

## Status of Poverty in India : NITI Aayog

## Why in the news?

According to a report by NITI Aayog, improvements in the parameters of nutrition, cleanliness, school education, and access to cooking fuel have led to lifting approximately 13.5 crore people out of multidimensional poverty in the past 5 years.

## **Key Points**

- ◆ The NITI Aayog report comes just after the release of the UNDP-led Global Multidimensional Poverty Index, which states that India has seen a significant reduction in poverty, lifting 415 million people out of poverty in a span of just 15 years.
- ◆ The report indicates that the most significant reduction in poverty occurred in rural areas, declining from 32.59% to 19.28%, and in urban areas, declining from 8.65% to 5.27%.
- ◆ Uttar Pradesh, Bihar, Madhya Pradesh, Odisha, and Rajasthan showed the most substantial decline in poverty levels.
- ◆ The report titled "National Multidimensional Poverty Index: A Progress Review 2023" states that the MPI value in India declined from 0.117 to 0.066 between 2015-16 to 2019-2021, indicating significant progress in reducing multidimensional poverty.



- ◆ Poverty intensity, which measures the average deprivation among people living in multidimensional poverty, has decreased from about 47% to 44%.
- According to the government think-tank, this will put India on track to achieve SDG target 1.2 (reduce multidimensional poverty by at least half) much ahead of the 2030 deadline.
- ◆ Uttar Pradesh saw the highest number of people lifted out of poverty, with around 3.43 crore people escaping poverty in the state.
- ◆ The report highlights three essential dimensions of India's National MPI: health, education, and standard of living, which are measured by 12 indicators. Improvements were seen across all indicators, including nutrition, child and adolescent mortality rate, maternal health, school attendance, cooking fuel, cleanliness, drinking water, electricity, housing, assets, and bank accounts.
- According to the NITI Aayog report, all 12 indicators have improved, with government interventions to improve access to sanitation, nutrition, cooking fuel, financial inclusion, drinking water, and electricity. "Significant progress has been made in these areas." The report credits various government programs like the Swachh Bharat Mission, Poshan Abhiyan, Pradhan Mantri Ujjwala Yojana (PMUY), Pradhan Mantri Jan-Dhan Yojana (PMJDY), and Jal Jeevan Mission for contributing to the progress in these areas.
- The second edition of NITI Aayog's National Multidimensional Poverty Index is based on the latest National Family Health Survey (2019-21) and represents India's progress in reducing multidimensional poverty between the two surveys, NFHS-4 (2015-16) and NFHS-5. The report follows the Alkire-Foster methodology developed by its technical partners, the Oxford Poverty and Human Development Initiative (OPHI), and the United Nations Development Program (UNDP).