

# National Development Council

## [UPSC Notes]

### What is National Development Council?

The National Development Council, or Rashtriya Vikas Parishad, is neither a constitutional body nor a statutory body. It was established by an executive resolution of the Government of India. This was done based on the initial five-year plan on August 6, 1952.

- The National Development Council is an important body for policy or decision-making on development matters in India. It plays a vital role in nation-building under the chairmanship of the Prime Minister.
- It also includes the representatives of states and union territories for any decision-making after the policy was passed by the Planning Commission as a mechanism of cooperative federalism.

### History of National Development Council

The National Development Council is an important organization for India's decision-making, policy-making, and planning system. The NDC promotes cooperative federalism and serves as a tool to ensure that policy and decision-making are truly national in nature.

- In 1946, the planning advisory board under the chairmanship of K.C Neogi had recommended setting up an organization that would include the representatives of the provincial states and provinces.
- The planning commission in its first five-year plan drafted a National Development Council for a vast country like India to facilitate the involvement of states in making policies and implementing the policies of the government.
- Accordingly, the NDC was established on August 6, 1952, by an executive resolution of the Government of India on the recommendation of the first five-year plan of the Planning Commission.

### NDC Objectives

The objectives of the National Development Council are as follows:

- to ensure the cooperation of states in the execution of the plan.
- to promote basic economic policies in all important fields.
- to maintain balance and rapid development throughout the country
- to strengthen and mobilize the efforts and resources of the nations in support of the plan.

## Role of National Development Council (NDC)

Sometimes, the socio-economic reconstruction goals may be overlooked in an environment lacking consensus. As a result, the NDC can significantly contribute to developing a national agenda for the holistic growth of the country. Unless a national agenda is in place, organising a coordinated approach to planning is impossible. According to the Sarkaria Commission, the NDC should be the strongest and emerge as the supreme institution for planning relations between the centre and States.

- The Sarkaria Commission has recommended renaming **NDC as the National Economic And Development Council** under article 263 of the constitution.
- The members of this Council would be the Prime Minister, Deputy Chairman of Planning Commission, Governor of Reserve Bank of India, Finance Minister, and 6 Chief Ministers, one from each zone.
- A strong and expanded national development council will tremendously impact the entire political and administrative system. It will still be important to increase the effectiveness of the NDC and the Planning Commission until its drastic structural redesigning is resolved.

## Structure of National Development Council

Since the establishment of the National Development Council, it has consisted of top-level representatives from the central and state governments, along with members of the planning commission.

The first Administrative Reform Commission, in 1967, was the first to deal with the issue of reorganization of the National Development Council, and the first Administrative Reform Commission recommended that the National Development Council be reconstituted as follows:

1. Prime Minister
2. The Deputy Prime Minister, if any.
3. The Central Ministers of Finance, Railways, Food and Agriculture, Commerce, Transportation, Irrigation and Power, Labour, Employment, and Rehabilitation.
4. The Chief Ministers of all states.
5. The members of the Planning Commission.
6. As per the recommendations, the PM was suggested to continue his chairmanship, and the Planning Commission's secretary should be the secretary.

## National Development Council Functions

On the recommendation of the Administrative Reform Commission in October 1967, The National Development Council was reconstituted, and its functions were redefined and are as follows:

- To prescribe the roadmap for the formulation of the national plan

- To acknowledge the national plan as prepared by the erstwhile Planning Commission.
- Advisement of the national plan as prepared by the National Development Council and considering important questions about how the social, economic, and political policies are affecting national development
- To review national plans regularly and recommend them in the event of any issues that arise before achieving the national development goals and objectives.
- It also recommended measures for the achievement of aims and targets of the plans of the centre and state governments which are outside the national plan.
- The National Development Plan plays an important role in bridging the Central Government, State Government, and Planning Commission.
- This, in addition to the national plan, also helps with problems such as national security threats, food crises, land reform, or in the case of natural calamities such as earthquakes, tsunamis, etc.
- Primarily, the planning commission drafts the 5-year plan, then it is submitted to the Union Cabinet and, after approval from the Union Cabinet, it is transferred to the National Development Council. After being approved by the National Development Council, it is placed before Parliament and, with its approval, it emerges as the official plan and is published in the official gadget.
- Although the National Development Council is an advisory body to the planning commission, Its recommendation is not binding in nature. The National Development Council is the highest body below Parliament, responsible for making policies and programs for the social and economic development of the country.

## National Development Council and NITI Aayog

Note the comparison between [NITI Aayog](#) and NDC for a better understanding.

Parameters	National Development Council	NITI Ayog
<b>Purpose</b>	In addition to being a planning Institution, NDC is the biggest decision-making authority in India.	India's policy think tank acts as the advisory organisation and recommends policy changes.
<b>Composition</b>	The Prime Minister, Chief Minister of all the states and union territories, members of the planning commission, and the Union Cabinet ministers.	Prime Minister of India, Chief Ministers of all the states and Union Territories, Vice-Chairman of Niti Aayog, and Lieutenant Governors of other union territories.

<b>Function</b>	To make the guidelines and assessments of National plans.	Monitoring the implementation of the plans and programs.
<b>Formation</b>	It is formed by the cabinet resolution.	The executive resolution forms it.

