

**GOVERNMENT OF INDIA  
PLANNING  
LOK SABHA**

STARRED QUESTION NO:186  
ANSWERED ON:05.12.2014  
RESTRUCTURING OF PLANNING COMMISSION  
Pala Shri Vincent H;Roy Prof. Saugata

**Will the Minister of PLANNING be pleased to state:**

- (a) whether suggestions have been received from various quarters to redefine and restructure the Planning Commission and if so, the details thereof;
- (b) the reasons therefor including its impact on the State's economy/ development plans;
- (c) whether any study has been conducted before the Commission is subjected to any structural change, if so, the details thereof and if not, the reasons therefor;
- (d) whether the Government proposes to establish a new body to replace the Planning Commission, if so, the details thereof including the vision and the objectives of the proposed body; and
- (e) the modalities worked out/being worked out for the purpose and the time by which the proposal is likely to fructify?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MINISTRY OF PLANNING AND MINISTER OF STATE FOR DEFENCE  
(RAO INDERJIT SINGH)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 186 FOR ANSWER ON DECEMBER 5, 2014 REGARDING 'RESTRUCTURING OF PLANNING COMMISSION'.

(a) to (a): Yes Sir. In its 35th Report, on Demand for Grants (2011-12), the Standing Committee on Finance of the 15th Lok Sabha has inter alia observed that while planning is very much relevant in India, the Planning Commission has to come to grips with the emerging social realities to reinvent itself to make itself more relevant and effective for aligning the planning process with economic reforms and its consequences, particularly for the poor.

It is stated that Government is seized of the desirability of a constant review of its planning apparatus as the role of the State as well as the state of the economy, both have been undergoing changes over the last few decades. India is now an emerging economy in an increasingly globalized world. The economy has now fundamentally changed with key sectors being open to foreign investment, the evolution of a vibrant dynamic private sector contributing substantially to growth. The State has now moved away from allocating government resources in a command and control ecosystem to a more complex role -that of mediating through policy action, favourable conditions for private investment, providing public goods and essential services and most importantly, directly intervening in areas that are traditionally neglected by markets i.e. social security and essential entitlements of food, health and education and livelihoods to the vulnerable and marginalized groups. In addition, States have now emerged into economic growth engines and are equal partners in national development and hence, need has been felt to foster the spirit of cooperative federalism in India for which desired change in the Institution for economic planning is required.

The Government has sought suggestions on different fora and is also undertaking extensive consultations on the subject. A large number of suggestions on New Institution including its suggested names etc. have been received which may be seen on the web portal of MyGov. nic.in. Government has also held consultations with eminent persons including some of the former members of the Planning Commission on August 26, 2014. These suggestions inter alia include the New Institution to become an Institution for facilitating effective interaction between Centre and States in economic sphere, to emerge as a think tank which undertakes long term planning on critical issues being faced by the economy and an Institution for monitoring and evaluation of important Government programmes.

(d) & (e): The present Planning Commission was constituted vide Government of India Cabinet resolution dated March 15, 1950. The Government has decided to replace this resolution with a new resolution. Currently, the process of seeking inputs and suggestions through consultation is in progress.