

# 'India has more rich people than poor now'

Prabhakar Sinha | TNN

**New Delhi:** For the first time ever, the number of high-income households in India has exceeded the number of low-income, the National Council of Applied Economic Research (NCAER) has estimated.

In its report, "How India Earns, Spends and Saves", released on Saturday, the NCAER estimated that despite the economic slowdown of the last three years, the number of high-income households should have reached 46.7 million by March 2010, exceeding the 41 million households counted as low-incomes.

If true, this would be a remarkable turnaround within just a decade. It started with just 13.8 million households described as high-income, or earning more

than Rs 1.8 lakh per annum at 2001-02 prices. Meanwhile, 65.2 million households were classified as low-income or earning less than Rs 45,000 per year. The NCAER estimated that middle-income

households, or those earning between Rs 45,000 and Rs 1.8 lakh per annum, rose sharply from 109.2 million to 140.7 million in the decade.

Interestingly, the slowdown in the growth in the last three years of the decade, the report said, had the maximum impact on middle income households. Though in absolute terms the number of middleclass households grew from 135.9 million in 2007-08 to 140.7 mil-

lion by 2009-10, in percentage terms it fell marginally from 62% of all households to 61.6% in the same period. The slowdown did not impact the expansion in the number of high income households.

## INDIA RISING

► 46.7mn high-income households, which exceeds 41mn low-income ones

► 13.8mn high-income households in 2001

► No. of middle-income households has also risen sharply