Indian Economy · GS - III

Examine India's progress in poverty reduction and discuss the challenges that remain in achieving inclusive and sustainable development.

EXAM YEAR	PAPER	SUBJECT
DAILY PRACTICE 30/10/2026	GS - III	Indian Economy

MARKS	WORD LIMIT
10	~150 words

Answer Hint

Declining extreme poverty; economic growth; welfare interventions; rural-urban disparities; multidimensional poverty; economic vulnerability; inclusive development

Model Answer

Introduction

India has recorded significant progress in poverty reduction. According to the figures cited in the report, extreme poverty declined from 22.5% in 2011 to 10.1% in 2019, reflecting improvements in household living standards.

Factors Behind Poverty Reduction

- **Economic growth:** Employment opportunities and rising incomes have improved household consumption.
- **Welfare interventions:** Food subsidies, direct benefit transfers and social protection programmes have supported vulnerable households.
- **Rural development:** Improvements in rural infrastructure and access to basic services have contributed to poverty reduction.

Persistent Challenges

- **Economic vulnerability:** Informal employment, health emergencies and inflation can push households back into poverty.
- **Regional disparities:** Poverty reduction remains uneven across states and regions.

- **Multidimensional deprivation:** Nutrition, education, healthcare, housing and sanitation require continued attention.

Way Forward

Strengthening quality employment, human capital, social security and targeted welfare delivery is essential.

Conclusion

Poverty reduction must move beyond crossing an income threshold towards ensuring economic security, dignity and equal opportunities for all.

BECOME IAS
AI POWERED UPSC PREP