

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

STARRED QUESTION NO:290
ANSWERED ON:14.12.2011
PERFORMANCE OF PLANNING COMMISSION
Singh Shri Ravneet

Will the Minister of PLANNING be pleased to state:

(a) whether the Government has reviewed the success achieved by the Planning Commission in its objective of raising the standard of living of people;

(b) if so, the details and the outcome thereof;

(c) if not, whether the Government proposes to constitute an Expert Group for evaluating the performance of the Planning Commission and redefining its role and objectives in the changed circumstances so as to relate the planning process to the life of the common man and its role in the implementation of programmes and schemes; and

(d) if so, the details thereof;

Answer

MINISTER OF STATE FOR PLANNING, SCIENCE & TECHNOLOGY AND EARTH SCIENCES (DR. ASHWANI KUMAR)

(a) to (d): A statement is laid on the table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 290# REGARDING "PERFORMANCE OF PLANNING COMMISSION" BY SHRI RAVNEET SINGH TO BE ANSWERED ON 14TH DECEMBER, 2011.

(a) and (b): The Planning Commission was set up by a Resolution of the Government of India in March 1950 in pursuance of declared objectives of the Government to promote a rapid rise in the standard of living of the people by efficient exploitation of the resources of the country, increasing production and offering opportunities to all for employment in the service of the community. The Planning Commission was charged with the responsibility of making an assessment of resources of the country, augmenting deficient resources, formulating plans for the most effective and balanced utilization of resources and determining priorities. This involves allocating Plan funds to various Ministries / Departments and to the States every year, based on discussions with them on their Annual Plan proposals for various schemes. It also includes reviews of policy approaches which are a critical part of Plan formulation. The progress made towards Plan objectives is reviewed periodically in Five Year Plans and also at the time of Mid-Term Appraisal of the Five Year Plans, and corrective measures suggested are incorporated in the next Five Year Plan.

The impact of all these activities and of the various schemes implemented by the Central Government and the States is reflected over time. The table given below indicates the year-wise per capita income and the growth rate. The average rate of growth in per capita income measured in terms of Net National Income (NNI) at factor cost at constant prices (2004-05), is 5.9% per year during 2000-01 to 2010-11. The decline in percentage of persons below poverty line at all India level, as per the Tendulkar Methodology, is from 45.3% in 1993-94 to 37.2% in 2004-05.

Table

Per capita Net National Income (NNI) at factor cost at 2004-05 Constant Prices (All India)

(in Rupees)

YearPer Capita NNI Annual Growth Rate (%)

2000-2001 20362

2001-02 21065 3.5

2002-03 21575 2.4

2003-04 23005 6.6

2004-05 24143 4.9

2005-06 26025 7.8

2006-07 28083 7.9

2007-08 30354 8.1

2008-09 31801 4.8

2009-10 33731 6.1

2010-11 (AE) 36003 6.7

Annual Average 5.9
Growth Rate

Source: National Accounts Statistics

AE: Advance Estimates.

Planning Commission has been evolving its strategies by way of continuous internal assessment of its working. It has sought to keep itself abreast with the latest developments and aligned its policies in such a manner that keeps the interests of the common man in mind.

As part of the effort to improve its functioning, the Planning Commission has recently obtained the approval of Government for setting up of an Independent Evaluation Office (IEO) for evaluating major flagship programmes. The IEO will conduct the evaluation of flagship programmes in a professional and unbiased manner so that the findings can be utilized by Planners and policy-makers to improve the implementation efficiency of these programmes, and further the objective of 'equity and inclusive growth', which is the main goal of our development planning.

Another important step taken by Planning Commission is setting up a High Level Expert Committee, under the Chairmanship of Dr. C. Rangarajan, Chairman, Economic Advisory Council to the Prime Minister. The Committee has recently submitted its draft report. The Committee, in keeping with the terms of reference, has outlined broad redefinition of roles of Ministry of Finance, Planning Commission, Administrative Ministries and the State Governments in the formulation and implementation of the Plan.

(c) and (d): The Parliamentary Standing Committee on Finance had recommended in its thirty-fifth report, while examining Demands for Grant (2011-12) of the Ministry of Planning, that: "the Government should constitute an Expert Group immediately for evaluating the performance of the Planning Commission and redefining its role and objectives so as to relate the planning process to the life of the common man and its role in the implementation of programmes and schemes". There is presently no proposal of the Government to constitute an Expert Group for evaluating the performance of the Planning Commission and redefining its role. However, the Commission regularly sets up groups of experts on several aspects of the economy to improve its work on policy.