With poor people making up less than a tenth of its population, Punjab is one of India’s richest states. After 2005, poverty reduction in the state was among the fastest in the country. In spite of this, Punjab’s western and central districts record higher levels of poverty than its other regions. Since 2005, however, the state’s growth has fallen below the national average. And, off late, services have contributed more to growth than manufacturing. Surprisingly, after 2005, consumption inequality in Punjab has decreased, albeit only slightly.

Poverty in Punjab is among the lowest in the country

There is higher poverty in the central and western parts of Punjab than the rest of the state

Low Income States are highlighted in orange, AI is All India.
Like many states in India, poverty reduction in Punjab was faster after 2005

Population below poverty line, (%)

Low Income States are highlighted in orange, AI is All India.

Poverty reduced in both rural and urban areas in Punjab after 2005

Population below poverty line, (%)

Urban
Total
Rural

1994 2005 2012

Population below poverty line, (%)

1994 2005 2012
Growth in Punjab has been lower than the national average after 2005

Since 2009, services have been contributing more to Punjab’s growth than manufacturing

Data for 19 large states and All India. Low Income States are highlighted in orange.

Interpreting the graph

Leading
High income, high growth

Improving
Low income, high growth

Lagging
Low income, low growth

Weakening
High income, low growth

Standard of living, 2005

Annual growth rate, 2005 - 2012 (%)

Real GSDP per capita, (2005 Rupees)

Components of GSDP growth rate, (%)

Services
Industry
Agriculture
Poverty reduction in Punjab after 2005 has been faster than in most states

A very small share of India’s poor live in Punjab

Interpreting the graph

Data for 19 large states and All India. Low Income States are highlighted in orange.
Slight reduction in consumption inequality in Punjab after 2005

Consumption inequality in Punjab is just below the national average

Low Income States are highlighted in orange. AI is All India.