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Abstract

This paper provides estimates of poverty and inequality across states as also for different sub-groups of population for 2004-05 by using the old and new methods of the Planning Commission. The new method is critically evaluated with the help of some existing literature and its limitations discussed with regard to doing away with calorie norm, use of median expenditure as a norm for education when the distribution is positively skewed, difficulty in reproducing results for earlier rounds acting as a constraint on comparisons, and using urban poverty ration of the old method as a starting point to decide a consumption basket. More importantly, it discusses the implications on financial transfers across states if the share of poor is only taken into account without accounting for an increase in the total number of poor. Despite these limitations, on grounds of parsimony and prudence the state-specific poverty lines suggested in the new method, as also in the old method, are used to calculate incidence, depth (intensity) and severity (inequality among poor) estimates of poverty for different sub-groups of population, viz., NSS regions, social groups and occupation groups.

Keywords:

Household type (occupation groups), inequality (Gini), NSS regions, Planning Commission, poverty, rural, social groups, urban.

JEL Code:

D63, I32, I38, I39.

Acknowledgements:

This paper is dedicated to the memory of Professor Suresh D. Tendulkar who passed away recently on 21 June 2011. The authors thank Sanjay Reddy and M.H. Suryanarayana for discussions. Calculations in the old method were done by both the authors independently and they broadly matched, but the one by DCP has been used who also did the calculations with the new method and generated the maps and figures. Based on joint discussions, a preliminary note was written by DCP. The note has been elaborated on, revised and put into the current form by SM. Usual disclaimers apply.

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16 August 2011

The poor are a part of necessary furniture of the earth, a sort of perpetual gymnasium where the rich can practice virtue when they are so inclined.
- Francesco Giucciardini (*Discorsi Politici*)

But I, being poor, have only my dreams;
I have spread my dreams beneath your feet;
Tread softly because you tread on my dreams...
- W. B. Yeats

Abstract

This paper provides estimates of poverty and inequality across states as also for different sub-groups of population for 2004-05 by using the old and new methods of the Planning Commission. The new method is critically evaluated with the help of some existing literature and its limitations discussed with regard to doing away with calorie norm, use of median expenditure as a norm for education when the distribution is positively skewed, difficulty in reproducing results for earlier rounds acting as a constraint on comparisons, and using urban poverty ration of the old method as a starting point to decide a consumption basket. More importantly, it discusses the implications on financial transfers across states if the share of poor is only taken into account without accounting for an increase in the total number of poor. Despite these limitations, on grounds of parsimony and prudence the state-specific poverty lines suggested in the new method, as also in the old method, are used to calculate incidence, depth (intensity) and severity (inequality among poor) estimates of poverty for different sub-groups of population, viz., NSS regions, social groups and occupation groups.

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[2] The sequence of authorship is based on first names. DCP is Post-Doctoral Fellow and SM is Associate Professor at IGIDR and they can be contacted at pathakdc@gmail.com and srijit@igidr.ac.in respectively.

1. Introduction

In India, the quinquennial rounds of national sample survey (NSS) of consumption expenditure have been instrumental in providing us with an estimation of head count ratio. The *Report of the Task Force on Projections of Minimum Needs and Effective Consumption Demands* (Government of India, 1979) looked into the age, sex and activity specific nutritional requirements and arrived at a per capita norm of 2400 calorie for rural and 2100 calorie for urban and based on this a monthly per capita expenditure (MPCE) of Rs.49.09 in rural and Rs.56.64 in urban was identified as the poverty line for 1973-74. This was updated to accommodate price changes over time. The *Report of the Expert Group on Estimation of Proportion and Number of Poor* (Government of India, 1993) proposed the use of independent poverty lines for each state and updating them by looking into the state specific changes in prices. This formed the basis for official estimates of poverty provided by the Planning Commission till recently (hereafter, old method).

Some of the criticism of this approach is that the updated prices may not represent the calories norm that they were initially pegged to,[3] that the calorie norms should change because of demographic shifts in age and sex and change in occupational patterns, that basic requirements like health, education, sanitation and housing are not included in the calculation of poverty line, that a reference period of 30 days may not be appropriate for low frequency items of consumption expenditure among others. These have been partly addressed in the *Report of the Expert Group to Review the Methodology for Estimation of Poverty* (Government of India, 2009) leading to a new set of poverty estimates for the year 2004-05 that have now been accepted by the Planning Commission (hereafter, new method).

The current exercise focuses on three points. First, it discusses critically the new methodology in the light of a brief review of some recent literature by various scholars. Second, it analyses the change in shares of poverty across states and union territories (hereafter, states) that will occur due to this shift. It also tries to briefly hint the possible

[3] Mishra and Reddy (2011) show that in rural India the incidence of calorie-poor (using the norm of 2400 kilocalorie per person per day) is much higher than the expenditure-poor (using the old estimates) in almost all states. In states of Bihar, Jharkhand and Odisha where incidence of calorie poor is higher, it is because of relatively higher share of consumption from cereals indicating the possibility of other nutritional deficiencies.

repercussions of these changes on poverty reduction efforts in states. Third, it provides estimates of proportion of poor (head count ratio or incidence of poverty), depth (poverty gap or intensity) and the severity (poverty gap squared or inequality among the poor) at various levels of disaggregation like states, NSS regions, social groups and occupational categories.

2. The New Method

The new method takes the old poverty estimates using uniform recall period (URP) of 30 days for urban India at 25.7 per cent in 2004-05 as a starting point, as the expert group constituted to work on it considered this to be less controversial. This was imposed on the mixed recall period (MRP) where five low frequency items of clothing, footwear, durables, education and institutional health expenditure had a 365 days recall period from which an average for 30 days was constructed and the other items continued with a 30 days recall period.[4] The MRP monthly per capita expenditure above the 25.7 percentile constituted the new poverty line and the consumption of items around this constituted the poverty line basket (PLB) for urban India. The items in the PLB and their state-specific prices for rural and urban areas were used to compute the new set of poverty lines. Some of the criticisms of this new method are the following.

2.1 Not Pegged to a Calorie Norm

This indirect approach of fixing poverty line through an agreed upon incidence of poor in urban areas raises curious eyebrows. Further, the expert group decided against pegging the poverty lines with calorie norm as it was not correlated (read, not commensurate because of higher deprivations) with nutritional outcomes from other surveys (Government of India, 2009). A background paper for the expert group pointed out that the changes in consumption patterns over time could be indicative of changes in minimum nutritional requirement (Suryanarayana, 2009; also see Suryanarayana and Silva, 2007). There are other interesting queries about the fact that energy intake has shown a secular increase from about 1511 calories in the first decile to 2681 calories in the tenth decile for 2004-05

[4] A simple exercise of comparing data values of consumption expenditure in MRP and URP at the unit level reveal that they are equal 0.13 per cent cases, MRP is greater in 80.65 per cent cases and URP is greater in 19.22 per cent cases.

(Suryanarayana, 2009); or, that there is a decline in average calorie intake for the bottom 30 per cent from 1701 in 1993-94 to 1677 in 2004-05 (Radhakrishna, Ravi and Reddy, 2011). Deaton and Drèze (2009) also point out to the decline in calorie and protein consumption over time and suggest that these could be because of better health environment or lower work burden but are puzzled that other nutritional outcomes of mother and children do not show a marked improvement. These suggest that there should have been an expert opinion on an appropriate calorie norm and other nutritional requirement.

The Expert Group, having decided to keep off the poverty-nutrition linkage, decide not to probe further on this. Fine! But, then they go on to state that those around the poverty line can afford consumption expenditure equal to 2100 calorie per capita but their observed calorie intake is around 1776 calorie per capita, which is closer to a norm of 1770 calorie given for India for 2003-05 by the Food and Agriculture Organisation (FAO) and does not have any factoring for age, sex or occupation. It is quite strange to start with discarding the calorie norm and then mentioning some other calorie norm to fortify ones argument. It goes beyond curious eyebrows! Swaminathan (2010) asserts that the claim that the revised poverty line is adequate to meet expenditure requirements with respect to nutrition, education, and health is invalid. In fact, the calorie intake requirement has actually been lowered from the existing norm and one should not overlook the fact that the suggested FAO norm is for light and sedentary activities. This is likely to underestimate poverty for agricultural and other labour in rural areas and casual labourers in urban India who fall under the moderate activity group. The notion of fitting a poverty line that conforms to calorie requirement of sedentary activity on people around the poverty line, who have to work hard for their sustenance, does not seem appropriate.

2.2 Use of Median Expenditure for Health and Education

In the old methodology expenses on education of children and health care were kept outside the purview of a poverty line, as these were supposed to have been provided by the state. With an increasing reliance on private providers and even when these services are publicly provided there are expenses that the individual does incur, therefore, including these expenses into the calculation of a poverty line is to be appreciated. However, the usage of median expenditure to be representative of a normative or desirable expenditure

when the income distribution is positively skewed is not tenable (Swaminathann, 2010). Subramanian (2010: p. 31) further states that:

> Costs are likely to rise when treatment/hospitalization tends toward greater completeness/comprehensiveness: the median cost in a poor economy is scarcely likely to be reflective of the cost that would be incurred in order to finance a reasonably comprehensive course of treatment or hospitalization. Second, the proportional incidence of treatment/hospitalization is unlikely to be the probability of onset of illness requiring treatment/hospitalization: the actual incidence of illness requiring treatment will, in an environment of poor affordability, typically be larger than the incidence of illness actually treated. There is therefore good reason to believe that these 'normative' expenditure levels on education and health are underestimates.

2.3 Reproducibility of the New Method

The PLB for urban India forms the reference basis for generating comparable PLB for rural India as also urban/rural sector of states. This requires generating price indices, which to an onlooker is a black box. The report of the expert group (Government of India, 2009) and a background paper (Himanshu, 2009) do outline the method using which researchers can replicate a large part of the exercise, but not before they spend a considerable amount of time. Given the public relevance of this exercise, the expert group could have elaborated a bit more, particularly, the base prices for the 23 commodity groups and the amount/share of actual rent and conveyance used for each sector/state.[5] It would have been a few more tables. Raveendran (2010) refers to the Expert Group on Poverty Statistics/Rio Group (2006) on what determines the credibility of poverty lines and concurs that the new methodology is not easily replicable. It would also render earlier rounds of the national sample survey on consumption expenditure difficult for poverty comparisons.

2.4 The sacrosanct 25.7!

Another question that bothers is what made the expert group believe that the urban poverty ratio of 25.7 per cent is less controversial while the rural poverty ratio is

[5] For 15 commodity groups of cereals, pulses, milk, edible oil, egg, fish and meat, vegetables, fresh fruits, dry fruits, sugar, salt and spice, other food, intoxicants, fuel, clothing and footwear, data were from the same consumption expenditure schedule of 61st round, 2004-05; for education, data were taken from the same round but the employment and unemployment schedule; for institutional and non-institutional medical expenses, data were based on the 60th round, January-June 2004 health schedule; and for the five items of entertainment, personal care, miscellaneous goods, miscellaneous services and durables, data used were consumer price index for industrial workers in urban areas and consumer price index for agricultural labourers in rural areas based on a work done by M.R. Saluja and B. Yadav for the expert group, that has not been shared with the public.

considerably underestimated. The only reason they could cite is based on research by Deaton (2003, 2008) providing alternative poverty estimates for 1987-88, 1993-94, 1999-2000 and 2004-05. There are considerable differences in estimates of urban poverty given by Deaton and the old methodology. As Datta (2010) points out, "Deaton reveals his reservations with the urban poverty lines. In a striking contrast, Tendulkar adopts the urban poverty line, and made it the focal point of poverty estimation in the country."

Table 1: All India Poverty Indices, 2004-05

Indices	Rural: Old	Rural: New	Urban: Old	Urban: New
Incidence (official)	0.282697	0.418	0.257119	0.257
Incidence	0.281216	0.417962	0.258435	0.256757
Depth	0.055022	0.092435	0.062145	0.057762
Severity	0.016251	0.029396	0.021640	0.018781

Note: All India estimates are weighted averages of state-specific estimates computed using unit level data and they may not match with the official estimates. For the old method, as indicated in the official communication, poverty ratio of a neighbouring reference state is imposed on 12 states/union territories as follows: Assam for all the north-east states of Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, and Tripura as also Sikkim; Goa or Daman & Diu; Kerala for Lakshadweep; Punjab urban for rural and urban Chandigarh; and Tamil Nadu for Andaman & Nicobar Islands and Puducherry. Keeping the poverty ratio of these reference states, a proxy poverty line was imposed on these 12 states for our calculations using unit level data. Further, in the old method the poverty line of Maharashtra is used on the consumption expenditure distribution of Goa, and Dadra & Nagar Haveli. In the new method, the union territories of Andaman & Nicobar Islands, Chandigarh, Dadra & Nagar Haveli, Daman & Diu and Lakshadweep use the poverty lines of Tamil Nadu, Punjab urban, Maharashtra, Goa and Kerala respectively.

Source: Government of India (2007, 2009) and Unit level data, Schedule 1.0, NSS 61st Round, 2004-05.

The most intriguing part of 25.7, an agreed-upon incidence of poverty ratio for urban India, is the falling in line of all calculations. To begin with, this urban incidence of poverty gives us a poverty line basket and given the prevailing prices for the basket of commodities in each state one computes state-specific poverty lines. Using these poverty lines and the state-specific population of unit level data, if one computes the weighted average incidence of poverty for urban India, we end up with where we begun, the magic number of 25.7 per cent. The same is also true for rural India. This can be possible in a calibrating exercise. Nevertheless, this adjustment does not hold when one takes the census population as weights, as indicated in the official publication. The differences in incidence, depth and severity between the old and new methods at the all India level are indicated in Table 1.

One reason for the justification of 25.7 is to have given the expert group some starting point when they might have decided against linking it to the existing calorie norms – a pragmatic consideration. Or, as Professor Suresh Tendulkar said "... any poverty line approach was arbitrary, but ... as long as we followed the same procedure consistently, it would be useful for comparison purposes" (Dev, 2011: 114).

Finally, for practical purposes it is the state-specific poverty lines that are relevant and should be used for calculating FGT measures of poverty, not only at the aggregate all India level by obtaining weighted averages, but also at other sub-group levels. With regard to other sub-groups, using a PLB method for arriving at poverty lines will not only require cumbersome calculations but will also give different values for weighted averages at the all India level. Thus, both on account of parsimony and prudency this should be avoided. Therefore, in our subsequent exercise, state-specific poverty lines provided by the old and new methodologies are used to calculate comparable estimates for incidence, depth and severity of poverty across states and also for NSS regions, social groups and occupational categories, separately for rural and urban areas.

3. Impact of Change in Poverty Lines on Financial Transfers

The Report of the Expert Group on Estimation of Proportion and Number of Poor (Government of India, 1993) mentions that poverty estimates calculated by the Planning Commission serve two major purposes: one, they indicate the development effort put by the state, and second, they are used in deciding fund allocation among states. The basic purpose of central plan assistance to states are to bridge the resource gap at the state level, to reduce inter-state disparity through its pattern of assistance, and to coordinate the development efforts of the states in pursuance of the accepted plan objectives and priorities (Gupta and Kalra, 2005).

A portion of plan assistance is based on the special needs of states. A poorer state will need more plan assistance in order to reduce poverty than a rich one. With the adaptation of the new method, there will not only be changes in the incidence (discussed later in the paper) but also in the share of poor across states. The share of poor in the old and new methods for rural, urban and combined areas across states is given in Table 2. It shows that, at a combined level, the five states where the share of poor has increased the most, three, i.e. Andhra Pradesh, Gujarat and Haryana happen to be among those with relatively lower incidence of poverty and higher per capita income.

Table 2: Share of Poor across States: Old and New Methods, 2004-05

(per cent)

State	Old			New					
	Rural	Urban	Combined	Rural		Urban		Combined	
Andaman & Nicobar	0.0269	0.0387	0.0325	0.0027	↓	0.0014	↓	0.0022	↓
Andhra Pradesh	2.7559	7.4570	4.9949	5.7268	↑	6.3939	↓	5.9797	↑
Arunachal Pradesh	0.0866	0.0122	0.0512	0.0892	↑	0.0842	↑	0.0873	↑
Assam	2.4484	0.1749	1.3657	2.7184	↑	1.0515	↑	2.0865	↑
Bihar	15.4600	4.1972	10.0960	13.6315	↓	5.1048	↑	10.3990	↓
Chandigarh	0.0037	0.0727	0.0365	0.0051	↑	0.1187	↑	0.0481	↑
Chhattisgarh	3.2456	2.4782	2.8801	2.9543	↓	1.6748	↓	2.4693	↓
Dadra & Nagar Haveli	0.0308	0.0193	0.0253	0.0333	↑	0.0170	↓	0.0271	↑
Daman & Diu	0.0029	0.0156	0.0089	0.0010	↓	0.0119	↓	0.0051	↓
Delhi	0.0283	2.9766	1.4325	0.0431	↑	2.3545	↓	0.9194	↓
Goa	0.0174	0.1888	0.0990	0.0583	↑	0.2136	↑	0.1172	↑
Gujarat	2.8554	3.4504	3.1388	3.9835	↑	5.2192	↑	4.4520	↑
Haryana	0.9534	1.2661	1.1023	1.2045	↑	1.9658	↑	1.4931	↑
Himachal Pradesh	0.2739	0.0260	0.1558	0.4379	↑	0.0372	↑	0.2860	↑
Jammu & Kashmir	0.1558	0.2537	0.2024	0.3463	↑	0.3569	↑	0.3503	↑
Jharkhand	4.6780	1.6446	3.2333	3.5280	↓	1.9423	↑	2.9269	↓
Karnataka	3.3801	7.9404	5.5519	4.1334	↑	6.3269	↓	4.9650	↓
Kerala	1.4685	2.1132	1.7755	1.5135	↑	1.9518	↓	1.6797	↓
Lakshadweep	0.0022	0.0069	0.0044	0.0000	↓	0.0036	↓	0.0014	↓
Madhya Pradesh	7.9623	9.3251	8.6114	7.8169	↓	7.6815	↓	7.7656	↓
Maharashtra	7.7732	18.0933	12.6882	8.4844	↑	14.4967	↓	10.7636	↓
Manipur	0.1688	0.0270	0.1013	0.2023	↑	0.2574	↑	0.2232	↑
Meghalaya	0.1959	0.0221	0.1131	0.0836	↓	0.1502	↑	0.1088	↓
Mizoram	0.0460	0.0216	0.0343	0.0323	↓	0.0470	↑	0.0379	↑
Nagaland	0.1739	0.0163	0.0988	0.0532	↓	0.0192	↑	0.0403	↓
Odisha	6.9159	3.3533	5.2192	6.0410	↓	2.8296	↓	4.8236	↓
Puducherry	0.0354	0.1948	0.1113	0.0241	↓	0.0883	↓	0.0484	↓
Punjab	0.6774	0.7191	0.6972	1.1197	↑	2.1464	↑	1.5089	↑
Rajasthan	3.8883	5.7907	4.7943	5.1267	↑	5.3416	↓	5.2082	↑
Sikkim	0.0503	0.0031	0.0278	0.0487	↓	0.0220	↑	0.0386	↑
Tamil Nadu	3.4970	8.6916	5.9710	3.8489	↑	7.6675	↓	5.2965	↓
Tripura	0.2776	0.0271	0.1583	0.3767	↑	0.1679	↑	0.2976	↑
Uttar Pradesh	21.4354	14.3000	18.0371	18.5277	↓	16.2282	↑	17.6559	↓
Uttarakhand	1.2276	1.0997	1.1667	0.7152	↓	0.7926	↓	0.7445	↓
West Bengal	7.8016	3.9828	5.9829	7.0878	↓	7.2337	↑	7.1431	↑
All India	100.0000	100.0000	100.0000	100.0000		100.0000		100.0000	

Note: For the old method, official figures of poor population are used to calculate share of poor across states. This with incidence also gives the overall population. For the new method, unit level data is used to calculate incidence of poor and this is imposed on the overall population to arrive at the share of poor. The unit level estimates for the new method match with the official estimates, which are available for the first decimal place only. The arrows, ↑ and ↓ indicate increase and decrease respectively in the share of new when compared with the old.
Source: Government of India (2007, 2009).

Among the poorer states, one observes an increase in the share of poor for Rajasthan. This is so because of an increase in the share of poor in rural areas. The urban areas of Bihar, Jharkhand and Uttar Pradesh also witness an increase in the share of poor. At the aggregate level the states of Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Odisha, Uttaranchal and Uttar Pradesh that are known to have higher incidences of poor show a decline in their

share of poor. These will have important public policy implications on welfare related interventions that are assigned on the basis of the share of poor.

4. Poverty and Inequality across States

Now we take up a discussion on poverty and of inequality across states of India. The poverty measures are computed in the old as also new methods using Foster, Greer and Thorbecke (1984; hereafter FGT) class of measures,

$$FGT_{(\propto)} = 1/N \sum_{i}^{N} ((z - Y_i)/z)^{\propto};\ \propto \geq 0$$

where FGT_α is the alpha class of poverty measure, N is total population, z is the poverty line, y_i is the consumption expenditure for the i^{th} poor and α is a 'poverty aversion' parameter (larger α gives greater weights to poorer people). This measure can be decomposed at population sub-group level as

$$FGT_{(\propto)} = \sum_{k=1}^{K} \left(\frac{N_k}{N}\right) FGT_{(\propto)k};\ \propto \geq 0$$

where $\frac{N_k}{N}$ is the number of persons in the subgroup k divided by the total number of persons, the subgroup population share.

The state-specific population poverty lines for the old and new methods are given in Table 3. The measures of incidence, depth and severity for poverty and inequality measured through Gini coefficient for rural and urban areas across states are computed and given in Table 4. State-specific broad shifts in incidence of poverty are also indicated through maps in Figures 1 and 2 for rural and urban areas respectively.

Figure 3 has four graphs – two TIP (three I's of poverty, see Jenkins and Lambert, 1997) and two Lorenz curves for rural and urban areas. The TIP curves indicate incidence, intensity (depth) and inequality among the poor (severity) and the Lorenz curves are a graphical representation of the Gini coefficient. In each of the four graphs the old and new methods are plotted separately. Comparing the new measures of poverty and inequality with that of the old, some broad observations are as follows. We begin with the rural areas.

Table 3: Population and Poverty Lines for States, 2004-05

State	Population (Lakhs)		Poverty Line (₹)			
	Rural	Urban	Rural		Urban	
			Old	New	Old	New
Andaman & Nicobar Islands	2.63	1.42	-	441.69	-	559.77
Andhra Pradesh	579.17	219.35	292.95	433.43	542.89	563.16
Arunachal Pradesh	8.68	2.87	-	547.14	-	618.45
Assam	244.02	38.71	387.64	478.00	378.84	600.03
Bihar	799.05	93.59	354.36	433.43	435.00	526.18
Chandigarh	1.07	9.43	-	642.51	-	642.51
Chhattisgarh	175.22	47.29	322.41	398.92	560.00	513.70
Dadra & Nagar Haveli	1.71	0.81	362.25	484.89	665.90	631.85
Daman & Diu	1.39	0.66	-	608.76	-	671.15
Delhi	9.05	146.64	410.38	541.39	612.91	642.47
Goa	6.78	7.71	362.25	608.76	665.90	671.15
Gujarat	332.76	208.64	353.93	501.58	541.16	659.18
Haryana	158.44	70.39	414.76	529.42	504.49	626.41
Himachal Pradesh	57.27	6.56	394.28	520.40	504.49	605.74
Jammu & Kashmir	80.22	27.61	391.26	522.30	553.77	602.89
Jharkhand	223.1	65.36	366.56	404.79	451.24	531.35
Karnataka	359.98	195.99	324.17	417.84	599.66	588.06
Kerala	244.81	85.08	430.12	537.31	559.39	584.70
Lakshadweep	0.42	0.28	-	537.31	-	584.70
Madhya Pradesh	476.35	175.67	327.78	408.41	570.15	532.26
Maharashtra	578.59	453.59	362.25	484.89	665.90	631.85
Manipur	16.82	5.98	-	578.11	-	641.13
Meghalaya	19.52	4.88	-	503.32	-	745.73
Mizoram	4.58	4.77	-	639.27	-	699.75
Nagaland	17.33	3.61	-	687.30	-	782.93
Odisha	324.55	60.35	325.79	407.78	528.49	497.31
Puducherry	3.43	7.14	-	384.45	-	506.17
Punjab	165.26	91.98	410.38	543.51	466.16	642.51
Rajasthan	467.13	144.23	374.57	478.00	559.63	568.15
Sikkim	5.01	0.68	-	531.50	-	741.68
Tamil Nadu	334.83	311.40	351.86	441.69	547.42	559.77
Tripura	27.67	5.99	-	450.49	-	555.70
Uttar Pradesh	1416.26	381.98	365.84	435.14	483.26	532.12
Uttarakhand	66.48	24.25	478.02	486.24	637.67	602.39
West Bengal	605.33	237.44	382.82	445.38	449.32	572.51
All India	7814.91	3142.33	356.30	446.68	538.60	578.80

Note: Population totals are rounded up at two decimals. The above population has been used for computations in Table 2. It has not been used in our other calculations using unit level data.
Source: Government of India (2007, 2009)

The states of Meghalaya, Nagaland and Uttarakhand indicate a decline in the incidence of poverty. The former two did not have a poverty line of their own as in the old method the poverty ratio of Assam was used. One also observes a decline in the incidence of poverty in the union territories of Andaman & Nicobar Islands, Daman & Diu and Lakshadweep. These used the poverty ratio of their neighbouring states in the old method and in the new method the incidences are independently computed by using the poverty lines of the neighbouring states.

The maximum increase is for Goa (398 per cent; from 5.64 per cent to 28.09 per cent). It is to be noted that the old method used the poverty line of Maharashtra whereas the new method has a state-specific poverty line.

Increase in incidence of poverty is relatively higher for well-performing states (that is, those with higher per capita gross state domestic product, GSDP). For instance, head count ratio of poor in Punjab increases from 9 per cent in the old method to 22 per cent in the new method, a 13 percentage point increase. The correlation coefficient between the Per Capita Gross Domestic Product of major states and the percentage change in their rural poverty line is 0.5828 and it is significant at one per cent level.

As indicated earlier, the four states with the maximum share of rural poor in the old method (Uttar Pradesh, Bihar, Madhya Pradesh and West Bengal) have a reduction in their share of rural poor in the new method. The share of Maharashtra, the fifth largest in the old methodology, has increased and it has the third largest share in the new method.

Now, we take up some observations on urban areas. In the urban case as the incidence in poverty in the old method was a starting point the changes at the aggregate level will cancel out. In some states, it will increase and in the rest it will decrease.

In the states of Chhattisgarh, Karnataka, Madhya Pradesh, Maharashtra, Odisha and Uttarakhand the urban poverty line in the new method is lower than that in the old method. Needless to say, these are also the states where incidence of poverty has also declined. The other major states where incidence of urban poverty has declined are Andhra Pradesh, Kerala, Rajasthan and Tamil Nadu. The major states where urban poverty seems to have increased are Assam, Bihar, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir and Uttar Pradesh among others. As indicated earlier, these will have implications on allocation of resources for various welfare schemes, given a budget constraint.

Table 4: Poverty and Inequality across States with Old and New Methods, 2004-05, Rural and Urban

State	Rural								Urban							
	Poverty						Inequality		Poverty						Inequality	
	Old Method			New Method			Old	New	Old Method			New Method			Old	New
	α = 0	α = 1	α = 2	α = 0	α = 1	α = 2			α = 0	α = 1	α = 2	α = 0	α = 1	α = 2		
Andaman & Nicobar Is	22.49	3.23	0.79	3.29	0.22	0.02	0.3360	0.3081	21.96	3.68	0.88	0.81	0.01	0.00	0.3756	0.3430
Andhra Pradesh	10.47	1.95	0.68	32.29	6.97	2.27	0.2938	0.2677	27.36	5.74	1.80	23.37	4.81	1.49	0.3748	0.3627
Arunachal Pradesh	21.97	4.31	1.33	33.55	7.41	2.45	0.2800	0.2619	3.43	0.46	0.11	23.53	4.64	1.25	0.2480	0.2351
Assam	22.09	3.65	0.93	36.38	7.03	2.01	0.1986	0.1924	3.64	0.45	0.10	21.78	4.23	1.14	0.3201	0.3095
Bihar	42.59	8.14	2.21	55.71	12.68	3.91	0.2077	0.1943	36.09	7.43	2.23	43.73	11.43	3.86	0.3330	0.3201
Chandigarh	7.54	0.00	0.00	29.44	6.70	2.40	0.2465	0.2562	6.20	1.09	0.28	10.09	2.24	0.67	0.3608	0.3659
Chhattisgarh	40.77	9.24	3.14	55.06	13.69	4.92	0.2982	0.2644	42.18	12.30	4.79	28.39	7.20	2.58	0.4392	0.3717
Dadra & Nagar Haveli	39.64	8.50	3.33	63.63	18.02	7.14	0.3532	0.3345	19.17	6.24	2.26	16.81	4.98	1.63	0.3003	0.3087
Daman & Diu	4.53	0.75	0.23	2.41	0.47	0.09	0.2630	0.2518	19.06	3.63	0.85	14.43	2.08	0.32	0.2524	0.2382
Delhi	6.89	0.31	0.01	15.57	1.93	0.35	0.2779	0.2965	16.34	2.62	0.71	12.87	1.99	0.53	0.3362	0.3343
Goa	5.64	0.34	0.05	28.09	5.56	1.66	0.3213	0.2984	19.71	4.64	1.80	22.21	4.30	1.54	0.4195	0.3568
Gujarat	18.89	3.35	0.92	39.09	9.34	3.16	0.2731	0.2662	13.31	2.37	0.65	20.05	3.92	1.15	0.3098	0.3125
Haryana	13.25	2.34	0.64	24.82	4.73	1.33	0.3396	0.3261	14.48	3.26	1.06	22.39	4.93	1.62	0.3656	0.3414
Himachal Pradesh	10.53	1.60	0.38	24.97	4.22	1.12	0.3096	0.2893	3.19	0.86	0.33	4.55	1.07	0.41	0.3231	0.2803
Jammu & Kashmir	4.27	0.64	0.15	14.10	2.11	0.52	0.2473	0.2168	7.40	1.71	0.49	10.36	2.12	0.56	0.2476	0.2528
Jharkhand	46.15	9.88	2.94	51.64	11.12	3.37	0.2275	0.2086	20.25	4.29	1.31	23.82	5.77	1.90	0.3552	0.3360
Karnataka	20.67	2.86	0.64	37.49	6.51	1.67	0.2663	0.2457	32.61	8.73	3.25	25.88	6.19	2.13	0.3685	0.3687
Kerala	13.20	2.76	0.97	20.19	4.37	1.47	0.3809	0.3469	19.99	4.55	1.56	18.39	4.04	1.33	0.4102	0.3956
Lakshadweep	11.43	0.13	0.04	0.34	0.10	0.03	0.3115	0.2532	19.95	5.75	2.84	10.31	3.76	1.83	0.3939	0.2647
Madhya Pradesh	36.79	8.01	2.52	53.59	12.57	4.16	0.2675	0.2518	42.72	12.07	4.62	35.05	8.59	2.93	0.3980	0.3676
Maharashtra	29.57	6.31	1.99	47.54	11.87	4.23	0.3120	0.2874	32.10	9.13	3.56	25.62	6.48	2.29	0.3776	0.3688
Manipur	22.01	2.92	0.57	39.28	5.71	1.26	0.1602	0.1523	3.59	0.28	0.04	34.51	5.12	1.03	0.1774	0.1650
Meghalaya	21.95	2.69	0.52	13.98	1.40	0.23	0.1618	0.1497	3.62	0.34	0.06	24.68	2.80	0.53	0.2635	0.2612
Mizoram	22.09	3.27	0.83	23.04	3.49	0.89	0.2010	0.1856	3.62	0.37	0.07	7.89	1.00	0.22	0.2490	0.2291
Nagaland	22.05	2.79	0.55	10.02	1.02	0.19	0.2293	0.2056	3.30	0.24	0.03	4.26	0.54	0.10	0.2422	0.2336
Odisha	46.91	12.11	4.33	60.78	17.37	6.63	0.2852	0.2659	44.72	13.40	5.41	37.59	9.60	3.50	0.3535	0.3402
Puducherry	22.69	2.44	0.37	22.91	3.99	0.84	0.3471	0.3263	21.96	3.65	0.92	9.92	1.33	0.29	0.3156	0.3202
Punjab	9.02	1.19	0.26	22.12	3.76	0.97	0.2942	0.2854	6.29	0.67	0.12	18.71	3.17	0.77	0.4021	0.3378
Rajasthan	18.32	2.96	0.74	35.84	7.01	2.00	0.2496	0.2213	32.31	7.18	2.30	29.69	5.75	1.68	0.3715	0.3222
Sikkim	22.07	3.47	0.76	31.77	5.62	1.43	0.2728	0.2539	3.44	0.71	0.25	25.95	3.35	0.89	0.2561	0.2447
Tamil Nadu	22.99	3.80	1.00	37.54	7.43	2.13	0.3222	0.2758	22.46	4.70	1.46	19.74	4.09	1.25	0.3609	0.3644
Tripura	22.08	3.38	0.84	44.46	9.58	2.90	0.2185	0.2114	3.47	0.43	0.09	22.47	3.80	0.96	0.3415	0.3134
Uttar Pradesh	33.32	6.33	1.81	42.72	9.16	2.77	0.2902	0.2524	30.13	7.05	2.34	34.06	7.80	2.53	0.3691	0.3545
Uttarakhand	40.65	7.77	2.11	35.13	5.80	1.41	0.2851	0.2394	36.50	8.47	2.59	26.20	5.09	1.41	0.3268	0.3163
West Bengal	28.37	5.31	1.46	38.23	7.92	2.35	0.2738	0.2555	13.50	2.48	0.68	24.42	5.29	1.64	0.3833	0.3725
All India	28.12	5.50	1.63	41.80	9.24	2.94	0.3045	0.2808	25.84	6.21	2.16	25.68	5.78	1.88	0.3764	0.3643

Note: Calculations use poverty lines and assumptions given in official publications (see Table 3 and note in Table 1), but the state-specific incidences do not match, particularly for the old method.

Source: Unit level data, Schedule 1.0, NSS 61st Round, 2004-05.

Figure 1: Map Depicting Incidence of Poor across States in Rural India, 2004-05 (a) Old Method and (b) New Method

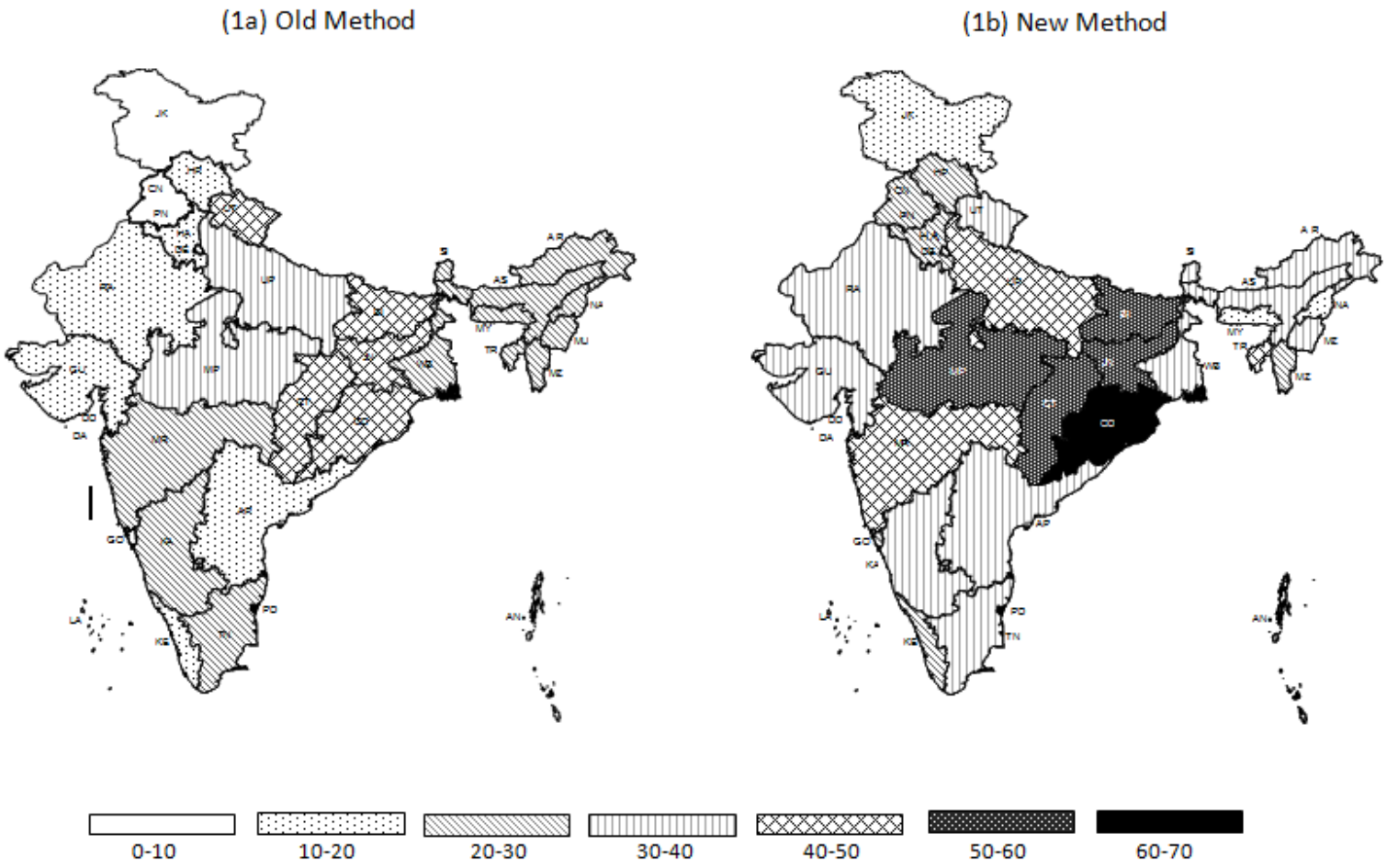


Figure 2: Map Depicting Incidence of Poor across States in Urban India, 2004-05 (a) Old Method and (b) New Method

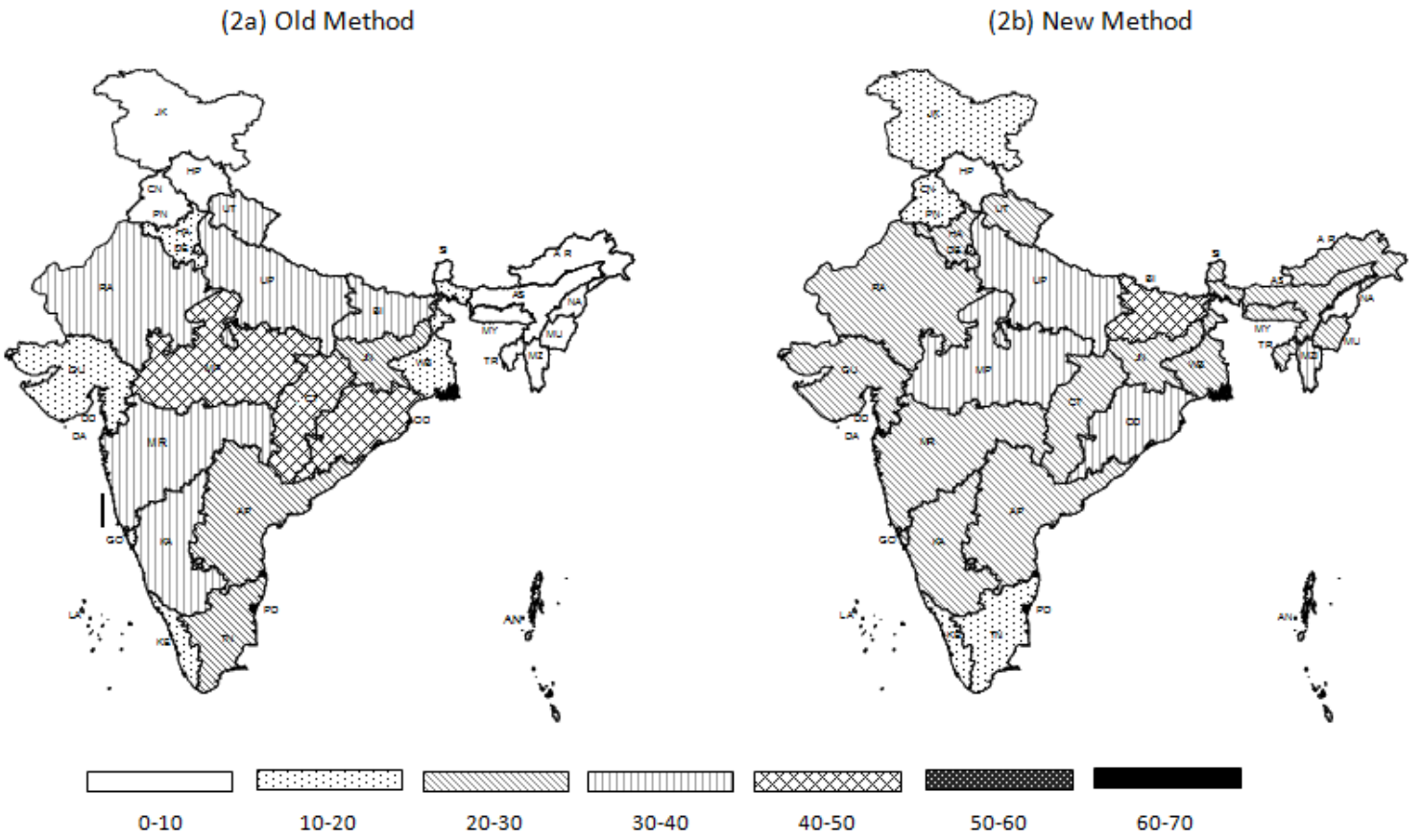
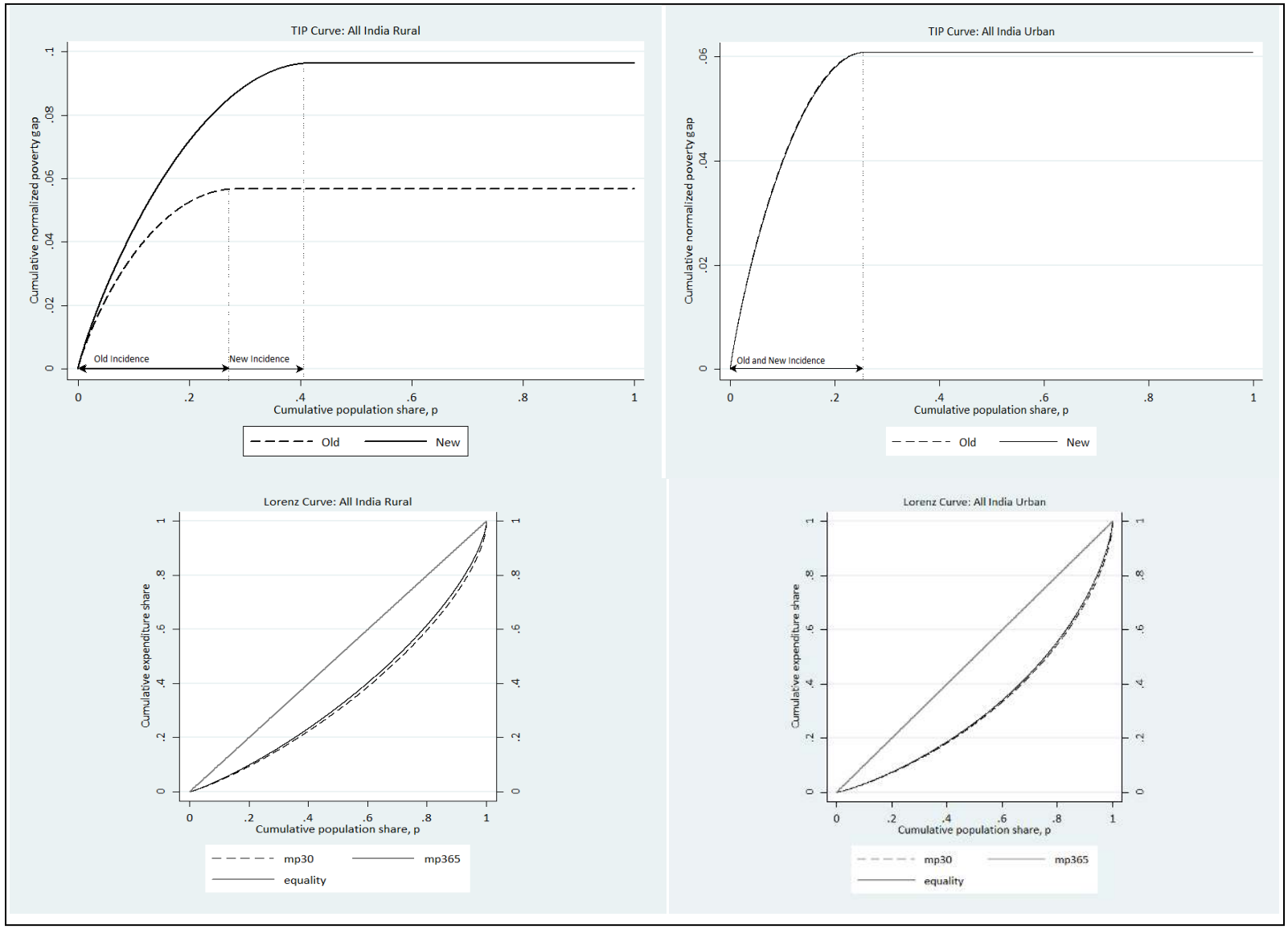


Figure 3: TIP and Lorenz Curves for India with Old and New Methods, 2004-05, Rural and Urban



5. Poverty and Inequality across Sub-groups of Population

5.1 NSS Regions

The poorest two NSS regions of rural India in 2004-05 are southern and northern Odisha (headcount ratio or HCR of 81 per cent and 72 per cent respectively), see Table 5. The two regions together include the undivided districts of Koraput, Bolangir and Kalahandi (the KBK districts that have received public policy and media attention for hunger and starvation deaths), and Kandhamal that came into discussion because of communal strife in recent years. They also are the mineral and resource-rich areas with a greater concentration of the tribal population. The remaining region from Odisha comprising the coastal districts also has incidence of poor which is greater than the all India average, which is 41.7 per cent, under the new method. For a discussion on poverty scenario in Odisha see Mishra (2009b).

Further, in the new method, there are 30 more rural regions where the incidence of poverty is greater than two-fifths. They include the hills region (one of the three) from Assam, the south western and inland southern regions (two of the four) from Andhra Pradesh, both the regions from Bihar, Chhattisgarh, Dadra & Nagar Haveli, the eastern and dry areas regions (two of the five) from Gujarat, Jharkhand, the inland northern region (one of the four) from Karnataka, all the six regions from Madhya Pradesh, five of the six regions from Maharashtra (it excludes western Maharashtra region only), the hills region (one of the two) from Manipur, the southern and western regions (two of the four) from Rajasthan, the coastal northern region (one of the four) from Tamil Nadu, Tripura, eastern and southern regions (two of the four) from Uttar Pradesh, and eastern plains region (one of the four) from West Bengal.

When it comes to the share of poor across regions, it is eastern region of Uttar Pradesh that stands out (Table 6).[6] Under the new method, it accounts for nearly 10 per cent of the country's rural poor. The two regions of Bihar, the northern region of Uttar Pradesh and Jharkhand account for another 22 per cent of the rural poor. The eastern plains region of West Bengal, Chhattisgarh, central region of Uttar Pradesh, inland northern region of

[6] For a discussion on poverty scenario in Uttar Pradesh see Pathak (2010).

Karnataka, and northern region of Odisha account for another 14 per cent of the rural poor. This means that ten regions account for 46 per cent share of the rural poor.

In urban areas, inland central region of Maharashtra has the highest incidence of poor.[7] Under the new method, it is 61 per cent. The hills region of Manipur has 51 per cent incidence of poverty. Eleven more regions (inland northern Karnataka, southern Uttar Pradesh, southern Odisha, inland northern Maharashtra, eastern plains of West Bengal, northern Madhya Pradesh, central Bihar, eastern Uttar Pradesh, inland eastern Maharashtra and south western Andhra Pradesh) have poverty incidence greater than two-fifths. Including all these, a total of 38 regions have poverty incidence greater than 25 per cent.

With regard to share of poor in urban areas, western Uttar Pradesh has the highest share. In the new method it is 8 per cent. This along with inland northern of Karnataka, central plains of West Bengal, eastern Uttar Pradesh and central Bihar account for 25 per cent share of urban poor. Inland western, inland eastern and inland central regions of Maharashtra accounting for ten per cent of the urban poor, which increases to more than 18 per cent if we include the other three regions of Maharashtra.

[7] For a discussion on socio-economic inequities and calorie deprivation in Maharashtra see Mishra (2009a) and Mishra and Hari (2009) respectively.

Table 5: Poverty and Inequality across NSS Regions with Old and New Methods, 2004-05, Rural and Urban

NSS Region	Rural								NSS Region	Urban							
	Poverty						Inequality			Poverty						Inequality	
	Old Method			New Method			Old	New		Old Method			New Method			Old	New
	α = 0	α = 1	α = 2	α = 0	α = 1	α = 2				α = 0	α = 1	α = 2	α = 0	α = 1	α = 2		
AN1	22.49	3.23	0.79	3.29	0.22	0.02	0.3360	0.3081	AN1	21.96	3.68	0.88	0.81	0.01	0.00	0.3756	0.3430
AP1	6.97	1.53	0.63	23.58	5.26	1.85	0.2826	0.2624	AP1	21.93	4.57	1.49	19.53	4.03	1.29	0.3778	0.3517
AP2	11.05	1.66	0.49	34.38	6.73	1.98	0.2931	0.2611	AP2	28.19	5.48	1.57	21.07	3.96	1.06	0.3854	0.3811
AP3	22.44	4.38	1.44	54.45	12.78	4.27	0.2697	0.2443	AP3	41.34	10.18	3.56	40.45	9.21	3.09	0.3252	0.3335
AP4	11.52	2.37	0.81	40.87	9.68	3.26	0.3155	0.2863	AP4	37.20	8.11	2.42	34.52	7.74	2.61	0.2885	0.3234
AR1	21.97	4.31	1.33	33.55	7.41	2.45	0.2800	0.2619	AR1	3.43	0.46	0.11	23.53	4.64	1.25	0.2480	0.2351
AS1	20.74	3.14	0.70	35.45	6.55	1.71	0.2089	0.2001	AS1	4.01	0.45	0.08	21.15	4.55	1.26	0.3601	0.3141
AS2	22.85	4.04	1.11	35.55	7.32	2.23	0.1927	0.1886	AS2	3.53	0.48	0.12	21.23	3.95	1.08	0.2919	0.3068
AS3	23.24	2.48	0.43	58.12	7.21	1.38	0.1216	0.1182	AS3	1.43	0.06	0.00	36.69	5.37	1.00	0.2091	0.2137
BI1	41.60	7.80	2.09	53.74	12.21	3.77	0.2134	0.1987	BI1	38.60	9.43	3.01	45.32	12.96	4.72	0.3064	0.3059
BI2	44.11	8.67	2.41	58.72	13.39	4.13	0.1972	0.1859	BI2	35.12	6.64	1.93	43.10	10.83	3.52	0.3405	0.3241
CN1	7.54	0.00	0.00	15.47	3.74	1.29	0.2465	0.2562	CN1	6.20	1.09	0.28	10.09	2.24	0.67	0.3608	0.3659
CT1	40.77	9.24	3.14	55.06	13.69	4.92	0.2982	0.2644	CT1	34.62	10.64	4.08	28.39	7.20	2.58	0.4392	0.3717
DA1	39.64	8.50	3.33	63.63	18.02	7.14	0.3532	0.3345	DA1	19.17	6.24	2.26	16.81	4.98	1.63	0.3003	0.3087
DD1	4.53	0.75	0.23	2.41	0.47	0.09	0.2630	0.2518	DD1	19.06	3.63	0.85	14.43	2.08	0.32	0.2524	0.2382
DE1	6.89	0.31	0.01	15.57	1.93	0.35	0.2779	0.2965	DE1	16.34	2.62	0.71	12.87	1.99	0.53	0.3362	0.3343
GO1	5.64	0.34	0.05	28.09	5.56	1.66	0.3213	0.2984	GO1	19.71	4.64	1.80	22.21	4.30	1.54	0.4195	0.3568
GU1	26.15	4.85	1.49	51.18	13.23	4.63	0.2704	0.2672	GU1	15.64	2.99	0.99	24.94	5.08	1.61	0.2768	0.3038
GU2	21.57	3.28	0.76	38.03	9.47	3.08	0.2893	0.2967	GU2	16.48	3.06	0.79	21.93	4.76	1.41	0.3442	0.3436
GU3	17.93	3.18	0.81	39.79	9.31	3.01	0.3075	0.2861	GU3	8.04	1.43	0.42	14.08	2.55	0.71	0.2996	0.3085
GU4	24.97	4.94	1.42	48.34	11.63	4.28	0.2159	0.2236	GU4	28.49	4.90	1.50	27.47	6.59	2.17	0.2535	0.2662
GU5	2.71	0.37	0.06	16.70	2.43	0.57	0.2181	0.2041	GU5	12.45	2.02	0.52	22.50	3.72	1.02	0.2496	0.2321
HA1	12.69	2.12	0.54	22.95	4.36	1.20	0.3617	0.3612	HA1	11.21	2.78	0.98	18.16	3.93	1.40	0.3560	0.3464
HA2	14.14	2.69	0.78	27.81	5.32	1.53	0.2873	0.2394	HA2	23.32	4.57	1.26	33.86	7.63	2.22	0.3785	0.2888
HP1	10.53	1.60	0.38	24.97	4.22	1.12	0.3096	0.2893	HP1	3.19	0.86	0.33	4.55	1.07	0.41	0.3231	0.2803
JK1	2.93	0.32	0.05	4.97	0.95	0.25	0.2552	0.2275	JK1	4.13	0.98	0.31	4.65	0.90	0.26	0.2667	0.2736
JK2	9.26	1.64	0.51	32.72	4.39	1.03	0.1465	0.1510	JK2	3.95	0.56	0.12	9.26	1.04	0.18	0.1876	0.2112
JK3	3.96	0.59	0.13	14.63	2.19	0.54	0.2382	0.2025	JK3	9.20	2.14	0.60	13.19	2.78	0.73	0.2196	0.2147
JN1	46.15	9.88	2.94	51.64	11.12	3.37	0.2275	0.2086	JN1	20.25	4.29	1.31	23.82	5.77	1.90	0.3552	0.3360

Continued

Table 5: Poverty and Inequality across NSS Regions with Old and New Methods, 2004-05, Rural and Urban

Rural									Urban								
NSS Region	Poverty						Inequality		NSS Region	Poverty						Inequality	
	Old Method			New Method			Old	New		Old Method			New Method			Old	New
	α = 0	α = 1	α = 2	α = 0	α = 1	α = 2				α = 0	α = 1	α = 2	α = 0	α = 1	α = 2		
KA1	20.26	3.04	0.75	26.98	6.43	2.04	0.3821	0.3151	KA1	42.88	12.03	4.07	38.16	8.57	2.55	0.4453	0.4281
KA2	5.10	0.55	0.07	17.81	2.00	0.38	0.2313	0.2211	KA2	28.96	5.34	1.38	20.49	3.16	0.76	0.2743	0.2800
KA3	15.15	1.72	0.35	27.47	3.98	0.90	0.2540	0.2484	KA3	14.07	2.71	0.84	7.91	1.50	0.45	0.3335	0.3391
KA4	27.35	4.00	0.90	49.60	8.97	2.33	0.2296	0.2036	KA4	57.04	17.01	6.71	49.47	12.73	4.58	0.3238	0.3049
KE1	21.12	4.31	1.47	30.31	6.76	2.30	0.3550	0.3138	KE1	33.49	8.94	3.33	30.88	8.08	2.94	0.4235	0.3813
KE2	7.51	1.63	0.61	12.91	2.65	0.88	0.3759	0.3458	KE2	12.53	2.13	0.58	11.49	1.81	0.44	0.3888	0.3841
LA1	11.43	0.13	0.04	0.34	0.10	0.03	0.3115	0.2532	LA1	19.95	5.75	2.84	10.31	3.76	1.83	0.3939	0.2647
MP1	48.02	11.11	3.44	59.72	14.22	4.51	0.2508	0.2361	MP1	48.83	14.85	6.30	28.29	7.18	2.44	0.3093	0.3050
MP2	50.40	12.11	4.17	64.53	17.67	6.62	0.2521	0.2460	MP2	32.62	9.47	3.52	36.63	10.45	4.08	0.3284	0.3445
MP3	25.09	5.12	1.67	42.10	9.41	3.10	0.3029	0.2886	MP3	47.55	12.81	4.91	28.55	6.81	2.18	0.4615	0.4017
MP4	49.45	11.56	3.71	64.46	16.91	6.04	0.2522	0.2312	MP4	43.65	11.05	3.65	39.62	9.03	3.10	0.3380	0.3075
MP5	23.78	3.98	1.05	53.22	10.46	2.93	0.2120	0.2032	MP5	57.14	15.31	5.78	38.99	8.54	2.50	0.3321	0.3195
MP6	22.87	3.64	0.92	40.10	7.34	2.06	0.2185	0.2128	MP6	34.62	10.64	4.08	44.50	10.77	3.66	0.3632	0.3298
MR1	26.03	5.71	1.88	44.03	11.49	4.36	0.3204	0.3151	MR1	14.51	2.75	0.78	7.86	1.36	0.35	0.3597	0.3394
MR2	9.55	1.24	0.27	26.47	3.95	0.95	0.2766	0.2606	MR2	36.81	8.92	3.02	28.22	5.77	1.68	0.3271	0.3418
MR3	37.94	8.74	3.06	54.91	15.29	6.00	0.2846	0.2676	MR3	48.17	15.30	6.54	44.84	12.80	5.18	0.3619	0.3478
MR4	42.64	9.72	3.05	61.30	16.39	5.88	0.3277	0.2668	MR4	66.17	25.03	11.19	60.29	18.37	7.08	0.3395	0.3295
MR5	33.45	6.14	1.62	53.81	12.93	4.19	0.2822	0.2623	MR5	46.88	14.74	5.96	41.22	11.31	4.10	0.3708	0.3604
MR6	47.05	12.03	4.41	63.13	19.96	8.26	0.3422	0.3265	MR6	35.77	10.53	4.27	31.44	8.34	3.23	0.2902	0.3026
MU1	13.02	1.50	0.27	24.53	3.02	0.58	0.1655	0.1529	MU1	3.17	0.23	0.03	33.55	4.78	0.93	0.1762	0.1627
MU2	32.60	4.59	0.92	56.65	8.87	2.05	0.1276	0.1248	MU2	10.91	1.16	0.16	51.36	11.05	2.88	0.1811	0.1944
MY1	21.95	2.69	0.52	13.98	1.40	0.23	0.1618	0.1497	MY1	3.62	0.34	0.06	24.68	2.80	0.53	0.2635	0.2612
MZ1	22.09	3.27	0.83	23.04	3.49	0.89	0.2010	0.1856	MZ1	3.62	0.37	0.07	7.89	1.00	0.22	0.2490	0.2291
NA1	22.05	2.79	0.55	10.02	1.02	0.19	0.2293	0.2056	NA1	3.30	0.24	0.03	4.26	0.54	0.10	0.2422	0.2336
OD1	27.39	5.34	1.55	44.64	9.52	2.98	0.2561	0.2311	OD1	44.11	12.27	4.72	36.99	8.90	3.08	0.3426	0.3382
OD2	72.66	24.31	10.04	80.70	30.32	13.67	0.2678	0.2612	OD2	55.03	19.73	9.19	46.39	15.11	6.46	0.4664	0.3915
OD3	59.07	14.58	4.98	71.58	20.88	7.72	0.2812	0.2700	OD3	42.90	13.22	5.32	36.12	9.10	3.28	0.3339	0.3281
PD1	22.69	2.44	0.37	22.91	3.99	0.84	0.3471	0.3263	PD1	21.96	3.65	0.92	9.92	1.33	0.29	0.3156	0.3202
PN1	4.37	0.51	0.08	15.66	2.12	0.44	0.2825	0.2799	PN1	5.11	0.51	0.08	16.16	2.40	0.54	0.4147	0.3310
PN2	14.60	2.00	0.47	29.87	5.71	1.61	0.3047	0.2835	PN2	8.78	1.02	0.21	24.07	4.80	1.24	0.3674	0.3473

Continued

Table 5: Poverty and Inequality across NSS Regions with Old and New Methods, 2004-05, Rural and Urban

Rural									Urban								
NSS Region	Poverty						Inequality		NSS Region	Poverty						Inequality	
	Old Method			New Method			Old	New		Old Method			New Method			Old	New
	α = 0	α = 1	α = 2	α = 0	α = 1	α = 2				α = 0	α = 1	α = 2	α = 0	α = 1	α = 2		
RA1	22.52	3.89	1.03	40.38	8.22	2.44	0.2655	0.2294	RA1	30.03	6.87	2.33	27.52	5.58	1.72	0.3122	0.3148
RA2	12.73	1.84	0.41	27.33	4.74	1.20	0.2369	0.2060	RA2	36.04	8.06	2.50	33.20	6.35	1.79	0.4082	0.3149
RA3	30.36	4.66	1.12	55.02	12.06	3.66	0.2551	0.2386	RA3	23.63	4.19	1.04	20.52	3.24	0.76	0.2978	0.2946
RA4	10.94	2.10	0.53	29.64	5.43	1.59	0.2109	0.2060	RA4	25.01	5.35	2.06	23.79	4.79	1.66	0.3721	0.3772
SI1	22.07	3.47	0.76	31.77	5.62	1.43	0.2728	0.2539	SI1	3.44	0.71	0.25	25.95	3.35	0.89	0.2561	0.2447
TN1	28.14	4.82	1.28	45.41	9.87	2.96	0.3069	0.2860	TN1	16.54	2.95	0.75	15.98	3.10	0.88	0.3719	0.3772
TN2	13.54	1.58	0.34	26.32	3.93	0.92	0.2875	0.2581	TN2	21.03	3.57	1.03	15.58	2.67	0.73	0.3078	0.3169
TN3	21.70	3.35	0.93	37.56	6.73	1.84	0.3094	0.2643	TN3	34.55	7.92	2.63	27.98	6.33	1.98	0.3068	0.3186
TN4	26.69	5.01	1.32	38.40	8.40	2.51	0.3737	0.2828	TN4	22.62	5.42	1.85	20.88	4.50	1.49	0.3609	0.3566
TR1	22.08	3.38	0.84	44.46	9.58	2.90	0.2185	0.2114	TR1	3.47	0.43	0.09	22.47	3.80	0.96	0.3415	0.3134
UP1	24.07	3.90	0.97	33.56	5.94	1.54	0.2873	0.2512	UP1	27.98	6.26	1.94	33.86	7.24	2.17	0.3508	0.3478
UP2	30.12	5.65	1.56	37.53	8.55	2.62	0.2950	0.2572	UP2	24.64	6.16	2.25	23.92	6.13	2.32	0.4238	0.3863
UP3	41.37	8.44	2.56	51.94	11.82	3.76	0.2750	0.2366	UP3	37.53	8.55	2.74	41.27	9.58	3.03	0.3203	0.3090
UP4	38.87	7.33	2.02	44.69	10.64	3.32	0.3111	0.2609	UP4	43.01	12.03	4.82	48.22	12.70	4.73	0.3084	0.2659
UT1	40.65	7.77	2.11	35.13	5.80	1.41	0.2851	0.2394	UT1	36.50	8.47	2.59	26.20	5.09	1.41	0.3268	0.3163
WB1	20.09	3.52	1.00	27.78	5.09	1.47	0.2267	0.2027	WB1	15.40	2.10	0.48	32.50	7.08	1.94	0.3149	0.3064
WB2	42.88	8.51	2.36	55.85	12.58	3.77	0.2635	0.2367	WB2	26.45	5.52	1.53	44.59	11.06	3.70	0.3541	0.3487
WB3	20.06	2.91	0.68	26.45	4.33	1.10	0.2546	0.2452	WB3	10.55	1.84	0.50	19.79	3.96	1.18	0.3867	0.3753
WB4	24.85	5.39	1.63	36.76	8.30	2.73	0.3102	0.2795	WB4	17.05	3.23	0.91	26.86	6.34	2.16	0.3060	0.2954
AI	28.12	5.50	1.63	41.80	9.24	2.94	0.3045	0.2808	AI	25.84	6.21	2.16	25.68	5.78	1.88	0.3764	0.3643

Note: The first two letter codes refer to the state as follows: AI=All India, AN=Andaman & Nicobar Islands, AP=Andhra Pradesh, AR=Arunachal Pradesh, AS=Assam, BI=Bihar, CN=Chandigarh, CT=Chhattisgarh, DA=Dadra & Nagar Haveli, DD=Daman & Diu, DE=Delhi, GO=Goa, GU=Gujarat, HA=Haryana, HP=Himachal Pradesh, JK=Jammu & Kashmir, JN=Jharkhand, KA=Karnataka, KE=Kerala, LA=Lakshadweep, MP=Madhya Pradesh, MR=Maharashtra, MU=Manipur, MY=Meghalaya, MZ=Mizoran, NA=Nagaland, OD=Odisha, PD=Puducherry, PN=Punjab, RA=Rajasthan, SI=Sikkim, TN=Tamil Nadu, TR=Tripura, UP=Uttar Pradesh, UT=Uttarakhand, and WB=West Bengal. And the number refers to the region within the state. In those states with more than one region they refer to the following: AP1=Coastal, AP2=Inland Northern, AP3=South Western, AP4=Inland Southern, AS1=Plains Eastern, AS2=Plains Western, AS3=Hills, BI1=Northern, BI2=Central, GU1=Eastern, GU2=Plains Northern, GU3=Plains Southern, GU4=Dry Areas, GU5=Saurashtra, HA1=Eastern, HA2=Western, JK1=Mountainous, JK2=Outer Hills, JK3=Jhelam Valley, KA1=Coastal & Ghats, KA2=Inland Eastern, KA3=Inland Southern, KA4=Inland Northern, KE1=Northern, KE2=Southern, MP1=Vindhya, MP2=Central, MP3=Malwa, MP4=South, MP5=South Western, MP6=Northern, MR1=Coastal, MR2=Inland Western, MR3=Inland Northern, MR4=Inland Central, MR5=Inland Eastern, MR6=Eastern, MU1=Plains, MU2=Hills, OD1=Coastal, OD2=Southern, OD3=Northern, PN1=Northern, PN2=Southern, RA1=Western, RA2=North Eastern, RA3=Southern, RA4=South Eastern, TN1=Coastal Northern, TN2=Coastal, TN3=Southern, TN4=Inland, UP1=Western, UP2=Central, UP3=Eastern, UP4=Southern, WB1=Himalayan, WB2=Eastern Plains, WB3=Central Plains and WB4=Western Plains. AI refers to All-India. In the old method, there are no independent estimates for 12 smaller states/union territories; poverty ratio of a neighbouring reference state has been used. For details, see notes in Tables 1 and 4.

Source: Unit level data, Schedule 1.0, NSS 61st Round, 2004-05.

Table 6: Share of Poor across NSS Regions, Old and New Methods, 2004-05, Rural and Urban

Rural					Urban				
NSS	Share of Poor		Rank		NSS	Share of Poor		Rank	
Region	Old (%)	New (%)	Old	New	Region	Old (%)	New (%)	Old	New
UP3	11.444	9.694	1	1	UP1	6.643	8.218	1	1
BI1	9.137	7.965	2	2	KA4	5.078	4.502	2	2
BI2	6.318	5.675	3	3	WB3	2.277	4.369	18	3
UP1	5.310	4.994	4	4	UP3	3.752	4.219	4	4
JN1	4.677	3.530	5	5	BI2	2.883	3.619	11	5
WB2	3.724	3.272	6	6	MR2	4.218	3.306	3	6
CT1	3.245	2.956	8	7	MR5	3.591	3.229	5	7
UP2	3.445	2.896	7	8	MR4	3.461	3.224	7	8
KA4	2.249	2.751	12	9	RA2	3.327	3.134	8	9
OR3	3.044	2.489	9	10	TN1	2.690	2.656	13	10
MR4	2.479	2.404	10	11	UP2	2.532	2.513	15	11
AP2	1.068	2.242	28	12	AP1	2.673	2.435	14	12
OR1	1.873	2.060	15	13	TN3	2.890	2.393	10	13
RA1	1.666	2.015	17	14	DE1	2.923	2.355	9	14
MP1	2.279	1.912	11	15	MR3	2.356	2.242	17	15
AP1	0.806	1.840	35	16	AP2	2.767	2.115	12	16
WB3	1.959	1.742	14	17	MR1	3.547	1.964	6	17
MR5	1.518	1.648	19	18	JN1	1.615	1.942	26	18
RA2	1.113	1.612	27	19	WB2	1.118	1.927	33	19
MP4	1.822	1.602	16	20	TN4	2.039	1.925	20	20
AS2	1.500	1.574	20	21	GU2	1.380	1.878	27	21
WB4	1.567	1.564	18	22	MP3	2.082	1.863	19	22
OR2	1.997	1.496	13	23	CT1	2.433	1.675	16	23
MP3	1.234	1.398	23	24	RA1	1.704	1.597	24	24
TN1	1.234	1.343	24	25	MP6	1.949	1.552	21	25
GU1	1.010	1.333	30	26	BI1	1.238	1.486	30	26
MR3	1.363	1.331	21	27	OR1	1.618	1.387	25	27
MR2	0.706	1.320	39	28	GU5	0.746	1.379	41	28
MP2	1.292	1.116	22	29	MP2	1.787	1.371	22	29
RA3	0.864	1.057	33	30	UP4	1.115	1.278	34	30
AP3	0.610	0.999	44	31	PU1	0.389	1.257	49	31
MP5	0.660	0.997	42	32	KE1	1.237	1.167	31	32
TN4	1.012	0.982	29	33	HA1	0.703	1.165	43	33
AS1	0.849	0.979	34	34	GU3	0.645	1.156	44	34
UP4	1.231	0.955	25	35	AP3	1.131	1.131	32	35
KE1	0.982	0.951	31	36	MP4	1.283	1.093	28	36
TN3	0.793	0.926	36	37	OR3	1.268	1.092	29	37
KA3	0.725	0.888	38	38	MP5	1.098	1.003	35	38
MR1	0.766	0.874	37	39	KA3	1.724	0.992	23	39
MR6	0.939	0.850	32	40	PU2	0.317	0.890	53	40
GU4	0.623	0.814	43	41	HA2	0.540	0.801	47	41
GU2	0.682	0.811	40	42	MP1	0.957	0.800	37	42
MP6	0.674	0.797	41	43	UT1	1.080	0.793	36	43
UT1	1.227	0.716	26	44	KE2	0.837	0.785	39	44
PU2	0.499	0.688	47	45	AP4	0.751	0.713	40	45
HA1	0.562	0.685	45	46	TN2	0.916	0.693	38	46

Continued

Table 6: Share of Poor across NSS Regions, Old and New Methods, 2004-05, Rural and Urban

Rural					Urban				
NSS	Share of Poor		Rank		NSS	Share of Poor		Rank	
Region	Old (%)	New (%)	Old	New	Region	Old (%)	New (%)	Old	New
GU3	0.457	0.685	49	47	AS2	0.096	0.592	67	47
AP4	0.271	0.649	55	48	KA1	0.609	0.554	45	48
TN2	0.457	0.600	50	49	MR6	0.593	0.533	46	49
KE2	0.486	0.563	48	50	WB4	0.320	0.515	52	50
HA2	0.392	0.520	51	51	GU1	0.309	0.503	54	51
WB1	0.550	0.513	46	52	WB1	0.196	0.422	63	52
RA4	0.244	0.446	56	53	AS1	0.073	0.394	68	53
HP1	0.274	0.438	54	54	OR2	0.407	0.351	48	54
PU1	0.179	0.432	58	55	RA4	0.348	0.339	51	55
TR1	0.278	0.377	53	56	GU4	0.308	0.303	55	56
GU5	0.082	0.343	65	57	JK3	0.200	0.293	61	57
KA1	0.314	0.282	52	58	KA2	0.386	0.279	50	58
JK3	0.090	0.225	63	59	RA3	0.307	0.272	56	59
KA2	0.091	0.215	62	60	MU1	0.251	0.237	58	60
AS3	0.099	0.166	60	61	GO1	0.185	0.214	64	61
MU2	0.077	0.134	66	62	TR1	0.266	0.168	57	62
JK2	0.038	0.089	69	63	MY1	0.217	0.150	59	63
AR1	0.087	0.089	64	64	CN1	0.724	0.119	42	64
MY1	0.196	0.084	57	65	PO1	0.196	0.088	62	65
MU1	0.091	0.068	61	66	AR1	0.127	0.084	66	66
GO1	0.017	0.058	76	67	AS3	0.003	0.066	78	67
NA1	0.174	0.053	59	68	JK1	0.043	0.050	69	68
SI1	0.050	0.049	67	69	MZ1	0.212	0.047	60	69
DE1	0.028	0.043	73	70	HP1	0.025	0.037	72	70
DA1	0.031	0.033	71	71	SI1	0.030	0.022	71	71
MZ1	0.046	0.032	68	72	MU2	0.014	0.021	75	72
JK1	0.028	0.032	74	73	NA1	0.160	0.019	65	73
PO1	0.036	0.024	70	74	DA1	0.019	0.017	73	74
CN1	0.031	0.005	72	75	JK2	0.006	0.014	77	75
AN1	0.027	0.003	75	76	DD1	0.016	0.012	74	76
DD1	0.004	0.001	77	77	LA1	0.007	0.004	76	77
LA1	0.003	0.000	78	78	AN1	0.039	0.001	70	78

Note: The NSS Region Codes are as in Table 5.

Source Unit level data, Schedule 1.0, NSS 61st Round, 2004-05.

5.2 Social Groups

The poorest social group is scheduled tribes from rural Orissa (Table 7). In the new method their incidence of poverty is 84 per cent. The other vulnerable groups in rural areas are scheduled tribes of Madhya Pradesh (80 per cent), scheduled castes of Bihar (77 per cent) and scheduled tribes of Maharashtra (72 per cent). Besides these, there are nine more social groups with incidence of poverty greater than 60 per cent under the new method. They are the scheduled tribes of Andhra Pradesh, Bihar, Chhattisgarh, Dadra & Nagar Haveli and Jharkhand and the scheduled castes of Jharkhand, Madhya Pradesh, Mizoram and Odisha. In addition, seventeen more social groups have a poverty incidence greater than 50 per cent of which eight are scheduled tribes, two are scheduled castes and seven are backward classes. Another 21 social groups have incidence of poverty greater that 40 per cent, of which three are scheduled tribes, ten are scheduled castes, six are backward classes and two are others. Further, in rural areas under the new method scheduled tribes are the poorest groups in twenty states/union territories. Scheduled castes are the poorest in thirteen states (Assam, Bihar, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Mizoram, Puducherry, Punjab, Sikkim, Tamil Nadu, Uttar Pradesh and Uttarakhand).[8] Backward classes are the poorest in five (Arunachal Pradesh, Daman & Diu, Delhi, Goa and Nagaland) and other classes in two (Andaman and Nicobar Island and Chandigarh), but one should be cautious while reading the results for sub-groups in smaller states/union territories with lower sample size.

The poorest social group in urban areas is scheduled castes of Bihar with an incidence of poverty of 71 per cent under the new method. Scheduled castes of Dadra & Nagar Haveli, Goa, Madhya Pradesh and Odisha also indicate a poverty incidence of 60 per cent or more. Another eight social groups indicate a poverty incidence greater than 50 per cent of which eight are from among scheduled tribes (Andhra Pradesh, Bihar, Dadra & Nagar Haveli, Karnataka and Odisha) and three from among scheduled castes (Jharkhand, Rajasthan and Sikkim). With an incidence of poverty between 25 to 50 per cent there are another 24 states/union territories of which 11 are scheduled castes, five are scheduled tribes, seven are backward classes and one is 'others'. Overall, in 23 states/union territories the

[8] For a larger discussion on scheduled castes using earlier data sources see the papers and references therein in a special issues of the *Journal of Indian School of Political Economy* (Betéille, 2000). A recent discourse on social exclusion is an edited book by Thorat and Newman (2009).

scheduled castes have the highest incidence of poverty, six are scheduled tribes (Andhra Pradesh, Karnataka, Lakshadweep, Meghalaya, Mizoram and West Bengal), three are backward classes (Gujarat, Himachal Pradesh and Manipur), and three are other classes (Andaman & Nicobar Islands, Arunachal Pradesh and Daman & Diu, but as indicated earlier we should careful in interpreting these result for states/union territories where such sub-groups have smaller sample sizes).

Poverty across social groups at all India level indicates an increase in incidence of poverty in rural areas when we compare the computations in the old method to that of the new. For scheduled tribes, scheduled castes, backward classes and other classes the percentage point change (new minus old) is 16.6 per cent, 16.4 per cent, 14.0 per cent and 9.6 per cent respectively; whereas the simple percentage change (percentage point change/old) is 36.6 per cent, 44.3 per cent, 54.0 per cent and 55.1 per cent respectively. The latter being higher for lower bases even with lower percentage point increase is a statistical artefact and should be left at that. In urban areas, the differences in incidence of poverty between the two methods is less than one percentage point for each and every social group, but just to mention, it has increased for scheduled tribes and other classes and decreased for scheduled castes and backward classes.

Table 7: Poverty and Inequality across State-wise Social Groups with Old and New Methods, 2004-05, Rural and Urban

NSS Region	Rural								NSS Region	Urban							
	Poverty						Inequality			Poverty						Inequality	
	Old Method			New Method			Old	New		Old Method			New Method			Old	New
	α = 0	α = 1	α = 2	α = 0	α = 1	α = 2				α = 0	α = 1	α = 2	α = 0	α = 1	α = 2		
AN-ST	-	-	-	-	-	-	-	-	AN-ST	-	-	-	-	-	-	-	-
AN-SC	-	-	-	-	-	-	-	-	AN-SC	-	-	-	-	-	-	-	-
AN-BC	-	-	-	-	-	-	-	-	AN-BC	-	-	-	-	-	-	-	-
AN-OC	22.65	3.25	0.80	3.32	0.22	0.02	0.3369	0.3089	AN-OC	22.45	3.76	0.90	0.83	0.01	0.00	0.3800	0.3435
AP-ST	28.29	6.90	2.91	60.29	17.50	7.08	0.2928	0.2629	AP-ST	51.90	13.30	4.59	50.11	11.73	3.88	0.3031	0.2732
AP-SC	15.52	2.86	1.04	41.83	9.29	3.14	0.2570	0.2325	AP-SC	37.37	7.78	2.18	34.99	6.80	1.82	0.3221	0.3074
AP-BC	8.64	1.44	0.42	31.60	6.18	1.81	0.2826	0.2490	AP-BC	28.69	5.73	1.83	23.80	4.85	1.60	0.3369	0.3249
AP-OC	3.76	0.46	0.10	16.15	2.95	0.79	0.2911	0.2733	AP-OC	20.21	4.45	1.44	16.49	3.52	1.07	0.4042	0.3917
AR-ST	19.23	4.17	1.35	29.68	6.77	2.39	0.2795	0.2593	AR-ST	4.69	0.96	0.29	23.47	5.81	1.98	0.2573	0.2518
AR-SC	2.97	0.30	0.03	2.97	0.66	0.15	0.1144	0.1076	AR-SC	-	-	-	13.64	2.72	0.57	0.1166	0.1135
AR-BC	30.56	9.18	3.37	51.12	10.47	3.44	0.2087	0.1796	AR-BC	-	-	-	8.77	1.53	0.27	0.0909	0.0915
AR-OC	31.22	4.54	1.15	46.36	9.52	2.62	0.2797	0.2683	AR-OC	3.53	0.24	0.03	26.99	4.54	0.99	0.2611	0.2444
AS-ST	12.62	1.74	0.37	28.76	4.11	0.99	0.1589	0.1556	AS-ST	2.93	0.14	0.01	29.80	6.51	1.54	0.2301	0.2455
AS-SC	25.71	4.42	1.11	45.32	8.85	2.49	0.1949	0.1893	AS-SC	5.09	1.42	0.48	37.24	7.20	2.04	0.2861	0.2853
AS-BC	18.15	3.27	0.81	31.92	6.59	1.88	0.2095	0.1994	AS-BC	5.39	0.53	0.09	26.74	5.57	1.64	0.4092	0.2986
AS-OC	26.10	4.32	1.14	38.75	7.86	2.33	0.2067	0.2006	AS-OC	2.87	0.26	0.04	15.58	2.85	0.74	0.2880	0.3044
BI-ST	56.19	6.65	1.01	59.33	12.96	3.13	0.1477	0.1575	BI-ST	57.24	5.60	0.55	57.24	12.18	2.59	0.2972	0.2931
BI-SC	64.17	13.69	3.87	77.64	20.11	6.65	0.1748	0.1657	BI-SC	66.85	17.47	5.88	71.20	24.38	9.67	0.4579	0.4513
BI-BC	38.52	7.22	1.97	52.64	11.46	3.48	0.1940	0.1822	BI-BC	40.25	7.63	2.16	49.64	12.20	3.84	0.2972	0.2752
BI-OC	26.36	3.70	0.82	35.75	6.62	1.65	0.2260	0.2024	BI-OC	17.22	3.57	1.14	22.98	5.45	1.89	0.2798	0.2682
CN-ST	-	-	-	-	-	-	-	-	CN-ST	22.54	0.13	0.08	23.38	3.02	0.45	0.2628	0.3290
CN-SC	-	-	-	1.98	0.42	0.09	0.2254	0.2306	CN-SC	15.62	1.98	0.32	28.22	4.90	1.14	0.3339	0.3344
CN-BC	-	-	-	7.14	0.55	0.06	0.1852	0.1934	CN-BC	11.78	4.33	1.60	13.21	5.86	2.75	0.3283	0.3326
CN-OC	14.02	0.00	0.00	24.75	6.54	2.33	0.2309	0.2403	CN-OC	2.14	0.47	0.11	3.93	0.98	0.28	0.3280	0.3316
CT-ST	54.82	13.49	4.85	65.47	18.27	7.05	0.2731	0.2366	CT-ST	42.12	16.96	8.66	32.73	12.92	6.14	0.3914	0.3358
CT-SC	31.99	6.55	1.89	48.55	10.82	3.31	0.3297	0.2491	CT-SC	52.73	18.17	7.10	44.63	10.81	2.96	0.3310	0.3464
CT-BC	34.09	7.13	2.38	50.96	11.64	4.04	0.2855	0.2685	CT-BC	53.86	13.91	4.84	32.45	7.29	2.33	0.4357	0.3348
CT-OC	28.28	6.34	1.68	38.71	8.63	2.75	0.3119	0.3035	CT-OC	22.32	5.19	1.63	13.97	2.46	0.80	0.4356	0.3637
DA-ST	43.77	9.35	3.69	69.91	19.84	7.89	0.2895	0.2640	DA-ST	56.90	20.09	7.51	50.36	15.64	5.20	0.4206	0.3803
DA-SC	-	-	-	-	-	-	0.2377	0.2151	DA-SC	83.59	12.98	2.54	66.02	10.64	1.73	0.0646	0.0654
DA-BC	21.71	5.33	1.31	21.71	8.34	3.21	0.2776	0.3414	DA-BC	-	-	-	-	-	-	0.1063	0.0595
DA-OC	4.99	1.32	0.35	14.73	3.28	1.01	0.2638	0.2410	DA-OC	2.29	0.33	0.06	1.98	0.45	0.16	0.2301	0.2666
DD-ST	4.75	0.00	0.00	-	-	-	0.1322	0.1320	DD-ST	4.19	0.00	0.00	4.19	0.39	0.04	0.0482	0.0495
DD-SC	-	-	-	-	-	-	0.2498	0.2263	DD-SC	10.96	1.52	0.34	3.29	0.77	0.18	0.1841	0.1696
DD-BC	8.79	2.07	0.64	6.62	1.29	0.26	0.1636	0.1583	DD-BC	35.82	5.35	1.40	14.04	2.73	0.58	0.2296	0.2374
DD-OC	-	-	-	-	-	-	0.2550	0.2502	DD-OC	16.86	3.77	0.84	16.86	2.23	0.30	0.2584	0.2371

Continued

Table 7: Poverty and Inequality across State-wise Social Groups with Old and New Methods, 2004-05, Rural and Urban

NSS Region	Rural								NSS Region	Urban							
	Poverty						Inequality			Poverty						Inequality	
	Old Method			New Method			Old	New		Old Method			New Method			Old	New
	α = 0	α = 1	α = 2	α = 0	α = 1	α = 2				α = 0	α = 1	α = 2	α = 0	α = 1	α = 2		
DE-ST	-	-	-	-	-	-	-	-	DE-ST	-	-	-	-	-	-	0.2221	0.2335
DE-SC	-	-	-	-	-	-	0.1338	0.1931	DE-SC	40.54	6.22	1.69	26.15	4.07	1.12	0.2314	0.2216
DE-BC	-	-	-	27.01	0.75	0.02	0.1754	0.1727	DE-BC	20.26	3.21	0.80	22.70	3.28	0.83	0.2285	0.2377
DE-OC	10.63	0.47	0.02	15.51	2.74	0.53	0.2893	0.3118	DE-OC	6.28	1.13	0.31	6.14	0.99	0.25	0.3164	0.3164
GO-ST	49.83	0.46	0.00	49.83	18.17	6.63	0.4079	0.3225	GO-ST	-	-	-	-	-	-	-	-
GO-SC	-	-	-	-	-	-	0.0780	0.1148	GO-SC	42.01	14.25	6.61	62.35	14.74	6.11	0.2855	0.2377
GO-BC	22.14	3.74	0.63	58.58	12.87	5.33	0.1833	0.2246	GO-BC	30.96	2.45	0.53	9.60	1.64	0.38	0.2177	0.2841
GO-OC	2.46	0.01	0.00	25.19	4.53	1.16	0.2994	0.2933	GO-OC	13.53	2.95	0.98	15.63	2.50	0.75	0.4282	0.3480
GU-ST	34.28	7.63	2.63	57.07	17.04	6.76	0.2640	0.2549	GU-ST	21.04	6.21	2.63	31.17	8.40	3.30	0.3042	0.4307
GU-SC	22.82	3.17	0.61	49.26	10.58	3.11	0.2191	0.2062	GU-SC	17.83	3.70	1.12	18.73	4.88	1.59	0.2647	0.2505
GU-BC	18.46	2.94	0.66	41.73	9.30	2.91	0.2350	0.2258	GU-BC	23.80	3.84	0.97	36.50	6.65	1.85	0.2784	0.2603
GU-OC	4.50	0.51	0.09	13.68	2.17	0.53	0.2721	0.2642	GU-OC	6.89	1.17	0.29	11.37	2.12	0.58	0.2966	0.2990
HA-ST	0.00	0.00	0.00	0.00	0.00	0.00	0.1160	0.1423	HA-ST	0.00	0.00	0.00	22.23	0.45	0.01	0.2963	0.2886
HA-SC	26.00	5.05	1.51	47.51	10.04	3.08	0.2316	0.2181	HA-SC	33.25	8.43	2.84	46.86	11.83	4.32	0.2778	0.2600
HA-BC	13.74	2.16	0.50	25.74	4.54	1.14	0.2727	0.2410	HA-BC	20.53	4.74	1.62	36.47	7.55	2.35	0.3447	0.2872
HA-OC	3.89	0.57	0.13	8.17	1.15	0.26	0.3628	0.3573	HA-OC	5.69	0.92	0.22	8.08	1.52	0.41	0.3405	0.3189
HP-ST	15.71	3.75	1.37	35.37	7.89	2.86	0.3460	0.3211	HP-ST	2.42	0.45	0.08	2.42	0.69	0.20	0.1700	0.1875
HP-SC	19.89	3.10	0.71	39.45	7.37	2.05	0.2653	0.2434	HP-SC	5.02	1.27	0.43	9.24	1.67	0.49	0.2343	0.2021
HP-BC	8.79	1.12	0.20	19.00	3.09	0.75	0.2471	0.2295	HP-BC	9.80	1.71	0.43	10.84	2.62	0.76	0.2023	0.1941
HP-OC	5.72	0.75	0.16	18.28	2.58	0.57	0.3232	0.3018	HP-OC	1.84	0.65	0.31	2.53	0.71	0.34	0.3321	0.2896
JK-ST	-	-	-	26.52	3.03	0.35	0.2770	0.2695	JK-ST	-	-	-	-	-	-	0.2465	0.2873
JK-SC	4.54	0.57	0.09	14.71	1.67	0.35	0.2266	0.2095	JK-SC	10.79	2.15	0.58	13.79	2.13	0.49	0.2186	0.1975
JK-BC	9.78	1.91	0.45	23.52	4.55	1.37	0.2500	0.2073	JK-BC	3.12	0.88	0.25	3.12	0.81	0.21	0.1735	0.1456
JK-OC	3.05	0.38	0.11	11.78	1.65	0.37	0.2488	0.2178	JK-OC	7.38	1.73	0.50	10.50	2.20	0.59	0.2449	0.2515
JN-ST	54.12	12.63	3.98	60.56	14.64	4.83	0.2131	0.2116	JN-ST	42.49	11.32	3.69	47.20	14.12	5.07	0.3396	0.3278
JN-SC	57.55	13.70	4.36	60.97	14.95	4.79	0.2156	0.2071	JN-SC	48.78	8.33	2.17	52.55	10.64	3.08	0.3445	0.3020
JN-BC	40.00	7.63	2.05	46.67	8.49	2.28	0.2150	0.1886	JN-BC	17.39	3.69	1.15	21.98	5.42	1.81	0.2809	0.2822
JN-OC	36.92	7.31	2.13	37.45	8.02	2.33	0.2830	0.2452	JN-OC	8.22	1.79	0.58	10.30	2.38	0.78	0.3358	0.3049
KA-ST	21.39	2.23	0.40	50.53	8.11	1.77	0.1726	0.1581	KA-ST	61.87	20.02	9.50	55.70	16.28	6.90	0.3111	0.3084
KA-SC	31.33	4.64	1.04	57.37	10.63	2.92	0.2072	0.2114	KA-SC	50.32	15.83	6.62	41.22	11.39	4.40	0.2791	0.2715
KA-BC	20.80	3.16	0.75	35.85	6.27	1.63	0.2459	0.2340	KA-BC	38.23	10.21	3.60	32.14	7.21	2.30	0.3047	0.3108
KA-OC	13.69	1.57	0.31	23.72	3.81	0.91	0.3118	0.2677	KA-OC	20.96	4.77	1.62	14.31	3.24	1.06	0.3773	0.3748
KE-ST	40.15	17.31	9.63	56.86	23.21	12.24	0.3357	0.3277	KE-ST	21.79	3.10	0.69	21.79	3.66	1.35	0.3941	0.3771
KE-SC	21.63	3.95	1.10	30.82	6.80	2.11	0.3184	0.2741	KE-SC	33.40	6.50	2.19	33.00	8.11	3.08	0.2593	0.2735
KE-BC	13.55	2.62	0.80	21.34	4.31	1.30	0.3834	0.3397	KE-BC	23.99	5.73	1.99	21.19	4.77	1.54	0.4177	0.3690
KE-OC	7.14	1.54	0.67	10.82	2.18	0.84	0.3660	0.3462	KE-OC	7.17	1.38	0.43	7.86	1.25	0.34	0.3652	0.3929

Continued

Table 7: Poverty and Inequality across State-wise Social Groups with Old and New Methods, 2004-05, Rural and Urban

NSS Region	Rural								NSS Region	Urban							
	Poverty						Inequality			Poverty						Inequality	
	Old Method			New Method			Old	New		Old Method			New Method			Old	New
	α = 0	α = 1	α = 2	α = 0	α = 1	α = 2				α = 0	α = 1	α = 2	α = 0	α = 1	α = 2		
LA-ST	11.84	0.14	0.04	0.35	0.10	0.03	0.3143	0.2542	LA-ST	20.53	5.91	2.93	10.61	3.87	1.88	0.3958	0.2627
LA-SC	-	-	-	-	-	-	-	-	LA-SC	-	-	-	-	-	-	-	-
LA-BC	-	-	-	-	-	-	-	-	LA-BC	-	-	-	-	-	-	0.0946	0.0809
LA-OC	-	-	-	-	-	-	0.0250	0.0138	LA-OC	-	-	-	-	-	-	0.2379	0.2140
MP-ST	58.38	13.53	4.30	80.02	20.91	7.20	0.2229	0.1912	MP-ST	44.69	16.72	7.38	42.60	13.36	5.24	0.3221	0.3460
MP-SC	43.28	10.35	3.69	62.55	15.82	5.74	0.2319	0.2108	MP-SC	68.38	21.74	9.21	59.65	17.08	6.54	0.3162	0.2876
MP-BC	29.30	5.76	1.62	44.68	9.21	2.76	0.2545	0.2376	MP-BC	56.18	15.86	5.92	46.95	11.00	3.55	0.3214	0.3335
MP-OC	13.23	2.05	0.57	22.89	3.82	0.99	0.2685	0.2578	MP-OC	21.27	4.56	1.41	14.56	2.71	0.75	0.4031	0.3466
MR-ST	56.31	15.05	5.58	72.28	24.20	10.27	0.3036	0.2612	MR-ST	40.93	13.46	5.82	34.81	10.14	3.90	0.3192	0.3345
MR-SC	44.77	10.29	3.28	65.88	18.18	6.83	0.2781	0.2721	MR-SC	42.77	13.71	5.95	36.02	10.34	4.10	0.3244	0.3113
MR-BC	24.09	4.10	1.09	44.19	9.07	2.75	0.2861	0.2676	MR-BC	35.62	9.60	3.67	26.79	6.64	2.34	0.3248	0.3150
MR-OC	18.62	3.54	1.00	33.89	7.36	2.33	0.3154	0.2835	MR-OC	26.83	7.28	2.65	21.41	5.01	1.63	0.3903	0.3813
MU-ST	31.70	4.46	0.89	55.89	8.80	2.02	0.1349	0.1326	MU-ST	3.51	0.41	0.06	24.03	3.70	0.89	0.1492	0.1590
MU-SC	11.95	0.43	0.02	11.95	0.74	0.05	0.0973	0.0862	MU-SC	2.59	0.32	0.06	23.47	4.14	0.88	0.1439	0.1293
MU-BC	13.75	1.61	0.30	25.20	3.07	0.59	0.1662	0.1523	MU-BC	2.85	0.21	0.03	36.58	5.35	1.06	0.1810	0.1630
MU-OC	12.39	1.41	0.28	22.76	2.61	0.53	0.1513	0.1317	MU-OC	12.54	0.81	0.07	36.10	5.84	1.12	0.1814	0.1682
MY-ST	22.55	2.81	0.55	14.84	1.50	0.25	0.1623	0.1508	MY-ST	3.73	0.34	0.06	26.09	3.04	0.57	0.2594	0.2504
MY-SC	24.11	3.13	0.44	12.19	0.12	0.00	0.1473	0.1412	MY-SC	-	-	-	0.64	0.00	0.00	0.3531	0.3517
MY-BC	4.76	0.69	0.10	4.76	0.33	0.02	0.1386	0.1137	MY-BC	7.44	0.24	0.01	14.61	3.69	0.93	0.1563	0.1642
MY-OC	14.73	1.02	0.09	0.46	0.06	0.01	0.1325	0.1191	MY-OC	3.19	0.38	0.06	21.77	1.99	0.40	0.2595	0.2674
MZ-ST	22.31	3.33	0.85	23.03	3.53	0.90	0.2016	0.1859	MZ-ST	3.66	0.37	0.07	7.95	1.01	0.22	0.2492	0.2292
MZ-SC	-	-	-	68.45	8.84	1.14	0.2060	0.2790	MZ-SC	-	-	-	6.50	1.26	0.24	0.1918	0.2017
MZ-BC	10.88	0.44	0.02	23.94	1.25	0.07	0.1209	0.1098	MZ-BC	-	-	-	-	-	-	0.0969	0.0722
MZ-OC	-	-	-	-	-	-	-	-	MZ-OC	-	-	-	-	-	-	0.1364	0.1400
NA-ST	20.30	2.27	0.38	8.79	0.64	0.08	0.2251	0.2018	NA-ST	0.80	0.07	0.01	2.00	0.18	0.03	0.2293	0.2219
NA-SC	-	-	-	-	-	-	-	-	NA-SC	17.11	0.83	0.04	17.11	2.00	0.26	0.1640	0.1489
NA-BC	86.43	21.24	6.46	51.41	13.75	3.80	0.1434	0.1488	NA-BC	-	-	-	-	-	-	0.1822	0.1733
NA-OC	34.70	8.90	2.84	34.70	8.40	2.81	0.2966	0.3123	NA-OC	14.53	1.22	0.18	14.53	2.47	0.54	0.3046	0.2905
OD-ST	75.84	23.46	9.24	84.43	30.46	13.04	0.2357	0.2206	OD-ST	64.62	21.99	9.45	53.41	16.71	6.42	0.3175	0.3301
OD-SC	49.93	13.33	4.70	67.89	19.01	7.22	0.2508	0.2270	OD-SC	74.53	24.87	10.64	63.74	18.10	6.94	0.3110	0.2971
OD-BC	37.07	7.73	2.38	52.60	12.55	4.19	0.2681	0.2445	OD-BC	48.56	14.72	6.24	42.37	10.81	4.24	0.3293	0.3187
OD-OC	23.54	4.07	1.15	37.06	7.36	2.15	0.2765	0.2649	OD-OC	29.66	7.53	2.56	23.77	4.96	1.45	0.3358	0.3170
PD-ST	-	-	-	-	-	-	-	-	PD-ST	-	-	-	-	-	-	0.0027	0.0806
PD-SC	42.79	4.57	0.68	41.05	7.15	1.44	0.2653	0.2664	PD-SC	62.47	16.50	5.34	46.94	9.17	2.30	0.2356	0.2086
PD-BC	9.52	1.04	0.16	11.15	1.94	0.46	0.3117	0.2889	PD-BC	20.01	2.87	0.62	7.56	0.79	0.14	0.3093	0.3128
PD-OC	-	-	-	-	-	-	0.3029	0.3862	PD-OC	11.66	2.06	0.66	6.58	1.12	0.26	0.2482	0.2818

Continued

Table 7: Poverty and Inequality across State-wise Social Groups with Old and New Methods, 2004-05, Rural and Urban

NSS Region	Rural								NSS Region	Urban							
	Poverty						Inequality			Poverty						Inequality	
	Old Method			New Method			Old	New		Old Method			New Method			Old	New
	α = 0	α = 1	α = 2	α = 0	α = 1	α = 2				α = 0	α = 1	α = 2	α = 0	α = 1	α = 2		
PN-ST	30.71	3.05	0.30	30.71	9.35	2.84	0.2030	0.2101	PN-ST	2.43	0.28	0.03	2.43	0.56	0.13	0.1316	0.1162
PN-SC	14.46	1.87	0.42	38.44	6.22	1.61	0.2433	0.2235	PN-SC	14.30	1.52	0.26	36.15	6.67	1.71	0.2635	0.2690
PN-BC	10.50	1.47	0.29	21.68	4.19	1.08	0.2952	0.2852	PN-BC	5.75	0.54	0.10	20.24	3.07	0.66	0.2835	0.2544
PN-OC	2.26	0.30	0.07	5.14	0.87	0.22	0.2689	0.2628	PN-OC	2.50	0.29	0.05	9.61	1.48	0.34	0.4207	0.3331
RA-ST	32.54	4.97	1.14	59.32	12.49	3.68	0.1861	0.1906	RA-ST	24.95	7.32	3.71	26.77	6.46	3.14	0.2682	0.2695
RA-SC	28.26	5.17	1.39	48.50	10.64	3.25	0.2537	0.2029	RA-SC	55.07	13.72	4.49	50.97	10.63	3.18	0.3447	0.2976
RA-BC	12.59	2.04	0.52	27.22	4.93	1.36	0.2511	0.2148	RA-BC	32.07	7.48	2.41	31.30	5.94	1.73	0.2904	0.2814
RA-OC	7.98	0.79	0.12	21.14	2.90	0.58	0.2281	0.2181	RA-OC	20.88	3.38	0.94	16.96	2.91	0.74	0.3972	0.3238
SI-ST	62.47	16.50	5.34	34.93	6.52	1.69	0.2611	0.2624	SI-ST	0.44	0.11	0.04	15.28	0.75	0.09	0.2478	0.2358
SI-SC	20.01	2.87	0.62	41.17	5.61	1.21	0.3148	0.2954	SI-SC	8.19	1.20	0.47	52.09	8.40	2.15	0.1739	0.1678
SI-BC	11.66	2.06	0.66	30.32	5.38	1.39	0.2818	0.2468	SI-BC	1.69	0.43	0.17	10.87	1.62	0.46	0.2529	0.2241
SI-OC	62.47	16.50	5.34	7.89	0.90	0.14	0.1547	0.1507	SI-OC	6.02	1.35	0.44	38.57	5.43	1.55	0.2427	0.2318
TN-ST	27.18	0.94	0.05	47.26	10.17	2.45	0.1904	0.2193	TN-ST	33.09	11.28	4.69	34.71	10.98	4.48	0.3303	0.3417
TN-SC	30.37	5.21	1.47	51.24	10.18	3.02	0.2387	0.2148	TN-SC	41.22	9.30	2.99	40.74	8.97	2.83	0.3096	0.2827
TN-BC	20.24	3.28	0.82	32.61	6.40	1.79	0.3324	0.2801	TN-BC	20.82	4.20	1.28	17.32	3.42	1.00	0.3307	0.3350
TN-OC	18.81	3.59	0.88	22.22	5.55	1.70	0.4724	0.3944	TN-OC	6.96	1.39	0.35	6.51	1.64	0.61	0.3641	0.3636
TR-ST	27.60	4.05	1.01	53.44	11.30	3.51	0.1827	0.1792	TR-ST	-	-	-	3.90	0.58	0.09	0.2249	0.2210
TR-SC	22.59	3.47	0.82	45.00	10.04	3.03	0.2088	0.1919	TR-SC	9.26	1.23	0.19	38.49	7.21	2.11	0.2659	0.2451
TR-BC	17.93	2.62	0.67	37.88	7.76	2.21	0.2239	0.2106	TR-BC	1.82	0.18	0.03	34.19	5.34	1.05	0.2980	0.2814
TR-OC	19.67	3.22	0.81	41.06	8.92	2.72	0.2372	0.2400	TR-OC	2.29	0.27	0.08	14.19	2.37	0.61	0.3620	0.3260
UP-ST	32.18	3.20	0.54	41.99	5.93	1.25	0.1936	0.2039	UP-ST	37.59	9.83	3.80	40.30	10.55	3.84	0.4415	0.3969
UP-SC	44.73	9.06	2.72	56.60	12.79	4.02	0.2610	0.2221	UP-SC	43.46	10.81	3.64	44.24	11.59	3.92	0.2972	0.2829
UP-BC	32.90	6.04	1.66	42.18	8.85	2.61	0.2796	0.2436	UP-BC	36.03	8.69	2.97	42.73	9.78	3.19	0.3068	0.2840
UP-OC	19.48	3.57	1.02	26.02	5.32	1.58	0.3166	0.2739	UP-OC	18.96	3.93	1.18	20.86	4.29	1.31	0.3973	0.3834
UT-ST	44.55	7.05	1.69	32.44	4.82	0.98	0.2006	0.1954	UT-ST	69.03	6.15	0.93	39.05	4.06	0.60	0.2526	0.2574
UT-SC	53.28	10.90	3.14	46.24	8.55	2.25	0.2490	0.2258	UT-SC	70.12	16.97	5.53	47.46	10.15	2.95	0.3015	0.2882
UT-BC	44.41	9.61	2.62	43.46	7.35	1.83	0.2668	0.2303	UT-BC	43.94	10.47	3.32	34.97	7.06	1.93	0.2353	0.2330
UT-OC	33.54	5.89	1.55	27.89	4.21	0.97	0.3032	0.2434	UT-OC	25.06	5.75	1.66	17.93	3.23	0.87	0.3260	0.3102
WB-ST	42.74	8.58	2.45	54.31	12.31	3.79	0.2051	0.1897	WB-ST	22.19	2.60	0.47	47.96	9.02	2.13	0.3322	0.3335
WB-SC	28.85	5.03	1.28	37.14	7.53	2.19	0.2405	0.2323	WB-SC	25.46	4.35	1.12	40.95	8.92	2.76	0.3161	0.2874
WB-BC	17.68	3.95	1.40	28.32	5.66	1.89	0.2839	0.2643	WB-BC	7.36	1.61	0.52	23.64	4.99	1.52	0.3268	0.3296
WB-OC	27.35	5.14	1.42	37.70	7.77	2.29	0.2903	0.2673	WB-OC	10.47	2.02	0.57	19.53	4.25	1.34	0.3843	0.3756
AI-ST	45.54	10.77	3.71	62.17	16.97	6.33	0.2717	0.2537	AI-ST	34.63	10.91	4.69	35.52	9.93	3.81	0.3390	0.3513
AI-SC	37.08	7.49	2.23	53.52	12.25	3.96	0.2634	0.2405	AI-SC	40.88	10.39	3.79	40.56	9.85	3.38	0.3168	0.3016
AI-BC	25.83	4.73	1.30	39.79	8.23	2.46	0.2938	0.2649	AI-BC	31.05	7.32	2.50	30.62	6.72	2.14	0.3362	0.3263
AI-OC	17.46	3.00	0.81	27.08	5.27	1.51	0.3200	0.2990	AI-OC	16.11	3.63	1.18	16.13	3.39	1.04	0.3804	0.3659
AI	28.12	5.50	1.63	41.80	9.24	2.94	0.3045	0.2808	AI	25.84	6.21	2.16	25.68	5.78	1.88	0.3764	0.3643

Note: The first two letters represent the state code as in Table 5 and the last two represent social groups: ST=Scheduled Tribes, SC=Scheduled Classes, BC=Backward Classes and OC=Other Classes. All estimates are based on unit level data, see notes in Tables 1 and 4.
Source: Unit level data, Schedule 1.0, NSS 61st Round, 2004-05.

Table 8: Poverty and Inequality across State-wise Occupation Groups with Old and New Methods, 2004-05, Rural and Urban

Rural									Urban								
NSS Region	Poverty						Inequality		NSS Region	Poverty						Inequality	
	Old Method			New Method			Old	New		Old Method			New Method			Old	New
	α = 0	α = 1	α = 2	α = 0	α = 1	α = 2				α = 0	α = 1	α = 2	α = 0	α = 1	α = 2		
AN-O1	12.74	2.16	0.63	5.38	0.33	0.02	0.5381	0.4614	AN-O1	24.35	3.94	0.80	-	-	-	0.2697	0.2935
AN-O2	47.59	7.51	2.06	6.52	0.80	0.10	0.2276	0.1779	AN-O2	14.68	1.96	0.40	-	-	-	0.4006	0.3488
AN-O3	22.35	2.52	0.58	2.62	0.13	0.01	0.1851	0.1754	AN-O3	55.23	11.31	3.15	5.58	0.08	0.00	0.1956	0.1990
AN-O4	34.47	5.40	1.29	4.74	0.25	0.01	0.2142	0.1908	AN-O4	-	-	-	-	-	-	-	-
AN-O9	3.59	0.25	0.03	-	-	-	0.2408	0.2459	AN-O9	5.29	1.53	0.55	-	-	-	0.2343	0.2496
AP-O1	4.71	0.83	0.21	22.40	4.09	1.16	0.2903	0.2630	AP-O1	31.95	6.26	1.81	26.53	5.24	1.47	0.3356	0.3313
AP-O2	15.93	2.49	0.58	46.07	9.95	3.08	0.2314	0.2062	AP-O2	17.05	3.27	0.92	13.98	2.56	0.69	0.3556	0.3372
AP-O3	6.32	0.98	0.25	27.78	5.18	1.43	0.2622	0.2238	AP-O3	49.84	11.44	3.61	45.24	9.67	2.96	0.2604	0.1925
AP-O4	8.78	1.37	0.35	26.05	5.51	1.69	0.3007	0.2720	AP-O4	-	-	-	-	-	-	-	-
AP-O9	8.74	4.78	3.51	18.45	6.70	3.80	0.3600	0.3285	AP-O9	13.09	5.06	3.17	13.05	5.31	3.36	0.4769	0.4552
AR-O1	15.55	2.35	0.55	18.37	3.71	0.97	0.3049	0.2718	AR-O1	2.00	0.14	0.01	19.83	3.59	0.78	0.2338	0.2138
AR-O2	17.60	6.46	2.77	33.68	6.70	2.54	0.2195	0.2260	AR-O2	2.35	0.13	0.01	16.98	3.14	0.81	0.2435	0.2305
AR-O3	51.42	10.42	3.63	55.33	17.62	7.11	0.2318	0.2414	AR-O3	11.01	2.15	0.56	80.31	15.04	4.01	0.1919	0.1321
AR-O4	22.43	4.18	1.23	37.00	7.62	2.40	0.2624	0.2474	AR-O4	-	-	-	-	-	-	-	-
AR-O9	19.14	4.88	1.71	24.60	7.21	2.80	0.2769	0.2597	AR-O9	12.88	3.12	1.02	45.58	12.72	4.73	0.2862	0.2929
AS-O1	26.99	4.64	1.16	40.39	8.22	2.38	0.2115	0.2019	AS-O1	3.66	0.48	0.11	24.77	4.66	1.19	0.3039	0.3224
AS-O2	36.64	6.47	1.76	55.37	11.88	3.57	0.1670	0.1616	AS-O2	1.00	0.06	0.01	15.58	2.47	0.58	0.3237	0.2791
AS-O3	39.26	7.71	2.27	61.27	13.70	4.29	0.1800	0.1680	AS-O3	23.21	3.28	0.88	77.87	19.27	6.12	0.1536	0.1554
AS-O4	15.60	2.13	0.45	28.67	4.76	1.21	0.1684	0.1640	AS-O4	-	-	-	-	-	-	-	-
AS-O9	9.68	1.66	0.53	15.21	2.85	0.89	0.2479	0.2308	AS-O9	3.99	0.48	0.09	10.85	2.62	0.82	0.2550	0.2705
BI-O1	37.00	5.74	1.40	52.63	10.00	2.78	0.1837	0.1748	BI-O1	36.03	6.87	1.93	47.17	11.31	3.54	0.2726	0.2732
BI-O2	67.48	14.51	4.19	79.29	21.16	7.11	0.1576	0.1562	BI-O2	25.19	4.31	1.01	28.39	7.10	2.19	0.3562	0.3150
BI-O3	58.69	9.24	2.24	78.28	16.07	4.65	0.1459	0.1424	BI-O3	80.74	22.37	8.23	83.22	28.94	11.90	0.2488	0.2395
BI-O4	25.52	4.29	1.07	37.75	7.17	1.93	0.2006	0.1803	BI-O4	-	-	-	-	-	-	-	-
BI-O9	41.62	8.61	2.40	54.95	13.14	4.14	0.2514	0.2320	BI-O9	23.40	4.84	1.56	26.48	7.02	2.56	0.3618	0.3518
CN-O1	16.78	0.01	0.00	29.61	7.83	2.79	0.2750	0.2872	CN-O1	10.07	1.67	0.51	15.90	3.73	1.19	0.3742	0.3954
CN-O2	-	-	-	-	-	-	-	-	CN-O2	4.58	0.83	0.18	7.88	1.60	0.43	0.3342	0.3280
CN-O3	-	-	-	-	-	-	0.0059	0.0088	CN-O3	16.48	3.92	0.93	17.99	6.17	2.26	0.1163	0.1092
CN-O4	-	-	-	13.15	1.01	0.11	0.2442	0.2665	CN-O4	-	-	-	-	-	-	-	-
CN-O9	-	-	-	1.25	0.27	0.06	0.1868	0.1853	CN-O9	-	-	-	-	-	-	0.2908	0.3165
CT-O1	43.96	13.49	5.80	51.33	17.12	8.00	0.3433	0.3447	CT-O1	43.23	11.89	4.63	25.11	6.47	2.41	0.3699	0.3198
CT-O2	55.45	12.49	4.05	73.28	18.92	6.62	0.2351	0.2087	CT-O2	24.12	7.07	2.61	17.36	4.00	1.34	0.4663	0.3671
CT-O3	24.04	4.48	1.56	38.11	8.26	2.82	0.2210	0.2126	CT-O3	92.02	29.05	11.78	71.08	18.94	6.85	0.1676	0.1808
CT-O4	32.01	6.85	2.29	44.59	10.04	3.48	0.2896	0.2532	CT-O4	-	-	-	-	-	-	-	-
CT-O9	16.65	3.70	1.22	28.22	5.32	1.83	0.4112	0.3101	CT-O9	18.70	4.30	1.31	8.37	1.67	0.46	0.3687	0.3736

Continued

Table 8: Poverty and Inequality across State-wise Occupation Groups with Old and New Methods, 2004-05, Rural and Urban

Rural									Urban								
NSS Region	Poverty						Inequality		NSS Region	Poverty						Inequality	
	Old Method			New Method			Old	New		Old Method			New Method			Old	New
	α = 0	α = 1	α = 2	α = 0	α = 1	α = 2				α = 0	α = 1	α = 2	α = 0	α = 1	α = 2		
DA-O1	14.82	1.67	0.19	29.37	7.31	2.00	0.3238	0.3221	DA-O1	1.99	0.40	0.08	1.06	0.19	0.03	0.1840	0.1861
DA-O2	84.34	11.01	2.00	93.30	30.00	10.22	0.1325	0.1347	DA-O2	22.83	8.13	3.23	22.71	7.26	2.58	0.3270	0.3521
DA-O3	40.30	7.52	1.68	66.26	18.26	6.18	0.2960	0.2767	DA-O3	96.25	27.62	8.26	68.75	17.11	4.30	0.0450	0.0640
DA-O4	34.55	2.89	0.37	71.60	13.94	3.68	0.2709	0.2015	DA-O4	-	-	-	-	-	-	-	-
DA-O9	30.30	18.66	12.55	48.37	20.27	13.81	0.4184	0.3944	DA-O9	-	-	-	-	-	-	-	-
DD-O1	7.48	0.03	0.00	-	-	-	0.0967	0.1005	DD-O1	6.71	1.85	0.58	5.62	1.19	0.26	0.1450	0.1366
DD-O2	1.56	0.01	0.00	-	-	-	0.0438	0.0477	DD-O2	8.69	0.68	0.13	1.30	0.26	0.05	0.2811	0.2616
DD-O3	18.81	5.89	1.84	18.81	3.81	0.77	0.1536	0.1330	DD-O3	76.99	16.25	3.58	72.74	9.50	1.25	0.1002	0.0945
DD-O4	6.05	0.15	0.04	0.53	0.03	0.00	0.1123	0.0922	DD-O4	-	-	-	-	-	-	-	-
DD-O9	-	-	-	-	-	-	0.2746	0.2679	DD-O9	43.34	3.53	0.29	14.45	0.01	0.00	0.2389	0.2273
DE-O1	22.89	1.01	0.05	41.20	5.41	1.06	0.2048	0.2127	DE-O1	17.34	2.51	0.55	12.11	1.59	0.32	0.3226	0.3092
DE-O2	-	-	-	-	-	-	0.0163	0.0182	DE-O2	12.20	1.81	0.44	9.53	1.44	0.32	0.3307	0.3373
DE-O3	-	-	-	46.15	4.35	0.41	0.1017	0.0977	DE-O3	57.89	12.31	4.77	57.85	10.43	4.03	0.2305	0.2184
DE-O4	-	-	-	-	-	-	0.1071	0.0816	DE-O4	-	-	-	-	-	-	-	-
DE-O9	-	-	-	-	-	-	0.2685	0.2860	DE-O9	6.41	2.64	1.09	9.01	3.82	1.63	0.3780	0.3653
GO-O1	-	-	-	4.20	0.81	0.18	0.3399	0.2319	GO-O1	13.64	2.34	0.68	9.79	1.84	0.52	0.4624	0.3438
GO-O2	19.24	3.25	0.55	57.24	13.79	5.35	0.2647	0.2390	GO-O2	9.87	2.32	0.88	13.22	2.05	0.66	0.3612	0.3341
GO-O3	10.60	0.08	0.00	26.00	5.83	1.79	0.2436	0.2452	GO-O3	64.62	17.68	7.59	82.29	17.68	6.87	0.2008	0.1688
GO-O4	4.25	0.01	0.00	41.98	9.16	2.51	0.2632	0.2344	GO-O4	-	-	-	-	-	-	-	-
GO-O9	-	-	-	25.59	3.17	0.66	0.2999	0.3103	GO-O9	10.50	1.38	0.18	6.63	0.33	0.02	0.2226	0.2397
GU-O1	10.35	1.58	0.35	28.01	5.45	1.63	0.3023	0.2556	GU-O1	13.93	2.42	0.63	21.45	4.00	1.14	0.2932	0.2923
GU-O2	29.59	5.00	1.24	57.77	14.50	4.81	0.2007	0.1895	GU-O2	7.18	1.22	0.32	11.87	2.17	0.60	0.3027	0.3041
GU-O3	22.12	4.23	1.12	45.87	11.41	3.87	0.2448	0.2440	GU-O3	47.40	8.46	2.38	62.89	13.80	4.16	0.2146	0.2042
GU-O4	13.32	2.36	0.69	27.35	6.33	2.22	0.2642	0.2641	GU-O4	-	-	-	-	-	-	-	-
GU-O9	5.60	2.07	1.19	18.36	3.47	1.50	0.3008	0.2867	GU-O9	5.16	2.37	1.39	6.96	2.70	1.43	0.3646	0.3905
HA-O1	11.68	2.38	0.66	24.89	4.99	1.44	0.2668	0.2303	HA-O1	11.59	2.44	0.76	18.29	3.82	1.22	0.3432	0.3263
HA-O2	27.97	5.62	1.64	59.36	11.34	3.37	0.2007	0.1677	HA-O2	11.90	2.26	0.60	19.60	3.71	1.01	0.3685	0.3299
HA-O3	31.71	5.60	1.66	48.48	10.42	3.11	0.2556	0.2107	HA-O3	50.27	14.59	5.60	67.06	19.84	7.76	0.2443	0.2196
HA-O4	5.32	0.80	0.16	11.57	1.66	0.37	0.2536	0.2168	HA-O4	-	-	-	-	-	-	-	-
HA-O9	8.16	0.81	0.16	10.97	2.18	0.52	0.4613	0.4745	HA-O9	5.81	1.27	0.36	13.95	1.58	0.49	0.3839	0.3718
HP-O1	9.63	1.08	0.20	21.85	3.10	0.70	0.3983	0.3435	HP-O1	2.78	0.57	0.18	4.43	0.79	0.24	0.2690	0.2360
HP-O2	35.03	4.50	0.72	54.23	11.56	3.12	0.2505	0.2274	HP-O2	1.22	0.16	0.03	1.45	0.22	0.04	0.3267	0.2755
HP-O3	18.91	3.00	0.69	41.92	7.66	2.13	0.2101	0.2033	HP-O3	12.42	4.49	2.01	16.99	5.21	2.33	0.2586	0.2304
HP-O4	9.30	1.51	0.40	24.08	3.98	1.04	0.2668	0.2589	HP-O4	-	-	-	-	-	-	-	-
HP-O9	1.86	0.24	0.05	6.10	0.84	0.20	0.3171	0.2916	HP-O9	-	-	-	-	-	-	0.2737	0.2533

Continued

Table 8: Poverty and Inequality across State-wise Occupation Groups with Old and New Methods, 2004-05, Rural and Urban

Rural									Urban								
NSS Region	Poverty						Inequality		NSS Region	Poverty						Inequality	
	Old Method			New Method			Old	New		Old Method			New Method			Old	New
	α = 0	α = 1	α = 2	α = 0	α = 1	α = 2				α = 0	α = 1	α = 2	α = 0	α = 1	α = 2		
JK-O1	3.31	0.43	0.11	14.76	2.07	0.51	0.2445	0.2222	JK-O1	5.14	0.84	0.22	5.40	0.78	0.19	0.2221	0.2114
JK-O2	10.89	1.16	0.18	17.22	3.61	0.90	0.1532	0.1484	JK-O2	2.19	0.35	0.08	3.41	0.59	0.14	0.2226	0.2366
JK-O3	11.20	1.10	0.20	31.29	4.55	1.03	0.1590	0.1526	JK-O3	41.92	12.02	3.64	42.65	12.50	3.90	0.1633	0.1547
JK-O4	2.25	0.43	0.13	11.94	1.55	0.36	0.2438	0.1991	JK-O4	-	-	-	-	-	-	-	-
JK-O9	5.52	1.04	0.23	9.43	2.00	0.59	0.2594	0.2427	JK-O9	1.49	0.12	0.01	22.22	2.81	0.36	0.2404	0.2913
JN-O1	41.59	7.54	2.01	45.77	8.54	2.32	0.2473	0.2122	JN-O1	19.37	4.27	1.30	24.87	5.80	1.85	0.3286	0.2790
JN-O2	75.13	20.50	7.14	78.00	21.40	7.59	0.1944	0.1852	JN-O2	8.92	2.14	0.68	11.71	2.93	0.99	0.3477	0.3371
JN-O3	60.16	12.54	3.52	67.99	14.40	4.10	0.1778	0.1600	JN-O3	61.58	11.98	3.65	65.81	15.95	5.33	0.2447	0.2684
JN-O4	43.97	9.31	2.76	50.63	10.77	3.30	0.2063	0.1902	JN-O4	-	-	-	-	-	-	-	-
JN-O9	16.28	2.83	0.66	17.14	2.75	0.56	0.2316	0.2122	JN-O9	8.25	1.81	0.46	8.43	2.34	0.73	0.2147	0.2064
KA-O1	13.15	1.74	0.36	24.73	3.77	0.84	0.2609	0.2330	KA-O1	32.23	8.05	2.82	25.25	5.30	1.64	0.3215	0.3244
KA-O2	32.40	4.83	1.13	56.27	10.63	2.87	0.1815	0.1629	KA-O2	20.25	4.67	1.54	14.13	2.95	0.90	0.3616	0.3538
KA-O3	10.67	2.20	0.59	23.98	4.50	1.47	0.2174	0.2057	KA-O3	64.69	20.52	8.53	56.75	16.30	6.06	0.2622	0.2484
KA-O4	14.08	1.51	0.25	26.97	3.91	0.82	0.2594	0.2388	KA-O4	-	-	-	-	-	-	-	-
KA-O9	9.10	1.03	0.38	17.11	2.73	0.79	0.4513	0.3964	KA-O9	27.69	7.50	2.80	22.04	5.60	2.63	0.4329	0.4481
KE-O1	7.65	1.16	0.27	11.61	1.99	0.52	0.3601	0.3413	KE-O1	15.14	3.56	1.26	13.67	3.01	1.01	0.4131	0.3940
KE-O2	23.91	5.13	1.79	35.79	8.52	3.04	0.2988	0.2414	KE-O2	14.55	3.32	1.11	12.96	2.64	0.78	0.3899	0.3822
KE-O3	17.16	4.03	1.48	26.54	6.06	2.10	0.3082	0.2830	KE-O3	31.74	7.64	2.62	32.01	7.44	2.50	0.3237	0.2845
KE-O4	5.75	0.55	0.10	10.21	1.29	0.24	0.3983	0.3633	KE-O4	-	-	-	-	-	-	-	-
KE-O9	9.41	2.22	0.95	13.17	3.10	1.16	0.4217	0.3648	KE-O9	18.03	2.47	0.78	10.48	1.70	0.53	0.3948	0.4030
LA-O1	-	-	-	-	-	-	0.1834	0.1663	LA-O1	18.11	3.42	0.88	4.49	1.01	0.23	0.3063	0.2335
LA-O2	-	-	-	-	-	-	0.0000	0.0000	LA-O2	10.97	0.77	0.11	0.87	0.04	0.00	0.3876	0.2087
LA-O3	-	-	-	-	-	-	0.2586	0.1948	LA-O3	62.40	30.35	17.66	54.20	23.68	12.32	0.4478	0.4397
LA-O4	0.67	0.16	0.05	0.46	0.13	0.04	0.2657	0.2647	LA-O4	-	-	-	-	-	-	-	-
LA-O9	29.15	0.16	0.05	0.35	0.10	0.03	0.2619	0.2065	LA-O9	19.17	6.05	2.01	19.17	3.30	0.77	0.2979	0.3172
MP-O1	32.67	6.88	2.26	45.07	10.25	3.38	0.2691	0.2477	MP-O1	48.36	13.29	4.89	37.52	8.94	2.92	0.4088	0.3387
MP-O2	56.52	13.73	4.69	76.93	20.72	7.43	0.2215	0.1925	MP-O2	25.33	5.47	1.90	19.27	4.03	1.31	0.3367	0.3482
MP-O3	49.56	11.08	3.47	67.36	17.61	6.26	0.2378	0.2067	MP-O3	78.57	27.36	11.59	74.61	20.91	7.74	0.2625	0.2140
MP-O4	27.13	5.10	1.36	43.40	8.55	2.44	0.2558	0.2392	MP-O4	-	-	-	-	-	-	-	-
MP-O9	11.80	2.50	0.92	20.13	4.00	1.44	0.2793	0.2875	MP-O9	30.72	9.96	3.71	25.83	6.37	1.96	0.5082	0.4358
MR-O1	21.37	3.62	0.96	36.89	8.08	2.53	0.3210	0.2945	MR-O1	32.79	9.19	3.52	26.40	6.44	2.22	0.3774	0.3775
MR-O2	47.32	10.39	3.18	69.46	18.63	6.78	0.2285	0.2064	MR-O2	23.04	5.60	1.91	17.10	3.56	1.06	0.3488	0.3314
MR-O3	30.88	5.95	1.69	46.05	12.19	4.30	0.3065	0.2796	MR-O3	76.73	26.24	11.42	66.56	20.51	8.14	0.2472	0.2418
MR-O4	18.18	3.96	1.37	35.51	7.72	2.67	0.2884	0.2529	MR-O4	-	-	-	-	-	-	-	-
MR-O9	7.97	2.05	1.05	16.58	3.92	1.63	0.3307	0.3185	MR-O9	13.72	3.96	1.81	9.50	2.91	1.27	0.4072	0.3843

Continued

Table 8: Poverty and Inequality across State-wise Occupation Groups with Old and New Methods, 2004-05, Rural and Urban

Rural									Urban								
NSS Region	Poverty						Inequality		NSS Region	Poverty						Inequality	
	Old Method			New Method			Old	New		Old Method			New Method			Old	New
	α = 0	α = 1	α = 2	α = 0	α = 1	α = 2				α = 0	α = 1	α = 2	α = 0	α = 1	α = 2		
MU-O1	14.09	2.18	0.46	24.24	3.07	0.70	0.1743	0.1515	MU-O1	5.09	0.41	0.06	43.67	6.89	1.43	0.1625	0.1498
MU-O2	7.02	2.10	0.65	25.31	2.90	0.94	0.1303	0.1249	MU-O2	1.34	0.10	0.01	17.35	2.31	0.42	0.1805	0.1582
MU-O3	25.67	2.54	0.56	50.49	6.88	1.49	0.1356	0.1276	MU-O3	9.47	0.66	0.05	66.58	13.56	3.00	0.1281	0.1430
MU-O4	25.96	3.59	0.71	47.74	7.08	1.58	0.1259	0.1236	MU-O4	-	-	-	-	-	-	-	-
MU-O9	18.11	1.52	0.20	26.62	4.04	0.77	0.1910	0.1917	MU-O9	1.70	0.18	0.04	38.67	4.60	0.89	0.1706	0.1654
MY-O1	14.00	1.51	0.26	6.64	0.72	0.11	0.1697	0.1634	MY-O1	7.05	0.67	0.11	30.51	4.65	1.10	0.1997	0.2367
MY-O2	30.91	4.28	0.90	24.12	2.44	0.45	0.1332	0.1175	MY-O2	0.95	0.08	0.01	19.48	1.70	0.26	0.2539	0.2469
MY-O3	31.99	3.43	0.54	23.01	2.16	0.30	0.1191	0.1156	MY-O3	19.50	1.98	0.31	66.09	9.61	1.92	0.1796	0.1501
MY-O4	24.25	2.93	0.57	15.05	1.51	0.24	0.1489	0.1293	MY-O4	-	-	-	-	-	-	-	-
MY-O9	6.20	0.87	0.16	2.63	0.28	0.06	0.1747	0.1652	MY-O9	3.46	0.30	0.06	20.81	1.98	0.35	0.2973	0.2968
MZ-O1	5.87	0.85	0.18	6.63	0.96	0.21	0.2387	0.2062	MZ-O1	5.54	0.45	0.08	12.14	1.48	0.30	0.2400	0.2195
MZ-O2	5.80	0.29	0.01	-	-	-	0.1796	0.1485	MZ-O2	1.02	0.14	0.03	2.69	0.37	0.09	0.2321	0.2150
MZ-O3	13.85	3.78	1.58	7.20	3.19	1.41	0.1579	0.1622	MZ-O3	9.93	1.39	0.27	19.06	2.78	0.69	0.1939	0.1842
MZ-O4	26.46	3.91	1.00	27.33	4.20	1.08	0.1702	0.1536	MZ-O4	-	-	-	-	-	-	-	-
MZ-O9	8.52	1.32	0.30	11.05	1.18	0.21	0.1997	0.2028	MZ-O9	4.58	0.52	0.07	9.19	1.04	0.19	0.2498	0.2205
NA-O1	20.40	4.63	1.39	15.57	2.99	0.79	0.2693	0.2678	NA-O1	6.76	0.52	0.07	7.67	1.06	0.21	0.2550	0.2551
NA-O2	57.23	21.08	7.77	57.23	21.42	8.02	0.2027	0.1718	NA-O2	-	-	-	1.36	0.07	0.00	0.2287	0.2120
NA-O3	-	-	-	-	-	-	0.0671	0.0633	NA-O3	8.93	0.70	0.05	8.93	1.08	0.13	0.1606	0.1518
NA-O4	31.04	3.59	0.62	13.09	1.05	0.15	0.1639	0.1277	NA-O4	-	-	-	-	-	-	-	-
NA-O9	2.97	0.18	0.01	0.81	0.03	0.00	0.2256	0.2023	NA-O9	7.73	0.43	0.03	5.83	1.00	0.17	0.2596	0.2582
OD-O1	32.78	7.71	2.52	47.07	11.90	4.20	0.2762	0.2593	OD-O1	50.16	15.71	6.44	44.42	11.53	4.29	0.3283	0.3190
OD-O2	64.54	18.27	6.87	78.98	24.86	10.04	0.2369	0.2082	OD-O2	20.90	4.28	1.28	14.07	2.58	0.72	0.3151	0.2838
OD-O3	51.95	14.36	5.50	71.50	21.25	8.62	0.2533	0.2324	OD-O3	89.25	29.33	12.42	76.15	21.19	7.81	0.2221	0.2095
OD-O4	46.11	11.10	3.78	58.95	16.06	5.81	0.2573	0.2379	OD-O4	-	-	-	-	-	-	-	-
OD-O9	19.78	3.66	1.08	28.53	6.35	2.08	0.3087	0.2976	OD-O9	26.38	7.66	3.49	22.10	5.79	2.55	0.3651	0.3926
PD-O1	-	-	-	2.52	0.04	0.00	0.2761	0.2088	PD-O1	17.20	1.89	0.35	6.19	0.68	0.10	0.2862	0.2853
PD-O2	41.67	4.16	0.58	43.25	8.09	1.72	0.3068	0.2488	PD-O2	14.88	2.28	0.47	4.73	0.45	0.08	0.2978	0.3079
PD-O3	20.49	2.48	0.36	14.94	2.32	0.41	0.2934	0.2316	PD-O3	48.23	9.96	2.90	27.46	4.40	1.04	0.3054	0.2378
PD-O4	-	-	-	4.97	0.12	0.00	0.2649	0.2692	PD-O4	-	-	-	-	-	-	-	-
PD-O9	13.74	2.35	0.82	13.74	3.15	1.09	0.4672	0.5187	PD-O9	13.41	2.84	0.82	9.10	1.02	0.28	0.3395	0.3856
PN-O1	6.44	1.03	0.24	17.58	2.81	0.69	0.2906	0.2569	PN-O1	4.74	0.56	0.11	15.80	2.66	0.66	0.3350	0.3211
PN-O2	25.78	3.13	0.64	54.97	9.76	2.53	0.1983	0.1720	PN-O2	4.63	0.45	0.07	17.16	2.64	0.55	0.4675	0.3282
PN-O3	9.54	1.67	0.40	31.05	5.25	1.45	0.2282	0.2184	PN-O3	25.48	2.60	0.47	50.42	9.88	2.75	0.1963	0.1912
PN-O4	0.94	0.03	0.00	1.90	0.23	0.04	0.2457	0.2431	PN-O4	-	-	-	-	-	-	-	-
PN-O9	1.86	0.09	0.01	6.80	0.90	0.16	0.3282	0.3152	PN-O9	8.90	0.73	0.09	17.05	3.28	0.72	0.4503	0.4339

Continued

Table 8: Poverty and Inequality across State-wise Occupation Groups with Old and New Methods, 2004-05, Rural and Urban

Rural									Urban								
NSS Region	Poverty						Inequality		NSS Region	Poverty						Inequality	
	Old Method			New Method			Old	New		Old Method			New Method			Old	New
	α = 0	α = 1	α = 2	α = 0	α = 1	α = 2				α = 0	α = 1	α = 2	α = 0	α = 1	α = 2		
RA-O1	12.61	1.86	0.40	27.79	5.05	1.29	0.2432	0.2158	RA-O1	37.75	7.24	2.04	31.88	5.20	1.34	0.3003	0.2811
RA-O2	37.03	6.17	1.44	61.85	13.61	4.04	0.2264	0.1742	RA-O2	18.27	3.91	1.14	17.83	3.37	0.86	0.4078	0.3141
RA-O3	34.72	5.57	1.39	60.34	12.87	3.77	0.2371	0.1978	RA-O3	63.41	19.20	7.40	62.52	16.69	5.78	0.2427	0.2401
RA-O4	14.09	2.32	0.60	29.75	5.51	1.57	0.2389	0.2083	RA-O4	-	-	-	-	-	-	-	-
RA-O9	7.49	1.20	0.34	18.72	2.93	0.86	0.2440	0.2378	RA-O9	12.58	3.06	1.57	19.72	3.31	1.47	0.3968	0.4155
SI-O1	10.36	1.72	0.48	16.85	2.74	0.80	0.2141	0.2127	SI-O1	2.63	0.64	0.17	40.64	4.86	1.07	0.2257	0.2177
SI-O2	71.17	11.83	2.44	72.85	17.43	4.70	0.1624	0.1582	SI-O2	2.80	0.59	0.25	18.68	2.10	0.58	0.2628	0.2430
SI-O3	22.87	3.82	0.85	31.68	6.39	1.78	0.2445	0.2411	SI-O3	11.55	1.21	0.23	20.98	5.74	1.86	0.1236	0.1253
SI-O4	32.27	4.92	1.05	45.15	7.89	1.95	0.1858	0.1599	SI-O4	-	-	-	-	-	-	-	-
SI-O9	2.98	0.53	0.13	9.21	1.06	0.22	0.2877	0.2625	SI-O9	4.68	1.85	0.83	5.38	2.57	1.53	0.2713	0.2492
TN-O1	12.72	1.84	0.44	24.65	4.00	1.02	0.3703	0.2982	TN-O1	21.09	4.24	1.25	18.61	3.96	1.18	0.3436	0.3435
TN-O2	33.64	5.74	1.46	54.30	11.23	3.25	0.2140	0.1873	TN-O2	15.36	2.95	0.84	12.21	2.21	0.59	0.3448	0.3393
TN-O3	20.86	3.36	0.79	34.25	6.78	1.91	0.2672	0.2297	TN-O3	53.01	11.99	3.95	49.88	10.90	3.53	0.2037	0.2159
TN-O4	15.65	1.84	0.33	23.84	4.06	0.94	0.3144	0.2605	TN-O4	-	-	-	-	-	-	-	-
TN-O9	10.60	3.01	1.56	17.12	3.98	1.69	0.4115	0.3346	TN-O9	10.35	3.02	1.33	10.14	2.55	1.07	0.3985	0.4199
TR-O1	15.99	2.49	0.56	33.90	7.16	2.06	0.2204	0.2182	TR-O1	2.56	0.31	0.05	26.15	3.70	0.85	0.2940	0.2752
TR-O2	30.92	3.81	0.81	74.85	13.38	3.35	0.1502	0.1235	TR-O2	1.24	0.08	0.01	7.35	1.00	0.21	0.2968	0.2958
TR-O3	42.48	7.07	1.88	68.50	17.58	5.82	0.1909	0.1852	TR-O3	17.24	2.00	0.36	59.18	13.89	3.94	0.2512	0.2070
TR-O4	9.95	1.29	0.29	30.75	5.04	1.33	0.1599	0.1444	TR-O4	-	-	-	-	-	-	-	-
TR-O9	5.24	0.64	0.11	13.11	2.07	0.57	0.2372	0.2365	TR-O9	2.86	0.70	0.26	33.38	5.51	1.43	0.4378	0.3091
UP-O1	34.36	6.21	1.70	45.61	8.98	2.57	0.3055	0.2476	UP-O1	32.27	7.69	2.58	37.19	8.53	2.77	0.3700	0.3564
UP-O2	55.30	12.02	3.80	65.95	16.07	5.36	0.2289	0.2036	UP-O2	20.84	3.63	0.97	19.58	3.60	0.95	0.3532	0.3263
UP-O3	48.87	10.07	3.08	59.77	14.37	4.63	0.2458	0.2109	UP-O3	52.96	15.71	5.92	68.17	19.10	7.04	0.2545	0.2397
UP-O4	26.37	4.62	1.23	34.77	7.02	2.01	0.2786	0.2458	UP-O4	-	-	-	-	-	-	-	-
UP-O9	19.25	3.54	0.98	26.08	5.56	1.66	0.3399	0.2972	UP-O9	21.41	5.79	2.03	28.33	6.16	2.03	0.3421	0.3625
UT-O1	36.81	7.67	2.02	32.18	5.45	1.27	0.2965	0.2672	UT-O1	36.23	7.60	2.10	25.61	4.53	1.13	0.2605	0.2581
UT-O2	66.74	13.71	3.89	59.00	10.75	2.84	0.3007	0.2135	UT-O2	32.89	6.97	2.13	18.24	3.08	0.94	0.3443	0.3373
UT-O3	69.47	16.82	5.41	63.65	13.32	3.96	0.2388	0.1840	UT-O3	75.69	23.71	8.22	76.30	18.42	5.34	0.2221	0.2209
UT-O4	36.15	6.22	1.54	30.22	4.40	0.94	0.2619	0.2053	UT-O4	-	-	-	-	-	-	-	-
UT-O9	23.91	3.59	1.01	21.25	3.19	0.80	0.2925	0.2889	UT-O9	11.66	2.40	0.76	7.56	1.42	0.36	0.3453	0.2810
WB-O1	23.18	3.91	0.98	33.81	6.12	1.63	0.3010	0.2527	WB-O1	15.97	3.05	0.81	28.24	6.25	1.97	0.3584	0.3534
WB-O2	45.58	8.94	2.52	56.65	12.84	4.02	0.2084	0.1942	WB-O2	3.92	0.68	0.19	13.24	2.12	0.54	0.3603	0.3489
WB-O3	30.12	6.06	2.09	40.51	8.80	2.99	0.2316	0.2187	WB-O3	39.02	6.73	1.81	54.32	13.50	4.39	0.2692	0.2196
WB-O4	17.59	3.06	0.73	27.40	5.06	1.35	0.2397	0.2348	WB-O4	-	-	-	-	-	-	-	-
WB-O9	13.19	2.49	0.75	15.86	3.32	0.93	0.3263	0.3142	WB-O9	5.48	1.29	0.54	7.69	1.95	0.82	0.4035	0.3744

Continued

Table 8: Poverty and Inequality across State-wise Occupation Groups with Old and New Methods, 2004-05, Rural and Urban

Rural									Urban								
NSS Region	Poverty						Inequality		NSS Region	Poverty						Inequality	
	Old Method			New Method			Old	New		Old Method			New Method			Old	New
	α = 0	α = 1	α = 2	α = 0	α = 1	α = 2				α = 0	α = 1	α = 2	α = 0	α = 1	α = 2		
AI-O1	23.81	4.26	1.17	36.27	7.16	2.10	0.3148	0.2810	AI-O1	27.13	6.30	2.11	27.44	5.97	1.88	0.3621	0.3534
AI-O2	44.13	9.27	2.82	63.11	15.48	5.20	0.2330	0.2101	AI-O2	16.35	3.39	1.05	15.25	2.92	0.82	0.3591	0.3390
AI-O3	32.61	6.50	1.96	48.55	11.12	3.60	0.2788	0.2563	AI-O3	58.06	16.37	6.32	58.72	15.49	5.55	0.2663	0.2461
AI-O4	21.66	3.92	1.08	33.20	6.64	1.97	0.2845	0.2611	AI-O4	-	-	-	-	-	-	-	-
AI-O9	14.46	3.10	1.16	21.76	4.83	1.69	0.3692	0.3471	AI-O9	14.96	4.05	1.67	15.90	3.92	1.58	0.4183	0.4155
AI	28.12	5.50	1.63	41.80	9.24	2.94	0.3045	0.2808	AI	25.84	6.21	2.16	25.68	5.78	1.88	0.3764	0.3643

Note: The first two letters represent the state codes as in Table 5 and the last two are household type indicating the major occupation as follows. Rural Areas: O1-Self-employed in Non-Agriculture, O2-Agricultural Labour, O3-Other Labour, O4-Self-employed in Agriculture, O9-Others; Urban Areas: O1-Self-employed, O2-Regular wage/salary earning, O3-Casual Labour, O9-Others. All estimates are based on unit level data, see notes in Tables 1 and 5.

Source: Unit level data, Schedule 1.0, NSS 61st Round, 2004-05.

5.3 Household Type (Occupation Groups)

In rural India the poorest occupation group across states is agricultural labourers from Dadra & Nagar Haveli with the incidence of poverty at 93 per cent under the new method. There are ten more state-specific occupation groups with incidence of poverty greater than 70 per cent - they are agricultural labourers from Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Odisha, Sikkim and Tripura, other labourers from Bihar and Odisha and self-employed in agriculture from Dadra & Nagar Haveli. With incidence of poverty between 50 to 70 per cent there are 29 state-specific occupation groups of which 14 are from agricultural labourers, 10 are from other labourers, two each from self-employed in agriculture and self-employed in non-agriculture and one from 'other' occupational group. There are twenty more state-specific occupation groups with an incidence of poverty greater than 40 per cent. Overall, agricultural labourers are the poorest in 25 states/union territories, other labourers are the poorest in seven (Arunachal Pradesh, Assam, Daman & Diu, Delhi, Jammu & Kashmir, Manipur and Uttarakhand), self-employed in agriculture in two (Lakshadweep and Mizoram) and self-employed in non-agriculture in one (Chandigarh), but we should be cautious in the smaller states/union territories where sample size for such occupation groups is small.

In urban areas the poorest state-specific occupation group is casual labourers from Bihar with an incidence of poverty of 83 per cent in the new method. Including this, incidence of poverty is greater than 50 per cent for 25 state-specific groups and all are casual labourer occupation groups. Another 27 state-specific occupation groups have an incidence of poverty greater than 25 per cent of which five are casual labourers, 15 are self-employed, six are 'others' and one is regular wage/salary earners. In fact, in 34 states/union territories casual labourers is the poorest occupation group, it is only in Sikkim that self-employed have a greater incidence of poverty, but this could be because of the small sample estimate for this sub-group in this state.

Comparing the new method to the old, in rural areas for occupation groups of agricultural labour, other labour, self-employed in non-agriculture, self-employed in agriculture, and others the percentage point increase in incidence of poverty is 19.0 per cent, 16.0 per cent, 12.5 per cent, 11.5 per cent and 7.3 per cent respectively; whereas the simple percentage

increase in incidence of poverty is 43.0 per cent, 48.9 per cent, 52.3 per cent, 53.3 per cent and 50.5 respectively. Similarly, in urban areas for occupation groups of casual labourers, self-employed, regular wage/salary earners and others the change in incidence of poverty is around one percentage point - it has decreased for regular wage/salary earners and increased for the three other occupation groups.

The sub-group specific discussion on NSS regions, social groups and occupation groups has been brief, as the basic purpose is to give estimates of poverty and inequality. Some concluding remarks are in order.

5. Concluding Remarks

The Planning Commission accepted the suggestions by an Expert Group that it had constituted leading to a new method for estimating poverty in India using NSS's consumption expenditure data for 2004-05. The new method replaces the uniform recall of 30 days for all consumption items to a mixed recall where consumption of five low frequency items were collected for the last year (365 days) and appropriately adjusted to get a monthly per capita expenditure. It also takes into consideration health and education needs that the old method had not incorporated in its calorie norm. While doing these, it also opened up a number of other issues.

First, it did away with the benchmarking of a poverty line with a calorie norm that the old method was based on. They did not let the calorie norm go away totally. A reference is made to an FAO calorie norm being achievable around its poverty line, but then this norm is for light and sedentary activities that may not adequately capture the energy needs of the poor who put in hard labour. Second, while factoring in health and education expenditure is a positive step, using median expenditure as a norm for a positively skewed expenditure distribution may not represent the actual requirement of a poor person. Third, having done away with a calorie norm, it begins with the poverty ratio for urban India from the old method as given. Using this ratio on the mixed recall it generates a consumption basket at the aggregate level for urban India and then uses this to generate a poverty line for states around this basket. This means that instead of using state estimates to compute a weighted all India average, it begins with the latter. A bottom-up method is replaced with a top-down

approach. Fourth, the computation of consumption basket requires use of data from other rounds of NSS as also from other sources. The whole procedure is quite cumbersome and replicating it for earlier rounds or even for thin rounds is difficult and in many cases not possible. This will also have implications on the usage of time series poverty trends in macro modelling.

From a policy perspective, the new method will lead to change in share of poor. If financial transfers across states do not account for an increase in the number of poor or have a budget constraint then this means that the poorer states would end up getting less.

Despite these limitations, on account of pragmatic considerations as also for parsimony and prudence, the state-specific poverty lines have been used for computation of poverty at various sub-groups. This has been attempted in this paper for NSS regions, social groups and occupation groups for both the old and new methods. The relatively higher incidence of poverty among scheduled tribes in rural areas and scheduled castes in urban areas for social groups and that of agricultural labourers and other labourers in rural areas and casual labourers in urban areas for occupation groups have been discussed.

Though they do not play any active role in poverty estimation, yet the poor have maximum stake in poverty analysis as they are at the receiving end. Thus, a move towards a bottom-up approach where the poor get involved in the understanding of vulnerability, particularly in the implementation of policies (including on identification of poor and poverty alleviation) so as to bring in greater accountability and transparency is called for (Rao, 2010; Suryanarayana, 2011). In its absence, every attempt to define and measure poverty is like treading on the dreams of poor. If poverty measure chosen is going to help them, at least some of these dreams would become a reality. Otherwise they dry like leaves fallen from trees.

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