

National Institution for Transforming India (NITI Aayog) - A Brief Overview

The Planning Commission which has a legacy of 65 years has been replaced by the **NITI Aayog**. The utility and significance of the Planning Commission had been questioned for long. The replacement seems to be more relevant and responsive to the present economic needs and scenario in the country.

- **NITI Aayog Chairman** – Narendra Modi
- **NITI Aayog Vice-Chairman** – Dr. Rajiv Kumar (September 2017 – present) is the current Vice Chairman of the NITI Aayog.

Latest News about Niti Ayog:

1. ‘One District, One Product Policy’ – It is a recent agenda of the Niti Aayog Governing Council. It intends to boost export at the district level.
2. Niti Aayog to commission a study on the select judgements and verdicts of Supreme Court and National Green Tribunal on the economy of India.
3. National Action Plan for Migrant Workers is underway and for the same Niti Aayog is a responsible authority.
4. The NITI Aayog has framed a model Act on conclusive land titles that it hopes will be adopted and implemented by states. The aim is to facilitate easy access of credit to farmers and reduce a large number of land-related litigations, besides enabling transparent real estate transactions and land acquisition for infrastructure developments.
5. Recently the NITI Aayog vice-chairman had mentioned that the Government will introduce the production-linked incentive (PLI) scheme for more sectors to boost domestic manufacturing. The objective of the PLI scheme is to incentivise investors in this country to put up globally comparable capacity in scale and competitiveness. The Government of India has already introduced the PLI scheme for pharmaceutical, medical devices, mobile phones and electronic manufacturing companies. It is now considering extending the scheme to other sectors as well.

NITI Aayog Evolution

The NITI Aayog was formed on January 1, 2015. In Sanskrit, the word “NITI” means morality, behaviour, guidance, etc. But, in the present context, it means policy and the NITI stands for “**National Institution for Transforming India**”. It is the country’s premier policy-making institution that is expected to bolster the economic growth of the country. It aims to construct a strong state that will help to create a dynamic and strong nation. This helps India to emerge as a major economy in the world. The NITI Aayog’s creation has two hubs called “**Team India Hub**” and “**Knowledge and Innovation Hub**”.

1. Team India: It leads to the participation of Indian states with the central government.
2. The Knowledge and Innovation Hub: it builds the institution’s think tank capabilities.

NITI Aayog is additionally creating itself as a State of the Art Resource Center, with the essential resources, knowledge, and skills that will empower it to act with speed, advance research and innovation, bestow crucial policy vision to the government and manage unforeseen issues. The reason for setting up the NITI Aayog is that people had expectations for growth and development in the

administration through their participation. This required institutional changes in administration and active strategy shifts that could seed and foster substantial scale change.

Objectives of NITI Aayog

1. The active participation of States in the light of national objectives and to provide a framework 'national agenda'.
2. To promote cooperative federalism through well-ordered support initiatives and mechanisms with the States on an uninterrupted basis.
3. To construct methods to formulate a reliable strategy at the village level and aggregate these gradually at higher levels of government.
4. An economic policy that incorporates national security interests.
5. To pay special consideration to the sections of the society that may be at risk of not profiting satisfactorily from economic progress.
6. To propose strategic and long-term policy and programme frameworks and initiatives, and review their progress and their effectiveness.
7. To grant advice and encourage partnerships between important stakeholders and national-international Think Tanks, as well as educational and policy research institutions.
8. To generate knowledge, innovation, and entrepreneurial support system through a shared community of national and international experts, etc.
9. To provide a platform for resolution of inter-sectoral and inter-departmental issues to speed up the accomplishment of the progressive agenda.
10. To preserve a state-of-the-art Resource Centre, be a repository of research on good governance and best practices in sustainable and equitable development as well as help their distribution to participants.
11. To effectively screen and assess the implementation of programmes and initiatives, including the identification of the needed resources to strengthen the likelihood of success.
12. To pay attention to technology improvement and capacity building for the discharge of programs and initiatives.
13. To undertake other necessary activities to the implementation of the national development agenda, and the objectives.

7 pillars of effective governance envisaged by NITI Aayog

The NITI Aayog is based on the **7 pillars of effective Governance**. They are:

1. Pro-people: it fulfils the aspirations of society as well as individuals
2. Pro-activity: in anticipation of and response to citizen needs
3. Participation: involvement of the citizenry
4. Empowering: Empowering, especially women in all aspects
5. Inclusion of all: inclusion of all people irrespective of caste, creed, and gender
6. Equality: Providing equal opportunity to all especially for youth
7. Transparency: Making the government visible and responsive

NITI Aayog Composition

The NITI Aayog will comprise the following:

1. **Prime Minister** of India is the Chairperson

2. **Governing Council** consists of the Chief Ministers of all the States and Lt. Governors of Union Territories in India.
3. **Regional Councils** will be created to address particular issues and possibilities affecting more than one state. These will be formed for a fixed term. It will be summoned by the Prime Minister. It will consist of the Chief Ministers of States and Lt. Governors of Union Territories. These will be chaired by the Chairperson of the NITI Aayog or his nominee.
4. **Special invitees:** Eminent experts, specialists with relevant domain knowledge, which will be nominated by the Prime Minister.
5. The full-time organizational framework will include, in addition to the Prime Minister as the Chairperson:
 1. Vice-Chairperson (appointed by the Prime Minister)
 2. Members:
 - Full-time
 - Part-time members: Maximum of 2 members from foremost universities, leading research organizations, and other innovative organizations in an ex-officio capacity. Part-time members will be on a rotational basis.
 3. Ex Officio members: Maximum of 4 members of the Council of Ministers which is to be nominated by the Prime Minister.
 4. Chief Executive Officer: CEO will be appointed by the Prime Minister for a fixed tenure. He will be in the rank of Secretary to the Government of India.

Niti Aayog – Achievements

The latest report 2019-20 mentions the achievements of Niti Aayog:

1. Monitoring and Analysing Food and Agricultural Policies (MAFAP) programme in India – It is a collaborative research project between Niti Aayog and the United Nations' Food and Agriculture Organization (FAO).
 - It aims to monitor, analyse and reform food and agricultural policies.
 - The first phase of the MAFAP programme ran between 23rd September and 31 December 2019.
 - National Agriculture Price Policy and National Food Security Policy for selected agricultural product marketing committees and districts respectively were reported.
 - The second phase of the MAFAP programme is scheduled between 1st January 2020 and 31st December 2021.
2. The Niti Aayog governing council promoted Zero Budget Natural Farming.
3. Additionally, natural farming is being promoted as 'Bhartiya Prakritik Krishi Paddhati' programme under Paramparagat Krishi Vikas Yojana (PKVY).
4. Village Storage Scheme has been conceptualised. Similarly, Union Budget 2021 has proposed Dhaanya Lakshmi Village Storage Scheme, yet to be implemented.

UPSC questions on Planning Commission

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Q. Which of the following bodies does not/do not find mention in the Constitution? (UPSC Civil Services Preliminary Examination 2013)

1. National Development Council
2. Planning Commission

3. Zonal Councils

Select the correct answer using the codes given below.

1. 1 and 2 only
2. 2 only
3. 1 and 3 only
4. 1, 2 and 3

Q. Consider the following statements: **(UPSC Civil Services Preliminary Examination 2013)**

1. National Development Council is an organ of the Planning Commission.
2. The Economic and Social Planning is kept in the Concurrent List in the Constitution of India.
3. The Constitution of India prescribes that Panchayats should be assigned the task of preparation of plans for economic development and social justice.

Which of the statements given above is/are correct?

- A) 1 only
- B) 2 and 3 only
- C) 1 and 3 only
- D) 1,2 and 3

Q. Which of the following are associated with 'Planning' in India? **(UPSC Civil Services Preliminary Examination 2014)**

1. The Finance Commission
2. The National Development Council
3. The Union Ministry of Rural Development
4. The Union Ministry of Urban Development
5. The Parliament

Select the correct answer using the code given below.

- A) 1, 2 and 5 only
- B) 1, 3 and 4 only
- C) 2 and 5 only
- D) 1, 2, 3, 4 and 5

Frequently Asked Questions related to NITI Aayog

What is NITI Aayog and its function?

NITI AAYOG stands for NATIONAL INSTITUTION FOR TRANSFORMING INDIA. Its function is to foster cooperative federalism through structured support initiatives and mechanisms with the States on a continuous basis, recognizing that strong States make a strong nation.

What is the difference between the NITI Aayog and the Planning Commission?

NITI Aayog replaced the Planning Commission of India. It is basically a think-tank or an advisory body. The Planning Commission designed Five Years Plans in India.

Which type of body is NITI Aayog?

Niti Aayog is an executive body. In 2014, Prime Minister Narendra Modi announced the Planning Commission's abolition and created NITI Aayog through an executive resolution. It is neither a constitutional body nor a statutory body.

What are the achievements of NITI Aayog?

NITI Aayog has identified 117 Aspirational districts for transformation through development of education, health & nutrition, agriculture & water resources, skill development, financial inclusion and basic infrastructure.