

Annual Report 2008-09



National Institute of Public Finance and Policy
New Delhi

**National Institute of
Public Finance & Policy**
Annual Report 2008-09



18/2 Satsang Vihar Marg
Special Institutional Area (Near JNU)
New Delhi 110 067. www.nipfp.org.in

Printed and published by :
The Secretary
National Institute of Public Finance & Policy
18/2 Satsang Marg, Special Institutional Area(Near JNU) New Delhi 110 067
Tel No.: 26569303, 26963421 Fax: 26852548
Email: nipfp@nipfp.org.in Website: www.nipfp.org.in

Compiled & Edited by *Rita Wadhwa*

Design/Print: VAP
Email: info@vaponline.com www.vaponline.com

CONTENTS

From the Director's Desk	1
Research Activities	9
<i>Central Fiscal Studies</i>	
<i>State Fiscal Studies</i>	
<i>State Development Studies and Vision Documents</i>	
<i>Local Fiscal Issues</i>	
<i>Human Development, Gender, and Health</i>	
<i>Data Bank</i>	
Events, Workshops, Meetings, and Seminars	19
Training Programmes	26
NIPFP Publications	27
Library and Information Centre	28
Computer/IT Unit	30
Highlights of Faculty Activities	31
NIPFP Staff	52
Sponsoring Members	52
Finance and Accounts	52
Annexure	
I. List of Studies 2008-2009	54
II. Internal Seminar Series	60
III. Members of Governing Body as on 31.3.2009	62
IV. List of Priced Publications	67
V. Published Material of NIPFP Faculty	72
VI. List of Staff Members as on 31.3.2009	80
VII. List of Sponsoring, Corporate, Permanent, and Ordinary Members as on 31.3.2009	84
VIII. Finance and Accounts	85

From The Director's Desk



The National Institute of Public Finance and Policy (NIPFP) completed thirty-three years of contribution to research, advocacy, and capacity building in public economics and policy. It is gratifying to note that, over the years, the Institute has emerged as the nucleus of policy research and reform support in public finance and fiscal policy. As in the past, during 2008-09, the Institute continued its tradition of providing strong support to policy making and reforms in public economics and other related areas to central and state governments and bilateral and multilateral development institutions in the country. It gives me immense pleasure to provide a short overview of the activities of the Institute during 2008-09.

BOARD OF GOVERNORS

There were a few changes in the non-official membership of the Governing Body of the Institute. Pratap Bhanu Mehta, President and Chief Executive of Centre for Policy Research, New Delhi was co-opted as a member of Governing Body. Under Rule 7 (b) (x), the President of the Institute of Chartered Accountants of India was co-opted as a Member. At present, Uttam Kumar Agarwal is the Member in this category.

FACULTY ACHIEVEMENTS

The faculty of NIPFP made significant contribution to the literature on a variety of development and public finance issues as may be seen from the list of publications of each of the faculty members at the end of the Report. Besides publications, and capacity building of central and state government officials and college/university teachers, the faculty also took up a number of advisory roles in both central and state governments.

Prof. C. Rangarajan, Chairman of NIPFP, served as the Chairman of the High Level Committee on Estimation of Savings and Investments; and Committee to Review the Working of the Institute for Development and Research in Bank Technology, RBI, Mumbai. In August 2008, the Academy of Grassroots Studies and Research of India at Tirupati conferred upon him the Bharat Ratna Rajiv Gandhi Outstanding Leadership Award for the year 2008. He also became the recipient of the Hall of Fame Award 2008 presented by Outlook Money and NDTV [a news channel].

M. Govinda Rao, Director NIPFP continued to be a Member of the Economic Advisory Council to the PM. He was Chairman of the Expert Group to Determine the Maximum Retail Price (MRP) appointed by the Ministry of Consumer Affairs and Public Distribution. He also served as the Chairman of the Committee on Resource Mobilisation and Plan Finance appointed by the Government of Bihar. The North Eastern Region Vision 2020 document, prepared under his research leadership, was adopted by the North Eastern Council and released by the Prime Minister.

Indira Rajaraman, Professor Emeritus, continued to serve as a Member in the Thirteenth Finance Commission. Also, she contributed to the report prepared by the GoI-RBI Committee on Financial Sector Assessment as member on the Advisory Panel on Transparency Standards.

O.P. Mathur, Principal Consultant Urban Economics and Finance Unit, provided valuable inputs as member in several key government groups including the National Review Committee in JnNURM headed by the PM; National Core Group on Urban Poverty, chaired by the Hon'ble Minister for Housing and Urban Poverty Alleviation; Technical Advisory Group of the Ministry of Urban Development on JnNURM; High Powered Expert Committee on Estimating Investment Requirements for Urban Infrastructure; Task Force 4, Commission on Centre-State Relations; Working Group on Urban Local Finance, RBI; High Level Task Force on Affordable Housing, Advisory Committee of City Development Initiative for Asia; and as a member in Chief Minister of Goa's Professional Advisory Group.

Tapas Kr. Sen, Professor, was appointed as Member in the Delhi Expenditure Reforms Committee of the Government of NCT of Delhi; Central Monitoring Committee on Debt Consolidation and Relief Facility, Ministry of Finance; and in the Task Force on Economic and Fiscal Relations, Commission on Centre-State Relations. He also took over as the Convenor of the Standing Committee of Secretaries of Stamps and Registration with its secretariat located at the Institute.

Ila Patnaik, and Ajay Shah, Professors, were members in the Internal Working Group on Internal Debt Management, Ministry of Finance. Ajay Shah's expert advice was also sought by the Task Force on Implementation of Goods and Services Tax, Thirteenth Finance Commission and as 'Virtual Member' of Raghuram Rajan Committee on Financial Sector Reforms.

Pinaki Chakraborty, Professor, was appointed as a member of the Third Finance Commission for Union Territories of Andaman and Nicobar Islands, Daman and Diu, and Nagar Haveli, and Lakshadweep. He also served as a member of the Public Expenditure Review Committee, Government of Kerala. In addition, he served as member in the Memorandum Drafting Committee of Government of Kerala for the Thirteenth Finance Commission. He is among the Technical Experts identified to assist the sub-committee of Ministry of Panchayati Raj for preparation of a Joint Memorandum for the Thirteenth Finance Commission.

PROJECTS COMPLETED AND UNDERWAY

Important projects completed and underway at the Institute focused on the analyses of tax structures and expenditure management designed to assist and Strengthen the Financial Management System at central and state levels. Working on the interplay of fiscal, financial, and monetary policy reform, research and policy proposals were produced in the context of India as an increasingly open economy under the NIPFP –DEA Program on Capital Flows and their Consequences; and Building Capacity and Consensus for Financial and Monetary Policy Reform. A computable general equilibrium model in two phases is being drawn up to capture alternative policy proposals through a vector of instrument variables and assess their impact on a corresponding vector of target or outcome variables for simulating the Indian economy in macro policy scenarios. State finances continued to be a significant thrust area for the Institute's research work. Research on Financing Human Development, a UNDP financed project on eight states has continued and under this, reports were completed for West Bengal, Orissa, Chhattisgarh, Rajasthan, and Himachal Pradesh. Other important projects at the state level included Analysis of the Tax System in Jharkhand, Estimation of Revenue Base for the Goods and Services Tax (GST) in Karnataka, and Cost and Under-recovery and

User-charges in Selected Services in Rajasthan. A study entitled, Cost Benefit Analysis of Area Based Exemptions is looking at the impact of income and excise tax exemptions in Himachal Pradesh, Uttarakhand, and North Eastern States.

Detailed studies sponsored by the World Bank on the Fiscal Health of Selected Indian Cities were undertaken. The Institute continued to assist the Ministry of Urban Development by providing inputs for urban reform agenda for various urban local bodies under JnNURM. NIPFP also undertook an important study on Strategies to Alleviate Urban Poverty at the instance of Ministry of Housing and Urban Poverty Alleviation.

The Institute undertook a detailed analysis of and future expenditure commitments from various insurance schemes introduced by central and state governments at the request of the Planning Commission.

At the request of the UNFPA and UNIFEM, the NIPFP undertook the task of designing a course structure for Gender Responsive Budgeting Programme. The Institute also organised a global training workshop on the subject in the Asian-Arab region. Health economics related projects mapped resources from various sources into the National AIDS Control Programme; the Economics of Tobacco and Tobacco Taxation in India investigated the various aspects of tobacco products such as its consumption, effect on health, optimal level of taxation to curb its consumption etc.

NIPFP also undertook work on sub-national fiscal reforms, urban finances, inter-state incidence of central government subsidies and tax expenditures and taxation of petroleum products for the Thirteenth Finance Commission. A study to work out the next stage of fiscal responsibility targets is underway.

The Public Finance Information System continued to update the budgetary data for the central and various state governments.

*The year 2008-09 witnessed completion of 16 study reports, while another 19 are at various stages of completion; Ten working papers were published which are also available online at the NIPFP's website www.nipfp.org.in. **(List at Annexure1)** The Publications Unit of NIPFP published *Fiscal Decentralisation and Gender Budgeting and Fiscal Reforms*; and *Persistent Poverty and Human Development: The Case of Orissa*.*

CAPACITY BUILDING PROGRAMMES

The Institute was involved in capacity building programmes at national and international levels. The training programme on Public Economics for the College



Inaugural lecture by Y.V. Reddy, Governor RBI, at the Training Course for College and University Teachers

and University Teachers of the South Asian Region began with an inaugural lecture by Y.V. Reddy, Governor RBI on "Fiscal Policy and Economic Reforms: Throwing Light on Important Issues Pertaining to Calibration of Monetary and Fiscal Policy". A special lecture on "Economics of Regulation" was delivered by Vito Tanzi, the former Director of the Fiscal Affairs Division of the International Fund to the participants during the course of the programme. The calendar of training programmes also incorporated a training programme on Fiscal Policy and Budget Management for state government officials; similar programmes were conducted for probationers of Indian Revenue Service, Indian Economic Service, as well as Indian Audit and Accounts Service. At the request of the Sri Lanka's Finance Commission, courses were conducted for provincial officers of the Government of Sri Lanka on Practical Issues of Tax Policy in Indirect Taxation and Tax Administration in Developing Countries.

The Institute also organised important workshops and these included a one-day workshop on Strengthening Financial Management System; Building Capacity and Consensus for Monetary and Financial Reform at the request of the Second Administrative Reforms Commission; and Gender and Taxation: Revenue Generation for Social Protection in Developing Countries.

An important event of the year was the national seminar on Issues Before the Thirteenth Finance Commission. The deliberations at the seminar focused on the essential features



National Seminar on Issues Before the Thirteenth Finance Commission

of the fiscal adjustments between the centre and the states through high quality papers. A volume comprising important papers is slated for publication.

*Eminent scholars were invited by the Institute to discuss issues relevant to fiscal policy and tax policy. Albert Breton from the University of Toronto gave a seminar on Role of Judiciary in the Assignment of Powers. There were other informative seminars, Pricing-to-Market in India's Exports: The role of market heterogeneity and product differentiation by Susanta Mallick, from the University of London; The interplay between pre-emptive and defensive counter-terrorism measures: a two-stage game by Subhayu Bandopadhyay from Federal Reserve Bank of St. Louis, and Fiscal, Financial, and Monetary Policy Reform in India by Percy Mistry from Oxford International Group **(complete list of seminars at Annexure II)**.*

The Institute collaborated with the Union Ministry of Finance in hosting the Asian Tax Forum conference in collaboration with International Taxation and Investment Centre, Washington DC at New Delhi.

The NIPFP-DEA project on Capital Flows and their Consequences was discussed in two high level meetings attended by eminent researchers from India and abroad. The 13th meeting of the State Secretaries of Stamp and Registration was held at NIPFP, the secretariat of the Standing Committee.

A delegation comprising Deputy Chairman of the Planning Commission along with senior functionaries of the Government of Pakistan including the High Commissioner of Pakistan in India visited NIPFP and interacted with the faculty of the Institute.

DEVELOPMENTS

Construction work for a Training-cum-Research Centre to cater to NIPFPs requirement of capacity building of officials from the centre, state, and local governments from India and abroad was completed and inaugurated by the present Home Minister, P. Chidambaram. The programme was chaired by C. Rangarajan, Chairman of NIPFP (see, picture below).



Members of the Governing Body of the Institute (list at Annexure III) met twice to provide general policy direction for the academic, administrative, and accounting activities at NIPFP. The computer unit and the NIPFP library continuously augmented their capacities to provide vital support to the researchers and staff of the Institute.

The Institute saw important faculty developments. Sudipto Mundle after attaining superannuation from ADB joined the Institute as Professor Emeritus; Chandan Mukherjee, Professor at Centre for Development Studies, Thiruvananthapuram joined as RBI Chair Professor. Pinaki Chakraborty was selected as a Professor and rejoined the Institute after his leave. Lekha Chakraborty, and Pratap R. Jena were elevated as Associate Professors after their selection. The former was on leave from the Institute to work at CDS, Thiruvananthapuram as an Associate Professor. Debdulal Thakur and Radhika Pandey were appointed as Economists; Satadru Sikdar joined as Research Associate. Rakesh Kumar joined as Accounts Officer and Sarika Gaur Assistant Library and Information Officer. Gautam Naresh, Sr. Economist and Dinesh Chand Sharma, Assistant Library and Information Officer attained superannuation in July, 2008. C. Rajaram, Accounts Officer left the Institute to rejoin the Union Territory of Delhi.

The NIPFP is deeply aggrieved at the passing away of its Founder Director, former Chairman, and Professor of Eminence, Raja J. Chelliah on April 7, 2009 after a brief illness. Perhaps, no other economist in India has made so much contribution to fiscal policy research, capacity building and advocacy as Raja Chelliah did. He was the main architect of tax reforms when economic reforms were initiated in 1991. He has left an indelible impact on the tax system in the country and the way we think about tax reforms. The country is sure to miss this great scholar, reformer, and institution builder. Raja Chelliah was a father figure to the faculty and staff of NIPFP and the loss caused by his demise is irreparable.

2 Research Activities

The following paragraphs summarise the main findings of the recently completed research projects, those nearing completion, or making steady progress (list at Annexure I)

CENTRAL FISCAL STUDIES

- **Interstate Distribution of Central Expenditure and Subsidies**

Pinaki Chakraborty, Anit N. Mukherjee, H.K. Amarnath

This study undertaken at the behest of the Thirteenth Finance Commission analyses the incidence of central expenditure and subsidies at the state level.

- **Impact on States of Central Tax Preferences** *R. Kavita Rao*

The draft report of the project was submitted in March, 2009. This study attempts to allocate the “revenue foregone” impact of tax exemptions across various states. In other words, the study attempts to document the impact of the exemptions in generating or sustaining gains across various states.

- **Rationalising Taxation of Petroleum Products**

Nirmal Singh and Subrata Mandal

The report estimates (a) tax collection from petroleum products and natural gas by the central and state governments; and (b) subsidies on individual petroleum products. Petroleum products considered in the study include motor spirit; high speed diesel; aviation turbine fuel; superior kerosene oil; liquefied petroleum gas; naphtha; bitumen; compressed natural gas; and liquefied natural gas. The study explicitly examines the tax structure and projects future revenues from taxation of petroleum products and natural gas by the central government and state governments for the years upto 2011-12. The study was sponsored by the Thirteenth Finance Commission.

- **Strengthening Financial Management System**

A.K. Ghosh, Pratap Ranjan Jena

The project, funded by Administrative Reform Commission, Government of India, outlines a coherent approach to expenditure management, with a view to bring about a systemic change in the process of expenditure decision making and control, both at central and state levels so that reforms in various components relating to financial management fall in place and reinforce each other within an overarching concept and philosophy. The report contains recommendations on strengthening budgetary process by taking programme-based approach with a multi-year perspective to become more performance-oriented. The report also examines the institutional aspects relating to budgetary process, financial management systems, smooth flow of funds for programmes, internal audit and control systems, external audit systems, to recommend suitable reform measures. In this context, strengthening state treasury system through use of information technology for better budgetary control in an integrated financial management framework is also emphasised.

- **Projection of CT and IT Receipts for FY 2008-09**

A.L. Nagar, Sanjay Kumar, Jay Dev Dubey

This paper, uses a modified tax receipts forecasting model to incorporate GDP growth rate explicitly. The method of obtaining projections is also modified to use actual tax collection patterns in Q3 and Q4.

Since both the tax collection data (for CT and IT), as well as the GDP estimates, are now available upto Q2 of 2008-09, this information is used for the projections. Using the new model and modified method of obtaining projections, the projected CT and IT receipts (Rs. 100 crore) for Q3 and Q4 for FY 2008-09 are found to be as follows:

Projected CT and IT Receipts (Rs. 100 crore) for 2008-09

	Q3	Q4
CT	715.32	743.70
IT	271.32	282.01

The total tax revenue (Rs. 100 crore) for the FY 2008-09 would be:

CT: 2428.93
 IT: 1016.82
 Total: 3445.75

ON-GOING STUDIES

- **NIPFP-DEA Research Program on Capital Flows and their Consequences**
Co-managers: Ila Patnaik and Ajay Shah. Research Team: Bikku Kuruvila, Rudrani Bhattacharya, Radhika Pandey, Mathieu Stigler, Anmol Sethi, Sanjay Pandey

The macroeconomics and finance group is working on the interplay of fiscal, financial, and monetary policy reform to produce academic research and policy proposals in the context of India as an increasingly open economy. Ways in which legal institutions and legal processes mediate capital flows such as inconsistencies in the legal regimes governing foreign investment by NRIs and FIIs are also examined.

- **Building Capacity and Consensus for Financial and Monetary Policy Reform**

Ila Patnaik, Ajay Shah, Rudrani Bhattacharya, Radhika Pandey

The objective of the project is to build a Dynamic Stochastic General Equilibrium model for India to investigate into the transmission mechanism of the optimal monetary and fiscal policy in India. Work under this project is being conducted in collaboration with the University of Surrey, UK.

- **Cost-benefit Analysis of Area Based Exemptions**
R. Kavita Rao, Jhumur Sen Gupta, Imdadul Haldar

The objective of this project is to look at the impact of income and excise tax exemptions in Himachal Pradesh, Uttarakhand, and North Eastern states. The study aims at investigating the status of industrialisation in these states as a result of tax incentives.

- **Study on Insurance Schemes in India** *Mita Choudhury*

This report tries to examine different kinds of insurance schemes being implemented by the central government. Specifically, the report discusses different insurance schemes implemented by the Government of India, and analyses issues related to their performance and corresponding financial implications for the government. The report also attempts to provide insights into issues of settlement of claims, the extent of overlapping between central and state schemes, and the possibility of implementing some of the schemes through a common implementing agency.

- **Fiscal Federalism for the Commission on Centre-State Relations**

M. Govinda Rao

The objective of the study is to have a comprehensive position paper which will help the *Commission on Central-State Relations* deliberate on efficiency aspects of Indian fiscal federalism.

- **Inputs on Fiscal Policy – India: Impact of Financial Crisis and**

Opportunity *M. Govinda Rao, Tapas Kr. Sen, R. Kavita Rao, Pinaki Chakraborty, Pratap Ranjan Jena*

Three distinct outputs/papers to be prepared on (i) an update on the centre and state finances focusing on key issues; (ii) an analysis of the effectiveness of current subsidy expenditures; and (iii) a critical review of the infrastructure spending in key sectors and how the Government of India might prioritise at a time when fiscal space is limited.

- **Preparation of a PFM Performance Report for Indian Union level using the PEFA framework** *Pratap Ranjan Jena*

The objective is to provide a basis for measurement and monitoring of public financial management (PFM) performance of the country at union level over time. The PFM assessment of the country at the union level will be carried out using the PEFA Framework (Public Expenditure and Financial Accountability – World Bank) and will prepare a PFM Progress Report showing the rating for each of the performance measurement indicators.

- **Macro Policy Modelling (MPM) Phase I**

Sudipto Mundle and Surajit Das

A small computable general equilibrium model has been developed to simulate alternatives in macro economic policy scenarios. The model will make it possible to capture alternative policy proposals through a vector of instrument variables and assess their impact on a corresponding vector of target or outcome variables. This will serve as a useful input in the policy dialogue preceding decisions on key macro economic policies. The model has been calibrated for simulating the Indian economy. It has been deliberately kept simple and transparent to be able to assess the mechanism through which particular policy specific would lead to particular outcomes. Also, the model is flexible and can be easily modified to capture structural changes in the economy over time.

- **Macroeconomic Policy Modelling (MPM) Phase II**

Sudipto Mundle and Surajit Das

The CGE model developed in MPM Phase I will be run to simulate and assess the outcome implications of fiscal and monetary policy prescriptions that are likely to come up during the fiscal year 2009-2010, culminating in preparation of the budget for 2010-2011.

- **Public Expenditure on Elementary Education** *Anit N. Mukherjee*

This project will undertake a comprehensive review of planning, allocations, and expenditure in the *Sarva Shiksha Abhiyan* (SSA). The fieldwork will be conducted in Bihar and Madhya Pradesh as a pilot plan to develop tools for tracking resources and building capacity of communities to plan and monitor resources devolved to schools. The objective is to increase accountability and transparency in public expenditure and increase its efficiency.

STATE FISCAL STUDIES

COMPLETED STUDIES

- **Government of Punjab – Preparation of Memorandum**

M. Govinda Rao

A draft memorandum for submission to the Thirteenth Finance Commission was prepared at the instance of the Government of Punjab.

- **Expert Group to Determine MRP for Various Commodities,**

Chairman: *M. Govinda Rao*

The report was submitted to the Ministry.

- **Resource Mobilisation and Plan Finance in Bihar:**

M Govinda Rao and Pinaki Chakaraborty

The report was submitted to the Government of Bihar.

- **Rajasthan: A Report on Cost Under-recovery and User Charges in Selected Services** *Mukesh Kumar Anand*

A draft final report was completed and submitted to the Government of Rajasthan. The study presents the estimate of implicit subsidy at the aggregate (sectoral)

level for four sectors namely, drinking water, irrigation, power, and road transport. Specific services in power and road transportation sectors have also been analysed to draw practicable reform directions to the Finance Department, Government of Rajasthan.

- **Medium Term Fiscal Policy in Goa 2007-08** *Pratap Ranjan Jena*

The project work involved assessing progress of the state government in achieving the targets under the *FRBM Act* in the state of Goa and preparing a medium term fiscal plan for the year 2007-08 to 2010-11.

- **Evaluating Progress of the State Government in Achieving FRBM Targets – Haryana** *Pratap Ranjan Jena*

The project work involved assessing progress of the state government in achieving the targets under the *FRBM Act* in the state of Haryana.

ON-GOING STUDIES

- **Revenue Implications and Estimation of Revenue Neutral GST Rates for Karnataka** *Pinaki Chakraborty*

The objective of the study is to analyse the revenue implications of proposed Goods and Services Tax (GST) to be introduced from the fiscal, 2010-11 for the state of Karnataka and also estimation of revenue neutral rates under GST. The study involves developing a methodology to estimate the GST base taking into consideration the service sector economy in Karnataka and the proposed design of the GST.

- **An Assessment of the Revenue of Jharkhand** *R. Kavita Rao*

In a period when most states in India are recording faster than historical growth, Jharkhand's performance in recent years has at best been on par with its historical performance. This study aims to provide an assessment of the revenue performance of the states, expenditure in tax revenue, and identify ways of augmenting the same.

STATE DEVELOPMENT STUDIES AND VISION DOCUMENTS

COMPLETED STUDIES

- **North Eastern Region Vision 2020** *M. Govinda Rao, Rita Pandey, Manoj Pant, Alokesh Barua, Anuradha Bhasin, Gautam Naresh*

The vision statement alludes that the region should usher in peace and prosperity for the region. By 2020, the region should have a per capita income which should at least be equal to the national average and poverty should be banished from the region. To achieve these goals, the document puts forth six interdependent components of the strategy namely: (i) empowerment of the people through participatory governance; (ii) focus on rural development through increase in agricultural productivity and creation of non-farm employment opportunities; (iii) development of sectors with comparative advantage; (iv) maximising self governance and participatory planning and diplomatic initiatives to foster trade with neighboring countries; (v) augmenting physical and social infrastructure in the region; and (vi) ensuring adequate flow of resources for infrastructure from the governments and fostering public private partnerships in infrastructure, wherever feasible.

LOCAL FISCAL ISSUES

COMPLETED STUDIES

- **Tracking the Urban Reform Agenda under the JnNURM** *O.P. Mathur*

The Jawaharlal Nehru National Urban Renewal Mission (JnNURM) requires cities applying for assistance to lay down a time schedule for implementing the proposed reform agenda. The reform agenda consists of reforms that (i) are to be undertaken by urban local bodies (ULBs), and (ii) those to be undertaken by the state governments. The time schedule (together with the milestones to be achieved) is incorporated in the Memorandum of Agreements (MoAs) which are signed by the state governments, ULBs, and the Ministry of Urban Development. The research project was completed as per the mandate.

- **Fiscal Health of Selected Indian Cities**

Simanti Bandyopadhyay and M. Govinda Rao

The paper aims to assess the fiscal health of five urban agglomerations (UAs) in India viz. Delhi, Hyderabad, Kolkata, Chennai, and Pune. The main objective of the paper is twofold: First, to review the status of revenue generation and expenditure responsibilities of the constituent ULBs. Second, to assess the magnitudes of their fiscal gaps by estimating the expenditure needs and revenue capacities and give some useful recommendations to reduce these gaps. The main findings suggest that excepting five small ULBs in Hyderabad, others are not in a position to cover their

expenditure needs through their present revenue collections. All UAs have unutilised potentials for revenue generation with the exception of one UA i.e, Hyderabad. All others would fail to cover their expenditure needs, even if they realise their revenue potentials. In all UAs, except Chennai, bigger corporations are more constrained than the smaller ULBs. The paper recommends better utilisation of 'own revenue' handles of the cities, by improved administration of property taxes, implementation of other taxes, and collection of user charges.

ON-GOING STUDIES

- **Property Tax Potential** *O. P. Mathur*

The Thirteenth Finance Commission (TFC) has commissioned to the NIPFP the task of carrying out a study to estimate the property tax potential (urban). A summary presentation of the findings was made to the TFC in Dec. 2008.

- **The Ministry of Housing and Urban Poverty Alleviation** entrusted to the NIPFP the following three studies:

- i. **Preparation of a National Urban Poverty Reduction Strategy**

- ii. **A review of the reports of the State Finance Commissions (SFCs), primarily to ascertain if the SFCs made any recommendations/ dispensations for functions such as poverty alleviation and slum improvement and upgrading**

- iii **Preparation of a paper on Poverty Alleviation in a Fiscal Federal Framework**

Team Leader: *O.P. Mathur*. Research Team: *O.P. Bohra, Debdulal Thakur, A.K. Halen*.

Preliminary results in respect of (1) and (2) have been shared with the Ministry. A draft paper on **Poverty Alleviation in a Fiscal Federal Framework** has also been submitted.

- **Functions and Finances of Urban Local Bodies in Jharkhand**

Simanti Bandyopadhyay and O. P. Bohra

The terms of reference for the study on Jharkhand involve a comparative study of the administrative structure and functions performed, per capita own income, per capita revenue from assigned/shared taxes/ grant-in-aid, per capita expenditure on

core services, and commonly agreed standard of performance of core civil services of other municipal bodies in the country such as, Chennai, Hyderabad, Ahmedabad, Pune, Surat, Indore, Coimbatore, Ludhiana, and Lucknow.

HUMAN DEVELOPMENT, GENDER, AND HEALTH

COMPLETED STUDIES

- **Gender and Taxation: Revenue Generation for Social Protection in Developing Countries**

Pinaki Chakraborty and Lekha Chakraborty

NIPFP, in collaboration with the American University, Washington DC and University of Kwazulu-Natal, South Africa, is part of this multi-country research team and has conducted research on gender dimension of taxation for both direct and indirect taxes in India. Gender dimension of direct tax has been analysed by detailed analysis of the direct tax codes through a gender lens, while for indirect taxes an analysis of household level tax incidence is undertaken.

- **Economics of Tobacco and Tobacco Taxation in India**

M. Govinda Rao, R. Kavita Rao, Prabhat Jha

The objective of this project is to investigate various aspects of tobacco products such as its consumption, effect on health, optimal level of taxation to curb consumption of these harmful products while raising revenue out of these products.

This study at NIPFP discusses various taxes that are imposed on different tobacco products. While analysing the effect of taxation on the consumption of tobacco, the report reflects the affordability index and trend in relative prices of various tobacco products over the years. The study also emphasises the issue of progressivity of the tax structure of tobacco products. It is also clear from the analysis that the tobacco tax structure is somewhat regressive in nature.

ON-GOING STUDIES

- **Gender Responsive Budgeting Programme in Asian-Arab Countries: Analysis and Training** *Lekha Chakraborty*

Against the backdrop of UNFPA-UNIFEM partnership of strengthening the analysis and training of Gender Responsive Budgeting globally, four regional chapters were envisioned, and NIPFP is identified as the organisation in the Asian-Arab region

for planning and designing the course structure and delivering a global training workshop.

- **Toolkit for Resource Mapping of HIV/AIDS Expenditure**

Anit N. Mukherjee

This project will undertake a mapping of resources flowing from different sources into the National AIDS Control Program (NACP-III). There are multiple sources – both donor and government – for AIDS prevention and treatment in India. This project will develop a resource mapping toolkit at the state level for the benefit of policymakers and programme administrators.

- **Financing Human Development in India**

*Tapas Kr. Sen, H.K. Amarnath, Mita Chaudhury, Narendra Jena (part of the year),
Krishanu Karmakar (part of the year), Surajit Das*

The main objective of this research study sponsored by the Planning Commission with UNDP India, is to assess the status of human development in India against stated goals (state level/national/MDGs), estimate the costs of covering the remaining part, and suggest strategies for bridging the financial resource gap including ways for devising fruitful partnerships between the government and the private sector. Of the eight selected states, Madhya Pradesh, Tamilnadu, Orissa, and West Bengal were completed in the beginning of the year. Three state reports for Chhattisgarh, Rajasthan, and Himachal Pradesh were completed subsequently. The first of these reports has been presented before the concerned state government, and is to be updated and finalised for publication. Presentations for the other two state reports await a mutually convenient date. Work on one more state – Maharashtra – has been completed and final draft of the report is underway.

DATA BANK

ON-GOING STUDIES

- **Public Finance Information System**

Tapas Kr. Sen, Diwan Chand, Geeta Bhatnagar

This contains budgetary data of Indian states starting 1987-88 in some detail (sourced primarily from *Finance Accounts* of respective states) and has been an

ongoing effort. It is continuously updated as and when relevant documents are available; the database has been fully updated now (till 2006-07 for all and till 2007-08 for some states). Primarily meant for in-house use, and to avoid duplication of effort on collection of budgetary data, methods are being explored to make it more user-friendly.

3 Events, Workshops, Meetings and Seminars



- **Inauguration of Research and Training Centre at NIPFP, December 23, 2008**

Hon'ble Home Minister P. Chidambaram inaugurated the new **Research and Training Centre** at NIPFP on December 23, 2008 (see, picture above).

The Programme was chaired by C. Rangarajan, Chairman NIPFP. The Research and Training Centre will cater to the Institute's requirement of capacity building of

officials of the central, state, and local governments from India and abroad as also international agencies.

- **Public Lecture on Imagining India: Future Challenges**

Delivered by Nandan M. Nilekani, co-Chairman, Infosys Technologies Limited, Bangalore on January 15, 2009 at the NIPFP Auditorium, New Delhi.



Public Lecture by Nandan Nilekani

- **Asia Tax Forum, May 11-13, 2008**

The NIPFP in collaboration with the Ministry of Finance, Government of India, was host to the fifth *Asia Tax Forum* during May 11-13, 2008 at Hotel Taj Mahal, New Delhi. The thrust area of the forum was on VAT and excise taxation. Discussions revolved around issues in introduction and implementation of VAT with dedicated focus on VAT on financial services, benchmarking, and use of tax expenditures, use of petroleum excises in environmental tax policy, and use of information technology to reduce costs in indirect tax administration and enhance data collection for policy work. Attended by participants from governments of 12 countries and regions,



and experts from 4 countries besides private sector participants from 4 industries, the NIPFP received partial sponsorship for the event from ADB, Canara Bank, and Institute of Financial Management and Research, Chennai.

- **NIPFP-DEA Research Program on Capital Flows and their Consequences, Research Meetings, September 30 and October 1, 2008**

Under the joint research programme of National Institute of Public Finance and Policy and Department of Economic Affairs (DEA) on *Capital Flows and their Consequences*, two research meetings took place during September 30-October 1, 2008 and March 24-25, 2009, at India Habitat Centre, New Delhi. The discussions analysed issues related to fiscal, financial, and monetary policy reform in the context of India as an increasingly open economy where business cycle fluctuations take place as in the case of all market economies, and as business cycle stabilisation is one of the main goals of economic policy.

- **13th Meeting of the Standing Committee of State Secretaries of Stamp and Registration, November 7, 2008**

The 13th meeting of the Standing Committee of State Secretaries of Stamp and Registration (SC) was held on November 7, 2008 at NIPFP, New Delhi under the chairmanship of K. Jose Cyriac, Additional Secretary (Revenue), Ministry of Finance and Chairman of the Committee.

- **Seminar on Issues Before the Thirteenth Finance Commission, May 23-24, 2008**

A significant event of the year was a two-day national seminar on *Issues Before the Thirteenth Finance Commission* organised by the NIPFP under the auspices of the Thirteenth Finance Commission. The seminar brought together the Chairman and members of the Thirteenth Finance Commission, senior government officials, leading scholars, and representatives of the Planning Commission and international agencies. The seminar acted as a forum for discussions on key issues such as principles of resource transfers in terms of tax devolution and grants-in-aid to state governments; restructuring of government finances between the centre and states; public debt and liabilities of state governments; and issues related to urban and rural finance. An edited volume of the seminar papers is being finalised.



Chairman, NIPFP (right), Vijay Kelkar (l to r), Chairman Thirteenth Finance Commission (centre), Director NIPFP (on the dais), and Indira Rajaraman (extreme left), Member, Thirteenth Finance Commission

- **Seminar on Gender and Taxation, November 3, 2008**

A workshop on “Gender and Taxation” was organized by NIPFP in collaboration with the American University, Washington DC and University of Kwazulu-Natal, South Africa on November 3, 2008 at the NIPFP Auditorium, New Delhi. The meeting was convened to disseminate research findings of the two-year long multi-country study on **Gender and Taxation**. NIPFP is part of this multi-country research team and has conducted research on gender dimension of taxation for both direct and indirect taxes in India. The workshop deliberated on the issues of gender and taxation in the context of India, and towards making a gender sensitive tax policy, with invited experts from governments – especially tax policy makers, civil society organizations, and academia.



Participants of the workshop on Gender and Taxation

- **National Workshop on Strengthening the Financial Management System in India, July 23, 2008**

This one-day workshop was organised by National Institute of Public Finance and Policy and the Administrative Reform Commission at NIPFP, New Delhi on July 23, 2008. Group discussions critically examined the budgetary process and reforms at the central level; institutional reforms for strengthening the financial system; and strengthening financial reform at state level. The welcome address was delivered by M. Govinda Rao, Director, NIPFP, Vinod Rai, Comptroller and Auditor General, Government of India, gave the Chief Guest’s address, and the keynote address was given by M. Veerappa Moily, Chairman Administrative Reforms Commission.

Participants in the workshop included academics, administrators, and practitioners in the field.



M. Veerappa Moily (right) Chairman Administrative Reforms Commission with Director, NIPFP

- **Workshop on Building Capacity and Consensus for Monetary and Financial Reform, January 14-16, 2009**

A workshop was held at NIPFP on January 14-16, 2009 under the project titled, **Building Capacity and Consensus for Monetary and Financial Reform**. The objective of the project is to build a Dynamic Stochastic General Equilibrium model for India to investigate into the transmission mechanism of the optimal monetary and fiscal policy in India. Work under this project is being carried out in collaboration with the University of Surrey, UK.

Paul Levine from the University of Surrey and Jo Pearlman of the London Metropolitan University tabled the benchmark model for India. Thereafter, extensive discussions on specific characteristics of the Indian economy to enrich the model were carried out, including those on monetary policy regime changes in India by Ila Patnaik, and the recent trend towards outbound FDI by Indian firms by Ajay Shah both from NIPFP. Business cycle properties of Indian macro series were discussed by Shruthi Jayaram. Chetan Ghate of ISI, Delhi discussed sectoral shift in the Indian economy,

while Saibal Kar of CSSS, Kolkata, and Sona Verma of ICICI talked on characteristics of informal labour market and financial market in India. Issues related to uncovered interest parity in India were discussed by Rudrani Bhattacharya.

- A **delegation** comprising the Deputy Chairman of the Planning Commission (**see, picture below**) and senior functionaries of the Government of Pakistan including Pakistan's High Commissioner in India visited the Institute on June 25, 2008 and interacted with the faculty of the Institute.



In addition, the Institute maintained its programme of internal seminar series. Besides the NIPFP faculty, some of the distinguished speakers during the year were Albert Breton from the University of Toronto; Susanta Mallick, from School of Business and Management, Queen Mary, University of London; Subhayu Bandopadhyay, Federal Reserve Bank of St. Louis, USA; and Percy Mistry, Oxford International Group.

*A complete list of the in-house seminars held at NIPFP is at **Annexure II**.*

4 Training Programmes

The NIPFP continued to organise training programmes for capacity building of administrators and practitioners on different aspects of public finance and policy. In 2008-09 the following training programmes were held:

Programme	Date	No. of Participants
Fourth Refresher Programme in <i>Public Economics</i> for College/ University Teachers	May 26 - June 20, 2008	25
<i>Fiscal Policy and Budget Management</i> for State Government Officials	October 13-24, 2008	30
<i>Issues in Public Finance</i> for the Probationers of Indian Revenue Service	November 10-21, 2008	53
<i>Practical Issues of Tax Policy In Indirect Taxation and Tax Administration in Developing Countries</i> for Provincial Officials of Sri Lanka	December 8-12, 2008	22
<i>Public Finance</i> for Probationers of Indian Audit and Accounts Services	February 9-20, 2009	16

5 Nipfp Publications

In fulfilment of one of its fundamental objectives of information dissemination, the NIPFP continued its activity of publications of books, mimeographed study reports, printed and website versions of working papers, newsletters, and Annual Report.

The Institute's publication list of 2008-09 consisted of *Fiscal Decentralisation and Gender Budgeting*; and *Fiscal Reforms, Persistent Poverty and Human Development: The Case of Orissa*. The latter is part of the monograph series under Financing Human Development Programme. Furthermore, the Publications Unit brought out 10 Working Papers authored by various members of the NIPFP faculty.

The bi-annual NIPFP Newsletter which reported professional activities of the academic staff was published in the months of July 2008, and January 2009.

The Institute's Annual Report 2007-08 carrying complete details of all activities undertaken at NIPFP alongwith detailed Annual Accounts was forwarded to the Ministry of Finance for being tabled in the winter session of the Parliament.

A complete list of the Institute's priced publications is at ***Annexure IV***.

6 Library and Information Centre

The NIPFP library is one of the best research and reference libraries on Public Finance and Policy in South Asia. The library has in its possession a large collection of books and periodicals on public economics. Primarily meant for the use of the Institute staff, this special library can also be accessed by research scholars and professionals working in this area.

Most of the library functions at NIPFP are computerised with LibSys software. Bibliographic information on the entire collection of library can be accessed in Intranet through On-line Public Access Catalogue (OPAC). In addition to hard copies, the library subscribes to E-journals from ScienceDirect & JSTOR packages. During 2008-09, the library added 1502 new documents and 398 working papers to its collection.

To facilitate access to external resources for its faculty members, the NIPFP library maintains networking with resource sharing organisations such as DELNET, NASSDOC, Central Secretariat Library, and American Centre Library. Through its resource sharing arrangement, this library borrowed 82 documents from other libraries and lent out 136 documents during the year under review. About 1900 external research scholars and policymakers visited the library in the year 2008-09.

The library subscribes to about 410 journals including newsletters and bulletins from various research organisations. Of these, 174 journals are subscribed to, and 70 are received on *gratis* basis. The library also subscribes to E-journal – Subject Bundle from ScienceDirect which has 78 scholarly journals on Economics. For archival access JSTOR – Business and Business-I collection is subscribed to. This includes nearly 115 journals.

CAPACITY BUILDING

During 2008-09, some members of the library staff participated in a workshop on *Creation of Institutional Repository/Digital Library* at the Institute of Economic Growth, Delhi.

HYBRID LIBRARY MOVEMENT

- Collection development policy is encouraged to acquire statistical data in the online electronic form or in CD-ROM. CMIE database (Capex, Prowess) are updated through Internet. IMF–Balance of Payments Statistics, Direction of Trade Statistics, Government Finance Statistics, International Financial Statistics etc. are available in CD-ROMs.
- Media Clippings Digital Library was created through GSDL to retain the press clippings pertaining to the Institute’s activities and faculty members.
- NIPFP-IR, an institutional repository, set up through D–Space Open Source software, is being run on a trial basis through intranet at <http://ir.nipfp.org.in>
- E-journal subscription access and archival method training was imparted to interested professionals in the library through ScienceDirect, JSTOR and websites of reputed journals.

LIBRARY SERVICE

The library brings out several publications such as current awareness services of new additions of the library and current content alert. Major services rendered by the library are reference, reprographic, bibliographic, document delivery, data search facilities, inter-library loans, and resource sharing with other libraries. The NIPFP library maintains network arrangements with libraries of leading institutions to offer reference, indexing, and bibliographic services.

REPROGRAPHIC SERVICE

Approximately 63,327 photocopies were reproduced in the library during the reporting year, 2008-09.

7 Computer/IT Unit

The Computer Unit at NIPFP provides vital support service to researchers as well as other supporting functionaries of the Institute, viz. accounts, administration, auditorium, library, and publications. During 2008-09, the Computer Centre augmented its existing infrastructure. Towards this end, one HP ML 150 G2 server, ten HP Compaq P4 Desktop Dx2280, one LJ2605 CLR Laserjet printer, and five HP LaserJet 1505 Printers were procured.

The computer system of the Institute currently consists of 8 Servers, 103 Pentium – IV PCs, 13 Laptops, 66 UPS and 37 Printers. The server network is being maintained by *M/s Velosys Systems*, while the NIPFP computer staff maintains its routine computer hardware and software.

The Institute's internet facility (nipfp.org.in) as also its website is supported by a leased line from MTNL. The NIPFP website address <http://www.nipfp.org.in> has been launched through the Institute's own server domain. Management of the website is being supervised by a committee consisting of five members of the professional staff. The website, while highlighting the objectives and main activities of the Institute, indicates research interests of NIPFP faculty along with their detailed CVs, and provides lists of publications, working papers, and major reports produced at the Institute.

Databank development (DBD) is a continuous activity at the NIPFP computer centre. Specialised software is used by the library and the accounts department. Technical support is imparted to LIBSYS, RMS, Prowess and Econolit in the Institute's Library and vide EX Accounts and Payroll software to the Accounts Department.

The Computer Unit functions under the overall policy guidance framed from time to time by a Computer Committee.

8 Highlights of Faculty Activities

*The NIPFP faculty, apart from involvement in their primary responsibilities comprising Institute's research work continued to participate in co-academic activities in India and abroad. The following paragraphs summarise activities of individual members of the professional staff. Details pertaining to their publications are in **Annexure V**.*

C. Rangarajan, Chairman, NIPFP, was also Chairman of the High Level Committee on Estimation of Savings and Investment; and Chairman, Committee to Review the Working of the Institute for Development and Research in Banking Technology (IDRBT), RBI Mumbai. He continued to head as Chairman three other academic institutions, the Madras School of Economics, Chennai; C.R. Rao Advanced Institute of Mathematics, Statistics, and Computer Science, Hyderabad; and CUTS Institute for Regulation and Competition, New Delhi. The Academy of Grassroots Studies and Research of India (AGRASRI), Tirupati, Andhra Pradesh, conferred upon him the *Bharat Ratna Rajiv Gandhi Outstanding Leadership Award for 2008*. C. Rangarajan was recipient of the *Hall of Fame Award 2008* presented by the Outlook Magazine Group and NDTV Profit. He was invited to give inaugural addresses at the Asia Tax Forum meeting on Indirect Taxes; and the conference on ***Issues Before the Thirteenth Finance Commission***, both at NIPFP; 16th Convocation Address on Indian Economy at Berhampur University; Sir Vithal N. Chandavarkar Memorial Lecture on "Indian Economy: Challenges Ahead"; to deliver a speech on "Financial Inclusion: Some Key Issues" at the Financial Inclusion Policy Retreat; lecture on "Indian Economy: Some Challenges" at the Diamond Jubilee Celebration of Department of Economics, Ethiraj College for Women, Chennai; S. Ranganathan Memorial Lecture on Economic Growth and Social Development; and a lecture on "Global Economic Recovery - Challenges Ahead" at Karnataka Chamber of Commerce and Industry.

His publications during the year comprised of three papers in edited volumes, and a co-authored paper on "Reforming India's Fiscal Transfer System: Resolving Vertical and Horizontal Imbalances" in *Economic and Political Weekly*. He also published articles in the daily newspapers, *The Hindu*, and *Economic Times*.

M. Govinda Rao, Director and Chief Executive Officer of NIPFP continued to undertake new initiatives both on the academic and administrative fronts – in strengthening research programmes and augmenting existing infrastructure of the Institute with expeditious completion of a new Research and Training Centre at the Institute.

The **North-Eastern Region Vision 2020** completed under his research leadership during the previous year was published by the North Eastern Council and released by the PM. The study was widely disseminated in major parts of North-east India and adopted by each of the state governments in the region. M. Govinda Rao completed a pilot study, **Fiscal Health of Indian Cities** in association with a colleague at NIPFP, the draft report of which was presented at the World Bank Institute, Washington DC. **Economics of Tobacco Taxation and Tobacco in India** (co-authored) was also completed during the reporting year.

In addition to the above studies, at the request of the Government of Punjab, he prepared a draft Memorandum to be submitted to the Thirteenth Finance Commission; and as Chairman finalised the reports of the **Expert Group to Determine MRP for Various Commodities**; and **Resource Mobilisation and Plan Finance in Bihar**. His on-going projects include a review of **Fiscal Federalism in India** for the Commission on Centre-State Relations; **Fiscal Decentralisation to Rural Local Governments; Panchayats and Economic Development**; and **Inputs on Fiscal Policy – India: Impact of the Financial Crisis and Opportunity**.

In the various NIPFP organised training programmes, he delivered lectures on “Development in Public Finance: An Overview”, in a Refresher Course for College and University Teachers; “Conceptual Issues in Fiscal Policy and Relevance of Different Deficits Concepts” to state government officials; “Fiscal Policy in India”; “Tax Policy Design in Intergovernmental Context”; “What is Pro-poor Tax Policy” to probationers of Indian Revenue Service; and “Macro Economics of Fiscal Policy”; “Fiscal Policy for Economic Review”; “Theory of Public Expenditure” and “Intergovernmental Transfers” to Indian Audit and Accounts Service probationers. He also lectured at MDI, Gurgaon on “Current Economic Reforms in India” in a programme for Independent Director’s for Army Generals.

His presentations in seminars and conferences across the country and abroad were no less. He spoke at the session on “From Taxation of Turnover to GST” at Invest India Data Works Round Table at New Delhi; participated in a panel discussion conducted by CNBC *Awaaz* at FICCI Auditorium, New Delhi; contributed a paper

on “Indian Fiscal Federalism in a Globalizing Environment: Trends and Reform Challenges” at the IEG-DSE conference at IEG; gave a pre-dinner talk on “Expenditure Management at State-level in India” at a RBI workshop in Mumbai; submitted a paper on “Major Issues Before the Finance Commission” at the seminar on **Issues Before the Thirteenth Finance Commission**, where he also presented a paper on “Fiscal Consolidation by Central and State Governments”. He served as a panelist in a discussion on “Issues Before the Thirteenth Finance Commission” at an Indian Economic Association conference at Udaipur. His invited visits to Goa were aimed at delivering a speech on “Critical Issues in Budget Management” in the Goa Legislative Secretariat; to address officials of Government of Goa on “Indian Economy and Fiscal Reforms”, besides delivering a lecture at the International Centre of Goa on “Emerging Issues in Indian Economy”. He chaired a session on “Policies and Institutions” at the Second Technical Workshop of the ADB/ADBI Flagship study at New Delhi; on “The State Context Issues” in a conference at ASCI, Hyderabad; “Financial Development, Income Distribution and Economic Growth” at a JNU-CIGI-NIPFP conference, where M.G. Rao’s paper on “Fiscal Reforms of Intergovernmental Fiscal Arrangement for Balanced Regional Developments in a Globalising Environment” came up for presentation; and at the inaugural session on “Status of Devolution” at the National Consultation on Status of Devolution and State Finance Commissions at PRIA, New Delhi, and Ministry of Panchayati Raj conference, supported by Swiss Agency for Development and Co-operation.

He talked on “The Concept and Relevance of Impact Budgeting” to state government officials at Thiruvananthapuram, and participated in the concluding session. “Road Map to Goods and Service Tax” at Madras Chamber of Commerce, “GST: Tax for Future Generation” at a ICAI conference at Jaipur; “Financial Crises” at Vasant Valley School, New Delhi; and “Improving Governance through Public Financial Management for Improving Programme Delivery” in an international conference at Institute of Government Accounts and Finance, New Delhi were some other talks delivered by him.

M.G. Rao gave an inaugural speech at Gujarat Economic Association at Bhuj; a keynote address on “Issues and Challenges in Centre State Financial Relations” at a High Powered Economic Convention hosted by Indian Merchants’ Chamber, Mumbai; and attended a meeting convened by the Governor, RBI, at Mumbai.

His research oriented foreign visits included one to Mongolia at the invitation of UNDP to analyse issues related to financing human development; for presentation of a paper

on “The Recent Macroeconomic Developments and Policy Challenges in India with some discussion of the Broader Potential Context and Prospective Developments” at a conference in Canberra, Australia; to deliver a talk on “Value Added Tax Reform and Legislative” at China; a special address on “North-East India – Vision 2020” at ASEAN North East India meet in Vietnam. He made a presentation on “Promoting Trade and Investment in India’s North eastern Region” at ADB Headquarters at Manila; participated in a Steering Committee meet of SANEI at Lahore; and contributed inputs in a World Bank conference on **Debt and Development** at Washington DC, as a panelist and commentator.

M. Govinda Rao served as a member in the Economic Advisory Council to the Prime Minister. His other appointments on Boards/Committees included membership of: SANEI; RBI Southern Area Local Board; Board of Governors, General Body and Research Advisory Board, MDE, Chennai; Selection Committee for the post of Director, ISEC, Bangalore; as also of Institute of Applied Manpower Research, New Delhi; Faculty of Social Sciences, University of Delhi; and Board of Governors, IEG, Delhi. He also worked as non-official part-time Director on the Board of Rural Electrification Corporation, New Delhi; Chairman of the Board’s Audit Committee; and non official part-time Director on the Board of NTPC Ltd.

His publications during the year under review comprised of a co-authored book; a volume that he edited; an essay in an edited publication, and comments on a paper in another edited volume. In addition to the above, he published an article in *EPW*, and wrote a paper as a tribute to Prof. M.P. Bhatt. He contributed a monthly column on contemporary economic and social issues in the financial daily, *Business Standard*.

Indira Rajaraman, Professor Emeritus, NIPFP is presently Member, Thirteenth Finance Commission. As a member of the Advisory Panel on Transparency Standards, she contributed to the report of the GoI-RBI **Committee on Financial Sector Assessment** in 2008. She was also appointed as member on various other committees, such as, External Expert for Faculty Promotion to Professor at IGIDR, Mumbai; Search Committee for the Post of Director, Madras Institute of Development Studies; Human Subjects Committee, Institute of Financial Management and Research, Chennai; Faculty of Applied Social Services and Humanities, University of Delhi; and Governing Body, Centre for Development Studies, Thiruvanthapuram.

Indira Rajaraman delivered three research based lectures on “Public Finance: Issues, Approaches and New Horizons”; “Fiscal Transparency” and “Thirteenth Finance

Commission”; in a **Refresher Course in Public Economics for College and University Teachers** at NIPFP. She gave a talk on “Assessment of Fiscal Transparency” at an RBI Conference; an invited talk at a meeting on **National and International Financial Institutions** at Columbia University, New York; besides delivering a keynote address at a conference on **Public Policy in a Federal Set-up** organised by the University of Mumbai.

Indira Rajaraman contributed a chapter in an edited book published by Earthscan, UK. She published a paper in *India Policy Forum 2007-08*; and two co-authored papers in *Review of Development Economics*; and *Public Administration and Development*.

Sudipto Mundle, joined the Institute as Emeritus Professor in October, 2008. He is a member of the Research Advisory Council of Research and Information System for Developing Countries. At NIPFP, he is heading a project titled, **Macro Policy Modelling (MPM) Phase I**, which is nearing completion. Based on the CGE Model developed in MPM Phase I, work has now started on **Macroeconomic Policy Modelling (MPM) Phase II** to simulate and assess the outcome implications of fiscal and monetary policy prescriptions likely to come up for preparation of the 2010-11 budget.

He delivered a lecture on “Is Another Great Depression Looming?” at a conference on **Consultation on Finance Crisis** at Bangalore; and on “Countervailing Power and Missing Institutions: The Political Economy of Resource Security”; and “Global Financial Crises and Impact on Indian Economy” in NIPFP organised training courses for Indian Revenue Service and Indian Audit and Account Service probationers respectively.

He published six articles in leading newspapers.

Tapas Kr. Sen, Professor, co-authored three research reports and a research note, led a research project and (co-) authored two research papers during 2008-09. He continued to lead the research on the project entitled, **Financing Human Development in India**, sponsored by UNDP and the Planning Commission as a part of an overall programme on **Strengthening State Plans for Human Development** being executed by the Planning Commission. The NIPFP study consists of eight individual state studies – four of these (Madhya Pradesh, Orissa, Tamilnadu and West Bengal) were complete by the beginning of the year under report, out of which, one on Orissa was published by the NIPFP during 2008 (two were published earlier). These reports analyse the status of human development in selected states, identify

possible resource constraints in attaining announced goals in the areas concerned, and suggest ways to overcome these constraints. Three more reports (Chhattisgarh, Rajasthan, and Himachal Pradesh) were completed and submitted to respective state governments during the year. The Chhattisgarh report has been presented to the state government and is to be finalised for publication along with the report for West Bengal, while the other two await presentation. The last state report on Maharashtra is in the making.

His other research output included two papers – he co-authored the theme paper for the conference on *Issues Before the Thirteenth Finance Commission*, at New Delhi, a revised version was subsequently published*, and authored another paper entitled, “Horizontal Imbalances in Indian Federalism” presented in a conference with the theme *Towards Progressive Fiscal Policy*. This paper is under publication as part of an edited volume. He was a member of the team that contributed research inputs in the ‘notes’ prepared by NIPFP on recent fiscal adjustments, subsidies, and public infrastructure spending for the chapter on Fiscal Policy in the forthcoming World Bank Report *India: Impact of Financial Crisis and Opportunity*. Apart from these, Tapas Sen has been liaising with IGNOU regarding a proposed joint Ph.D. programme; this has involved close interaction with the University on the modalities of the programme, the determination of the curriculum and finalisation of syllabi for various qualifying courses. He is also contributing written material for the Public Economics course. Further, he contributed question papers for post-graduate degree examinations in economics for two universities and was external referee for two M.Phil dissertations, as well as for academic journals.

During the year, he was appointed Member of Delhi Expenditure Reforms Committee (Government of NCT of Delhi), Central Monitoring Committee on Debt Consolidation and Relief Facility (Ministry of Finance, Government of India) and Task Force on Economic and Fiscal Relations (Commission on Centre State Relations). He also took over as Convener of the Standing Committee of Secretaries of Stamps and Registration (Ministry of Finance, Government of India), which has its secretariat at the Institute. He was discussant of a contributed paper in the workshop on *Inter-State and Intra-State Economic Disparities in India: Implications for the Thirteenth Finance Commission*, and chaired a session in the conference on *Re-examining FRBM under Global Recession*, both at Patna; he also chaired the valedictory session and

* *Economic and Political Weekly*, Vol. 43, No. 36, September 06-12, 2008

delivered an address to the participants of a seminar on ***Development of Special Category States: Problems and Prospects*** at University of Jammu.

As resource person, Tapas Sen delivered lectures to varying audiences including a group of education officials from various countries, government officials, Indian Audits and Accounts Service and Indian Economic Service probationers, participants of a refresher course for college and university teachers held at NIPFP and elsewhere (including Institute of Chartered Accountants of India, National Institute of Educational Planning and Administration, Jamia Hamdard and RBI College of Agricultural Banking, Pune). He continued as the Chairman of the Tender Committee and Library Committee of NIPFP and as a Trustee of the Provident Fund of the Institute.

R. Kavita Rao, Professor, submitted the revised draft of **State Development Report of Mizoram** to the Planning Commission in August, 2008. At the behest of the Thirteenth Finance Commission, she completed and submitted a draft report on **Impact on States of Central Tax Preferences**. Her current project related activity pertains to **An Assessment of the Revenues of Jharkhand**, sponsored by the Government of Jharkhand.

On behalf of NIPFP, she collaborated with CBDT to organise the fifth forum of the Asia Tax Forum in New Delhi; made a presentation on “Goods and Service Tax for India”. She presented an extended version of the same paper in the national conference on ***Issues Before the Thirteenth Finance Commission*** held at NIPFP, which was subsequently printed as a Working Paper of NIPFP. Other papers authored by her were “Tax Concessions to Small Scale Units: Beneficiaries Benefits and Costs” and “Income Tax Incentives to Housing Sector: Assessing the Benefits” both for the Department of Revenue, Government of India. She co-authored a paper on “Economics of Tobacco and Tobacco Taxation” in collaboration with Public Health Foundation of India, Centre for Global Health Research, University of Toronto.

Kavita Rao oversaw coordination of the training programme, ***Issues in Tax Policy and Administration*** for the officials of the Sub-national Tax Administration of Government of Sri Lanka.

Ila Patnaik, Professor, continued to carry forward her research activity as co-manager in the NIPFP-DEA collaborative research programme on **Capital Flows and their Consequences**. The programme witnessed two high level multi country experts’ meetings in New Delhi. As an outcome, she co-authored two papers, “Does

the Currency Regime Shape Unhedged Currency Exposure?"; and "Managing Capital Flows: The Case of India" which were published as part of the NIPFP Working Paper Series. The latter is expected to appear shortly in a two-volume publication by ADB. Another co-authored paper of hers on, "Early Warnings of Inflation in India" was published by *EPW*.

Ila Patnaik is also involved in the project, **Building Capacity and Consensus for Financial and Monetary Policy Reform**. She was a member of the Internal Working Group on Debt Management.

Ajay Shah, Professor, in association with a colleague from the Institute, is managing the NIPFP-DEA research programme on **Capital Flows and their Consequences**. He is also working on the project titled, **Building Capacity and Consensus for Financial and Monetary Policy Reform** both projects entailed his participation in high level meetings and international workshops.

A major part of his academic activity during the year under review revolved around policy advice to government committees as Director on the Boards of : Ascent Capital Advisors; JSW Steel; Gujarat State Fertilisers; Centre for Monitoring Indian Economy; National Securities Clearing Corporation; and Clearing Corporation of India Ltd., and as Member of Internal Working Group of Ministry of Finance on Internal Debt Management, 2008; Task Force on Implementation of Goods and Service Tax, Thirteenth Finance Commission; Expert Advisory Group for Gujarat International Finance Tec-City Company (GIFT); Executive Committee, National Securities Ltd. He was also 'Virtual Member' of the Raghuram Rajan Committee on Financial Sector Reforms, 2008.

Ajay Shah's published output comprised a co authored paper in *Economic and Political Weekly*; another paper, also co-authored, is forthcoming in a two-volume book by ADB. He also published Research Report Series for Department of Statistics and Mathematics, Wirtschaftsuniversitat Wiern (co-authored) and *An Insider's Guide to How the Markets Work* for Elsevier.

Ajay Shah's research activities can be surfed and commented upon on his blogspot at <http://ajayshahblog.blogspot.com>

Pinaki Chakraborty, was promoted as Professor in July, 2008. During the year under review, two of his projects were finalised, i.e. **Interstate Distribution of Central Expenditure and Subsidies** for the Thirteenth Finance Commission, and

Gender and Taxation: Revenue Generation for Social Protection in Developing Countries, sponsored by IDRC, UNDP, in collaboration with University of Kwazulu Natal, South Africa and American University, Washington D.C. His ongoing project pertains to **Revenue Implications and Estimation of Revenue Neutral Rates for Karnataka**.

He was an invited speaker in seminars conducted by Giri Institute of Development Studies, Lucknow on *Thirteenth Finance Commission and the Backward States with particular reference to UP*; and in *Re-examining FRBM under Global Recession* by Asian Development Research Institute (ADRI), Patna. He also attended a consultative meeting on Thirteenth Finance Commission at ADRI. At the international level, he was invited by the Government of Nepal and UNIFEM, South Asia, to participate in a consultation meeting at Kathmandu. He presented a co-authored paper “Indirect Tax Incidence and Gender Equity in India” at the World Bank offices at Washington DC, and Buenos Aires, Argentina. He served panelist in a UN-Habitat session on “International Guidelines and Strategy” in an international conference on *Decentralisation Local Powers and Women’s Rights: Global trends in participation, representations to access to public services* in Mexico City.

Pinaki Chakraborty delivered several lectures in the NIPFP organised training courses and outside. He lectured on “Fiscal Sustainability and Effectiveness of Fiscal Rules” and Measurement Issues and Macro Economic Impact of Deficits” to the Indian Revenue Service probationers; “Introduction to Tax Policy Design and Development” and “Tax Base and Tax Rates Determination” to officials of Provincial Tax Administration in Sri Lanka; “Distribution of Central Government Expenditure Among States” to Indian Audit and Accounts probationers, in addition to four lectures, “Public Debt at State Level: Sustainability Question and Debt Restructuring by Twelfth Finance Commission”; “Central Transfers to States”; “Medium Term Fiscal Framework and Projection of Revenues and Expenditures” and “Exercise in Projection of Revenues and Expenditures at the State Level” in a training course for state government officials. He also lectured on “Outcome Budget: Conceptual and Methodological Issues” at a Government of Kerala organised seminar at Thiruvananthapuram; and at a national conference on *Global Recession and Indian Economy and Globalisation: Perspective, Impact, and Challenges* at SV College, Aligarh.

During the course of the year, he taught Public Economics to M. Phil students at Centre for Development Studies, Thiruvananthapuram. He also taught a course on Indian Public Finance at IGIDR, Mumbai.

He was appointed as a member in the Third Finance Commission for UTs of Andaman and Nicobar Islands, Daman and Diu, and Nagar Haveli and Lakshadweep by Ministry of Home Affairs, Govt. of India; and Member Public Expenditure Review Committee, Government of Kerala, member in committee of Technical Experts to assist the sub-committee of the Minister of *Panchayati Raj* for the preparation of a Joint Memorandum for the Thirteenth Finance Commission. He was also a member of the Memorandum Drafting Committee of Government of Kerala to the Thirteenth Finance Commission.

Pinaki Chakraborty published a paper in *EPW*. A Discussion Paper by UNU-WIDER, and a publication are in the pipeline for the following year.

Om Prakash Mathur, Principal Consultant, Urban Economics and Finance Unit completed as per the mandate his major research project, **Tracking the Urban Reform Agenda under the JnNURM**, covering 20 cities in the country. The mission requires cities applying for assistance to lay down a time schedule for implementing the proposed reform agenda. In October 2008, he entered into a fresh contract to monitor the urban reform agenda in the JnNURM cities for another year. Some of the new projects initiated by him during the year were: **Property Tax Potential** at the behest of the Thirteenth Finance Commission; and **Preparation of National Urban Poverty Reduction Strategy; A Review of the Reports of the State Finance Commission (SFCs), primarily to ascertain if the SFCs made any recommendations/ dispensations for functions such as poverty alleviation and slum improvement and upgrading;** and **Preparation of a Paper on Poverty Alleviation in a Fiscal Federal Framework**, all three for the Ministry of Housing and Urban Poverty Alleviation.

He delivered lectures on “Urbanisation and Urban Issues” and “Fiscal Decentralisation and the Urban Local Bodies” at the Lal Bahadur Shastri Academy of Administration, Mussoorie. As in the past, he was an invited participant in many a conference, meeting, and workshop on Urban Economics in India and abroad. In the conference on *Livable Cities* organised by the Euro-India Forum, Goa, he chaired a session on “Managing and Funding Urban Infrastructure” and spoke in a session on “Integrated Urban Reforms: Regulatory, Planning and Governance. At the *India Options in Climate Change Negotiations* conference, he chaired the session on “Keeping India’s Economic Engine Going: The Urbanisation Challenge”; and attended the ADB-Madrid City conference in New Delhi on *Efficient and Sustainable Development of Cities: Madrid Experience Sharing*. He was one of the members at PM’s National Review

Committee meeting; at ADB-NIUA joint meeting on **Cluster Development**; and Ministry of Urban Development's meeting on **Municipal Borrowing**.

Among the workshops attended by Om Mathur were: **Regional Planning and CDPs under JnNURM**; **Shaping the Cities of the Future**; **Housing Property Prices: Patterns and Structure** besides a High Level Taskforce on **Affordable Housing for All**.

His international participations comprised of: a meeting of UN-HABITATs Advisory Board on **Decentralisation** at Oslo; Advisory Committee Meeting of City Development Initiative for Asia, at Nanjing; and a workshop on **Cities at Risk: Building Adaptive Capacity for Climate Change in Asia Coastal Mega Cities** at Bangkok, Thailand.

He continued to hold memberships in several important policy making committees and groups such as, National Core Group on Urban Poverty, chaired by Minister for Housing and Urban Poverty Alleviation; High Level Task Force of Affordable Housing, headed by Chairman, HDFC; Technical Advisory Group on JnNURM; High Powered Export Committee of City Development Initiative for Asia, joint programme of GTZ and ADB (at Manila); Task Force 4, Commission on Centre-State Relations; High Powered Export Committee on Estimating Investment Requirements for Urban Infrastructure; Academic Advisory Panel of McKinsey and Company; Working Group on Urban Local Finance, RBI; and Chief Minister of Goa's Professional Advisory Group.

Om Mathur continued to be Vice President in the Governing Council of NIUA and Research Council of NEERI.

A.L. Nagar, Consultant, calculated **Projections of CT and IT Receipts for FY 2008-09** (using actual tax collections upto September 30, 2008) with co-authors in November 2008, and updated the above projections (using actual tax collections upto December 31, 2008) in February, 2009. He delivered a lecture on "Forecasting Taxes" to the probationers of Indian Revenue Service at NIPFP. He presented findings of his co-authored study. **The Interface between Economic Development, Health and Environment** in two different seminars delivered at NIPFP; and TERI University, New Delhi. This paper was subsequently brought out as a NIPFP Working Paper No. 56. His earlier studies (co-authored) on **Projection of Corporate and Personal Income Tax Receipts for FY 2007-08 and 2008-09** were published in *Finance India* in September 2008.

Bikku Kuruvila, is a Senior Consultant working in the NIPFP-DEA Research

Programme on **Capital Flows and Their Consequences**. He joined NIPFP in January, 2009. During this period, he has completed a policy report, and model regulations addressing inconsistencies in the regulatory framework governing investment by Non-Resident Indians and has been developing reports presenting measures to increase certainty and reduce litigation costs involving foreign institutional investors as well as examining the regulation of venture capital and private equity investment. Bikku Kuruvila has given talks on the “Law of Foreign Institutional Investment in India,” and on “Legal Transitions: Financial Markets Regulation in India after the Crisis.” He has organized a study tour of public and private sector financial markets practitioners with the City of London seeking to examine best practices in financial markets regulation. Finally, he has participated in the Fourth Research Meeting of the NIPFP-DEA Research Programme, held on the March 24-25, 2009.

Sacchidananda Mukherjee, Consultant, authored several articles/papers on environmental issues, especially with reference to ‘water’ during the year 2008-09. He published a co-authored paper in the *International Journal of Global Environmental Issues*; five chapters (also co-authored) in edited volumes, and another five (two co-authored) in conference proceedings.

He presented papers on: “Economic Valuation of a Wetland as Multiple Use System in West Bengal, India” at a national seminar in Jamia Millia Islamia, New Delhi; “Factors Influencing Farmers’ Willingness to Protect Groundwater from Nonpoint Sources of Pollution: A Case Study in the Lower Bhavani River Basin, Tamil Nadu”, at Council for Social Development, New Delhi; and in South Asia Consortium for Interdisciplinary Water Resource Studies, Hyderabad.

Anit Nath Mukherjee, Associate Professor, completed a research project, **Interstate Distribution of Central Expenditure and Subsidies** for the Thirteenth Finance Commission. At the instance of the Commission, he organised a seminar on *Issues Before the Thirteenth Finance Commission* at NIPFP. His ongoing project work at the Institute includes studies on **Public Expenditure on Elementary Education**, sponsored by the Accountability Initiative, Centre for Policy Research, New Delhi; and preparation of a **Toolkit for Resource Mapping of HIV/AIDS** for UNAIDS, New Delhi.

He delivered several lectures during the year under review: “Decentralisation and Financing of Human Development” at RBI-College of Agricultural Banking, Pune; “Budgetary Expenditure Tracking at the Sub-National Level” at a conference organised by the National Centre for Advocacy Studies in Thiruvananthapuram;

“India 2050: Eyeing the Growth Potential” at Kamla Nehru College, New Delhi; and “Emerging Trends in Social Sector Expenditure” at the UGC Academic Staff College, JNU, New Delhi and to probationers of Indian Economic Services, at NIPFP. Besides these, he also spoke on “Millennium Development Goals: Targets and Financing” in a training course for probationers of Indian Revenue Service; and “Frame Work for Analysing PPP”.

His published output saw a co-authored analysis of National Sample Survey Data on Morbidity and Healthcare in *EPW*.

Pratap Ranjan Jena, Associate Professor, completed a study on **Medium Term Fiscal Policy in Goa 2007-08** which assessed progress of the state government in achieving targets under the FRBM Act in the state; the findings of the study were subsequently presented in a seminar on the same topic in Goa. He also finalised a similar study on **Progress of the State Government in Achieving FRBM Targets** for the state of Haryana. He was member of a team that gave **Inputs on Fiscal Policy – India: Impact of Financial Crisis and Opportunity** in a World Bank sponsored project. Currently he is involved in the **Preparation of a PFM Performance Report for India Union Level using the PEFA framework**, also for the World Bank. He co-authored two research papers, one on “Issues Before the Thirteenth Finance Commission” and another “Fiscal Consolidation by Central and State Governments”. Both the papers came up for presentation at the seminar on **Issues Before the Thirteenth Finance Commission** at New Delhi.

Pratap Jena was invited by the National Institute of Financial Management to deliver a lecture on “Inter Government Fiscal Relations in India”. In the 4th Refresher Course in **Public Economics for College and University Teachers**, he lectured on “Basic Issues in State Finances in India”; “Public Expenditure Management”; and “Rural Fiscal Decentralisation: State Experiences”. He coordinated a training programme on Fiscal **Policy and Budget Management** for state government officials which included his lectures on “Major Issues in State Finances in India”; Public Financial Management”; Medium-Term Fiscal Framework and Projection of Revenues and Expenditures at the State Level”. Besides the above topics, he lectured on “Fiscal Discipline in the States: The Role of Fiscal Rules”; “Designing a Provincial Revenue Plan” in NIPFP training courses for probationers of Indian Economic Services and officials of the provincial tax administrations of Sri Lanka, respectively. The Indian Economic Service probationers also heard his lecture on “Fiscal Rules and MTFP”.

He presented “Strengthening Financial Management System” in a collaborative

national workshop of NIPFP-Administrative Reform Commission at NIPFP.

The year, 2008-09 saw him publish two co-authored papers; one on “Revenue Efforts of *Panchayati Raj Institutions*”, and another on “Issues Before the Thirteenth Finance Commission” in *EPW*, while another one on state finances is expected to be published in a forthcoming volume.

Lekha Chakraborty, Associate Professor, completed her study on **Gender and Taxation** with a co-author. The two coordinated a workshop on the subject in collaboration with American University, Washington DC and University of Kwazulu-Natal South Africa to deliberate on the issues of gender and taxation in the context of India. She is currently engaged in the completion of a UNIFEM-UNFPA project titled, **Gender Responsive Budgeting Programme in Asia Pacific and CEE/CIS Countries: Analysis and Training**. The objective of the project is to plan and design a course structure to be delivered in a global training workshop slated for June 9-12, 2009.

Her extensive research in the area of Gender Budgeting led her to be invited to deliver as many as 14 lectures to diverse audience in India and abroad: “Determining Gender Equality in a Federal Setting: Analytical Issues Before Thirteenth Finance Commission” at IRMA, Anand; “Global Recession and Indian Economy and Globalization: Perspective, Impact and Challenges” at SV College, Aligarh; “Gender Budgeting” in a training course for probationers of Indian Revenue Service, NIPFP; “Non Tax Revenue: Conceptual Issues and Reforms”; and “Gender Budgeting at Sub-national Level” in training courses for state government officials at NIPFP; and “Measurement and Macroeconomic Impact of Deficits: Alternative Paradigms”; and “Gender Budgeting: Conceptual Issues and Empirical Evidence”, also in a NIPFP training course for probationers of the Indian Economic Service.

The list of lectures also included, “Gender Budgeting: Conceptual Issues and Cross-country Analysis’ at a collaborative workshop of Ministry of Finance, India and GTZ. Kabul at Institute of Government Accounts, New Delhi; “Gender Budgeting” for international participants also at IGAF New Delhi; and “Institutionalising Gender Budgeting: Scope and Limitations” for delegates from Nepal at UNIFEM, South Asia, New Delhi.

Her co-author, presented their paper, “Indirect Tax Incidence and Gender Equity in India” at the World Bank, Washington DC; and World Bank, Buenos Aires, Argentina. She was an invited plenary speaker for an international conference in Mexico City;

in a joint consultation meeting of Government of Nepal and UNIFEM at Kathmandu. Among other papers of Lekha were “Unpacking Federal Fiscal Transfers through a Gender Lens: Empirical Evidence from India” which came up for presentation at IAFFE 2009 at Boston; “Financial Crisis and Global Recession in the Developing Economies” at an international workshop in the University of Venice; and “Water Infrastructure Deficit, Gender, and Private Costs in India: Evidence from Time Budget Statistics” (co-authored) at an international conference at Colombo.

Lekha Chakraborty taught courses in Public Economics; and Public Finance to M.Phil students at JNU; is supervisor to three M.Phil scholars; a Ph.D scholar and is working on the Ph.D dissertation panel of another doctoral scholar, all three at Centre for Development Studies, JNU. She reviewed an article for *Journal of Developing Areas*, New York; and was Reviewer, UNDP Project Papers, 2008.

She was a member of the International Working Group on Engendering Macroeconomics and International Economics, University of Utah; and Member, Economist for Full Employment, Levy Economics Institute of Bard College, New York.

Most of her published output was focused on gender related issues: Out of 12 papers published, two co-authored papers appeared in international journals; two chapters (one co authored) in edited volumes; a working paper at the Levy Institute of Bard College, New York; besides a Working Paper at Munich University. She published a co-authored monograph titled, *Fiscal Decentralisation and Gender Budgeting* at NIPFP. She published an analysis of the Raghuram Rajan Committee Report on Financial Sector Reforms; as well as “Deficient Public Infrastructure and Private Costs” in *EPW*. Among her forthcoming publications are a paper in *Regional Development Studies*, *UNCRD*; and two papers in edited volumes, by Macmillan (New York) and Routledge (New York).

Lekha is affiliated to the Levy Economics Institute of Bard College, New York as a Research Faculty Associate.

Mukesh Kumar Anand, Assistant Professor, completed and submitted the final report on **Subsidies and User Charges for Select Services in Rajasthan** to the Government of Rajasthan.

He delivered a lecture on “Social Security and Pension Reforms” at training programmes conducted for probationers of IA&AS; Refresher Course for College and

University Teachers at NIPFP; and at a Refresher Course for College and University Teachers at the Academic Staff College Jamia Millia Islamia, New Delhi. He also lectured on “Public Services through Taxes and User Charges” to the probationers of Indian Revenue Service (Excise and Customs), and on “Cost of, and Recovery from Public Services in Rajasthan” in the training course for probationers of Indian Audit and Accounts Service at NIPFP.

His erstwhile study, **Andaman and Nicobar Island Development Report** was published by the Planning Commission. He also published an article titled, “Pay Commission: Missing the Wood, Missing the Trees” in the EPW. Another paper of Mukesh Anand bearing focus on “Budgetary Implications of Costs and Recovery from Select Public Services” in Rajasthan is forthcoming in the same journal.

Subrata Mandal, Assistant Professor, completed a Thirteenth Finance Commission sponsored project, **Rationalising Taxation of Petroleum Products** with a Senior Consultant at the Institute. He presented a paper on “Land Use and Mountain Development Strategies for Special Category States” at a seminar organised by University of Jammu.

The year saw Subrata deliver a series of twelve lectures on “Mathematical Modelling of Ecology and Economics” to the final year PG Diploma course students of Indian Institute of Forest Management at Bhopal. He also lectured on “Energy Planning in India”; “Economics of Climate Change” at a refresher course for college and university teachers at Jamia Millia Islamia, New Delhi.

H.K. Amarnath, Assistant Professor, continued to be associated with the project, Financing Human Development in Indian States which focused on the states of Chhattisgarh, West Bengal, Rajasthan, and Orissa during the year. The study on **Orissa** was published as a monograph at the Institute. He also completed a co-authored study on **Incidence of Central Government Expenditure** for the Thirteenth Finance Commission.

Amarnath was invited to a UNDP-Planning Commission, **Programme of Training of Trainers** at RBI College of Agricultural Business, Pune, where he gave a lecture on “Reprioritizing Public Expenditure Programme” in October 2008.

Simanti Bandyopadhyay, Assistant Professor, completed her project (co-authored) **Fiscal Health of Selected Indian States** funded by the World Bank. On the basis of the six reports carried out for the World Bank, she presented the main findings of

the study in an international conference on *Measuring Fiscal Health of Cities* held at the World Bank Institute, Washington DC. The methodology was subsequently revised to incorporate the comments and suggestions of the experts. Her ongoing study (co-authored) is on **Functions and Finances of Urban Local Bodies in Jharkhand**, funded by the Government of Jharkhand.

She delivered several lectures at diverse venues on diverse topics during the course of the year, on: “Data Collection, Data Analysis and Presentation” in Centre for Civil Society, New Delhi; “Externality, Environment, Taxes: Concepts and Issues” to probationers of Indian Revenue Service at NIPFP; “Financing Urban Development: Some Critical; Issues” in a Refresher Course organised in Jamia Milia Islamia University, New Delhi, for College and University Teachers in India.

She also delivered two lectures on “Measurement of Efficiency of Firms with Environmental Constraints - Parametric and Non Parametric Methods” in a course on Environmental Economics designed for M.Phil/PhD students in Centre for Economic Studies and Planning, JNU; and a series of six lectures on ‘Data Envelopment Analysis’ in a course on Quantitative Techniques designed for M.Phil/PhD students in the Department of Business Economics, University of Delhi (South Campus).

Simanti made a presentation on “Regulation, Technical Efficiency and its Determinants: Evidence from Indian Cement Industry” in an international conference on *Operational Research* in Croatia; participated in an international DSE-Swiss Re workshop on *Productivity and Efficiency* at Delhi School of Economics. While on a visiting appointment to University of Calcutta, she gave a seminar on *Analysis of Technical Efficiency using DEA: A Application to Indian Manufacturing Industries* at University of Calcutta.

She responsibly coordinated a course in Public Economics for probationers of IA&AS at NIPFP; was Visiting Faculty at JNU, New Delhi; University of Delhi (south campus); and at the Department of Economics, University of Calcutta, Kolkata.

Her published work includes a Discussion Paper by ISI, Kolkata, a policy based working paper by the World Bank Institute (co-authored), and a working paper by NIPFP (also co-authored).

Mita Choudhury, Assistant Professor, is engaged in the completion of two ongoing projects, **Financing Human Development in India** (supported by UNDP and Planning Commission), and **Study on Insurance Schemes in India**, also supported

by the Planning Commission of India. She coordinated the 4th Refresher Course in **Public Economics** for College and University Teachers at NIPFP where she lectured on “Financing the Health Sector in India”. She was invited to a similar course organised by Jamia Millia Islamia University in which she delivered a lecture on “Financing Human Development”. Her published work during the year witnessed a co-authored monograph pertaining to **Human Development in Orissa**.

O.P. Bohra, Economist, was a team member in the project, **State Finance Commission with Special Reference to Recommendations Regarding Slum Development/Upgradation** sponsored by the Ministry of Urban Development. Currently, he is engaged in a study on **Functions and Finances of Urban Local Bodies in Jharkhand**.

The School of Planning and Architecture, New Delhi, invited him to deliver a lecture on “Urban Development and Finance” to students of Urban Planning and Regional Planning. Under a IGNOU-MoPR-UNDP sponsored Project organised by FORESIGHT, New Delhi, he delivered as many as five lectures to the *Panchayati Raj* functionaries in various parts of Haryana. These were: “Finances of Panchayats and Development of Panchayats in Haryana”; External and Internal Resources of Panchayats and PRIs Development in Haryana”; “Resources of Panchayats and PRIs Development in Haryana”; “Finances of Panchayats” and “State Profile of Haryana”.

He spoke on “Capacity Building for Effective Implementation of Employment Guarantee Scheme at the Haryana Institute of Public Administration (HIPA), organised a programme for BDOs of Haryana government. In addition to the above, O.P. Bohra addressed the nodal officers of Haryana government in a workshop on **Problems Related to the Training Programmes of DoPT, Government of India**, and Haryana government; and lectured on “Elementary Ideas of Project Evaluation, including Cash Flow and Cost Benefit Analysis-including Social Cost” to ‘C’ level officers/probationers of CSS at New Delhi.

Several presentations were also made by him during the year under review: “An Assessment of Central-Local and State-Local Devolution on Resources through Central Finance Commission and State Finance Commission Transfers” at a conference, organised by University of Mumbai; “Central-State Local Relations and Investment Flows” in a workshop at School of Planning and Architecture, New Delhi; “Decentralisation and Good Governance: Some Issues and Challenges: at the Third Tier of Governance” and “Augmentation of Own Resources of PRIs” at HIRD, Haryana; Fiscal Decentralisation and External Resources of Panchayats: An Analysis”

at an international conference at IIM, Kolkata; and on “Status of Devolution: India Experience” at a National Consultation at NIPFP. He participated as an expert in a national workshop on ***National Platform to Promote Decentralisation*** at New Delhi.

He reviewed projects/studies pertaining to rural development undertaken at HIPA, Gurgaon; attended two meetings at IGNOU to give partial inputs in the courses for Diploma in Panchayat Level Development and Administration; and in a IGNOU-MOPR-UNDP project.

He contributed three chapters in edited volumes; and a paper in a refereed journal. Another paper of his has been accepted for inclusion in a forthcoming journal in Greece. O.P. Bohra was Honorary Visiting Fellow at AGARSARI, Andhra Pradesh; and Honorary Secretary, *Parivartan – The Change* at New Delhi.

Rudrani Bhattacharya, Economist, continued to work in the NIPFP-DEA Project on **Capital Flows and their Consequences**. In the Research Group’s 4th meeting in New Delhi, she acted as a discussant of a paper, “Pricing to Market in India’s Exports: The Role of Market Heterogeneity and Product Differentiation”. She was also co-author in a paper, “Adjustment and Early Warnings of Inflation in India” (published by *EPW*) completed under this project. She is at present engaged in an ongoing project, **Building Capacity and Consensus for Monetary and Financial Reform**. She delivered a lecture on “Dynamic Optimization” as part of a lecture series on modern macroeconomics. Rudrani made a presentation on “India’s Informal Sector: An Overview” in a workshop organised by the Macroeconomics policy group at University of Surrey, UK; participated in a workshop on DSGE Modelling; and made a presentation on “Uncovered Interest Parity in India” in a workshop titled, ***DSGE Modelling for India*** at New Delhi. She published a co-authored paper, “Advent of Industrial Mass Production” Three Stages of Economic Development” in the *B.E. Journal of Macro Economics*.

Radhika Pandey, Economist, was a research member in the NIPFP-DEA Research Programme on **Capital Flows and their Consequences**. She attended its high level research meeting held at New Delhi. As a member of the macroeconomics and finance group, she rendered inputs in **Building Capacity and Consensus for Monetary and Financial Reforms**; attended three of its workshops, two in UK and one at NIPFP. In the first workshop held at the University of Surrey, on ***Fiscal Monetary Policy Rules and Informal Labour Markets***, she gave a presentation on “Business Cycle Fluctuations and Fiscal Policy: Recent Trends and Policy Issues”. She was a

participant in the other two, *DGSE Modelling*; and *DGSE Modelling for India*.

Radhika delivered a lecture on “Monetary Policy in India” in a NIPFP training course for probationers of Indian Audit and Accounts Service.

Jhumur Sen Gupta, Economist, was a co-author in the completed study on **Economics of Tobacco Taxation** sponsored by the Public Health Foundation of India and International Tobacco Health Research Network. Her ongoing co-authored project, funded by the Department of Revenue, Ministry of Finance is titled, **Cost Benefit Analysis of Area Based Exemptions**. She delivered two research based lectures on “Tobacco Products: Issues of Taxation and Regulation” and on “Heterogeneity, Public Goods and Theory of Public Expenditures” to the probationers of Indian Revenue Service and Indian Economic Service respectively, at NIPFP organised training programmes. She coordinated a training programme on *Practical Issues of Tax Policy in Indirect Tax Administration in Developing Countries* for Provincial Tax Officials from Sri Lanka.

Jhumur received her doctoral degree in March, 2009. Her thesis was titled, **Impact of Ethnic Diversity on Socio-Economic Performance: A Study of Some Municipalities in West Bengal**.

Surajit Das, Economist, is involved in the project, **Financing Human Development in India** as part of the overall programme on **Strengthening State Plans for Human Development** being executed by the Planning Commission; and in the projects, **Macro Policy Modelling Phase I** and **Phase II**, the latter based on a computable general equilibrium model on Indian Economy for preparation of the budget for 2010-2011. He delivered lectures on “Fiscal Deficit and Public Debt”; “Deficit Financing and Debt Sustainability”; and “Loanable Funds and Public Borrowing in India” at the NIPFP training course for Indian Audit and Accounts Service probationers. He made a presentation on “Economic Slowdown and Fiscal Responsibility and Budget Management” in a conference to *Re-examine FRBM Under Global Recession* at ADRI, Patna; and on “Public Expenditure and Debt Sustainability” in a seminar by Centre for Budget and Governance Accountability in New Delhi.

During the year under review, Surajit Das submitted his doctoral thesis titled, **Macroeconomic Policy under a Regime of Free Capital Flows** to JNU, New Delhi.

Debdulal Thakur, joined NIPFP as an Economist in June, 2008. He is associated with **Assessing the Untapped Property Tax Potential for India** commissioned to

NIPFP by the Thirteenth Finance Commission, Government of India. He is involved in identifying the current status of property tax yield in India, and in exploring the possibilities to tap the untapped amount and future potential of property tax in India. The study is based on a primary survey of 36 major urban local bodies in India.

He made a presentation on “Demystifying the Union Budget and Budgetary Outcomes” at a national workshop held at the Vishwa Yuva Kendra, New Delhi during February 2009.

Ajay Halen, Junior Economist, gave inputs in the two NIPFP projects, **The State of India’s Urbanisation**; and **Analysis of the Recommendations of the State Finance Commissions**.

Diwan Chand, Senior Research Officer, continued his research activity in the updation of the database on state finances for preparation of the **Public Finance Information System**.

Gita Bhatnagar, Research Associate is a member of the team that is involved in updation of the **Public Finance Information System**, a databank focused on state finances.

Rita Wadhwa, Editor, edited and published *Fiscal Decentralisation and Gender Budgeting* and *Fiscal Reforms, Persistent Poverty and Human Development: The Case of Orissa* on behalf of the Institute.

She edited as many as 10 working papers brought out in print form and also online on the NIPFP website. The bi-annual NIPFP Newsletters were designed and produced under her supervision. She wrote, compiled, and designed the Annual Report 2007-08 for being tabled in the Parliament of India during its winter session. She continued to be a member of the website committee at NIPFP.

S. Siva Chidambaram, Sr. Library and Information Officer, delivered a lecture on “Role of Librarian in Repository Service: Past, Present, and Future” at a national workshop at Institute of Economic Growth, Delhi. Among his other presentations were a paper on “Growth and Development of Repository Services in Economics: Case Study at NIPFP Library” at a national conference at NSB School of Business, New Delhi; a technical paper, “Emerging Challenges and Issues: Resource Discovery Tools in the Digital Library Environment”, in an international symposium on **Emerging Trends and Technologies in Libraries and Information Series** and a co-authored technical paper, “Bibliomining through GSDL: Project on Annotated Bibliography

of VAT in India” at ICoASL, Special Library Association New Delhi. He published a co-authored paper in an edited publication.

9 Nipfp Staff

A complete list of staff members – permanent and contractual – as on March 31, 2009, is at *Annexure VI*.

10 Sponsoring Members

The sponsoring, corporate, permanent, and ordinary members of the Institute, as on March 31, 2009, may be seen at *Annexure VII*.

11 Finance And Accounts

The statement of Accounts of the Institute for the financial year 2008-2009, duly audited by the Institute’s auditors *M/s Singh Krishna & Associates*, Chartered Accountants, is at *Annexure VIII*.

OBITUARY



The National Institute of Public Finance and Policy experienced an extremely sad event in the passing away of DR. RAJA J. CHELLIAH, Founder Director of the Institute on April 7, 2009 in Chennai after a brief period of illness. He was an eminent scholar, an unparalleled fiscal reformer, and an institution builder with great qualities of a generous human being. He was loved and respected by all at NIPFP, and many at the Institute have felt a personal loss in his demise. His contribution in the area of public finance and policy will always be remembered.

He is survived by his wife and two daughters.

ANNEXURE I

LIST OF STUDIES 2008-2009

TITLE	SPONSORING AGENCY/RESEARCH UNIT OF THE INSTITUTE	AUTHOR(S) RESEARCH TEAM
STUDIES COMPLETED		
1. Interstate Distribution of Central Expenditure and Subsidies	13 th Finance Commission	Pinaki Chakraborty Anit N. Mukherjee H.K. Amarnath
2. Impact on State of Central Tax Preference	13 th Finance Commission	R. Kavita Rao
3. Rationalising Taxation of Petroleum Products	13 th Finance Commission	Nirmal Singh Subrata Mandal
4. Strengthening Financial Management System	Administrative Reform Commission Govt. of India	A.K. Ghosh Pratap. R. Jena
5. Projection of CT and IT Receipts for FY 2008-09	CBDT	A.L. Nagar Sanjay Kumar Jay Dev Dubey
6. Govt. of Punjab - Preparation of a Memorandum	13th Finance Commission	M. Govinda Rao
7. Expert Group to Determine MRP for Various Commodities	Dept. of Consumer Affairs, Ministry of Consumer Affairs Food and Public Distribution	M. Govinda Rao
8. Resource Mobilisation and Plan Finance in Bihar	Govt. of Bihar	M. Govinda Rao Pinaki Chakraborty

9. Rajasthan: A Report on Cost Under Recovery and User Charges in Selected Services	Govt. of Rajasthan	Mukesh Kr. Anand
10. Medium Term Fiscal Policy in Goa 2007-08	Govt. of Goa	Pratap R. Jena
11. Evaluating Progress of the State Government in Achieving FRBM Targets – Haryana	Govt. of Haryana	Pratap R. Jena
12. North Eastern Region Vision 2020	North Eastern Council, Shillong	M. Govinda Rao Rita Pandey Manoj Pant Alokesh Barua Anuradha Bhasin Gautam Naresh
13. Tracking the Urban Reform Agenda under the JnNURM	JnNURM, Ministry of Urban Development	O.P. Mathur
14. Fiscal Health of Selected Indian Cities	World Bank	Simanti Bandyopadhyay M. Govinda Rao
15. Gender and Taxation: Revenue Generation for Social Protection In Developing Countries	IDRC, Canada and Ford Foundation	Pinaki Chakraborty Lekha Chakraborty
16. Economics of Tobacco and Tobacco in India	Public Health Foundation of and International Tobacco Health Research Network	M. Govinda Rao R. Kavita Rao Prabhat Jha

ON-GOING STUDIES

1. NIPFP-DEA Research Programme on Capital Flows and their Consequences	NIPFP and Deptt. of Economic Affairs, MoF	Co-Managers: Ila Patnaik, AjayShah Research Team: Bikku Kuruvila Rudrani Bhattacharya Radhika Pandey Mathieu Stigler Anmol Sethi Sanjay Pandey
2. Building Capacity and Consensus For Financial and Monetary Policy Reform	British High Commission	Ila Patnaik Ajay Shah Rudrani Bhattacharya Radhika Pandey
3. Cost Benefit Analysis of Area-Based Exemptions	Dept. of Revenue Ministry of Finance	R. Kavita Rao Jhumur Sen Gupta Imdadul Haldar
4. Study on Insurance Schemes in India	Planning Commission	Mita Choudhury
5. Fiscal Federalism for the Commission on Centre-State Relations	Centre-State Relations Commission	M. Govinda Rao
6. Inputs on Fiscal Policy – India: Impact of the Financial Crisis and Opportunity	World Bank	M. Govinda Rao Tapas Kr. Sen R. Kavita Rao Pinaki Chakraborty Pratap R. Jena
7. Preparation of a PFM Performance Report for Indian Union Level using the PEFM Framework	World Bank	Pratap R. Jena
8. Macro Policy Modelling (MPM) Phase I	NIPFP	Sudipto Mundle Surajit Das

9. Macroeconomic Policy Modeling (MPM) Phase II	NIPFP	Sudipto Mundle Surajit Das
10. Public Expenditure on Elementary Education	Centre for Policy Research	Anit N. Mukherjee
11. Revenue Implications and Estimation of Revenue Neutral Rates for Karnataka	Govt. of Karnataka	Pinaki Chakraborty
12. An Assessment of the Revenue of Jharkhand	Govt. of Jharkhand	R. Kavita Rao
13. Property Tax Potential	13 th Finance Commission	O.P. Mathur
14. i. Preparation of a National Urban Poverty Reduction Strategy	Ministry of Housing and Urban Alleviation	O.P. Mathur O.P. Bohra Ajay Halen
ii. A Review of the reports of the State Finance Commission primarily to ascertain if the SFCs made any recommendations/dispensations for functions such as poverty alleviation and slum improvement and upgrading		
iii. Preparation of a paper on Poverty Alleviation in a Fiscal Federal Framework		
15. Functions and Finances of Urban Local Bodies in Jharkhand	Govt. of Jharkhand	Simanti Bandyopadhyay O.P. Bohra
16. Gender Responsive Budgeting Programme in Asian-Arab Countries: Analysis and Training	UNIFEM-UNFPA	Lekha Chakraborty

17. Toolkit for Resource Mapping of HIV/AIDS Expenditure	UNAIDS	Anit N. Mukherjee
18. Financing Human Development in India	UNDP and The Planning Commission of India	Tapas Kr. Sen H.K. Amarnath Mita Choudhury Surajit Das Narendra Jena Krishanu Karmakar
19. Public Finance Information System	SFU, NIPFP	Tapas Kr. Sen Diwan Chand Gita Bhatnagar

WORKING PAPER SERIES

- | | |
|--|--|
| 1. Does the Currency Regime Shape Unhedged Currency Exposure? (Working Paper No. 50) (April 2008) | Ila Patnaik
Ajay Shah |
| 2. New Issues in Indian Macro Policy (Working Paper No. 51) (May 2008) | Ila Patnaik
Ajay Shah |
| 3. Managing Capital Flows: The Case of India (Working Paper No. 52) (May 2008) | Ajay Shah
Ila Patnaik |
| 4. Fiscal Policy and Economic Reforms (Working Paper No. 53) (June 2008) | Y.V. Reddy |
| 5. Early Warnings of Inflation in India (Working Paper No. 54) (August 2008) | Rudrani Bhattacharya
Ila Patnaik
Ajay Shah |
| 6. Issues Before the Thirteenth Finance Commission (Working Paper No. 55) (August 2008) | M. Govinda Rao
Tapas Kr Sen
Pratap R. Jena |
| 7. The Interface between Economic Development, Health and Environment in India: An Econometric Investigation (Working Paper No. 56) (October 2008) | A.L. Nagar
Amit Shovan Ray
Aparna Sawhney
Sayan Samanta |
| 8. Goods and Service Tax for India (Working Paper No. 57) (November 2008) | R. Kavita Rao |
| 9. Fiscal Health of Selected Indian Cities (Working Paper No. 58) (March 2009) | Simanti
Bandhyopadhyay
M. Govinda Rao |
| 10. Financing Strategy for Achievement of the MDGs And Implementation of the Tenth Five Year Plan (Working Paper No. 59) (March 2009) | M. Govinda Rao
Anuradha Seth
Chewang Rinzin |

ANNEXURE II

INTERNAL SEMINAR SERIES

S.N.	Day and Date	Seminar	Topic
1.	Tuesday May 28, 2008	<i>Anit Mukherjee</i> Associate Professor NIPFP and <i>Krishanu</i> <i>Karmakar</i> , Project Associate, NIPFP	<i>Human Development Constraint to Demand for Healthcare in India</i>
2.	Wednesday June 4, 2008	<i>Krishanu</i> <i>Karmakar</i> , Project Associate, NIPFP	<i>Introduction to Data Analysis in STATA</i>
3.	Thursday June 5, 2008	<i>Krishanu</i> <i>Karmakar</i> , Project Associate, NIPFP	<i>Analysis of NSSO Datasets using STATA</i>
4.	Thursday July 3, 2008	<i>Mukesh Kr. Anand</i> , Assistant Professor NIPFP	<i>Cost of and Recovery from Select Public Services in Rajasthan</i>
5.	Monday July 14, 2008	<i>Susanta Mallick</i> , Senior Lecturer in International Finance, School of Business and Management Queen Mary, University of London	<i>Pricing-to-market in India's exports: The role of market heterogeneity and product differentiation</i>
6.	Thursday July 24, 2008	<i>Subhayu</i> <i>Bandopadhyay</i> , Research Officer, Federal Reserve Bank of St. Louis, USA	<i>The interplay between pre-emptive and defensive counter-terrorism measures: a two-stage game</i>

7. Friday
September 12,
2008 *Percy Mistry,
Oxford International
Group* ***Fiscal Financial and
Monetary Policy Reform in India***

8. Thursday
September 18,
2008 *A.L. Nagar,
Senior Consultant NIPFP* ***The Interface between
Development, Health, and
Environment in India:
An Econometric Investigation***

ANNEXURE III

MEMBERS OF GOVERNING BODY AS ON 31.3.2009

1. Dr. C. Rangarajan Chairman
[Chairman, NIPFP]
Member of Parliament Rajya Sabha
AB-13 Tilak Marg, New Delhi-110 001

Under Rule 7(b)(i)

Three nominees of the Ministry of Finance

2. Shri Arun Ramanathan Member
Finance Secretary
Ministry of Finance, Government of India
Room No.35, Jeevan Deep Building
Parliament Street, New Delhi-110001
3. Shri P.V. Bhide Member
Secretary (Revenue)
Department of Revenue, Government of India
Room No.128-A, Ministry of Finance
North Block, New Delhi-110001
4. Dr. Arvind Virmani Member
Chief Economic Adviser
Ministry of Finance, Government of India
Room No.39A,
North Block, New Delhi 110 001

Under Rule 7(b)(ii)
One Nominee of the RBI

- | | |
|--|--------|
| 5. Dr. R.K. Pattnaik
Adviser
Department of Economic Analysis and Policy,
Reserve Bank of India
New Central Office Building
Shaheed Bhagat Singh Marg, Mumbai-400001 | Member |
|--|--------|

Under Rule 7(b)(iii)
One nominee of the Planning Commission

- | | |
|---|--------|
| 6. Dr. Subas Pani
Secretary
Planning Commission, Yojana Bhawan
Parliament Street, New Delhi-110001 | Member |
|---|--------|

Under Rule 7(b)(iv)
Three nominees of sponsoring State Govts.

- | | |
|--|--------|
| 7. Shri S.C. Agarwal
Principal Secretary (Finance)
Government of Punjab
Room No.16, 8 th Floor,
Civil Secretariat, Chandigarh-160 001 | Member |
| 8. Shri Subash C. Garg
Principal Secretary (Finance)
Government of Rajasthan
Secretariat, Jaipur-302 001 | Member |
| 9. Shri Anup Mishra
Principal Secretary (Finance)
Government of Uttar Pradesh
Secretariat, Lucknow-226 001 | Member |

Under Rule 7(b)(vi)

One nominee of the ICICI

10. Shri Rakesh Jha Member
Deputy Chief Financial Officer
ICICI Bank Limited, ICICI Bank Towers
Bandra-Kurla Complex,
Bandra East, Mumbai-400 051

Under Rule 7(b)(vii)

Two nominees of institutions

11. Shri Sajjan Jindal Member
President
Associated Chambers of Commerce and Industry of India
1, Community Centre, Jamrudpur
Kailash Colony, New Delhi-110048

12. Shri Harsh Pati Singhania Member
President
Federation of Indian Chambers of Commerce and Industry
Federation House,
Tansen Marg, New Delhi-110 001

Under Rule 7(b)(viii)

Three eminent economists

13. Prof. Pulin B. Nayak Member
Director
Delhi School of Economics,
University of Delhi
Sudhir Bose Marg, Delhi-110 007

14. Prof. Bibek Debroy Member
Centre for Policy Research
Dharma Marg
Chanakyapuri, New Delhi-110021

15. Dr. Shankar N. Acharya
Honorary Professor
ICRIER- Core 6A,
4th Floor, India Habitat Centre
Lodhi Road, New Delhi-110 003
- Member

Under Rule 7(b)(ix)
Three representatives of collaborative inst.

16. Shri Suman Bery
Director General
National Council of Applied Economic Research
11, Parisila Bhawan,
I.P. Estate, Ring Road, New Delhi – 110 002
- Member

17. Dr. S.K. Rao
Director General
Administrative Staff College of India,
Raj Bhawan Road
Bella Vista, Hyderabad-500 082
- Member

18. Dr. Pratap Bhanu Mehta
President and Chief Executive
Centre for Policy Research, Dharma Marg,
Chanakya Puri, New Delhi 110 021
- Member

Under Rule 7(b)(x)
One member to be co-opted by Governing Body

19. Shri Uttam Prakash Agarwal
President
The Institute of Chartered Accountants of India
ICAI Bhawan, Indraprastha Marg,
ITO, New Delhi 110 002
- Member

Under Rule 7(b)(xi)
Director of the Institute (ex-officio)

20. Dr. M. Govinda Rao
Director, NIPFP, New Delhi

Member-Secretary

Under Rule 7(b)(xii)
One Professor of the Institute by rotation

21. Dr. (Mrs.) Ila Patnaik
Professor, NIPFP, New Delhi

Member

SPECIAL INVITEES

1. Shri S.S.N. Moorthy
Chairman, Central Board of Direct Taxes
Ministry of Finance, Government of India
Room No.150, North Block, New Delhi-110 001
2. Shri P.C. Jha
Chairman, Central Board of Excise and Custom
Ministry of Finance, Government of India
Room No. 156-A, North Block, New Delhi-110 001

ANNEXURE IV

LIST OF PRICED PUBLICATIONS

1. ***Incidence of Indirect Taxation in India 1973-74*** R.J. Chelliah & R.N. Lal (1978) Rs. 10.
2. ***Incidence of Indirect Taxation in India 1973-74*** R.J. Chelliah & R.N. Lal (Hindi Version) (1981) Rs. 20.
3. ***Trends and Issues in Indian Federal Finance*** R.J. Chelliah & Associates (Allied Publishers) (1981) Rs. 60.
4. ***Sales Tax System in Bihar*** R.J. Chelliah & M.C. Purohit (Somaiya Publications) (1981) Rs. 80.
5. ***Measurement of Tax Effort of State Governments 1973-76*** R.J. Chelliah & N. Sinha (Somaiya Publications) (1982) Rs. 60.
6. ***Impact of the Personal Income Tax*** Anupam Gupta & Pawan K. Aggarwal (1982) Rs. 35.
7. ***Resource Mobilisation in the Private Corporate Sector*** Vinay D. Lall, Srinivas Madhur & K.K. Atri (1982) Rs. 50.
8. ***Fiscal Incentives and Corporate Tax Saving*** Vinay D. Lall (1983) Rs. 40.
9. ***Tax Treatment of Private Trusts*** K Srinivasan (1983) Rs. 140.
10. ***Central Government Expenditure: Growth, Structure and Impact (1950-51 to 1978-79)*** K.N. Reddy, J.V.M. Sarma & N. Sinha (1984) Rs. 80.
11. ***Entry Tax As An Alternative to Octroi*** M.G. Rao (1984) Rs. 40 paperback Rs. 80 hardcover.
12. ***Information System and Evasion of Sales Tax in Tamil Nadu*** R.J. Chelliah & M.C. Purohit (1984) Rs. 50.
13. ***Evasion of Excise Duties in India: Studies of Copper, Plastics and Cotton Textile Fabrics (1986)*** A. Bagchi et. al (1986) Rs. 180.

14. ***Aspects of the Black Economy in India*** (also known as “Black Money Report”) Shankar N. Acharya & Associates, with contributions by R.J. Chelliah (1986) Reprint Edition Rs. 270.
15. ***Inflation Accounting and Corporate Taxation*** Tapas Kumar Sen (1987) Rs. 90.
16. ***Sales Tax System in West Bengal*** A. Bagchi & S.K. Dass (1987) Rs. 90.
17. ***Rural Development Allowance (Section 35CC of the Income-tax Act, 1961): A Review*** H.K. Sondhi & J.V.M. Sarma (1988) Rs. 40.
18. ***Sales Tax System in Delhi*** R.J. Chelliah & K.N. Reddy (1988) Rs. 240.
19. ***Investment Allowance (Section 32A of the Income Tax Act, 1961): A Study*** J.V.M. Sarma & H.K. Sondhi (1989) Rs. 75 paperback Rs. 100 hardcover.
20. ***Stimulative Effects of Tax Incentive for Charitable Contributions: A Study of Indian Corporate Sector*** Pawan K. Aggarwal (1989) Rs. 100.
21. ***Pricing of Postal Services in India*** Raghbendra Jha, M.N. Murty & Satya Paul (1990) Rs. 100.
22. ***Domestic Savings in India - Trends and Issues***[#] Uma Datta Roy Chaudhury & Amaresh Bagchi (eds.) (1990) Rs. 240.
23. ***Sales Taxation in Madhya Pradesh*** M. Govinda Rao, K.N. Balasubramanian and V.B. Tulasidhar (Vikas Publishing House) (1991) Rs. 125.
24. ***The Operation of MODVAT*** A.V.L. Narayana, Amaresh Bagchi and R.C. Gupta, (Vikas Publishing House) (1991) Rs. 250.
25. ***Fiscal Incentives and Balanced Regional Development: An Evaluation of Section 80 HH***[#] Pawan K. Aggarwal and H.K. Sondhi (Vikas Publishing House) (1991) Rs. 195.
26. ***Direct Taxes in Selected Countries: A Profile*** (Vol.I & II) Rs. 100.
27. ***Effective Incentives for Aluminium Industry in India*** Monograph Series - I Bishwanath Goldar (1991) Rs. 100.
28. ***Survey of Research on Fiscal Federalism in India*** Monograph Series - II M. Govinda Rao and R.J. Chelliah (1991) Rs. 100.

29. **Revenue and Expenditure Projections: Evaluation and Methodology** V.G. Rao, Revised and Edited by Atul Sarma (Vikas Publishing House) (1992) Rs. 195.
30. **Sales Tax Systems in India: A Profile** 1991 Rs. 150.
31. **State Finances in India** Amaresh Bagchi, J.L. Bajaj and William A. Byrd (eds.) (Vikas Publishing House) (1992) Rs. 450.
32. **Fiscal Policy for the National Capital Region** Mahesh C. Purohit, C. Sai Kumar, Gopinath Pradhan and O.P. Bohra (Vikas Publishing House) (1992) Rs. 225.
33. **Import Substitution in the Manufacturing Sector** Monograph Series III, Hasheem N. Saleem (1992) Rs. 150.
34. **Sales Tax Systems in India: A Profile**, 1993 Rs. 150.
35. **The Ninth Finance Commission: Issues and Recommendations** (a selection of papers) (1993) Rs.490.
36. **Direct Taxes in Selected Countries: A Profile** (Vol. III) compiled by K. Kannan and Mamta Shankar (1993) Rs.80.
37. **Inter-State and Intra-State Variations in Economic Development and Standard of Living** (Monograph Series IV) (1993) Uma Datta Roy Choudhury Rs.200.
38. **Tax Policy and Planning in Developing Countries*** Amaresh Bagchi and Nicholas Stern (eds.) (1994) (Oxford University Press) Rs.435.
39. **Reform of Domestic Trade Taxes in India: Issues and Options** Study Team (1994) Rs.250.
40. **Private Corporate Sector: Generation and Regeneration of Wealth#** Uma Datta Roy Chaudhury (Vikas Publishing House) (1996) Rs.395.
41. **Controlling Pollution: Incentives and Regulations** Shekhar Mehta, Sudipto Mundle and U. Sankar (Sage Publications) (1997) Rs.250.
42. **India: Tax Policy for the Ninth Five Year Plan (1997-98 to 2001-02)#** (Report of the Working Group on Tax Policy of the Steering Group on Financial Resources - Chairman Parthasarathi Shome) (Centax Publications Pvt. Ltd.) (1997) Rs.350.

43. **Value Added Tax in India: A Progress Report**[#] Parthasarathi Shome (ed.) (Centax Publications Pvt. Ltd.) (1997) Rs. 250.
44. **Fiscal Policy Public Policy & Governance**[#] Parthasarathi Shome (ed.) (Centax Publications Pvt. Ltd.) (1997) Rs. 400.
45. **Government Subsidies in India** D.K. Srivastava and Tapas K. Sen (1997) Rs. 285.
46. **Economic Instruments for Environment Sustainability** U. Sankar and Om Prakash Mathur (1998) Rs. 150.
47. **India: The Challenge of Urban Governance**^{**} Om Prakash Mathur (ed.) (1999) Rs. 400.
48. **State Fiscal Studies - Assam** D.K. Srivastava, Saumen Chattopadhyay and T.S. Rangamannar (1999) Rs. 200.
49. **State Fiscal Studies - Punjab** Indira Rajaraman, H. Mukhopadhyay and H.K. Amarnath (1999) Rs. 200.
50. **State Fiscal Studies - Kerala** D.K. Srivastava, Saumen Chattopadhyay and Prarap Ranjan Jena (1999) Rs. 200.
51. **Delhi Fiscal Study** Om Prakash Mathur and T.S. Rangamannar (2000) Rs.250.
52. **Fiscal Federalism in India Contemporary Challenges Issues Before the Eleventh Finance Commission**[#] D.K. Srivastava (ed.) (Har-Anand Publications Pvt. Ltd.) (2000) Rs. 695.
53. **State Fiscal Studies - Haryana** Tapas K. Sen, R. Kavita Rao (2000) Rs. 200.
54. **Control of Public Money: The Fiscal Machinery in Developing Countries**^{*} A. Premchand (Oxford University Press) (2000) Rs. 745.
55. **Primer on Value Added Tax**[#] R.J. Chelliah, Pawan K. Aggarwal, Mahesh C. Purohit and R. Kavita Rao (Har-Anand Publications Pvt. Ltd.) (2001) Rs. 195.
56. **Central Budgetary Subsidies in India** D.K. Srivastava and H.K. Amar Nath (2001) Rs. 170.
57. **Approach to State-Municipal Fiscal Relations: Options and Perspectives** Om Prakash Mathur (2001) Rs. 200.

58. ***Trade and Industry: Essays by NIPFP-Ford Foundation Fellows***[#] Ashok Guha, K.L. Krishna and Ashok K. Lahiri (eds.) (Vikas Publishing House Pvt. Ltd.) (2001) Rs. 450.
59. ***Transfer Pricing and Regulations for India: Approvals and Alternatives***[#] S.P. Singh, Amaresh Bagchi with contributions by R.K. Bajaj (UBS Publishers' Distributors Pvt. Ltd.) (2002) Rs. 395.
60. ***Discriminatory Tax Treatment of Domestic vis-à-vis Foreign Products: An Assessment*** Pawan K. Aggarwal and V. Selvaraju (2002) Rs. 200.
61. ***The Practice and Politics of Regulation: Regulatory Governance in Indian Electricity*** – Navroz K. Dubash and D. Narsimha Rao (2007) Rs. 290.
62. ***Tackling Poverty Constraint on Human Development: Financing Strategies in Madhya Pradesh*** (Financing Human Development Monograph Series)–Tapas K. Sen, H.K. Amar Nath, Mita Choudhury and Anit N. Mukherjee (2007) Rs. 150.
63. ***Financing Human Development in Tamilnadu: Consolidating and Building Upon Achievement*** (Financing Human Development Monograph Series) – Tapas K. Sen, H.K. Amar Nath, Mita Choudhury and Anit N. Mukherjee (2008) Rs. 150.
64. ***Inter-State Equalisation of Health Expenditures in Indian Union*** – M. Govinda Rao and Mita Choudhury (2008) Rs. 75.
65. ***Trapped in the Comfort Zone of Denial: 50 years of Expenditure Management in India*** – A. Premchand (2008) Rs. 150.
66. ***Fiscal Decentralisation and Gender Budgeting*** – M. Govinda Rao, Lekha S. Chakraborty, and Amaresh Bagchi (2008) Rs. 250.
67. ***Fiscal Reforms, Persistent Poverty and Human Development: The Case of Orissa*** (Financing Human Development Monograph Series) – Tapas K. Sen, H.K. Amar Nath, Mita Choudhury, and Provita Kundu (2008) Rs. 150.

Available with respective publishers.

[#] Co-published.

** Only photocopied book available.

Publications sent against draft/pay order. Postage Rs. 30 per copy.

Note: Publications at Sl. No. 1 to 38, 40, 41s and 54 are not available for sale now.

PUBLISHED MATERIAL OF NIPFP FACULTY

C. RANGARAJAN

- a. (co-author: D.K. Srivastava), 2008. "Reforming India's Fiscal Transfer System: Resolving Vertical and Horizontal Imbalances", *Economic and Political Weekly*, XLIII (23); June 7.
- b. 2008. "Monetary Management: The Changing Framework" in (eds.) Pandit V. and K. R. Shanmugam, *Money, Measurement, and Policy*. New Delhi: Academic Foundation.
- c. 2009. "On the Objectives of Monetary Policy" in (eds.) Ninan T.N. *India, 2009*. New Delhi: Business Standard Books.
- d. 2009. "Reaching Credit to the Marginal Farmers" in (eds.) Kadekodi Gopal K. and Brinda Viswanathan, *Agricultural Development, Rural Institutions, and Economic Policy, Essays for A. Vaidyanathan*. New Delhi: Oxford University Press.
- e. One article in *The Hindu*; and another in *Economic Times*.

M. GOVINDA RAO

- a. (co-authors: Rita Pandey, Manoj Pant, Alokesh Barua, Anuradha Bhasin, Gautam Naresh), 2008. *North Eastern Region Vision 2020*, North Eastern Council, Ministry of Development of North Eastern Region, Government of India.
- b. 2008. "Fiscal Federalism in India – Trends and Reform" in (eds.) Bahl Roy and S. Ichimura, *Decentralisation Policies in Asian Development*. New Jersey: World Scientific Books.
- c. (co-editor: Anwar Shah) *States' Fiscal Management and Regional Equity: An Overview*. New Delhi: Oxford University Press (forthcoming).
- d. (co-authors: Tapas Kr. Sen, and Pratap R. Jena), 2008. "Issues Before the Thirteenth Finance Commission", *Economic and Political Weekly* 43(36); Sept 6-12. Also NIPFP Working Paper No. 55 (August).
- e. Commented on a paper, "Unfinished Reform Agendum: Fiscal Consolidation and Reforms" by T.N. Srinivasan in (eds.) Bhagwati, Jagdish N. and Charles W. Calomiris, *Sustaining India's Growth Miracle*. US: Columbia Business School (104-114).
- f. Paper written as a Tribute to Prof. M.P. Bhatt on "Fiscal Space for Inclusive Growth in India".

- g. Monthly Column in Business Standard on Contemporary Economic and Social Issues.
- h. 2009. "Financing Strategy for Achievement of the MDGs and Implementation of the Tenth Five Year Plan", NIPFP Working Paper No. 59 (March).

INDIRA RAJARAMAN

- a. (as Member, Advisory Panel on Transparency Standards), 2008. Report of the GoI-RBI Committee on Financial Sector Assessment.
- b. 2009. "An Overview of Four Case Studies on Fiscal Space" in (eds.) Roy R. and Heuty A., *Fiscal Space: Policy Options for Financing Human Development*. UK: Earthscan.
- c. (co-author: Alan Deardorff), 2009. "Buyer Concentration in Markets for Developing Country Exports" *Review of Development Economics*, 13(2); 190-199.
- d. 2008. "The Political Economy of the Indian Fiscal Federation " in (eds.) Bosworth Barry, Suman Bery, and Arvind Panagariya, *India Policy Forum, 2007-08* Vol. 4; 1-35. Brookings and NCAER.
- e. (co-author: Debdatta Saha), 2008. "An Empirical Approach to the Optimal Size of the Civil Service", *Public Administration and Development*, 28(3); 239-249. John Wiley.
- f. 2009. "Tax Justice Focus" 4(4); 12-13. Review of (eds.) Bergh Andreas and Rolf Hoijer, *Institutional Competition*. UK and USA: Edward Elgar.

TAPAS KR. SEN

- a. (co-authors: Amarnath H.K, Mita Choudhury, and Protiva Kundu), 2008. *Fiscal Reforms, Persistent Poverty, and Human Development: The Case of Orissa*. New Delhi: National Institute of Public Finance and Policy.
- b. (co-authors: Rao M. Govinda, and Pratap R. Jena), 2008. "Issues Before the Thirteenth Finance Commission", *Economic and Political Weekly* 43(36); Sept 6-12. Also NIPFP Working Paper No. 55 (August).

R. KAVITA RAO

- a. 2008. "Goods and Service Tax for India", NIPFP Working Paper No. 57 (November).

ILA PATNAIK

- a. (co-author: Ajay Shah), 2008. “Does the Currency Regime Shape Unhedged Currency Exposure?” NIPFP Working Paper No. 50 (April).
- b. (co-author: Ajay Shah), 2008. “New Issues in Indian Macro Policy”, NIPFP Working Paper No. 51 (May).
- c. (co-author: Ajay Shah) 2008 “Managing Capital Flows: The Case of India”, NIPFP Working Paper No. 52, (May); also in a two-volume book by ADB on *Managing Capital Flows*, (forthcoming).
- d. (co-authors: Rudrani Bhattacharya and Ajay Shah) “Early Warnings of Inflation in India”, *Economic and Political Weekly*, November, 2008. Also NIPFP Working Paper No. 54 (August).

AJAY SHAH

- a. (co-authors: Zeileis Achim and Ila Patnaik), 2008. Testing, monitoring, and dating structural changes in maximum likelihood models. Report 70, Department of Statistics and Mathematics, Wirtschaftsuniversitat Wien, Research Report Series (August).
- b. (co-authors: Thomas Susan and Michael Gorham), 2008. *Financial Markets: An Insider’s Guide to How the Markets Work*. Amsterdam: Elsevier (October).
- c. (co-author: Patnaik Ila), 2008. “Does the Currency Regime Shape Unhedged Currency Exposure?” NIPFP Working Paper No. 50 (April).
- d. (co-author: Ila Patnaik), 2008. “New Issues in Indian Macro Policy” NIPFP Working Paper No. 51 (May).
- e. (co-author: Patnaik Ila), 2008. Managing Capital Flows: The Case of India, NIPFP Working Paper No. 52 (May); and *Managing Capital Flows, 2009*, a two-volume book by ADB (forthcoming).
- f. (co-authors: Bhattacharya Rudrani and Ila Patnaik), 2008. “Early Warnings of Inflation in India.” *Economic and Political Weekly* (November). Also NIPFP Working Paper No. 54 (August).

PINAKI CHAKRABORTY

- a. (co-author: T.M. Thomas Issac), 2008. “Intergovernmental Transfers: Disquieting Trends and the 13th Finance Commission”, *Economic and Political Weekly*, October 25.

- b. *Fiscal Reforms and Sustainability: A Study of Kerala*. Cambridge Scholars Press (forthcoming).
- c. (co-author: Yan Zhang), “Economic Reform and Infrastructure Spending”, UNU-WIDER Discussion Paper (forthcoming).

A.L. NAGAR

- a. (co-authors: Kumar Sanjay and Sayan Samanta), 2008. “Projection of Corporation and Personal Income Tax Receipts for FY 2007-08 and 2008-09”, *Finance India*, September 2008; 851-862.
- b. (co-authors: Ray Amit Shovan, Aparna Sawhney, and Sayan Samanta), 2008. “The Interface between Economic Development, Health and Environment”, NIPFP Working Paper No. 56 (October).

SACCHIDANANDA MUKHERJEE

- a. (co-author: Chakraborty D.), 2009. “Environment, Human Development and Economic Growth: A Contemporary Analysis of Indian States”, *International Journal of Global Environmental Issues*, 9(1&2); 20-49.
- b. (co-author: Chakraborty D.), 2009. “Environment, Human Development, and Economic Growth of Indian States after Liberalisation”, in (eds.) Rout H.S. and P.K. Panda, *Human Development: Dimensions and Strategies*. New Delhi: New Century Publication (232-280).
- c. (co-author: Chakraborty D.), 2008. “How are Environment, Human Development, and Economic Growth Related in India? A Cross-State Analysis”, in (eds.) Bhatt, M.S., S. Asraf, and A. Illiyan, *Problems and Prospects of Environment Policy: Indian Perspective*. Delhi: Aakar Books 4(85-119).
- d. (co-author: Nelliya P.), 2008. “Emerging Environmental Challenges of Industrial Effluent Irrigation: A Case Study”, in (ed.), Usha A. *Pollution Prevention: A Debate*. Hyderabad : ICFAI University Press (160-207).
- e. (co-author: Chakraborty D.), 2008. “A Cross-State Analysis on the Relationship between Environmental Quality and Human Development in India”, in (eds.) Chakraborty, D. and S. Nath, *Collected Essays on Economic Development: Essays in Honour of Prof. Asok Barman*. Delhi: Bookwell Publications (59-92).
- f. (co-author: Nelliya P.), 2008. “Environmental and Socioeconomic Impacts of Industrial Effluent Irrigation in Mettupalayam Taluk, Tamil Nadu”, in (eds.) Kumar, N. and V.V. Ramani, *Indian Industry and Environment: Policies and Practices*. Hyderabad: ICFAI Books (255-287).

- g. 2008. “Factors Influencing Farmers’ Willingness To Protect Groundwater from Nonpoint Sources of Pollution in The Lower Bhavani River Basin, Tamil Nadu, India”, in Proceedings of the Third Water Environment Partnership in Asia (WEPA) International Forum on Water Environmental Governance in Asia, October 23-24, Putrajaya, Malaysia. Online access: http://www.wepa-db.net/activities_200810forum.htm
- h. 2008. “Factors Influencing Farmers’ Willingness To Protect Groundwater from Non-point Sources of Pollution in The Lower Bhavani River Basin, Tamil Nadu, India”, in Proceedings of the IWMI-Tata Water Policy Research Programme’, Seventh Annual Partners’ Meet, ***Managing Water in the Face of Growing Scarcity, Inequity and Declining Returns: Exploring Fresh Approaches***, ICRISAT Campus, Patancheru, Vol. 2; 452-482, (April 2-4).
- i. 2008. Economic Valuation of a Wetland in West Bengal, India, in Proceedings of the IWMI-Tata Water Policy Research Program’s Seventh Annual Partners’ Meet, ***Managing Water in the Face of Growing Scarcity, Inequity and Declining Returns: Exploring Fresh Approaches***, ICRISAT Campus, Patancheru, Vol. 1; 254-266, (April 2-4).
- j. (co-author: Shah. Z) 2008. “Large Reservoirs: Are They Last Oasis for the Survival of Cities in India?”, in Proceedings of the IWMI-Tata Water Policy Research Program’s Seventh Annual Partners’ Meet, ***Managing Water in the Face of Growing Scarcity, Inequity and Declining Returns: Exploring Fresh Approaches***, ICRISAT Campus, Patancheru, Vol. 2; 907-922 (April 2-4).
- k. (co-authors: Kumar, M.D., Z. Shah and A. Majumdar), 2008. “*Water, Human Development and Economic Growth: Some International Perspectives*”, in Proceedings of the IWMI-Tata Water Policy Research Program’s Seventh Annual Partners’ Meet, ***Managing Water in the Face of Growing Scarcity, Inequity and Declining Returns: Exploring Fresh Approaches***, ICRISAT Campus, Patancheru, Vol. 2; 841-857 (April 2-4).

ANIT NATH MUKHERJEE

- a. (co-author: Krishanu Karmakar), 2008. “Untreated Morbidity and Demand for Healthcare in India: An Analysis of National Sample Survey Data” *Economic and Political Weekly* 43(46); November 15-21 (71-77).

PRATAP RANJAN JENA

- a. (co-author: Rao M. Govinda, and Tapas Kr. Sen), 2008. “Issues Before the Thirteenth

Finance Commission”, *Economic and Political Weekly* 43(36); Sept 6-12. Also NIPFP Working Paper No. 55 (August).

- b. (co-author: Gupta Manish), 2008. “Revenue Efforts of PRIs: Evidence from Four States”, *Economic and Political Weekly*, 43(30); July 26.
- c. “Recent Trends in State Finances” in (eds.) Rao. M. Govinda and Anwar Shah; *Fiscal Management and Regional Equity: An Overview* (forthcoming).

LEKHA CHAKRABORTY

- a. (co-authors: Rao, M. Govinda, and Amaresh Bagchi), 2008. *Fiscal Decentralisation and Gender Budgeting*. New Delhi: National Institute of Public Finance and Policy.
- b. (co-author: Chakraborty Pinaki), 2009. “Taxation and Gender Equity: A Comparative Analysis of Direct and Indirect Taxes in Developing and Developed Countries”. New York: Routledge.
- c. (co-author: Sinha Darshy) 2009. “Sensitising Financial Allocations through Gender Budgeting”, in (ed.) Das B., *Gender Issues in Development*. New Delhi: Pearson Publications.
- d. (co-author: Chakraborty Pinaki), 2008. “Is Fiscal Policy Contracyclical in India: An Empirical Analysis”, *Policy Innovations*. New York: The Carnegie Council.
- e. (co-author: Sinha Darshy), 2008. “Budgetary Forecasting in India: Partitioning Errors and Testing for Rational Expectations”. *Applied Forecasting* 18(3).
- f. 2008. “Analysing Raghuram Rajan Committee Report on Finance Sector Reforms”, *Economic and Political Weekly*, June 21.
- g. 2008. “Deficient Public Infrastructure and Private Costs: Evidence from First Time Use Survey in India for Water Sector” *Economic and Political Weekly* (July).
- h. 2008. “Deficient Public Infrastructure and Private Costs: Evidence from a Time-Use Survey for the Water Sector in India”, Working Paper No. 536, The Levy Institute of Bard College, New York (July).
- i. 2008. “Determining Environmental Quality in a Federal Setting: An Empirical Analysis of Subnational Governments in India”, MPRA Working Paper No. 7605, Munich University.
- j. 2008. Reviewer of an article on “Inflation Targeting” for *Journal of Developing Areas*. Tennessee, New York (August).
- k. Reviewer of UNDP Project Papers, 2008.
- l. “Public Investment and Unpaid Work: Selective Evidence from Time Use Data”, in

(eds.) Raina Antonopoulos and Indira Hirway, *Global Unpaid Work and MDGs*. New York: Palgrave Mc Millan (forthcoming).

- m. (co-authored) “Declining Juvenile Sex Ratio in India: Trends and Determinants” in (eds.) Pal M., *Contemporary Issues on Gender in India*. Singapore: World Scientific Publisher (forthcoming).
- n. 2009. “Fiscal Decentralisation and Gender Budgeting in Mexico: An Empirical Analysis”, *Regional Development Studies*. UNCRD (forthcoming).

MUKESH KUMAR ANAND

- a. Government of India, 2008. *Andaman and Nicobar Islands Development Report*. New Delhi: Planning Commission and Academic Foundation.
- b. 2008. “Pay Commission: Missing the Wood, Missing the Trees” *Economic and Political Weekly*, 43(35); August-September.
- c. “Budgetary Implications of Costs of and Recovery from Select Public Services in Rajasthan, *Economic and Political Weekly* (forthcoming).

H. K. AMARNATH

- a. (co-authors: Sen Tapas K., Mita Choudhury, and Protiva Kundu)), 2008. *Fiscal Reforms, Persistent Poverty, and Human Development: The Case of Orissa*. New Delhi: National Institute of Public Finance and Policy.

SIMANTI BANDYOPADHYAY

- a. (co-author: Rao M. Govinda), 2009. *Fiscal Health of Selected Indian Cities*. Policy Research Working Paper No. 4863, Poverty Reduction and Economic Management Division, World Bank Institute, The World Bank (March).
- b. (co-author: Rao M. Govinda), 2009. *Fiscal Health of Selected Indian Cities*, NIPFP Working Paper No. 59 (March).
- c. Regulation, Efficiency, and its Determinants: A Stochastic DEA Approach for Indian Cement Industry. Discussion Paper No. ERU/2009-01, Economic Research Unit, Indian Statistical Institute, Kolkata (February).

MITA CHOUDHURY

- a. (co-authors: Sen Tapas K., H.K. Amarnath, and Protiva Kundu)), 2008. *Fiscal Reforms,*

Persistent Poverty, and Human Development: The Case of Orissa. New Delhi: National Institute of Public Finance and Policy.

O. P BOHRA

- a. 2009. "Improving Fiscal Health of Sub-National Governments in India: Central Finance Commission Approach", in (ed.) Sharma Rajvir, *Urban Governance in India*. New Delhi: Research India Press.
- b. 2008. "Resource Mobilisation of Local Governments: A Central Finance Commission Approach", in (ed.) Biju M.R. *Financial Management of Panchayati Raj System*. New Delhi: Kanika Publishers and Distributors.
- c. 2008. "Devolution of Resources to Local Governments: Finance Commission Approach", in (ed.) Singh Ajit Kumar, *Twelfth Finance Commission Recommendations and their Implications for the State Transfers*. Lucknow: Giri Institute of Development Studies.
- d. 2008. "Women Empowerment through *Panchayats* in India: An Empirical Analysis of Decision Making at the Panchayat Level: A Study of Two Villages in Rajasthan", *The Grassroots Governance Journal*, VI(2); 254-268 (December) AGRASARI, Tirupati.
- e. "Fiscal Decentralisation to Third Tier of Governance in India", *Journal of International Business and Economics* (forthcoming).

RUDRANI BHATTACHARYA

- a. (co-authors: Shah Ajay and Ila Patnaik), 2009. "Early Warnings of Inflation in India", *Economic and Political Weekly*, December 6-12. Also NIPFP Working Paper No. 54 (August).
- b. (co-author: Das Satya P.), 2008 "Advent of Industrial Mass Production: Three Stages of Economic Development", *B.E. Journal of Macroeconomics* (Topics), 8(1).

S. SIVA CHIDAMBARAM

- a. (co-author: Raivtani M.R.), 2009. "Drupal: The Open Source Content Management System Software Suit for Library with Library 2.0 Features" in (eds.) Arora, Jagdish et.al, *E-Content Management: Challenges and Strategies: 7th International CALIBER*. Puducherry: Ahmedabad and Puducherry University.

ANNEXURE VI

LIST OF STAFF MEMBERS AS ON 31.3.2009

1. Dr. C. Rangarajan	Chairman
2. Dr. M.G. Rao	Director
3. Dr. (Ms.) Indira Rajaraman	Emeritus Professor
4. Dr. Sudipto Mundle	Emeritus Professor (joined on 10.10.2008)
5. Dr. Tapas Kumar Sen	Professor
6. Dr. (Ms.) Rita Pandey	Professor (on L.W.P)*
7. Dr. (Ms.) R. Kavita Rao	Professor
8. Dr. (Ms.) Ila Patnaik	Professor
9. Dr. Ajay Shah	Professor
10. Dr. Pinaki Chakraborty	Professor
11. Dr. Anit Nath Mukherjee	Associate Professor
12. Dr. P.R. Jena	Associate Professor
13. Dr. (Ms) Lekha S.Chakraborty	Associate Professor
14. Dr. C. Bhujanga Rao	Assistant Professor (on L.W.P)*
15. Dr. Subrata Kumar Mandal	Assistant Professor
16. Dr. Mukesh Kumar Anand	Assistant Professor
17. Dr. H.K. Amarnath	Assistant Professor
18. Dr. Manish Gupta	Assistant Professor (on deputation)**
19. Dr (Ms) Simanti Bandopadhyay	Assistant Professor
20. Dr. (Ms) Mita Choudhury	Assistant Professor
21. Shri Diwan Chand	Sr. Research Officer (Data Bank)
22. Dr. O.P. Bohra	Economist
23. Ms. Rudrani Bhattacharya	Economist
24. Ms. Jhumur Sengupta	Economist
25. Shri Debdulal Thakur	Economist (joined on 19.6.2008)
26. Shri.Surajit Das	Economist
27. Dr (Ms) Radhika Pandey	Economist (joined on 14.7.2008)
28. Shri A.K. Halen	Junior Economist
29. Ms. Gita Bhatnagar	Research Associate
30. Mr. Satadru Sikdar	Research Associate (joined on 1.8.2008)

*Leave without pay / ** On deputation

ADMINISTRATIVE STAFF

1. Shri Jai Mohan Pandit	Secretary
2. Ms. Sushila Panjwani	Sr. PPS to Chairman
3. Shri N. Natarajan	Sr. PPS to Director
4. Shri R. Parameswaran	Private Secretary
5. Shri Naveen Bhalla	Senior Administrative Officer
6. Ms. Rita Wadhwa	Editor
7. Shri Rakesh Kumar	Accounts Officer (joined on 1.1.2009)
8. Shri Hari Shankar	Hostel Manager
9. Shri Satish Prabhu	Estate Officer
10. Shri R.S. Tyagi	Private Secretary
11. Shri Praveen Kumar	Private Secretary
12. Shri S.C. Sharma	Accounts Executive
13. Shri Bhaskar Mukherjee	Executive Officer
14. Shri V.M. Budhiraja	Accounts Executive
15. Shri Parvinder Kapur	Stenographer Gr.I
16. Shri Kapil Kumar Ahuja	Stenographer Gr.II
17. Ms. Promila Rajvanshi	Stenographer Gr.II ** (on deputation)
18. Ms. Indra Hassija	Assistant
19. Shri S.N. Sharma	Assistant
20. Shri J.S. Rawat	Assistant
21. Ms. Kavita Issar	Stenographer Gr.II
22. Shri Anurodh Sharma	Stenographer Gr.II
23. Shri Nand Ram	Clerk-cum-Typist
24. Shri Birender Singh Rawat	Clerk (Accounts)
25. Shri R. Surendran	Steno-typist
26. Ms. Usha Mathur	Steno-typist
27 Ms. Amita Manhas	Steno-typist
28. Ms. Ruchi Anand	Receptionist-cum-Telephone Operator
29. Shri H.B. Pandey	Photocopying Operator

30. Shri Raju	Driver
31. Shri Parshu Ram Tiwari	Driver
32. Shri Hira Singh	Hostel Attendant
33. Shri Kishan Singh	Hostel Attendant
34. Shri Shiv Bahadur	Gardener
35. Shri K.N.Mishra	Watchman
36. Shri Bishamber Pandey	Watchman
37. Shri Mohan Singh	Jr. Library Attendant
38. Ms. Kamla Tiwari	Messenger
39. Ms. Palayee	Gardener
40. Shri Shiv Pratap	Gardener
41. Shri Rajan Dhaka	Messenger
42. Shri Ajay Kumar	Messenger
43. Shri Harish Chand	Messenger (joined on 18.11.2008)
44. Shri Mukesh	Messenger (joined on 18.11.2008)

COMPUTER UNIT

1. Shri N.K. Singh	EDP Manager
2. Shri Jagdish Arya	Research Officer (Communication)
3. Shri Anil Kumar Sharma	Superintendent (Computer)

LIBRARY STAFF

1. Shri Siva Chidambaram	Senior Library and Information Officer
2. Ms. Sudha Saxena	Assistant Library & Information Officer
3. Ms. Sarika Gaur	Assistant Library & Information Officer (joined on 5.12.2008)
4. Shri P.C.Upadhyay	Senior Library and Information Assistant
5. Ms. Manju Thakur	Senior Library and Information Assistant
6. Shri Dharamvir	Sr. Library Attendant
7. Ms. Annamma George	Messenger
8. Shri Puran Singh	Messenger

CONTRACTUAL STAFF**ACADEMIC**

1. Prof. O.P.Mathur Principal Consultant
2. Prof. A.L. Nagar Hony. Visiting Fellow
3. Dr. Bikku Kuruvila Sr. Consultant (joined on 19.1.2009)
4. Shri R. Srinivasan Consultant (joined on 21.10.2008)
5. Ms. Harpreet Kaur Azad Consultant
6. Shri. Nilesh Rajadhyaksha Consultant
7. Dr. Sanjay Kr.Pandey Consultant (joined on 4.9.2008)
8. Ms. Jeejabai Manay Consultant (joined on 2.3.2009)
9. Dr. Sacchidananda Mukherjee Consultant (joined on 2.3.2009)
10. Ms. Chandana D.Sarkar Consultant (joined on 2.3.2009)
11. Shri Anmol Sethy Consultant (joined on 17.3.2009)
12. Ms. Rita Rakshit Jr. Consultant (left on 31.3.2009)
13. Shri Imdadul Islam Halder Project Associate (joined on 11.8.2008)
14. Shri Jai Dev Dubey Project Associate (joined on 12.8.2008)
15. Shri Satadru Das Project Associate (joined on 17.9.2008)
16. Ms. Suhasini Prasad Programme Officer (joined on 1.12.2008)
17. Shri Pritam Datta Project Associate (joined on 5.11.2008)

DIRECTOR'S OFFICE

18. Shri R. Periannan Private Secretary

LIBRARY

19. Ms. Azad Kaur Library Assistant

ANNEXURE VII

LIST OF SPONSORING, CORPORATE, PERMANENT AND ORDINARY MEMBERS AS ON 31.3.2009

A. SPONSORING MEMBERS

States

1. Andhra Pradesh
2. Assam
3. Gujarat
4. Karnataka
5. Kerala
6. Maharashtra
7. Orissa
8. Punjab
9. Rajasthan
10. Tamil Nadu
11. Uttar Pradesh
12. West Bengal

Others

1. Associated Chambers of Commerce and Industry of India
2. Federation of Indian Chambers of Commerce and Industry
3. Industrial Credit and Investment Corporation of India Ltd.

B. PERMANENT MEMBERS –STATES/UNION TERRITORIES

1. Arunachal Pradesh
2. Goa, Daman and Diu
3. Himachal Pradesh
4. Madhya Pradesh
5. Meghalaya
6. Manipur
7. Nagaland

C. ORDINARY MEMBERS – STATES/UNION TERRITORIES

1. Haryana
2. Government of NCT of Delhi
3. Government of Tripura

OTHERS

1. M/s. Hindustan Lever Limited
2. M/s. 20th Century Finance Corporation
3. M/s. Gujarat Ambuja Cement Ltd.
4. M/s. ICRA Limited

ANNEXURE VIII

FINANCE & ACCOUNTS

SINGH KRISHNA & ASSOCIATES

Chartered Accountants

8, Ground Floor, Krishna Market, Kalkaji, New Delhi-110019

Tel: 32500444, Telefax: 40590344, email: skaca@airtelmail.in

AUDITORS' REPORT

To the Members of the General Body of

NATIONAL INSTITUTE OF PUBLIC FINANCE AND POLICY

We have audited the attached Balance Sheet of National Institute of Public Finance and Policy, New Delhi, a society registered under the Societies Registration Act, 1860, as at March 31, 2009 and also the Income and Expenditure Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the management of the Institute. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that:

- (i) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) in our opinion, proper books of account as required by law have been kept by the Institute so far as appears from our examination of the books;
- (iii) the Balance Sheet and the Income and Expenditure Account dealt with by this report are in agreement with the books of account;
- (iv) The Balance Sheet and Income & Expenditure Account dealt with by this report have been prepared in accordance with the accounting standards issued by the Institute of Chartered Accountants of India.
- (v) In our opinion and to the best of our information and according to the explanations given to us, the said statements give a true and fair view :
 - a) in the case of Balance Sheet of the state of affairs of the Institute as on March 31, 2009; and
 - b) in the case of Income and Expenditure Account, of the surplus for the year ended on that date.

M.No.: 077494

Place : New Delhi

Date : 18 Aug, 2009

for Singh, Krishna & Associates
Chartered Accountants

sd/-

(Krishna Kumar Singh)

Partner

BALANCE SHEET AS AT MARCH 31, 2009

	Schedule	As at 31-Mar-09 Rs.	As at 31-Mar-08 Rs.
CORPUS/ CAPITAL FUND AND LIABILITIES			
Corpus/ Capital Fund	1	79,133,705	74,107,934
Reserves and Surplus	2	50,410,714	38,410,714
Deferred Income	3	30,093,929	8,948,716
Endowment/ Earmarked Funds	4	64,380,805	62,977,287
Current Liabilities and Provisions	5	35,109,783	24,536,965
		Total	259,128,936
		259,128,936	208,981,616
ASSETS			
Fixed Assets (Including Capital Work-in-Progress)	6	66,766,358	50,142,439
Investments- Endowment/ Earmarked Fund	7	59,826,170	39,826,170
Investments - Others	8	82,420,000	64,420,000
Current Assets, Loans, Advances Etc.	9	50,116,408	54,593,007
		Total	259,128,936
		259,128,936	208,981,616
Significant Accounting Policies	19		
Notes on Accounts	20		

Schedules 1 to 20 form integral part of this Statement

sd/
(Rakesh Kumar)
Accounts Officer

sd/
(Jai Mohan Pandit)
Secretary

sd/
(Dr. M. Govinda Rao)
Director

sd/
(Dr. C. Rangarajan)
Chairman

As per our report of even date

for Singh, Krishna & Associates
Chartered Accountants

sd/
(Krishna Kumar Singh)
Partner
M. No. 077494

Place : New Delhi

Date : 18 Aug, 2009

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

	Schedule	Year Ended 31-Mar-09 Rs.	Year Ended 31-Mar-08 Rs.
INCOME			
Grants	10	61,916,910	30,562,653
Income from Academic Activities	11	32,178,809	44,247,179
Interest Earned	12	5,309,233	4,397,633
Other Income	13	1,381,200	3,076,490
Increase / (Decrease) in Publication Stock		20,906	60,976
Prior Period Income	14	26,000	-
	Total	100,833,058	82,344,931
EXPENSES			
Establishment Expenses	15	42,002,846	15,721,150
Expenditure on Academic Activities	16	28,536,911	39,729,886
Other Administrative Expenses	17	10,736,423	3,446,465
Depreciation	6	2,529,407	2,634,130
Prior Period Expenses	18	1,700	215,135
	Total	83,807,287	61,746,766
Balance Being Excess of Income over Expenditure		17,025,771	20,598,165
Less : Transfer to Additional Liability Fund		2,500,000	500,000
Transfer to General Reserve		9,500,000	15,000,000
Balance Being Surplus Carried to Corpus/ Capital Fund		5,025,771	5,098,165
Significant accounting policies	19		
Notes on Accounts	20		
Schedules 1 to 20 form integral part of this Statement			

sd/
(Rakesh Kumar)
Accounts Officer

sd/
(Jai Mohan Pandit)
Secretary

sd/
(Dr. M. Govinda Rao)
Director

sd/
(Dr. C. Rangarajan)
Chairman

As per our report of even date

for Singh, Krishna & Associates
Chartered Accountants

sd/
(Krishna Kumar Singh)
Partner
M. No. 077494
Place : New Delhi
Date : 18 Aug, 2009

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

	As at 31-Mar-09 Rs.	As at 31-Mar-08 Rs.
SCHEDULE - 1 CORPUS/ CAPITAL FUND		
Balance at the beginning of the year	74,107,934	69,009,769
Add: Transfer from Income & Expenditure Account	<u>5,025,771</u>	<u>5,098,165</u>
	79,133,705	74,107,934
Total	<u>79,133,705</u>	<u>74,107,934</u>
SCHEDULE - 2 RESERVE AND SURPLUS		
A. Reserve for Additional Liability		
As Per Last Account	8,789,863	8,289,863
Addition during the year	<u>2,500,000</u>	<u>500,000</u>
	11,289,863	8,789,863
B. General Reserve		
As Per Last Account	29,620,851	14,620,851
Addition during the year	<u>9,500,000</u>	<u>15,000,000</u>
	39,120,851	29,620,851
Total	<u>50,410,714</u>	<u>38,410,714</u>
SCHEDULE - 3 DEFERRED INCOME		
Grant from the Central Government for Construction of Building for Research and Training Centre		
As Per Last Account	8,948,716	8,948,716
Addition during the year	21,145,213	
	<u>30,093,929</u>	<u>8,948,716</u>

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

SCHEDULE - 4 EARMARKED/ ENDOWMENT FUNDS

Particulars	Ford Foundation Endowment Fund (Rs.)	Government Endowment Fund (Rs.)	RBI Endowment Fund (Rs.)	Scientific Research Fund (Rs.)	Life Membership Fund (Rs.)	Bimla Bagchi Award Fund (Rs.)	Jokhan Maurya Fund (Rs.)	Government Corpus Fund (Rs.)	Total (Rs.)
Initial Fund	6,177,924	10,000,000	15,000,000	727,406	420,000	50,000	29,300	20,000,000	
(a) Opening Balance of the Funds	14,293,735	10,000,000	16,838,139	1,068,805	672,765	69,005	34,838	20,000,000	62,977,287
(b) Additions to the Funds									
(i) Grants	-	-	-	-	-	-	-	-	-
(ii) Income from investments	1,043,752	800,000	1,151,450	90,400	33,600	4,000	2,000	1,735,890	4,861,092
Total (a+b)	15,337,487	10,800,000	17,989,589	1,159,205	706,365	73,005	36,838	21,735,890	67,838,379
(c) Utilisation/ Expenditure towards the objective of the fund	699,955	800,000	221,729	-	-	-	-	1,735,890	3,457,574
Total (c)	699,955	800,000	221,729	-	-	-	-	1,735,890	3,457,574
NET BALANCE AT THE END OF THE YEAR (a+b-c)	14,637,532	10,000,000	17,767,860	1,159,205	706,365	73,005	36,838	20,000,000	64,380,805

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

	As at 31-Mar-09 Rs.	As at 31-Mar-08 Rs.
SCHEDULE - 5 CURRENT LIABILITIES & PROVISIONS		
A. CURRENT LIABILITIES		
1 Sundry Creditors for Goods & Services	2,908,453	7,269,774
2 Earnest Money, Security Deposit & Retention Money	862,218	2,144,718
3 Grants and Project Fees Received in Advance (refer schedule 5 (a))	4,506,971	5,273,976
4 Central Government Grants	2,585,224	-
5 Statutory Dues	4,506,847	563,663
6 Other Current Liabilities	7,978,116	1,838,990
Total	23,347,829	17,091,121
B. PROVISIONS		
1 Leave Encashment	11,761,954	7,418,343
2 Service Tax on Income to be Realised	-	27,501
Total	11,761,954	7,445,844
Grand Total	35,109,783	24,536,965

SCHEDULES FORMING PART OF INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE - 5 (a) ACADEMIC ACTIVITIES

	Unutilised Fund as at 01-Apr-2008 Rs.	Recoverable as at 01-Apr-2008 Rs.	Receipt During the year Rs.	Total Rs.	Utilised during the year Rs.	Recoverable as at 31-Mar-2009 Rs.	Unutilised as at 31-Mar-2009 Rs.
A. PROJECT FEES							
1 Study of the VAT System in Bihar	-	250,000	-	(250,000)	Refer Note 1	-	-
2 Study on Alternatives to Octroi - Govt. of Punjab	-	150,000	-	(150,000)	-	150,000	-
3 An Analysis of the Imposts on Petroleum Crude and Natural Gas	-	250,000	250,000	-	-	-	-
4 Preparation of State Development Report for Sikkim - Planning Commission	-	340,000	340,000	-	-	-	-
5 Conduct research on Financing Human Development - UNDP	172,519	-	-	172,519	1,045,939	873,420	-
6 Preparation of State Development Report for Mizoram - Planning Commission	-	1,003,200	-	(1,003,200)	-	1,003,200	-
7 Ministry of Urban Development-Preparation of a Report on State of India's Urbanisation	169,099	-	-	169,099	-	-	169,099
8 UNAIDS Commission on AIDS in Asia and the Pacific	1,717,408	-	-	1,717,408	1,457,728	-	259,680
9 Appraisal of City Development Plan - Ministry of Urban Development	-	893,200	889,996	(3,204)	Refer Note 1	-	-
10 North East Region - Vision 2020	-	459,300	489,498	30,198	30,198	-	-
11 Govt of Rajasthan - Subsidies and User Charges in select services	150,979	-	-	150,979	150,979	-	-
12 World Bank-Improvement of Fiscal Health of Indian Cities	-	200,000	255,823	55,823	55,823	-	-
13 Strengthening of Financial Management Systems - ARC, GOI	117,444	-	258,722	376,166	573,066	196,900	-
14 Draft Stamp Bill - Government of Gujarat	-	226,947	-	(226,947)	-	226,947	-
15 Improving Revenue Generation and Social Protection in Developing Countries - South Africa	-	725,000	886,255	161,255	963,996	802,741	-
16 Research Programme on Capital Flows and their Consequences - DEA, MOF	1,232,665	-	1,570,170	2,802,835	3,587,919	785,084	-
17 Fiscal Restructuring Plan 2010-2015	-	-	285,000	285,000	54,555	-	230,445
18 Rationalising Taxation of Petroleum Products	-	-	787,500	787,500	787,500	-	-
19 Standing Committee of State Secretaries on Stamp and Registration	-	-	622,998	622,998	622,998	-	-
20 Properties Tax Potential in Indian Cities and Towns	-	-	1,050,000	1,050,000	1,050,000	-	-
21 Economics of Tobacco and Tobacco Taxation in India	-	-	168,000	168,000	340,000	172,000	-
22 Preparing the Review of Fiscal Federalism for assisting the Deliberations of the	-	-	222,499	222,499	-	-	222,499

SCHEDULES FORMING PART OF INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE - 5 (a) ACADEMIC ACTIVITIES

	Unutilised Fund as at 01-Apr-2008 Rs.	Recoverable as at 01-Apr-2008 Rs.	Receipt During the year Rs.	Total Rs.	Utilised during the year Rs.	Recoverable as at 31-Mar-2009 Rs.	Unutilised as at 31-Mar-2009 Rs.
22 Preparing the Review of Fiscal Federalism for assisting the Deliberations of the Commission on Centre-State Relations	-	-	222,499	222,499	-	-	222,499
23 Interstate Distribution of Central Subsidies and Tax Expenditures	-	-	892,500	892,500	892,500	-	-
24 Study on Insurances Schemes - Planning Commission, GOI	-	-	413,848	413,848	413,848	-	-
25 National Strategy for Urban Poor	-	-	917,497	917,497	667,497	-	250,000
26 Preparation of Draft Memorandum of Thirteenth Finance Commission - Government of Punjab	-	-	266,999	266,999	266,999	-	-
27 Appraisal and Handholding of Reforms - Ministry of Urban Development	-	-	1,112,496	1,112,496	800,997	-	311,499
28 Periodical Review of Compliance of the FRBM Act, 2005 - Government of Haryana	-	-	177,999	177,999	177,999	-	-
29 Research Programme on Expenditure in Elementary Education - Centre for Policy Research	-	-	260,000	260,000	208,000	-	52,000
30 To Analyse the Proposed Goods and Service Tax in Karnataka	-	-	711,997	711,997	96,823	-	615,174
31 To Monitor the Progress of the Government of Goa in achieving the FRBM Targets, Drafting of rolling Medium Term Fiscal Plan and Disclosures in Prescribed Format for Better Transparency	-	-	-	-	700,000	700,000	-
32 Mobilization of State Resources and State's Potential to Raise Revenues	-	-	-	-	105,837	105,837	-
33 AAA Crisis - World Bank	-	-	-	-	120,000	120,000	-
	3,560,114	4,497,647	12,829,797	11,892,264	15,171,201	5,136,129	2,110,396
	-	-	-	-	-	171,870	-
Less: Tax deducted at source on project fees at Serial number 16 & 31							
Total (A)	3,560,114	4,497,647	12,829,797	11,892,264	15,171,201	4,964,259	2,110,396

SCHEDULES FORMING PART OF INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE - 5 (a) ACADEMIC ACTIVITIES

	Unutilised Fund as at 01-Apr-2008 Rs.	Recoverable as at 01-Apr-2008 Rs.	Receipt During the year Rs.	Total Rs.	Utilised during the year Rs.	Recoverable as at 31-Mar-2009 Rs.	Unutilised as at 31-Mar-2009 Rs.
B. CHAIRS/ CELLS AND OTHER GRANTS							
1 UNDP	1,168,544	-	72,414	1,240,958	100	-	1,240,858
2 CIDA - Poverty Reduction	294,795	-	-	294,795	Refer Note 2	-	-
3 World Bank - Jaipur Course	-	118,968	-	(118,968)	-	118,968	-
5 Cell on Data Bank	40,497	-	-	40,497	-	-	40,497
6 State Finance Cell	155,099	-	-	155,099	-	-	155,099
7 IDFC Chair	54,927	-	-	54,927	54,927	-	-
8 Research on Parliament and Governance in India - Sir Ratan Tata Trust	-	-	220,000	220,000	35,941	-	184,059
9 Budgetary Reforms in South Asia : with Special Reference to Outputs and Outcomes Budgeting - ICSSR	-	-	-	-	12,000	12,000	-
10 Building Capacity and Consensus for Monetary and Financial Reform - British High Commission	-	-	4,901,533	4,901,533	7,958,190	3,056,657	-
11 Principal & Practices of Fiscal Federalism/SFC	-	-	1,334,995	1,334,995	558,933	-	776,062
12 Annotated Bibliography of VAT in India - ICSSR	-	-	68,809	68,809	68,809	-	-
Total (B)	1,713,862	118,968	6,597,751	8,192,645	8,688,900	3,187,625	2,396,575
Total (A+B)	5,273,976	4,616,615	19,427,548	20,084,909	23,860,101	8,151,884	4,506,971
Note 1: Recoverable Written Off.							
Note 2: Liability Written Off							

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

SCHEDULE - 6 FIXED ASSETS

DESCRIPTION	Gross Block			Depreciation			Net Block			
	As at 1-Apr-08 Rs.	Additions Rs.	Sales / Adjustments Rs.	As at 31-Mar-09 Rs.	Upto 1-Apr-08 Rs.	For the Year Rs.	Sales / Adjustments Rs.	Upto 31-Mar-09 Rs.	As at 31-Mar-08 Rs.	As at 31-Mar-09 Rs.
Fixed Assets										
1. Leasehold Land	18,197,718	-	-	18,197,718	-	-	-	-	18,197,718	18,197,718
2. Building	20,145,840	-	-	20,145,840	6,376,126	344,243	-	6,720,369	13,425,471	13,769,714
3. Data Processing Equipment	13,410,902	1,418,073	722,398	14,106,577	11,491,726	1,467,427	722,398	12,236,755	1,869,822	1,919,176
4. Office Equipment	4,286,058	84,313	28,000	4,342,371	4,244,941	44,919	28,000	4,261,860	80,511	41,117
5. Furniture and Fixtures	2,327,247	141,942	-	2,469,189	2,252,450	73,881	-	2,326,331	142,858	74,797
6. Hostel, Library, Computer & Seminar Room Furniture	3,651,894	-	-	3,651,894	3,646,466	3,619	-	3,650,085	1,809	5,428
7. Air Conditioner and Water Coolers	3,995,589	-	-	3,995,589	3,947,124	48,465	-	3,995,589	-	48,465
8. Electric Installations	3,207,583	8,292	-	3,215,875	3,205,953	3,012	-	3,208,965	6,910	1,630
9. Vehicles	901,981	557,102	-	1,459,083	901,979	185,701	-	1,087,680	371,403	2
10. Horticulture Equipment	93,927	-	-	93,927	93,927	-	-	93,927	-	-
	70,218,739	2,209,722	750,398	71,678,063	36,160,692	2,171,267	750,398	37,581,561	34,096,502	34,058,047
Capital Work - in - Progress	15,726,252	16,943,604	-	32,669,856	-	-	-	-	32,669,856	15,726,252
Fixed Assets acquired out of Foreign Contribution Funds										
1. Data Processing Equipment	9,880	-	-	9,880	9,880	-	-	9,880	-	-
2. Furniture and Fixtures	1,523,860	-	-	1,523,860	1,269,883	253,977	-	1,523,860	-	253,977
3. Horticulture Equipment	624,980	-	-	624,980	520,817	104,163	-	624,980	-	104,163
	2,158,720	-	-	2,158,720	1,800,580	358,140	-	2,158,720	-	358,140
Grand Total	88,103,711	19,153,326	750,398	106,506,639	37,961,272	2,529,407	750,398	39,740,281	66,766,358	50,142,439
Previous year	75,037,209	17,285,341	4,218,839	88,103,711	39,545,981	2,634,130	4,218,839	37,961,272	50,142,439	

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

	As at 31-Mar-09 Rs.	As at 31-Mar-08 Rs.
SCHEDULE - 7 INVESTMENTS - ENDOWMENT/ EARMARKED FUNDS		
In Government Securities	36,076,250	36,076,250
Other Approved Securities	23,749,920	3,749,920
Total	59,826,170	39,826,170
SCHEDULE - 8 INVESTMENTS - OTHERS		
In Government Securities	50,420,000	50,420,000
Other Approved Securities	32,000,000	14,000,000
Total	82,420,000	64,420,000
SCHEDULE - 9 CURRENT ASSETS, LOANS, ADVANCES, ETC		
A. CURRENT ASSETS:-		
1. Inventories		
Stock of Publications	269,555	248,649
2. Sundry Debtors		
	18,101	20,521
3. Cash Balances in Hand (Including Cheques/ Imprest)		
	10,013	11,395
4. Bank Balances		
<u>With Scheduled Banks - Savings Accounts</u>		
Canara Bank Jit Singh Marg A/c No 1484101001555	20,960,610	27,679,965
Canara Bank Jit Singh Marg.A/c No 1484106026094	4,966	5,000
Canara Bank Jit Singh Marg A/c No 1484101027431	11,139	10,758
State Bank of India JNU UNDP A/c No 01100/035195	12,075	11,761

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2009

	As at 31-Mar-09 Rs.	As at 31-Mar-08 Rs.
<u>With Scheduled Banks - Current Accounts</u>		
State Bank of India JNU F.C. A/c No 10596547368	428,918	617,168
State Bank of India JNU Current A/c No 10596547335	50,857	51,157
Canara Bank Jit Singh Marg EEFC A/c	<u>39,020</u>	<u>38,153</u>
	21,507,585	28,413,962
B. LOANS, ADVANCES AND OTHER ASSETS:-		
1. Advances and other amounts recoverable in cash or kind or for value to be received:		
a) Festival Advance to Staff	27,294	11,400
b) Prepaid Expenses	3,160,091	2,995,818
c) Advance to Staff for Expenses	132,872	123,517
d) Advance for Expenses	165,653	626,163
e) Security Deposit	338,071	141,071
f) Advance to NIPFP PF Trust	<u>10,343,370</u>	<u>10,343,370</u>
	14,167,351	14,241,339
2. Income Accrued		
a) On Investments from Earmarked / Endowment Funds	1,684,400	844,860
b) On Investments - Others	1,028,220	832,395
c) Central Government Grant	-	2,383,653
d) State Government Grants	119,700	150,000
e) Other Grants and Project Fees (refer schedule 5 (a))	8,151,884	4,616,615
f) Course and Programme Fees	<u>-</u>	<u>1,084,237</u>
	10,984,204	9,911,760
3. Claims Receivable		
Income Tax Recoverable	<u>3,159,599</u>	<u>1,745,381</u>
	3,159,599	1,745,381
Total	<u>50,116,408</u>	<u>54,593,007</u>

**SCHEDULES FORMING PART OF INCOME & EXPENDITURE ACCOUNT FOR
THE YEAR ENDED MARCH 31, 2009**

	Year Ended 31-Mar-09 Rs.	Year Ended 31-Mar-08 Rs.
SCHEDULE - 10 GRANTS FROM GOVERNMENTS		
A. GRANTS FROM CENTRAL GOVERNMENT		
Recurring Grant	8,030,314	4,949,609
Salary Grant	48,551,596	24,748,044
TRC Grant	4,000,000	-
Total	60,581,910	29,697,653
B. GRANTS FROM STATE GOVERNMENTS		
General Support Grants		
Government of Karnataka	200,000	-
Government of West Bengal	100,000	100,000
Government of Meghalaya	35,000	35,000
Government of Orissa	150,000	150,000
Government of Maharashtra	100,000	100,000
Government of Uttar Pradesh	100,000	100,000
Government of Punjab	100,000	100,000
Government of Tamil Nadu	100,000	100,000
Government of Nagaland	200,000	80,000
Government of Mizoram	-	50,000
Government of Gujrat	50,000	50,000
Government of Jharkhand	200,000	-
Total	1,335,000	865,000
Grand Total	61,916,910	30,562,653

**SCHEDULES FORMING PART OF INCOME & EXPENDITURE ACCOUNT FOR
THE YEAR ENDED MARCH 31, 2009**

	Year Ended 31-Mar-09 Rs.	Year Ended 31-Mar-08 Rs.
SCHEDULE - 11 INCOME FROM ACADEMIC ACTIVITIES		
Project Fees (refer schedule 5 (a))	15,171,201	30,019,432
Income from Chairs/Cells and other Grants (refer schedule 5 (a))	8,688,900	4,430,766
Course and Programme Fees	8,318,708	9,796,981
Total	32,178,809	44,247,179
SCHEDULE - 12 INTEREST EARNED		
Interest Earned from Banks/ Fin. Institutions		
On Term Deposit with Schedule Banks	1,250,893	188,067
On Saving Accounts with Schedule Banks	96,741	62,739
On Government of India Securities	3,961,599	4,116,317
On Public Sector Financial Institutions	-	18,428
Interest Received on Income Tax Refund	-	12,082
Total	5,309,233	4,397,633
SCHEDULE - 13 OTHER INCOME		
Sale of Publications	20,813	11,421
Royalty	3,669	1,342
Hostel Recoveries	547,978	2,395,140
Profit on Disposal of Assets	34,900	150,586
Miscellaneous Income	187,158	139,759
House Rent Recoveries	127,920	263,571
Consultancy Fees Received from NIPFP Staff	98,100	62,046
Liabilities Written - off	294,795	2,896
Provision Written - off	-	49,729
Corporate Membership Fee	65,000	-
Foreign Currency Exchange Difference	867	-
Total	13,81,200	30,76,490

**SCHEDULES FORMING PART OF INCOME & EXPENDITURE ACCOUNT FOR
THE YEAR ENDED MARCH 31, 2009**

	Year Ended 31-Mar-09 Rs.	Year Ended 31-Mar-08 Rs.
--	---	---

SCHEDULE - 14 PRIOR PERIOD INCOME

Computer Maintenance Expenses Written Back	26,000	-
Total	26,000	-

SCHEDULE - 15 ESTABLISHMENT EXPENSES

Salaries and Allowances 32,645,037	18,727,020	
Bonus	170,360	78,326
Contribution to PF and Other Funds	3,147,076	1,798,677
Gratuity	4,721,071	82,422
Leave Salary	5,100,410	1,422,143
Staff Benefits and Welfare	1,790,372	1,394,633
EDLI & Admin. Charges	133,417	115,185
Consultancy Fees	1,222,549	557,898
	<u>48,930,292</u>	<u>24,176,304</u>
Less: Charged to Academic Activities	6,927,446	8,455,154
Total	42,002,846	15,721,150

SCHEDULE -16 EXPENDITURE ON ACADEMIC ACTIVITIES

Project Expenses	15,171,201	30,019,432
Chairs/Cells and Other Grants Expenses	8,688,900	4,430,766
Course and Programme Expenses	4,676,810	5,279,688
Total	28,536,911	39,729,886

**SCHEDULES FORMING PART OF INCOME & EXPENDITURE ACCOUNT FOR
THE YEAR ENDED MARCH 31, 2009**

	Year Ended 31-Mar-09 Rs.	Year Ended 31-Mar-08 Rs.
SCHEDULE - 17 ADMINISTRATIVE EXPENSES		
Traveling and Conveyance	607,475	269,061
Rates and Taxes	605,259	918,819
Electricity Charges	2,233,472	2,372,273
Water Charges	489,789	182,037
Printing and Stationery	786,112	618,128
Postage and Telephone	1,136,194	924,915
Repairs and Maintenance	2,672,166	1,471,027
Car Petrol & Fuel Charges	210,156	155,543
Car Repair and Maintenance	54,629	31,190
Audit Fees	49,635	40,000
Audit Fees (PF Trust)	5,000	5,000
Miscellaneous Expenses	283,701	334,419
Legal Expenses	389,567	263,114
Advertisement Expenses	148,321	989,790
Expenses on 25th Anniversary	240,000	90,000
Shortfall of Interest and Other Losses (PF Trust)	352,600	354,532
Books and Periodicals	4,147,877	3,282,064
Cost of Publications	183,076	285,201
Meeting and Seminar	97,471	140,189
General/ Governing Body Meeting	46,717	112,314
Insurance Expenses	31,789	38,671
Recoverable Written - off	253,204	4,656
	15,024,210	12,882,943
Less: Charged to Academic Activities	1,751,897	9,436,478
Less: Charged to Corpus/ Endowment Fund	2,535,890	-
Total	10,736,423	3,446,465

**SCHEDULES FORMING PART OF INCOME & EXPENDITURE ACCOUNT FOR
THE YEAR ENDED MARCH 31, 2009**

	Year Ended 31-Mar-09 Rs.	Year Ended 31-Mar-08 Rs.
SCHEDULE - 18 PRIOR PERIOD EXPENSES		
Consultancy Fees	-	39,990
Shortfall in Income of PF Trust	-	162,555
Traveling and Conveyance	-	1,348
Water & Electricity	-	6,320
Repair and Maintenance	1,700	230
Printing and Stationery	-	520
Books and Periodicals	-	4,172
Total	1,700	215,135

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2009

SCHEDULE -19 ACCOUNTING POLICIES

1. The financial statements are prepared on the basis of Historical Cost Convention and on the accrual method of accounting, unless otherwise stated. Corporate Membership Fees are accounted on cash basis.
2. Long term investments are stated at cost after deducting provisions made for permanent diminution in the value of such investments.
3. Fixed Assets are stated at cost of acquisition including incidental and direct expenses related to acquisition. Fixed Assets are valued at cost less accumulated depreciation.
4. Depreciation on all assets except Leasehold Land and Building is charged on a straight-line basis over a period of three years. Depreciation on Leasehold Land is charged at NIL rate. Depreciation on Building is charged at the rate of 2.5% p.a. on written down value basis. Assets purchased and put to use on or after 1st October of a year are depreciated during that year at half of the rates stated above.
5. Books and Periodicals purchased for library are charged off to revenue in the year of purchase.
6. Short term employee benefits are recognised as an expense at the undiscounted amount in the Income and Expenditure Account of the year in which the related service is rendered.
7. Post employment and other long term employee benefits are recognised as an expense in the Income and Expenditure Account for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gain and losses in respect of post employment and other long term benefits are charged to revenue.
8. Foreign currency transactions are generally accounted for in the books of account at the exchange rate prevailing on the date of the transactions.
9. Income on investments from Earmarked/ Endowment Funds is used for specific purposes of the funds. Balance of un-utilized income, if any, are kept in respective Earmarked/ Endowment funds.
10. Grants/ contributions received for specific purposes are initially treated as a liability and adjusted as per utilisation during the year. Grants, to the extent utilised for depreciable assets, are treated as deferred income and recognised in the Income & Expenditure Account on a systematic and rational basis. Generally, grants, to the extent utilised for revenue expenditures, are treated as income of the year.

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2009**SCHEDULE - 20 CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS****1. Contingent Liabilities**

- a. Liability in respect of court cases instituted against the Institute and by the Institute: Amount is not ascertainable.
- b. Maximum compensation which may be payable to National Institute of Public Finance and Policy Provident Fund Trust (NIPFP PF Trust) against loss to the NIPFP PF Trust consequent to embezzlement (during the period April 1995 to December 2002) of Trust money is Rs. 1,07,22,121/-. The Institute has paid Rs. 1,03,43,370/- as advance to the NIPFP PF Trust. The loss to NIPFP PF Trust will be compensated by the Institute to the extent it can not be recovered by the NIPFP PF Trust from the persons who are responsible for the embezzlement.
- c. The construction work of Research and Training Center including some additional work was completed by the Contractor – M/s. Krishna Constructions in the month of October 2008. However, the Architect – M/s. Raj Rewal Associates has not verified final bills of the Contractor due to some defects identified by them in the construction/ finishing and has advised to withhold remaining amount payable to the Contractor against his bills. The Contractor has submitted final bills for Rs. 35,93,872/-, out of which, bills for Rs. 30,43,442/- have been accounted for/ paid by the Institute. On the basis of the Architect's advice, the Institute has not recognized liability for the remaining amount i.e. Rs. 5,50,430/-. This amount will become payable to the Contractor only after satisfactory removal of the defects, already informed to the Contractor.
- d. The Institute has registration with Service Tax Department, New Delhi under the category of Management Consultancy. The Institute was earlier paying service tax under this category on its receipts except on grants and other exempted receipts. On the basis of a recent Order No. 193/2008 dated 01-10-2008 issued by the office of the Commissioner (Appeals), Mangalore in the case of M/s. Centre for Multi Disciplinary Development Research (CMDDR), Dharwad carrying on similar activities as of the Institute, an opinion was obtained regarding the leviability of the service tax on the Institute's research activities from an independent Service Tax Consultant. According to the opinion, Institute's research activities do not fall under management consultancy. The Institute further sought a clarification in this regard from Central Board of Excise and Customs (CBEC), Ministry of Finance, Govt. of India and proposed not to pay the service tax in future. According to the clarification received from CBEC, "pure research work undertaken by a public funded research institution does not fall in the category of consultancy. Accordingly, service tax would not be applicable on pure social science research undertaken by NIPFP on

developmental issues”. In view of the above mentioned opinion and clarification, the Institute has stopped paying service tax on its research activities with effect from March 2009.

2. Capital Commitments:

Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. 23,16,375/- (Previous Year Rs. 1,01,44,854/-).

3. Leasehold land includes land premium Rs. 1,21,76,966/- and relocation charges Rs. 53,82,000/- paid to DDA for allotment of land measuring 2800 sq. mts. located adjacent to the existing NIPFP Compound in terms of allotment letter dated 27.04.2000. DDA has handed over the possession of the land to NIPFP on September 11, 2001, however execution of lease deed is pending due to fixation of land rates by the Central Government.
4. Account balance under sundry debtors, advances, project fees receivables and sundry creditors are subject to confirmation, reconciliation and consequential adjustments, if any.
5. Contribution to Defined Contribution Plan, recognised as expense for the year are as under:

Employer's Contribution to Provident Fund	Rs. 26,49,970/-
Employer's Contribution to Pension Scheme	Rs. 4,97,106/-

The Employees' Gratuity Fund Scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

The principal actuarial assumptions used as at the balance sheet date are as under:

a) Economic Assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

		31/03/2009
i)	Discounting Rate	7.00 %
ii)	Future salary Increase	7.00 %
iii)	Expected Rate of Return on Plan Assets for Gratuity (Funded)	8.00 %

b) Demographic Assumption

i)	Retirement Age	60 Years
ii)	Mortality Table	LIC (1994-96) duly modified
iii)	Withdrawal Rates (18-60 Years)	2% per annum

6. The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary to make them comparable with the current year's figures.

Signatories to schedule to 1 to 20

sd/
(Rakesh Kumar)
Accounts Officer

sd/
(Jai Mohan Pandit)
Secretary

sd/
(Dr. M. Govinda Rao)
Director

sd/
(Dr. C. Rangarajan)
Chairman

As per our report of even date

for Singh, Krishna & Associates
Chartered Accountants

sd/
(Krishna Kumar Singh)
Partner

M. No. 077494
Place : New Delhi
Date : 18 Aug, 2009

