

## National Development Council

National Development Council (NDC) or the Rashtriya Vikas Parishad is the apex body for decision making and deliberations on development matters in India presided over by the Prime Minister.

National Development Council was set up on August 6, 1952, to strengthen and mobilize the effort and resources of the nation in support of the Plan, to promote common economic policies in all vital spheres, and to ensure the balanced and rapid development of all parts of the country.

The National Development Council is a very important topic for the UPSC [civil services exam](#). It is a pivotal organisation that is bound to play a vital role in the country's development process. Hence, you should read about the Rashtriya Vikas Parishad or National Development Council in detail as questions can be asked on it both in the UPSC prelims and mains exams.

### National Development Council (NDC) – Background

- The National Development Council is one of the key organizations of the planning system in India.
- It symbolizes the federal approach to planning and is the instrument for ensuring that the planning system adopts a truly national perspective.
- The NDC has experienced numerous ups and downs in its fortunes. Its status has been determined by the prevailing political climate and the support provided to it by the government in power at the centre and the effectiveness of the pressures exerted by state governments.
- Notwithstanding the vicissitudes that it has faced during the past six decades, its continuing presence in the apex policy structure has always been felt.
- Way back in 1946, the Planning Advisory Board under the chairmanship of KC Neogi, had recommended the setting up of an advisory organization that would include representatives of the provinces, princely states and other interests. Although this idea was not implemented before independence, its rationale was well appreciated.
- The Planning Commission of the Government of India, in the initial days of its inception, had recognised the potential utility of such a coordinating body.
- In the Draft First Five Year Plan, it was stressed by the Planning Commission that in a vast country like India, where under the constitution, the states enjoy autonomy in the performance of their functions, there was a need for a body like the National Development Council that may facilitate the periodical evaluation of planning and its various facets by the Prime Minister and the state Chief Ministers.
- Accordingly, the National Development Council was set up by a proposal of the Cabinet Secretariat of the Government of India in August 1952.

### Appointment and Composition of NDC

- The National Development Council comprises the following members –
  1. Indian Prime Minister
  2. All the Union Cabinet Ministers

3. Chief Ministers of all States or their substitutes
  4. Representatives of the union territories and
  5. The members of the NITI Aayog (erstwhile planning commission).
- The secretary of the Planning Commission is also the secretary of the NDC. The administrative assistance is also provided by the Planning Commission.
  - There have been occasions when the Reserve Bank Governor and other experts have been invited to address the meetings. The large membership of the Council, which at one time rose to 50, reduced the utility of the Council for discussion as a compact body and in November 1954 a Standing Committee was established with only nine Chief Ministers and a few Union Ministers as members.
  - In addition, the Council has been appointing committees from time to time for a detailed examination of certain problems.
  - The Prime Minister is the Chairman of the Council and the Secretary to the Commission acts as its Secretary and the Commission furnishes the Council with administrative and other assistance.
  - The Council ordinarily meets twice a year. It is interesting to note that the Council ordinarily passes no resolution formally.
  - The practice is to have a complete record of discussion and gather out of it general trends pinpointing particular conclusions. Decisions are usually unanimous.

Candidates must know about important Government Bodies like the National Development Council-

[National Human Rights Commission](#)

[Armed Forces Tribunal](#)

[National Commission for Protection of Child Rights](#)

[National Bank for Agriculture and Rural Development](#)

[Niti Aayog](#)

[National Green Tribunal \(NGT\)](#)

[National Commission for Backward Classes \(NCBC\)](#)

[National Commission for Scheduled Tribes \(NCST\)](#)

[National Commission for Scheduled Castes \(NCSC\)](#)

Read about similar [constitutional, statutory or quasi-judicial bodies](#), on the linked page.

## Powers, Functions and Responsibilities of NDC

In October 1967, on the recommendations of the Administrative Reforms Commission, the Council was reconstituted and its functions were redefined to include:

- Prescription of guidelines for the formulation of National Plan, including the assessment of resources for the Plan
- Consideration of National Plan as formulated by the National Development Council; Considering important questions of social and economic policy affecting national development.
- The review of the working of the Plan from time to time and recommend such measures as are necessary for achieving the aims and targets to secure the active participation and cooperation of the people, improving the efficiency of the administrative services, ensuring the fullest development

of the less advanced regions and sections of the community and, through sacrifice, borne equally, by all citizens, build up resources for national development.

- It was envisaged that the National Development Council would advise and make its recommendations to the Central and State Governments.
- Since its inception, it has been functioning as a high power consultative body where the frame of the Five Year Plans, the important problems facing the Indian economy, and the policies, that have to be adopted for tiding over the urgent problems have been discussed and solutions arrived at.
- Thus in addition to the Plan, the Council has concerned itself with problems like food, creation of the State Trading Corporation and land reforms.
- The prime function of the Council is to act as a kind of bridge between the Union Government, the Planning Commission and the State Governments.
- It helps in the coordination not only of policies and programmes of plans but also other matters of national importance. It provides a good forum for discussion and full and free exchange of views.
- There is no other comparative forum. It is also a device for sharing of responsibility between States and the Union Government. Government of India accepted the recommendations of the First ARC in a slightly modified form. It was decided that the NDC, headed by the PM, should comprise all Union cabinet ministers, Chief Ministers of states, Chief Ministers/Chief executives of the union territories and members of the Planning Commission. Accordingly, the NDC was reconstituted in October 1967, on these lines. It may be noted that the NDC generally, does not pass any formal resolutions. The practice normally followed is that it maintains a detailed record of discussions held in its meetings, and then draws a consensus on the basis of such discussions. All the decisions of the council are unanimous; yet, dissenting voices are generally difficult to ignore.

## Objectives of the National Development Council

NDC is an advisory body to the Planning Commission. The major objectives of NDC can be listed below:

- To strengthen and mobilize the effort and resources of the nation in support of the Plan.
- To promote common economic policies in all vital spheres.
- To ensure the balanced and rapid development of all parts of the country.

In addition to this, NDC provides a platform for all the states to discuss their problems and issues related to development. Thus, it secures the cooperation of the states in the execution of developmental plans.

## New Role of NDC

- In an environment reflecting lack of consensus, sometimes the broader national goals of socio-economic reconstruction are glossed over. Hence the need remains of evolving a “national agenda” for a holistic growth of the country, to which the NDC can contribute significantly.
- In the absence of such a “national agenda,” no concerted approach to planning can take place. The Sarkaria Commission had recommended that the NDC should be made more effective, so that it emerges as the supreme institution, at the political level for the centre-state planning relations.

- It has also recommended that NDC should be renamed and reconstituted as '**National Economic and Development Council**' (**NEDC**) under provisions of Article 263 of the constitution.
- The Sarkaria Commission went on to recommend the creation of a Standing Committee of the NEDC, consisting of the Prime Minister, Finance Minister, deputy chairman of the Planning Commission, Governor of the Reserve Bank of India and six Chief Ministers, one from each zone, selected by rotation or consensus.
- In case, however, the status of the NDC is transformed so as to make it a powerful and expanded constitutional authority, it will have a telling impact on the whole politico-administrative system. Until the desirability or otherwise of such a drastic structural redesigning is thrashed out, the need would persist of increasing the effectiveness of the role of the NDC as well as the Planning Commission.

## Structure of NDC

Right since its inception, the National Development Council has comprised top-level representatives of the central as well as the state governments, along with the members of the Planning Commission. The issue of reorganization of the NDC was taken up by the First Administrative Reforms Commission in 1967.

The commission, in its Report on the Machinery for Planning (Interim), had recommended that the NDC should be reconstituted as follows:

1. Prime Minister
2. The Deputy Prime Minister, if any
3. The Central Ministers of (i) Finance; (ii) Food and Agriculture ; (iii) Industrial Development and Company Affairs (iv) Commerce ; (v) Railways ; (vi) Transport and Shipping (vii) Education ; (viii) Labour, Employment and Rehabilitation (ix) Home Affairs; and (x) Irrigation and Power
4. The Chief Ministers of all states
5. The members of the Planning Commission It was also recommended that the Prime Minister should continue as the chairman of the NDC, while the secretary of the Planning Commission should act as its secretary.