

The Tendulkar Committee, which submitted its Report in 2009, took the urban headcount ratio of 25.7% in 2004-05, arrived at by following Lakdawala methodology, as the starting point. It used Mixed Recall period (MRP) based MPCE corresponding to this ratio as the new reference Poverty Line Basket (PLB) in urban areas and recommended that the rural poverty line should be recomputed to reflect money value in rural areas of the same PLB. Based on the Tendulkar Committee methodology, the poverty lines in 2004-05 at all India level were calculated as per capita consumption expenditure of Rs 446.68 per month for rural areas and Rs. 578.80 for urban areas. The Tendulkar Committee has incorporated adequacy of expenditure from the normative and nutritional viewpoint. It stated:

*"while moving away from the calorie norms, the proposed poverty lines have been validated by checking the adequacy of actual private expenditure per capita near the poverty lines on food, education and health by comparing them with normative expenditures consistent with nutritional, educational and health outcomes."*

#### **Prospective plan for KBK region**

1946. SHRI PYARIMOHAN MOHAPATRA: Will the PRIME MINISTER be pleased to state:

(a) whether State Government of Orissa has submitted a 8 year prospective plan for the KBK region to the Planning Commission and Government of India and if so, the major differences between this plan and the plan for KBK region sanctioned by Government of India in the year 1995; and

(b) whether the approval for the prospective plan has been accorded by the Planning Commission and Government and if not, by when it is likely to be approved?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (DR. ASHWANI KUMAR): (a) The State Government of Odisha has submitted an Eight-Year Special Action Plan for the KBK region of Odisha for Special Central Assistance of Rs.4550 crore for the period 2009-2017 on 100% grant basis.

In 1995, a Long Term Action Plan (LTAP) for a seven year period (1995-96 to 2001-02) was

launched to pool the available resources and integrate them scientifically for the speedy development of the KBK districts. In 1998-99, the LTAP was replaced by a Revised Long Term Action Plan (RLTAP) for a nine year period (1998-99 to 2006-07) with a total outlay of Rs.6061.83 crore consisting of Additional Central Assistance (ACA) and Centrally Sponsored Schemes in various sectors, namely, agriculture, horticulture, watershed development, afforestation, irrigation, health, drinking water, emergency feeding, welfare of SCs/STs and rural connectivity. The Additional Central Assistance (ACA) was allocated annually by the Planning Commission on 70:30 basis (70% loan and 30% grant). The ACA allocated for the KBK districts during the period 1995-96 to 1997-98 under LTAP was Rs. 20.49 crore. The ACA during the period 1998-99 to 2001-02 under the RLTAP was Rs.243.95 crore.

In 2002-03, a Special Plan for the KBK districts was formulated under the Rashtriya Sam Vikas Yojana (RSVY) with Special Central Assistance of Rs.200 crore for 2002-03 and Rs.250 crore per annum during the Tenth Five Year Plan period on 100% grant basis. The RSVY was replaced by the Backward Regions Grant Fund (BRGF) and the KBK districts continue to be allocated Rs.250 crore per annum, Rs.130 crore under the Special Plan for KBK Districts and Rs.120 crore under the District Component of BRGF during the Eleventh Five Year Plan.

The main differences between the LTAP/RLTAP and the Eight Year (2009-2017) Special Action Plan submitted by the State Government for the KBK region are as under:

- (i) While ACA under LTAP/RLTAP was in the ratio of 70:30 between loan and grant, the funding under the Eight Year Special Action Plan submitted by the State Government is on 100% grant basis.
- (ii) The quantum of ACA allocated under LTAP/RLTAP during the period 1995-96 to 2001-02 was Rs. 264.44 crore, the SCA requested under the Eight Year Special Action Plan for the period 2009-2017 is Rs. 4550 crore.

(b) The Government of India has recently approved an Integrated Action Plan (IAP) for 60 Selected Tribal and Backward Districts with a block grant of Rs. 25 crore for 2010-11 and Rs. 30 crore for 2011-12. All the eight KBK districts are covered in the list of 60 IAP districts, and Rs. 200 crore (Rs. 25 crore for each of the eight KBK districts) was released for the financial year 2010-11. The allocation for eight KBK Districts in 2011-12 is Rs. 240 crore (Rs. 30 crore for each of the eight KBK districts). Taking into account the allocations under all the components of the BRGF, namely, Special Plan for the KBK districts, District Component and the Integrated Action Plan, a sum of

Rs.490 crore has been allocated in 2011-12 for the KBK districts on 100% grant basis. During the period from 2002-03 to 2011-12, an amount of Rs. 2890 crore have been allocated to KBK Districts under Special Plan, District Component of BRGF and IAP.

In view of the fact that the KBK districts are already being allocated a sum of Rs.490 crore from three different sources, it has been decided that there is no need to consider the Eight Year Special Action Plan for the KBK region for the period 2009-2017 during the Eleventh Five Year Plan period.

#### **Suggestions for price list**

†1947. SHRIMATI MAYA SINGH: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that the Planning Commission has stated that the rural public and the urban public can get nutritious food comprising 2400 calories for Rs. 17/- and 20/- respectively; and

(b) if so, the details of Planning Commission's suggestions in the present phase of price rise?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (DR. ASHWANI KUMAR): (a) The poverty line has been traditionally defined by the Planning Commission on the basis of Monthly Per Capita Consumption Expenditure (MPCE) as the criterion. The method for estimation of poverty has been reviewed by the Planning Commission from time to time.

The Planning Commission constituted a Task Force (Alagh Committee) on 'Projections of Minimum Needs and Effective Consumption Demand' in 1977 which defined the poverty line as per capita consumption expenditure of Rs.49.09 per month in rural areas and Rs.56.64 per month in urban areas at 1973-74 prices at national level. These poverty lines correspond to a basket of goods and services anchored on a norm of per capita daily calorie requirement of 2400 kilo calories in rural areas and 2100 kilo calories in urban areas applied uniformly for all the states. Subsequently, the Expert Group on 'Estimation of Proportion and Number of Poor' (Lakdawala Committee) constituted in 1989 retained the poverty lines defined by the Alagh Committee and disaggregated the National Poverty lines into State specific poverty lines in order to reflect the inter-state price differentials.

The Tendulkar Committee, which submitted its Report in 2009, took the urban headcount ratio of 25.7% in 2004-05, arrived at by following Lakdawala methodology, as the starting point. It used

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†Original notice of the question was received in Hindi.