INTRODUCTION:

India is the world's largest democracy and emerging force in the field of communication, science and technology, but with challenges ahead, since its independence like women empowerment, environment issues, security problems, political apathy, unemployment, population explosion and poverty. Poverty as a social problem is very much rampant in India. Poverty is found in every corner of this country. India is badly facing the problem of poverty, chronic and mass poverty had been embedded in India's colonial history. Poverty varies in rural, urban and tribal areas. Problem of poverty in India is mostly found rural areas. There are two main rural characteristics. First, rural people usually live on farmsteads or in groups of houses containing perhaps 5000-10000 persons, separated by farmland, pasture, trees or scrubland. Second, the majority of rural people spend most of their time in farms or agricultural pursuits. (Mehta, B.C. 1997 Rural Poverty in India, 1997)

Poverty is one of the main issues, attracting the attention of sociologists and economists equally. It indicates a condition in which a person fails to maintain a living standard adequate for a comfortable lifestyle. Though India boasts of a high growth, it is shameful that there is still large scale poverty in India. Poverty in India can be defined as a situation when a certain section of people are unable to fulfill their basic needs. India has the world’s largest number of poor people living in a single country. Out of its total population of more than 1 billion, 350 to 400 million are living below the poverty line. Nearly 75% of these poor people are in rural areas. Most of them are daily wagers, landless laborers and self-employed house holders. Poverty in India can be classified into two categories namely rural poverty and urban poverty.

The number of poor people in India, according to the country's eleventh National development plan, accounts to more than 300 million. The country has been successful in reducing the proportion of poor people from about 55 per cent in 1973 to about 27 per cent in 2004.

But almost one third of the country's population of more than 1.1 billion continues to live below the poverty line, and a large proportion of poor people live in rural areas. Poverty remains a
chronic condition for almost 30 per cent of India's rural population. The incidence of rural poverty has declined somewhat over the past three decades as a result of rural to urban migration. Poverty is deepest among members of scheduled castes and tribes in the country's rural areas. In 2005 these groups accounted for 80 per cent of poor rural people, although their share in the total rural population is much smaller. On the map of poverty in India, the poorest areas are in parts of Rajasthan, Madhya Pradesh, Uttar Pradesh, Bihar, Jharkhand, Orissa, Chhattisgarh and West Bengal.

Large member's of India's poorest people live in the country's semi-arid tropical region. In this area shortages of water and recurrent drought's impede the transformation of agriculture that the green revolution has achieved elsewhere. There is also a high incidence of poverty, in flood-prone areas such as those extending from eastern Uttar Pradesh to the Assam plains, and especially in northern Bihar. (Mishra S.K and Puri V.K 2010, Indian Economy, 2010)

Poverty is a social phenomenon in which a section of society is unable to fulfill even its basic necessities of life. The countries of the third world exhibit invariably the existence of mass poverty, although poverty also exists even in the developed countries of Europe and America. Several economists and organizations have given different estimates of poverty. Most of them estimated the number of persons below the poverty line on the basis of an average calorie intake of 2400 per capita per day.

According to the report of task force on Minimum Needs and Effective Consumption Demand on expert group of planning commission, defined poverty one on a nutritional norm of per capita daily intake of, 2400 calories in rural areas and, 2200 calories for urban areas.

The identification process of persons below poverty line has been put to a controversy for the last few years. Planning Commission adopted the of National Sample Survey Organization NSSO as a basis for defining poverty line and determining the number of persons below it. On the basis criteria, Planning Commission estimated 38.96% of total population below poverty line for the year 1993-1994. The expert group under the chairmanship of Professor D. T. Lakadawala is appointed by Planning Commission which submitted the report in July 1993 found earlier estimates of poverty unreliable and suggested an alternate approach for identifying poor in which different poverty line was determined for different states on the basis of price level
of that particular state. Lakadwala expert group suggested that will be most suitable to rely on
the disaggregated commodity indices for consumer price index for Agriculture Laborers
(CPIAL) to update the rural poverty line and a simple average of suitably weighted commodity
indices of consumer price index for Industrial Worker (CPIIW) for updating urban poverty
(Jayanti Ghosh, "Poverty in India: What the Latest NSS Survey Tells Us" People's Democracy,
Nov. 26, 2000)

According to a recent Committee Constituted Indian government to estimate poverty,
found nearly 38% of India's population (380 million) is poor. This report is based on new
methodology and figure is 10% higher than the present poverty estimate of 28.5%. The
committee was headed by S. D. Tendulkar has used a different methodology to reach at the
current figure. It has taken into consideration indicators for health, education, sanitation,
nutrition and income as per National Sample Survey Organization survey of 2004-05. This new
methodology is a complex scientific basis aimed at addressing the concern raised over the
current poverty estimation. Since 1972 poverty has been defined on basis of the money required
to buy food worth 2100 calories in urban areas and 2400 calories in rural areas. In June this year
a government committee headed by N. C. Saxena Committee estimated 50% Indians were poor
as against planning commission's 2006 figure of 28.5%.Poverty is one of the main problems,
which have attracted attention of sociologists and economists. It indicates a condition in which a
person fails to maintain a living standard adequate for his physical and mental efficiency. It is a
situation people want to escape. It gives rise to a feeling of a discrepancy between what one has
and what one should have. The term poverty is a relative concept. It is very difficult to draw a
demarcation line between affluence and poverty. According to Adam Smith man is rich or poor
according to the degree in which he can afford to enjoy the necessaries, the conveniences and the
amusements of human life.

Even after more than 60 years of Independence India still has the world’s largest number
of poor people in a single country. Of its nearly 1 billion inhabitants, an estimated 260.3 million
are below the poverty line, of which 193.2 million are in the rural areas and 67.1 million are in
urban areas. More than 75% of poor people reside in villages. Poverty level is not uniform across
India. The poverty level is below 10% in states like Delhi, Goa, and Punjab etc. whereas it is
below 50% in Bihar (43) and Orissa (47). It is between 30-40% in North eastern states of Assam,
Tripura and Meghalaya and in Southern states of Tamil Nadu and Uttar Pradesh.
Poverty has many dimensions changing from place to place and across time. There are two inter-related aspects of poverty. Urban and Rural Poverty. The main causes of urban poverty are predominantly due to impoverishment of rural peasantry that forces them to move out of villages to seek some subsistence living in the towns and cities. In this process, they even lose the open space or habitat they had in villages albeit without food and other basic amenities. When they come to the cities, they get access to some food though other sanitary facilities including clean water supply still elude them. And they have to stay in the habitats that place them under sub-human conditions. While a select few have standards of living comparable to the richest in the world, the majority fails to get two meals a day: the causes of rural poverty are manifold including inadequate and ineffective implementation of anti-poverty, programmes, the over dependence on monsoon with non-availability of irrigational facilities often result in crop-failure and low agricultural productivity foreign farmers in the debt-traps. The rural communities tend to spend large percentage of annual earnings on social ceremonies like marriage, feast etc. Our economic development since Independence has been lopsided. There has been increase in unemployment creating poverty like situations for many. Population is growing at an alarming rate. The size of the Indian family is relatively bigger averaging around 4.2 People per family the other causes include dominance of caste system which forces the individual to stick to the traditional and hereditary occupations.

The extent of poverty in an economy is due to a wide range of factors such as:-

Under developed nature of economy, Rapid growth of population in an over populated country even if the national income increases, the per capita income remains the same due to increase in population, Large inequalities in the ownership of earning assets such as land, buildings, industry etc., Low level of productivity in agriculture and industry, Large scale unemployment and under-employment, Inequality of opportunity in acquiring education and skills.
A major cause of poverty among rural people, both individuals and communities is lack of access to productive assets and financial resources. High levels of illiteracy, inadequate health and extremely limited access to social services are common among limited access to social services are common among poor rural people. Microenterprise development, which could generate
income and enable poor people to improve their living conditions, has only recently become a focus of the government.

Women in general are the most disadvantaged group in Indian society, through their status varies significantly according to their social and ethnic backgrounds. Women are particularly vulnerable to the spread of HIV/AIDS from urban to rural areas. In 2005 an estimated 5.7 million men, women and children in India were living with HIV/AIDS. Most of them are in the 15-49 age group and almost 40 percent of them or 2.4 million in 2008, are women (National AIDS Control Organization). (Puri V.K and Mishra V.K 2008,Indian Economy, 2008)

The main determinants of poverty in a country like India are generally reflected in terms of: -
Lack of income due to a lack of productive employment and under-employment. Increase prices of food grains which constitute the major item in the consumption basket. Inadequate social infrastructure affecting the quality of life of the people and their ability to take up painful employment. Among various factors contributing to poverty alleviation, economic growth in terms of its trickledown effect has always been regarded as an important factor. However, it is not economic growth per se but also the sectored composition of growth. If growth is concentrated more in agriculture and rural sectors, it may lead to much larger alleviation of poverty in India then if it is concentrated say, in large scale industries similarly. Factors like physical and social infrastructure focus in increasing productivity of small farmers, generation of employment opportunities, control of population, expenditure on human development etc. Help alleviate poverty to a large extent. The main focus of poverty alleviation in the first two decades of planning was on achieving a high rate of growth of GDP. It was assumed that a high rate of growth would bring about what was known as the trickledown effect and thereby take care of the poor and the downtrodden. However, by early 1970s it became adequately clear that trickledown effect had not taken place and poverty alleviation would require redistribution policies. Hence, from mid-seventies, anti-poverty strategy has focused on direct attack on poverty in the form of special poverty alleviation and employment generation programme Unemployment in India is structural in nature. This implies that the demand for labour more often falls short of the supply of labour due to rapid growth of population as well as immobility of the population. Structural
rigidities like caste, joint family system, low productivity of agriculture, poor absorption capacity of industry etc. Manifest them to create situations of unemployment and under-employment and make the problem of unemployment a chronic one.

The extent of unemployment in India is generally measured on the basis of three different concepts used by the National Sample Survey Organization. Usual status or chronic unemployment (in terms of number of personal) which means, number of persons who remain unemployed for a major part of the reference period in this case, a year. Weekly status unemployment (in terms of number of persons) which is measured in terms of the number of persons who did not find even an hour of work during the reference period - in this case, a week. Daily status unemployment (measured in terms of number of days or person years) which means the number of persons who did not find work on a day or some days during the survey week. This is considered to be the most comprehensive measure of unemployment. The 11th Plan has largely used this measure for estimation of employment and unemployment in India. It has been observed that the estimates based on daily status are the most inclusive rate of 'unemployment' giving the average level of unemployment on a day during the survey year. It captures the unemployed days of the chronically unemployed the unemployed days of the usually unemployed who become intermittently unemployed, during the reference week and unemployed days of those classified as employed according the criterion of current weekly status.

India has the twin problems of both under-employment as well as open unemployment. For example in the rural areas there is disguised unemployment which is a kin to under-employment of a large mass of rural population. Similarly, there is seasonal unemployment and unemployment of the educated youth many of whom may be engaged in jobs which are below their capabilities. Precise estimates of unemployment are not available in India essentially due to the prevalence of large scale disguised unemployment in the rural sector.

Since the 1970s the Indian government has made poverty reduction a priority in its development planning. Policies have focused on improving the poor standard of living by ensuring food security, promoting self-employment through greater access to assets, increasing wage employment and improving access to basic social services. Launched in 1965, India's
public distribution system has helped meet people's basic food needs by providing rations at subsidized prices. Although it has affected less than 20% of the poor's food purchases, the system has been important in sustaining people's consumption of cereals, especially in periods of drought. It has provided women and girls with better access to food and helped overcome the widespread discrimination within households. It has also reduced the burden of women, who is responsible for providing food for the household.

Provides rural household below the poverty line with credit to purchase income-generating assets. Launched in 1979, the programme has supplied subsidized credit to such groups as small and marginalized farmers, agricultural labourers, rural artisans, the physically handicapped, scheduled castes and scheduled tribes. Within this target population, 40% of the beneficiaries are supposed to be women. Although the programme has reached 51 million families, only 27% of the borrowers have been women. The programme has significantly increased the income of 57% of assisted families.

It is largely a result of low productivity and unemployment. The Jawahar Rozgar Yojana, a national public works scheme launched in 1989 with financing from the central and state government, provides more than 700 million person days of work a year about 1% of total employment for people with few opportunities for employment. The scheme has two components: a programme to provide low-cost housing and one to supply free irrigation wells to poor and marginalized farmers. The public works scheme is self-targeting. Since it offers employment at the statutory minimum wage for unskilled manual labour. Only those willing to accept very low wages the poor are likely to enroll in the scheme. By providing regular employment and thereby increasing the bargaining power of all rural workers, the public workers scheme has had a significant effect in reducing poverty. It has also contributed to the construction of rural infrastructure (irrigation works, a soil conservation project, drinking water supply). Evaluations show that 82% of available funds have been channeled to community development projects. Targeting was improved in 1996 when the housing and irrigation well components were linked and focused exclusively on people below the poverty line. (K. Venkata Reddy, Rural Development in India, 1988.)
TRYSEM was started to provide technical skills to the rural youth and to help them to get employment in fields such as agriculture, industry, services and business activities. Youth of the poor families belonging to the age-group of 18-35 are entitled to avail the benefits of the scheme. Priority is given to persons belonging to ST/SC and ex-servicemen and about 1/3 seats are reserved for women. Minimum needs programme was taken up as an integral part of the 5th Five Year Plan and it was intended to cater to the minimum needs of the people such as rural water supply, rural health, road building, adult education, primary education, rural electrification and improvement of the urban slums etc.

"Agriculture and Rural Development" has been the key mantra for a sustained and long term economic growth in India. The same is in the sharper focus today with the government taking keen interest to ensure a comprehensive and visible uplift of this sector through effective implementation of various old and new schemes. The government runs its large-scale rural development schemes mainly through the Ministry of Rural Development, National Bank for Agriculture and Rural Development.

About 80 per cent of the Indian population lives in villages, when traveling through the length and breadth of this subcontinent, one can really visualize the difference between rural and urban India. There is a big difference between urban and rural India. One of the major differences that can be seen between rural India and urban India is their standards of living.

People living in urban India have better living conditions than those living in the rural parts of India. There is a wide economic gap between rural and urban India. Rural India is very poor when compared to urban India. Another difference that can be seen between urban and rural India, is their education. In rural India, the parents seldom educate their children, and instead, make their children work in the fields. Poverty and lack of sufficient infrastructure can be attributed to the lack of education in rural India. When considering homes, about three-quarters of the households in urban India live in Pucca homes. On the other hand, only a quarter of the people in rural India live in pucca homes. While ground water is the main source of drinking water in rural India, the urban people rely more on tap-water. Urban India is almost electrified when compared to rural India. One can even come across
villages where electric power is not yet available. When comparing the sanitary facilities, it is limited in rural India. About 90 per cent of the households in rural India do not have latrines, but this is not the case in Urban India. Most of the developments have not yet reached the rural parts of India. With regards to health care as well rural India lacks good hospitals when compared to urban India. Some of the rural areas even lack a dispensary. (Desai Vasant 1998, Rural Development, 1988.)