have empirically found no basis for the same. They have computed the percentage excess of CES estimates over EUS estimates of monthly per capita expenditure separately for rural areas in 15 major States. This has been compared with the difference or rather the excess of 7 day estimates over the 30 day estimates at the all India level for the rural areas averaged over the four thin sample rounds preceding the 55th round surveys. Given the presence of the abridgement effect some excess of CES estimates over the EUS estimates are expected even if the CES estimates reflected the response on a 30 day recall. However, it was found that the excess of CES estimates over EUS estimates were considerably lower than the average 7-day/30-day difference observed in the 51st to 54th rounds. This result, while consistent with the presence of an abridgement effect was not consistent with households recording estimates of expenditure on a 30 day reference period on the basis of a 7-day recall with a suitable multiplicative adjustment. On this basis, they have concluded that the apprehension that the 7 day recall had pulled up the 30 day estimate in the 55th round was empirically shown to have no basis.

B). **State Specific Poverty Lines:** The group noted that doubts have also been raised regarding the Expert Group's methodology for the construction of State-specific poverty lines, which has significant implications for measurement of the State-wise incidence of poverty.

It was noted that the Expert Group had used the Chatterjee – Bhattacharya (1974) estimates of interstate price differentials for 1963-64 but applied this to State specific indices with 1960-61 as base without correcting for differential price movements between 1960-61 and 1963-64. Therefore, it was felt that there is a need to correct the prices indices.

C) **Defining the Poverty Line:** An average calorie norm of 2110 calories per capita per day has been prescribed by the FAO for South Asia (FAO 1996). This is far lower than the 2400 calorie norm adopted in India for nutritional analysis in rural areas. It has been stated that the 2400 figure represents an 'average' requirement, incorporating a margin of 'safety' , while the 1810 figure represents a 'minimum' amount necessary for good health. The 2400 calories corresponds to the National Institute of Nutrition's Recommended Daily Allowance (RDA) for an adult male weighing 60 kg, engaged in sedentary work. The RDA for an adult woman also engaged in sedentary activity is 1875 calories per day. The corresponding recommendations for moderate work are 2875 and 2225 calories respectively, while those for children below 18 are much lower. A single norm, whatever may be the level at which it is pegged, cannot capture these differential 'requirements'.

It is observed that while income poverty has declined, calorie poverty appears to have increased from 1993-94 to 1999-2000. The State-wise Head Count Ratio for 1999-2000 (percent consuming less than 2400 calories per day) computed by J.V. Meenakshi and Brinda Vishwanathan may be seen at Table 9. In principle, as the determination of the poverty line is anchored to the cost of a food basket that would provide the requisite calories, one would expect both classes of measures to yield similar results, at least qualitatively. Therefore, it was felt that this discordance needs to be examined in detail. Further, the income poverty line was established nearly 30 years ago, by inverting an Engels function to yield the minimum level of income that would enable the purchase of a 2400 calorie food basket. Tastes have changed significantly since, and food baskets are far more diversified today than they were then. The commodity weights clearly do not entirely capture this development.

There is therefore a renewed need to re-evaluate nutritional norms- whether they are the 'low' norms set out by the FAO, or the 'high' ones recommended by the National Institute of Nutrition. A concomitant re-evaluation is also needed in light of the fact that the policy focus is shifting increasingly to ensuring 'nutrition security', rather than 'food security' alone.

Furthermore, the normative basis of the official (income) poverty line also needs to be re-examined. Notions of minimum standards of living have changed substantially since the time when the first attempts to define a poverty line were made several decades ago. The focus on an adequate food basket needs to give way to a more comprehensive view – one that includes access to adequate shelter, a safe living environment, and good health.

D). **Unit Record Data:** Another problem area is that the official poverty ratios are based on extrapolation from published tables which differ somewhat from the poverty ratios that have been recalculated from the unit-record data. However the differences between the two poverty ratios are not very significant.

In this context, it was pointed out that Deaton has attempted i) to recalculate official poverty ratios from unit-record data as shown in Table10. ii) to make corrections in order to address the changes in design to facilitate comparisons by making certain assumptions. In this regard he has noted that there were some goods (viz., the high-frequency nonfood consumption items) in the 55th round that used the same (30day) recall period as in previous surveys. These goods account for about one fifth of mean consumption. He has estimated the distribution of total consumption as if there had been no change in survey design under two key assumptions. Firstly, he assumes that the marginal distribution of the goods with the common, 30-day, recall period is unaffected by the change in survey design. Secondly, he assumes that the distribution of total consumption of the common-recall goods has not changed over time and so can be inferred from the 1993-94 round (which was uncontaminated by the change in survey design) and iii) to recalculate the State-wise poverty line using appropriate price indices. The starting point is the official rural all-India poverty line for the 43rd round, 1987-88. Rural poverty lines for each State are obtained by multiplying this base poverty line by the rural price indices for each state relative to all-India. For this purpose, he has used the relevant Tornqvist price indices methodology.

Table 11 shows the 55th round rural poverty lines calculated after correcting price indices by Deaton. It has been stated that deflators used show less inflation than the official ones, at least on average, if not for every State. Thereafter the recalculated headcount ratios of the 55th round are indicated which includes adjustments, for potential overestimation of total per capita expenditures in the survey, as well as for the recalculated prices indexes. Abhijit Sen has also recalculated the 55th round rural headcount ratios for the 30 day (recall period) for consumption expenditure using Deaton Tarozzi poverty lines and the same may be seen at Table 12. Sundaram and Tendulkar have also tried to resolve the problem by recalculating poverty ratios from unit record data and re-computing from the 50th round unit record data, comparable mixed reference period size distribution for 1999-2000 for 15 major States. The results of this exercise may be seen at Table 13. They have stated that the apprehension that the 7 day recall had pulled up the 30 day estimate in the 55th round was empirically shown to have no basis and hence they conclude that the 50th and 55th round results can be compared if mixed reference period data are used.

In view of the above the group felt that before accepting the official poverty estimates to form the basis of determining the criterion for allocation of funds there is a need for allowing for correction of design of NSS, incorporating the appropriate State-specific poverty indices, redefining the poverty line and using the unit record data for calculating the official poverty ratios.

Consumption/Poverty Gap

With regard to the use of the poverty gap as the criterion for allocation of funds it was stated that here again there was a need to use the appropriate State specific poverty lines and the official State specific poverty lines need to be corrected. Table 14 gives the rural poverty gaps calculated by Abhijit Sen using Deaton Tarozzi Poverty Lines. Further it was noted that the consumption gap expresses the gap in terms of money units. It changes when a person, due to change in consumption, either joins or leaves the poverty band. But it does not change when there is a transfer of income between the poor or if the number of poor change. This makes it insensitive to income transfer among the poor as well as the incidence of poverty.

Poverty/Income Gap Ratio and Squared Poverty Gap

IGR is neither sensitive to income/consumption transfer among the poor nor to poverty ratio and therefore, it was felt that the index cannot be treated as an appropriate index to express poverty. Deaton has used the alternative poverty lines to work out the PGI for various States which may be seen at Table 15. The advantage of the SPG is that it captures the severity of poverty and therefore, has the potential of being considered as the most appropriate index of measurement of poverty. In this context it was noted that Sundaram & Tendulkar have computed State-wise PGI & FGT based on the unit record data for 1999-2000 which may be seen at Table 15. However, the appropriateness of the use of SPG is limited in the Indian context as the correct poverty ratios are not available. Therefore, it was pointed out that aberrations in the poverty ratios need to be corrected first.

Employment and Unemployment Surveys

Citing the limitations of using the poverty estimates obtained from EUS it has been noted that two sources of non comparability with the results of the 1993-94 survey exist. Firstly the canvassing, in the 55th Round Employment Unemployment Survey, was an abridged rather than a detailed consumer expenditure schedule as was done in the 1993-94 survey. Only the distribution of persons by expenditure class have been reported without any details by assuming that the main income within the expenditure class is same. Secondly non comparability also arises from the fact that in the 55th Round, both in the Consumer Expenditure Survey and in the Employment Unemployment Survey, a reference period of last 365 days was used in respect of expenditure on durables as well items of miscellaneous expenditure such as school fees, medical expenses involving hospitalization etc. In the 1993-94 survey, the published size distribution of per capita consumer expenditure is based on a uniform 30 day reference period for all items of expenditure. Further, calculation of these poverty ratios EUS is also based on poverty lines which need to be recalculated. Abhijit Sen has used the alternative poverty lines of Deaton & Tarozzi to calculate the poverty ratio and poverty gaps from the EUS results which may be seen at Tables 16.

However, some scholars have argued that the use of an abridged schedule is likely to result in an understatement rather than an overstatement of the consumption expenditure and since durables and other items of consumption expenditure subject to the 365 day reference period in the 55th round do not figure significantly in the consumption basket of the poor, the incidence of poverty established by reference to the size distribution from the 55th Round Employment Unemployment Survey continues to be important alternative estimate of poverty.

Market Information Survey of Households(MISH)

The group noted that while the trends in income and its distributions derived from MISH are likely to be reliable as the sample design, sample size, questionnaires and the method of estimations are the same in all the rounds of MISH, one of the criticisms laid against MISH is whether reliable data on income could be obtained through a single question. It was noted that under the MISH data on income is collected through a single question where the respondent(s) is/are asked to report incomes for all members and from all sources. Further, while, the data on income is collected from all the sample households, the information on income collected is as perceived and reported by the respondent. As such it is different from the income as defined by economists and therefore is conceptually different and not comparable to 'personal disposable income' as estimated in the NAS which uses the economic concept. The NAS income is higher than that of MISH as it includes unrealized accruals. These include employers' contributions to provident fund (PF), interest on PF, interest on cumulative deposits and the like. MISH does not invariably include incomes in kind. Further, certain components of income are not perceived as income by the respondents and hence get excluded from MISH incomes. These include items like reimbursements for travel, medical and such other expenses are not reported in MISH . Thus the income estimated from MISH is on a conservative side. Unlike the NSS, which is an expenditure survey, MISH does not collect data on food consumption and therefore is not amenable to directly measure the population below poverty line as defined by the Planning Commission. Further, it has been argued that MISH is biased towards including of richer households and under inclusion of poorer households as MISH does not cover food, clothing and services, and is limited to data on consumption of a variety of manufactured goods both durables and expendables.

Econometric Model Results by Gaurav Datt, Valarie Kozel and Martin Ravallion

The Expert Group noted that the econometric exercises which estimated poverty ratios indirectly were unsuitable for working out a suitable criterion for the allocation of funds under major rural poverty alleviation programmes.

CHAPTER – 4

BEYOND POVERTY INDICES

It was also noted that poverty is multi dimensional. The poverty indices are useful indicators of inadequate purchasing power, but on their own do not do justice to the range of deprivations that one is concerned with. Poverty is not concerned with lack of income alone; rather it is defined as freedom from deprivation.

It is therefore, felt that it is important to supplement the evidence viewed so far which essentially relates to purchasing power with other indicators of well being in rural areas relating for instance to educational achievements, health performance, nutritional levels, agricultural wage rates, gender ratios and various aspects of social inequality. This is, however, not an exhaustive list.

As such it was felt that while determining the criterion for allocation of funds under Rural Development Programmes to States, the criterion should be based not only on the share of the States in the county's rural poor derived from the corrected poverty estimates (and could be accorded 80% weightage) but should also incorporate a few State-wise indicators of well being like rural infant mortality rate, rural literacy rate, sex ratio, etc (these State-wise shares could be accorded 20% weightage). The group noted that the choice of weights is essentially arbitrary.

It was also observed that limiting the criterion for allocation of funds under major rural poverty alleviation programmes on the basis of shares of States in the country's rural poor, would lead to the States that have lower shares in rural poverty, to receive less funds. This is seen by some as penalising the States that have done well in the terms of rural poverty reduction, or conversely, does not provide any incentive or reward to States that have been successful in reducing rural poverty.

As such it was felt that with regard to the issue of providing incentives to States which had performed well in terms of poverty reduction an index be constructed to measure performance. This would be based on the State-wise reduction in income poverty levels between 1993-94 to 1999-2000. Further, it was opined that this measure also needs to be supplemented by performance of States in respect of a few indicators of well being like bringing about a reduction in population growth, infant mortality rate (IMR), illiteracy, etc. However, the existence of comparable poverty indices is a pre-requisite for this purpose and it was noted that since the 50th and the 55th round are strictly not comparable, State wise reduction in poverty levels were difficult to compute.

It was noted that with regard to the issue of providing a special package for backward areas and pockets of distress another Group had already been constituted for identifying these areas & steps are already underway for targeting these areas and therefore, the group did not deliberate on this issue.

CHAPTER – 5

RECOMMENDATIONS

The Expert Group noted that State-wise poverty ratios have been used as a basis for allocating funds to the States under the Major Rural Development Programmes for quite a long time now.

Under this backdrop the latest official poverty ratios of 1999-2000, and various alternative estimates of poverty were examined and considered.

In view of the limitations and views expressed by some academicians regarding non comparability of the official poverty ratios of 1999-2000 with the earlier estimates and the inappropriateness of other estimates the group suggested that there is a need to review the entire methodology of poverty estimation. Since the review of methodology was outside the purview of the present Expert Group, the group recommended that a committee be set up for this purpose. The committee should inter-alia-

- Examine the norm of using 2400 calories and 2100 calories used to compute the poverty line and revise the norm if required.
- Construct the appropriate State-specific poverty lines to allow for clear reflection of interstate price differentials.
- Consider whether the Unit record data from NSSO can be used to estimate poverty.
- Undertake corrections for changes in design as there are views regarding the non comparability of the 1999-2000 estimates with the earlier estimates so as to establish temporal consistency. This could be done either by re-computing from the NSSO data the poverty ratios for 1993-94 adopting the mixed reference period or making adjustments in the 1999-2000 estimates.
- Besides computing the poverty ratio also calculate State-wise estimates of poverty gap, poverty gap index and squared poverty gap.
- The poverty estimates for three newly constituted States i.e. Uttaranchal, Jharkhand and Chattisgarh and the reconstituted States of Uttar Pradesh, Bihar and Madhya Pradesh have been provided for 1999-2000 only. These may be computed for earlier years also to ensure comparability.
- Efforts may be made to compute poverty estimates for each of the North Eastern States. So far data permits poverty calculations only for Assam. The sample size for NSS enquiries in North Eastern States except Assam needs to be reviewed based on study of sampling errors in order to provide validated estimates for each State separately. Availability of Consumer Price Index Numbers is also essential for computation of poverty lines State-wise; an absence of these has been a major reason

for not being able to provide separate poverty estimates for each North Eastern State.

The group further recommended that that since the poverty ratios have been used as a basis for allocation of funds under major rural development programmes for a number of years, the criterion should be based on poverty indicators and it would not be proper to substitute it by any non poverty measure. However, the poverty indicators need to be supplemented by non poverty indicators like educational achievement, health performance, nutritional levels, agricultural wage rates, gender ratios & various aspects of social inequality, etc and 20% weightage may be given to non poverty indicators though it was clarified that the choice of weights is essentially arbitrary.

For rewarding States which have reduced poverty availability of comparable poverty estimates is a pre-requisite. This would be possible once the Committee set up to the Review the Methodology of Poverty Estimation gives the comparable estimates of poverty. Until a final decision is taken in this regard it would be appropriate to continue with the existing criterion of allocation of funds under major Rural Development Programmes based on adjusted shares. However, It was cautioned that such a decision on continuing with the existing criterion of adjusted shares should only be an interim one. It would not be correct to freeze the existing criterion for a long time. There is a need to evolve a suitable methodology of computing State-level poverty estimates, at the earliest.

Table - 1 Share of States/UTs based on poverty estimates for rural areas					
S No.	States/UTs	Task Force 1987-88	Task Force 1993-94	Expert Group 1993-94	Adjusted Shares
1	2	3	4	5	6
1	Andhra Pradesh	7.812	6.635	3.257	5.640
2	Arunachal Pradesh	0.038	0.091	0.148	0.124
3	Assam	2.572	1.513	3.866	3.222
4	Bihar	15.324	19.265	18.476	18.476
5	Goa	0.041	0.014	0.016	0.013
6	Gujarat	2.868	2.110	2.547	2.123
7	Haryana	0.689	0.721	1.498	1.249
8	Himachal Pradesh	0.225	0.272	0.631	0.526
9	Jammu & Kashmir	0.429	0.191	0.781	0.651
10	Karanataka	5.246	5.011	3.934	4.259
11	Kerala	1.908	1.094	2.293	1.911
12	Madhya Pradesh	9.899	11.018	8.859	9.365
13	Maharashtra	8.517	9.905	7.922	8.419
14	Manipur	0.065	0.016	0.259	0.216
15	Meghalaya	0.068	0.022	0.291	0.242
16	Mizoram	0.023	0.001	0.067	0.056
17	Nagaland	0.042	0.000	0.199	0.166
18	Orissa	6.338	7.590	5.774	6.451
19	Punjab	0.490	0.262	0.728	0.607
20	Rajasthan	4.108	2.665	3.880	3.234
21	Sikkim	0.017	0.020	0.074	0.062
22	Tamil Nadu	7.062	5.546	4.987	4.987
23	Tripura	0.117	0.148	0.468	0.390
24	Uttar Pradesh	19.039	20.365	20.333	20.333
25	West Bengal	7.001	5.479	8.601	7.169
26	A & N Islands	0.010	0.000	0.030	0.030
27	Chandigarh	0.002	0.000	0.003	0.003
28	D & N Haveli	0.007	0.034	0.030	0.030
29	Daman & Diu	0.003	0.002	0.001	0.001
30	Delhi	0.024	0.000	0.008	0.008
31	Lakshdweep	0.001	0.000	0.002	0.002
32	Pondicherry	0.016	0.013	0.038	0.038
	Total	**100.000**	**100.000**	**100.000**	**100.000**

Table - 2
Number and Percentage of Population Below Poverty Line by States 1999-2000 in rural areas

S. No	States / UTs	7 day recall		30 day recall	
		Persons in lakhs	Percentage of Persons	Persons in lakhs	Percentage of Persons
1	2	3	4	3	4
1	Andhra Pradesh	48.14	9.15	58.13	11.05
2	Arunachal Pradesh	3.23	34.00	3.80	40.04
3	Assam	78.27	34.00	92.17	40.04
4	Bihar	322.96	38.00	376.51	44.30
5	Goa	0.23	2.80	0.11	1.35
6	Gujarat	36.87	12.20	39.80	13.17
7	Haryana	11.13	7.71	11.94	8.27
8	Himachal Pradesh	4.63	7.61	4.84	7.94
9	Jammu & Kashmir	3.10	4.14	2.97	3.97
10	Karnataka	47.02	13.64	59.91	17.38
11	Kerala	18.20	8.14	20.97	9.38
12	Madhya Pradesh	202.78	34.58	217.32	37.06
13	Maharashtra	109.25	20.71	125.12	23.72
14	Manipur	5.54	34.00	6.53	40.04
15	Meghalaya	6.70	34.00	7.89	40.04
16	Mizoram	1.19	34.00	1.40	40.04
17	Nagaland	4.42	34.00	5.21	40.04
18	Orissa	131.63	43.98	143.69	48.01
19	Punjab	8.53	5.31	10.20	6.35
20	Rajasthan	48.97	12.22	55.06	13.74
21	Sikkim	1.70	34.00	2.00	40.04
22	Tamil Nadu	73.19	18.68	80.51	20.55
23	Tripura	10.64	34.00	12.53	40.04
24	Uttar Pradesh	379.41	28.75	412.01	31.22
25	West Bengal	154.04	27.24	180.11	31.85
26	A & N Islands	0.52	18.68	0.58	20.55
27	Chandigarh	0.06	5.4	0.06	5.75
28	D&N Haveli	0.26	15.31	0.30	17.57
29	Daman & Diu	0.02	2.80	0.01	1.35
30	Delhi	0.12	0.63	0.07	0.40
31	Lakshadweep	0.02	8.14	0.03	9.38
32	Pondicherry	0.58	18.68	0.64	20.55
	All India	**1713.35**	**24.02**	**1932.43**	**27.09**

1. Poverty Ratio of Assam is used for Sikkim, Arunachal Pradesh, Meghalaya, Mizoram, Manipur, Nagaland and Tripura.
2. Poverty Line of Maharashtra and expenditure distribution of Goa is used to estimate poverty ratio of Goa.
3. Poverty Line of Himachal Pradesh and expenditure distribution of Jammu & Kashmir is used to estimate poverty ratio of Jammu & Kashmir.
4. Poverty Ratio of Tamil Nadu is used for Pondicherry and A & N Island.
5. Urban Poverty Ratio of Punjab used for both rural and urban poverty of Chandigarh.
6. Poverty Line of Maharashtra and expenditure distribution of Dadra & Nagar Haveli is used to estimate poverty ratio of Dadra & Nagar Haveli.
7. Poverty Ratio of Goa is used for Daman & Diu.
8. Poverty Ratio of Kerala is used for Lakshdweep.

Table - 3

State-Specific Rural Poverty Lines in 1999-2000 (Rs. per capita per month)

S.No.	States	Poverty line
1	2	3
1	Andhra Pradesh	262.94
2	Assam	365.43
3	Bihar	333.07
4	Gujarat	318.94
5	Haryana	362.81
6	Himachal Pradesh	367.45
7	Karnataka	309.59
8	Kerala	374.79
9	Madhya Pradesh	311.34
10	Maharashtra	318.63
11	Orissa	323.92
12	Punjab	362.68
13	Rajasthan	344.03
14	Tamil Nadu	307.64
15	Uttar Pradesh	336.88
16	West Bengal	350.17
17	Delhi	362.68
	All India*	**327.56**

*** The poverty line (implicit) at All India level is worked out from the expenditure class-wise distribution of persons and the poverty ratio at All India level. The poverty ratio at All India level is obtained as the weighted average of the state-wise poverty ratio.**

Table - 4
Rural poverty gaps computed on the basis of official poverty lines for 30 day consumption expenditure (1999-2000) by Abhijit Sen

S. No	States / UTs	Rural poverty gap (Rs. crore)
1	2	3
1	Andhra Pradesh	293.40
2	Assam	860.98
3	Bihar	3360.69
4	Goa	0.10
5	Gujarat	271.60
6	Haryana	82.87
7	Himachal Pradesh	25.23
8	Jammu & Kashmir	16.76
9	Karnataka	358.84
10	Kerala	160.21
11	Madhya Pradesh	1715.62
12	Maharashtra	931.12
13	Orissa	1381.57
14	Punjab	56.22
15	Rajasthan	377.87
16	Tamil Nadu	472.49
17	Uttar Pradesh	3262.19
18	West Bengal	1552.59
19	Chandigarh	0.17
20	D&N Haveli	2.02
21	Delhi	0.05
22	North East	361.25
23	A & N Islands + Pondicherry	7.66
24	Daman & Diu	0.02
25	Lakshadweep	0.23
	Total	**15551.76**

Table - 5
Rural Poverty Gap Index computed by Deaton using official poverty lines (1999-2000).

S.No.	States	Poverty Gap Index
1	**2**	**3**
1	Andhra Pradesh	1.80
2	Assam	8.50
3	Bihar	8.70
4	Gujarat	2.20
5	Haryana	1.30
6	Himachal Pradesh	1.00
7	Jammu & Kashmir	0.60
8	Karnataka	2.70
9	Kerala	1.50
10	Madhya Pradesh	7.70
11	Maharashtra	4.40
12	Orissa	11.70
13	Punjab	0.80
14	Rajasthan	2.10
15	Tamil Nadu	3.80
16	Uttar Pradesh	5.80
17	West Bengal	6.50
18	**All India**	5.20

Note: All numbers are directly computed from poverty lines and unit record data for each State and the all India estimate is calculated as weighted average of the State Estimates.

Table - 6
Head Count Poverty Ratios for Rural Areas computed by Abhijit Sen and Sundaram & Tendulkar from Employment Unemployment Survey 1999-2000 using official poverty lines

S. No	States/UTs	Abhijit Sen	Sundaram & Tendulkar
1	2	3	4
1	Andhra Pradesh	13.75	25.48
2	Assam	48.31	61.78
3	Bihar	51.87	58.85
4	Goa	6.17	
5	Gujarat	18.51	26.22
6	Haryana	14.24	14.86
7	Himachal Pradesh	15.55	
8	Jammu & Kashmir	6.92	
9	Karnataka	30.11	38.50
10	Kerala	17.64	26.50
11	Madhya Pradesh	43.93	39.35
12	Maharashtra	32.95	50.00
13	Orissa	54.26	62.67
14	Punjab	11.48	14.24
15	Rajasthan	17.49	15.01
16	Tamil Nadu	31.50	39.37
17	Uttar Pradesh	35.67	29.87
18	West Bengal	43.78	56.16
19	Chandigarh	1.33	
20	D&N Haveli	17.16	
21	Delhi	1.74	
22	North East	48.31	
23	A & N Islands + Pondicherry	31.50	
24	Daman & Diu	6.17	
25	Lakshadweep	17.64	
	All India	**34.26**	**36.35**

Table - 7
Percentage of rural population below the poverty line by States as per the Market Information Survey of Households(MISH) conducted by the NCAER

S. No	States	1987-88	1993-94	1997-98
1	2	3	4	5
1	Andhra Pradesh	20.92	15.92	7.06
2	Assam	39.35	29.50	18.73
3	Bihar	52.63	46.65	29.79
4	Gujarat	28.67	21.63	11.73
5	Haryana	16.22	11.15	5.32
6	Himachal Pradesh	18.28	12.17	3.94
7	Karnataka	32.82	24.68	13.63
8	Kerala	29.10	15.53	9.53
9	Maharashtra	40.78	34.37	16.29
10	Madhya Pradesh	41.92	40.26	21.21
11	Orissa	57.04	43.40	29.74
12	Punjab	12.60	8.90	3.54
13	Rajasthan	33.21	20.57	14.96
14	Tamil Nadu	45.60	26.30	13.54
15	Uttar Pradesh	41.10	33.20	19.34
16	West Bengal	48.30	35.33	23.00
	All India	**69.58**	**42.90**	**28.98**

Table - 8 Measures of Rural Poverty Incidence computed by Gaurav Datt, Velerie Kozel and Martin Ravallion			
S. No.	**States**	**1993-94 Survey Estimate Headcount Index (%)**	**1999-2000 Forecast (one step) Headcount Index (%)**
1	**2**	**3**	**4**
1.	Andhra Pradesh	28.90	23.80
2	Assam	49.00	52.20
3	Bihar	63.50	67.20
4	Gujarat	35.40	28.40
5	Karnataka	41.00	32.90
6	Kerala	31.10	15.40
7	Madhya Pradesh	45.40	43.20
8	Maharashtra	47.80	44.70
9	Orissa	40.30	34.20
10	Punjab	25.20	20.10
11	Rajasthan	47.50	38.20
12	Tamil Nadu	36.70	30.30
13	Uttar Pradesh	41.60	37.10
14	West Bengal	27.30	16.40
	All India	**41.9**	**37.5**

Table - 9
Summary Statistics on Calorie Intake and Poverty

S. No.	States	1999-2000 Head Count Ratio (per cent consuming below 2400 Calories per day)
1	2	3
1	Andhra Pradesh	80.70
2	Bihar	74.90
3	Gujarat	80.50
4	Haryana	55.10
5	Himachal Pradesh	56.50
6	Jammu & Kashmir	39.70
7	Karnataka	78.90
8	Kerala	81.20
9	Madhya Pradesh	78.40
10	Maharashtra	83.30
11	Orissa	74.60
12	Punjab	62.80
13	Rajasthan	56.70
14	Tamil Nadu	86.50
15	Uttar Pradesh	64.50
16	West Bengal	75.60

Source: Computed by J.V. Meenakshi & Brinda Vishwanathan.

Table - 10 Rural Head Count Ratio calculated by Deaton using unit record data and official poverty lines for 55th round (1999-2000)		
S. No	**States**	**Rural Headcount Ratio**
1	**2**	**3**
1	Andhra Pradesh	10.50
2	Assam	40.30
3	Bihar	44.00
4	Gujarat	12.40
5	Haryana	7.40
6	Himachal Pradesh	7.50
7	Karnataka	19.80
8	Kerala	9.40
9	Madhya Pradesh	37.30
10	Maharashtra	23.20
11	Orissa	47.80
12	Punjab	6.00
13	Rajasthan	13.50
14	Tamil Nadu	20.00
15	Uttar Pradesh	31.10
16	West Bengal	31.70
	All India	**27.00**

Table - 11 Recalculated Rural Poverty Line & Head Count Ratio by Deaton (based on 55th round results)			
S. No	**States**	**Poverty Line (in Rs.)**	**Headcount Ratio**
1	**2**	**3**	**4**
1	Andhra Pradesh	309.62	27.90
2	Assam	339.94	35.70
3	Bihar	296.87	39.30
4	Gujarat	337.32	20.40
5	Haryana	310.77	6.50
6	Himachal Pradesh	361.34	12.50
7	Karnataka	322.60	30.30
8	Kerala	373.94	11.60
9	Madhya Pradesh	288.89	31.20
10	Maharashtra	319.85	30.80
11	Orissa	300.34	41.30
12	Punjab	316.49	2.80
13	Rajasthan	323.92	16.20
14	Tamil Nadu	336.52	25.60
15	Uttar Pradesh	280.49	20.80
16	West Bengal	306.84	22.70
	All India	**303.52**	**25.30**

Table - 12
Head Count Poverty Ratios for Rural Areas Recalculated by Abhijit Sen using alternative poverty line of Deaton Tarozzi for 30 day consumption expenditure (based on 55th round results)

S. No	States / UTs	Head Count Ratio
1	2	3
1	Andhra Pradesh	26.89
2	Assam	36.49
3	Bihar	38.28
4	Goa	3.84
5	Gujarat	24.58
6	Haryana	4.95
7	Himachal Pradesh	4.21
8	Jammu & Kashmir	2.46
9	Karnataka	27.92
10	Kerala	7.55
11	Madhya Pradesh	37.44
12	Maharashtra	32.30
13	Orissa	46.32
14	Punjab	3.70
15	Rajasthan	14.10
16	Tamil Nadu	29.90
17	Uttar Pradesh	21.87
18	West Bengal	23.36
19	Chandigarh	5.75
20	D&N Haveli	24.74
21	Delhi	0.00
22	North East	36.49
23	A & N Islands + Pondicherry	29.90
24	Daman & Diu	3.84
25	Lakshadweep	7.55
	All India	**26.97**

Table - 13 Headcount Ratio on Mixed Reference Period for Rural Areas computed by Sundaram and Tendulkar based on Unit Record Data		
S.No.	**States**	**1999-2000**
1	**2**	**3**
1	Andhra Pradesh	22.01
2	Assam	53.41
3	Bihar	51.49
4	Gujarat	18.89
5	Haryana	7.83
6	Karnataka	24.09
7	Kerala	16.47
8	Madhya Pradesh	32.93
9	Maharashtra	37.65
10	Orissa	56.27
11	Punjab	8.73
12	Rajasthan	11.39
13	Tamil Nadu	27.69
14	Uttar Pradesh	25.50
15	West Bengal	44.18

Table - 14
Rural Poverty Gaps recalculated by Abhijit Sen using alternative poverty line of Deaton Tarozzi for 30 day consumption expenditure (1999-2000)

S. No	States / UTs	Recalculated Rural Poverty Gaps (Rs. crore)
1	**2**	**3**
1	Andhra Pradesh	1043.65
2	Assam	743.45
3	Bihar	2598.90
4	Goa	0.87
5	Gujarat	691.05
6	Haryana	45.14
7	Himachal Pradesh	13.74
8	Jammu & Kashmir	7.98
9	Karnataka	764.17
10	Kerala	116.29
11	Madhya Pradesh	1751.76
12	Maharashtra	1619.88
13	Orissa	1290.66
14	Punjab	30.77
15	Rajasthan	392.11
16	Tamil Nadu	859.90
17	Uttar Pradesh	1712.13
18	West Bengal	901.77
19	Chandigarh	0.17
20	D&N Haveli	3.61
21	Delhi	0.00
22	North East	311.93
23	A & N Islands + Pondicherry	13.94
24	Daman & Diu	0.13
25	Lakshadweep	0.17
	Total	**14914.17**

Table - 15				
S. No.	States	Recalculated Poverty Gap Index by Deaton using adjusted poverty lines (1999-2000)	Poverty Gap Index and Fisher Greer Thorbeke Index on Mixed Reference Period for Rural Areas computed by Sundaram and Tendulkar based on Unit Record Data for 1999-2000	
			PGI	FGT
1	2	3	4	5
1	Andhra Pradesh	4.80	0.0394	0.0116
2	Assam	6.10	0.1236	0.0419
3	Bihar	8.50	0.1099	0.0335
4	Gujarat	3.80	0.0347	0.0100
5	Haryana	0.70	0.0132	0.0038
6	Himachal Pradesh	1.50		
7	Jammu & Kashmir	0.70		
8	Karnataka	6.10	0.043	0.0117
9	Kerala	1.70	0.0280	0.0076
10	Madhya Pradesh	6.60	0.0646	0.0190
11	Maharashtra	7.60	0.0867	0.0285
12	Orissa	10.50	0.1478	0.0534
13	Punjab	0.30	0.0115	0.0026
14	Rajasthan	3.00	0.0170	0.0041
15	Tamil Nadu	4.60	0.0552	0.0170
16	Uttar Pradesh	3.90	0.0438	0.0116
17	West Bengal	3.50	0.09590	0.0311
	All India	**5.20**		

Note: The adjusted index uses the recomputed price index to update the poverty lines and correct for the changes in questionaire design in the fifty fifth round. All numbers are directly computed from poverty lines and unit record data for each State and the all India estimates are calculated as weighted average of the State Estimate.

Table - 16
Head Count Poverty Ratios for Rural Areas recomputed by Abhijit Sen from employment unemployment survey 1999-2000 using alternative poverty line of Deaton Tarozzi

S. No.	States / UTs	Head Count Ratio
1	2	3
1	Andhra Pradesh	30.57
2	Assam	44.38
3	Bihar	45.76
4	Goa	12.40
5	Gujarat	32.33
6	Haryana	9.67
7	Himachal Pradesh	10.16
8	Jammu & Kashmir	4.78
9	Karnataka	42.05
10	Kerala	14.62
11	Madhya Pradesh	44.40
12	Maharashtra	43.16
13	Orissa	52.43
14	Punjab	8.26
15	Rajasthan	18.01
16	Tamil Nadu	41.51
17	Uttar Pradesh	25.81
18	West Bengal	32.21
19	Chandigarh	1.33
20	D&N Haveli	22.67
21	Delhi	1.30
22	North East	44.38
23	A & N Islands + Pondicherry	41.51
24	Daman & Diu	12.40
25	Lakshadweep	14.62
	All India	**33.89**

ADJUSTED SHARES OF STATES FOR ALLOCATION OF FUNDS UNDER MAJOR RURAL POVERTY ALLEVIATION PROGRAMMES

*****

Under major Centrally Sponsored rural poverty alleviation programmes namely the Integrated Rural Development Programme (IRDP) & Allied Programmes and the Jawahar Rozgar Yojana (JRY), funds were allocated to the States/Union Territories in proportion to the rural poor in that State/UT to the total rural poor in the country. Based on the poverty ratios estimated by the Plan Perspective Division in the Planning Commission Statewise allocations were made.

2. The Planning Commission has been estimating the incidence of poverty (since the Sixth Five Year Plan) on the basis of the recommendations of the 'Task Force' on Projections of Minimum Needs and Effective Consumption Demand. Subsequently, the Planning Commission constituted an Expert Group under the chairmanship of Prof. D.T. Lakdawala for estimating the proportion and number of poor. An alternative methodology for estimation of poverty was adopted by them using State Specific poverty lines. The Government has accepted the poverty estimates of the Expert Group.

3. In the light of the revised poverty estimates for 1993-94 based on the Expert Group recommendations vis-a.-vis Task Force poverty estimates 1993-94, the relative shares of States in the allocations made under various rural poverty alleviation programmes will undergo a change. In the case of some States where there has been a decline in the proportion of the rural poor they will receive lower allocations under these programmes. The States which would be adversely affected are listed in the table below:

States	**Share of States Based on**	
	Task Force Method 1993-94	**Expert Group Method 1993-94**
Andhra Pradesh	6.635	3.257
Bihar	19.265	18.476
Karnataka	5.011	3.934
Madhya Pradesh	11.018	8.859
Maharashtra	9.905	7.922
Orissa	7.590	5.774
Tamil Nadu	5.546	4.987
Uttar Pradesh	20.365	20.333

It may be observed from the table above that while the States of Andhra Pradesh, Karnataka, Madhya Pradesh, Maharasthra and Orissa will be significant losers in States like Tamil Nadu, Bihar and Uttar Pradesh the losses would be marginal.

4. Some State Governments have already drawn the attention of the Planning Commission to this fact. Consequently, an exercise was undertaken in the Planning Commission to evolve a suitable criterion so as to ensure that the loss to any State on account of the revised estimates does not exceed 15 per cent of the share based on the poverty ratios for 1993-94 as per Task Force Methodology. However, in those States where the decline is less than 15 per cent, the new estimates would be retained (as in the case of Bihar, Tamil Nadu and Uttar Pradesh) and subject to these two conditions, the resultant gain in the share of the State under the new estimates as compared to the Task Force method is distributed proportionately among the remaining 17 States.

5. Accordingly, the shares of States were calculated. Details are contained in the appended Statement:

Col.3 indicates	the shares of States/UTs based on the poverty ratios of the Task Force method 1987-88
Col.4 indicates	the shares of States/UTs as per the poverty ratios estimated by the Task Force method 1993-94.
Col.5 indicates	the shares of States/UTs based on the 1993-94 poverty ratios as estimated by the Expert Group Methodology.
Col.6 indicates	the adjusted shares based on the 1993-94 poverty ratios estimated as per the Expert Committee methodology wherein adjustments have been made so that the loss to any State does not exceed 15 per cent of its share it would have received based on the poverty ratios for 1993-94 as per the Task Force methodology.

Adjusted Share of States/UTs in Allocation of Funds for JRY and IRDP and Allied Programmes

S No	State/UTs	Share of States/UTs based on			
		Task Force 1987-88	**Task Force 1993-94**	**Expert Group 1993-94**	**Adjusted Shares**
1.	**2.**	**3.**	**4.**	**5.**	**6.**
1.	Andhra Pradesh	7.812	6.635	3.257	5.640
2.	Arunachal Pradesh	0.038	0.091	0.148	0.124
3.	Assam	2.572	1.513	3.866	3.222
4.	Bihar	15.323	19.265	18.476	18.476
5.	Goa	0.041	0.014	0.016	0.013
6.	Gujarat	2.868	2.110	2.547	2.123
7.	Haryana	0.689	0.721	1.498	1.249
8.	Himachal Pradesh	0.225	0.272	0.631	0.526
9.	J&K	0.429	0.191	0.781	0.651
10.	Karnataka	5.245	5.011	3.934	4.259
11.	Kerala	1.908	1.094	2.293	1.911
12.	Madhya Pradesh	9.899	11.018	8.859	9.365
13.	Maharashtra	8.516	9.905	7.922	8.419
14.	Manipur	0.091	0.016	0.259	0.216
15.	Meghalaya	0.063	0.022	0.291	0.242
16.	Mizoram	0.023	0.001	0.067	0.056
17.	Nagaland	0.027	0.000	0.199	0.166
18.	Orissa	6.337	7.590	5.774	6.451
19.	Punjab	0.490	0.262	0.728	0.607
20.	Rajasthan	4.108	2.665	3.880	3.234
21.	Sikkim	0.017	0.020	0.074	0.062
22.	Tamil Nadu	7.062	5.546	4.987	4.987
23.	Tripura	0.117	0.148	0.468	0.390
24.	Uttar Pradesh	19.038	20.365	20.333	20.333
25.	West Bengal	7.001	5.479	8.601	7.169
26.	A & N Islands	0.010	0.000	0.030	0.030
27.	Chandigarh	0.002	0.000	0.003	0.003
28.	D & N Haveli	0.007	0.034	0.030	0.030
29.	Daman & Diu	0.003	0.002	0.001	0.001
30.	Delhi	0.024	0.000	0.008	0.008
31.	Lakshdweep	0.001	0.000	0.002	0.002
32.	Pondicherry	0.016	0.013	0.038	0.038
	Total:	**100.000**	**100.000**	**100.000**	**100.000**

ANNEXURE – II

No. M-12018/3/2001 – RD
Planning Commission
(Rural Development Division)

Yojana Bhavan, Sansad Marg
New Delhi, Dated July 24, 2001

ORDER

Subject: Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes

It is proposed to set up an Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes for the Tenth Five Year Plan.

II. The composition of the Expert Group will be as under:

1.	Dr. Rohini Nayyar Adviser (Rural Development), Planning Commission, New Delhi – 110001	Chairperson
2.	Shri Lalit Mathur Additional Secretary & Financial Adviser Ministry of Rural Development Krishi Bhavan, New Delhi – 110001	Member
3.	Dr. N.J. Kurian Adviser (Financial Resources) Planning Commission, New Delhi - 110001	Member
4.	Joint Secretary (PF-II) Department of Expenditure Ministry of Finance North Block, New Delhi - 110001	Member

5. Shri M. Neelakanthan — Member
Deputy Director General
National Sample Survey Organisation
Field Operation Division,
Ministry of Statistics & Programme Implementation
C Block, IIIrd floor, Pushpa Bhavan,
Madangir Road
New Delhi - 110062

6. Prof. Suresh D. Tendulkar, — Member
Delhi School of Economics
University of Delhi,
Delhi - 110007.

7. Prof. Abhijit Sen — Member
Jawaharlal Nehru University
New Delhi.

8. Shri G.D. Sharma — Member Secretary
Director (RD)
Planning Commission

III. The terms of reference of the group are as follows.

1. To consider the various alternative criteria for allocation of funds under major rural poverty alleviation programmes for the Tenth Plan Period and to suggest a suitable criterion therefor.
2. To identify the areas of acute poverty/distress and suggest additional allocation for such areas.
3. To suggest a mechanism for providing incentives to those States which performed well in terms of poverty reduction.

IV. The Chairperson of the Expert Group may set up sub-group/task forces, if necessary for undertaking in-depth studies.

V. The Expert Group may co-opt non-official experts/representatives of other agencies if required.

VI. The expenditure of the Members of T.A./D.A in connection with the meeting of the Expert Group will be borne by the parent-Department/Ministry/Organisation. The expenditure, if any, in respect of non-official Members will be borne by the Planning Commission as per rules and regulations of T.A./D.A. applicable to Grade-I officers of Government of India.

VII. The Expert Group will submit its final report to the Planning Commission by 31.08.2001.

Sd/-
(T.R. Meena)
Deputy Secretary (Administration)

Copy to:
All Members of the Expert Group.

Copy also to:

PS to Deputy Chairman, Planning Commission
PPS to MOS (Planning), Planning Commission
Sr. PPS to Secretary, Planning Commission
PS to Member (KA), Planning Commission
Heads of all Divisions
All Officers of the Rural Development Division
PA to Director (Administration)/Section Officer (Admn-I)
Reception Officer, Planning Commission

ANNEXURE – III

F. No. M-12018/3/2001 – RD
Government of India
(Rural Development Division)

Yojana Bhavan, Sansad Marg
New Delhi, August 31, 2001

ORDER

Subject: Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes

In partial modification of the Planning Commission of even number dated 24.7.2001 on the subject mentioned above, the term of the Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes is hereby extended up to 30.11.2001.

Sd/-
(T.R. Meena)
Deputy Secretary (Administration)

Copy to:

All Members of the Expert Group

Copy also to:

PS to Deputy Chairman, Planning Commission
PPS to MOS (Planning), Planning Commission
Sr. PPS to Secretary, Planning Commission
PS to Member (KA), Planning Commission
Heads of all Divisions
All Officers of the Rural Development Division
PA to Deputy Secretary (Administration)/Section Officer (Admn-I)
Reception Officer, Planning Commission

ANNEXURE – IV

F. No. M-12018/3/2001 – RD
Government of India
(Rural Development Division)

Yojana Bhavan, Sansad Marg
New Delhi, November 29, 2001

ORDER

Subject: **Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes.**

In partial modification of the Planning Commission Orders of even number dated 24.7.2001 and 31.8.2001 on the subject mentioned above, the term of the Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes is hereby extended up to 31.3.2002.

Sd/-
(T.R. Meena)
Deputy Secretary (Administration)

Copy to:

All Members of the Expert Group

Copy also to:

PS to Deputy Chairman, Planning Commission
PPS to MOS (Planning), Planning Commission
Sr. PPS to Secretary, Planning Commission
PS to Member (KA), Planning Commission
Heads of all Divisions
All Officers of the Rural Development Division
PA to Deputy Secretary (Administration)/Section Officer (Admn-I)
Reception Officer, Planning Commission

ANNEXURE – V

F. No. M-12018/3/2001 – RD
Government of India
(Rural Development Division)

Yojana Bhavan, Sansad Marg
New Delhi, March 20, 2002.

ORDER

Subject: Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes.

In partial modification of the Planning Commission Orders of even number dated 24.7.2001, 31.8.2001 and 29.11.2001 on the subject mentioned above, the term of the Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes is hereby extended up to 30.06.2002.

Sd/-
(T.R. Meena)
Deputy Secretary (Administration)

Copy to:

All Members of the Expert Group

Copy also to:

PS to Deputy Chairman, Planning Commission
PPS to MOS (Planning), Planning Commission
Sr. PPS to Secretary, Planning Commission
PS to Member (KA), Planning Commission
Heads of all Divisions
All Officers of the Rural Development Division
PA to Deputy Secretary (Administration)/Section Officer (Admn-I)
Reception Officer, Planning Commission

ANNEXURE – VI

F. No. M-12018/3/2001 – RD
Government of India
(Rural Development Division)

Yojana Bhavan, Sansad Marg
New Delhi, June 28, 2002

ORDER

Subject: Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes.

In partial modification of the Planning Commission Orders of even number dated 24.7.2001, 31.8.2001, 29.11.2001 and 20.3.2002 on the subject mentioned above, the term of the Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes is hereby extended up to 30.09.2002.

Sd/-
(T.R. Meena)
Deputy Secretary (Administration)

Copy to:

All Members of the Expert Group

Copy also to:

PS to Deputy Chairman, Planning Commission
PPS to MOS (Planning), Planning Commission
Sr. PPS to Secretary, Planning Commission
PS to Member (KA), Planning Commission
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All Officers of the Rural Development Division
PA to Deputy Secretary (Administration)/Section Officer (Admn-I)
Reception Officer, Planning Commission

ANNEXURE – VII

F. No. M-12018/3/2001 – RD
Government of India
Planning Commission
(Rural Development Division)

Yojana Bhavan, Sansad Marg
New Delhi, 23rd September, 2002

ORDER

Subject: Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes.

In partial modification of the Planning Commission Orders of even number dated 24.7.2001, 31.8.2001, 29.11.2001, 20.3.2002 and 28.06.2002 on the subject mentioned above, the term of the Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes is hereby extended up to 31.12.2002.

Sd/-
(T.R. Meena)
Director (Administration)

Copy to:

All Members of the Expert Group

Copy also to:

PS to Deputy Chairman, Planning Commission
PPS to MOS (Planning), Planning Commission
Sr. PPS to Secretary, Planning Commission
PS to Member (KA), Planning Commission
Heads of all Divisions
All Officers of the Rural Development Division
PA to Deputy Secretary (Administration)/Section Officer (Admn-I)
Reception Officer, Planning Commission

F. No. M-12018/3/2001 – RD
Government of India
Planning Commission
(Rural Development Division)

Yojana Bhavan, Sansad Marg
New Delhi, 31st December, 2002

ORDER

Subject: Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes.

In partial modification of the Planning Commission Orders of even number dated 24.7.2001, 31.8.2001, 29.11.2001, 20.3.2002, 28.06.2002, and 23.9.2002 on the subject mentioned above, the term of the Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes is hereby extended up to 31.03.2003.

Sd/-
(T.R. Meena)
Director (Administration)

Copy to:

All Members of the Expert Group

Copy also to:

PS to Deputy Chairman, Planning Commission
PPS to MOS (Planning), Planning Commission
Sr. PPS to Secretary, Planning Commission
PS to Member (KA), Planning Commission
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All Officers of the Rural Development Division
PA to Director (Administration)/Section Officer (Admn-I)
Reception Officer, Planning Commission

ANNEXURE – IX

F. No. M-12018/3/2001 – RD
Government of India
Planning Commission
(Rural Development Division)

Yojana Bhavan, Sansad Marg
New Delhi, 12th February, 2003

ORDER

Subject: Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes.

In partial modification of the Planning Commission Orders of even number dated 24.7.2001, 31.8.2001, 29.11.2001, 20.3.2002, 28.06.2002, 23.9.2002 and 31.12.2002 on the subject mentioned above, the term of the Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes is hereby extended up to 30.6.2003.

Sd/-
(T.R. Meena)
Director (Administration)

Copy to:

All Members of the Expert Group

Copy also to:

PS to Deputy Chairman, Planning Commission
PPS to MOS (Planning), Planning Commission
Sr. PPS to Secretary, Planning Commission
PS to Member (KA), Planning Commission
Heads of all Divisions
All Officers of the Rural Development Division
PA to Director (Administration)/Section Officer (Admn-I)
Reception Officer, Planning Commission

ANNEXURE – X

F. No. M-12018/3/2001 – RD
Government of India
Planning Commission
(Rural Development Division)

Yojana Bhavan, Sansad Marg
New Delhi, dated 25th June, 2003

ORDER

Subject: Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes.

In partial modification of the Planning Commission orders of even number dated 24.7.2001, 31.8.2001, 29.11.2001, 20.3.2002, 28.06.2002, 23.9.2002, 31.12.2002 and 12.02.2003 on the subject mentioned above, the term of the Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes is hereby extended up to 31.08.2003.

Sd/-
(T.R. Meena)
Director (Administration)

Copy to:

All Members of the Expert Group

Copy also to:

PS to Deputy Chairman, Planning Commission
PPS to MOS (Planning), Planning Commission
Sr. PPS to Secretary, Planning Commission
PS to Member (KA), Planning Commission
Heads of all Divisions
All Officers of the Rural Development Division
PA to Director (Administration)/Section Officer (Admn-I)
Reception Officer, Planning Commission

ANNEXURE – XI

No. M-12018/3/2001 – RD
Government of India
Planning Commission
(Rural Development Division)

Yojana Bhavan, Sansad Marg
New Delhi, dated 1st October, 2003

ORDER

Subject: **Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes.**

In partial modification of the Planning Commission orders of even number dated 24.7.2001, 31.8.2001, 29.11.2001, 20.3.2002, 28.06.2002, 23.9.2002, 31.12.2002, 12.02.2003 and 25.06.2003 on the subject mentioned above, the term of the Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes is hereby extended up to 30.11.2003.

Sd/-
(T.R. Meena)
Director (Administration)

Copy to:

All Members of the Expert Group.

Copy also to:

PS to Deputy Chairman, Planning Commission.
PPS to MOS (Planning), Planning Commission.
Sr. PPS to Secretary, Planning Commission.
PS to Member (KA), Planning Commission.
Heads of all Divisions.
All Officers of the Rural Development Division.
PA to Director (Administration)/Section Officer (Admn-I).
Reception Officer, Planning Commission.

ANNEXURE – XII

No. M-12018/3/2001 – RD
Government of India
Planning Commission
(Rural Development Division)

Yojana Bhavan, Sansad Marg
New Delhi, dated 27th November, 2003

ORDER

Subject: Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes.

In partial modification of the Planning Commission orders of even number dated 24.7.2001, 31.8.2001, 29.11.2001, 20.3.2002, 28.06.2002, 23.9.2002, 31.12.2002, 12.02.2003, 25.06.2003 and 1.10.2003 on the subject mentioned above, the term of the Expert Group on Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes is hereby extended up to 31.01.2004.

Sd/-
(T.R. Meena)
Director (Administration)

Copy to:

All Members of the Expert Group.

Copy also to:

PS to Deputy Chairman, Planning Commission.
PPS to MOS (Planning), Planning Commission.
Sr. PPS to Secretary, Planning Commission.
PS to Member (KA), Planning Commission.
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PA to Director (Administration)/Section Officer (Admn-I).
Reception Officer, Planning Commission.