Karnataka is home to 61 million people of whom 13 million — or a little more than one fifth — are poor. Since 1994, the state has made steady progress in poverty reduction; however the pace of poverty reduction slowed down after 2005. Karnataka’s growth, driven mainly by services, also fell below the national average after 2005. Moreover, consumption inequality increased, a lot more in urban areas. Today, the state has one of the highest levels of consumption inequality in the country, and pockets in the north and the east of the state record a high incidence of poverty.

**Poverty in Karnataka is close to the national average**

![Population below poverty line, 2012 (%)](image)

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

**Districts in the north and east of Karnataka have very high poverty**

![Population below the poverty line, 2012 (%)](image)
Unlike many other states, there has been a steady decline in poverty in Karnataka since 1994.

Population below poverty line, (%)

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

A steady decline in poverty in both rural and urban areas of Karnataka since 1994.
Karnataka Poverty, Growth & Inequality

Growth in Karnataka after 2005 has been lower than the national average

Karnataka’s growth is driven mainly by services

Components of GSDP growth rate, (%)

- Services
- Industry
- Agriculture

Improving

Leading

Lagging

Weakening

Data for 19 large states and All India. Low Income States are highlighted in orange.
Since 2005, poverty reduction in Karnataka has been slower than in many advanced states.

Karnataka's share of India's poor is equal to its share in the country's total population.
Consumption inequality has been increasing in Karnataka, especially in urban areas

**Gini coefficient**

Consumption inequality in Karnataka is among the highest in the country

**Gini coefficient, 2012**

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