

CHAPTER 21

POVERTY LINE IN DELHI

Poverty is a situation where the individual or communities lack the resources, ability and environment to meet the basic needs of life. Poverty is one of the issues, attracting the attention of sociologists, economists, governments, civil society organizations and almost all other organizations related to human welfare and development. It indicates a status wherein a person fails to maintain a living standard adequate for a comfortable lifestyle.

2. On the basis of National Sample Survey Organisation's 61st Round (June 2004- July 2005), Planning Commission published State Specific poverty line for rural and urban. The poverty line was estimated at ₹ 410.38 for rural and ₹ 612.91 urban Delhi as against the national level of ₹ 356.30 for rural and ₹ 538.60 for urban India respectively. National Sample Survey Organisation's 61st Round estimated that 22.93 lakh persons in Delhi were below the poverty line during the year 2004. Of this, 97.3 per cent of them were in urban areas of Delhi. The specific poverty line of Delhi is presented in Statement 21.1.

Statement 21.1

LEVEL OF POVERTY LINE OF DELHI

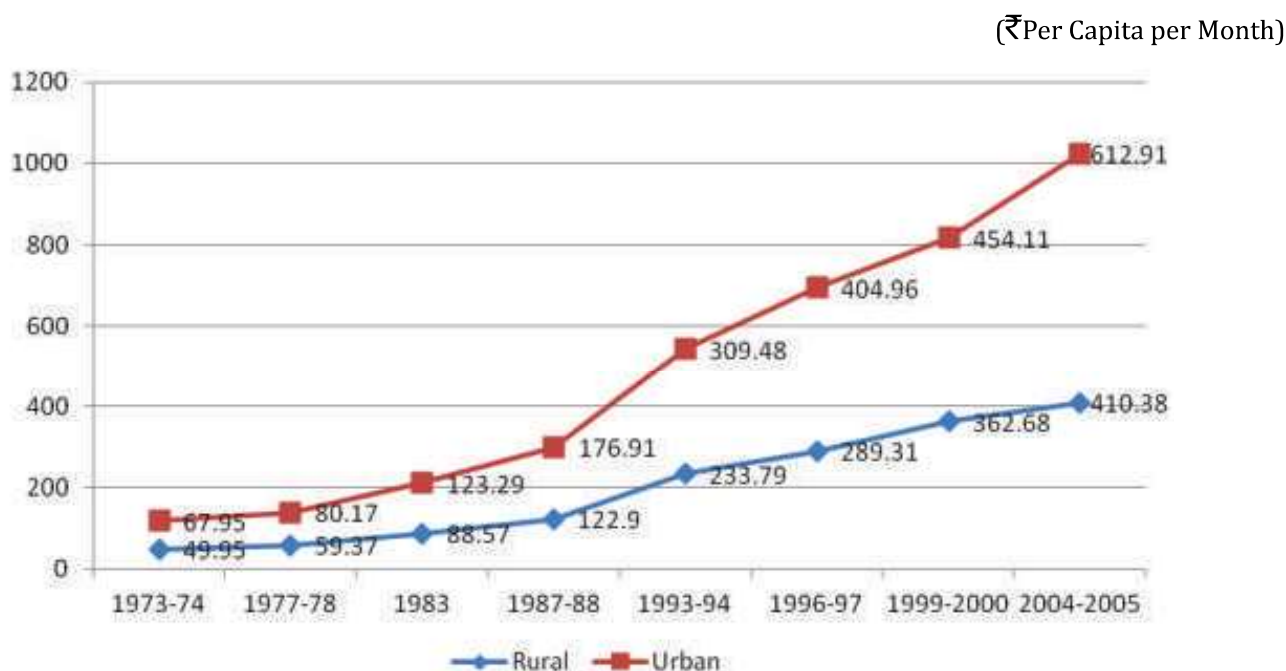
(₹ Per Capita per Month)

| Sl. No. | Years | Rural | Urban |
|---------|-----------|--------|--------|
| 1. | 1973-74 | 49.95 | 67.95 |
| 2. | 1977-78 | 59.37 | 80.17 |
| 3. | 1983 | 88.57 | 123.29 |
| 4. | 1987-88 | 122.90 | 176.91 |
| 5. | 1993-94 | 233.79 | 309.48 |
| 6. | 1996-97 | 289.31 | 404.96 |
| 7. | 1999-2000 | 362.68 | 454.11 |
| 8. | 2004-2005 | 410.38 | 612.91 |

Source: Delhi Statistical Handbook, 2010.

3. It may be observed from Statement 21.1 that the ₹ 612.91 was the minimum monetary requirement of a person per month in urban Delhi for maintaining a minimum standard of living as prescribed by the Planning Commission during the year 2004-05. In rural area it was estimated at ₹ 410.38 per month per person. The above statement clearly indicates that in every year the amount requirement per persons per month increased considerably both in rural and urban areas. The information regarding specific poverty line of Delhi is depicted in Chart 21.1.

Chart 21.1
SPECIFIC POVERTY LINE OF DELHI



4. The information regarding number of persons below poverty line in Delhi during 1973-2005 is presented in Statement 21.2.

Statement 21.2
PERSONS BELOW THE POVERTY LINE IN DELHI- URBAN AND RURAL

(Number in Lakhs)

| Sl. No. | Years | Urban | | Rural | | Total | |
|---------|-----------|--------|----------|--------|----------|--------|---------------|
| | | Number | Per Cent | Number | Per Cent | Number | Per Cent |
| 1. | 1973-74 | 21.78 | 95.36 | 1.06 | 4.64 | 22.84 | 100.0 (49.61) |
| 2. | 1977-78 | 16.81 | 92.57 | 1.35 | 7.43 | 18.16 | 100.0 (33.23) |
| 3. | 1983 | 17.95 | 97.61 | 0.44 | 2.39 | 18.39 | 100.0 (26.22) |
| 4. | 1987-88 | 10.15 | 99.02 | 0.10 | 0.98 | 10.25 | 100.0 (12.41) |
| 5. | 1993-94 | 15.32 | 98.78 | 0.19 | 1.22 | 15.51 | 100.0 (14.69) |
| 6. | 1999-2000 | 11.42 | 99.39 | 0.07 | 0.61 | 11.49 | 100.0 (8.23) |
| 7. | 2004-2005 | 22.30 | 97.25 | 0.63 | 2.75 | 22.93 | 100.0 (14.70) |

Source:- Delhi Statistical Handbook, 2010.

Note:- Figures in brackets relates to percentage to total population.

5. It is evident from above table, that during 1973-74 near about one half of population of Delhi was below poverty line. The number of persons below poverty line in Delhi during 2004-05 was estimated at 22.93 lakh and it worked out to 14.7 per cent of the total population of Delhi. Persons below poverty level in Delhi fell to the single digit at 8 per cent of total

population in 1999-2000. Due to various poverty alleviation programmes initiated by the Government of India and Government of National Capital Territory of Delhi the poverty level in India and Delhi has decreased considerably. The reduction of poverty level in Delhi was higher than the national level even if the migration towards Delhi was highest during the last three decades. It may be due to various reasons such as higher growth in the service sector. The information regarding the poverty level in India and Delhi during the period covered the study is presented in Statement 21.3.

Statement 21.3

PERSONS BELOW THE POVERTY LINE IN DELHI AND INDIA

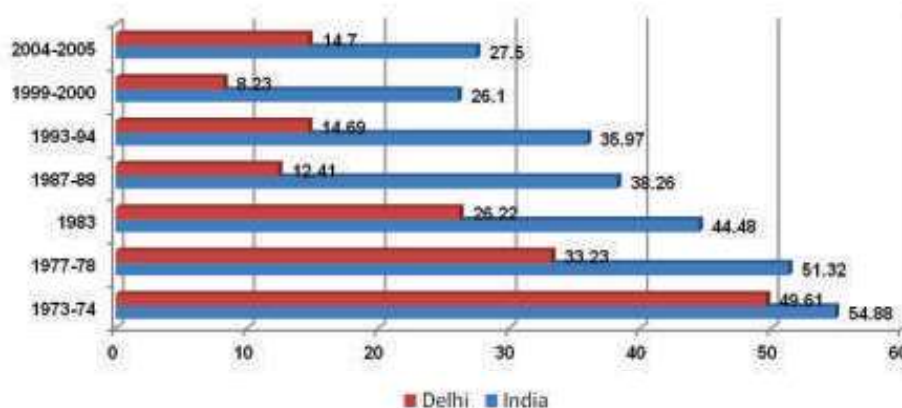
| Sl. No. | Years | India | Delhi |
|---------|-----------|-------|-------|
| 1. | 1973-74 | 54.88 | 49.61 |
| 2. | 1977-78 | 51.32 | 33.23 |
| 3. | 1983 | 44.48 | 26.22 |
| 4. | 1987-88 | 38.26 | 12.41 |
| 5. | 1993-94 | 35.97 | 14.69 |
| 6. | 1999-2000 | 26.10 | 8.23 |
| 7. | 2004-2005 | 27.50 | 14.70 |

6. It may be observed from Statement 21.3 that the per cent of population below the poverty in Delhi was less than the national level in all period covered under the study. During 2004-05 27.5 per cent of the population of India were under below poverty; while it was 14.7 per cent in Delhi. The information regarding the population below poverty line in India and Delhi during 1973-74 to 2004-05 is depicted in Chart 21.2.

Chart 21.2

PERSONS BELOW THE POVERTY LINE IN DELHI AND INDIA

(Per cent)



7. The poverty lines and poverty estimates pertaining to Delhi state for the year 1993-94 and 2004 is presented in Statement 21.4.

Statement 21.4

POVERTY LINE & POVERTY HEAD COUNT RATIO IN DELHI- 1993-94 & 2004-05

| Sl. No. | Year | Poverty Line (₹) | | Poverty Head Count Ratio (%) | | |
|---------|---------|------------------|--------|------------------------------|-------|-------|
| | | Urban | Rural | Urban | Rural | Total |
| 1. | 1993-94 | 320.30 | 315.40 | 15.7 | 16.2 | 15.7 |
| 2. | 2004-05 | 642.47 | 541.39 | 12.9 | 15.6 | 13.1 |

Source: - Planning Commission.

8. Level and Pattern of Household Consumer Expenditure Pattern

- 8.1 Directorate of Economics and Statistics is publishing a report titled “Level and Pattern of Household Consumer Expenditure of Delhi” on the basis of sample surveys conducted under National Sample Survey Organizations Rounds from time to time. The information regarding per capita expenditure on food and non food items as per 63rd round (July 2006- to June 2007), 64th round (July 2007-June 2008) and 66th Round (July 2009- June 2010) is presented in Statement 21.5.

Statement 21.5

PER CAPITA MONTHLY EXPENDITURE ON FOOD & NON-FOOD IN DELHI

| No | Rounds / Area | Food | Non-Food | Total |
|----|--|---------|----------|---------|
| 1. | 63rd Round (July 2006- to June 2007) | | | |
| | a. Urban | 733.53 | 1238.66 | 1972.19 |
| | b. Rural | 553.05 | 751.22 | 1304.27 |
| | c. Total | 697.40 | 1141.07 | 1838.47 |
| 2 | 64th Round (July 2007-June 2008) | | | |
| | a. Urban | 770.21 | 1307.83 | 2078.04 |
| | b. Rural | 740.72 | 962.58 | 1703.30 |
| | c. Total | 767.22 | 1278.71 | 2046.43 |
| 3 | 66th Round (July 2009- June 2010) | | | |
| | a. Urban | 1036.21 | 1868.66 | 2904.87 |
| | b. Rural | 771.28 | 989.75 | 1761.03 |
| | c. Total | 1014.48 | 1796.57 | 2811.05 |

Source: - DES, GNCTD

- 8.2 It may be inferred from Statement 21.5 that the per capita expenditure on non-food items was higher than the food items and total per capita expenditure in all the NSS Rounds and the last Rounds (64th & 66th) increased at 37.36 per cent. The per capita expenditure on food items constituted at 36.09 per cent and the remaining 63.91 per cent on non food items as per 66th round of National Sample Survey.
- 8.3 The information regarding average monthly household expenditure (with average family size of 4.46) of food and non-food items during the last two rounds of National Sample Survey is presented in Statement 21.6.

Statement 21.6
AVERAGE MONTHLY HOUSEHOLD EXPENDITURE IN DELHI

| No | Rounds / Area | Food | Non-Food | Total |
|----|--|---------|----------|----------|
| 1 | 63rd Round (July 2006- to June 2007) | | | |
| | a. Urban | 3312.26 | 5593.14 | 8905.40 |
| | b. Rural | 2929.21 | 3978.85 | 6908.06 |
| | c. Total | 3244.89 | 5309.22 | 8554.11 |
| 2 | 64th Round (July 2007-June 2008) | | | |
| | a. Urban | 3445.38 | 5850.37 | 9295.75 |
| | b. Rural | 3308.01 | 4298.86 | 7606.87 |
| | c. Total | 3433.78 | 5719.28 | 9153.06 |
| 3 | 66th Round (July 2009- June 2010) | | | |
| | a. Urban | 4407.12 | 7947.66 | 12354.78 |
| | b. Rural | 3647.99 | 4681.26 | 8329.25 |
| | c. Total | 4350.67 | 7704.73 | 12055.40 |

Source: - DES, GNCTD

- 8.4 It may be seen from Statement 21.6 that average monthly household expenditure on food and non-food items during the last two Rounds (64th & 66th) has increased at 31.71 per cent in Delhi. The percentage of average monthly household expenditure on non-food items was 63.91 per cent and it was same as that per capita monthly expenditure on non-food items.
- 8.5 Percentage distribution of monthly per capita consumer expenditure for food and non-food items in urban Delhi and urban India is presented in Statement 21.7.

Statement 21.7
PERCENTAGE DISTRIBUTION OF MPCE FOR FOOD AND NON-FOOD
ITEMS IN URBAN DELHI AND INDIA IN 2009-10

| Sl. No | Items | Urban | |
|--------|---|---------------|---------------|
| | | Delhi | India |
| I. | Food Items | | |
| 1. | Cereals and Cereal Substitutes | 6 | 9 |
| 2. | Pulses and Products | 2 | 3 |
| 3. | Milk and Milk Products | 10 | 7 |
| 4. | Edible Oil | 2 | 2 |
| 5. | Meat, Egg | 1 | 3 |
| 6. | Vegetables | 4 | 4 |
| 7. | Fruits (Fresh and Dry) | 2 | 2 |
| 8. | Sugar/Salt/Spices | 2 | 3 |
| 9. | Beverages | 7 | 6 |
| | Sub Total | 36 | 39 |
| II. | Non-food Items | | |
| 1. | Pan/ Tobacco/ Intoxicant | 1 | 1 |
| 2. | Fuel and Light | 8 | 8 |
| 3. | Clothing, Bedding and Footwear | 7 | 6 |
| 4. | Miscellaneous Consumer Goods* | 5 | 5 |
| 5. | Miscellaneous Consumer Services@ | 20 | 15 |
| 6. | Rent | 7 | 6 |
| 7. | Consumer Taxes | 1 | 1 |
| 8. | Durable Goods | 4 | 5 |
| 9. | Education | 9 | 9 |
| 10 | Medical (Institutional and Non-institutional) | 2 | 5 |
| | Sub Total | 64 | 61 |
| | Total Expenditure | 100.00 | 100.00 |

Source:- Directorate of Economics and Statistics, Government of National Capital Territory of Delhi (National Sample Survey 66th Round of Socio- Economic Survey 2009-10)

Notes :- 1. * Miscellaneous Consumer goods includes expenditure on goods for personal care, toilet articles and sundry articles.
2. @ Miscellaneous consumer services includes expenditure on entertainment, consumer services and conveyances.

8.6 It may be inferred from Statement 21.7 that the every hundred rupees spent by households in urban Delhi about ₹ 36 were on food items and the remaining ₹ 64 on non-food items. In India it was ₹ 39 and ₹ 61 for food and non-food items respectively.