**THE SIMMERING DEBATE OVER POVERTY RATES**

The Great Indian Poverty Debate 2.0—launched by the International Monetary Fund (IMF), the United Nations Development Programme (UNDP) and the World Bank in 2012—has been at the heart of a vibrant discussion about India’s poverty incidence. The debate has been marked by a number of high-profile papers and reports, and has focused on the methodology and assumptions used to estimate poverty rates. The discussion has also raised questions about the reliability and accuracy of the data used to measure poverty, and has highlighted the importance of understanding the complexity of poverty in India’s diverse social and economic landscape.

**The Poverty Line and Poverty Incidence**

The poverty line in India is based on the concept of a minimum essential basket of goods and services required for a person to lead a dignified life. This basket includes food, clothing, housing, health, and education. The poverty line is set at a level that ensures a person’s income is sufficient to purchase these goods and services.

**Methodology and Assumptions**

The poverty line in India is calculated using the Consumer Price Index (CPI) for food and non-food items, and the poverty threshold is set at a certain percentage of the average CPI. This methodology has been widely criticized for its assumptions and limitations, including the use of a single poverty line for all regions, the inclusion of non-food items in the basket of goods, and the lack of consideration for non-monetary aspects of poverty.

**Debates and Controversies**

The Great Indian Poverty Debate 2.0 has been characterized by a series of controversies and debates, including the use of different poverty lines, the inclusion of non-food items in the poverty basket, and the assumptions about the probability of individuals falling into and out of poverty. The debate has also raised questions about the reliability and accuracy of the data used to measure poverty, and has highlighted the importance of understanding the complexity of poverty in India’s diverse social and economic landscape.

**The Future of Poverty Debates**

As India continues to grapple with poverty and inequality, the Great Indian Poverty Debate 2.0 is likely to continue to be a subject of intense debate and discussion. The discussion will be marked by a number of high-profile papers and reports, and will focus on the methodology and assumptions used to estimate poverty rates. The discussion will also raise questions about the reliability and accuracy of the data used to measure poverty, and will highlight the importance of understanding the complexity of poverty in India’s diverse social and economic landscape.