



ISSN Print: 2394-7500  
ISSN Online: 2394-5869  
Impact Factor: 8.4  
IJAR 2021; 7(1): 484-486  
[www.allresearchjournal.com](http://www.allresearchjournal.com)  
Received: 10-10-2020  
Accepted: 15-11-2020

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## National institution for transforming India (NITI Aayog) role in India's sustainable economic development

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### Abstract

NITI Aayog (National Institution for Transforming India) is a policy think tank of the Government of India, established in 2015 to replace the Planning Commission of India. It serves as a platform for the Government of India to engage with states and union territories to formulate and implement development policies and programs. NITI Aayog's primary objective is to foster cooperation between the central and state governments, as well as other stakeholders, to achieve sustainable development goals (SDGs) and promote inclusive growth. NITI Aayog declaration made by the Prime Minister of India regarding NITI Aayog. However, it's important to note that NITI Aayog was established on January 1, 2015, to replace the Planning Commission.

It was created through a resolution of the Union Cabinet, which was approved by the President of India. The establishment of NITI Aayog was a significant policy decision made by the government at that time, with the aim of fostering cooperative federalism, promoting inclusive and sustainable development, and aligning India's policies with the United Nations' Sustainable Development Goals (SDGs). NITI Aayog is an important institution in India's governance framework, focusing on holistic and sustainable development to transform India into a vibrant and prosperous nation.

**Keywords:** Planning commission, NITI aayog, team India, governing council, digital, coordination, federation

### Introduction

The NITI Aayog is the top-tier think tank for public policy for the Indian government. It is also the nodal organization charged with promoting cooperative federalism and avoiding bargaining federalism by involving state governments in the formulation of economic policy from the bottom up. Its initiatives include the "15-year road map" and "7-year vision strategy and action plan", AMRUT, Digital India, Atal Innovation Mission, Medical Education Reform, Agriculture Reforms, Indices Measuring States' Performance in Health, Education, and Water Management, Sub-Group of Chief Ministers on Rationalization of Centrally Sponsored Schemes, Sub-Group of Chief Ministers on Swachh Bharat Abhiyan, Sub-Group of Chief Ministers on Skill Development. With the expertise and abilities to move quickly, support research and innovation, offer the government a strategic policy vision, and handle unforeseen difficulties, NITI Aayog is becoming into a cutting-edge resource centre. It is sponsored by the National Institute of Labour Economics Research and Development (NILERD), an independent organization, the Atal Innovation Mission, and an associated office called the Development Monitoring and Evaluation Organization (DMEO).

### NITI Aayog's entire gamut of activities can be divided into four main heads

1. Policy and Programme Framework
2. Cooperative Federalism
3. Monitoring and Evaluation
4. Think Tank, and Knowledge and Innovation Hub

NITI Aayog has the twin mandate to oversee the adoption and monitoring of the SDGs in the country and promote competitive and cooperative federalism among States and UTs. The task at hand for NITI Aayog is not just to periodically collect data on SDGs but to proactively realise the goals and targets.

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The Ministry of Statistics and Programme Implementation (MoSPI) has already undertaken a parallel exercise of interaction with the Ministries to evolve indicators reflecting the SDG goals and targets.

NITI Aayog in consultation with MoSPI has prepared a draft mapping of the goals and targets as an initial step. Further, the centrally sponsored schemes, including the 'core of the core', 'core' and 'optional' schemes implemented by the States, and some of the recent initiatives undertaken by the Central Government have been mapped. Moreover, Ministries and States are implementing central sector schemes and state schemes, respectively, aligned with one or more SDGs. This mapping can be accessed here.

### **Composition of the Commission**

The NITI Aayog comprises by different cadre of authorities and experts in different areas. NITI Aayog is headed by the Prime Minister of India as its chairperson. Mr. Narendra Modi is Prime Minister of India is the first chairperson of the commission. NITI Aayog have some key positions like vice-chairperson, CEO, and full-time and part-time members who are experts from various fields. Suman Bery is currently Vice Chairperson, NITI Aayog, in the rank and status of a cabinet minister. An experienced policy economist and research administrator, Mr Bery took over as NITI Aayog Vice Chairperson from 1 May 2022.

Full time members are experts from various fields and contribute to the policy formulation and implementation process. Presently V. K. Saraswat (former DRDO Chief), Ramesh Chand (Agriculture Expert) and V. K. Paul (Public Health expert), Arvind Virmani (Economist) four expert members serving to the NITI Aayog. They focus on specific areas and provide valuable insights. Part time members are also experts but have a part-time role in NITI Aayog, contributing their expertise to the organization's activities. Mr. B.V.R. Subrahmanyam joined as Chief Executive Officer of NITI Aayog from 25.02.2023. The CEO is responsible for the overall management and administration of NITI Aayog. Selected Cabinet Minister are Ex-Officio Members and special invites to the Aayog meeting.

### **Governing Council or Team India**

Governing Council is also called Team India, it is composed of Chief Ministers of all the States and Union territories with Legislatures and lieutenant governors of Union Territories. Periodically call the meeting headed by PM of India. This high-level committee meetings become politicise in the name political ideology and political conflicts. The Governing Council is the premier body tasked with evolving a shared vision of national priorities and strategies, with the active involvement of States, in shaping the development narrative. The Governing Council, which embodies the objectives of cooperative federalism, presents a platform to discuss inter-sectoral, inter-departmental and federal issues to accelerate the implementation of the national development agenda. So far, recently sixth meetings of the Governing Council have been held under the chairmanship of the Hon'ble Prime Minister with Chief Ministers/Lt Governors of the States/UTs and other members of the Governing Council.

### **Core functions of NITI Aayog**

The Administration vertical is the nodal Vertical dealing with the administrative matters of the staff and officers of

NITI Aayog. It is inter-alia entrusted with the following tasks and duties:

Establishment, service or recruitment of officers and officials daily wagers, outsourced staff, contractual staff and interns. Maintenance of service records and day-to-day services like appointment, relieving, retirement, resignation, postings, transfers, work allocation, medical reimbursement, leaves, LTC, eSampada, HBA, along with preparation of recruitment rules and consultancy guidelines as well as taking care of the recruitment process (advertisement, shortlisting of applications, selection of candidates, issuance of offer letters).

### **Accounts- and pay-related matters of the above officers/officials**

Pension-related matters of Government officers/officials. Handling pension matters in a centralized manner, handling Bhavishya (online tracking system for retiring officials/officers), RTI matters, pension budget-related matters and issuance of pensioner's ID cards.

Housekeeping services like repair and maintenance of buildings, cleaning and sanitation; managing the staff car cell, parking arrangements; handling the central registry-receipt, distribution or dispatch of mails; managing committee rooms for meetings and seminars; making hospitality arrangements for internal and external official meetings; protocol for VIPs as well as procurement of goods and services.

Nominating officers for training programmes in India and abroad; supporting delegations for participation in bilateral or multilateral meetings, seminars, conferences, forums within India and abroad or interactive sessions with IIPA, IGNA, foreign delegations, permanent representatives of UN etc; managing passport requirements (diplomatic and official) and VISA requirements.

Collection or collation of data relating to administration/personnel from different sections and divisions. Preparation of manuals and documents such as channel of submission, induction material, development of a public grievance redress mechanism. Organizing celebrations for Yoga Day and Constitution Day as well as Town Hall Meetings chaired by the VC.

Handling all applications received from Indian citizens for providing information under Right to Information (RTI) on various matters under the control of public authority for disposal in accordance with RTI Act, 2005 and disposal of related appeals pertaining to the Vertical. Also, to forward and monitor disposal of RTI applications/appeals relating to other Verticals of NITI Aayog.

### **Main initiatives by the NITI Aayog**

NITI Aayog has been involved in various initiatives aimed at fostering sustainable and inclusive development across multiple sectors. Some of the main initiatives and programs undertaken by NITI Aayog include,

**Sustainable Development Goals;** NITI Aayog has been actively working to align India's development strategies with the United Nations' SDGs. It has set up mechanisms to track progress on various SDGs and to coordinate efforts at the national and state levels to achieve these goals.

**Atal Innovation Mission (AIM);** AIM is a flagship initiative to promote innovation and entrepreneurship in

India, especially among young innovators. It includes programs such as Atal Tinkering Labs (ATLs) in schools, Atal Incubation Centers (AICs), and Atal Community Innovation Centers (ACICs).

**National Health Stack (NHS);** The NHS is a set of building blocks for digital health services in India, with the aim of creating a unified, comprehensive health data repository and enabling the seamless exchange of health information.

**Digital payment;** NITI Aayog has been actively promoting digital payments and cashless transactions to enhance transparency, reduce corruption, and increase financial inclusion.

Main initiatives by the NITI Aayog NITI Aayog has been actively working on water management, including initiatives such as the Composite Water Management Index (CWMI) to assess and improve the efficiency of water use in India.

National Strategy for Artificial Intelligence; NITI Aayog has formulated a national strategy for AI to harness the potential of AI technologies for social and economic development.

Sustainable Development Goals initiatives by NITI Aayog for improvement in public service sector in India. Like; Composite Water Management Index, District Hospital Index, Export Preparedness Index, Global Innovation Index, India Innovation Index, Multidimensional Poverty Index, Global Innovation Index, School Education Quality Index, SDG India Index, State Energy Index, State Health Index.

### Challenges to NITI Aayog functioning

NITI Aayog (National Institution for Transforming India) has faced several challenges in its efforts to drive policy formulation, foster cooperation between the central and state governments, and promote sustainable development. Some of the key challenges including;

Coordination and Implementation of the central challenges for NITI Aayog is ensuring effective coordination and implementation of policies across various sectors and levels of government. Coordinating actions among diverse stakeholders, especially when state governments have their own priorities and administrative structures, can be complex. Fiscal and Financial Capacity of states in India have limited fiscal and financial capacity to implement ambitious development projects and programs. Ensuring equitable resource distribution and encouraging states to invest in development initiatives remains a challenge.

Data availability and quality for evidence-based policy formulation, reliable and up-to-date data is essential. However, data availability, consistency, and quality can be inconsistent across different sectors and states. Addressing data gaps and improving the reliability of data sources are ongoing challenges. Political will and implementation while NITI Aayog can propose innovative policies, the political will at both the central and state levels to implement these policies is critical. Political considerations, changes in leadership, and shifting priorities can impact the implementation of NITI Aayog's recommendations.

Effective engagement with states in ensuring meaningful engagement with all states and union territories is crucial for cooperative federalism, which is one of NITI Aayog's core principles. Balancing the interests and development needs of different states while promoting national objectives is a

continuous challenge. Complexity of development issues in India's development challenges are multifaceted, ranging from poverty and healthcare to infrastructure and education. Addressing these challenges requires comprehensive and well-coordinated efforts, often involving multiple ministries and agencies.

Sustainability and environmental concerns achieving rapid economic growth while addressing environmental sustainability remains a challenge. Balancing economic development with environmental preservation is crucial for long-term growth. Effective communication of NITI Aayog's initiatives, objectives, and impact is important for garnering public and stakeholder support. Creating awareness about the organization's role and contributions can be challenging, especially in a diverse and populous country like India.

NITI Aayog is continuously working to overcome these challenges by collaborating with stakeholders, adapting its strategies, and learning from its experiences. Addressing these challenges is essential for achieving its goal of transforming India into a more prosperous and inclusive nation.

Reformative functionary of NITI Aayog is to enhance the effectiveness of NITI Aayog (National Institution for Transforming India) in policy formulation and implementation, several reforms and improvements can be considered. Here are some key areas where reforms could be beneficial. Strengthening of coordination mechanism to enhance mechanisms for coordination between NITI Aayog, central government ministries, and state governments. Regular and structured dialogues can help align priorities and streamline implementation. Capacity building for both central and state government officials, with a focus on policy analysis, project management, and data-driven decision-making. This can enhance the overall effectiveness of policy implementation. Transition to outcome-based budgeting, where government expenditures are linked to specific development outcomes and results. This approach can improve resource allocation and accountability. Establish a robust monitoring and evaluation framework to track the progress of policies and programs. Regular assessment of outcomes can identify areas for improvement and help in course correction.

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