

MAHESH C. PUROHIT

*Senior Fellow (Professor), National Institute of Public Finance and Policy (NIPFP), New Delhi.*

C. SAI KUMAR

*Consultant, NIPFP.*

GOPINATH PRADHAN

*Senior Economist, NIPFP*

O.P. BOHRA

*Research Assistant, NIPFP*

National Institute of Public Finance And Policy, New Delhi, is an autonomous, non-profit organisation whose main functions are to carry out research, do consultancy work for governments and impart training to the officials of various governments in public finance and related fields of policy, In addition to undertaking original research work, the Institute strives to fulfil the role of a vehicle for transferring the results of applied research to policy making in the country in the realm of public finance.

The Institute also acts as a forum in which officials belonging to the Central and State Governments, representatives of the private sector, leading financial institutions and academicians can exchange ideas and information. With this end in view, seminars and conferences are organised by the Institute from time to time. However, its main activities relate to research conducted on its own initiative and that sponsored by the member governments.

**Other Publications of  
National Institute of Public Finance & Policy  
published by Vikas Publishing House Pvt Ltd**

---

**REVENUE AND EXPENDITURE PROJECTIONS:**

**Evaluation and Methodology**

V.G. RAO, REVISED & EDITED BY DR ATUL SARMA

To impart greater objectivity to forecasts of revenues and expenditures of the State Governments the Eighth Finance Commission sponsored this study. The basic thrust of the study is on developing methodologies to project government tax revenues and non-plan revenue expenditures on a scientific basis.

**THE OPERATION OF MODVAT**

A.V.L. NARAYANA, AMARESH BAGCHI & R.C. GUPTA

The Modified Value-Added Tax (MODVAT), introduced in the Union Budget of India in 1986, has been a major reform of the Union excise duty structure. It seeks to progressively relieve inputs from excise and countervailing duties and to provide transparency to consumers of the total incidence of excise tax on a product. The reform was expected to reduce the cascading effect of indirect taxes and thereby improve the competitiveness of Indian Industry as well as avoid unintended distortions in the burden of excise taxation.

**FISCAL INCENTIVES AND BALANCED REGIONAL  
DEVELOPMENT: An Evaluation of Section 80 HH**

PAWAN K. AGGARWAL & H.K. SONDHI

Since the advent of planning for economic development, the Government of India has been making concerted efforts to correct regional socio-economic imbalances. With a view to promote development of backward areas through the policy of industrial dispersal, financial concessions and tax incentives are made available to entrepreneurs to set up industry in backward areas. The present study evaluates one such tax incentive - backward area development allowance (Section 80HH of the Income Tax Act, 1961).

**STATE FINANCES IN INDIA**

*Edited by* A. BAGCHI, J.L. BAJAJ & W.A. BYRD

The study examines a broad range of topics such as the nature and adequacy of revenue bases, tax composition and buoyancy, plan implementation and financing, central transfers and centrally-sponsored schemes, local government finances, externally aided projects, and others, which deserve serious attention from researchers and policymakers.

**VIKAS PUBLISHING HOUSE PVT LTD**

576, Masjid Road, Jangpura, New Delhi 110014