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ANNUAL REPORT
For the year 1980-81



**NATIONAL INSTITUTE OF PUBLIC
FINANCE AND POLICY**

12 RAJENDRA PLACE NEW DELHI 110 008

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CONTENTS

	Page No.
Introduction	1
Research Activities	2
Work for the State Governments	3
Training Programme	4
Visiting Professors and Scholars	4
Seminars	4
Computer	5
Library	5
Lectures by Staff Members	5
Publications	6
Corporate Membership	6
Composition of the Governing Body	6
Building for the Institute	7
Endowment Fund	7
Ford Foundation Grant	7
Annexures	9
NIPFP : Accounts	31

**REPORT OF THE GOVERNING BODY OF THE NATIONAL
INSTITUTE OF PUBLIC FINANCE AND POLICY FOR
THE YEAR 1980-81**

Introduction

The year 1980-81 is the fifth year of operation of the Institute, and it has been the most active year to date, in the Institute's short history. During this year, the Institute made considerable progress in its research programmes, training programmes, and consultancy services. In continuation of the training programmes, the Institute arranged an advanced training course in sales tax administration in India for senior officers of the Commercial Tax Departments of the State governments. It also conducted an international seminar, for the first time, on Extending Income Tax Jurisdiction over Citizens Working Abroad, and got its name acclaimed in the comity of well-known research institutions in the world. Another noteworthy accomplishment of the year is the rapid progress made in the construction of the Institute's building.

As on May 31, 1981, the Institute had on its rolls 22 professional staff members, including the Director. The list of faculty members (other than temporary Research Investigators) and senior administrative staff is given in Annexure I. In addition, there were six temporary Research Investigators attached to various projects. It may be pointed out that three scheduled caste candidates were recruited during the year for different posts in conformity with the policy guidelines of the Government. For the first time, an administrative officer was appointed to meet the ever increasing needs of administration.

During the year, three of our staff members, namely, Dr. V. D. Lall, Senior Fellow; Dr. K. N. Reddy, Senior Fellow; and Shri K. K. Atri, Econometrician, were sent abroad—from four to six months—for 'research and training' under the Ford Foundation Grant. Dr. V. D. Lall went to the EEC Head-Quarters (Brussels), Institute for Fiscal Studies, University of Erasmus (Rotterdam), and Law School, Harvard University, (Cambridge, U. S. A.). Dr. K. N. Reddy went to American University, International Monetary Fund, International Bank for Reconstruction and Development (Washington, D. C., U. S. A.), and Institute of Social and Economic Research, University of York, (York, U. K.). Shri K. K. Atri went to the University of Maryland (Maryland, U. S. A.). All the three members had returned after completing their assignments by February 1, 1981. Dr. M. C. Purohit who had been sent to California University, (Berkeley U. S. A.), in January 1980, also returned to the Institute in December 1980.

The Director of the Institute, Dr. R. J. Chelliah, spent eight weeks in October-December, 1980 as Visiting Fellow at the Centre for Research in Federal Financial Relations, Australian National University, Canberra at the invitation of the Centre.

As mentioned in our last year's report, Dr. A. Bagchi joined the Institute on June 3, 1980. With this senior appointment to the R. B. I. Chair, the number of Senior Fellows on the Institute's rolls increased to three, which considerably strengthened us. Shri K. Srinivasan, former Member of the Central Board of Direct Taxes, continued to work with us as Senior Tax Consultant. Shri J. S. Kapoor, Tax Analyst, who came on deputation from the Income Tax Department left the Institute after the expiry of his deputation period with the Institute. Shri P. D. Kapoor, Assistant Collector, Customs and Excise Department joined the Institute on secondment to help us in a project on excise tax evasion.

Two members of our staff, Dr. R. J. Chelliah, Director, and Dr. A. Bagchi, Senior Fellow, were appointed members of the Working Group on Savings, Central Statistical Organisation, Government of India. Dr. Chelliah was appointed a member in a few other Committees also. They are : (i) Resources Working Group of the Planning Commission, Government of India (tenure now over), (ii) State Planning Board of Gujarat, (iii) Resources Committee of Gujarat Government, and (iv) Panel of Economists of the University Grants Commission. He was appointed as one of the Directors of the Indian Bank some time ago and is holding that position even now. Similarly he continues to be one of the editors of two journals-NAGARLOK and MARGIN. Dr. Bagchi has been appointed member of the Tax Advisory Group, setup by the Government of Andhra Pradesh.

During the year, the Institute was invited to give evidence before the Estimates Committee on various aspects of the operation of direct taxes and suggest lines of reforms. A detailed memorandum was submitted to the Estimates Committee in reply to their questionnaire. Also oral evidence was tendered for the Committee by Shri K Srinivasan, Senior Consultant and Dr. A. Bagchi, RBI Professor.

Research Activities

In the fifth year of the operation of the Institute, it may be said to have established itself more firmly than during the preceeding years. The services of the Institute have been utilised by the Central government, State governments and private organisations.

We were asked by the Ministry of Finance to examine the Impact of Inflation on Corporate Taxation. A pilot project on this topic was completed and the report was handed over to the Ministry. A more comprehensive project is to be undertaken this year.

A project on Resource Mobilization in the Private Corporate Sector which was sponsored by the Associated Chambers of Commerce and Industry of India (ASSOCHAM) was completed and the report was submitted to ASSOCHAM in April 1980. It is to be published in a condensed form soon.

There are several projects on hand. Some of them are on the verge of completion. Three projects, namely, Aspects of Corporate Profits Taxation, sponsored by the Institute. Central Government Expenditure — A Study of its Growth, Structure and Impact, sponsored by the Planning Commission; and Rationalisation of Entertainment Tax, Passengers and Goods Tax and Electricity Duty in Bihar, sponsored by the Bihar Government, would be completed soon.

The other on-going projects are as follows :

- i. **Evasion of Excise Duty in Respect of Selected Commodities**, sponsored by the Central Board of Excise and Customs, Ministry of Finance, Government of India. This study has been undertaken in response to a recommendation made by the Estimates Committee of Lok Sabha that a determined bid should be made to quantify the extent of excise tax evasion in the country. Five commodities, namely, cotton fabrics, copper, plastics, domestic electrical appliances and wireless receiving sets, are within the purview of the study. The methodology has been finalised. Once completed, it will represent the first scientific attempt to quantify evasion of excises.
- ii. **Tax Treatment of Trusts - Public and Private**, sponsored by the Institute. The aim of this project is to produce a comprehensive volume on the comparative tax treatment of Trusts in India and certain other countries and to suggest an equitable method of taxing them and the legislation needed to ensure that they are not used for tax avoidance.
- iii. **Impact of Selected Incentives Provided under the Income Tax Law**. The Central Board of Direct Taxes is interested in this project and is helping us with the data needed. The aim of the project is to arrive at a quantitative assessment of the impact of selected incentives such as that under Section 80-G.

The titles of projects already completed, on-going projects and projects proposed to be undertaken by the Institute are given in Annexure II.

Work for the State Governments

As in the previous years, the Institute was busy with a number of State government projects. As mentioned earlier, the Government of Bihar entrusted us with a project on **The Rationalisation of the Entertainment Tax, the Tax on Passengers and Goods and the Electricity Duty in Bihar**.

The Municipal Finance Commission of West Bengal gave a project on the **Evaluation of Property for Taxation** with special reference to Calcutta Municipal Corporation and certain other selected areas in West Bengal. Much of the preliminary work on this has been done. For the first time, a scientific sample survey of buildings in the Calcutta Municipal Corporation area has been conducted. The Tamil Nadu Government has sponsored a study on **The Rationalisation of the Rate Structure of Sales Tax in Tamil Nadu**, and the project will start in June 1981*.

* The project work has been started.

A study on the Incidence of State Taxes in Gujarat was conducted by Dr M. Govinda Rao under the overall guidance of Dr. Chelliah. This was done as a part of the work for the Gujarat Taxation Enquiry Commission and the major findings of the study were presented in Chapter 2 of the report of the Commission. The whole study is being brought out in the form of a monograph.

Training Programme

As in earlier years, this year also the Institute conducted an Advanced Course in Sales Tax Administration in India for senior officers of Commercial Tax Departments of the State governments during September 11, 1980 to September 30, 1980. The course was conducted at the instance of the Department of Revenue, Ministry of Finance. As many as 35 officials attended the course. The next course in Sales Tax Administration would be conducted early in October for the year 1981-82¹.

At the request of the Central Board of Direct Taxes, the Institute has agreed to run a course on the Economic and Equity Aspects of Income Taxation in June 1981², for the benefit of selected Assistant Commissioners of Income Tax. The cost of this first course will be borne by the Institute.

Visiting Professors and Scholars

Dr. (Miss) Anne Booth and Prof. R. M. Sundrum from the Centre for Research in Pacific Studies, Australian National University, Canberra, were Visiting Fellows of the Institute for a short period. Dr. (Miss) Anne Booth gave a seminar on Fiscal Implications of Indonesian Economic Development on March 4, 1981, and Prof. R.M. Sundrum gave a seminar on Development and Growth on April 21, 1981. The expenses in connection with their visit were met from the Ford Foundation Grant. We are looking forward to having lectures by Prof. N. H. Stern, University of Warwick, U.K., under this programme in August 1981. As will be noted later, several professors of international repute visited the Institute during the year and gave seminars and lectures.

During the year 1980-81, the Institute provided research facilities and guidance to Mr Hub. H H Wieleman, a student from Erasmus University, Rotterdam Netherlands, to complete a dissertation on fiscal policy for employment.

Seminars

The programme of seminars given by visiting scholars and the Institute's own staff was continued. The details of the regular seminars conducted during the year are given in Annexure III. One of the highlights of the programme of the year was the International Seminar on Extending Income Tax Jurisdiction over Citizens Working Abroad, organised at New Delhi under the auspices of the Institute between 12th January and 15th January 1981, jointly with Prof. Jagdish Bhagwati of Columbia University. The local expenses of the seminar were met out of a grant from the ICSSR, while Columbia University received a grant from the Ford Foundation to meet the travel expenses of the participants. The seminar was attended, among others, by internationally known public finance economists, from the Universities

- 1) One course was conducted on April 13 to May 2, 1981.
- 2) It was held from June 15 to June 26.



Dr. R. J. Chelliah, Director of the Institute distributing the certificates to the participants of the Advanced Course in Sales Tax Administration in India organised by the Institute, (September 11—30, 1980)



The Chairman of the Institute, Prof. D. T. Lakdawala inaugurating the international seminar on "Extending the Income Tax Jurisdiction over Citizens Working Abroad" on January 12, 1981

of Oxford, Princeton, Columbia, Connecticut, New York, Tokyo and Stockholm. The Indian participants included well known lawyers and economists. The names and the affiliations of the participants are given in Annexure IV. The theoretical papers submitted to the Conference are likely to be published in the **Journal of Public Economics**. All the papers and the comments of the discussants will be published in a book form.

Computer

As mentioned in last year's report, the Institute acquired a micro processor based mini-computer, SPECTRUM-7 (DCM Product) in September 1979. It is capable of carrying out various kinds of statistical applications apart from being able to store substantial amounts of data. Shri K.K. Atri, Econometrician at the Institute was sent under the Ford Foundation Grant to the University of Maryland, U.S.A. to receive advanced training in Econometrics and Data Storage in Computer Systems, specially for the purpose of developing a public finance data bank in our computer.

To develop our computer system further, we are contemplating to acquire one more mini-processor, with the help of the supplementary grant from the Ford Foundation for building up a data bank in the area of public finance. Computer facilities have been extended to Ph. D. scholars and others working in the Institute, on nominal charges.

Library

With the growing needs of the staff for books in the area of public finance and fiscal policy, it has become essential to expand the library. During the year more than 1,000 volumes of books, reports and other publications were procured and added to the stock of the library. Continuous attempts are being made to obtain rare books, reports, working and mimeographed papers from several prominent institutions in India and abroad, emphasis is also placed on the procurement of back numbers of some important journals in the field of public finance. Our total holdings of books and reports now amount to 4,000 volumes. (For the list of journals, see Annexure V.)

Several research scholars in the area of public finance from other universities visited our library in connection with their research work. Their names are mentioned in Annexure VI.

Lectures by Staff Members

Several of our faculty members were invited to give lectures at other institutions. Dr. R. J. Chelliah, gave four seminars— (i) The Structure of Indian Taxation; (ii) The Assignment of Tax Powers in Federal Countries; (iii) The Case for an Expenditure Tax; and (iv) Problems and Prospects of Indian Economic Development — at the Australian National University, Canberra, and one public lecture on Taxation at Port Morseby, Papua New Guinea. Other faculty members also gave lectures at different institutions. The important institutions at which lectures were given are Institute of Secretarial Training and Management, Department of Personnel, Ministry of Home Affairs, Govern-

ment of India, National Defence College, Delhi, Central Statistical Organisation, Centre for Regional Studies (JNU), the Indian Institute of Public Administration, New Delhi, and American University, Washington, D. C., U. S. A. Details about the lectures given may be seen from Annexure VII.

Publications

a) Institute's publications

Two books were brought out by the Institute during the year : (i) **Issues and Trends in Indian Federal Finance**, published by Allied Publishers, and (ii) **Incidence of Indirect Taxation in India - Hindi version**. Final proofs were corrected and sent to the publishers in respect of the publication of the book on **Sales Tax System in Bihar**.

b) Papers by staff members

During his visit to the Australian National University, Canberra, Dr. R. J. Chelliah prepared a paper on "Assignment of Tax Powers in Selected Federations". After revision, it will be published by the Centre for Research in Federal Financial Relations of that University. Apart from this, a number of papers were prepared by the staff members in the form of working papers or research papers and articles contributed to journals and newspapers. The details of papers and articles brought out during the year are given in Annexure VIII.

Corporate Membership

The year may be considered to have achieved a good deal of success in regard to enrollment of ordinary corporate members. During the year, six private sector companies, namely Bennet Coleman and Co. Ltd., Escorts Limited, Kamani Industries Ltd., Mac Laboratories (Pvt.) Ltd., Shroff Industries Chemical (Pvt.) Ltd., and Star Diamond Tools, became ordinary corporate members. As on 31-5-1981, the Institute had 15 Sponsoring Corporate, five Life Corporate and 25 Ordinary Corporate Members. Efforts are being made to enrol major Municipalities. The list of members is given in Annexure IX.

Composition of the Governing Body

According to Rule 7 (b) of the Constitution of the Institute, the Governing Body shall have to be reconstituted on the expiry of four years from the date of registration of the Institute under the Indian Societies Registration Act XXI of 1860, and shall comprise not more than twenty members inclusive of the Chairman. Accordingly, the Governing Body was reconstituted formally, but many of the old members have continued. Certain changes, however, took place in regard to nominated members. The list of the members of the reconstituted Governing Body is given in Annexure X.



Institute's Office Complex Under Construction

Building for the Institute

The Institute's building, including land, is likely to cost Rs. 58 lakh. The Government of India has sanctioned a capital grant of Rs. 15 lakh for the Institute's building, out of which we had received Rs. 10 lakh upto March, 31, 1981; the balance will be received during the current year¹. Rs. 6 lakh were allocated to the Building Fund out of the Ford Foundation's initial grant of \$200,000. The Governments of Andhra Pradesh, Gujarat, Maharashtra, Punjab, Uttar Pradesh and West Bengal contributed Rs. 1 lakh each. Governments of Assam and Orissa contributed Rs. 50,000 each². A generous contribution of Rs. 2 lakh was received from ICICI. The Governing Body has authorised the use of the Endowment Fund to the extent of Rs. 10 lakh for meeting the building costs, and during the year we withdrew Rs. 2 lakh from the Fund. Inclusive of the use of the Endowment Fund to the extent of Rs. 10 lakh, and Rs. 50,000 withdrawn from the contingency reserve, we have resources amounting to Rs. 40.50 lakh. With this, we are left with a gap of Rs. 17.50 lakh, which we are trying to raise from various sources.

The construction of the building has made considerable progress. The structural work has been completed. The finishing work is now in progress. It is expected that the Hostel Block will be ready for occupation by the end of this year and the Administrative Block will be ready by March 1982.

Endowment Fund

During the year no fresh contribution was received towards the Endowment Fund. As stated earlier, during this year Rs. 2,00,000 were drawn from the Endowment Fund Investments to meet the expenditure on the construction of the Institute's building. On March 31, 1981, the Endowment Fund Investments stood at Rs. 46 lakh.

Ford Foundation Grant

The Ford Foundation grant which was sanctioned on April 18, 1978 for two years, has been utilised. During the year, the Institute was sanctioned a supplementary grant of \$ 2,45,000 to be utilised within three years from September 12, 1980. The grant was given after obtaining the approval of the Government of India. As approved by the Ford Foundation and the Government of India, the granted amount has been allocated to different heads as follows :

1) Received on 3.6.1981.

2) A grant of Rs. 25,000 has recently been sanctioned by the Government of Karnataka.

a) Public Finance Data Bank	\$ 1,15,000
b) Library	\$ 40,000
c) Fellowships for staff in India and abroad and Visiting Fellows from abroad on public finance, tax law, and tax administration, and international finance.	\$ 60,000
d) Collaborative research	\$ 10,000
e) Fellowship at the Institute for academics and civil servants	\$ 20,000

For and on behalf of the Governing Body

I. Z. Bhatta
Member

R. J. Chelliah
Member-Secretary

D. T. Lakdawala
Chairman

Place : New Delhi
Dated : 18th June, 1981

List of Professional Staff Members

Sl. No.	Name	Qualification	Designation
1.	R. J. Chelliah	M.A., Ph. D.	Director
2.	A. Bagchi	M.A., Ph. D.	Senior Fellow
3.	V. D. Lall	M.A., Ph. D.	Senior Fellow
4.	K. N. Reddy	M.A. (Hons.), Ph. D.	Senior Fellow
5.	K. Srinivasan	B.A. (Hons.)	Senior Consultant
6.	M. C. Purohit	M.A., Ph. D.	Fellow
7.	Shyam Nath	M.A., Ph. D.	Senior Economist
8.	Narain Sinha	M.Sc., M.A., Ph. D.	Senior Economist
9.	M. Govinda Rao	M.A., Ph. D.	Senior Economist
10.	D. K. Srivastava	M.A., Ph. D.	Senior Economist
11.	K. K. Atri	M.A.	Econometrician
12.	J. V. M. Sarma	M.A.	Econometrician
13.	*Ranjana Ghoshal Madhusudhan	M.A., M. Phil.	Economist
14.	Pawan Kumar Aggarwal	M.Sc.	Economist
15.	M. Srinivasa	M.A.	Economist
16.	V. S. Renganathan	M.A., Ph. D.	Economist (Publications)
17.	S. Gopalakrishnan	M.A.	Research Assistant
18.	Vijaya Khari	M.A.	Research Assistant
19.	Ajay Kumar Halen	M.A.	Research Assistant
20.	Sujata Dutta	M.A.	Research Assistant (Temporary)
21.	O. P. Bohra	M.A.	Research Assistant (Temporary)
22.	Gautam Naresh	M.A. (Economics) M.A. (English)	Research Assistant (Temporary)
Senior Administrative and Library Staff			
23.	J. K. Jain	B.A. (Com.)	Administrative Officer
24.	H.K. Paruthi	M.A., B.Lib. Sc.	Librarian

* Granted study leave for one year with effect from 19.8.1980 to 18.8.1981 to pursue research work at the doctoral level at Syracuse University, U.S.A.

ANNEXURE II

List of Projects

Projects already completed

1. Trends, Composition and Elasticity of Union Excise and Import Duties
2. Buoyancy and Elasticity of State Indirect Taxes (1960-61 to 1974-75)
3. Incidence of Indirect Taxation in India (1973-74)
4. Impact of Personal Income Tax
5. Trends and Issues in Indian Federal Finance
6. A Survey of Tax System in Assam
7. Measurement of Tax Effort of State Governments—1973 76
8. Rationalisation of the Sales Tax System in Bihar
9. Resource Mobilisation in the Corporate Private Sector
10. Inflation and Corporate Profits Tax: A Case Study of 20 companies
11. Incidence of Taxation in Gujarat

On-going Projects

1. Studies in Corporate Profits Taxation
2. Central Government Expenditure - A Study of its Growth, Structure and Composition (near completion)
3. Review and Reforms of the Entertainment Tax, Taxation of Passengers and Goods and Electricity Duty in Bihar
4. Evasion of Excise Duties
5. Tax Treatment of Trusts (Public and Private)
6. Valuation of Property for Taxation with Special Reference to Calcutta Municipal Corporation and Selected Municipalities in West Bengal
7. Impact of Selected Incentive Provisions under the Income Tax Act
8. An Overall Review of Resource Mobilisation with Policy Recommendations for the Future (for Scier)

Projects Proposed to be Undertaken

1. Information System and the Rate Structure of Sales Tax in Tamil Nadu
2. India and International Monetary Reform
3. Profile of Indian Public Finances
4. Inflation and the Burden of Corporate Profits Tax

ANNEXURE III

Seminars and Symposia held at the Institute during 1980-81

Sl. No.	Speaker	Institutional affiliation	Date	Topic
1.	Prof. Tehrul Islam	Dacca University	17th May, 1980	Employment Generation in Bangladesh during the First Five Year Plan (1973-78)
2.	Dr. Pulin B Nayak	Delhi University	21st and 22nd May, 1980	a. Optimal Taxation b. Optimal Commodity Taxation
3.	Prof. Tehrul Islam	Dacca University	23rd May, 1980	Educational Planning and Equity in Education in Less Developed Countries
4.	Dr. V. D. Lall	National Institute of Public Finance and Policy	4th July, 1980	Resource Mobilisation in the Private Corporate Sector
5.	Dr. S. P. Gupta	Planning Commission	27th August, 1980	A Few Key Issues in the Planning Process in India with Special Reference to the Sixth Five Year Plan
6.	Dr. M. G. Rao	National Institute of Public Finance and Policy	16th October, 1980	Structure of Entertainment Tax in Bihar
7.	Dr. Curtis Hill	International Monetary Fund	23rd October, 1980	The Government Finance Statistics Programme of the I.M.F.
8.	Shri J. V. M. Sarma	National Institute of Public Finance and Policy	3rd November, 1980	Importance of Data for the Study of Tax Policies

Sl. No.	Speaker	Institutional affiliation	Date	Topic
9.	Dr. A. Bagchi	National Institute of Public Finance and Policy	6th Decemer, 1980	Trends in Capital Formation in India-A Review
10.	Dr. Ramprasad Sengupta	Jawaharlal Nehru University	6th January, 1981	Prices and Profit in the Public Sector Steel Plants in India
11	Prof. Assar Lindbeck	University of Stockholm, Sweden	8th January, 1981	The Distribution of Factor Incomes Versus Disposable Income in a Welfare State-The Case of Sweden
12.	Prof. Richard Pomp	University of Connecticut, U.S.A.	9th January, 1981	Some Issues relating to Property Taxation
13.	Prof. William Baumol	Princeton University, U.S.A.	16th January, 1981	Practical Policy and the Theoretical Analysis of Fairness
14.	Prof. Koichi Hamada	Tokyo University	16th January, 1981	Macroeconomic Policies in the Japanese Context.
15.	Prof. James Mirrlees	Oxford University	24th January, 1981	Relevance of Optimal Tax Theory
16.	Prof. D. U. Sastry	Institute of Economic Growth	7th February, 1981	Capital Surrogate and the Production Function with Reference to the Indian Textile Industry
17.	Dr. (Miss) Anne Booth	Australian National University, Canberra, Australia	4th March, 1981	Fiscal Implications of Indonesian Economic Development
18.	Prof. R. M. Sundrum	Centre for Pacific Studies, Australian National University, Canberra, Australia	21st April, 1981	Development and Growth

ANNEXURE IV

Names of Participants Who Attended the Conference on Extending
Income Tax Jurisdiction Over Citizens Working Abroad
(January 12-14, 1981)

Dr. A. Bagchi
RBI Professor
National Institute of
Public Finance and Policy
New Delhi

Prof. Jagdish Bhagwati
Columbia University
New York, N. Y.
U.S.A.

Prof. William Baumol
Department of Economics
Princeton University
Princeton
New Jersey
U.S.A.

Mr. K. N. Bhutani
Member
Central Board of Direct Taxes
Department of Revenue
Ministry of Finance
New Delhi

Prof. V.V. Borkar
Department of Economics
Marathwada University
Aurangabad
Maharashtra

Prof. David Bradford
Woodrow Wilson School
Princeton University
Princeton
New Jersey U.S.A.

Dr. R.J. Chelliah
Director
National Institute of
Public Finance and Policy
New Delhi

Prof. Peter Diamond
Department of Economics, MIT
Cambridge, Mass,
U.S.A.

Prof. I. S. Gulati
Centre for Development Studies
Trivandrum

Prof. Koichi Hamda
Faculty of Economics
University of Tokyo
Tokyo
Japan

Prof. Gary Hufbauer
Deputy Director
International Law Institute
Georgetown University Law Centre
Washington D.C.
U.S.A.

Mr. R.R. Khosla
Joint Secretary
Department of Revenue
Ministry of Finance
New Delhi

Mr. O. V. Kuruvilla
Chairman
Central Board of Direct Taxes
Department of Revenue
Ministry of Finance
New Delhi

Prof. D.T. Lakdawala
(Chairman, NIPFP)
Sardar Patel Institute of Economic
and Social Research
Ahmedabad

Dr. V.D. Lall
Senior Fellow
National Institute of
Public Finance and Policy
New Delhi

Prof. Assar Lindbeck
Institute for International
Economic Studies
University of Stockholm
Stockholm
Sweden

Prof. James Mirrlees
Nuffield College
Oxford
U.K.

Dr. Pulin Nayak
Reader in Economics
Delhi School of Economics
Delhi University
Delhi

Mr. N.A. Palkhiwala
"Commonwealth"
181 Backbay Reclamation
Bombay

Prof. Richard Pomp
Law School
University of Connecticut
Greater Hartford Campus
West Hartford, Conn.
U.S.A.

Dr. M.C. Purohit
Fellow
National Institute of
Public Finance and Policy
New Delhi

Mr. K. Srinivasan
Senior Consultant
National Institute of
Public Finance and Policy
New Delhi

Prof. Nick Stern
Department of Economics
University of Warwick
Warwick
England
U.K.

Prof. John Wilson
Department of Economics
Columbia University
New York
N.Y.
U.S.A.

ANNEXURE V

List of Journals being received at the Institute Library

INDIAN

1. Anvesak ($\frac{1}{2}$ Yly)
2. Artha Vijnana (Q)
3. Assocham Bulletin (M)
4. Chartered Accountant (M)
5. Economic and Political Weekly (W)
6. Economic Scene (M)
7. ICSSR Newsletter (Q)
8. Income Tax Reports (W)
9. Indian Dissertation Abstracts (Q)
10. Indian Economic Diary (W)
11. Indian Economic Journal (Q)
12. Indian Economic Review (Q)
13. Indian Journal of Public Administration (Q)
14. Journal of Abstracts and Reviews : Economics (Q)
15. Journal of Income and Wealth ($\frac{1}{2}$ Yly)
16. Lok Udyog (M)
17. Margin (Q)
18. MDI Quarterly Bulletin (Q)
19. Monthly Abstract of Statistics (M)
20. Prajnan (Q)
21. Reserve Bank of India Bulletin (M)
22. Reserve Bank of India Occasional Papers ($\frac{1}{2}$ Yly)
23. Revised Index Number of Wholesale Prices in India
Base 1970-71 = 100 (M)
24. State Bank of India Monthly Review (M)
25. Span (M)
26. Taxman (M)
27. Yojana (F-N)
28. Stock Exchange Official Directory (Weekly Replacement Service)

FOREIGN

29. ADIPA Newsletter ($\frac{1}{2}$ Yly)
30. American Economic Review (Q)
31. British Tax Review (2-M)
32. Brookings Bulletin (Q)
33. Bulletin for International Fiscal Documentation (M)
34. Canadian Journal of Economics (Q)
35. Canadian Tax Journal (2-M)
36. Developing Economics (Q)
37. Economic Impact (Q)
38. Economic Journal (Q)
39. Economics ($\frac{1}{2}$ Yly)
40. Economist (W)
41. Finance and Development (Q)
42. IMF Staff Papers (Q)
43. IMF Survey (F-N)
44. International Tax Journal (2-M)
45. Journal of Corporate Taxation (Q)
46. Journal of Economic Literature (Q)
47. Journal of Finance (Q)
48. Journal of Political Economy (2-M)
49. Journal of Public Economics (2-M)
50. Journal of Taxation (M)
51. Kredietbank Weekly Bulletin (W)
52. Kyklos (Q)
53. Lloyds Bank Review (Q)
54. Manchester School of Economic & Social Studies (Q)
55. National Tax Journal (Q)
56. National Westminster Bank Quarterly Review (Q)
57. New Statesman (W)
58. Oxford Economic Papers (4-M)
59. Public Choice (Q)
60. Public Finance (Q)
61. Public Finance Quarterly (Q)
62. Quarterly Journal of Economics (Q)
63. Review of Economic Studies (Q)
64. Review of Economics & Statistics (Q)
65. Review of Income & Wealth (Q)
66. Scottish Journal of Political Economy (4-M)
67. Tax Planning International (M)
68. Three Banks Review (Q)

69. African Tax Systems
70. British Tax Encyclopaedia
71. Corporate Taxation in Latin America
72. Income Taxes Worldwide
73. Tax News Service
74. Taxation of Companies in Europe
75. Taxes and Investment in Asia and the Pacific
76. Taxes and Investment in the Middle East
77. Value Added Taxation in Europe

}
Loose-Leaf
Service

Frequency Notation

- | | |
|-------------------|----------------|
| W | ; Weekly |
| F-N | : Fortnightly |
| M | : Monthly |
| 2-M | : Bi-Monthly |
| 4-M | : Four-Monthly |
| Q | : Quarterly |
| $\frac{1}{2}$ Yly | : Half-Yearly |

ANNEXURE VI

List of Research Scholars Who visited the Institute's Library during 1980-81

S. No.	Name of Scholar	University/Institute
1.	Shri H.H.H. Wieleman	Erasmus University, Rotterdam
2.	Dr. R.K. Choudhury	Department of Economics, Gauhati University, Gauhati
3.	Shri A.S. Srivastava	Lecturer, Department of Economics, L.R. Post-Graduate College, Sahibabad, Meerut University, Meerut
4.	Shri S.S. Lal	Research Scholar, Meerut University, Meerut
5.	Shri S. K. Singh	Lecturer, Department of Economics, A.R.S.D. College, Delhi University, Delhi
6.	Shri J. K. Hajela	Research Scholar, Allahabad University, Allahabad
7.	Shri D. Bhandari	Research Scholar, Rajasthan University, Jaipur
8.	Shri M. A. Jalil	Research Scholar, Osmania University, Hyderabad
9.	Shri V.P. Gupta	Research Scholar, Rajasthan University, Jaipur
10.	Shri H. Acharye	Department of Economics, Jawahar Lal Nehru University, New Delhi
11.	Shri Shekhar Mehta	Department of Economics, Rajasthan University, Jaipur
12.	Shri Hari Bansh Jha	Lecturer in Economics, Tribhuvan University, Kathmandu (Nepal)
13.	Dr. Ramprasad Sengupta	Associate Professor, Centre for Economic studies and Planning, Jawaharlal Nehru University, New Delhi
14.	Shri Ram Swarth Jha	Research Scholar, Bihar University, Muzaffarpur
15.	Shri Ram Deen	Teacher Fellow, Department of Economics, Allahabad University, Allahabad
16.	Shri V. Purnachandra Reddy	Research Scholar, Department of Economics, S.V. University, Tirupati
17.	Shri Braj Mohan Gupta	Research Scholar, Department of Economics, M.M.H. College, Ghaziabad, Meerut University
18.	Shri Jagdish Shettiyar	Economic Analyst, ASSOCHAM, New Delhi
19.	Shri B.S. Ghuman	Research Fellow, Punjab School of Economics, Guru Nanak Dev University, Amritsar

ANNEXURE VII

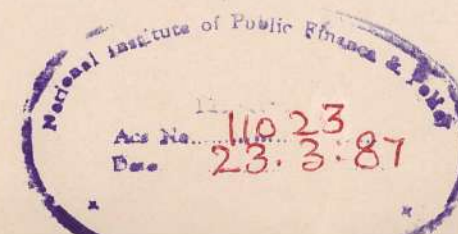
Lectures Delivered by Staff Members

Sl. No.	Name	Designation	Topic	Whom it was addressed	Date
1.	Dr. R.J. Chelliah	Director	Efficiency of Monetary and Fiscal Policies in Indian Economic Development Approach to the Formulation of Financial Planning Assessment and Projection of States Resources Incidence of Indirect Taxation (a) The Structure of Indian Taxation (b) The Assignment of Tax Powers in Federal Countries (c) The Case for an Expenditure Tax (d) Problems and Prospects of Indian Economic Development	National Defence College New Delhi Department of Personnel and Administrative Reform (Training Division) Centre for the Study of Regional Development (JNU) Indian Statistical Service Probationers Centre for Federal Financial Relations, Australian National University, Canberra Australia	March 11, 1981 January, 1981 August 25, 1980 April 25, 1980 October December, 1980
2.	Dr. A. Bagchi	Senior Fellow	India's Tax Structure Fiscal Policy in India	Central Excise Training School Institute of Economic Growth, Indian Economic Service Probationers	June August, 1980 September, 1981

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Sl. No.	Name	Designation	Topic	Whom it was addressed	Date
	Dr. A. Bagchi	Senior Fellow	Property Taxation	Indian Institute of Public Administration	October, 1980
	—do—	—do—	Inflation Accounting	Chaired a Session at the Management Development Institute	September, 1980
	—do—	—do—	Presented a Seminar on Issues and Problems in Income Taxation	Department of Economics, Visva-Bharati Santiniketan	February 1, 1981
3.	Dr. V. D. Lall	Senior Fellow	Role of Corporate Taxation in the Indian Fiscal System on Business and Industry	Course participants, Management Development Institute	May 22, 1980
	—do—	—do—	Comparative Analysis of Alternative Corporate Tax Bases and Systems	Course participants, Management Development Institute	May 23, 1980
4.	Dr. K.N. Reddy	Senior Fellow	Fiscal Policy and Social Justice (two lectures)	Department of Economics, American University, Washington D C	October 16, 1980
	—do—	—do—	Tax Incentives in Less Developed Countries	Department of Economics, American University, Washington D C	October 23, 1980
	—do—	—do—	Agricultural Taxation and Economic Development-An Indian Perspective	—do—	November 5, 1980
5.	Shri K. Srinivasan	Senior Consultant	Restructuring of Corporate Taxation for Faster Industrial Development	14th All India Conference of Corporate Managers and Tax Executives Organised by FICCI	October 10-11, 1980

Shri K. Srinivasan	Senior Consultant	Review of the Indian Economy	ASOCHAM	December 5, 1980
6.	Dr. Shyam Nath	Senior Economist	Discussant on the Paper of Public Expenditure in the course of Economic Planning in India	Conference of the Eastern Economic Association held at Montreal Canada May 9, 1980
	—do—	Capital Value Taxation	Indian Institute of Public Administration	September 16, 1980
	—do—	A Key-note Address on Valuation of Land and Buildings	Conference of Chairmen of Municipal Corporations and Municipalities of West Bengal, held at Digha	December 17, 1980
7.	Dr. M. Govinda Rao	Senior Economist	(a) Formulating Financial Plan for the States	Workshop on Development Planning conducted by the Centre for Regional Studies, Jawaharlal Nehru University May 7, 1980
		(b) Projecting State Taxes		May 8, 1980
		(c) Incidence of Indirect Taxes in India		May 26, 1980
	—do—	(d) Statistical Computation of State Tax Burdens	Probationers of Indian Statistical Service	November 15, 1980

Papers Prepared by Staff Members 1980-81

S. No.	Name	Designation	Topic	Published/read at Seminar or Conference
1.	Dr. R.J. Chelliah	Director	A Budget for Stability (2 articles) Reform of the Sales Tax	The Economic Times, February 25 and 26, 1981 The Economic Times, September 11 and 12, 1980, presented as a working paper at the Institute in October, 1980
2.	Dr. A. Bagchi	Senior Fellow	Is New Tax Holiday Less Beneficial to Industry? Valuation of Property for Taxation	Economic and Political Weekly, July 26, 1980 Conference of Chairmen of Municipal Corporations and Municipalities of West Bengal, held at Digha, December, 16-18, 1980
			Trends in Capital Formation, Growth of Domestic Product and Capital—Output Ratio : A Review	Annual Conference of the Indian Association for Research in National Income and Wealth held at Pune, December, 30-31, 1980
			Public Policy Issues relating to the Indian Economy	Paper presented at a Seminar organised by the Presidency College, Calcutta, March 14 and 15, 1981
3.	Dr. V.D. Lall	Senior Fellow	Budget and the Corporate Sector Integrated Corporate Taxation	Business Standard, March 31 and April 1, 1981 Business Standard, Annual 1980
4.	Shri K. Srinivasan	Senior Consultant	The case for Restructuring Taxes and Inflation and the Direct Taxes Corporate Taxation Impact on Economic Growth The Finance (No. 2) Act, 1980 and the Portents of Bearer Bonds	The Hindu, January 16, 17, 1981 Taxman, August, 1980 October, 1980 March, 1981
5.	Dr. M.C. Purohit	Fellow	Computerisation of Sales Tax Data University Finances—A Study in Union—State Relations Sales Tax Administration in India, U.S.A. and Canada A Comparative Study	Paper submitted to the Committee on Collecting Commodity-wise Sales Tax Revenue, Government of India, February, 1981 Singh Amrik and Sharma G. D. (1981) Association of Indian Universities, New Delhi At the Institute for Tax Administration, University of Southern California Los Angeles U.S.A. July, 1980
6.	Dr. Narain Simha	Senior Economist	(a) A Predictive Model for the Government Sector (b) Specifications of Trade Equations for Econometric Model of the Indian Economy	Conference of the Indian Econometric Society held at Pune December 30, 1980-January 1, 1981
7.	Dr. M. Govinda Rao	Senior Economist	Political Economy of Tax and Expenditure Determination, the Case of Four Indian States	Forthcoming book, 1981
8.	Dr. D. K. Srivastava	Senior Economist	Policy Simulations with a Macroeconometric Model of the Indian Economy A Macroeconometric Model of the Indian Economy On the Measurement of Poverty Population As An Arch Index : An Issue in Indian Federal Finance	Journal of Policy Modeling, North-Holland, New York (Accepted for publication) Somaiya Publications Pvt. Ltd., Bombay (Forthcoming book) Seminar given at the University of Dundee, Scotland U.K. Under submission to Public Finance
9.	Shri J V.M. Sarma	Econometrician	Method of Estimating Income Elasticity of Taxes	Working Paper, November, 1980
10.	Shri J. S. Kapoor	Consultant	Development Rebate, Initial Depreciation and Investment Allowance	Taxman, December, 1980

ANNEXURE IX

List of Corporate Sponsoring, Life and Ordinary Members as on May 15, 1981

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. Life Members

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

C. Ordinary Members

States/Union Territories

1. Bihar
2. Chandigarh
3. Delhi
4. Haryana
5. Jammu & Kashmir
6. *Manipur
7. Pondicherry
8. Sikkim
9. Tripura

*Since become a Life Member from June 4, 1981

D. Public Sector Banks

1. Bank of Baroda
2. Indian Bank
3. Indian Overseas Bank
4. State Bank of India
5. Syndicate Bank

E. Others

1. Air Headquarters
2. Coal India Ltd.
3. Hindustan Lever Ltd.
4. Silk and Art Silk Association
5. Visvesvaraya Centre for Management Studies
6. Shroff Industries Chemical (P) Ltd.
7. Star Diamond Tools
8. Mac Laboratories (P) Ltd.
9. Bennett, Coleman Co. Ltd.
10. Escorts Limited
11. Kamani Industries

ANNEXURE X

Members of the Governing Body as on March 31, 1981

1. Prof. D.T. Lakdawala
Chairman
NIPFP
C/o Sardar Patel Institute of Economics and Social Research
Post Box No. 4062
Ahmedabad 380009
2. Dr. B.K. Madan
B-100 Greater Kailash I
New Delhi 110048
3. Shri G. Ramachandran
Finance Secretary
Government of India
Ministry of Finance
New Delhi 110001
4. Shri R.N. Malhotra
Secretary
(Economic Affairs)
Ministry of Finance
Government of India
New Delhi 110001
5. Dr. Manmohan Singh
Member-Secretary
Planning Commission
Yojana Bhawan
New Delhi 110001
6. Dr. I.S. Gulati
C/o Centre for Development Studies
Aakulam Road
Ulloor
Trivandrum 695011
7. Shri I.Z. Bhatt
Director General
National Council of Applied Economic Research
"Parisila Bhawan"
11 Indraprastha Estate
New Delhi 110002

Chairman

Member

Member

Member

Member

Member

Member

8. Dr. V. B. Kadam
Adviser and Officer-in-charge
Economic Department
Reserve Bank of India
Central Office
Bombay 400001

Member

9. Shri S. Kumarasundram
Joint-Managing Director
Industrial Credit and Investment
Corporation of India Ltd,
163 Backbay Reclamation
Bombay 400020

Member

10. Shri K. N. Modi
President
Federation of Indian Chambers of Commerce and Industry
Federation House
Tansen Marg
New Delhi 110002

Member

11. Shri M. H. Mody
President
Associated Chambers of Commerce and Industry of India
17 Parliament Street
New Delhi 110001

Member

12. Shri V. Prabhakar
Special Secretary
Finance Department
Government of Maharashtra
Sachivalaya
Bombay 400 032

Member

13. Shri S. Padmakumar
Special Secretary
Finance Department
Government of Kerala
Trivandrum (Kerala)

Member

14. Shri D. K. Gangopadhy
Financial Commissioner
Finance Department
Government of Assam
Old Secretariat
Dispur
Gauhati (Assam)

Member

15. Dr. D. M. Nanjundappa
Secretary
Planning Department
Government of Karnataka
Vidhan Soudha
Bangalore 560 001

Member

16. Dr. C. Rangarajan
RBI Professor of Economics
Indian Institute of Management
Vastrapur
Ahmedabad 380015

Member

17. Dr. R. J. Chelliah
Director
National Institute of Public Finance and Policy
12 Rajendra Place
New Delhi-110 008

Member-
Secretary

NIPFP : ACCOUNTS

AUDITOR'S REPORT TO THE MEMBERS OF THE GENERAL BODY

We have examined the Statement of Financial Position of the National Institute of Public Finance and Policy as at 31st March 1981 and the annexed Income and Expenditure Statement for the year ended as on that date, which are in agreement with the books of accounts maintained by them.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for purposes of our audit. In our opinion proper books of account have been kept by the Institute so far as appears from our examination of the books.

In our opinion and to the best of our information and according to explanations given to us, the said statements, subject to and read with notes thereon, give a true and fair view :

- i) In the case of the Statement of Financial Position, of the state of the affairs of the Institute as at 31st March 1981, and
- ii) In the case of the Income and Expenditure Statement, of the deficit for the year ended on 31st March 1981.

For Sood Brij & Associates
Chartered Accountants
Brij Mohan Gupta
Partner

Place : New Delhi
Dated : 18th June 1981

STATEMENT OF FINANCIAL POSITION

	Schedule	As at 31st March	
		1981 Rs.	1980 Rs.
FUNDS	A	88,26,466	70,11,863
RESERVES	B	1,55,136	2,19,612
CURRENT LIABILITIES	C	10,96,841	3,76,601
TOTAL		1,00,78,443	76,08,076
REPRESENTED BY :			
FIXED ASSETS	D	37,10,476	13,70,572
INVESTMENTS	E	53,31,000	56,11,000
CURRENT ASSETS	F	10,36,967	6,26,504
NOTES ON ACCOUNTS	H	—	—
TOTAL		1,00,78,443	76,08,076

The Schedules referred above form integral part of this Statement.

J. K. Jain
Administrative Officer

Dr R. J. Chelliah
Director

Dr. D. T. Lakdawala
Chairman

Place : New Delhi
Dated : 18th June 1981

As per our Report of even date.
For Sood Brij & Associates
Chartered Accountants
Brij Mohan Gupta
Partner

INCOME AND EXPENDITURE STATEMENT

INCOME

	Year ended 31st March	
	1981 Rs.	1980 Rs.
Grant- in - Aid	5,00,000	5,00,000
Corporate Membership Fees	40,000	40,000
Project Fees	3,08,157	2,75,560
Course & Programme Fees	44,000	58,000
Interest on Investments :		
—Endowment Fund	4,75,679	4,67,574
—Research Fund	48,182	46,336
—Other Funds	24,820	15,434
ICSSR Senior Fellowship Grant	—	15,399
Workshop (Techniques of Budgetary Projection) Grant	—	25,050
Government of Gujarat Grant	7,860	31,606
Government of Uttar Pradesh Grant	2,393	6,423
Sale of Publication	120	820
Previous Year Adjustments	—	3,750
Excess Provision in Previous Year Written Back	4,064	1,267
Fluctuation in Foreign Currency Rate	—	159
Miscellaneous Income	10,384	183
	<u>14,65,659</u>	<u>14,87,561</u>
Net Deficit Transferred to General Reserve	14,476	29,756
TOTAL	<u>14,80,135</u>	<u>15,17,317</u>

EXPENDITURE

	Year ended 31st March	
	1981 Rs.	1980 Rs.
Salaries and Staff Benefits (including Rs. 34,184 towards Employer's Contribution to Staff Provident Fund)	8,12,754	7,49,869
Rent Rates & Taxes	2,85,762	2,50,277
Water & Electricity	21,667	15,507
Printing & Stationery	33,247	28,368
Workshop (Techniques of Budgetary Projections) Expenses	—	28,033
ICSSR Senior Fellowship Expenses	—	18,280
Seminar Expenses	406	—
ADIPA Conference Expenses	5,706	—
Postage, Telegram & Telephone	18,820	17,225
Repairs & Maintenance	18,908	25,020
Travelling & Conveyance	37,151	34,327
Motor Car Expenses	17,287	8,551
Books & Periodicals	17,728	8,980
Publication Expenses	—	684
Course & Programme Expenses	15,439	24,378
Training Expenses on Computer Staff	—	30,000
Ford Foundation Grant Expenditure :		
(For details refer to Schedule 'G')		
—Rupee Account - Initial Grant Expenses	1,20,617	6,76,960
Less : Utilised/Appropri- ated from Initial Grant in Rupee A/c	<u>1,20,617</u>	<u>6,76,960</u>
—Rupees Account - Supplem- entary Grant Expenses	62,898	—
Less : Utilised/Appropri- ated from Supplem- entary Grant in Rupee A/c	<u>62,898</u>	<u>—</u>
	<u>12,84,875</u>	<u>12,39,499</u>
Carried Over		

		Year ended 31st March	
		1981	1980
		Rs.	Rs.
Brought Forward		12,84,875	12,39,499
—Dollar Account - Initial			
Grant Expenses	2,08,029	—	3,42,462
Less : Utilised/Appropriates from Initial Grant			
Dollar A/c	2,08,029	—	3,42,462
—Dollar Account - Supplementary Grant Expenses	3,183		
Less : Utilised/Appropriated from Supplementary Grant in Dollar Account	3,183	—	—
Audit Fees		1,750	1,500
Miscellaneous Expenses		44,574	33,217
Loss on sale of Fixed Assets		—	2,154
Depreciation on Fixed Assets		1,01,467	1,13,972
Transfers to :			
—Capital Fund for Cost of Assets purchased		47,469	1,20,334
Previous Year Adjustments		—	6,641
TOTAL		14,80,135	15,17,317

REFER TO SCHEDULE 'H' FOR NOTES

J. K. Jain
Administrative Officer

Dr. R. J. Chelliah
Director

D. T. Lakdawala
Chairman

In terms of our Report of even date
For Sood Brij & Associates
Chartered Accountants
Brij Mohan Gupta
Partner

Place : New Delhi
Dated : 18th June 1981

FUNDS

CAPITAL FUND

Last Balance	14,36,930
Add : Cost of fixed Assets acquired during the year	47,469

ENDOWMENT FUND

Last Balance

LIFE MEMBERSHIP FUND

Last Balance

SCIENTIFIC RESEARCH FUND

Last Balance

BUILDING FUND

Last Balance 1,84,933

Add : Contributions/Transfers from :

—Grant from Central and State Governments	14,00,000
—I.C.I.C.I.	2,00,000
—Ford Foundation Grant	1,11,133
—Contribution from individuals	6,001
—Contingency Reserve	50,000

TOTAL

SCHEDULE 'A'

As at 31st March

1981	1980
Rs.	Rs.
14,84,399	14,36,930
48,00,000	48,00,000
1,00,000	1,00,000
4,90,000	4,90,000
19,52,067	1,84,933
88,26,466	70,11,863

J. K. Jain
Administrative Officer

Dr. R. J. Chelliah
Director

Dr. D. T. Lakdawala
Chairman

For Sood Brij & Associates
Chartered Accountants

Brij Mohan Gupta
Partner

Place : New Delhi
Dated : 18th June, 1981

SCHEDULE 'B'

RESERVES		As at 31st Marh	
		1981 Rs.	1980 Rs.
GENERAL RESERVE			
As per last account	1,16,253		1,46,009
Less : Deficit for the year	14,476	1,01,777	29,756
			1,16,253
CONTINGENCY RESERVE			
As per last account	75,000		
Less : Transfer to Building Fund	50,000	25,000	75,000
GRATUITY RESERVE			
As per last account		28,359	28,359
TOTAL		1,55,136	2,19,612

J. K. Jain
Administrative Officer

Dr. R. J. Chelliah
Director

Dr. D. T. Lakdawala
Chairman

Place : New Delhi
Dated : 18th June 1981

For Sood Brij & Associates
Chartered Accountants
Brij Mohan Gupta
Partner

SCHEDULE 'C'

CURRENT LIABILITIES & PROVISIONS

	As at 31st March	
	1981 Rs.	1980 Rs.
Balance in Grants for Committed Expenses	4,45,836	2,69,291
Over Draft from Bank	3,59,346	—
For Expenses	95,191	89,346
Security Deposit	100	100
Others	1,96,368	17,864
TOTAL	10,96,841	3,76,601

J. K. Jain
Administrative Officer

Dr. R. J. Chelliah
Director

Dr. D. T. Lakdawala
Chairman

Place : New Delhi
Dated : 18th June 1981

For Sood Brij & Associates
Chartered Accountants
Brij Mohan Gupta
Partner

FIXED ASSETS AS AT 31ST MARCH, 1981

Description	GROSS BLOCK AT COST			DEPRECIATION			W.D.V. as at	
	As at 1st April 1980	Additions during the year	Total	As at 31st March 1980	For the year	Total	31st March 1981	1980
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1. Leasehold Land	6,05,393	—	6,05,393	—	—	—	6,05,393	6,05,393
2. Furniture & Fixture	1,89,453	18,251	2,07,704	54,972	15,272	70,244	1,37,460	1,34,481
3. Office Equipment	2,50,924	2,320	2,53,244	52,765	30,072	82,837	1,70,407	1,98,159
4. Vehicles	29,977	—	29,977	17,699	2,456	20,155	9,822	12,278
5. Library Books	1,098	—	1,098	449	97	546	552	649
6. Data Processing Equipment	2,89,478	13,728	3,03,206	57,896	49,062	1,06,958	1,96,248	2,31,582
7. Airconditioners & Water Coolers	27,487	13,170	40,657	10,607	4,508	15,115	25,542	16,880
	13,93,810	47,469	14,41,279	1,94,388	1,01,467	2,95,855	11,45,424	11,99,422
8. Building Work-in-Progress	—	—	—	—	—	—	25,65,052	1,71,150
TOTAL							37,10,476	13,70,572

NOTE :— Building work-in-progress includes advances of Rs. 1,35,388 to parties and building materials with Contractor at cost amounting to Rs. 3,06,844.

J. K. Jain
Administrative Officer

Dr. R. J. Chelliah
Director

Dr. D. T. Lakdawala
Chairman
For Sood Brij & Associates
Chartered Accountants
Brij Mohan Gupta
Partner

Place : New Delhi
Dated : 18th June, 1981

SCHEDULE 'E'

INVESTMENTS
(In Fixed Deposits)

	With Public Sector Banks	With Public Limited Companies	As at 31st March	
	Rs.	Rs.	1981	1980
Endowment Fund	41,00,000 (43,00,000)	5,00,000 (5,00,000)	46,00,000	48,00,000
Scientific Research Fund	4,90,000 (4,90,000)	—	4,90,000	4,90,000
Life Membership Fund	1,00,000 (1,00,000)	—	1,00,000	1,00,000
Others	1,41,000 (2,21,000)	—	1,41,000	2,21,000
TOTAL			53,31,000	56,11,000

J. K. Jain
Administrative Officer

Dr. R.J. Chelliah
Director

Dr.D. T. Lakdawala
Chairman

For Sood Brij & Associates
Chartered Accountants
Brij Mohan Gnpta
Partner

Place : New Delhi
Dated : 18th June 1981

CURRENT ASSETS

CASH AND BANK BALANCES

		As at 31st March	
		1981	1980
		Rs.	Rs.
Cash on hand	20		574
Postage Imprest	73		81
In Current Accounts with Banks	80,285		3,03,364
In American Express, New York (Equivalent Indian Rupees)	3,92,097	4,72,475	2,10,469

ADVANCES AND DEPOSITS

Interest Accrued on Investments	43,827		50,106
Advance to Building Contractor	3,46,920		—
Project Fee Accrued	1,11,492		—
Expenses Recoverable	20,339		31,728
Prepaid Expenses	15,818		27,312
Security Deposit	9,682		547
Staff Imprest	11,860		373
Leave Travel Concession Advance	2,700		1,950
Staff Advances	1,854	5,64,492	

TOTAL		10,36,967	6,26,504
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J.. K. Jain
Administrative Officer

Dr. R. J. Chelliah
Director

Dr. D. T. Lakdawala
Chairman

For Sood Brij & Associates
Chartered Accountants

Brij Mohan Gupta
Partner

Place : New Delhi
Dated : 18th June, 1981

FORD FOUNDATION GRANT EXPENDITURE

a) Rupee Account - Initial Grant

Expenditure :
—Contribution to Building Fund
—Collaborative Research
—Fellowship Abroad
—Miscellaneous

Less : Utilised/Appropriated from
Initial Grant in Rupee A/c

b) Rupee Account - Supplementary Grant Expenditure

—Collaborative Research
—Books & Periodicals
—Miscellaneous

Less : Utilised/Appropriated from Supplementary
Grant in Rupee A/c

c) Dollar Account — Initial Grant

Expenditure :
(Rupee Equivalent)
—Fellowship Abroad
—Books & Periodicals
—Miscellaneous

Less : Utilised/Appropriated from
Initial Grant in Dollar A/c

d) Dollar Account - Supplementary Grant Expenditure :

(Rupee Equivalent)
—Books & Periodicals
—Miscellaneous

Less : Utilised/Appropriated from Supplementary
Grant in Dollar A/c

J. K. Jain
Administrative Officer

Dr. R.J. Chelliah
Director

Place : New Delhi
Dated : 18th June 1981

SCHEDULE 'G'

Year ended 31st March

1981	1980
Rs.	Rs.

1,11,133	
8,830	
361	
293	
1,20,617	6,76 960

1,20,617	6,76 960
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29,917	
32,731	
250	
62,898	—

62,898	—
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1,98,096	
8,890	
1,043	
2,08,029	3,42,462

2,08,029	3,42,462
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3,074	
109	
3,183	

3,183	—
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Dr.D. T. Lakdawala
Chairman

For Sood Brij & Associates
Chartered Accountants

Brij Mohan Gupta
Partner

SCHEDULE 'H'

NOTES ON ACCOUNTS

(Annexed to and forming part of the Statement of Financial Position as at 31st March 1981 and Statement of Income and Expenditure for the year ended on that date)

1. The Contingency Reserve does not represent any specific liability.

2. FORD FOUNDATION GRANT

(a) Ford Foundation sanctioned a support Grant of US \$ 200,000 to the Institute during 1978-79 which has been utilised/appropriated except to the extent of \$ 42.20 lying with American Express Banking Corporation, New York.

(b) Ford Foundation further sanctioned a supplementary Grant of US \$ 245,000 during 1980-81 out of which US \$ 65,000 have been received during the year which the Institute has utilised/appropriated as under :

	In Dolor A/c	In Rupee A/c	
	US \$	\$	Rs.
Received	50,000	15,000	1,16,635
Utilised/Appropriated	403	8,089	62,898
Balance	49,597	6,911	53,737

(c) The Dollar Account has been translated to rupee equivalent at the rates prevailing at the time of credit and utilisation thereof at the same rates.

3. The Gratuity Reserve adequately provides for the liability towards gratuity to the Director. In respect of other employees of the institute the gratuity liability does not accrue as at the year end.

4. (i) The deed for leasehold land acquired from Delhi Development Authority during the year 1978-79 has to be executed in favour of the Institute.

(ii) Payments relating to Building Work-in-progress have been booked under a control account. However, the detailed accounting has yet to be carried out.

5. Institute has pledged investments in form of Bank Deposits to the extent of Rs. 13 lakh to arrange overdraft facilities from the Bank.

6. The management of the Institute confirms the extent of utilisation / appropriation of all the grants in accordance with the purpose for which these have been received.

7. Corporate Membership Fees have been accounted on actual receipts basis.

8. The expenditure on Books and Periodicals is inclusive of remittances against which the publications are to be received.

9. Stocks of priced publications in hand are not being considered in the books of account.

10. Leave Travel Concession benefit to employees is being charged at the time of actual disbursement.

11. Previous year figures have been rearranged wherever necessary.

J. K. Jain
Administrative Officer

Dr. R. J. Chelliah
Director

Dr. D. T. Lakdawala
Chairman

For Sood Brij & Associates
Chartered Accountants

Brij Mohan Gupta
Partner

Place : New Delhi
Dated : 18th June 1981