

• Annual Report
• 2011–2012





**National Council
of Applied Economic
Research**

Annual Report
2011–2012

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NCAER | Quality . Relevance . Impact

The National Council of Applied Economic Research (NCAER), is an independent policy research institute that supports India's economic development through applied economic research. It is India's oldest and largest economic policy think-tank. NCAER was inaugurated by the President of India, Dr Rajendra Prasad, in December 1956.

NCAER's founding fathers in its first Governing Body in 1956 included leading figures from both the public and private sectors: John Mathai (India's first Finance Minister and then Chairman, SBI), C.D. Deshmukh (India's first RBI Governor and second Finance Minister), T.T. Krishnamachari (Minister of Commerce & Industry), V.T. Krishnamachari (Deputy Chairman, Planning Commission), Asoka Mehta (MP), J.R.D. Tata (Chairman, Tata Industries), John F. Sinclair (Gen. Manager, Burmah-Shell), and N.R. Pillai (India's first Cabinet Secretary and Secretary-General, Ministry of External Affairs). The Ford Foundation provided much of the initial financial support, including for NCAER's campus, for which Prime Minister Jawaharlal Nehru laid the foundation stone in October 1959. NCAER's campus in New Delhi, designed by India's pioneering modern architect, A.P. Kanvinde, is sited in one of the most desirable locations in the nation's capital.

NCAER's work today is divided into four research areas:

- Growth, trade, and economic management
- The investment climate, physical and economic infrastructure
- Agriculture, rural development, and natural resource management
- Poverty, human development, household behaviour, and gender

The bulk of NCAER's operating revenues come from research studies done for the government and the private sector. This is supplemented by research and institutional grants from donors and internal resources from NCAER's endowment. Much of the focus of NCAER's work is on generating and analysing empirical evidence to support and inform policy choices. NCAER is one of a handful of think-tanks in the world that combine rigorous policy analysis and



The NCAER campus in New Delhi.

outreach with strong data collection capabilities, particularly for large-scale, national household surveys. NCAER publishes *Margin: The Journal of Applied Economic Research*.

NCAER's ninth Director-General, Dr Shekhar Shah, joined in May 2011 from the World Bank where he was the Bank's Regional Economic Adviser for South Asia. NCAER's Governing Body is headed by its President, Mr Nandan M. Nilekani, Chairman, Unique Identification Authority of India.

NCAER has extensive links in India, and global links with major think-tanks and universities abroad, including the Brookings Institution, the National Bureau of Economic Research, the Pew Research Center, Columbia University, the University of Maryland, and a number of other US universities; the London School of Economics and Oxford University; the New Economic School in Moscow; Tsinghua University in Beijing; Australian National University, Monash University, and ACIAR in Australia; and the Fung Global Institute in Hong Kong. NCAER has links in South Asia with the Institute of Policy Studies, Colombo; the Pakistan Institute of Development Economics, Islamabad; and the Bangladesh Institute of Development Studies and the Centre for Policy Dialogue in Dhaka.



For further details please visit www.ncaer.org

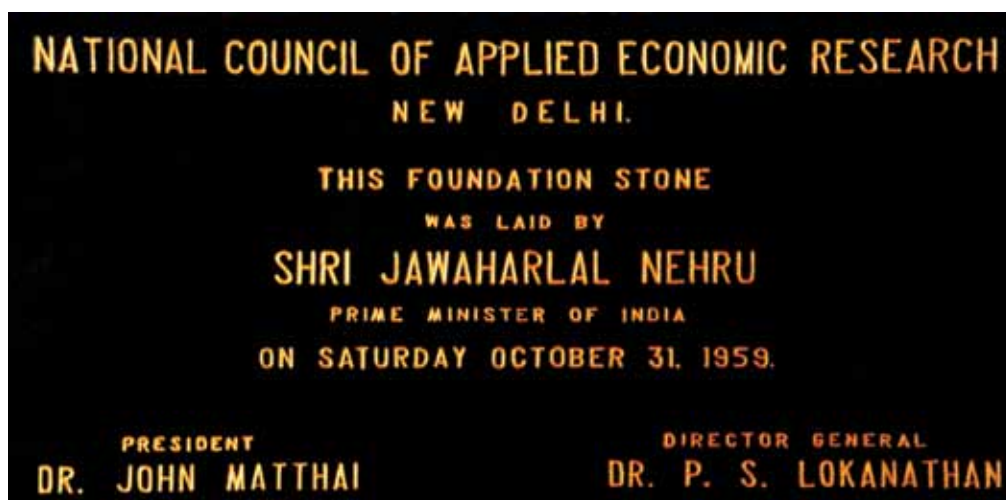




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Foundation stone of the current NCAER building laid in October 1959.

The Institution

Governing Body

The Governing Body of NCAER, headed by its President, includes prominent persons from government, industry, and academia, and is elected by the General Body of the Council. The chief executive of NCAER is its Director-General. The General Body includes representatives of the central and state governments, public sector corporations, corporate houses, and other institutions.

The Governing Body met three times during 2011–12; on 19 April 2011, 15 September 2011, and 24 February 2012. The General Body met on 15 September 2011.

President	
Nandan M. Nilekani	Chairman, Unique Identification Authority of India, New Delhi
Vice-President	
M.S. Verma	Ex-Chairman, Telecom Regulatory Authority of India and State Bank of India
Members	
Isher Judge Ahluwalia	Chairperson, Board of Governors, ICRIER, New Delhi
Mukesh D. Ambani	Chairperson, Reliance Industries Ltd, Mumbai
Surjit S. Bhalla	Managing Director, O(x)us Investments Private Ltd, New Delhi
Yogesh C. Deveshwar	Chairperson, ITC Ltd, Kolkata
Ashish Dhawan	Senior Managing Director, ChrysCapital Investment Advisors India, New Delhi
R. Gopalan	Secretary, Economic Affairs, Ministry of Finance, Government of India, New Delhi (<i>Until July 31, 2012</i>)
Naina Lal Kidwai	Chief Executive Officer, HSBC India, Mumbai
Arvind Mayaram	Secretary, Economic Affairs, Ministry of Finance, Government of India, New Delhi (<i>From August 1, 2012</i>)
Pratap Bhanu Mehta	President and Chief Executive, Centre for Policy Research, New Delhi
Deepak S. Parekh	Chairperson, Housing Development Finance Corporation Ltd, Mumbai
Rajendra S. Pawar	Chairperson, Co-founder, NIIT Group, New Delhi
Shekhar Shah	Director-General, NCAER, New Delhi (ex-officio)
Secretary	
Jatinder S. Bedi	Secretary and Head, Operations, NCAER, New Delhi

Founding Governing Body Members in 1956

John Mathai
Chairman, State Bank of India

C.D. Deshmukh
Union Minister of Finance

T.T. Krishnamachari
Union Minister of Commerce and Industry

V.T. Krishnamachari
Deputy Chairman, Planning Commission

J.R.D. Tata
Chairman, Tata Industries Ltd

Asoka Mehta
Member of Parliament

J.F. Sinclair
General Manager, Burmah-Shell Oil Storage and Distributing Co. of India Ltd

N.R. Pillai
Secretary-General, Ministry of External Affairs

General Body

Life Members

Subir Gupta

D.N. Patodia

S.M. Wahi

Patron Members

Bata India Ltd

DCL Polyesters Ltd

ICICI Bank Ltd

State Bank of India

Special Member

New Zealand High Commission, New Delhi

Corporate Members

1. Ajay Sethi and Associates, Chartered Accountants
2. Apollo Tyres Ltd
3. Associated Chambers of Commerce and Industry of India
4. Bharat Forge Ltd
5. Central Board of Excise and Customs
6. CESC Ltd
7. Godrej and Boyce Manufacturing Company Ltd
8. Hindalco Industries Ltd
9. HSBC India
10. Indicus Analytics

11. ILFS Ltd
12. Kotak Mahindra Bank Ltd
13. Max India Ltd
14. NASSCOM
15. National Dairy Development Board
16. National Stock Exchange of India Ltd
17. NIIT Ltd
18. Orient Paper and Industries Ltd
19. Rai Foundation
20. Reliance Industries Ltd
21. Sakthi Sugars Ltd
22. Seminar Publications

23. SRF Ltd
24. Telecom Regulatory Authority of India

25. Triveni Engineering and Industries Ltd
26. V. Malik and Associates, Chartered Accountants

Ordinary Members

1. Agarwal Maheswari & Company
2. EPW Research Foundation
3. Martin & Harrish Pvt. Ltd
4. Sidho Mal Paper Conversion Company Pvt. Ltd



The first Prime Minister of India, Pandit Jawaharlal Nehru, laying the foundation stone of NCAER's building in 1959.



Dr Shekhar Shah addressing the Governing Body.



Mr Nandan M. Nilekani



Mr Ashish Dhawan and Mr Rajendra S. Pawar



Mr M S Verma



The Governing Body listening to the architect, Mr Pankaj Vir Gupta, describing the design for the new NCAER Campus.
Governing Body meeting February 24, 2012.

Director-General's Report

As I look back on my first year as the Director-General of NCAER, it is hard to believe that so much has happened in the months since I joined in May 2011. Certainly, my NCAER colleagues and I have been hard at work with the support of our Governing Body and NCAER's well-wishers in India and abroad. I welcome this opportunity to reflect on the year and share some of our achievements, the vision for a rejuvenated NCAER that is powering these achievements, and the challenges that lie ahead.

At the outset, I want to record my deep appreciation for the faculty and staff of NCAER. I much value the support they have extended to me as I have come to understand better the workings of NCAER, its enduring national legacy, and its aspirations for the future. NCAER is India's oldest and largest economic think-tank. It is also one of a handful of think-tanks in the world that combine rigorous analysis and policy outreach with deep data collection capabilities, particularly for large-scale household surveys. This is a unique combination of capacities that has allowed NCAER to live up to the "applied economic research" in its name.

The scope and reach of NCAER's work

For more than 55 years, NCAER has deployed both cutting-edge research methodologies and uniquely focused and timely data in addressing the policy design and implementation problems that it tackles. As India undergoes perhaps the world's largest economic and social transformations in a democracy, there is no part of its society that is left untouched. Understanding this transformation in its multiple dimensions, and gathering and analysing evidence to evaluate the efficacy of government policies and to examine the

private sector's role in this transformation are key objectives that NCAER continues to serve.

Certainly, both domestic and global developments over the past year have pointed to the fragility of such transformations. The substantial slowdown in India's economic growth, one of the lowest manufacturing growth rates in the last two decades, persistent high inflation, growing fiscal stress and a rising current account deficit, a depreciating rupee, an investment slowdown, and rising concerns about governance, all come at a point when just 12 to 18 months back the economy seemed well poised to continue its rapid growth as a leading emerging market economy. Outside India, the doldrums in the Eurozone with growth in 2012 projected to be negative, the continuing lack lustre performance of the US economy, and persistent high unemployment in the OECD countries continue to raise concerns about the prospects for the medium-term and the implications for India.

Against the backdrop of India's economic transformation and the continuing challenges of policy and implementation, the role of an independent economic think-tank like NCAER becomes all the more important at many levels for both the public and private sectors. At the macro and international level, this includes assessments of India's macroeconomic management, its investment climate, its trading, financial, and FDI links with the global economy, and its growth prospects, issues that NCAER addresses through its periodic reviews and its macro-modelling, trade research, and G20-related work. At the sector level, this includes assisting ministries, industry associations, and the private sector to get a robust, evidence-based assessment of policy and implementation in areas such as



“For more than 55 years, NCAER has deployed both cutting-edge research methodologies and uniquely focused and timely data in addressing the policy design and implementation problems that it tackles.”

agriculture, finance, infrastructure, urban development, and skills formation. At a more micro level, an important role that NCAER plays is in its evaluations of specific schemes such as the Mahatma Gandhi National Rural Employment Guarantee Scheme, the *Sarva Shiksha Abhiyan*, the Integrated Child Development Services program, and service delivery schemes to universalise health care.

NCAER's leading role in public policy discussions

The public give and take over research and policy findings and the wider sharing of its scholarly work is the life and blood of a policy research institute. It is also one of the most enjoyable aspects of life in a think-tank. Certainly, the events calendar of NCAER seminars, lectures, and conferences remained very full in 2011–12. Many of these discussions centred round work done by NCAER, but we also continued to provide a forum for disseminating research done by others. I would like to emphasise how important this outreach function is for NCAER to live up to the goal of ensuring the quality, relevance, and impact of its work.

Almost all NCAER events have a key underlying commitment to the use of empirical evidence to drive policy recommendations. This was in ample evidence in one of NCAER's flagship conferences, the India Policy Forum (IPF), the annual conference on the Indian economy NCAER organises in New Delhi in partnership with the Brookings Institution in Washington DC. The IPF explores India's rapidly evolving and sometime tumultuous economic transition using specially commissioned, policy-relevant, empirical research. An International Advisory Panel and an International Research Panel support the IPF through advice, active participation in the Conference, and the

search for innovative papers that promise fresh insights.

IPF 2011, the eighth in the series, was held on July 12–13, 2011 with generous support from the Indian corporate sector, particularly our lead partners State Bank of India and HDFC. Five high-quality papers on India covered the financial sector, food subsidies, health coverage, food inflation, and capital controls. The 2011 IPF Lecture was delivered by Mr Montek Singh Ahluwalia, Deputy Chairman of the Planning Commission, on "Challenges for India in the 12th Five Year Plan, 2012–17." IPF 2011 concluded with a lively Policy Roundtable on "From Price Distortions to Subsidies that Work for the Poor."

The IPF was also the occasion to launch the *India Policy Forum 2010/11* volume published by SAGE Publications and containing the papers and discussion highlights of the previous year's IPF. It is a matter of great pride that the *IPF* volume is consistently the highest ranked economics journal published out of India based on citation counts by RePEc, ahead of the next Indian journal by more than some 300 global rankings.

A full programme of seminars, conferences, and training clinics was held in 2011–12 as part of the IDRC-supported research on rural governance and growth in India. The conference on "The Impact on Local Governance and Rural Service Provision of Political Reservations for Women" in Patna on May 10, 2011 was the third in this series, following similar events in Bengaluru and Ahmedabad the previous year. A workshop on different forms of rural governance and their outcomes was organised on July 14, 2011 and chaired by Mani Shankar Aiyar, former Union Minister for Local Government and Rajya Sabha member. A 2012 workshop on

"Managing Water through Panchayats" was held in March, combining research from the rural governance project with another research project on effective public service delivery funded by the Global Development Network. NCAER also organised two week-long training clinics in May and December 2011 for NCAER and outside faculty on tools for empirical analysis of household surveys.

Arvind Panagariya kicked off NCAER's Distinguished Lecture Series with his timely talk on "India in the Global Economy: The Next 15 Years" on May 25, 2011. Mr T.N. Ninan, Chairman of the *Business Standard*, provided expert comments.

NCAER, in collaboration with Random House India, sponsored a panel discussion and book launch on July 20, 2011 of *Poor Economics: rethinking poverty and the ways to end it* by Abhijit Banerjee and Esther Duflo. NCAER's President, Nandan Nilekani, was the featured panelist. Later that same month, on July 28, Abhijit Banerjee delivered a talk in NCAER's Distinguished Lecture series on "The Challenge of Improving Health in India". He argued that the large body of knowledge about the supply and demand for healthcare in India made it very clear that offering comprehensive coverage will be an extraordinarily challenging proposition without major changes in demand and supply.

In 2011, the India International Centre (IIC) requested NCAER to prepare and present the prestigious Malcolm S. Adisheshiah Mid-term Review of the Indian Economy. Dr Bimal Jalan, past President of NCAER and former RBI Governor, chaired the Review on November 4, 2011. Besides recent macroeconomic developments, the Review focused on three thematic areas: inflation, the role of services in sustaining economic growth, and

Panchayat-led rural decentralisation. Our long-standing work in infrastructure was highlighted by a December 2011 workshop that launched a sponsored study on factors responsible for successful implementation of infrastructure projects in airports, ports, roads and power.

Along with the National Bureau of Economic Research (NBER) in the US and ICRIER, NCAER co-sponsored the 13th Annual Neemrana Conference from December 16 to 18, 2011. Started by NCAER in 1999 as a partnership with NBER, it has evolved in recent years into an alternate-year partnership also with ICRIER, which took the lead on the 2011 Conference. I chaired an interesting session on telecommunications, including discussions on spectrum auctions and valuation, issues on everyone's mind with the controversy about 2G spectrum sales earlier in the year.

NCAER joined Columbia University on January 5, 2012 for a pre-publication discussion of a book by Columbia faculty and NCAER Non-resident Senior Fellows, Jagdish Bhagwati and Arvind Panagariya. Tentatively titled *India's Tryst with Destiny: Debunking Myths that Undermine Progress and Addressing New Challenges*, the book notes that Nehru's famous phrase reflected two aspirations: the politics of democracy and the economics of poverty removal. The trajectories of India's achievements in politics and economics seem opposed: at the outset the politics was a great success with a robust and liberal democracy, yielding later to the problems of governance. By contrast, the economics was a failure in the beginning until the post-1991 reforms led to accelerated growth and then to an effective assault on poverty. It is with some anticipation that we now await the release of the book, which NCAER will help launch.

Presidents of the NCAER Governing Body

John Mathai
1956–1959

V.T. Krishnamachari
1959–1964

Asoka Mehta
1964–1981

Prakash L. Tandon
1981–1992

Bimal Jalan
1992–1993

Lovraj Kumar
1993–1994

Ratan Tata
1994–1998

Bimal Jalan
1998–2008

Nandan M. Nilekani
2008–present

The importance for India to monitor agricultural performance on a continuous basis cannot be over-emphasised, highlighted by the periodic prospects of an inadequate monsoon and drought. Recognising this need, the Ministry of Agriculture has commissioned NCAER to prepare quarterly and semi-annual reports over the next several years on the prospects for food crops. NCAER organised a day-long agenda-setting workshop on January 12, 2012 to understand Indian information systems on agricultural markets and to compare them with the systems used by the US Department of Agriculture as described by the USDA officials who joined the workshop. P.K. Basu, Secretary, Ministry of Agriculture; Abhijit Sen, Member, Planning Commission; and Ashok Gulati, Chairman, Commission on Agricultural Costs and Prices led the discussions on the Indian side.

As part of NCAER's outreach to the private sector in India and abroad, NCAER faculty and I made a number of presentations during the year. A particularly useful presentation was the one I made to the annual IMA India CFO Forum in Jodhpur on March 3, 2012 on the topic, "Can India End Poverty in a Generation?" building on the interest in India's demographic transition and what it would take to make it a dividend rather than a disaster. It is heartening to note that the demand for NCAER faculty to undertake such speaking engagements is rising.

In association with Penguin India, NCAER organised a discussion on March 13, 2012 with Bimal Jalan on his latest book, *Emerging India: Economics, Politics and Reforms*. Marking the twenty-year milestone of economic liberalization in India, the book notes the concerns about the country's future prospects as an emerging power and how these stem from a history of sharp swings in India's fortunes. I would also like to express my gratitude to Dr Jalan for

gifting his archives to the NCAER Library, further enhancing its reputation as one of India's finest economics libraries.

On March 20, 2012, NCAER hosted the seventh in the series of the Sir John Crawford Lectures by Gordon de Brouwer, Associate Secretary for Domestic Policy in the Office of the Australian Prime Minister and the Australian 'Sherpa' for the G20. His talk on "The Asian Century and the G20: An Australian Perspective on a Changing World" was presided by Kaushik Basu, Chief Economic Adviser to the Government of India. The lecture was sponsored by the Australia-India Council as part of celebrating its 20th Anniversary.

The annual Union Budget remains the litmus test for assessing the direction and the detail of the government's policy thinking. In 2007 I started the practice of bringing five prominent think-tanks together to take a long-term view of the Union Budget. NCAER organised the sixth in the series of these Budget Seminars on March 21, 2012, with its partners, CPR, ICRIER, IDF, and NIPFP. The seminar addressed the key questions of how India could return to high growth in a non-inflationary way, increase the effectiveness of public expenditures, and address issues of governance. As in the past, the Seminar was expertly moderated by T.N. Ninan, Chairman and Editorial Director of the *Business Standard*.

NCAER's data and research activities

As in years past, NCAER managed a large portfolio of sponsored research projects spread over topics and public and private sponsors. In addition, from time to time, NCAER mounts large household survey efforts designed to renew its unique data sets. These data sets, besides being made available to outside users in several forms, are also often deployed by NCAER faculty in their research and policy-oriented

writing, funded either through donor grants or endowment income.

The work programme at NCAER falls into four areas: growth, trade, and economic management; the investment climate, physical and economic infrastructure; agriculture, rural development, and natural resource management; and poverty, human development, household behaviour, and gender. NCAER research in these areas is described in the relevant sections of this Annual Report. I note three highlights of our work during 2011–12 to illustrate its depth and breadth.

1. Data collection. Building on its more than 55-year legacy of primary data collection, NCAER continues to fill a unique niche in India of collecting, assembling, and analysing wide-ranging sample survey data on the Indian economy and society. 2011–12 saw two such major efforts in full swing, the 2nd India Human Development Survey and the National Survey of Household Income and Expenditure 2011–12.

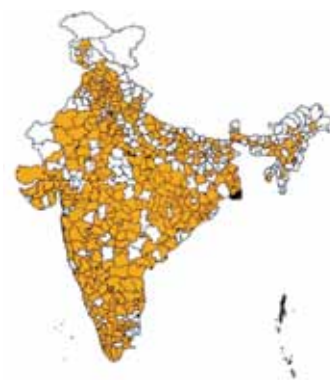
The 2nd India Human Development Survey (IHDS-II), which is building an Indian national panel data set on the basis of the IHDS-I carried out in 2004–2005, is a nationally representative, multi-topic survey of some 41,500 households spread across 33 Indian states and union territories. The IHDS initiative is a long-standing partnership between NCAER and the University of Maryland funded by the US National Institutes of Health. The goal of IHDS is to document changes in the lives of Indian households in a society undergoing rapid transition. In documenting the way ordinary people live, work, educate their children, care for their aged parents, plan their careers, and deal with ill health, it seeks to infuse policy making with their lived experience based on the analysis of high-quality survey data.

A major innovation of IHDS-II is the addition of a youth module administered to some 17,700 youth aged 15–18, a majority of whom were also interviewed as 8–11 year olds in IHDS-I. Part of the sample for IHDS-I and IHDS-II is drawn from an early NCAER study, the Human Development Profile of India (HDPI), conducted in 1993–94. All IHDS and HDPI data are freely downloadable from the website of the Interuniversity Consortium for Political and Social Research located at the University of Michigan.

NCAER pioneered the systematic collection of consumer behaviour information in India, with its largest effort the nationwide MISH or Market Information Survey of Households conducted almost continuously since 1985. The last round, renamed the National Survey of Household Income and Expenditure (NSHIE), was conducted in 2004–05. NSHIE is designed to meet the information and analytical needs of decision-makers in business and policy making and to provide a vital source of new Indian data on consumer behaviour.

NCAER's CMCR group launched a new round of NSHIE in March 2011 with a Listing Survey covering over half a million households as the basis for the sampling frame. The NSHIE sample is nationally representative by rural and urban sectors, covers 75 NSSO zones, and will also be used in the study of markets based on the industry standard Socioeconomic Classification. The second-stage, Main Survey, from which income and other estimates will be generated, covers a sample of around one lakh households.

2. Agriculture and infrastructure. Agriculture and infrastructure have always been key areas of work at NCAER, and in 2011–12 both involved a range of complex and challenging assignments. As already



Districts covered by IHDS-II in 2011–12.

noted, NCAER is helping the Ministry of Agriculture set up a process for integrating input and output information to assess the short- and medium-term outlook for agriculture. NCAER will prepare the initial short-term assessments every quarter and medium-term reports semi-annually. A complementary project at NCAER is working on recommendations for improving the functioning and transparency of food and agricultural markets in line with G20 commitments.

In other related work, NCAER was supported by a grant from the Australian Centre for International Agricultural Research to do a two-part study on facilitating efficient agricultural markets in India and on price, competition, and supply chain issues in the market for onions, often viewed as an early political barometer of inflation. In another study, NCAER is looking at optimal food-grain stocking policies for India.

I am very pleased to note that NCAER was awarded a NABARD Chair by the National Bank for Agricultural and Rural Development, which has selected Dr Anil K. Sharma for the Chair. This will allow greater flexibility for independent research in agriculture, microfinance and rural development.

NCAER's work on infrastructure development has always been front and centre. The Railway Ministry asked NCAER to do a demand study for passenger train travel, including issues of willingness to pay, based on passenger and household surveys that are now being analysed. Also in transport, NCAER has been supporting the National Transport Development Policy Committee through a study examining India's transport taxes and their impact on the economy and related fiscal and allocative efficiency issues in transport. NCAER has also completed

studies assessing the economic impact on the economy of airline operations for Emirates Airlines and of Delhi Airport's construction and operation for GMR Ltd.

The Delhi airport study, the first in India, uses an input-output approach to calculate the multiplier effects of both capital and operational expenditures. NCAER has completed a draft study at the request of the Delhi Development Authority evaluating alternative models of land pooling and public-private partnerships in land development in Delhi.

Given the huge infrastructure agenda in the next five years, understanding what leads to good project implementation in time, cost, and quality is important. To explore this, NCAER did a sponsored report based on a set of 16 case studies across sectors and different public-private implementation arrangements. NCAER also did a project for the Planning Commission to recommend model contracts for PPPs in national highways. NCAER's work on the e-readiness assessment of states and on an e-development index for states has been seminal in benchmarking readiness for IT enabling government.

3. Evaluation and special purpose studies. Using a range of survey and analytical tools, NCAER typically has a number of research studies underway dealing with specific policy or programme evaluation questions of interest to governments and the private sector. NCAER is conducting a study on the impact of parallel book and media imports on students for the Ministry of Human Resource Development. NCAER has been commissioned along with two other research institutions by the Ministry of Finance to do a study of unaccounted income and wealth inside and outside India. NCAER completed a study assessing the impact of the government's insurance awareness

campaign for the Insurance Regulatory and Development Authority. We are helping develop India's second satellite tourism accounts for 2009–10 for the Ministry of Tourism in accordance with the UN's latest recommended methodology. NCAER completed an impact study of the economic benefits of services such as meteorology offered by the Ministry of Earth Sciences.

Change at NCAER

As this resume of our work over the past year shows, NCAER has a long legacy and a large mandate that its founding fathers in the public and private sectors gave it. NCAER over the years has enjoyed increasing demand for its work as it has adapted to changing conditions. Choosing high-quality research projects dealing with highly relevant problems of policy, programme design, or implementation, and then ensuring that it delivers the projects on time, budget and quality to the sponsor's satisfaction is part of NCAER's DNA. NCAER also enjoys considerable convening power with the government and the private sector, as exemplified by its many partnerships within and outside India.

But it is also the case that the competition for public and private research projects, for high-quality talent, and for resources is increasing as the ground shifts with the entry of newer players. This competition comes from the domestic non-profit sector, including new private universities; from the for-profit sectors, including consulting firms, rating agencies, and data firms; and from international think-tanks interested in India. The 24x7 media is also demanding rapid research and analysis from think-tanks as it seeks to shorten the time to bring breaking news to the citizen and politician in an informed way.

To adapt to this changing environment, NCAER has begun making investments in

its human, social, and physical capital, and in strengthening its financial foundations.

We are deeply grateful to the Ministry of Finance and the Government of India for announcing a corpus grant of Rs 15 crore to NCAER in the 2012–13 Union Budget. This grant and other contributions to the corpus fund that are being raised demonstrate the commitment of government and private supporters to the future of NCAER.

Starting in 2011–12, we have been privileged to have a number of prominent economists as NCAER Nonresident Senior Fellows, including Kaushik Basu (Cornell), Jagdish Bhagwati (Columbia), Anil Deolalikar (University of California, Riverside), Stefan Dercon (Oxford), Shantayanan Devarajan (World Bank), Jeffrey Hammer (Princeton), Ravi Kanbur (Cornell), Arvind Panagariya (Columbia), and Raghuram Rajan (Chicago). We are also pleased to have Karthik Muralidharan (University of California, San Diego), and Dean Spears and Diane Coffey (Princeton) as Nonresident Fellows.

NCAER is progressing on several major initiatives to improve its internal performance and outreach, funded in part by the Think-Tank Initiative Grant that NCAER won in 2010. NCAER is implementing a SAP-based Enterprise Resource Planning (ERP) system for enhancing financial controls, for integrating financial and HR transactions, and for improving management reporting systems. NCAER is possibly the first non-profit, independent think-tank in India implementing such a system.

We are grateful to the global technology leader Infosys Ltd for agreeing to help NCAER develop a multi-year IT strategy aligned with its renewal strategy that will strongly leverage NCAER's research and communication efforts. A dedicated team of Infosys staff have worked closely with



The proposed new NCAER campus.

NCAER IT and research staff to prepare a comprehensive strategy and a road map. Initial implementation has started, and discussion is underway with Infosys to form a long-term technology partnership to implement the strategy in three phases.

NCAER has begun work on a new HR strategy to ensure that its HR policies and operations are closely aligned with its renewal strategy. We are grateful to the senior HR experts helping NCAER develop an approach and recommendations for new compensation, benefits, and performance evaluation systems. To dovetail with the implementation of NCAER's ERP, we are strengthening NCAER's Finance Group and its financial controls by hiring a world-class internal auditor. The auditor will assist in capacity building on two or three functional areas every year for the next three years.

To improve our policy outreach and to enhance presentation and media skills, NCAER initiated a first round of expert training for NCAER research staff covering a range of topics, including media and public communications, effective presentations, electronic and print media interviews, and leadership communication. The training was conducted by a team of international consultants providing similar training to a number of other policy research institutions globally. The training was extremely well received and will continue this year.

NCAER's campus built in the late 1950s in Central New Delhi is positioned in one of the most desirable locations in the nation's capital. The seat of India's highest executive and legislative authority, its supreme judiciary, its largest national daily newspapers, the India Gate complex, and New Delhi's prime cultural centre and the commercial heart are all within a four kilometre radius of NCAER. The NCAER

campus also sits in plain view of one of the major gateways into New Delhi from across the Yamuna River. The Indraprastha Metro Station is within walking distance, connecting NCAER to the rest of the National Capital Region by rapid transit.

NCAER has had plans underway for a number of years to reconstruct its campus. A design competition was run in 2009 and a winning entry chosen. Unfortunately, difficulties with receiving the necessary floor-area-ratio approvals stalled the work thereafter. We were fortunate in being able to resolve this problem in the months after I arrived and architectural work has proceeded apace since then to take the project through its design and municipal approval stages. In early 2012 the Governing Body also decided to enhance the original design to make the new NCAER Centre an environmentally sustainable, green-rated complex under India's GRIHA national rating system.

Over fifty years ago, the founders of NCAER established a premier research institution committed to the cause of national development. The architecture of the new NCAER campus proposes to mirror this role—in terms of functionality, technology, and aesthetic clarity. A new, state-of-the-art office tower will flank a central plaza, establishing a civic presence on the New Delhi skyline. An independent conference centre will connect to the main entry, enabling multiple uses as a venue for hosting NCAER and other public events. The legacy of the existing NCAER building will be preserved even as its façade and interiors are reinvented. It will serve as NCAER's anchor for outreach activities, accommodating a new library, a media centre, conference spaces, a survey centre, a publications unit, a cafeteria, and easily reconfigured open-space offices. Emblematic red sandstone cladding on the buildings will pay tribute to Delhi's heritage as seen in the nearby Red Fort.

Concluding reflections

On October 31, 1959 Pandit Jawaharlal Nehru laid the foundation stone for NCAER's current building in Indraprastha Estate, a name that itself harks back to the legendary capital on the banks of the Yamuna River. Prime Minister Nehru launched not only an iconic building designed by one of India's pioneering modern architects, the Harvard-trained A.P. Kanvinde, but also a unique research institution with public and private support, backed by giants like C.D. Deshmukh and J.R.D. Tata, that has stood the test of time in its service to the nation.

I feel immensely privileged to be heading NCAER at a time when rejuvenating NCAER has both a potential and a need that has never been greater. On the journey to rejuvenate NCAER that we have embarked on, I also feel immensely privileged to have NCAER's staff, research partners, well-wishers, and the Governing Body and its President and Vice-President, Nandan Nilekani and M.S. Verma, as fellow travellers. There is much excitement ahead and many changes that we envisage for a new NCAER, and it is with great anticipation that we dedicate ourselves to this journey.

Shekhar Shah
Director-General
August 2012



The proposed renovation of the current NCAER building.



Renditions of the proposed new NCAER campus.

Activities

NCAER Public Events

Lectures, Workshops, and Conferences*

April 13, 2011: NCAER Seminar on The Reserve Bank of India's 'Financial Stability Report', March and December 2010: "A Critical Review with a Long Term Perspective"

Speaker: Dr Gurbachan Singh, Visiting Faculty, Indian Statistical Institute, New Delhi.

May 10, 2011: Round Table Conference on "Impact of Political Reservations for Women on Local Governance and Rural Service Provision", Patna.

Partner: Jamia Hamdard University, New Delhi

May 18, 2011: Talk on "Gender Bias in Child Mortality in Asia: Trends, Underlying Causes and Some Consequences"

Speaker: Dr Monica Dasgupta, Development Research Group, The World Bank, Washington, DC.

May 19, 2011: Seminar on "Who Speaks for the Poor in Karnataka?"

Speakers: Dr Jeffrey Hammer, Princeton University and Dr Megha Patnaik, London School of Economics

May 25, 2011: Distinguished Lecture Series: Lecture on "India in the Global Economy: The Next 15 Years".

Speaker: Prof. Arvind Panagariya, Columbia University, with expert comments by Mr T.N. Ninan, Chairman, *Business Standard*



June 15, 2011: Seminar on "Services Growth and Convergence: Getting India's States Together".

Speaker: Mr Anirudh Shingal, Senior Research Fellow, World Trade Institute, University of Bern

July 8, 2011: NCAER-Holcim workshop on "Seeking Efficiency and Excellence in the Implementation of Infrastructure Projects in India", at India International Centre.

Partner: Holcim Group Support Ltd, Zurich

July 12-13, 2011: Eighth Annual India Policy Forum Conference and the 2011 IPF Lecture.

Partners: State Bank of India, HDFC Ltd,



Reliance Industries Ltd, Citigroup, IDFC Ltd, and SAGE Publications.

The India Policy Forum (IPF) is a joint venture between NCAER and the Brookings Institution, Washington D.C. that started in 2004. The objective of IPF is to commission and discuss papers dealing with various aspects of Indian economic policy, leading to an annual publication.

*During April 1, 2011 to March 31, 2012.

Speaker: Mr Montek S. Ahluwalia, Deputy Chairman, Indian Planning Commission on “The Challenges for India in the 12th Five Year Plan 2012–17”.

July 14, 2011: NCAER–IDRC Workshop on “Varieties of Rural Governance and Varieties of Outcomes Dissemination”. The workshop was chaired by Mr Mani Shankar Aiyar, former Union Minister for Local Government and Member of the Rajya Sabha, and brought together both the government officials and local panchayat officials, New Delhi.

July 20, 2011: Panel Discussion on “*Poor Economics: A radical rethinking of the way to fight global poverty*”.

The panel was moderated by Prof. Pratap Bhanu Mehta in conversation with Mr Nandan Nilekani, President, NCAER and Chairman, UIADI and the authors, Prof. Abhijit Banerjee and Prof. Esther Duflo.

Partner: Random House India

July 27 and November 9, 2011, and January 31, 2012: Seminars on Mid-Year Review of the Indian Economy (Quarterly Seminars).

July 28, 2011: Distinguished Lecture Series – Talk on “The Challenge of Improving Health in India”.

Speaker: Prof. Abhijit Banerjee. Mr Swaminathan Anklesaria Aiyar, Consulting Editor, *The Economics Times*, provided comments after the lecture.



August 12, 2011: NCAER–DIT National Workshop on “e-Readiness Assessment of India”.

August 29, 2011: Seminar on “Middle Class Dreams: India’s One-Child Families”.

Speaker: Prof. Alaka Basu, JNU and Cornell and Dr Sonalde Desai, NCAER

September 23, 2011: Seminar on “Dual Economies or Dual Livelihoods? Short-term Migration from Rural India and Non-agricultural Employment”.

Speaker: Ms Diane Coffey, Princeton University

September 28, 2011: NCAER Seminar on “Height and Cognitive Achievement among Indian Children”.

Speaker: Mr Dean Spears, Princeton University

October 4, 2011: Seminar on “Financial Innovation, Regulation and Systemic Risk”.

Speaker: Dr Tarun Ramadorai, University of Oxford and CEPR

October 10, 2011: Launch of the NCAER report on “Assessing the Effectiveness of Small Borrowings in India”.

Speaker: Mr Jairam Ramesh, Rural Development Minister

Partner: Microfinance Institutions Network



October 12, 2011: Seminar on “Role of Information Technology Sector in Explaining Acceleration of India’s Economic Growth”.

Speaker: Dr Jyoti Vig, University of Minnesota

October 14, 2011: Seminar on “Stepping Up Skills for More Jobs and Productivity: A Framework for Analysis”.

Speaker: Dr Ariel Fiszbein, Chief Economist, Human Development Network, The World Bank

November 30, 2011: Seminar on “Learning by Doing: Skills and Jobs in Urban Ghana.”

Speaker: Dr Kim Lehrer, University of Oxford

December 7, 2011: NCAER Seminar on “Development Strategy in the 21st Century: Lessons from Korea and East Asia”.

Speaker: Prof. Haider A. Khan, Professor of Economics, Joseph Korbel School of International Studies, University of Denver

December 12, 2011: Launch of the NCAER study “Seeking Efficiency and Excellence in the Implementation of Infrastructure Projects in India”.

Partner: Holcim Group Support Ltd, Zurich



December 16–18, 2011: NBER–NCAER–ICRIER Annual Neemrana Conference.

Neemrana brings together Indian policy makers, researchers, regulators and other professionals to interact with leading American researchers and policy makers associated with NBER. The conference encourages open discussion on current issues related to economic policy and research covering a range of topics such as the macro economy and monetary and fiscal policy, international trade, banking and finance, privatisation, regulation, economic reforms, employment, poverty, social sector, and delivery of services. Current and on-going problems facing policy makers are selected for discussions. The 2011 conference put together by ICRIER, was

the thirteenth in the series and is organised in alternate years by NCAER and ICRIER.

December 23, 2011: NCAER–ASER Seminar on “Achieving Universal Quality Primary Education in India: Challenges and Opportunities”.

Speaker: Prof. Karthik Muralidharan, University of California, San Diego

Partner: PRATHAM

January 5, 2012: NCAER–Columbia pre-publication discussion on the book by Prof. Jagdish Bhagwati, Columbia University and Prof. Arvind Panagariya, “India’s Tryst with Destiny: Debunking Myths that Undermine Progress and Addressing New Challenges”.

Partners: Columbia–School of International and Public Affairs and ISERP



January 12, 2012: Workshop on “The International Practices and Products for Assessing Agricultural Outlook”.

Partner: Ministry of Agriculture



March 13, 2012: Book discussion with Dr Bimal Jalan at the launch of his book, “Emerging India: Economics, Politics and Reforms”.

Partner: Penguin Books India

This book brings together a definitive collection of Jalan's writings on the changing face of economics, politics and reforms in India. The principal thought behind these essays is that in the past twenty years, India's capacity to grow faster than ever before has increased substantially because of its comparative advantage in relation to other countries. However, Jalan points out that for India to seize the opportunities that lie ahead, it is essential to bring about further reforms in the running of India's politics and administration in order to ensure inclusive and incremental economic growth.

March 14, 2012: NCAER Seminar on "Integrating (Social) Networks and Web Data into Economic Analysis: Two Examples".

Speaker: Dr Arun Sundararajan, Leonard N. Stern School of Business, New York University

March 19, 2012: NCAER discussion on Gender Issues to mark International Women's Day. NCAER faculty Dr Anushree Sinha, Dr Sonalde Desai, Dr Sohini Paul, Dr Rupinder Kaur, and Dr Sourabh Paul made presentations on the following themes:

- Gender-Responsive Policy Analysis: Why it Matters;
- A Gender Perspective in Social Science Research: A Field Experience;
- Review of Gender Differences in Economic Experiments;
- Conceptualising and Measuring Women Empowerment: Evidence from Empirical Studies; and
- What Do We Mean by Gender Any Way? Focus on Multidimensionality of Gender.

March 20, 2012: Seventh Sir John Crawford Lecture by Dr Gordon de Brouwer, Associate Secretary (Domestic Policy), Department of the Prime Minister and Cabinet, Australia and Australian G20 Sherpa, at ASSOCHAM House, New Delhi.



Chief Guest: Dr Kaushik Basu, Chief Economic Adviser, Ministry of Finance, Government of India

Partner: Australia-India Council

March 21, 2012: Five-Institute Budget Seminar, "The Union Budget 2012-13: Reform and Development Prospectives" at India International Centre.

Speakers: Dr Shekhar Shah (NCAER), Dr M. Govinda Rao (NIPFP), Dr Shubhashis Gangopadhyay, (IDF), Dr Bibek Debroy (CPR), and Dr Rajat Kathuria (ICRIER)

Partner: The World Bank, New Delhi

The Union Budget provides an annual and unique opportunity to focus attention on the Indian economy and how government policy affects the lives of India's billion plus people. Since the last five years, five of India's leading economic policy research institutions have been coming together to present their assessment of the Union Budget. The five institutes – CPR, ICRIER, IDF, NCAER, and NIPFP – joined in a panel discussion to provide a more reflective review of the Budget and its implications for the Indian economy. Mr T.N. Ninan,

Chairman of *Business Standard*, moderated the discussion.

March 22, 2012: Seminar on “Sustaining Global Growth”.

Speaker: Prof. Wendy Dobson, Joseph L. Rotman School of Management, University of Toronto

March 27, 2012: Felicitating Dr Arvind Panagariya, Padma Bhushan, 2012.

NCAER staff and invited guests felicitated Dr Arvind Panagariya, Professor, Columbia University and Non-resident Senior Fellow, NCAER on being conferred the Padma Bhushan by the President of India,



Smt. Pratibha Patil. The Padma Bhushan is India's third highest civilian award. Dr Rajesh Chadha (NCAER) had earlier accompanied Dr Panagariya to the award ceremony at the Rashtrapati Bhawan.

Activities

NCAER Research Programme

NCAER's research programme is structured around four broad areas. These areas cover NCAER's own research as well as research projects sponsored by others. NCAER research projects sponsored by the government and the private sector are built around issues of interest to the sponsor and must be line with NCAER's research priorities in these areas. In many cases, such

projects also involve other collaborators. Final research reports made available to sponsors are usually published by NCAER or the sponsor.

Given below is the list of research projects* as of March 31, 2012 undertaken by NCAER in the year 2011–12. For detailed descriptions, please refer to the corresponding serial number in the sections that follows.

S. No.	Programme/Project*	Sponsor (s)
1.	India Policy Forum 2011–12* (Organised jointly with the Brookings Institution, Washington, D.C.) Editors: Shekhar Shah, Barry Bosworth, and Arvind Panagariya	SBI, HDFC Ltd, Reliance Industries Ltd, Citigroup, IDFC Ltd, and SAGE Publications
2.	Macrotrack Newsletter* Project Leader: Bornali Bhandari	NCAER and annual subscribers
3.	Quarterly Business Expectations Survey* Project Leader: Purna Chandra Parida	NCAER and MasterCard WorldWide
4.	Quarterly Review of the Economy* Project Leader: Geethanjali Nataraj	NCAER and annual subscribers
5.	Mid-Year Review of the Economy 2011–12* Project Leader: Shashanka Bhide	NCAER and Think-Tank Initiative
6.	Macroeconomic Modelling for the Eleventh Five Year Plan and Beyond Project Leader: Purna Chandra Parida	Indian Planning Commission
7.	Five-Institute Budget Seminar on Union Budget 2012–13* Project Leader: Shekhar Shah	The World Bank, New Delhi
8.	Evaluation of Alternative Models of Land Pooling and Development in NCT of Delhi Project Leader: Shashanka Bhide	Delhi Development Authority, NCT of Delhi
9.	Emerging Market Economies and G20* Project Leaders: Shekhar Shah and Rajesh Chadha	BP India Ltd

*Programmes/projects completed during financial year 2011–12 are marked with an asterisk. The rest are ongoing.

S. No.	Programme/Project*	Sponsor (s)
10.	Columbia–NCAER Conference on Trade, Poverty, Inequality and Democracy* Project Leader: Rajesh Chadha	Columbia University, New York
11.	India's Tryst with Destiny: Debunking Myths that Undermine Progress and Addressing New Challenges* Project Leader: Rajesh Chadha	School of International and Public Affairs, Columbia University
12.	The Impact of Parallel Imports of Books, Films, Music, and Software on the Indian Economy with Special Reference to Students Project Leader: Rajesh Chadha	Ministry of Human Resource Development, New Delhi
13.	Impact Study of India's Insurance Awareness Campaign* Project Leader: Anushree Sinha	Insurance Regulatory and Development Authority, Hyderabad
14.	An Input–Output Table for Gujarat with New Green Industries* Project Leader: Anushree Sinha	International Labour Organisation, Bangkok
15.	Initiative on Gender–Inclusive Macroeconomic Policy Management Project Leader: Anushree Sinha	United Nations Development Programme, New Delhi
16.	Evaluation of Functioning of the Tribal Research Institute in Assam* Project Leader: Shashanka Bhide	Ministry of Tribal Affairs, New Delhi
17.	Study on Unaccounted Income and Wealth Inside and Outside India Project Leader: Kanhaiya Singh	Central Board of Direct Taxes, New Delhi
18.	Think-Tank Initiative Project Leader: Anil Sharma	Think-Tank Initiative funded by William and Flora Hewlett Foundation, Bill & Melinda Gates Foundation, DFID UK, DGIS Netherlands, and IDRC Canada
19.	Second Tourism Satellite Accounts for India Project Leader: Ramesh Kolli	Ministry of Tourism, New Delhi
20.	Seeking Efficiency and Excellence in the Implementation of Infrastructure Projects in India* Project Leader: Geethanjali Nataraj	Holcim Group Support Ltd, Zurich

S. No.	Programme/Project*	Sponsor (s)
21.	Assessing the Impact of Airlines Operations on the Economy: Emirates in India* Project Leader: Tushar Nandi	Emirates Airlines, Dubai
22.	An Assessment of the Economic Impact of Airports: The Case of Delhi and Hyderabad International Airports Project Leader: Purna Chandra Parida	Delhi International Airport Limited and GMR Hyderabad International Airport Limited
23.	Understanding the Demand for Railway Passenger Services, Willingness to Pay, and Quality of Services Project Leader: Shashanka Bhide (Principal Investigator: Saurabh Bandyopadhyay)	Ministry of Railways, New Delhi
24.	Monitoring and Evaluation of Off-Grid Solar Photovoltaic Systems Installed during 2007–08, 2008–09, and 2009–10: Experience of Gujarat, Chhattisgarh, Madhya Pradesh, Assam, Tamil Nadu, Andhra Pradesh, and Meghalaya* Project Leader: Shashanka Bhide (Principal Investigator: Tarujyoti Buragohain)	Ministry of New and Renewable Energy, New Delhi
25.	Data Support through Half-yearly Surveys for Residex: An Index of Residential Property Prices* Project Leader: Shashanka Bhide	National Housing Bank, New Delhi
26.	Collection of Data on Housing Property Prices in Selected Cities 2011–12 Project Leader: Shashanka Bhide	National Housing Bank, New Delhi
27.	NTDPC Study on Fiscal Issues and Allocative Efficiency Project Leader: Rajesh Chadha	National Transport Development Policy Committee, New Delhi
28.	Economic Impact of Ratnagiri Refinery Project Leader: Aradhna Aggarwal	Hindustan Petroleum Corporation Ltd, Mumbai
29.	Study of Kerosene Dealers' Commission* Project Leader: Anushree Sinha	Hindustan Petroleum Corporation Ltd, Mumbai
30.	E-Readiness Assessment of States/UTs for the Year 2011–12 Project Leader: R. Venkatesan	Department of Information Technology, Ministry of Communications and Information Technology, New Delhi

S. No.	Programme/Project*	Sponsor (s)
31.	e-Development Index* Project Leader: R. Venkatesan	Department of Information Technology, Ministry of Communications and Information Technology, New Delhi
32.	Measure the Impact and Economic Benefits of Ministry of Earth Science Services Project Leader: R. Venkatesan	Ministry of Earth Science, New Delhi
33.	Comprehensive Study of Cement Sector Project Leader: Kanhaiya Singh	Cement Manufacturers' Association, Noida
34.	Cable Distribution Network in Small Towns of Madhya Pradesh* Project Leader: Saurabh Bandyopadhyay	Star India Pvt. Ltd and Star Den Media Services Pvt. Ltd, Mumbai
35.	Preparing a Comprehensive Publication on Telecom Sector in India Project Leader: Bornali Bhandari	Telecom Regulatory Authority of India, New Delhi
36.	NSDI Data Dissemination Project Project Leader: J.M. Chawla	National Spatial Data Infrastructure, Department of Science and Technology, New Delhi
37.	Agricultural Outlook and Situation Analysis for Food Security Project Leader: Shashanka Bhide	National Food Security Mission Cell, Department of Agriculture and Cooperation, New Delhi
38.	Incorporating International Best Practices in the Preparation of Agricultural Outlook and Situation Analysis Reports for India (Phase-I) Project Leader: Shashanka Bhide	FAO, New Delhi
39.	National Bank for Agriculture and Rural Development (NABARD) Chair Project Leader: Anil Sharma	National Bank for Agriculture and Rural Development
40.	India's Cotton Revolution: Outcomes and Insights Project Leader: Anil Sharma	Association of Biotech Led Enterprises, Bengaluru
41.	Food Grain Stocking Policy for India Project Leader: Shashanka Bhide and Rajesh Chadha	FAO, New Delhi

S. No.	Programme/Project*	Sponsor (s)
42.	Facilitating Efficient Agricultural Markets in India: An Assessment of Competition and Regulatory Reform Requirement – Indian Market for Onions* Project Leaders: Rajesh Chadha and Scott Davenport	Australian Centre for International Agricultural Research, Canberra
43.	Estimation of Status of Degraded Forests in the Impact Area of Indira Sagar Project and Cost of Afforestation of Degraded Forests in Madhya Pradesh* Project Leader: Kanhaiya Singh	Narmada Valley Development Authority, Bhopal
44.	Structural Transformation of Indian Agriculture* Project Leaders: Hari K. Nagarajan and Hans P. Binswanger	Centennial Group International, USA
45.	Policy Instruments to Address Air Pollution Issues in Agriculture: Implications for Happy Seeder Technology Adoption in India Project Leader: Pramod Kumar	Australian Centre for International Agricultural Research, Australian High Commission in India, New Delhi
46.	Prospects for Poverty Reduction in India* Project Leader: Shashanka Bhide	Indian Institute of Public Administration, New Delhi
47.	Gender Dimensions of Social Cohesion in India Project Leader: Anushree Sinha	OECD, Paris
48.	Regional Knowledge and Partnership Networks for Poverty Reduction and Inclusive Growth* Project Leader: Anushree Sinha	Asian Development Bank, Manila
49.	India Human Development Survey–II Project Leader: Sonalde Desai	U.S. National Institutes of Health and The Ford Foundation
50.	Transition to Adulthood in India IHDS–II Project Leader: Sonalde Desai	U.S. National Institutes of Health
51.	Third Census of Handloom Weavers and Issue of Photo Identity Cards to Weavers and Allied Workers 2010* Project Leader: Rajesh Shukla	Development Commissioner (Handloom), Ministry of Textiles, New Delhi

S. No.	Programme/Project*	Sponsor(s)
52.	Building Policy Research Capacity for Rural Governance and Growth in India Project Leader: Hari K. Nagarajan	IDRC, Ottawa
53.	Income, Expenditure, Saving, and Investment Survey* Project Leader: Hari K. Nagarajan	Securities and Exchange Board of India, Mumbai
54.	Varieties of Governance: Effective Public Service Delivery Project Leader: Hari K. Nagarajan	Global Development Network, New Delhi
55.	Demographics and Readership of Literate Youth in the North-Eastern States* Project Leader: Rajesh Shukla and Palash Baruah	National Book Trust, India, New Delhi
56.	The National Survey of Household Income and Expenditure Project Leader: Amit Mookerjee	NCAER

Growth, Trade, and Economic Management

By monitoring the economy during the course of the year, assessing prospects for growth over the medium term future, and analysing the specific policies and issues, these policies seek to address areas that may be broadly described as growth, trade, and economic management. These studies have been organised under this programme area. Undoubtedly, the issues faced by the economy in the past year, such as slowdown of economic growth and high inflation, have been at the centre of policy concern. The external shocks have continued to influence the course of the economy as has been the case with the Eurozone crisis that unfolded in 2011, which has continued in 2012.

A number of studies during 2011–12 have attempted to examine the issues affecting macroeconomic conditions. Quarterly Reports, such as the *Quarterly Economic Review* and the *Quarterly Business Expectations Survey*, and the monthly journal, *Macrotrack* have attempted to provide analyses and information on the unfolding economic trends. In the current year, NCAER has also taken up monitoring and assessment of prospects of food commodity outlook at the request of the Ministry of Agriculture. Quarterly and Semi-annual Agricultural Outlook Reports on the food sector will be brought out under the study.

NCAER continued to provide forums for public discussion and interaction on the broad themes of macroeconomy, including the annual conferences of India Policy Forum and the NCAER–NBER–ICRIER conference on the Indian economy.

As in the previous five years, NCAER organised a panel discussion on the



Ray Witlin/World Bank

Union Budget in March 2012. The heads and senior researchers of the Centre for Policy Research, India Development Foundation, Indian Council for Research on International Economic Relations, National Institute of Public Finance and Policy, and NCAER participated in the panel discussion.

The need to address issues of climate change and environment, gender inclusive policies and state economies in a broad economy-wide framework are recognised in many of the studies undertaken by the Council.

In addition, NCAER has also undertaken a study of alternative approaches to pooling land for urban development at the request of the Delhi Development Authority.

Details of individual projects are given below.

1. India Policy Forum 2011–12*

Sponsors: SBI, HDFC Ltd, Reliance Industries Ltd, Citigroup, IDFC Ltd, and SAGE Publications

Editors: Shekhar Shah, Barry Bosworth, and Arvind Panagariya

The Eighth India Policy Forum (IPF) conference (organised jointly with the Brookings Institution, Washington, D.C.) was held in New Delhi during July 12–13,

* Programmes/projects completed during financial year 2011–12.



Ray Witin/World Bank

2011. Mr Montek S. Ahluwalia, Deputy Chairman, Indian Planning Commission, delivered the eighth annual IPF lecture on “The Challenges for India in the 12th Five Year Plan 2012–17”. The inaugural issue of the India Policy Forum annual publication (India Policy Forum 2004, Volume 1) was published in July 2005.

Outcome: The annual publication titled, *India Policy Forum 2011/12*, Volume 8, published in July 2012.

2. Macrotrack Newsletter*

Sponsors: NCAER and annual subscribers
Project Team: Bornali Bhandari, Shashanka Bhide, Devender Pratap, Sudesh Bala, and Praveen Sachdeva

Contributors: Ishan Bakshi, Bornali Bhandari, Shashanka Bhide, Tarujyoti Buragohain, Rajesh Chadha, Sonalde Desai, Charu Jain, Rupinder Kaur, Rajesh Jaiswal, Sharmistha Nag, Tushar K. Nandi, Geethanjali Nataraj, Purna Chandra Parida, Sohini Paul, Jayanthi Raman, Rachna Sharma, Anushree Sinha, Anjali Tandon, and R. Venkatesan

NCAER publishes this newsletter every month. It provides commentaries on issues facing the economy based on analyses by NCAER researchers. It also includes the latest statistical indicators of the Indian economy.

Outcome: The journal, *Macrotrack* published every month.

3. Quarterly Business Expectations Survey*

Sponsors: NCAER and MasterCard Worldwide

Project Team: Purna Chandra Parida, Shashanka Bhide, and Charu Jain

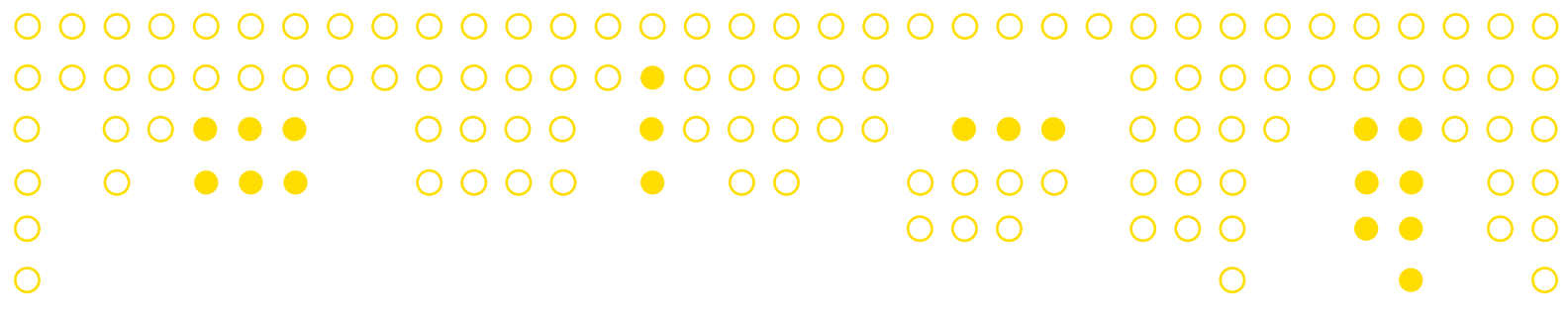
The objective of this survey is to deliver a quantitative quarterly assessment of the business sentiments of the economy. The business sentiments of the economy have been explained through compiling two important macro indicators: Business Confidence Index and Political Confidence Index. These two indices are calculated using a number of component indicators on which data are collected through survey in the business sector. Our sample size covers more than 500 firms across six cities – Delhi, Kolkata, Bangalore, Chennai, Pune, and Mumbai. The year 2011–12 showed continuous decline in business confidence index due to slowing down of economic growth. Political confidence index also fell significantly especially in the second half of 2011–12.

Outcome: Dissemination of quarterly reports to the public as well as subscribers of *Quarterly Review of the Economy*. NCAER–MasterCard Worldwide Index of Business Confidence is also cited in the quarterly Macroeconomic Reviews of the Reserve Bank of India.

4. Quarterly Review of the Economy*

Sponsors: NCAER and annual subscribers
Project Team: Geethanjali Nataraj, Shashanka Bhide, Sudesh Bala, and Praveen Sachdeva

The QRE provides a comprehensive review of developments in the economy in



agriculture, industry, services, trade, finance, prices, public finance, and macroeconomic sectors. The reports also provide annual macroeconomic forecasts.

A review of the economy is prepared each quarter and provided to the subscribers of the Review and to the media. The subscribers are also invited to a quarterly presentation on the state of the economy at NCAER.

Contributors: Anil Sharma, Rajesh Chadha, Shashanka Bhide, Purna Chandra Parida, Bornali Bhandari, Geethanjali Nataraj, Devender Pratap, Anjali Tandon, Sourabh Bikas Paul, and Monisha Grover

Expert Commentators at Quarterly Review Seminars

Anil Bisen, Advisor, Ministry of Finance
Ulrich Bartsch, The World Bank
Rajiv Kumar, Secretary General, FICCI
Ramesh Chand, Director, NCAP
Sunil Jain, *Financial Express*
Mythili Bhusnurmath, Institute of Social Studies Trust and Columnist, *The Economic Times*
Abhijit Sengupta, Asian Development Bank

Special Presentations

Sanjaya Panth, International Monetary Fund
Abhijit Sengupta, Asian Development Bank
N.R. Bhanumurthy, NIPFP

Outcome: Quarterly discussions on the economy provide a forum for interaction among the readers of *Quarterly Review of the Economy*, invited experts, and NCAER researchers. The *Review* is also made available to the public through press and the articles are often cited by media.

5. Mid-Year Review of the Economy 2011–12*

Sponsors: NCAER and Think-Tank Initiative

Project Team: Shashanka Bhide, Anil

Sharma, Rajesh Chadha, Hari K. Nagarajan, Geethanjali Nataraj, Bornali Bhandari, Anjali Tandon, Devender Pratap, Purna Chandra Parida, and Charu Jain

Objectives: To provide a comprehensive review of the economy for 2011–12.

Status: The review was presented on November 5, 2011 at the India International Centre. The report will be published in 2012.

6. Macroeconomic Modelling for the Eleventh Five Year Plan and Beyond

Sponsor: Indian Planning Commission

Project Team: Purna Chandra Parida and Shashanka Bhide

The objective of this project is to develop capacity for analysing issues on economic growth and welfare under a variety of policy choices in government spending in the provision of public goods and other measures that influence the course of the macro-economy. In order to examine the above issues, we use a comprehensive annual econometric model. Under this project, a small structural quarterly econometric model has also been developed for forecasting aggregate sectoral level GDP growth.

Outcome: The macro-econometric model developed under the project has been used to provide simulation scenarios relating to impact of international oil prices, worsening global economic growth, managed current account and fiscal balance and the impact of Middle East crisis on economic growth prospects of the Indian economy.

7. Five-Institute Budget Seminar on Union Budget 2012–13*

Sponsor: The World Bank, New Delhi

Project Team: Shekhar Shah and Shashanka Bhide

The Union Budget provides an annual and unique opportunity to focus attention on the



Indian economy and how government policy affects the lives of India's billion plus people.

NCAER organised the seventh annual panel discussion to analyse the Budget proposals for 2012–13. The panel included speakers from Centre for Policy Research, India Development Fund, Indian Council for Research on International Economic Relations, National Institute of Public Finance and Policy, and NCAER. The discussion was moderated by T.N. Ninan, *Business Standard*.

Outcome: Panel Discussion completed.

8. Evaluation of Alternative Models of Land Pooling and Development in NCT of Delhi

Sponsor: Delhi Development Authority, NCT of Delhi

Project Team: Shashanka Bhide, D.B. Gupta, Tushar Nandi, A.K. Jain, D.V. Sethi, Nikita Jain, and Rajinder Singh

Objectives: The study will examine financial viability of alternative models of land pooling for development of urban extensions in Delhi with a view to encourage private participation in provision of land and affordable housing. The study will attempt to evaluate three alternative models of land pooling and development on the basis of realistic land values, market trends, land holding costs during the project period, admin charges, promotional charges, taxes,

approval expenses, and realistic sale price of built up area. The alternative models will also include parameters that the government may consider necessary to achieve land development.

Status: The study is based on review of various other experiences of land pooling in other states and regions, analysis of the three proposed models for Delhi, and collection of data on various parameters that determine economic viability of the models. The study has completed review of other experiences, set up the basis analytical framework for analysing economic viability, and compiled data on the various parameters of the model. Different scenarios are being analysed based on the criterion of internal rate of return. The preliminary findings have been presented to the sponsor at different stages.

9. Emerging Market Economies and G20*

Sponsor: BP India Ltd

Project Team: Shekhar Shah, Rajesh Chadha, Bornali Bhandari, Geethanjali Nataraj, Anjali Tandon, and Sourabh Bikas Paul

On October 19, 2011, Tsinghua University Center for China in the World Economy (CCWE) and Reinventing Bretton Woods Committee, with the support of China Export–Import Bank; the Centre for Economic and Financial Research, Russia; the National Council of Applied Economic Research, India; and British Petroleum co-hosted a senior-level internal forum on emerging economies, the G20 and global financial architecture. The forum featured more than 50 invited participants representing academic, industry and government communities, mainly from BRIC countries and Europe. The chairman and president of China Export–Import Bank delivered a keynote speech at the opening session.

10. Columbia–NCAER Conference on Trade, Poverty, Inequality and Democracy*

Sponsor: Columbia University, New York
Project Team: Rajesh Chadha and Anjali Tandon

The Columbia–NCAER Conference was held during March 31–April 1, 2011 in New Delhi. It was highly applauded for the academic quality and richness of the papers. About 100 people participated in the conference.

A special lecture on “Aadhaar and its Role in Inclusive Growth” by Mr Nandan Nilekani, Chairman, UIDAI, India and President, NCAER, was organised on April 1, 2011. About 175 people, including eminent personalities from the academia, government, politics, NGOs, private sector, and media attended the talk.

11. India’s Tryst with Destiny: Debunking Myths that Undermine Progress and Addressing New Challenges*

Sponsor: School of International and Public Affairs, Columbia University
Project Team: Rajesh Chadha, Anjali Tandon, and Sourabh Bikas Paul

On January 5, 2012, NCAER and the Institute for Social and Economic Research and Policy (ISERP), Columbia University organised pre-publication discussion on India’s Tryst with Destiny: Debunking Myths and Addressing New Challenges, forthcoming book by Professors Jagdish Bhagwati and Arvind Panagariya of Columbia University at the India International Centre, New Delhi. The event was attended by more than 50 distinguished invited participants. Arvind Panagariya made a presentation on the book. Panelists for discussion included Shekhar Shah, T.N. Ninan, B.J. Panda, Bibek Debroy, Manish



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Sabharwal, James Lamont, Vikas Bajaj, and Rajesh Chadha.

12. The Impact of Parallel Imports of Books, Films, Music, and Software on the Indian Economy with Special Reference to Students

Sponsor: Ministry of Human Resource Development, New Delhi
Project Team: Rajesh Chadha, Anjali Tandon, and Sourabh Bikas Paul

Objectives: The Indian Copyright Act (1957) prohibits parallel imports of books, films/music and software. The Copyright (Amendment) Bill 2010 seeks to insert the following proviso to Section 2 of the Act: “Provided that a copy of a work published in any country outside India with the permission of the author of the work and imported from that country into India shall not be deemed to be an infringing copy”. The proposed study would undertake cost-benefit analysis for the producers and consumers if parallel imports are allowed in India.

Status: Literature survey completed.

13. Impact Study of India’s Insurance Awareness Campaign*

Sponsor: Insurance Regulatory and Development Authority, Hyderabad
Project Team: Anushree Sinha, Rajesh



Jaiswal, Rakesh Srivastava, Barun Deb Pal, and Kalicharan Shukla

The objectives of the proposed survey were to: (a) study and analyse the awareness levels of the insured population regarding their rights as per the Act, policyholder protection regulations, different types of insurance such as life insurance including the term, premium, endowment, ULIPs, health insurance, general insurance including household items, and levels of protection available for various types of insurance; (b) study and analyse the awareness levels of the uninsured on the need for insurance, types of insurance available, insurance interest, benefits of insurance, benefits of ULIP investment; and (c) generate a socioeconomic profile of the insured and uninsured population by various socio-economic parameters like religion, caste, income, occupation, age, literacy levels, family size, etc.

14. An Input–Output Table for Gujarat with New Green Industries*

Sponsor: International Labour Organisation, Bangkok

Project Team: Anushree Sinha, Rajesh Jaiswal, Kalicharan Shukla, Avantika Prabhakar, and Sadhana Singh

The objective of this project is to analyse job creation and growth potential of the state of Gujarat using both secondary and primary data sources. The effort is to

analyse such data for two purposes. First is to prepare an Input–Output (IO) table for the state for the year 2009–10. Second is to use the IO table for policy analysis like projection of output and employment growth. Further this analysis examines the degree of impact of exogenous factors on output of a particular sector or all sectors through different multiplier effects. Three of the most frequently used types of multiplier estimate the impacts of the exogenous changes on (a) outputs of the sectors in the economy (output multiplier), (b) income earned by households because of the new outputs (income multiplier), and (c) employment that is expected to be generated because of the new output (employment multiplier).

15. Initiative on Gender-Inclusive Macroeconomic Policy Management

Sponsor: United Nations Development Programme, New Delhi

Project Team: Anushree Sinha, Rajesh Jaiswal, Kalicharan Shukla, and Sadhana Singh

The major objective of this programme is to initiate inclusive gender macroeconomic policy makings. In reality, very few policies are gender-neutral. When policy makers claim a policy is gender-neutral, they are usually being gender-blind. Gender inequality can constrain outcomes of macroeconomic policy. Gender policies can hinder women's ability to develop human resources. Economic policy analysis requires defining the instruments of policy. Economic policy analysis examines the effects of policy changes on prices, taxes and subsidies, direct interventions, trade policy, and exchange rate policy. Gender mainstreaming should be applied to economic policy analysis, in which the ultimate goal is to achieve gender equality. Policy makers want policy briefs that justify what they are doing.

16. Evaluation of Functioning of the Tribal Research Institute in Assam*

Sponsor: Ministry of Tribal Affairs, New Delhi

Project Team: Shashanka Bhide, Tarujyoti Buragohain, and D.B. Gupta

The objectives of the study were: (a) to understand the institutional capacity; (b) profile of manpower; (c) profile of infrastructure including building and status of the library; (d) to study the type of research undertaken over the years, and to assess whether these studies have practical bearing on improving the socioeconomic conditions of STs in the last three years; (e) to assess the capacity of the institute to promote and preserve tribal heritage/culture for North-eastern Region as a whole; and (f) to review capacity building for upkeep of museums in Assam.

The study finds that, the Assam Institute of Research for Tribal and Scheduled Castes (AIRTSC) with an area of about 43,200 sq. ft has its own campus in Jawaharnagar, Guwahati and it is located on the outskirts of the main city. The Institute with a carpet area of 24,000 sq. ft is a three-storied building comprising two wings.

The library with nearly 9000 books and documents, mainly on Schedule Tribes and Schedule Castes, has a separate area for stacking books as well as a fairly decent sized reading room. The library has been subscribing four Journals and 200–250 books every year.

The museum has preserved a variety of artifacts reflecting the socioreligious and socioeconomic aspects of the multi-ethnic groups in Assam.

The staff members are not sufficiently motivated due to lack of incentives especially on promotion. The research staff lacked adequate opportunities for training abroad

with a view to improve and upgrade their skills.

Status: Final report submitted to the Ministry of Tribal Affairs in November 2011.

17. Study on Unaccounted Income and Wealth Inside and Outside India

Sponsor: Central Board of Direct Taxes, New Delhi

Project Team: Kanhaiya Singh

Objectives of the Study are: (a) to assess/survey unaccounted income and wealth both inside and outside the country, (b) to profile the nature of activities engendering money laundering both inside and outside the country with its ramifications on national security, (c) to identify important sectors of economy in which unaccounted money is generated and examine the causes and conditions that result in generation of unaccounted money, (d) to examine the methods employed in generation of unaccounted money and conversion of the same into accounted money, (e) to suggest ways and means for detection and prevention of unaccounted money and bringing the same into the mainstream of economy, and (f) to estimate the quantum of non-payment of tax due to evasion by registered corporate bodies.

18. Think-Tank Initiative

Sponsor: Think-Tank Initiative funded by William and Flora Hewlett Foundation, Bill & Melinda Gates Foundation, DFID UK, DGIS Netherlands, and IDRC Canada

Project Team: Anil Sharma and Shekhar Shah

The Think-Tank Initiative is a multi-donor programme designed to strengthen independent policy research institutions to enable these institutions to provide objective, high-quality research that both

informs and influences policies. The low level of assured core support constrains the Council to generate resources needed for investment either in staff or infrastructure, and does not allow the institution to make the desired impact on shaping policy. To achieve this objective the grant from the Think-Tank Initiative will be used for laying the foundation for much needed improvements in strengthening independent in-house research, improving organisational performance, and creating structures and an environment for policy linkages, communication and outreach.

19. Second Tourism Satellite Accounts for India

Sponsor: Ministry of Tourism, New Delhi

Project Team: Ramesh Kolli, Poonam Munjal, Amit Sharma, Kiran Sheokand, and Pravin Kumar

Objectives: (1) To prepare second Tourism Satellite Accounts (TSA) for India for 2009–10 in compliance with the UN WTO's latest recommended methodology framework (RMF 2008). The second TSA will comprise of all the 10 recommended tables, only seven of which were prepared in the first TSA. The first TSA for India for 2002–03 was also prepared by NCAER. (2) To develop a detailed methodology for working out the contribution of tourism

in GDP and employment that will help the Ministry to compile the estimates of aggregates pertaining to tourism for the intervening period between the second and third TSAs. (3) To prepare TSA for two states – Kerala and MP.

The main responsibilities involve giving guidance and directions to the TSA research team which is working on large scale NSS data on domestic tourism survey, employment, unemployment, and consumption expenditure surveys as well as ISI conducted international passenger survey; obtaining and compiling other data requirements from NAD, CSO and the State Economic and Statistics Departments; interacting with officials of MoT and CSO and organising Advisory Committee meetings, when required; giving presentations to the committee members when asked for; and writing report.

Status: Extraction and analysis of data of Domestic Tourism Survey – survey conducted by NSSO – completed. The analysis of International Passenger Survey is being carried out. These two surveys are the prerequisites for preparing TSA. Further, tourism-specific supply and use table, as recommended in RMF 2008, is being prepared. The final report will be submitted in November 2012 and the state TSA reports will be submitted in December 2012.

The Investment Climate, Physical and Economic Infrastructure

India has been one of the leading engines of growth in the world economy during the last decade. It has weathered the recent major global economic crisis with resilience, with the second highest GDP growth rate globally even though the rate has decelerated in the last couple of years. The key concern is about the Indian economy performing well below its potential. Even though investments in infrastructure have proceeded, the economy seems to have hit a roadblock arising from a deficit in physical infrastructure and in the pace and direction of economic reforms. There is an urgent need to impart a major push to the investment climate so as to attract new domestic and foreign investments in physical infrastructure including power, roads, ports, airports, telecom, urban, and agricultural supply chains.

NCAER has been on the forefront of providing support to the efforts by the government on issues of building, maintaining, contracting, and financing physical infrastructure. It was in 1996 that NCAER came out with a landmark study titled India Infrastructure Report: Policy Imperatives for Growth and Welfare, one of the first comprehensive assessments of the infrastructure deficit that had been allowed to develop over the years. Ever since then NCAER has contributed a number of important studies and reports on topics including energy, telecom, transport and rural infrastructure. Some highlights of the studies this past year follow.



One of the recent studies on seeking efficiency and excellence in the project implementation in infrastructure has looked at the success and failure factors in 16 case studies of the implementation of infrastructure projects in India. The study points to an improving trend in performance, although the targets set still remain well above actual performance.

Another study has assessed the impact of airlines operations on the economy using a case study of the Emirates Airlines. The study has identified quantitative effects of airline operations in the form of direct economic contributions, multiplier effects on output and employment, and induced effects on tourism. In the aviation sector, we have also done a study of the economic impact of Delhi Airport and have started new study of Hyderabad Airport, both using input-output analysis.

Railways are a lifeline of the Indian economy. NCAER is currently looking at the demand for rail passenger travel, willingness to pay, and the quality of services. This study aims to examine implications of a change in tariffs for passenger rail travel using passenger and household surveys. In future, it will be necessary for the Railways to consider more of such passenger surveys to understand customer needs and to price rail travel in efficient and equitable ways to balance increased user access, convenience, timeliness, and comfort with the objective of increasing passenger revenues and making the railways more self-sustainable.

A study on fiscal issues and allocative efficiency of the transport sector in India has recently been submitted to the National Transport Development Policy Committee. The study provides a detailed documentation of the complex tax regime faced by all transport sectors – road, rail, air, and water. It suggests that reform simplifying the



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existing tax regime facing the sectors would provide a big impetus to economic growth and welfare.

NCAER has been prominent in its work on ICT, particularly in developing e-readiness benchmarks for states suggesting the readiness for value creation opportunities for firms, government, and consumers. It has since then developed a comprehensive index of e-development based on several components that suggest the extent of digital success that a state has achieved across service delivery, inclusion, innovation, and value creation.

Details of individual projects are given below.

20. Seeking Efficiency and Excellence in the Implementation of Infrastructure Projects in India*

Sponsor: Holcim Group Support Ltd, Zurich

Project Team: Geethanjali Nataraj, Shashanka Bhide, Payal Malik, S.K.N. Nair, Amrita Chatterjee, Charu Jain, Praveen Sachdeva, Nandini Gupta, and Sriniketh Potlapalli

The study was conducted to assess the constraints in and the factors that influence project execution through a survey of various studies and consultations with selected stakeholders.

The study first provides the patterns of execution based on a review of the perfor-

mance indicators for central government projects in the infrastructure sector. The study notes the successes and the slow movers across sectors. The study points to generally an improving trend in performance although the targets set remain well above the actual performance. Among the explanations for varied performance of project execution, the study provides a discussion of the complexity of infrastructure projects, fluid state of policy and governance issues. The study discusses the experience of project execution in China.

The findings of the study were brought out in a report which was released by Mr Kamal Nath, Honourable Minister for Road Transport and Highways, at a Workshop on Accelerating Infrastructure Building in India held on December 1, 2010 at New Delhi.

Output: The report titled, "Seeking Efficiency and Excellence in the Implementation of Infrastructure Projects in India" published.

21. Assessing the Impact of Airlines Operations on the Economy: Emirates in India*

Sponsor: Emirates Airlines, Dubai

Project Team: Tushar Nandi and Shashanka Bhide

The study provides an assessment of the impact of expanding air travel and the civil aviation sector in India by using the experience of one of the largest international carriers operating in India – Emirates Airlines. Emirates began its operations in India in the mid-1980s and carried 12 per cent of India's international passengers and 14 per cent of international freight in 2010–11. Emirate's success in India mirrors the deep and still rapidly growing economic links between India and the Middle East, which in turn also integrate India more closely with the global economy.

A large international airline's operations demand many inputs. Besides generating income, the supply of these inputs creates a multiplier effect for other goods and services required to produce these inputs. Besides air travel or the movement of freight, aviation also generates other outputs such as second order effects on tourism. Input-output analysis provides a methodology to estimate the effects of one sector on another as well as on the entire economy. Emirates asked NCAER to take a look at its India operations and estimate what these multiplier effects across sectors would be.

This report by NCAER is an assessment of these effects. Using input-output analysis, the study quantifies these effects in the form of direct economic contributions, multiplier effects on output and employment, and induced effects on tourism.

22. An Assessment of the Economic Impact of Airports: The Case of Delhi and Hyderabad International Airports

Sponsors: Delhi International Airport Limited and GMR Hyderabad International Airport Limited

Project Team: Purna Chandra Parida, Shashanka Bhide, Devender Pratap, Farha Anis, and Rajlaxmi Mohanty

This is the first study of its kind in India. The objective of the study is to examine the economic impacts of Delhi and Hyderabad international airports on national and regional economy in terms of contributions to income and employment. A survey was also carried out in both the airports covering more than 4000 passengers to capture their profile.

Outcome: Final report on Delhi airport submitted to DIAL in March 2012. The report was released by Dr A.P.J. Abdul Kalam, former President of India. We are currently preparing the report on Hyderabad



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airport. The report will be submitted to the sponsor on or before 15th June 2012.

23. Understanding the Demand for Railway Passenger Services, Willingness to Pay, and Quality of Services

Sponsor: Ministry of Railways, New Delhi
Project Team: Shashanka Bhide, Principal Investigator: Saurabh Bandyopadhyay, and Palash Barua

Objectives: This study aims to examine the implications of the increase in tariff rates for passenger travel in the railways through passenger and household surveys. In the longer term, it is necessary to consider these types of surveys for understanding customer needs of the railway services.

Status: Survey and data entry has been completed. Compilation of data is in progress.

24. Monitoring and Evaluation of Off-Grid Solar Photovoltaic Systems Installed during 2007-08, 2008-09, and 2009-10: Experience of Gujarat, Chhattisgarh, Madhya Pradesh, Assam, Tamil Nadu, Andhra Pradesh, and Meghalaya*

Sponsor: Ministry of New and Renewable Energy, New Delhi
Project Team: Shashanka Bhide, Principal Investigator: Tarujyoti Buragohain, K.S. Urs, and Praveen Sachdeva



Objectives: Under this scheme, the ministry provides central financial assistance (CFA) to implementing agencies for deployment of SPV home lighting systems, solar street lighting systems, power packs, stand alone power plants, solar lanterns, and other SPV applications, to meet the electricity and lighting needs of individuals, communities, villages, commercial complexes, institutions and industries, and so on in both urban and rural areas.

The study found that the implementation of the programme was systematic across states. The types of systems deployed and the beneficiaries varied considerably across the seven states. SPPs were installed in milk collection centres in villages in Gujarat, in tribal residential schools in Chhattisgarh, and in village community centres in Assam. SPPs ranging from 1 kW to 100 kW were installed in colleges and residential schools, community health centres, government offices, and other public facilities in Andhra Pradesh, Madhya Pradesh, and Tamil Nadu. Individual home lighting systems were installed in Andhra Pradesh, Assam, Madhya Pradesh, and Meghalaya. Solar street lights were also installed in six of the seven states. Beneficiary satisfaction levels were generally high and availability of SPV systems improved lifestyles significantly.

Status: Final report submitted to the Ministry.

25. Data Support through Half-yearly Surveys for Residex: An Index of Residential Property Prices*

Sponsor: National Housing Bank, New Delhi

Project Team: Shashanka Bhide and Charu Jain

The project was undertaken to assist National Housing Bank (NHB) to compile data on housing prices based on a sample survey and provide a preliminary assessment of the data. Data were obtained on property prices for two periods during 2009. Fifteen cities were covered under the survey.

Outcome: Final data submitted to the sponsor.

26. Collection of Data on Housing Property Prices in Selected Cities 2011–12

Sponsor: National Housing Bank, New Delhi

Project Team: Shashanka Bhide and Charu Jain

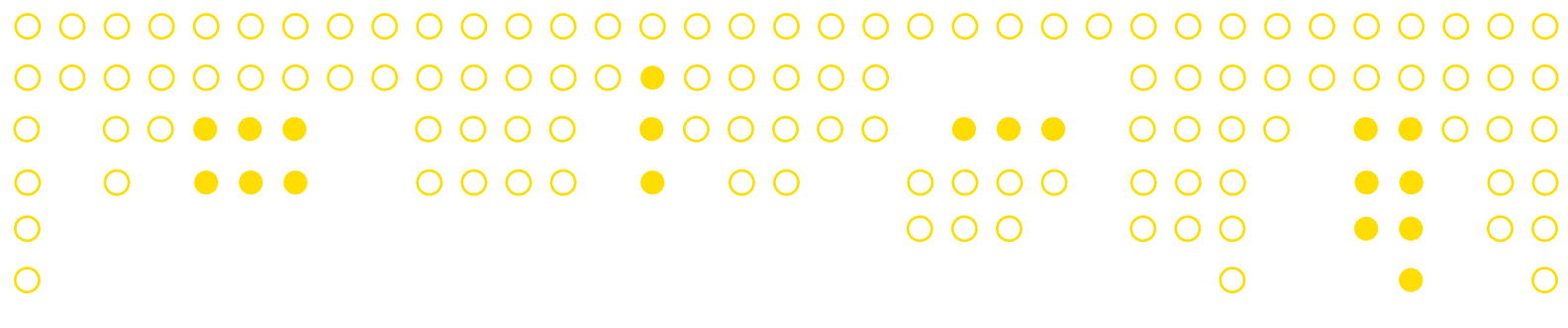
Objectives: Collection of data on prices of residential properties in 15 selected cities on semi-annual basis for the construction of housing property index, Residex. The data are collected, reviewed and provided to NHB for the construction of the Index.

Status: The data have been provided to NHB for the periods January–June and July–December 2011. The work has now been expanded to cover 20 cities starting from January–June 2012.

27. NTDP Study on Fiscal Issues and Allocative Efficiency

Sponsor: National Transport Development Policy Committee, New Delhi

Project Team: Rajesh Chadha, Anjali Tandon, and Sourabh Bikas Paul



Objectives: The objective of the study was to prepare comprehensive documentation of the fiscal issues in major sectors of transport in India. Transport related taxes and subsidies were computed on inputs to and output of services in these sectors. The study analysed the input-output flows in India's production structure using the latest published input-output transactions tables. Backward and forward linkages of all the sectors of production vis-à-vis transport sectors were worked out. The impact of introducing efficiency in the transport sectors with rationalisation of tax structure were evaluated using the general equilibrium analysis. This enabled the study to address inter-modal analysis of transport sectors.

Status: Draft Report submitted. Sponsors's comments awaited.

28. Economic Impact of Ratnagiri Refinery

Sponsor: Hindustan Petroleum Corporation Ltd, Mumbai

Project Team: Aradhna Aggarwal and Neha Sharma

The Hindustan Petroleum Corporation Limited (HPCL) is proposing to set up a green field refinery project in Ratnagiri, Maharashtra in two phases each involving a capacity of 9 MMTPA at an investment of Rs 22,000 crore to cater to the increasing demand for oil products from West India. The refinery is proposed to be spread over 3,000 acres of land near Tavsai village in Ratnagiri district of Maharashtra. The company is seeking deferment of 25 per cent of the VAT/sales tax revenue generated by the proposed refinery for 15 years. If the tax concession is not granted, the project is deemed to be commercially unviable. This study estimates the economic

impacts of a greenfield refinery on the national, state, and local economies and identifies the benefits of promoting a refinery facility to the state of Maharashtra. The analysis suggests that from both national and regional perspectives, there is a strong case for the government of Maharashtra to promote the proposed refinery in Ratnagiri.

29. Study of Kerosene Dealers' Commission*

Sponsor: Hindustan Petroleum Corporation Limited, Mumbai

Project Team: Anushree Sinha, Rajesh Jaiswal, P.K. Roy, Barun Deb Pal, and Kalicharan Shukla

Objectives: The main objective of the de-novo study is to assess the actual expenses being incurred by the dealers in operating kerosene dealerships for review of dealers' commission. Addressed the issues of a better delivery mechanism for PDS kerosene by the kerosene dealers and gave recommendations.

30. E- Readiness Assessment of States/ UTs for the Year 2011-12

Sponsor: Department of Information Technology, Ministry of Communications and Information Technology, New Delhi

Project Team: R. Venkatesan, Bornali Bhandari, Sucharita Sen, S. Ramakrishnan, Wilima Wadhwa, Monisha Grover, and Jaya Koti

e-Readiness assessment of states/UTs and central line ministries, identification of state specific bottlenecks in terms of e-Readiness, e-Governance assessment of states/UTs, specific policy inputs and state-wise recommendations for all states in detail, primary data collection in addition to



secondary data. A workshop for consultation would be held at the national level, with three other regional workshops at the state level.

31. e-Development Index*

Sponsor: Department of Information Technology, Ministry of Communications and Information Technology, New Delhi

Project Team: R. Venkatesan, Bornali Bhandari, Sucharita Sen, S. Ramakrishnan, Wilima Wadhwa, Chinmayee Biswal, Ajit Jha, Monisha Grover, and Jaya Koti

Objectives: This report endeavours to develop a comprehensive measure of the extent of digitalisation of the Indian economy from the supply side called the e-Development Index (eDI). It comprises of the five components of e-Readiness, e-Governance, e-Industry, e-Innovation, and e-Inclusion.

Innovation, whether in technology or applications of technology or in business process, drives the adoption and adaptation of digitalisation in the Indian economy. The extent of digitalisation would be affected by the ability of the three main users – firms, government and consumers to use technology for value creation opportunities, i.e. e-Readiness Index. The extent of digitalisation by the government to deliver

services is measured in e-Governance. Finally, the extent of digitalisation in industry and services for value creation opportunities is measured in e-Industry. Measures such as production of micro electronic goods (industry) and exports of commercial services would represent value creation opportunities created by ICT in industry and services segments. These three together measure the extent of digitalisation. The outcome of the digitalisation process on users is captured in e-Inclusion, i.e. whether the digitalisation has diffused across various groups such as region, gender, etc. State level analysis ranks states based on the eDI. Time series analysis tracks the growth of digitalisation in India.

Key Findings: There is significant disparity across states in terms of their relative positions with respect to eDI. South Indian states and Maharashtra occupy top positions. There is a strong correlation between eDI and per capita income. The implication of this relationship is that from a holistic perspective of ICT development, it follows the route of general levels of development. Also, the analysis hints at a positive relationship between e-Innovation and e-Industry. Time series analysis shows that the growth of eDI has increased in the last three years—2006–07 to 2008–09. Further, e-Readiness is the major driver behind eDI.

Outcome: The eDI analysis gives an insight into the impact of various parameters (variables) in an objective manner for states at national level and on a time series basis over the last 7–8 years. As Ministry of Communications and Information Technology enters the Twelfth Five Year Plan, this study will hopefully prove to be a tool to identify policies to increase outcomes for IT and Telecom sector by states and centre, with participation of other stake holders.

32. Measure the Impact and Economic Benefits of Ministry of Earth Science Services

Sponsor: Ministry of Earth Science, New Delhi

Project Team: R. Venkatesan, Sohini Paul, Mridusmita Bordoloi, Devkanya Chakravarty, Ashim Kumar Kar, and Jaya Koti

Objectives: The main objective of this study is to assess the economic benefits of the services provided by Ministry of Earth Science (MoES), through primary surveys, structured interviews and multi-sectoral analysis based on literature review. The six services being considered in this study are the following: (1) Meteorological services to the aviation sector, technology for Desalination of Marine Water, crab fattening, lobster fattening, and marine Ornamental Fish Culture. (2) Estimating economic benefits of accurate forecasting of the upper atmosphere over on entire national air space as well as precise forecasts in the neighborhood of airports. (3) Outlining technology policies for declamation of marine water, taking into account specific energy consumption as well as factoring in the environmental and ecological effects arising out of introduction. (4) Estimating households' increased income due to crab and lobster fattening and the resultant economic benefits. (5) Outlining the economic impact of developing backyard hatcheries to develop marine ornamental fish culture in coral islands of Lakshadweep. (6) Estimating the overall impact of MoES programmes on economies of Agatti, Kavaratti, and Lakshadweep Islands.

33. Comprehensive Study of Cement Sector

Sponsor: Cement Manufacturers' Association, Noida

Project Team: Kanhaiya Singh and Tejinder Singh



Objectives: (1) Review of contributions of cement sector in economic growth and nation building. (2) Review and analysis of the recent developments in government policies (including tax structure) and economic environment affecting cement market, capacity creation and demand. (3) Review of the national and international cement market, and consumption trend. (4) Identification and analysis of thrust areas of cement consumption and projections of cement demand at national and state level for next ten years. (5) Analysis of cement as viable alternative to Bitumen and the resulting potential demand. (6) Analysis of Potential demand of cement in new areas, like Low Cost Housing technology. (7) Assessment of Export competitiveness of cement industry through cross country analysis and partial equilibrium model. (8) Analysis of domestic market of cement in terms of dynamics of shifts across sectors through a well structured survey of domain experts, dealers, and secondary data. (9) Suggesting ways and means to spur cement demand. (10) Analysis of tax structure and levies in the neighbouring countries and countries having high per capita cement consumption. (11) Policy recommendations.

34. Cable Distribution Network in Small Towns of Madhya Pradesh*

Sponsor: Star India Pvt. Ltd and Star Den Media Services Pvt. Ltd, Mumbai

Project Team: Saurabh Bandyopadhyay, Tejinder Singh, and Y.K. Tanwar

Objective: To analyse the distribution channels in terms of penetration of various modes of TV broadcasting in the small towns of India.

Key Findings: According to this study, 79 per cent of the households own TVs. Out of estimated 8707 TV homes, about 56 per cent obtain signal through cable network and 5 per cent have DTH services. The rest of the TV homes are connected with analog antenna or DD direct. However, there is wide variation in penetration of Cable and DTH connections across quintile and wards clusters based on geographical dispersions.

Outcome: Report accepted and initial dissemination was done in May 2011.

35. Preparing a Comprehensive Publication on Telecom Sector in India

Sponsor: Telecom Regulatory Authority of India, New Delhi

Project Team: Bornali Bhandari, Pooja Goel Ramavat, Thomas K. Thomas, Ajit Jha, Jaya Koti, Rakesh Srivastava, Praveen Sachdeva, and Jagbir Singh Punia

Objectives: The purpose of this report is to review the extraordinary journey of the

Indian telecom sector in the 2000s. The report presents the growth story in telecom sector in India in terms of significant policy changes and regulatory initiatives, and consequent socioeconomic impacts.

Expected date of completion: May 2012

Outcome: Project report titled, "Telecom Sector in India: A Decadal Profile", submitted to the sponsor.

36. NSDI Data Dissemination Project

Sponsor: National Spatial Data Infrastructure, Department of Science and Technology, New Delhi

Project Team: J.M. Chawla

NCAER, as a nodal agency, recognises its potential for collecting or generating a large data base on the socioeconomic and techno-economic fronts. This non-spatial data will be used in conjunction with the spatial information sets to arrive at decisions at the local, regional, state and central level planning, implementation of action plans, infrastructure development, disaster management support, and business development apart from natural resources management, flood mitigation, environmental restoration, land use assessments, and disaster recovery.

Agriculture, Rural Development, and Natural Resource Management

There is no doubt that the rapid transformation of the Indian economy has led to a significant reduction in the GDP share of agriculture and allied sectors. However, a very large share of the rural population still depends directly or indirectly on the agricultural sector for incomes and employment. As a consequence, faster development of the farm sector in achieving the objectives of higher growth and poverty reduction remains a priority. A simultaneous development of income and employment opportunities in the non-farm sector through faster overall rural development is equally important. Thus, the prospects for faster rural development are deeply connected with the faster growth of the agricultural sector as well as of the rural non-farm sector. A key issue that needs addressing is the stagnation in agricultural productivity.

The developments in the past few decades have opened up opportunities as well as challenges that confront agricultural and rural development. Appropriate policies must be designed to combat these challenges and exploit opportunities thrown up by globalisation, rising food prices, and climate change. There is a sharp need to revisit methods of agricultural production, post-harvest handling, marketing, distribution, and trade, both domestic as well as external. With acceleration in economic growth the pressures on natural resources are also intensifying, and therefore greater attention will have to be paid to managing key natural resources in land, water, and forests.

Over the years, NCAER has carried out a large number of studies on agriculture, rural development, and natural resource management. Building on this work, NCAER this fiscal year undertook a number of studies detailed below. A major effort has started to help the Ministry of Agriculture develop better short-term and medium-



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term outlook forecasts in agriculture, particularly for food crops. This will be a multi-year effort involving a number of other networked institutions. Parallel work is progressing on an exploration of India's food grain stocking policy. Work also proceeded on facilitating efficient agricultural markets and looking at price, competition, and supply chain issues. For instance, one of the studies undertook a fairly comprehensive analysis of the sharp volatility in onion prices, an issue that is symptomatic of the problems faced in agricultural markets. NCAER also worked on a study of India's cotton revolution. The studies have utilised both primary as well as secondary data.

Details of individual projects are given below.

37. Agricultural Outlook and Situation Analysis for Food Security

Sponsor: National Food Security Mission Cell, Department of Agriculture and Cooperation, New Delhi

Project Team: Shashanka Bhide, A. Govindan, S.K. Mondal, V.P. Ahuja, Sushrita Sarkar, Sujoy Majumdar, Surajita Rout, Aditi Jha, and Shivani Gupta

Objectives: The study focuses on integrating information relating to inputs, outputs, and markets for major agricultural products to assess emerging agricultural outlook in the economy. The study will consider developments in the domestic economy



and also global markets with implications for Indian agriculture and focus on food crops, given the significance of achieving food security for India's large population. The study will provide short-term outlook reports on quarterly basis and medium-term outlook on semi-annual basis. The study will also hold monthly briefing sessions on aspects of the food economy to understand the emerging scenarios. The study will also provide two to three analytical papers on issues relating to the development of the food sector in the country.

Status: Monthly briefing sessions have been organised under the project every month since November 2011 in the Department of Agriculture and Cooperation covering different aspects of the food economy. A workshop was organised in January 2012 to understand the system of agricultural outlook reports brought out by the United State's Department of Agriculture. A database is being developed to support the analysis under the project. Work on models for assessing commodity outlook has started. The first quarterly report is expected to be brought out in June 2012.

38. Incorporating International Best Practices in the Preparation of Agricultural Outlook and Situation Analysis Reports for India (Phase-I)

Sponsor: FAO, New Delhi

Project Team: Shashanka Bhide, Rakesh Srivastava, and S.K. Mondal

Objectives: This study will complement the study on Agricultural Outlook and Situation Analysis Reports undertaken by NCAER with financial support from Department of Agriculture and Cooperation. Additional funds under this project will support critical tasks that will help required information for AMIS as well as lead to better availability of information for policy makers. The objective of the project is to support the Ministry of Agriculture project to improve the functioning and transparency of food and agricultural commodity markets, in line with G20 commitments.

39. National Bank for Agriculture and Rural Development (NABARD) Chair

Sponsor: National Bank for Agriculture and Rural Development

Project Team: Anil Sharma

The NABARD Chair is an initiative of the National Bank for Agriculture and Rural Development to establish chairs in Indian universities and research institutes to encourage applied and empirical research of high standards on subjects which will cater to the research needs of policy makers in promoting agriculture and rural development. The Chairs are expected to undertake research in areas of their own choice in consultation with NABARD; be available to the management for consultation on policy issues as and when required; and give opinions on the proposals submitted for grant assistance established by NABARD.

40. India's Cotton Revolution: Outcomes and Insights

Sponsor: Association of Biotech Led Enterprises, Bengaluru

Project Team: Anil Sharma, Laxmi Joshi, and Ajay Sahu

India's cotton economy has witnessed significant changes after the introduction of Bt technology in 2002. In a relatively short span of nine years, the country has become the second largest producer of cotton in the world. The rapid growth in India's cotton production has attracted a lot of attention within as well as outside the country due to highly contentious debate that took place before and immediately after the introduction of this technology. The purpose of this study is to undertake a fresh and comprehensive assessment as to how has the introduction of Bt technology transformed the socioeconomic status of cotton growers and benefited industries associated with cotton.

41. Food Grain Stocking Policy for India

Sponsor: FAO, New Delhi

Project Team: Shashanka Bhide, Rajesh Chadha, Anjali Tandon, and Sourabh Bikas Paul

Objectives: Pending legislation, which will guarantee access by the poor to a specified quantity of food grains, the National Food Security Bill stands to have a major impact on the food grain stocking policy in India. The Bill mentions cash transfers and issuing

food coupons to eligible families. However, no concrete steps have been spelled out on this front. It is, therefore, supposed that the present system of procurement and storage of food grains by central and state government agencies shall continue. The key output of this study will be a report on food grain stocking policy for India.

Status: Concept note submitted to the Sponsor.

42. Facilitating Efficient Agricultural Markets in India: An Assessment of Competition and Regulatory Reform Requirement – Indian Market for Onions*

Sponsor: Australian Centre for International Agricultural Research, Canberra

Part A: Facilitating Efficient Agricultural Market in India

Project Team: Rajesh Chadha, Scott Davenport, Sisira Jayasuriya, Donald MacLaren, Steve McCorriston, Allan Fels, and Anjali Tandon

Objectives: The aim of this project is to help ensure that the gains from international and domestic market reforms translate into real income gains for Indian farmers by facilitating the development of appropriate pro-competition policy settings with adequate safeguards for farm communities. Agricultural marketing and competition policy settings in BRIC countries would be analysed to identify policy objectives, policy change processes, and the 'market failure' principles driving those changes. The analysis would be based on policy comparison across BRIC as well as in some specific Indian agriculture markets.

Key Findings: Given the focus of the recently constituted Competition Commission of India on ensuring fair and healthy competition in the economy to



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achieve efficient resource use and faster and inclusive growth and development, it follows that it has an important role in considering the application of trade practices law to agriculture as part of India's new 'agricultural policy programme'. This will help ensure that the gains from reforms are efficiently and equitably distributed among supply chain participants consistent with national goals. Important areas of focus will be (i) 'unconscionable conduct' and 'market power abuse', rather than on differences per se in market power between buyers and sellers and (ii) farm level arrangements that provide for collective bargaining.

Outcome: Dissemination workshop held in February 2011.

Part B: Price and Competition Issues in the Indian Market for Onions

Project Team: Rajesh Chadha, Scott Davenport, Sisira Jayasuriya, Donald MacLaren, Steve McCorriston, Jyoti Gujral, Anjali Tandon, Saurabh Bandyopadhyay, and Nandita Srivastava

Objectives: This project aims at investigating the causes and consequences of price volatility in the Indian onion market observed during mid-November 2010 to mid-January 2012 with specific focus on supply chain issues. The research focused on market structure, price formation, and competition issues. The objective was to explain onion price movements and provide insights into the causes of food price inflation more generally. The potentially price-distorting effects of certain statutory interventions in the onion supply chain and the incentives they provide for anti-competitive market behaviour were, therefore, the important considerations.

Key Findings: The study found that the upward spike in onion prices was brought

about by the interactions between reduced supply and various forms of supply chain interventions by government which acted to impede competition. These matters could be addressed through the introduction of a 'competition policy' requiring the regular, independent review of regulation and government programmes based on transparent, 'public interest' policy principles. The reform of inefficient regulatory settings and programmes could then occur in concert with the more widespread application of competition law. The policy could potentially be couched in terms of India's on-going food security and productivity requirements.

43. Estimation of Status of Degraded Forests in the Impact Area of Indira Sagar Project and Cost of Afforestation of Degraded Forests in Madhya Pradesh*

Sponsor: Narmada Valley Development Authority, Bhopal

Project Team: Kanhaiya Singh and Tejinder Singh

The study broadly defines a degraded forest, estimates, the quantum of degraded forests in the Project Impact Area (PIA) of Indira Sagar Project (ISP), and also prepares a cost estimate of afforestation in the area.

Status: Inception report submitted; draft report under preparation.

44. Structural Transformation of Indian Agriculture*

Sponsor: Centennial Group International, USA

Project Team: Hari K. Nagarajan, Hans P. Binswanger (Makhize), Kailash Chandra Pradhan, Sudhir Kumar Singh, and J. P. Singh.

The main objective of the study was to find out structural changes among farm households and villages in India. The data of 1999 and 2006 rounds of Rural Economic

and Demographic Survey (REDS) of NCAER was used to relate the changes in the broader economic and agricultural sector in rural India. The period covered is one of accelerating economic growth in India. The study observed significant changes in per capita income; increase in farm and non-farm sectors; non-farm self-employment income grew more rapidly, and farm profits of the farming households. The impact of changes in farm and non-farm self-employment has become an important avenue for rapid income growth.

The study was completed and the findings on “Structural Change at the Village and Household Level: India 1999–2007” was presented in a workshop on the “Long Term Future of Indian Agriculture and Rural Poverty Reduction”.

45. Policy Instruments to Address Air Pollution Issues in Agriculture: Implications for Happy Seeder Technology Adoption in India

Sponsor: Australian Centre for International Agricultural Research, Australian High Commission in India, New Delhi

Project Teams:

Internal: Pramod Kumar, Laxmi Joshi, and Sudhir Kumar Singh



External: Surender Kumar, TERI University

The project focuses on environmental policy issues associated with rice residue burning and the role of the Happy Seeder in addressing these issues. The main objectives of the study are to: (i) assess the broader significance of agricultural pollution in Punjab and describe existing and proposed policies; (ii) evaluate the Happy Seeder (financial and economic evaluation) relative to other (technically feasible) rice residue use and management technologies; (iii) evaluate a range of potential policy instruments to improve adoption of the Happy Seeder and similar technologies associated with the management of crop residues; and (iv) review the relative significance of policies and technologies in changing residue management practices in Australia.

Poverty, Human Development, Household Behaviour, and Gender

Reducing poverty and economic and social disparities, including those based on gender, and achieving significant improvements in human development have long been concerns for Indian economic policy makers. Several government flagship programmes aimed at achieving these objectives and increasing inclusiveness have been launched from time to time. The experience gained through these interventions in India as well as elsewhere shows that the success of such initiatives depends not only on new policies and programmes, but also on institutional and behavioural changes.

NCAER has been contributing in these areas by carrying out research to evaluate these programmes as well as mounting single- and multi-topic household surveys of income and expenditure to generate data to explore these issues rigorously and map the changes that are happening in Indian society. NCAER has also been contributing to the broader research and policy agenda by making many of its data sets publicly available. For example, the 2004–05 India Human Development Survey is now being used by over 2,000 researchers worldwide and data from the 2004–05 National Survey of Household Income and Expenditure has also been made available.

The growing focus on the quality of public services and ways of making these services accessible to excluded groups have emerged as a key theme within the poverty programme area. NCAER research has tackled issues of access and quality in education, health, infrastructure, and access to jobs. The work on decentralisation and delivery of services has complemented this focus on service delivery.

In 2010–11, besides the IHDS–II and NSHIE household surveys that NCAER has underway, much of the focus has been



Curt Carnemark/World Bank

on decentralisation, centred in the IDRC-supported project on rural governance and growth in India. The research programme has so far produced a number of working papers and several are under review in refereed journals. A study on the gender dimension of social cohesion has assessed changing gender relations after liberalisation of the economy in the early 1990s. A study completed for SEBI profiles savings and investment behaviour and looks at different investment instruments and household preferences for such instruments. The National Book Trust commissioned NCAER to carry out a study of reading patterns in the North-East.

Details of individual projects are given below.

46. Prospects for Poverty Reduction in India*

Sponsor: Indian Institute of Public Administration, New Delhi

Project Team: Shashanka Bhide and Ranjan Dash

Objectives: To review literature on the trends in poverty in India and factors influencing reduction in poverty and to develop a framework for assessing poverty in the future scenarios. This work is designed to bring out the completion programme of work on chronic poverty undertaken by NCAER in collaboration with CPRC–IIPA.

Key Findings: Increasing the pace of reduction in poverty is important from the perspective of bringing down the incidence significantly. Continuing poverty reduction at the rate of 9 percentage points over an 11-year period (1993–94 to 2004–05) would mean that the rate of incidence would remain at 18–19 per cent by 2015–16. This is just about the level committed under MDG. The Tenth Five Year Plan had projected a poverty ratio of 21 per cent in the rural areas and 15 per cent in the urban areas by the terminal year of the plan, 2006–07. This study provides an assessment of the prospects for poverty reduction based on the trends and determinants of these trends at the state level.

Outcome: A working paper would be prepared by CPRC–IIPA.

47. Gender Dimensions of Social Cohesion in India

Sponsor: OECD, Paris

Project Team: Anushree Sinha and Rajesh Jaiswal

This project study assesses the changing gender relations in India after the opening up of the economy in the early 1990s and the policy responses to gender inequality and social cohesion deficits as seen from the gender perspective. It focuses on changing employment and education patterns, social protection and intra-household bargaining power. It aims to identify if the structural changes in the economy resulted in more or less gender equality and what the main transmission channels are. It also provides an analysis of the accompanying implemented policies and instruments and assess their strengths and weaknesses. Finally, it provides an assessment of the major stumbling blocks that still need to be addressed to harness the opportunities of the emergence of India as a global player for social cohesion with a gender perspective.



John Isaac/World Bank

48. Regional Knowledge and Partnership Networks for Poverty Reduction and Inclusive Growth*

Sponsor: Asian Development Bank, Manila

Project Team: Anushree Sinha, Rajesh Jaiswal, Rakesh Srivastava, and Barun Deb Pal

The project aims to improve the strategic thinking on the new poverty reduction and inclusive growth agenda in an increasingly regionalised and global Asia. The main intension is to work with key institutions in Asia and the Pacific to establish a knowledge network wherein the participating institutions will produce knowledge products on poverty reduction and inclusive growth, including working papers, policy briefs and opinion pieces that will be shared with policy makers, development practitioners, academic and other stakeholders and interest groups through a regional website to be maintained by ADB. The initial activities will establish knowledge hubs through IPRCC (Beijing) to coordinate work in PRC and Central Asia, the Korean Development Institute (for work in Korea), the National Council of Applied Economic Research in Delhi (to work in India and South Asia), and other institutions for coordinating work in South-east Asia and the Pacific. Total RETA funds are \$1 million (equally financed through the Poverty Reduction and Regional Cooperation Fund of the People's Republic of China trust fund with ADB, and the

Korean ICT fund with ADB). Funding for the subject cooperation with NCAER, as regional knowledge hub for India and South Asia is US\$ 225,100.

49. India Human Development Survey-II

Sponsor: U.S. National Institutes of Health and The Ford Foundation

Project Team: Sonalde Desai, Amaresh Dubey, O.P. Sharma, Amit Thorat, Dinesh Tiwari, S. Deepa, Poonam Dhawan, Yashpal, Santosh Atre, Ajay Gharami, T.N. Krishnan, and Gautam Sinha

Objectives: India Human Development Surveys-I (2004-05) and-II (2011-12) form part of a collaborative research programme between researchers from the National Council of Applied Economic Research and University of Maryland. The goal of this study programme is to document changes in daily lives of Indian households in a society undergoing rapid transition. In documenting the way they live, work, educate their children, take care of their aged parents, and deal with ill health. We seek to infuse the development discourse with experiences of ordinary people. With an urban and rural sample of over 40,000 households spread across 33 states and union territories of India, this will be the first large scale nationwide panel surveys in India and will serve as a unique public resource.



50. Transition to Adulthood in India IHDS-II

Sponsor: U.S. National Institutes of Health

Project Team: Sonalde Desai, Amaresh Dubey, O.P. Sharma, Amit Thorat, Dinesh Tiwari, S. Deepa, Poonam Dhawan, Yashpal, Santosh Atre, Ajay Gharami, T.N. Krishnan, and Gautam Sinha

Objectives: Youth Supplement to India Human Development Survey will include a special survey module administered to youths aged 15 to 18 years that will examine processes shaping their education, skill acquisition, participation in the labour force and entry into marriage and parenthood. Since this sample comes from households surveyed in 2004-05, considerable information about their early childhood is available, allowing us to study the impact of household conditions on child outcomes.

51. Third Census of Handloom Weavers and Issue of Photo Identity Cards to Weavers and Allied Workers 2010*

Sponsor: Development Commissioner (Handloom), Ministry of Textiles, New Delhi

Project Team: Rajesh Shukla, K.A. Siddiqui, P.K. Roy, P.K. Ghosh, Rakesh Srivastava, Bijay Chouhan, Rachna Sharma, Preeti Kakkar, O.P. Sharma, K.J. Khan, Sandeep Mishra, Lokesh Dwivedi, and Amit Sharma

The basic objective of the third handloom census was to build a sound database for handloom sector to provide inputs for planning purposes. The other objectives were to obtain (i) the total number of units, both households and non-households, engaged in handloom activities; (ii) the number of workers (weavers and allied workers) involved in such activities; (iii) photographs and individual details of all handloom weavers and allied workers aged 18 and above for issuing photo identity

cards; (iv) the total count of looms (working and idle) available with both household and non-household units; and (v) the socioeconomic profile of these household units which would be of immense help to planners and policy makers to take corrective measures for the handloom industry. The need to understand the differential impact of policies has increasingly been realised by planners and policy makers. The survey was conducted in rural and urban areas of 29 states and union territories. The third census covered approximately 28 lakh households. The entire data was collected using the latest technology such as personal digital assistants (PDAs). PDAs could take photographs and save it along with household information in one data record. This process reduces errors in linking the photographs with household data.

The final report was submitted to Development Commissioner (Handloom) and released in New Delhi in December 2010. The identity cards of handloom workers of 20 states were printed and delivered. The remaining states will collect these soon.

Outcome: Report titled, “Handloom Census of India 2009–10” has been submitted to sponsor and identity cards distributed.

52. Building Policy Research Capacity for Rural Governance and Growth in India

Sponsor: IDRC, Ottawa

Project Teams

Internal: Hari K. Nagarajan, Raghbendra Jha, Shashanka Bhide, D.B. Gupta, J.P. Singh, Sohini Paul, Kailash Chandra Pradhan, Sharmistha Nag, Sudhir Kumar Singh, Shrabani Mukherjee, Ruchi Jain, Upasana Sharma, and Sugandha Gupta

External: Aparajita Goyal (World Bank), Klaus Deininger (World Bank), Songqing Jin (World Bank), Woojin Kang (Australian



National University), Sonia Bhalotra, and Rachel Brule (Stanford University, Doctoral Fellow at NCAER)

Advisory Committee: Pranab K. Bardhan (University of California, Berkeley), Alain de Janvry (University of California, Berkeley), Andrew Foster (Brown University), Hans P. Binswanger-Mkhize (Tshwane University of Technology, South Africa), Klaus Deininger (World Bank), Renana Jhabvala (Self-Employed Women’s Association), S.S. Meenakshisundaram (National Institute of Advanced Studies, Bengaluru)

The study on “Globalisation, Growth, and Poverty” is conducting research on various aspects of rural governance in an attempt to establish whether decentralisation of governance and the creation of appropriate institutions are effective for achieving inclusive and pro-poor growth. Existing inefficiencies create bottlenecks in the flow of public goods and hamper people’s access to the fruits of macroeconomic growth. Hence, a more ‘bottom-up’ approach is suggested. With greater decentralisation, the characteristics of public goods can be expected to match better with the preferences of the target population. The project, therefore, addresses the process of effective provision of local public goods as well as the impediments to their supply.

The objectives of the programme of work include: (1) To create capacities within NCAER in a sustainable way to assess and



propose solutions to a range of problems associated with rural development, specifically with respect to decentralisation and service delivery, which include health, education, and economic services. (2) To build capacities within NCAER for better utilisation of the data on socioeconomic indicators that are available from a variety of sources, including its own surveys in analysing important development policy issues, in the hope that this core resource would be sustained subsequently on the strength of its quality and visibility. (3) To build a network of stakeholders in academia, the policy community, civil society organisations, development community, and the media so that the research benefits from these interactions and its output informs the discourse well beyond the research community both within the country and abroad. (4) To put in place a strategy for projecting the research output to wider audiences so that the public policy debate is based on evidence-based research.

Outcome: Seven working papers under “NCAER working paper series on Decentralisation and Rural Governance in India” have been printed.

53. Income, Expenditure, Saving, and Investment Survey*

Sponsor: Securities and Exchange Board of India, Mumbai

Project Team: Hari K. Nagarajan, J.P. Singh, Kailash Chandra Pradhan, Shrabani Mukherjee, K.S. Urs, Sudhir Kumar Singh, and D.V. Sethi

The study was proposed to prepare a comprehensive profile of savings and investment behaviour in the context of income and consumption patterns. It had examined whether savings and investments behaviour reflects the attitude towards risk and liquidity preference. It investigated the risk profile of the households and related to savings and investment behaviour, and also the attitudes towards different types of savings and investment alternatives. As land and gold are treated as preferred instruments of investment, this study was to profile this aspect of household behaviour. In order to understand the impact of equity markets on the households’ savings patterns, it was important to understand whether the growth in these markets had been driven by participation by the households directly or by indirect causes. In this context, it provided profile of preference for the various market instruments like IPO, securities, and mutual funds.

Status: Final Report Submitted to SEBI.

54. Varieties of Governance: Effective Public Service Delivery

Sponsor: Global Development Network, New Delhi

Project Team: Hari K. Nagarajan, Sharmistha Nag, Omkar Joshi, Kritika Saxena, and Sudhir Kumar Singh

The study proposed to examine the ability of households in rural India to access public goods and the determinants of access to public goods, given the fact that they can be affected by regulatory mechanism of governments. The research involved the following aspects:

Effectiveness of any public service delivery is

contingent upon the existing accountability Channels. The study proposes to examine existing accountability mechanisms in delivery of education and water services in India.

Another important factor in effective public delivery is access of information about policy initiative by the citizens. This study will examine their channel of information and its implication on their participation.

This study will also examine the effects of caste segmentation across public goods and study its implications on village specific (like schools) and habitation specific (like water) goods. What drives the poor towards expensive private alternatives in the presence of free public services? How does the choice of service provider by households affect access to education to girls, and to the overall completion rate of primary education as opposed to enrolment? What are the impediments remaining to higher completion rates and do these vary across socioeconomic groups and gender?

55. Demographics and Readership of Literate Youth in the North-Eastern States*

Sponsor: National Book Trust, India, New Delhi

Project Team: Rajesh Shukla, Palash Baruah, V.T. Prabhakaran, Mridusmita Bordoloi, and Bijay Chouhan

The primary objective of this study is to assess the readership status and pattern from the perspective of “leisure book” or “non-text” reading of north-east India. In order to have a relative understanding of the situation in the north-east, the study further aims to compare the results for the north-east with national level findings. It also attempts to compare the results with similar findings from one rich and one backward state of the country. Another



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important objective of the study is to identify how different demographic and socioeconomic factors impact the likelihood of reading leisure books by literate youth and to measure the level of impact.

Key Findings: As a whole, the north-eastern region constitutes only 3.7 per cent of India’s total population aged 10 years and above. The eight north-eastern states together constitute only 4 per cent of the total literate youth in India, which translates into 13.2 million. In the cases of Assam and Manipur 80 and 71 per cent, respectively, of the literate youth come from rural areas. Even though, a large proportion of literate youth (46%) in Assam belongs to the 25 to 35 years age group, the proportion of graduates and post-graduates among the literate youth (6.5%) is much smaller compared to all India average (9.5%).

Outcome: Report submitted to the sponsor.

56. The National Survey of Household Income and Expenditure

Sponsor: NCAER

Project Team: Amit Mookerjee, K.A. Siddiqui, P.K. Ghosh, K.S. Urs, Rachna Sharma, Preeti Kakkar, Bijay Chouhan, Palash Baruah, P.K. Roy, Amit Sharma, Ishan Bakshi, Subhasis Sahoo, Asrar Alam, and Sarika Sharma

The National Survey of Household Income and Expenditure (NSHIE), also titled

“Living in India Survey”, aimed at capturing the socioeconomic and demographics characteristics of Indian households, with a particular focus on income expenditure, savings and debt, along with other aspect of household life in India. It contains 23 sections of items, with other aspects being amenities and dwelling details, water usage, health, remote payment and detailed consumer behaviour data, including a section on the consumer mindspace.

The survey was conducted in two phases, starting with a Listing Survey. Over 514,000

households were canvassed in the survey and it was completed by July 2011. The Main Survey was started during June 2011, and was around 90 complete by March 2012. A meeting of the NSHIE Technical Advisory Committee was held in March 2012 and approved the broad results of the listing survey, while also discussing the future progress of the project. It is expected that initial sectional reports will be prepared by late 2012.

Activities

NCAER Publications

Books and Published Reports*

1. Seeking Efficiency and Excellence in the Implementation of Infrastructure Projects in India

(2011, NCAER, 204 pp.)

Study Team: Geethanjali Nataraj, Shashanka Bhide, S.K.N. Nair, Payal Malik, Bornali Bhandari, and Triveni Chouhan

The publication is based on the study conducted to assess the constraints in and the factors that influence project execution using a survey of various studies and consultations with selected stakeholders.

It provides the patterns of execution based on a review of the performance indicators for central government projects in the infrastructure sector. The report notes the successes and slow movers across sectors. The report points to generally an improving trend in performance although the targets set remain well above the actual performance. As explanations for varied performance of project execution, the study provides a discussion of the complexity of infrastructure projects, fluid state of policy and governance issues. The report discusses the experience of project execution in China.

The findings of the study were brought out in a report which was released by Mr Kamal Nath, Honourable Minister for Road Transport and Highways at a Workshop on Accelerating Infrastructure Building in India held on 1 December 2010 at New Delhi. The final report titled, "Seeking Efficiency and Excellence in the Implementation of Infrastructure Projects in India" was released in a conference held on 12 December 2011 in New Delhi.

2. India's Tryst with Destiny: Debunking Myths that Undermine Progress and Addressing New Challenges

(2012, NCAER and Columbia, 228 pp.)

Study Team: Jagdish Bhagwati and Arvind Panagariya (coordinated by Rajesh Chadha)

Indian democracy was a huge success from the beginning until recently when serious questions emerged about governance which we now must address.

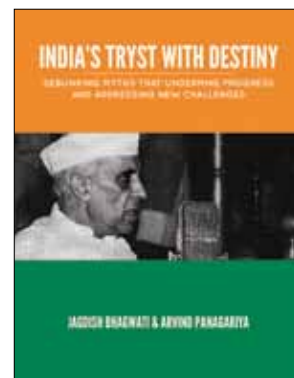
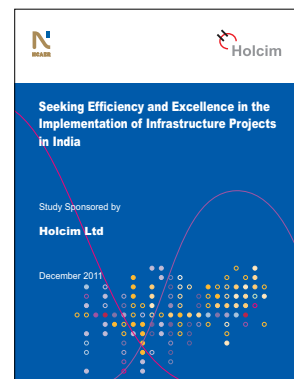
Economics (which the authors address in the book and forms its main theme) was a disaster at the outset because of a counterproductive policy framework, embraced and defended for long by most economists due to mounting evidence of failure. This led to low growth and hence to little impact on poverty. But the post-1991 reforms led to a change for the better: the accelerated growth raised an estimated 200 million people out of extreme poverty. So, in modern phrasing, growth has indeed been "inclusive".

3. Pre-launch Survey Report of Insurance Awareness Campaign

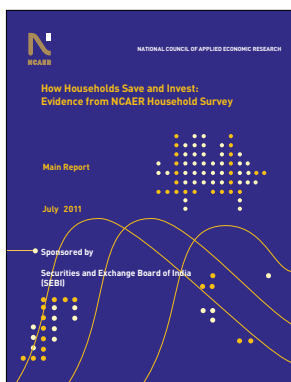
(2011, NCAER, 208 pp.)

Study Team: Anushree Sinha, Rajesh Jaiswal, Barun Deb Pal, Kalicharan Shukla, Ramamani Sundar, and Geetha Natesh

The study seeks to analyse (a) the awareness levels of the insured population of their rights as per the Act, policyholder protection regulations, different types of insurances such as life insurance including term, premium, endowment, ULIPs, health



* NCAER publications/ periodicals are available by direct/ email order, through subscription/ online order at NCAER's web site www.ncaer.org or publ@ncaer.org



insurance, general insurance, including household items, and levels of protection available for various types of insurance; (b) study and analyse the awareness levels of the uninsured on the need for insurance, types of insurances available, insurance interest, benefits of insurance, and benefits of ULIP investment; and (c) generate a socioeconomic profile of the insured and uninsured population by various socioeconomic parameters like religion, caste, income, occupation, age, literacy levels, family size, etc.

4. How Households Save and Invest: Evidence from NCAER Household Survey

(2011, NCAER, 128 and 372 pp.)

Study Team: Hari K. Nagarajan, D.V. Sethi, Kailash C. Pradhan, Shrabani Mukherjee, and Sudhir Kumar Singh

The global economy is on a recovery path after the shocks of the severe financial and economic crises of 2008 and 2009. The Indian financial sector was able to withstand the global shocks during this period and emerge stronger. The foreign capital inflows have resumed and the capital markets have regained the dynamism. Experience has shown that the need for greater understanding and careful monitoring of the financial sector is essential for designing policies for sustaining high rate of economic growth with stability. This study, third in this area supported by Securities and Exchange Board of India (SEBI), has focused on understanding the behaviour of households as investors in various financial instruments which are traded in markets regulated by SEBI. As investors, households evaluate a variety of options available to them including those traded in formal markets under regulation. To

this extent, the study has looked at a range of financial saving instruments. In this study, we have used a sample of about 38,000 households in 44 cities and 40 villages across the states. It is estimated that there are 24.5 million investors in India.

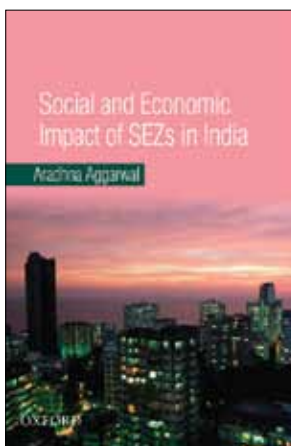
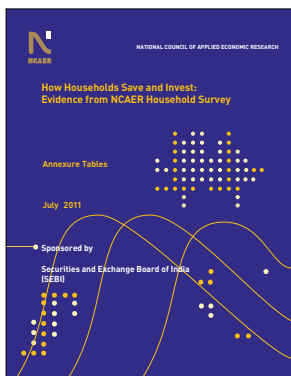
The study points to the relatively low rates of participation by households in the securities market, though there has been growth in the investor population over the past 10 years since the last survey carried out by NCAER. Fifty four per cent of all households treat commercial banks and insurance schemes as their primary choice for savings at all India level. The degree of risk aversion is extremely high in Indian households. Households engaging in more risky instruments are only at the margin. Education plays a significant role in influencing risk preferences. Risk was the highest among investors with more than 15 years of schooling. Villages that are close to urban centres significantly participate in financial markets, particularly in the mutual funds. Other characteristics of rural households, like marital status and gender, do not significantly alter the distribution of investment.

5. Social and Economic Impact of SEZs in India

(2012, Oxford University Press, 336 pp.)

Study Team: Aradhna Aggarwal

This book provides a comprehensive review of the evolution and performance of SEZs from historical and comparative perspectives by tracing the experiences of SEZs in 23 developing countries including Korea, Taiwan, and China. Using a framework that integrates the basic tenets of the industrial cluster approach with existing theories, it proposes a set of evaluation criteria for SEZs.



Analysing quantitative data provided by the Ministry of Commerce and qualitative evidence based on field surveys conducted during 2004–09, the book assesses the economic contribution in the pre- and post-SEZ Act periods in India. Exploring the impact of SEZs on employment, trade, foreign exchange earnings, government revenue, and technology transfers, it also examines evidence of social effects vis-à-vis land acquisition, human development, regional inequities, and environmental protection. Discussing the impact of internal dynamics and external forces on future prospects of SEZs, it offers constructive suggestions to make policy investor friendly and successful.

6. Evaluation of Functioning of Tribal Research Institute (TRI) in Assam

(2011, NCAER, 56 pp.)

Study Team: Shashanka Bhide, Tarujyoti Buragohain, and D.B. Gupta

The study found that the Assam Institute of Research for Tribal and Scheduled Castes (AIRTSC), is spread over 43,000 sq. ft in Jawaharnagar, Guwahati. It is located on the outskirts of the main city.

The library with nearly 9000 books and documents, mainly on scheduled tribes and scheduled castes, has a separate area for stacking books as well as a fairly decent sized reading room. The library has been subscribing to four Journals and purchasing 200–250 books every year.

The museum has preserved a variety of artifacts reflecting the socio-religious and socioeconomic aspects of the multi-ethnic groups in Assam.

All categories of staff are not sufficiently motivated due to lack of incentives, especially the avenue for further promotion. Research staff lacked adequate

opportunities for training, especially trainings abroad with a view to improve and upgrade their existing skills.

7. Monitoring and Evaluation of Off-Grid Solar Photovoltaic Systems Installed during 2007–08 to 2009–10: Experience of Gujarat, Chhattisgarh, Madhya Pradesh, Assam, Tamil Nadu, Andhra Pradesh and Meghalaya

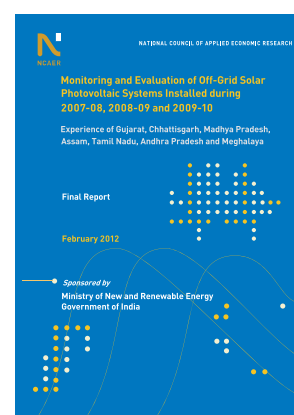
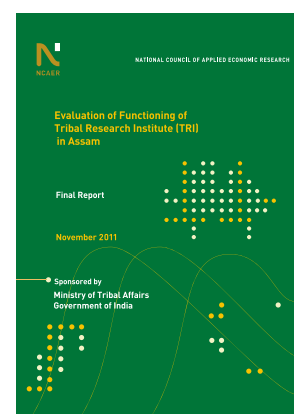
(2012, NCAER, 116 pp.)

Study Team: Shashanka Bhide, Tarujyoti Buragohain, and K.S. Urs

The study was undertaken to evaluate the solar photovoltaic systems installed in the seven states of Gujarat, Chhattisgarh, Madhya Pradesh, Assam, Tamil Nadu, Andhra Pradesh, and Meghalaya.

The study found that the implementation of the programme was systematic across states. The types of systems deployed varied considerably across the seven states. In Gujarat, 302 solar power plants (SPPs) were installed in milk collection centres in villages. In Chhattisgarh, SPPs were installed in tribal residential schools. In Assam, five SPPs were installed in village community centres. SPPs ranging from capacities of 1 kW to 100 kW were installed in colleges and residential schools, community health centres, government offices, and other public facilities in Andhra Pradesh, Madhya Pradesh, and Tamil Nadu. Individual home lighting systems were installed in Andhra Pradesh, Assam, Madhya Pradesh, and Meghalaya. Solar street lights were also installed in six of the seven states. Beneficiary satisfaction levels were generally high when availability of SPV systems had improved lifestyles significantly.

The report gives details of technical information including the names of suppliers, types and capacities of modules;



types and capacities of battery and types and wattages of luminaires, etc.; maintenance arrangements of the systems installed; and social impact of the systems and the level of satisfaction of the beneficiaries.

8. Economic Impact Study of Delhi Airport

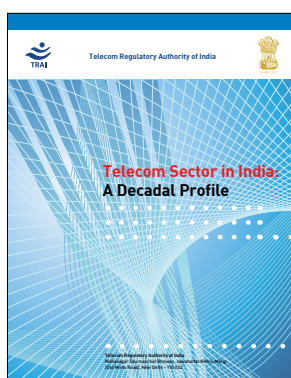
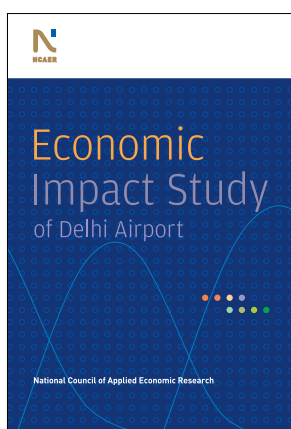
(2012, NCAER, 98 pp.)

Study Team: Purna Chandra Parida, Shashanka Bhide, Devender Pratap, Farha Anis, and Rajlaxmi Mohanty

Rapid modernisation and expansion of infrastructure is critical to the rapid transformation and growth of India's economy. The public-private partnership (PPP) model, aimed at combining financial resources and competition-induced efficiencies of the private sector with the public sector's mandate for equitable sharing of benefits, has become a key strategy for infrastructure development in India.

The Indian economy faced the challenges of airport modernisation as it began to deepen its integration with global markets. PPP model has been applied successfully for the development of green-field airports in Bengaluru and Hyderabad and for the modernisation of the Mumbai and Delhi airports.

The report highlights the need to distinguish between the construction phase of airport development and the long-term benefits to be derived from its operation. This exercise requires an understanding of costs and revenues in the two phases. The assessment of direct, indirect, and induced impacts also points to the many channels through which airport development affects the economy. The study estimates output multipliers of 2.80 for the airport services sector, indicating its significant inter-industry linkages.



9. Telecom Sector in India: A Decadal Profile

(2012, NCAER, 120 pp.)

Study Team: Bornali Bhandari, Pooja Goel Ramavat, Thomas K. Thomas, and Ajit Jha

The purpose of this report is to review the extraordinary journey of the Indian telecom sector in the 2000s. The report presents the growth story in telecom sector in India in terms of significant policy changes and regulatory initiatives and consequent socioeconomic impacts.

The report presents the evolution of the telecommunications sector in India in the last decade. The telecommunications sector plays an increasingly important role in the Indian economy. It contributes to Gross Domestic Product (GDP), generates revenue for the government and creates employment.

From 2001 to 2011, the total number of telephone subscribers has grown at a compound annual growth rate (CAGR) of 35 per cent. The comparable rates in the 1980s and 1990s were 9 per cent and 22 per cent, respectively. However, the composition of the subscribers shows that mobile subscribers have led the way. The increase in teledensity has mainly been driven by the increase in mobile phones.

Demand side factors—ultra low cost of handsets, low tariffs, and ultimately the ease of using a phone—as well as supply side factors have made mobiles popular in India. The number of internet subscribers has increased but the number of data subscribers far exceeds the former. The digital subscriber line (DSL) is the most favoured technology to access the internet through personal computer. Other services like village public telephones (VPTs), public call offices (PCOs), public mobile

radio trunk service (PMRTS) and very small aperture terminal (VSAT) services show slower growth.

10. Assessing the Effectiveness of Small Borrowing in India

(2011, NCAER, 88 pp.)

Study Team: Prabir Kumar Ghosh, Rachna Sharma, Ishan Bakshi, Amit Sharma, Asrar Alam, Siddhant Shashwat, Preeti Kakkar, Palash Baruah, Rishab Kaul, and Sonam Samat

Project Advisor and Consultant:

Dr Rajat Kathuria (Professor, IMI and Consultant, ICRIER)

The emergence of microfinance institutions (MFIs) is evidence of the failure of the traditional formal sector to serve the needs of the poor and those located in remote areas because of the high costs and risks involved. Some of the key findings were: (i) About 50 per cent of households in our sample have a formal savings account. Despite owning bank accounts, households regularly approach other formal and informal sources to meet their funding needs since the bank accounts are used primarily for receiving government transfer payments, rather than obtaining credit; (ii) The most popular loan source is informal while the least widespread are formal sector loans; (iii) The mean loan size of MFIs across clusters is in the range Rs 10,000–20,000 while it is consistently much larger for banks; (iv) Indebtedness is not a phenomenon that can be directly linked to MFIs; and (v) Compared to other sources, MFIs and self-help groups (SHGs) have, by far, greater presence among the lower income cohorts.

Serial

India Policy Forum 2011–12 (Volume 8) (Annual)

(2012, NCAER and Brookings Institution, Washington, D.C., published by Sage Publications, 296 pp.)

Shekhar Shah, Barry Bosworth, and Arvind Panagariya (eds)

The India Policy Forum (IPF) is an annual publication dedicated to analysing contemporary trends in the Indian economy. Its objective is to carry out theoretically rigorous yet empirically-informed research on current issues related to India's economic policy. A joint publication of NCAER and Brookings Institution, IPF serves as a forum for a global network of scholars interested in India's economic transformation.

Articles

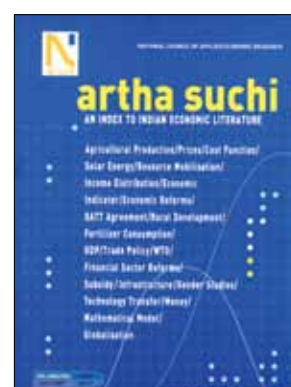
- Viral Acharya, *Is State Ownership in the Indian Banking Sector Desirable?*
- Ajay Mahal and Victoria Fan, *Expanding Health Coverage for Indians: An Assessment of the Policy Challenge*
- Shikha Jha and Bharat Ramaswami, *The Percolation of Public Expenditure: Food Subsidies and the Poor in India and the Philippines*
- Prachi Mishra and Devesh Roy, *Explaining Inflation in India: The Role of Food Prices*
- Renu Kohli and Agnes Belaisch, *Do Capital Controls Matter in India?*

Subscription Products

Artha Suchi (Quarterly)

Volume 28, Numbers 3 and 4 and Volume 29, Numbers 1 and 2 (4 issues)

Editor: B.B. Chand



Quarterly computerised index of government reports, journal articles, and newspaper write-ups related to Indian economy brought out by NCAER Library.

Macro Track (Monthly)

Volume XIII, Number 4 to Volume XIV, Number 3 (12 Issues)

Editor: Bornali Bhandari

Information and research-based analysis on major trends in the economy, industry, and finance. Supplementary analysis, based on NCAER's Business Expectations Survey (BES) and Macroeconomic Forecast is also included. Each issue carries statistics on major states based on current issues of economic importance.



Margin: The Journal of Applied Economic Research (Quarterly)

(NCAER and Sage Publications)
Volume 5, Numbers 2, 3, and 4 and Volume 6, Number 1 (4 Issues)

Chief Editor: Shekhar Shah

Managing Editor: Anuradha Bhasin

Margin: The Journal of Applied Economic Research (JAER) is a quarterly, peer-reviewed, international journal published by NCAER in New Delhi in conjunction with SAGE International. JAER publishes papers that pay special attention to the economics of emerging economies, but is open to high-quality papers from all fields of applied economics. Empirical papers with significant policy implications are preferred, particularly papers with evidence-based policy analysis that apply modern quantitative techniques to sound data sets. At the same time, high-quality review articles are not excluded. JAER appeals to a broad international audience, and hence, empirical papers that cover a range of countries or analyse topics that are relevant outside a single country are



often chosen. NCAER's location, the rising global interest in India, and the growing size of India's global presence mean that JAER inevitably carries some papers that explore the economics of the major economic, demographic, and social transformation that India is undergoing.

Selected articles from Margin

Asenso, Joseph K. 2011: "An Interim Arrangement towards Monetary Unification in the West African Monetary Zone", 5 (4): 451–475, October–December.

Dartanto, Teguh and Usman 2011: "Volatility of World Soybean Prices, Import Traffics and Poverty in Indonesia: a CGE-Microsimulation Analysis", 5 (2): 139–181, April–June.

De Silva, Indunil 2012: Evaluating the Impact of Microfinance on Savings and Income in Sri Lanka: Quasi-experimental Approach Using Propensity Score Matching", 6 (1): 47–74, January–March.

Dutta, Swati 2011: "Efficiency in Human Development Achievement: A Study of Indian States", 5 (4): 421–450, October–December.

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Quarterly Review of the Economy (Quarterly)

Coordinator: Geethanjali Nataraj

The *Quarterly Review of the Economy*

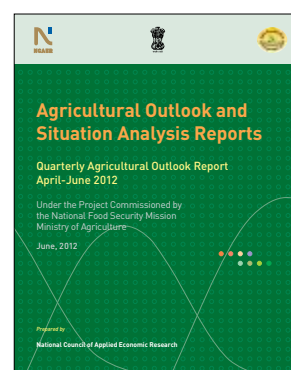
is designed to meet the needs of policy makers, corporates, and others interested in tracking the latest developments in the Indian economy. It provides an analysis of current policies and tracks developments in the domestic and world economy. NCAER's growth forecasts are objective and widely quoted in Indian and international media. The subscribers to the Review also receive a copy of the detailed report on NCAER's *Quarterly Business Expectations Survey*. An integral part of the Review is its quarterly State of the Economy seminars organised at NCAER, which brings together policy makers, industry leaders, and researchers on a common platform.

Agricultural Outlook and Situation Analysis Reports (Quarterly)

(NCAER, June, 2012)

Study Team: Shashanka Bhide, A. Govindan, V.P. Ahuja, S.K. Mondal, S.C. Agarwal, Charu Jain, and Sushrita Sarkar

Agriculture continues to be critical to India's economy given its role in meeting the needs of food and fibre for over a billion people and providing livelihoods to millions of households in the rural areas. India is a major producer and consumer of several basic food commodities. The challenge is to meet the diversified and increased demand for food commodities as a result of the changing dietary preferences of population. Imports meet a substantial share of the consumption of edible oils and pulses. Several efforts are under way to achieve the diversification of agricultural output in order to raise the income of producers and improve the sustainability of production systems. At the same time, there is also the need to achieve food security. The food inflation of the last two years has highlighted the need to watch the imbalances in supply and demand not just



of foodgrains, but also of fruits, vegetables, and milk, both in the short- and long-runs.

This is the first of a series of periodic reports planned under this project. This Quarterly Agricultural Outlook provides an overview of agricultural trends globally and at the national level. It covers a wide range of commodities from rice, wheat, and coarse grains to potato, banana, and milk.

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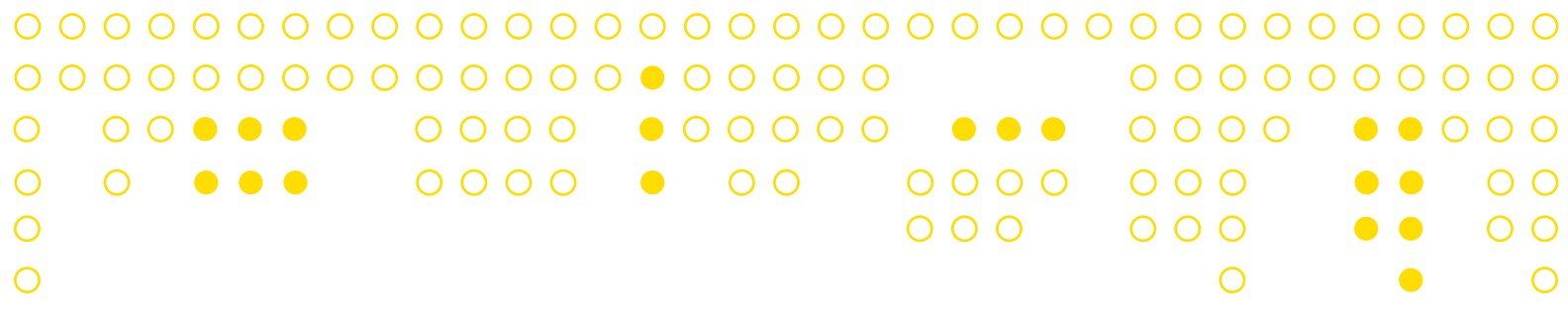
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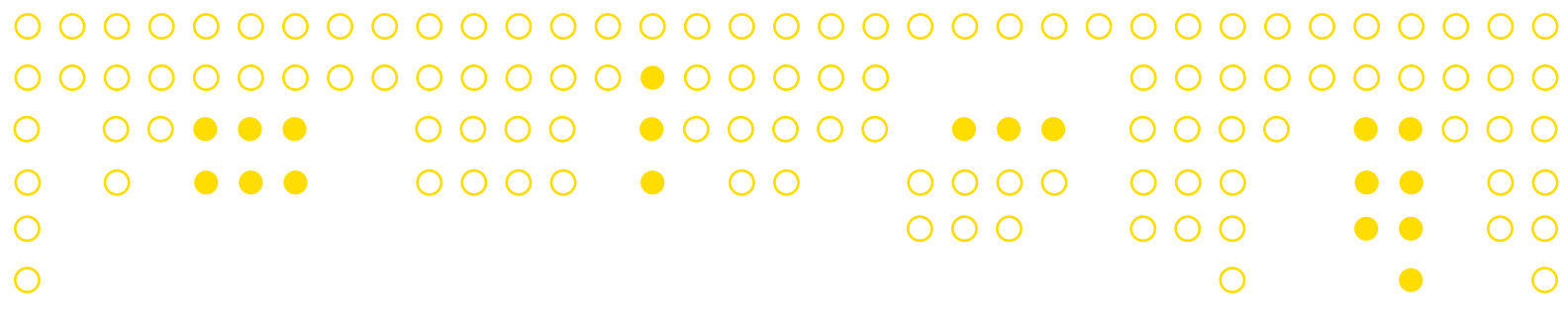
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Hari K. Nagarajan (with Hans P. Binswanger-Mkhize and Sharmistha Nag) 2012: “Political Economy of Water Security in Rural India”, Working Paper on Decentralisation and Rural Governance in India, NCAER.

Hari K. Nagarajan (with Raghbendra Jha, Woojin Kang, and Kailash C. Pradhan) 2012: “Fiscal Decentralisation and Local Tax Effort in Rural India”, Working Paper on Decentralisation and Rural Governance in India, NCAER.

Shah, Shekhar 2011: “Asia’s Challenge: Rebuilding the Global Economic Order in a Generation”, *East Asia Forum* (Quarterly), 3(3): 19, July–September.

Sharma, Anil 2012: Review of “Indian Agriculture”, *NCAER Quarterly Review of the Economy*, January–March.

Sharma, Anil 2011: “Agriculture and Rural Development”, *Mid-Year Review of Indian Economy*, NCAER and India International Centre, November.

Sharma, Anil 2011: Review of “Indian Agriculture”, *NCAER Quarterly Review of the Economy*, October.

Sharma, Anil 2011: Review of “Indian Agriculture”, *NCAER Quarterly Review of the Economy*, July.

Sharma, Anil 2011: Review of “Indian Agriculture”, *NCAER Quarterly Review of the Economy*, April.

Shukla, R., Sharma, A., and Baruah, P. 2011: “Indian Youth and their Interest in and Understanding of Science”, in Raza, G., Fujun, R., Khan, H. J. and Wei, H. (eds), *Constructing Culture of Science – Communication of Science in India and China*. Delhi: NISCAIR, CSIR, India and China: CRISP, pp. 305–325.

Singh, Kanhaiya (with Kaliappa Kalirajan) 2012: Self-Help Group-Banking-Poverty Reduction Nexus: A Case Study of Uttarakhand State, India. ASARC Working Papers: 2012-02. Australian National University, Australia South Asia Research Centre. URL: http://www.crawford.anu.edu.au/acde/asarc/pdf/papers/2012/WP2012_02.pdf

Singh, Kanhaiya (with Kaliappa Kalirajan, Shandre Thangavelu, Anbumozhi Venkatachalam, and Kumidini Perera) 2011: "Climate Change and Poverty Reduction: Where Does Official Development Assistance Money Go?" ADBI Working Paper Series No. 318, November. Asian Development Bank. <http://www.adbi.org/files/2011.11.04.wp318.climate.change.poverty.reduction.dev.money.pdf>

Sinha, Anushree (with Kanbur, Ravi) 2012: "Informality: Concepts, Facts and

Models". Working Paper, Charles H. Dyson School of Applied Economics and Management, Cornell University, Ithaca, New York.

Sinha, Anushree 2011: "Trade and the Informal Economy" in Marion Jansen, Ralf Peters, and José Manuel Salazar (eds), *Trade and Employment: From Myths to Facts*, Geneva, Switzerland: International Labour Organization.

Sinha, Anushree 2011: Book Review, Sugata Marjit and Saibal Kar, *The Outsiders: Economic Reform and Informal Labour in a Developing Economy*, New Delhi: Oxford University Press, *Indian Journal of Labour Economics*, 54(1), September.

Paul, Sohini 2011: "Political Reservation and Women Empowerment", Decentralisation, Rural Governance and Inclusive Growth (NCAER) web site". <http://www.ruralgov-ncaer.org/blogs/?p=206>.

Activities

Activities of Senior Staff

SHEKHAR SHAH

Positions Held

- Member, Delhi Lt. Governors Advisory Group, Review of the *Master Plan Delhi-2021*
- Member, Governing Body, National Institute of Public Finance and Policy
- Member, Government Accounting Standards Advisory Board for Union and the States, Office of the Comptroller and Auditor General of India
- Member, Working Group on Fertilizer Industry for 12th Five Year Plan, Ministry of Chemicals and Fertilizers
- Member, Steering Committee on Industry, Indian Planning Commission
- Committee Member, CII Economic Policy Council
- Member, Sub-Group on Equity, Ministry of Environment and Forests
- Member, Advisory Board, Times Higher Education



Lectures / Presentations / Conferences

2011

May 24: Panelist, Panel Discussion on “Perspectives on Poverty and Exclusion in India”, The World Bank, New Delhi.

June 14: Panelist, Symposium on “Towards Balanced Development and Inclusive Growth: The Indian Experience”, OECD–NIPFP, New Delhi.

June 21: Speaker, “Brainstorming on Delivery of Public Services”, Planning Commission and Ford Foundation, New Delhi.

July 11: Panelist, Book Release and Panel Discussion on “Growth and Poverty”, CUTS, New Delhi.

August 5–6: Panelist, “IFMR–Financial Sector Conclave”, IFMR, Chennai.

August 18–19: Discussant, paper on “East Asia and South Asia, Competitive or Complementary Economies?” Conference on “Asia, the G20 and Global and Regional Architecture”: Panelist, Public Forum on “Asia’s Global Role”, Crawford School, Australian National University, Canberra.

September 16: Chair, Panel Discussion on “Inflation: Sources, Challenges and Policy Options”, NIPFP, New Delhi.

October 18–19: Chair, Session on “A Global Financial Architecture in Transition,” and Concluding Plenary Speaker, “The BRICS in G20,” Centre for China in the World Economy, Beijing.

October 22–23: Panelist, “Towards Inclusive Growth in South Asia: The Role of Regional Cooperation,” Fourth South Asia Economic Summit, CPD, Dhaka.

November 3: Guest Speaker, DFID–WB Governance Retreat “From 2004 to 2011: The WDR 2004 on Service Delivery”, DFID, New Delhi.

December 9: Invited speaker, Roundtable discussion on “Knowledge and Innovation” with Managing Director, World Bank Group, New Delhi.

December 13: Panelist, Conference on “Inclusive Growth: From Policy to Reality,” International Expert Meeting, IDRC and IIDS, New Delhi.

2012

January 22–24: Guest Speaker, “A Perspective Plan for Kerala 2030”, State Planning Board, Thiruvananthapuram, Chennai.

February 1–2: Participant, Second International Research Conference on “Monetary Policy, Sovereign Debt and Financial Stability: The New Trilemma”, Reserve Bank of India, Mumbai.

February 27: Chair, Meeting of BRICS Economic Research Group, Session on “Recovery and Economic Prospects in Developed Countries: Impact and Risks that BRICS Might Face, and the Co-ordination to Mitigate this Risk”, NIPFP, New Delhi.

March 3–4: Keynote Speaker, “Can India End Poverty in a Generation?” The 16th Annual CFO Roundtable 2012, IMA Ltd, Jodhpur.

March 5–6: Chair and Panelist, South Asia Think-Tank Institutions Retreat, IDRC New Delhi and CSTEP Bangalore.

March 18: Participant, “Post-Budget Interactive Session with Mr Pranab Mukherjee, Hon’ble Finance Minister”, CII, New Delhi.

March 22–24: Panelist, “Income Inequality and its Impact on Economic Management and Growth”, Ditchley Foundation, Ditchley Park, Oxfordshire, UK.



ARADHNA AGGARWAL

Position Held

- Member, Working group on SME–SEZ connect, Indian School of Business (ISB), Hyderabad

Lectures / Presentations / Conferences

2011

September 21: Presented paper on “Cartels and Commodity Trade: Governance Challenges and Way Forward”, International Symposium at WTO, Geneva, Centre for Economic Policy Research, London and CUTS International, Jaipur.

October 13: Presented paper on “Strategizing of SEZs: Analysis of China and India”, International Symposium of Japan Association of Asia Scholars, Kyoto, Japan.

December 13: Presented paper on “The Strategic Importance of Border Economic Zones in Developing GMS Economic Corridors”, Greater Mekong Sub-region Development Dialogue, Asian Development Bank under the auspices of Phnom Penh Plan for Development Management, Beijing.

2012

January 27: Chaired a Session at Symposium on SME–SEZ, ISB, Hyderabad.

February 9: Participated in Roundtable on SEZs, CII, New Delhi

March 27–28: Participated and presented paper on “India’s FDI Policy” at “Commonwealth Investment Experts Group Meeting for the South Asian Region”, Colombo, Sri Lanka.

SHASHANKA BHIDE

Positions Held

- Chairman, Working Group on Estimation of Investment for the Twelfth Five Year Plan, Planning Commission
- Member, Working Group on Savings for the Twelfth Five Year Plan, Planning Commission
- Member, Advisory committee on Satellite Accounting for Civil Aviation Sector



Lectures / Presentations / Conferences

2011

June 7: Panelist in the Business World Forum.

August 3: Presented paper on “Economic Reforms”, CII (North), Gurgaon.

October 24: Presented paper on “Assessing the Impact of Aadhaar”, UIDAI, New Delhi.

November 5: Presented paper on “Overview of the Economy” in the Mid-Year Review, “Sustaining Growth and Reducing Inflation: Challenges in 2011–12”, NCAER, New Delhi.

November 10: Discussant at the workshop on “Policy Options and Investment Priorities for Accelerating Agricultural Productivity and Development in India”, IGIDR, Mumbai and IHD, New Delhi.

November 15: Presented paper on “India’s Infrastructure Development”, School of Business Studies, Sharda University, Noida.

November 30: Presented paper on “Food Inflation: Trends, Prospects, Explanations, and Policies”, Department of Agriculture and Cooperation, Ministry of Agriculture.

December 17: Presented paper on “Macroeconomic Conditions in 2011–12: Moving Forward”, 13th Annual Neemrana Conference, Neemrana, Rajasthan, ICRIER, New Delhi.

2012

January 12: Presented Overview of the Study “Agricultural Outlook and Situation Analysis for Food Security”, Workshop on “International Practices and Products for Assessing Agricultural Outlook”, NCAER, New Delhi.

February 21: Discussant at “ADB Technical Workshop on Sovereign Debt Sustainability in Asia and the Pacific: India Country Study”, ADB, Singapore.

March 21: Presented paper on “Evaluation of Alternative Models of Land Pooling and Development in the NCT of Delhi: Key Findings of the Study”, at the Committee to Review Master Plan of Delhi 2021, LG’s Office, Delhi.

March 30: Discussant at the workshop on “Indian Agriculture and the World Market: Is It Business-as-Usual?”, IFPRI, New Delhi.



RAJESH CHADHA

Positions Held

- Member, Global Advisory Board, Global School of Applied Management (GSAM), Hyderabad
- Member, Advisory Board, South Asia Network of Economic Modelling (SANEM), Dhaka
- Member, Editorial Board, *Vision*, Journal published by the Management Development Institute (MDI), Gurgaon
- Member, Advisory Board, Indian School of Business and Finance (ISBF), Delhi

Lectures / Presentations / Conferences

2011

April 13: Attended seminar by Dr Gurbachan Singh, Indian Statistical Institute, on “Financial Stability Report, Reserve Bank of India, March and December 2010: A Critical Review with a Long Term Perspective”.

April 17: Delivered lecture on “FTAs and Doha Development Round: India, WTO and Regionalism”, IEG, Delhi.

May 6: Attended First Meeting of the Sub-Group of Working Group on Petroleum and Natural Gas Sector for the 12th Five Year Plan (2012–2017) at Ministry of Petroleum and Natural Gas, New Delhi.

May 18: Attended seminar by Dr Monica Das Gupta, Development Research Group, The World Bank on “Child Sex Ratios in India, China, and South Korea: Causes, Trends, and Consequences”.

July 10: Chaired session on “Indo-ASEAN Trade and Investment”, Institute of Objective Studies and Indo-Arab Economic Cooperation Forum, New Delhi.

August 6: Delivered lecture on “GTAP Model: Liberalising Border Trade – Implications for Domestic Markets in India”, Decision Support System in Agriculture Using Economic Tools (Summer School), NCAP, New Delhi.

August 29: Attended a seminar on “Middle Class Dreams: India’s One-Child Families” by Dr Alaka Basu and Dr Sonalde Desai.

September 16: Delivered lecture on “Liberalising Border Trade: Implications for Domestic Agricultural Markets in India”, Eighth Faculty Refresher Course, Academic Staff College, Jamia Millia Islamia, New Delhi.

September 28: Delivered lecture on “Impact of Global Economic Crisis on Global Trade and Implications for the Indian Economy”, ITM University, Gurgaon.

October 18–19: Attended seminar on “International Monetary System in Transition: The BRICS in G20: The Global Financial Architecture in Transition”, CCWE–CEFIR–NCAER–BP–RBWC, Beijing.

October 20: Attended seminar on “Global Value Chains and Reform of International Trade Statistics”, Ministry of Finance and Commerce, Beijing.

November 30: Project meeting on “Outlook and Situation Analysis for Food Security”, Presented paper on food inflation, Ministry of Agriculture, New Delhi.

2012

February 1: Delivered lecture on “Australia–India Economic Relations: Do We Wait for the FTA?” Inaugural Conference of the Australia–India Youth Dialogue, Mumbai.

February 24: Chaired technical session of “Empowering Growth through Corporate Governance and Economic Stability Measures”, Guru Gobind Singh College, Delhi University, Delhi.

February 29 to March 4: Presented invited paper on “Emerging India: International Trade Policy”, Policy Research Institute, Ministry of Finance, Tokyo, Japan.

SONALDE DESAI

Positions Held

- Member, Expert Group on Second Employment–Unemployment Survey, Ministry of Labour and Employment, Government of India
- Member, Research Advisory Committee, Indian Institute of Dalit Studies, New Delhi
- Member, Advisory Panel, Luxembourg Income Study



Lectures/ Presentations/ Conferences

2011

May 1–3: Presented papers (with Vikram, Kriti and Reeve Vanneman) on “Maternal Education and Child Mortality: Exploring the Pathways of Influence”, and (with Amaresh Dubey, and Amit Thorat) on “Effort, Opportunity, and Inequality: Caste and Religious Differences in Earnings in India”, Annual Meeting of the Population Association of America, Washington, D.C.

May 30: Delivered lecture on “Caste and Census: A Forward Looking Strategy”, University of Kwazulu-Natal, Durban, South Africa.

September 29: Delivered lecture on “Beyond Reservations: Educational Inequalities in India”, at Giri Institute of Development Studies, Lucknow.

December 12: Delivered Keynote address on “Gender and National Transfer Accounts,” Eighth Global National Transfer Accounts Conference, Rio de Janeiro, Brazil.

2012

February 12: Presented paper on “Gender, Labour and Demographic Dividend”, V.V. Giri National Labour Institute, Noida, Uttar Pradesh.



AMIT MOOKERJEE

Positions Held

- Member, AICTE Committee on PGDM Structure and Curriculum
- Member, Task force of the Quality Council of India for Research on Quality
- Expert on the Academic (faculty) Selection Panel of Gautam Buddha University, AS University, Asia Pacific Institute, IMT Ghaziabad
- Member, Academic Board of AS University, Apeejay Business School, IMI Marketing Area

Lectures / Presentations / Conferences

2011

August: Conducted the Consumer Behaviour course at IIM, Raipur.

September 7: Delivered the Customer Orientation Module in the Global Leadership Programme for Senior Managers of NIIT.

Septemebr: Conducted the Consumer Behaviour and Marketing Strategy Course for the Executive MBA programme IPMX at IIM Lucknow.

October: Keynote address at the International Conference Module (ICM) on “Advances in Theory and Practice: Consumer Profitability” at Apeejay Business School, New Delhi.

2012

January 12: Panel discussion on “Generating Consumer Insights”, at an International Conference on “Shaping the Future of Research in Marketing in Emerging Economy: Looking Ahead”, Indian Institute of Management, Lucknow.

January 12 and 13: Presented papers (with Neha Srivastava and Satyabhusan Dash) on “Mother’s Socio-demographic Characteristics Influence on Antecedents and Consequences of Brand Trust in the Baby Care Toiletries Brands: A Conceptual Framework” and on “Trust and Commitment Effects on Loyalty and Price Related Switching in Emerging Markets: Retail Banking Perspective in India” at an International Conference on “Shaping the Future of Research in Marketing in Emerging Economy: Looking Ahead”, Indian Institute of Management, Lucknow.



HARI K. NAGARAJAN

Lectures / Presentations / Conferences

2011

April 28–May 2: Presented paper on “Fiscal Decentralisation and Tax Efforts”, European Public Choice Society Annual Meeting, University of Rennes.

June 20–22: Presented paper on “Black Market for Bribes? Evidence on the Unintended Welfare Effects of Gender-Equitable Property Rights Reforms in India”, Xth Journées d’économie publique Louis-Andre Gerard-Varet Conference on Public Economics, Marseille, France, IDEP (Institute D’Economoe Publique).

June 24–26: Presented paper on “Can Political Reservation Improve Female Empowerment? Evidence from Local Panchayat Elections in Rural India”, at “Conference on Development Economics”, KfW Development Bank and the German Institute for Economic Research (DIW Berlin).

August 25–29: Paper presented at the 26th Annual Congress of the European Economic Association and 65th European Meeting of the Economic Society (EEA–ESEM 2011), Oslo.

December 12–16: Attended training programme on “Limited Dependent Variables” by Prof. Stephen D. Younger and Elain Hill, Cornell University, USA, NCAER, New Delhi.

ABUSALEH SHARIFF*

Lectures / Presentations / Conferences

2011

17 December: President in the 2nd TCN Annual Event and Award Ceremony to discuss ways to economically empower Muslims by going beyond government schemes and handouts at the Taj President, Mumbai.



ANIL KUMAR SHARMA

Positions Held

- Member, High Powered Committee for Operating and Monitoring Price Stabilisation Fund Scheme, Ministry of Commerce and Industry, Government of India
- Member, Co-ordinating Committee for Organisation of Research Studies in the Field of Agricultural Economics, Ministry of Agriculture, Government of India
- Member, Governing Council, Maharshi Valmiki College of Education, University of Delhi
- Member, Working Group on Fertiliser Industry for the Twelfth Five Year Plan, Ministry of Chemicals and Fertilisers, Government of India

Lectures / Presentations / Conferences

2011

May 25: Attended lecture on “India in the Global Economy: The Next 15 Years”, by Arvind Panagariya, Columbia University, New Delhi.

May 18: Participated in Seminar on “Child Sex Ratios in India, China, and South Korea: Causes, Trends, and Consequences”, by Dr Monica Das Gupta, Development Research Group, The World Bank, New Delhi.

July 14: Participated in workshop on “Varieties of Rural Governance and Varieties of Outcomes”, NCAER and IDRC, New Delhi.

July 28: Participated in meeting for signing of the MOU between NCAER and NABARD for NABARD Chair. Made a presentation on “Rejuvenating Indian Agriculture for Growth and Inclusion”, NABARD, Mumbai.



* Retired April 30, 2012.

September 21–22: Organised and participated in the First TTI Project Monitoring Visit led by Stephen McGuirk and Samar Verma from the International Development Research Centre, New Delhi.

October 14: Participated in Seminar on “Analysis for Assessing How to Enhance Skills for More Jobs and Productivity” by Ariel Fiszbein, Chief Economist, Human Development Network, The World Bank, New Delhi.

December 12: Participated in conference on “Seeking Efficiency and Excellence in the Implementation of Infrastructure Projects in India”, Holcim Ltd., New Delhi.

2012

January 9–10: Participated in a Microfinance-Research Conference, “Centre for Micro Finance and College of Agricultural Banking”, Pune.

January 12–13: Participated in workshop on “The Processes and Practices of Agricultural Outlook Reports” followed by USDA and FAO and the availability of data for developing outlook reports for India, Ministry of Agriculture and NCAER, New Delhi.

February 17: Commented on a paper, “Agricultural Development in Gujarat”, Sardar Patel Institute of Economics and Social Research, Ahmedabad.

March 4–6: Participated in a meeting of 16 International Development Research Centre Think-Tank Initiative (TTI) guarantee institutions in the South Asian region organised by Centre for Study of Science, Technology, and Policy and made a presentation on “Factors Influencing a Think-Tank’s Impact”, Mysore.

March 16: Participated in panel discussion on “Budget and Rural Sector” on Lok Sabha TV, New Delhi.

March 22: Chaired a Talk on “Sustaining Global Growth” by Wendy Dobson, Professor, Rotman School of Management and Co-director of the Rotman Institute for International Business, University of Toronto, NCAER, New Delhi.

KANHAIYA SINGH

Position Held

- Member, Working Group for Cement Industry, 12th Five Year Plan of India (2012–13 to 2017–18).

Lectures / Presentations / Conferences

2011

October 29–30: Presented paper on “Global Imbalances: Some Insights and Possible Remedies”, International Advisory Group Meeting, ADB and Earth Institute, Columbia University, Institute of Sustainable Development and International Relations, Paris, France.



ANUSHREE SINHA

Positions Held

- Member, All India Econometric Society
- Member, Governing Council, All India Input–Output Research Association
- Member, International Input–Output Association
- Member, Indian Society of Labour Economics

Lectures / Presentations / Conferences

2011

June 3: Presented paper on “Gauging the Insurance Awareness Levels in India: Major Findings of the Pre-Launch Survey on Insurance Awareness Campaign”, Seminar on “Policyholder Protection and Welfare”, Insurance Regulatory and Development Authority, Hyderabad, New Delhi.

June 13–17: Accepted paper titled “Regional Input–Output Linkages for Policy Analysis: A Case Study for Karnataka”, 19th International Input–Output Conference, Virginia, USA.

July 6–8: Presented paper on “Does Non-Compliance Lead to Informalisation? A State-Wise Analysis for India”, (with Dr Ravi Kanbur), Conference on “Regulating for A Fair Recovery Network”, ILO, Geneva.

September 29: Participated in “Next Phase of Development of Self-Help Programme”, ACCESS, and National Rural Livelihood Mission, New Delhi.

October 14: Participated in seminar on “Financial Inclusion: Partnership between Banks, MFIs and Communities”, FICCI, New Delhi.

October 17: Participated in “Celebrating 25 Years of India–ADB Partnership”, Ministry of Finance, Government of India and Asian Development Bank.

October 19: Organised a meeting on “Asian Development Outlook” led by Dr Changyong Rhee, Chief Economist, Asian Development Bank, NCAER, New Delhi.

October 24–25: Panelist in Consultation on “Conceptualizing Inclusive Growth and Addressing Exclusion”, UNDP and Planning Commission, New Delhi.

November 4: Talk on “Rising Food, Fuel Prices Slow Indian Economy”, Voice of America Radio.

November 8: Participated in a workshop on “Gender Audit in Social Sectors: Methodology Development”, Ministry of Women and Child Development, and UN Women, New Delhi.

November 13: Participated in “Programme of Tiger Conservation Efforts in India”, Timothy J. Roemer, Ambassador of the USA, New Delhi.

November 14: Delivered lecture on “Employment and Education: Emerging Scenario”, UGC Academic Staff College, Jawaharlal Nehru University, New Delhi.

November 30: Chaired seminar on “Learning by Doing: Skills and Jobs in Urban Ghana”, by Dr Kim Lehrer, NCAER.



December: Presented Background paper on “Beyond Gender Budget: Relevance of Gender Accounting in Macro Analysis”, UNDP and Planning Commission, 12th Plan Recommendations, New Delhi.

December 7: Organised seminar on “Development Strategy in the 21st Century: Lessons from Korea and East Asia”, by Prof. Haider Khan, Joseph Korbel School of International Studies, University of Denver, NCAER, New Delhi.

December 13: Participated in TV programme on “Economic Slowdown and Its Impact on Rural Economy”, ET Now TV.

December 19: Presented paper on “Informal Workers: Skill and Social Protection”, 53rd Annual Conference of the Indian Society of Labour Economics, Department of Economics, Mohanlal Sukhadia University, Udaipur, Rajasthan.

2012

January 3: Delivered talk on “India Opens Stock Markets to Individual Foreign Investors”, Voice of America Radio.

January 17–18: Delivered lectures on “Social Accounting Matrix and Input–Output Analysis”, and “Social Accounting Matrix and Input–Output Applications”, to IES Probationers Batch-XXXIII, Institute of Economic Growth, Delhi University, Delhi.

February 10: Interviewed on “Improving Global Economy”, CNEB News.

February 24: Participated as an author in workshop on “Understanding the Tipping Point of Urban Conflict: Violence, Cities, and Poverty Reduction in the Developing World”, New Delhi.

February 28: Interviewed on “Diesel Prices” at CNEB News.

March 6–8: Chaired a session on “Foreign Trade and Other Third World Countries Studies” and presented two papers on “Input–Output Linkages in Key Sector Analysis: An Exercise for Karnataka” and “Regional Input–Output Linkages for Policy Analysis: A Case Study for Jharkhand”, XVI International Conference of Input–Output Research Association, Gokhale Institute of Politics and Economics, Pune.

March 19: Presented a paper on “Gender-Responsive Policy Analysis: Why it Matters”, NCAER.

March 20: Interviewed on “Budget” in DD News.

BORNALI BHANDARI

Lectures / Presentations / Conferences

2011

August 12: Coordinator and Presenter at the “National Consultation on e-Readiness Workshops”.

October 19: Attended seminar on “Global Financial Architecture in Transition”, Beijing, China.



November 5: Attended “Mid-Term Economic Review”, New Delhi.

November 25: Attended the 2nd Asia Macroeconomic Forum “Taming Inflation: the Common Challenge for Emerging Asia”, Institute of Economic Research, National Development and Reform Commission, Beijing, China.

December: Coordinator and Presenter at the Regional Consultation on e-Readiness Workshops, Mumbai, Bengaluru, and Kolkata.

PURNA CHANDRA PARIDA

Lectures / Presentations / Conferences

2011

April 28 and July 27: Presentation at the Quarterly Seminar on the “State of the Economy”, NCAER, New Delhi.

October 4: Presentation on the concept note on “Economic Impact of Delhi and Hyderabad Airports”, GMR, New Delhi.

2012

January 31: Presentation at the Quarterly Seminar on the “State of the Economy”, NCAER, New Delhi.



SOHINI PAUL

Position Held

- Member, Canadian Development Economics Study Group

Lectures / Presentations / Major Conferences

2011

June 2–5: 45th Canadian Economic Association Annual Meeting, Ottawa, Canada.

Presented paper on “Can Political Reservation Empower Women and Affect Economic Outcomes? Evidence from Rural India” (with K. Deininger and Hari K. Nagarajan).

Discussed paper on “Household Size Threshold Effects on Malaria Prevalence and Probability of Eradication” by McKittrick, Ross, University of Guelph.



Other Research Staff

NCAER



Dr Saurabh
Bandyopadhyay



Dr Tarujyoti Buragohain



Dr Rajesh Kumar Jaiswal



Dr Laxmi Joshi



Dr Rupinder Kaur
(Until May 31, 2012)



Dr Sourabh Bikas Paul



Dr Kailash Chandra
Pradhan



Mr Devender Pratap



Mr Om Prakash Sharma



Ms Anjali Tandon



Dr Amit Thorat



Mr K.S. Urs



Ms Charu Jain



Ms Ruchi Jain



Mr Ajaya Kumar Sahu

NCAER-CMCR



Mr P.K. Ghosh



Ms Rachna Sharma



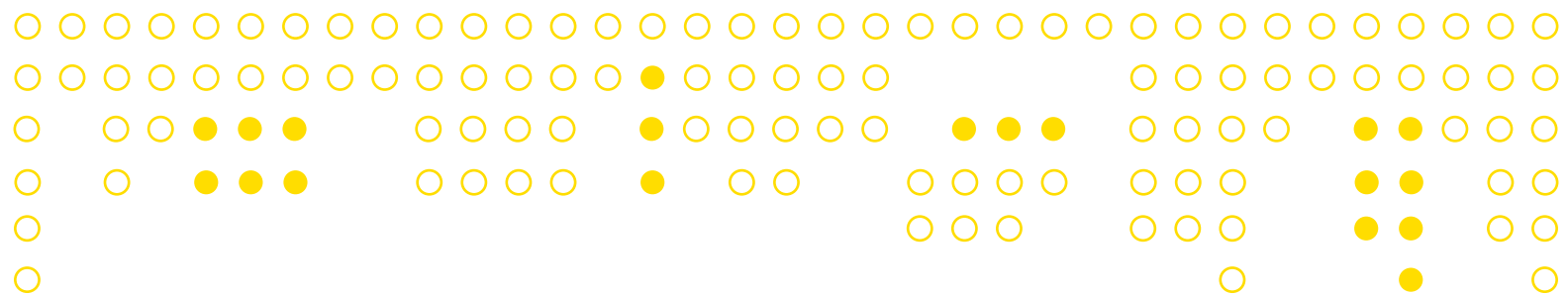
Dr Poonam Munjal



Ms Preeti Kakar



Mr Palash Baruah



NCAER Research Staff



NCAER Administrative Staff



The NCAER family.

Resources

The NCAER Team*

Regular Research Staff

Dr Shekhar Shah

Director-General

Dr Shashanka Bhide

Senior Research Counsellor

Senior Fellows

Dr Aradhna Aggarwal

Dr Rajesh Chadha

Dr Sonalde Desai

Dr Hari K. Nagarajan

Dr Abusaleh Shariff

(Until April 30, 2012)

Dr Anil Kumar Sharma

Dr Kanhaiya Singh

Dr Anushree Sinha

Fellows

Dr Bornali Bhandari

Dr Purna Chandra Parida

Dr Sohini Paul

Associate Fellows

Dr Saurabh Bandyopadhyay

Dr Tarujyoti Buragohain

Dr Rajesh Kumar Jaiswal

Dr Laxmi Joshi

Dr Rupinder Kaur

(Until May 31, 2012)

Dr Sourabh Bikas Paul

Dr Kailash Chandra Pradhan

Mr Devender Pratap

Mr Om Prakash Sharma

Ms Anjali Tandon

Dr Amit Thorat

Mr K.S. Urs

Research Analysts

Ms Charu Jain

Ms Ruchi Jain

Mr Ajaya Kumar Sahu

Honorary Research Fellow

Dr Bimal Jalan

Nonresident Senior Fellows and Fellows

Prof. Kaushik Basu, Cornell University

Prof. Jagdish Bhagwati, Columbia University

Prof. Anil B. Deolalikar, University of California, Riverside

Prof. Stefan Dercon, Oxford University

Prof. Shantayanan Devarajan, World Bank

Prof. Jeffrey Hammer, Princeton University

Prof. Ravi Kanbur, Cornell University

Prof. Arvind Panagariya, Columbia University

Prof. Raghuram Rajan, Chicago University

Prof. Karthik Muralidharan, University of California, San Diego

Mr Dean Spears, Princeton University

Ms Diane Coffey, Princeton University

*NCAER staff as of March 31, 2012.

Short-term Research Staff

Senior Consultants/Advisors

Dr Hans Binswanger-Mkhize
Prof. Amaresh Dubey
Dr Ayyapasore Govindan
Prof. D.B. Gupta
Mr V.K. Kalia
Prof. K.P. Kalirajan
Mr Ram Parkash Katyal
Prof. J.L. Kaul
Mr Ramesh Kolli
Mr R.S. Mathur
Dr S. S. Meenakshisundaram
Ms Sharmistha Pal
Mr Dinesh Kr Roy
Mr M.R. Saluja
Mr R. Venkatesan

Consultants (full-time & part-time)

Mr S.C. Agarwal
Mr V.P. Ahuja
Dr Seema Bathla
Ms Anuradha Bhasin
Dr Ajay Kumar Gharami
Ms Monisha Grover
Mr Omkar Joshi
Mr T.K. Krishnan
Mr S.K. Mondal

Dr Sharmistha Nag
Mr D.V. Sethi
Ms Neha Sharma
Mr Jaipal Singh
Dr Krishna Singh
Dr Tejinder Singh
Mr Y.K. Tanwar
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Research Associates

Ms Farha Anis
Ms Deeksha Asthana
Ms Mugdha Asthana
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Ms Silky Jain
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Mrs Rajlaxmi Mohanty
Mr Sujoy Kumar Mojumdar
Ms Sugandha Poddar
Ms Avantika Prabhakar
Mr Kalicharan Shukla
Ms Surajita Rout
Mr Yashpal

NCAER-CMCR Staff

Regular and Short-term Research Staff

Dr Amit Mookerjee
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Mr Asrar Alam
Mr Palash Baruah
Mr Ishan Bakshi
Mr P.K. Ghosh
Ms Preeti Kakar
Mr Pravin Kumar
Ms Sarika Kumar
Dr Poonam Munjal
Dr V.T. Prabhakaran

Mr P.K. Roy
Ms Rachna Sharma
Mr Amit Sharma
Ms Kiran Sheokand
Mr K. A. Siddiqui*

Regular and Short-term Administrative Staff

Mr N.J. Sebastian
Ms Ashu Pruthi
Mr Bijay Chouhan

*On external leave of absence.

Administrative Staff

Level 5

Dr Jatinder S. Bedi
Secretary & Head, Operations

Mr J.M. Chawla
Head, IT Centre (Retired April 30, 2012)

Mr Praveen Sachdeva
Mr Praveen Sharma
Mr Vinay Kumar Sharma
Mr Budh Singh
Mr Rajender Singh

Level 4

Mr B.B. Chand
Librarian

Ms Geetu Makhija
Manager, Office of Director-General & Communication Officer

Mr Rabi Narayan Panda
Acting Head, Finance

Mr Rakesh Kumar Srivastava
Software Support Manager & Acting Head, IT Centre (From May 1, 2012)

Level 2

Ms Shalini Aggarwal
Mr Khurshid Ahamed
Mr Ram Belas
Ms Sangita Choudhary
Mr Vinod Kumar Gupta
Mr Ram Kumar
Mr Surinder Kumar
Mr Niraj Kumar Singh
Mr Satyender Singh

Level 3

Ms Sudesh Bala
Mr Ajay Gupta
Mr Girish Chander Khulbe
Mr R.S. Landge
Mr Dharampal
Mr Jagbir Singh Punia
Mr B. Ramesh

Short-term Staff

Ms Shikha S. Vasudeva
Mr P.K. Jayanthan
Dr Dalip Kumar
Mr Jitender Singh

Senior Administrative Staff



Dr Jatinder S. Bedi



Mr J.M. Chawla*



Mr B.B. Chand



Ms Geetu Makhija



Mr Rabi Narayan Panda



Mr Rakesh Srivastava**

* Retired April 30, 2012.

** Acting Head, IT Centre from May 1, 2012.

Research Staff

Composition of Research Staff (Regular and Short-term) as of March 31, 2008–2012

	2008	2009	2010	2011	2012
(I) Regular					
Director-General	1	1	1	1	1
Senior Fellows	9	8	10	8	9
Fellows	4	4	5	4	3
Associate Fellows	12	16	17	12	12
Research Analysts	7	13	10	6	3
Subtotal	33	42	43	31	28
(II) Short-term					
Senior Consultants/Senior Advisors	4	7	5	3	15
Consultants	9	15	18	13	17
Research Associates	24	15	14	11	15
Subtotal	37	37	37	27	47
(III) Field Staff					
Subtotal	4	1	-	-	-
Total (I+II+III)	74	80	80	58	75
Note: The list does not include staff on external leave and CMCR staff.					

Composition of Research Staff (Regular and Short-term) as of March 31, 2012

	All Research Staff			PhDs	
	Total	Male	Female	Male	Female
Regular	28	17	11	13	8
Short-term	47	29	18	10	3
Total	75	46	29	23	11
Note: The list does not include staff on external leave and CMCR staff.					

Administrative Staff

Composition of Administrative Staff (Regular and Short-term) as of March 31, 2012

	2008	2009	2010	2011	2012
(I) Regular					
1. Secretary and Head, Operations	1	1	1	1	1
2. Level 5	1	1	1	1	1
3. Level 4	3	1	1	3	4
4. Level 3	11	15	15	13	12
5. Level 2	10	6	6	9	9
6. Level 1	4	4	4	-	-
Subtotal	30	28	28	27	27
(II) Short-term	3	3	2	2	4
Total (I+II)	33	31	30	29	31

Composition of Administrative Staff (Regular and Short-term) as of March 31, 2012

	All Support Staff			Professional Qualifications	
	Total	Male	Female	Degree*	Diploma**
Regular	27	23	4	7	5
Short-term	4	3	1	2	1
Total	31	26	5	9	6

*Professional degrees include: Ph.D.- 2; M. Lib. Sc.- 2; MCA- 2; and BCA-1.

** Professional diplomas include: Lib.Sc.-1; PGJM-1; Business Management-1; Computer Programming-2; and MJMC-1.

Note: The list of administrative staff does not include CMCR staff.

Details of Staff on External Leave as of March 31, 2012

Name	Designation	Duration	
		From	To
Dr Sanjib Pohit	Senior Fellow	24 August 2010	23 August 2012
Dr Parmod Kumar	Fellow	1 September 2009	31 August 2012
Mr K.A. Siddiqui	Associate Fellow	1 February 2012	31 January 2013

Resources

The NCAER Centre for Macro Consumer Research

NCAER's research on consumer behaviour is currently focused in the CMCR staff group brought together in 2010 to develop, analyse, and disseminate research and knowledge on India's consumer economy for use in public policy, academic research, and business strategy. This work follows in the footsteps of a long tradition of NCAER's work on consumer behaviour over several decades for which it is justly well-known, the most sustained effort being the NCAER Market Information Survey of Households (MISH). MISH was rechristened the NCAER National Survey of Household Income and Expenditure (NSHIE) in 2004, and the NSHIE-I survey was carried out in 2004–05 and has had a large impact on thinking about consumer behaviour in the 2000s.

Over 2011–12 NCAER carried out NSHIE-II, launched in March 2011 with a first-stage Listing Survey covering over half a million households in a sample that is nationally representative by rural and urban sectors, covers 75 NSSO zones, and provides the basis for the study of market segmentation based on the industry standard SEC (Socioeconomic Classification). The second-stage Main Survey, covering a sample of around one lakh households was subsequently completed by July 2012 and will be used to generate detailed income and expenditure estimates and correlates for personal, household, and national, regional, rural-urban, and metro characteristics.

The NSHIE-II questionnaires have now been coded and edited, and data entry has

been completed. A dedicated NSHIE team is working closely with senior ex-officials from the Central Statistical Organisation and NSSO on data validation and statistical testing in preparation for starting the analysis of the data. A number of general and special-purpose studies will follow that will explore in increasing detail and granularity the findings from NSHIE-II and comparing them with what we know from NSHIE-I.

NCAER's focus will then broaden to developing consumer insights on income, spending, saving, and household debt and to preparing a State-of-the-Indian-Consumer Dashboard. Sector specific analysis, including themes such as financial inclusion, cost of cash, FMCG, durables, gold-preference, transport, entertainment, and insurance, will be explored. To complement NCAER analytics, data licensing arrangements will be offered to allow users to develop their own analysis and enrich NSHIE's contribution to understanding rapidly changing consumer behaviour in India. The release of the initial reports will provide opportunities for seminars and conferences to increase NSHIE's outreach. NCAER will also pursue academic collaborations in India and overseas, for which it has already received a number of inquiries, to accelerate our understanding of one of the world's largest economic and social transformations underway in India and the generation of fresh consumer insights on this process.

Resources

The NCAER Library

The NCAER Library is one of India's premier research libraries in applied economics. Set up in 1956 when NCAER was established, the library has provided solid, excellent research support over more than 55 years to NCAER's researchers as well as to policy makers, researchers, consultants, students and others from all over India and overseas. The NCAER Library's physical collections include approximately 28,000 printed volumes, 37,000 Government of India and state government official reports, and 21,000 other documents, adding up to more than 85,000 linear feet of archives. NCAER subscribes to more than 270 serial and periodical titles. It also provides access to multiple online databases. Its collection on Indian economic policymaking and economic data going back to soon after India's independence is among the best in India in its depth and breadth.

Collection Development

The library continued to enrich its collection through new acquisitions. During 2011–12 the library added 1078 documents consisting of 371 books, 206 reports, and 501 other documents. Subscriptions to 275 print serials were renewed during the year. Subscriptions to e-journals and backfile collections such as Science Direct and J-store were also renewed to provide electronic access to more than 300 journals. Subscriptions were renewed for important databases like Prowess, India Trades, CapEx, Indiatat.com, and Econlit. The library continued to

receive core publications from multilateral organisations like the Asian Development Bank, International Monetary Fund, and the United Nations by virtue of being a depository library for these institutions. An important achievement during the year was retrospective cataloguing of all the books and reports available in the library, which can now be searched through LIBSYS database.

Services

Besides regular library services, the library provides extensive, efficient, and timely reference services to both in-house and external researchers, consultants and students. Using its large collection and the number of electronic databases, the library is able to meet the ever-increasing requirements for secondary data that is essential for research at NCAER. The library has continued to provide excellent indexing services through our quarterly publication *Artha Suchi: An Index to Indian Economic Literature*.



Mr B.B. Chand



Mr B. Ramesh



Ms Shalini Aggarwal



Mr Ram Belas



Library collection as of March 31, 2011 and 2012

Year	Books	Reports	Other Documents	Total Collection
2010–11	27419	36609	20029	84057
2011–12	27790	36815	20530	85135

Resources

The NCAER Publications Unit



Mr Jagbir Punia



Mr Dharampal

NCAER's Publications Unit is the pillar of its written outreach activities and is a vital link connecting NCAER faculty to researchers, policymakers, the private sector, the media, and citizens in India and abroad. The Unit is responsible for the assembly, design, copy-editing, translation, printing and production of all NCAER books, journals, project reports, monographs, working papers, newsletters, reprints, and miscellaneous brochures. The Unit handles the sales of NCAER publications directly, online through NCAER's web site, or through booksellers. The Unit is also responsible for the printing and production of the various detailed questionnaires

required for the many surveys conducted by NCAER throughout the year.

In 2011–12, the Unit produced seven books, four reports, and 12 other publications. The Unit published the annual publication of the *India Policy Forum*, four issues of the NCAER quarterly refereed international journal, *Margin: The Journal of Applied Economic Research*, 12 issues of the monthly journal, *Macrotrack*, four issues of the quarterly journal, *Artha Suchi*, and one issue of the recently started quarterly *Agricultural Outlook and Situation Analysis Reports*.

For more information please e-mail us at publ@ncaer.org or infor@ncaer.org



Resources

The NCAER IT Centre

The Information Technology (IT) Centre administers and manages NCAER's computer network. The Centre is the backbone of the day-to-day IT support for researchers and support staff. More importantly, the IT Centre represents the core of NCAER's new IT strategy to substantially leverage its research and its field data work using IT. A crucial challenge in the years ahead will be to ensure that NCAER's IT infrastructure stays aligned with NCAER's operational strategy underlying its research and dissemination work.

NCAER's New IT Strategy

In line with its growth plans, NCAER has entered into a technology partnership with the industry leader Infosys under which Infosys has been helping NCAER to develop a multi-year IT strategy. NCAER along with the Infosys team have now completed the IT strategy, which outlines the implementation of the following initiatives in a phased manner, over the coming years:

- Putting in place a completely revamped new web portal and content management system
- Identifying and reducing gaps in ERP implementation & adoption
- Instituting managed services for IT governance
- In-house video/web conferencing
- Establishing a next generation data centre with modern server configurations
- Data warehousing
- Field survey automation
- Redesigning IT policies and processes

Enterprise Resource Planning (ERP) System

NCAER is implementing a SAP-based ERP system for enhancing financial and management controls and oversight and for revamping and streamlining all transactions in finance and HR. NCAER is possibly the first non-profit, independent think-tank in India implementing such a system. The ERP servers and software has been procured and installed, the modules are being made ready for live testing and data loading, and training, and training will commence in late 2012 with live implementation to follow.

Data Warehouse

The IT Centre is working towards developing a Data Warehouse to implement a data management system for cataloguing and conversion of legacy and new primary survey datasets to usable formats to facilitate research and analysis work. Initial planning and infrastructure work has begun and the work is likely to be initiated in late 2012–13.



Mr J.M. Chawla*



Mr Rakesh Srivastava**



Mr Praveen Sharma



Mr Praveen Sachdeva



Mr Rajender Singh



* Retired April 30, 2012.

** Acting Head, IT Centre from May 1, 2012.



NCAER Finances

Annual Accounts 2011–12

MANAGEMENT REPORT ON THE FINANCIAL ACCOUNTS FOR 2011–12

The Management of the National Council of Applied Economic Research has the responsibility for preparing the accompanying financial statements and for their integrity and objectivity. The annual accounts have being prepared in accordance with generally accepted accounting standards, applied on a consistent basis, and there are no material departures. Management has taken proper and sufficient care, to the best of its knowledge and ability, for the maintenance of adequate accounting records for safeguarding the assets of NCAER and for preventing and detecting fraud and other irregularities. The financial statements include amounts that are based on Management's best estimates and judgements. Management has also prepared other information in the Annual Report and is responsible for its accuracy and consistency with the financial statements.

S.P. Chopra & Co., independent auditors, appointed by the Governing Body and approved by the General Body have audited the NCAER's 2011–12 financial statements. Management has made available to the auditors all of NCAER's financial records and related data, as well as the minutes of the General Body and Governing Body meetings. Furthermore, Management believes that all representations made to the auditors during their audit were valid and appropriate.

NCAER's Management has established a system of internal controls in order to carry on the business of NCAER in an orderly and efficient manner, ensure adherence to management policies, safeguard assets and secure, as far as possible, the completeness and accuracy of records that provide reasonable assurance as to the integrity and reliability of financial statements. The system of controls also provides for appropriate division of responsibility. Management periodically monitors the internal controls for compliance and their adequacy. The existing internal controls are also supplemented through an appropriate management reporting system.

Management also recognises its responsibility for fostering a strong ethical culture in NCAER so that its affairs are conducted according to the highest standards of personal and corporate accountability. This responsibility is characterised and reflected in NCAER's code of conduct, which includes the need for ensuring open communication within NCAER; avoiding potential conflicts of interest and compliance with all domestic and foreign laws, including those relating to financial disclosure and the confidentiality of proprietary information.

New Delhi
Date: August 28, 2012

Shekhar Shah
Director-General

VALUE OF SPONSORED PROJECTS 2011-12

Year	Value of projects brought forward from previous year		Value of new projects received during the year		Projects completed during the year		Projects carried forward to next year	
	No.	Rs lakh	No.	Rs lakh	No.	Rs lakh	No.	Rs lakh
Financial Year 2011-12*	27	4,797.25	20	1,985.45	21	2,893.40	26	3,889.30
Financial Year 2010-11*	28	4,271.88	25	1,503.73	26	978.36	27	4,797.25
Financial Year 2009-10	31	4,829.50	20	1,016.96	23	1,574.58	28	4,271.88
Financial Year 2008-09	26	3,683.62	39	1,901.78	34	755.90	31	4,829.50

* Including projects handled by CMCR.

Note: Self-sponsored research projects funded by NCAER not included.

FINANCIAL ANALYSIS 2002-03 TO 2011-12

(Rs in lakh)

Particulars	2002–2003	2003–2004	2004–2005	2005–2006	2006–2007	2007–2008	2008–2009	2009–2010	2010–2011	2011–2012
Project Revenues	751.57	634.55	895.92	1025.38	971.22	869.04	1893.28*	1692.15*	1913.09*	1895.35*
Interest on Investments	56.5	61.58	58.99	54.74	56.13	61.15	239.63	73.33	84.37	100.29
Sale of Publications**	7.19	22.5	13.01	8.61	6.29	3.18	2.6	–	–	–
Others	82.01	56.29	57.96	64.76	61.87	64.54	64.22	34.06	73.26	9.24
Total Revenue	897.27	774.92	1025.88	1153.49	1095.51	997.91	2199.73	1799.54	2070.72	2004.88
Salary Cost^	619.37	547.31	688.26	699.29	683.33	679.3	1589.94	1268.12	1364.31	1360.37
Non-Salary Cost	326.32	315.31	341.82	394.54	358.82	254.04	435.48	348.84	506.77	558.12
Depreciation	37.1	36.16	32.27	37.71	47.39	44.11	45.97	41.41	45.95	54.49
Total Expenditure	982.79	898.78	1062.35	1131.54	1089.54	977.45	2071.39	1658.37	1917.03	1972.98
Surplus/deficit	-85.52	-123.86	-36.47	21.95	5.97	20.46	128.35	141.17	153.69	31.90
Surplus to Total Revenue	-9.5%	-16%	-3.6%	1.9%	0.5%	2.1%	5.8%	7.8%	7.4%	1.6%
Salary to Project Revenue	82.4%	86.2%	76.8%	68.2%	70.4%	78.2%	84%	74.9%	71.3%	71.8%
Corpus Fund	788.7	913.9	936.6	961.3	985.9	1010.6	1036.8	1063.5	1091.2	1120.0
Other Grant Funds	5.7	5.3	5.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3
Investments	800.7	918.7	941.5	966.2	990.9	990.8	1041.7	1068.4	1098.4	1126.1

Notes : * Includes revenue of Rs 989.80 lakh, Rs 644.04 lakh, Rs 640.65 lakh, and Rs 113.51 lakh from Handloom Project in 2008–09, 2009–10, 2010–11, and 2011–12, respectively.

^ Includes payments to external organisations for field data collection.

**Proceeds from Sale of Publications shown netted against expenditures on NCAER's Publications and Reports in years after 2008–09.

ACTUAL INCOME & EXPENDITURES, 2008-09 to 2011-12, AND BUDGET, 2012-13

(Rs in lakh)

PARTICULARS	ACTUAL FY 2008-09	ACTUAL FY 2009-10	ACTUAL 2010-11	ACTUAL FY 2011-12	BUDGET FY 2012-13
INCOME					
Research Activities	1,893.28	1,692.15	1,854.44	1,797.59	1,859.51
Grants – Think-Tank Initiative Project		—	58.65	97.76	225.00
Government Grant	50.00	25.00	15.00	—	—
Membership & Subscriptions*	3.33	3.43	2.82	—	3.50
Interest on Investments	88.58	73.34	84.37	100.29	108.00
Interest Received from Investment of Infrastructure Loan	149.90		—	—	—
Other Income	14.65	5.62	55.44	10.14	53.00
TOTAL	2,199.74	1,799.54	2,070.72	2,005.78	2,249.01
EXPENDITURES					
NCAER Staff Salaries & Allowances	407.45	436.85	519.04	575.98	579.13
Provision for Leave Encashment	29.79	10.62	26.75	3.09	20.00
Payment for Gratuity Expenses	3.06	5.44	14.92	54.51	7.00
Payment to Professionals & Survey/ Data Gathering	1,145.60	809	798.60	718.90	828.34
Travelling & Conveyance	87.65	71.72	93.84	133.05	157.02
Publications & Reports	7.36	2.60	12.59	7.71	33.80
Rent, Rates & Taxes	3.62	4.04	1.78	1.31	1.50
Postage, Telegram, E-Mail & Website Expenses	13.01	10.58	15.33	30.65	23.33
Telephone & Fax Expenses	7.44	7.81	8.00	7.37	8.75
Stationery & Printing	33.51	34.09	92.93	57.03	64.59
Repairs & Maintenance	10.80	10.45	62.98	84.52	41.65
Periodicals & Journals	26.11	26.08	26.63	30.80	37.79
Entertainment Expenses	1.76	2.16	2.38	2.41	3.00
Car Running & Maintenance Expenses	3.99	5.03	8.71	9.54	7.09
Interest on Bank Overdraft	4.04	—	2.99	0.53	0.35
Interest on Infrastructure Loan	60.00		—	—	—
Payment to Auditors	1.80	2.06	2.23	2.88	3.13
Depreciation on Fixed Assets	45.97	41.41	45.95	54.48	67.13
Legal Expenses	1.95	1.37	—	3.29	7.10
Maintenance of Computers & Stat. Lab. Charges	15.36	34.26	23.76	21.30	33.10
ICICI Infrastructure Loan Expense & Other Finance Charges	2.37	1.67	0.63	—	—
Miscellaneous Expenses	6.94	1.42	1.79	4.21	4.48
Workshops & Seminars	75.29	32.56	64.60	41.12	87.50
Staff Development Expenses – Advertisement, Recruitment & Training Expenses	1.55	1.81	4.11	1.61	4.42
Staff Welfare Expenses – Employee Insurance Policies	2.08	2.22	5.00	4.63	11.50
Water & Electricity	37.61	39.77	45.32	45.29	48.00
Amount Written Off	0.51	0.01	6.90	0.29	—
Amortisation of Premium on Investments	0.52	0.53	0.53	0.53	0.53
Estimated Cost of Incomplete Projects**	13.13	19.50	24.43	75.34	—
Insurance Expenses	0.36	—	0.35	—	—
Loss on sale of Assets		0.06	—	—	—
Fixed Assets Written Off		—	—	—	—
Project Fees Due – Written Off		43.33	—	—	—
Corporate Affairs Management Expenses		—	—	1.07	1.20
Prior Period Expenses	3.25	—	—	0.44	—
Provision for Doubtful Debtors	17.51	—	3.96	—	—
TOTAL	2,071.39	1,658.37	1,917.03	1,973.88	2,081.41
Surplus / (Deficit)	128.35	141.17	153.69	31.90	167.59

*Membership and subscriptions for 2011-12 received late and will be accounted for in financial year 2012-13.

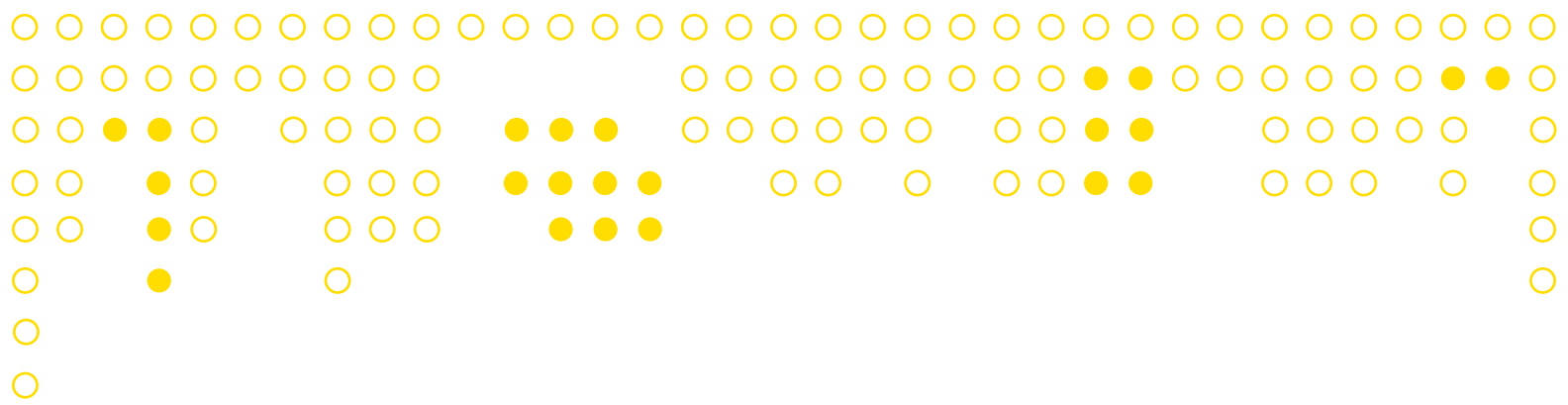
**Provision item.

CASH FLOW STATEMENT FOR THE YEAR ENDING MARCH 31, 2012

(Rs in lakh)

Particulars	Amount	TOTAL
Opening Cash & Bank Balances		2,267.76
– Cash & Bank Balances	2,267.85	
– Bank Overdraft	(0.09)	
Inflows		2,164.61
– Operation Receipts	1,663.54	
– Govt. of India-Grant-in-Aid		
– Membership & Subscriptions*		
– Interest Received	193.73	
– Investments Maturity	122.97	
– Miscellaneous Receipts	83.86	
– Grant Proceeds from Think-Tank Initiative	100.52	
Total Funds Available		4,432.37
Outflows		2,222.63
– Expenses	1,916.76	
– Investments	150.67	
– Purchase of Assets	123.67	
– Library Expenses (Including Books)	31.54	
Balance		2,209.74
Closing Cash & Bank Balances		2,209.74
– Cash & Bank Balances	2,209.67	
– Bank Overdraft	0.07	

*Membership and subscriptions for 2011–12 received late and will be accounted for in financial year 2012–13.



S.P. CHOPRA & CO.
Chartered Accountants

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Fax: 91-11-23713516
Firm Regn. No. 000346N
E-mail: spc@bol.net.in
spchopra@airtelmail.in

**AUDITORS' REPORT TO THE MEMBERS OF NATIONAL COUNCIL OF APPLIED
ECONOMIC RESEARCH, NEW DELHI**

1. We have audited the attached Balance Sheet of the National Council of Applied Economic Research, New Delhi as at 31st March, 2012 and the Income and Expenditure Account of the Council for the year ended on that date annexed thereto. These financial statements are the responsibility of the Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. 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 from any 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 presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. We further report that:
 - (a) 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;
 - (b) in our opinion, proper books of account have been kept by the Council so far as appears from our examination of the books;
 - (c) the Balance Sheet and Income and Expenditure Account dealt with by the Report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet and Income and Expenditure Account of the Council dealt with by this report comply with the applicable mandatory accounting standards.
 - (e) in our opinion and to the best of our information and according to explanations given to us, these financial statements together with the notes thereon give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Balance Sheet, of the State of affairs of the Council as at 31st March, 2012; and
 - ii) in the case of the Income and Expenditure Account of the Surplus for the year ended on that date.

For S.P. CHOPRA & CO.,
Chartered Accountants

PAWAN K. GUPTA
Partner
Membership No. 92529

Place: New Delhi
Dated: August 28, 2012

BALANCE SHEET AS OF 31ST MARCH, 2012

Particulars	Schedule No.	As of 31st March, 2012	As of 31st March, 2011
		Rs	Rs
SOURCES OF FUNDS			
Corpus	1	111,999,546	109,119,546
Reserves	2	69,758,062	66,568,290
Grant Funds (Restricted)	3	330,275	330,275
Loan Funds	4	137,500,000	150,000,000
Total		319,587,883	326,018,111
APPLICATION OF FUNDS			
Fixed Assets (Net)	5	12,926,975	16,824,125
Investments	6	112,614,000	109,844,000
Net Current Assets	7	193,743,233	198,993,463
Miscellaneous Expenditure		303,675	356,523
(Premium on Investments – to the extent not written off or adjusted)			
Total		319,587,883	326,018,111
Significant Accounting Policies and Notes to the Accounts	14		

Schedules 1 to 14 form an integral part of the Accounts.

As per our report of even date attached

For S.P. Chopra & Company

Chartered Accountants

Pawan K. Gupta

Partner

Membership No. 92529

Firm Regn. No. 000346N

Rabi Narayan Panda

Acting Head, Finance

Jatinder S. Bedi

Secretary and Head,
Operations

Shekhar Shah

Director-General

Nandan M. Nilekani

President

Place: NEW DELHI

Date: August 28, 2012

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDING 31ST MARCH, 2012

Particulars	Schedule No.	Current Year	Previous Year
		Rs	Rs
INCOME			
Grant-in-Aid (Government of India)		—	1,500,000
Membership Subscription		—	282,000
Receipts from:			
— Research Activities		179,759,553	185,443,305
— Think Tank Initiative Grant		9,775,854	5,865,680
Interest	8	10,028,944	8,436,749
Other Receipts	9	924,105	5,543,800
Total		200,488,456	207,071,534
EXPENDITURE			
Employees' Remuneration and Benefits	10	63,819,928	56,571,238
Survey / Data Gathering		55,022,381	65,267,510
Travelling & Conveyance		13,305,153	9,384,334
Payment to Analyst/ Professionals		17,196,376	14,592,626
Cost of Publications	11	725,451	1,259,167
Interest & Finance Charges	12	53,370	361,899
Administration and Other Expenses	13	41,674,394	39,617,362
Amortisation of Premium on Investments		52,848	52,848
Depreciation		5,448,783	4,595,424
Total		197,298,684	191,702,408
Excess of Income over Expenditures for the Year		3,189,772	15,369,126
Less: Transfer to Capital Assets Fund		—	(7,144,676)
Balance brought forward		12,389,725	4,165,275
Balance being Excess of Income over Expenditures carried over to Reserves		15,579,497	12,389,725
Significant Accounting Policies and Notes to the Accounts	14		

Schedules 1 to 14 form an integral part of the Accounts.

As per our report of even date attached

For S.P. Chopra & Company

Chartered Accountants

Pawan K. Gupta
Partner
Membership No. 92529
Firm Regn. No. 000346N

Rabi Narayan Panda
Acting Head, Finance

Jatinder S. Bedi
Secretary and Head,
Operations

Shekhar Shah
Director-General

Nandan M. Nilekani
President

Place: NEW DELHI
Date: August 28, 2012

SCHEDULES FORMING PART OF THE STATEMENT OF FINANCIAL POSITION

Schedule 1–Corpus

Particulars	As of 1st April, 2011	Plus: Grant Received during the year	Plus: Interest for the year – 2011–12	Minus: Interest transferred to Income & Expenditure Account	Plough back to Corpus Fund	As of 31st March, 2012
	Rs	Rs	Rs	Rs		Rs
Corpus – 1						
Government of India Corpus Grant – 1994–95	9,550,000					9,550,000
Ford Foundation Corpus Grant	8,075,779					8,075,779
General Fund	16,323,017		2,602,147	2,602,147	–	16,323,017
Total	33,948,796	–	2,602,147	2,602,147	–	33,948,796
Corpus – 2						
Sir Ratan Tata Trust Grant	8,566,000		752,143	672,143	80,000	8,646,000
Corpus – 3						
A. Ford Foundation Grant	34,554,750		2,837,433	1,387,433	1,450,000	36,004,750
B. Matching contributions received (against Ford grant) from						
Canadian International Development Agency	8,000,000	–	–	–	–	8,000,000
Government of India Grant – 2002–03	6,500,000	–	–	–	–	6,500,000
Reserve Bank of India	7,500,000	–	–	–	–	7,500,000
Interest ploughed back on matching contributions	10,050,000	–	2,664,182	1,314,182	1,350,000	11,400,000
Subtotal for matching contributions for Ford grant	32,050,000	–	2,664,182	1,314,182	1,350,000	33,400,000
Total Corpus – 3 (A+B)	66,604,750	–	5,501,615	2,701,615	2,800,000	69,404,750
Grand Total	109,119,546	–	8,855,905	5,975,905	2,880,000	111,999,546

Note: Refer to Note No. 4 of Schedule –'14'.

SCHEDULES FORMING PART OF THE STATEMENT OF FINANCIAL POSITION

Schedule 2 – Reserves

Particulars		As of 31st March, 2012		As of 31st March, 2011
		Rs		Rs
Capital Assets Fund:				
As per last Accounts	54,178,565		47,033,889	
Add: Transferred from Income & Expenditure Account	—	54,178,565	7,144,676	54,178,565
Surplus as per Income & Expenditure Account		15,579,497		12,389,725
Total		69,758,062		66,568,290

Schedule 3 – Grant Funds (Restricted)

Grant	Total Grant Received	As of 31st March, 2012	As of 31st March, 2011
	Rs	Rs	Rs
Fulbright NCAER Grant		272,168	272,168
– HDFC Limited	200,000		
– Sir Ratan Tata Trust	400,000		
IT Upgradation Grant		58,107	58,107
– I.D.R.C., Canada	3,814,150		
– ICICI Limited	1,150,000		
– HDFC Limited	1,000,000		
– GE Capital Service India	600,000		
– ILFS Limited	500,000		
– DSP Merrill Lynch Limited	400,000		
Total		330,275	330,275

Schedule 4 – Loan Funds

Particulars	As of 31st March, 2012	As of 31st March, 2011
	Rs	Rs
Unsecured Loan		
– 4% Ministry of Finance – Infrastructure Loan (Refer to Note No. 8 of Schedule –‘14’)	137,500,000	150,000,000
Total	137,500,000	150,000,000

SCHEDULES FORMING PART OF THE STATEMENT OF FINANCIAL POSITION

Schedule 5 – Fixed Assets

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As of 1st April, 2011	Additions	Sale/ Adjustment	As of 31st March, 2012	As of 1st April, 2011	For the year 2011–2012	Sale/ Adjustment	As of 31st March, 2012	As of 31st March, 2012	As of 31st March, 2011
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Land (Leasehold)	49,330	–	–	49,330	–	–	–	–	49,330	49,330
Building	2,038,138	–	–	2,038,138	1,032,861	25,132	–	1,057,993	980,145	1,005,277
Electric Installations	2,754,992	20,412	42,780	2,732,624	1,883,414	87,680	27,567	1,943,527	789,097	871,578
Diesel Generator Set	443,820	–	–	443,820	421,629	–	–	421,629	22,191	22,191
Statistical & Laboratory	270,156	–	–	270,156	256,648	–	–	256,648	13,508	13,508
EDP System	43,315,902	3,238,925	14,290,933	32,263,894	40,009,014	2,597,628	14,240,064	28,366,578	3,897,316	3,306,888
Office Equipments	3,773,179	2,265,022	140,021	5,898,180	2,211,070	553,067	99,993	2,664,144	3,234,036	1,562,109
BPL PABX Tele System	108,400	–	–	108,400	44,841	6,356	–	51,197	57,203	63,559
Air Conditioner & Refrigerators	6,365,059	718,360	386,675	6,696,744	4,027,995	297,802	309,273	4,016,524	2,680,220	2,337,064
Library Books	11,261,376	614,863	967	11,875,272	6,227,794	564,814	664	6,791,944	5,083,328	5,033,582
Motor Car	1,002,129	345,900	230,039	1,117,990	680,238	121,498	169,736	632,000	485,990	321,891
Furniture & Fixtures	8,462,999	10,895	92,220	8,381,674	4,870,964	357,019	76,601	5,151,382	3,230,292	3,592,035
Misc. Fixed Assets	221,470	–	–	221,470	210,396	–	–	210,396	11,074	11,074
Intangible Assets										
Computer Software	3,437,977	750,960	–	4,188,937	964,309	837,787	–	1,802,096	2,386,841	2,473,668
Total	83,504,927	7,965,337	15,183,635	76,286,629	62,841,173	5,448,783	14,923,898	53,366,058	22,920,571	20,663,754
Capital Work-in-Progress *	(3,839,629)	(6,153,967)	–	(9,993,596)	–	–	–	–	(9,993,596)	(3,839,629)
Current Year's Total	79,665,298	1,811,370	15,183,635	66,293,033	62,841,173	5,448,783	14,923,898	53,366,058	12,926,975	16,824,125
Previous Year's Total	70,993,793	9,492,409	820,904	79,665,298	59,010,750	4,595,424	765,001	62,841,173	16,824,125	

* Includes Rs 1,37,09,415 net credit (Previous Year : Rs 67,06,166 net credit) as detailed in Note No. 8 of Schedule –'14'.

SCHEDULES FORMING PART OF THE STATEMENT OF FINANCIAL POSITION

Schedule 6 – Investments

Description	Corpus Related Investments					Investment from own Funds	Total
	Corpus – 1	Corpus – 2	Corpus – 3	Matching Contribution	Total		
	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Long Term Investments (Unquoted)							
A. FIXED DEPOSITS							
– Housing Urban Development Corporation	–	70,000	1,200,000	1,200,000	2,470,000	–	2,470,000
– Housing Development Finance Corporation Trust	7,593,000	826,000	9,612,000	17,125,000	35,156,000	1,180,000	36,336,000
– PNB Housing Finance Ltd	–	70,000	1,317,500	4,537,500	5,925,000	–	5,925,000
– LIC Housing Finance Ltd	6,771,000	3,600,000	–	3,435,000	13,806,000	159,000	13,965,000
– Can Fin Homes Ltd	1,270,000	70,000	1,300,000	1,300,000	3,940,000	50,000	3,990,000
– State Bank of India	5,925,000	–	–	1,800,000	7,725,000	2,100,000	9,825,000
– Oriental Bank of Commerce	15,000	–	–	2,203,000	2,218,000	400,000	2,618,000
B. BONDS							
– 8.63% Power Grid Corporation – 2017 *	–	–	15,000,000	–	15,000,000	–	15,000,000
– 8% Indian Railway Finance Corporation – 2016 *	–	–	5,000,000	–	5,000,000	–	5,000,000
– 8% RBI (Saving) Taxable	–	4,000,000	525,000	575,000	5,100,000	–	5,100,000
– 7.5% Govt. of India – 2034 *	–	–	1,200,000	1,200,000	2,400,000	–	2,400,000
– 8.70% Power Finance Corp. Ltd – 2020	9,985,000	–	–	–	9,985,000	–	9,985,000
Current Year	31,559,000	8,636,000	35,154,500	33,375,500	108,725,000	3,889,000	112,614,000
Previous Year	31,559,000	8,566,000	33,754,500	32,075,500	105,955,000	3,889,000	109,844,000

* Pledged against Overdraft Facility from State Bank of India.

SCHEDULES FORMING PART OF THE STATEMENT OF FINANCIAL POSITION

Schedule 7 – Net Current Assets

Particulars	As of 31st March, 2012		As of 31st March, 2011	
	Rs	Rs	Rs	Rs
CURRENT ASSETS				
Cash & Bank Balances				
– Cash in Hand (Inclusive of Postage Stamps)	119,234		62,089	
– Cheques-in-hand	1,251,031		–	
– Balances with Scheduled Banks				
– In Savings Accounts (Including Rs 27,415,063 in FCRA–INR Account)	33,005,592		13,111,167	
– Margin Money – Deposits against Bank Guarantees	1,069,406		1,009,814	
– Short Term Deposit	171,684,056		180,123,409	
– In Current Account	13,845,369	220,974,688	32,469,639	226,776,118
Interest Accrued but not due on Investments		16,465,954		11,595,328
Receivable from Research Activities (Unsecured – considered good unless specified otherwise)				
Receivable Considered Good	9,293,015		21,991,104	
Add: Receivable Considered Doubtful	100,000		2,726,072	
	9,393,015		24,717,176	
Less: Provision for Doubtful Receivables	100,000	9,293,015	2,726,072	21,991,104
Research Work in Progress		23,830,789		13,690,398
Publications/ Reports (As physically verified, valued and certified by the Management)		228,197		103,885
Advances & Deposits (Unsecured – Considered Good)				
– Advances to Staff	724,689		524,490	
– TDS Recoverable	17,878,684		12,333,219	
– Income Tax Refund Receivable	–		4,665,220	
– Prepaid Expenses	2,550,018		2,647,367	
– Deposits	673,167		180,667	
– Other Advances	1,022,470	22,849,028	789,463	21,140,426
Total Current Assets		293,641,671		295,297,259
LESS : CURRENT LIABILITIES				
Advance – Research Activities		52,021,077		63,357,996
Liabilities for Expenses		18,101,201		11,450,228
Provision for Estimated Cost on Incomplete Research Activity		9,976,731		2,442,793
Provision for Leave Encashment		7,126,303		8,566,565
Provision for Gratuity Premium Payable to LIC		4,000,000		–
Provision for Interest on Infrastructure Loan		5,516,500		6,016,500
Other Liabilities		3,156,626		4,469,714
Total Current Liabilities		99,898,438		96,303,796
Net Current Assets (As per Balance Sheet)		193,743,233		198,993,463

SCHEDULES FORMING PART OF THE STATEMENT OF FINANCIAL POSITION

Schedule 8 – Interest

Particulars	Current Year		Previous Year	
	Rs	Rs	Rs	Rs
On Investments				
– Corpus	8,855,905		8,433,904	
Less: Interest Ploughed back to Corpus Fund (Refer Schedule–'1')	2,880,000	5,975,905	2,770,000	5,663,904
– Others		316,685		307,336
On Short Tem Deposits		1,944,641		813,823
On Saving Bank		1,497,076		637,666
On Income Tax Refunds		294,637		1,014,020
Total		10,028,944		8,436,749

Schedule 9 – Other Receipts

Particulars	Current Year	Previous Year
	Rs	Rs
Liabilities/ Provisions no longer required written back	2,242	2,714,565
Receipts from Sale of Assets	132,368	63,875
Prior Period Receipts (Net)	310,379	1,286,938
Miscellaneous Receipts	479,116	1,478,422
Total	924,105	5,543,800

Schedule 10 – Employees' Remuneration and Benefits

Particulars	Current Year		Previous Year	
	Rs	Rs	Rs	Rs
Salaries & Allowances	40,542,422		35,655,491	
Administrative staff salaries paid from Govt. Grant	–	40,542,422	1,946,436	37,601,927
Performance Linked Incentive Pay		9,370,678		7,456,250
Gratuity		5,451,125		1,492,345
Payment to Temporary / Casual Workers		5,385,626		4,270,653
Provident Fund Contribution		2,298,701		2,561,492
Leave Salary		308,647		2,675,358
Staff Welfare Expenses		462,729		513,213
Total		63,819,928		56,571,238

SCHEDULES FORMING PART OF THE STATEMENT OF FINANCIAL POSITION

Schedule 11 – Cost of Publications / Reports

Particulars	Current Year	Previous Year
	Rs	Rs
Opening Stock	103,885	794,005
Add: Printing, Editing & Translation Expenses	1,399,039	1,518,432
	1,502,924	2,312,437
Less: Recoveries from sale/subsribtion	(549,276)	(259,265)
Stock Written Off	—	(690,120)
Closing Stock	(228,197)	(103,885)
Total	725,451	1,259,167

Schedule 12 – Interest & Finance Charges

Particulars	Current Year	Previous Year
	Rs	Rs
– On Overdraft Facility	53,370	299,110
– Others	—	62,789
Total	53,370	361,899

SCHEDULES FORMING PART OF THE STATEMENT OF FINANCIAL POSITION

Schedule 13 - Administration and Other Expenses

Particulars	Current Year		Previous Year	
	Rs	Rs	Rs	Rs
Rent, Rates & Taxes		130,739		177,599
Water & Electricity		4,529,037		4,532,469
Stationery & Printing		5,703,112		9,292,805
Postage, Telegram & Telephones		3,801,893		2,332,656
Repairs & Maintenance		8,452,432		6,297,017
Periodicals & Journals		3,079,772		2,662,970
Computers Services		2,134,612		2,375,317
Seminars & Workshops		4,219,662		6,460,766
Estimated Loss on Incomplete Projects		7,533,938		2,442,793
Car Running & Maintenance		953,517		870,815
Entertainment Expenses		241,499		237,491
Staff Recruitment Expenses		45,005		245,840
Auditors' Remuneration :				
– Audit Fee	128,744		71,695	
– Certification Fee, etc.	158,935	287,679	151,694	223,389
Staff Development Expenses		76,924		65,036
Advertisement		39,710		100,045
Receivables/Others Amounts Written Off		29,020		690,120
Provision for Doubtful Receivables		–		396,000
Miscellaneous Expenses		415,843		214,234
Total		41,674,394		39,617,362

SCHEDULES FORMING PART OF THE ACCOUNTS

Schedule-14: Accounting Policies and Notes to the Accounts for the year ended 31st March, 2012

A. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of Financial Statements

The accompanying financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India (GAAP).

2. Use of Estimates

The preparation of financial statements in conformity with “GAAP” in India requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known/ materialised.

3. Revenue Recognition

- i) Income & Expenditure is recognised on accrual basis except the income pertaining to self-sponsored activity, subscription to journals and membership subscription which are accounted on receipt basis.
- ii) Receipt from Research Activities:
 - a) Revenue from research activities is recognised in proportion to the cost incurred on activity (including cost of associated computers, equipment, etc. purchased from the activity funds) assuming that the cost incurred represents corresponding progress of the research activity.
 - b) The difference, if any between the contract price of the research activities and the revenue recognised as stated in para (a) above is recognised when the activity is completed in all respects.
 - c) Where cost incurred is out of proportion to progress of work, for revenue recognition the actual progress is taken into account.
 - d) Provision for expected over run, if any, on incomplete research activities are recorded in the period in which the same become probable based on current estimate.
 - e) Cost incurred on the research activities is ascertained by applying per day charges determined on the basis of estimated time spent by research staff of different categories, plus cost of common facilities and other overheads, etc.

4. Grants

Grant from government and other agencies received as contribution for utilisation for specific purpose is credited to “Corpus Account” and Grant received as non-recurring/ administrative expenses is recognised as income in the year of receipt.

5. Investments

Long-term investments are primarily meant to be held over long term period and are valued at cost. Provision is made when in the management's opinion, there is decline, other than temporary, in the carrying value of such investments. Current investments are valued at cost or net realisable value whichever is less. In respect of unquoted interest-bearing bonds, the premium paid at the time of acquisition is amortised over the remaining period to the date of maturity of the bonds.

6. Fixed Assets

- i. Fixed assets are accounted for on historical cost basis inclusive of all the incidental and installation cost less accumulated depreciation and impairment loss, if any.
- ii. Depreciation is provided on the written down value basis at the rates determined as under, retaining 5 per cent of the original cost of the assets as residual value.

Fixed Assets	Rate (%)
Building	2.50
Electric Installation, EPABX System, Air Conditioners & Refrigerators, Library Books and Furniture & Fixture	10.00
Office Equipment	15.00
Diesel Generator Set, Statistical Laboratory, and Motor Car	20.00
EDP Systems	40.00
Miscellaneous fixed Assets	25.00

- iii Software which is not an integral part of related hardware is treated as intangible asset and amortised over a period of five years (on straight line basis) or its licence period whichever is less.
- iv In the case of addition, the depreciation is charged for the full year and in case of sale/deletion no depreciation is charged in the year of sale/deletion.

7. Retirement Benefits

- i. Gratuity to employees is funded through a Trust, which in turn has taken a Group Gratuity Scheme with LIC of India. The liability is provided/ paid as determined by LIC under the said scheme based on actuarial valuation.
- ii. Contribution towards Provident Fund is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.
- iii. Liability towards leave encashment is provided for on the basis of actuarial valuation.

8. Stock of Publications

Stock of unsold publications is valued at cost, net of provision for old and slow/ non-moving stock.

9. Borrowing Cost

Borrowing costs that are allocated to the acquisition or construction of qualifying assets are capitalised as part of cost of such assets. A qualifying asset is one that necessarily takes

substantial period to get ready for intended use. All other borrowing costs are charged to revenue.

10. Foreign Currency Transactions

Transactions in foreign currencies, covering current assets and current liabilities, are accounted for at the exchange rates prevailing on the date the transaction takes place. Gains and losses arising out of subsequent fluctuations in the exchange rates at the time of settlement are adjusted in the Income & Expenditures account under the respective head of account. Transactions which remain unsettled at the year-end are translated at year-end/contract rate.

B. NOTES TO ACCOUNTS

1. Balances in the accounts of receivables, sundry creditors and other parties are subject to confirmation/reconciliation. The impact, if any, subsequent to the reconciliation will be taken in the year the confirmation/reconciliation is carried out.
2. Reserve & Surplus includes Capital Assets Fund which represents amount appropriated towards fixed assets of the Council till earlier year/s. However, due to non-availability of sufficient Surplus during the current year no amount has been transferred to the said Fund.
3. Foreign exchange variation gain (net) amounting to Rs 6.63 lakh (Previous year, net loss: Rs 11.80 lakh) has been debited/credited to the respective heads.
4. Corpus in "Schedule – 1" includes as under:

Corpus-1: Ford Foundation granted an endowment grant of US\$ 250,000 (Rs 8,075,779) in the year 1993 for publications, faculty development and other core activities. As per terms and conditions the Council was to raise 1:1 as matching requirement which the Council raised within stipulated time. Matching contribution was received from Government of India and the Council itself.

Corpus-2: Sir Ratan Tata Trust granted Rs 75 lakh in the year 1997 to enhance the library services. As per terms and conditions of the said Grant, 10 per cent of interest earned on Corpus fund, along with the unutilised amount of income is to be ploughed back to Corpus every year which condition is complied with every year.

Corpus-3: Ford Foundation granted an endowment grant of US\$ 5,00,000 (Rs 24,302,750) in the year 2002 for core support. As per terms and conditions 50 per cent of interest earned during the year is to be ploughed back to Corpus every year. As per revised terms and conditions the Council was to raise 1:1 as matching contribution which the Council raised within stipulated time. Matching contribution was received from Canadian International Development Agency, Government of India, Reserve Bank of India, and the Council.

5. a) The income of the Council is exempt under Section 10(21) of the Income Tax Act, 1961 in view of its being approved by Government of India vide their Gazette Notification

dt. 22.12.2010 as an organisation partly engaged in research activities under Section 35(1)(ii) of Income Tax Act, 1961 w.e.f. 01.04.2002 (Assessment Year 2003–04) under the category of 'Other Institution'. As the Council has fulfilled all the conditions laid down under Section 10(21), accordingly no provision for Income Tax is considered necessary for the current year.

- b) The income tax assessment of the Council has been completed up to the assessment year 2009–10 under section 143(3) of Income Tax Act, 1961, wherein the income is held to be in ambit of Section 2(15) i.e. under charitable purpose. In respect of Assessment Years 2010–11 and 2011–12 the Council is of the view that exemption will be available for these years under Section 10(21), as approval of the Council under Section 35(1)(ii) is w.e.f. 1.4.2002. Hence the provision for income tax for these years is not required to be made in the accounts.
 - c) The Council has received the intimation under Section 143(1) for the assessment year 2010–11 along with refund of TDS and interest thereon, which has been accounted/ recognised in the enclosed accounts.
 - d) In view of the Council the Provisions of Service Tax are not applicable to them considering the nature of services/activities being provided/ carried out by the Council.
6. The Council has complied with the applicable mandatory accounting standards issued by the Institute of Chartered Accountants of India except accounting of certain income as per the accounting policy No. 3 (i) which are being accounted on receipt basis. The said policy of accounting of income on receipt basis is being followed by the Council consistently.
 7. In the opinion of the management, the Current Assets and Loans and Advances as on 31.3.2012 have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet as on that date and that all the known and ascertained liabilities and all the accrued income and expenses relating to the year ended on 31.3.2012 have been duly provided / accounted for in these Accounts.
 8. Loan of Rs 1500 lakh was received in an earlier year from Ministry of Finance for infrastructure development, which is secured by Guarantee Agreement and Memorandum of Undertaking executed by the Council in their favour.

As per the terms of sanction the aforesaid loan is to be utilised for infrastructure development and till the time the funds are utilised the money is to be parked in fixed deposits with nationalised banks. The interest earned on the investment of the unutilised amount of loan and interest paid/payable to Government of India has been considered as borrowing income/ cost directly attributable to the acquisition and construction of the qualifying assets in terms of 'Accounting Standard on Borrowing Costs (AS-16)' from the date the project work has been initiated. As such, interest earned on the investment of the unutilised amount of loan and interest paid/payable to Government of India aggregating to Rs 36,853,851 (Previous Year: Rs 22,999,999) and Rs 17,500,000 (Previous Year : Rs 12,000,000), respectively upto 31.03.2012

has been capitalised as 'Pre-Operative/ Construction Expenditure Pending Allocation' under 'Capital Work-in-Progress' in Schedule-5 'Fixed Assets' as detailed herewith.

Particulars	Amount (Rs)	
	As of 31.03.2012	As of 31.03.2011
Interest paid on Infrastructure loan	17,500,000	12,000,000
Architect/ Consultants Fees/ Building Upgradation fees/ Soil testing/ MCD fees etc.	5,644,436	4,293,833
	23,144,436	16,293,833
Less:		
Interest earned on investment of unutilised amount of the loan money	(36,853,851)	(22,999,999)
Net amount (credit) pending for allocation	(13,709,415)	(6,706,166)

9. Employee Benefits

(a) General description of the defined benefit scheme:

Gratuity Payable on separation @15 days, pay for each completed year of service to eligible employees who render continuous service of 3 years or more.

Leave Encashment Payable on encashment during service or on separation as per the policy to eligible employees who have accumulated earned leave.

(b) Other disclosures as required under AS-15 (Revised 2005) on "Employee Benefits" in respect of defined benefit obligations are as under:

(i) Expenses recognised in Income and Expenditure Account

Particulars	Gratuity (Rs)		Leave Encashment (Rs)	
	2011-12	2010-11	2011-12	2010-11
Current Service Cost	837,035	419,019	784,145	1,624,791
Interest cost on benefit obligation	1,094,650	679,956	728,158	535,506
Expected return on plan assets	(923,212)	(725,686)	—	—
Net actuarial (Gain) / Loss recognised in the year	(870,606)	4,159,683	(1,203,656)	515,061
Amount to be recognised in Income & Expenditure Account	1,37,867	4,532,972	308,647	2,675,358
Amount recognised in Income & Expenditure Account	5,451,125	1,492,345	308,647	2,675,358

ii) Change in the present value of the Defined Benefit Obligation

Particulars	Gratuity (Rs)		Leave Encashment (Rs)	
	2011–12	2010–11	2011–12	2010–11
Present Value of obligation at the beginning of year	13,683,122	8,499,450	8,566,565	6,693,821
Interest cost	1,094,650	679,956	728,158	535,506
Current Service Cost	837,035	419,019	784,145	1,624,791
Benefit Paid	(1,912,257)	(74,986)	(1,748,909)	(802,614)
Net actuarial (Gain) / Loss on obligation	(870,606)	4,159,683	(1,203,656)	515,061
Present value of the defined benefit at the end of year	12,831,944	13,683,122	7,126,303	8,566,565

iii) Change in the fair value of plan assets

Particulars	Gratuity (Rs)		Leave Encashment (Rs)	
	2011–12	2010–11	2011–12	2010–11
Fair Value of Plan assets at the beginning of year	9,129,199	7,468,420	—	—
Expected return on plan assets	923,212	725,686	—	—
Contribution by employer	6,91,790	1,010,079	1,748,909	802,614
Benefit Paid	(1,912,257)	(74,986)	(1,748,909)	(802,614)
Fair value of plan assets at the end of year	88,31,944	9,129,199	—	—

(iv) The amount recognised in the Balance Sheet

Year	Present Value of obligation at the end of year (Rs)	Fair Value of Plan assets at the end of year (Rs)	Difference i.e. Assets/ (Liabilities) (Rs)	Net Assets / (Liability recognised in the Balance Sheet (Rs)
Gratuity				
2007–08	(6,643,654)	7,522,323	878,669	—
2008–09	(6,552,890)	6,474,598	(78,292)	—
2009–10	(8,499,450)	7,468,420	(1,031,030)	—
2010–11	(13,683,122)	9,129,199	(4,553,923)	—
2011–12	(12,831,944)	88,31,944	(40,00,000)	(40,00,000)
Leave Encashment				
2007–08	(6,515,345)	—	(6,515,345)	(4,439,242)
2008–09	(7,093,385)	—	(7,093,385)	(7,093,385)
2009–10	(6,693,821)	—	(6,693,821)	(6,693,821)
2010–11	(8,566,565)	—	(8,566,565)	(8,566,565)
2011–12	(71,26,303)	—	(71,26,303)	(71,26,303)

(v) Actuarial Assumptions

Principal assumptions used for actuarial valuation are:

	Gratuity		Leave Encashment	
	2011-12	2010-11	2011-12	2010-11
Method used	Projected unit credit method			
Discount rate	8%		8.50%	8%
Salary Escalation	6%		6%	5.50%
Mortality Rate	LIC(1994-96) ultimate/modified			
Withdrawal rate up to 30/44 and above 44 years	3%/2%/1%			
Rate of return on plan assets	9.15%		-	

10. The previous year's figures have been regrouped/ rearranged wherever considered necessary.

Signatures to Schedules '1' to '14' of the financial accounts.

Rabi Narayan Panda
Acting Head, Finance

Jatinder S. Bedi
*Secretary & Head,
Operations*

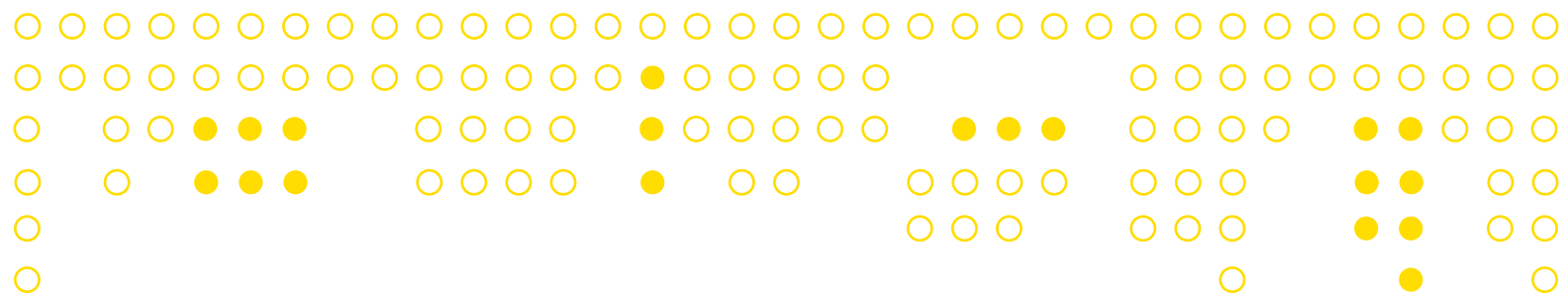
Shekhar Shah
Director-General

Nandan M. Nilekani
President

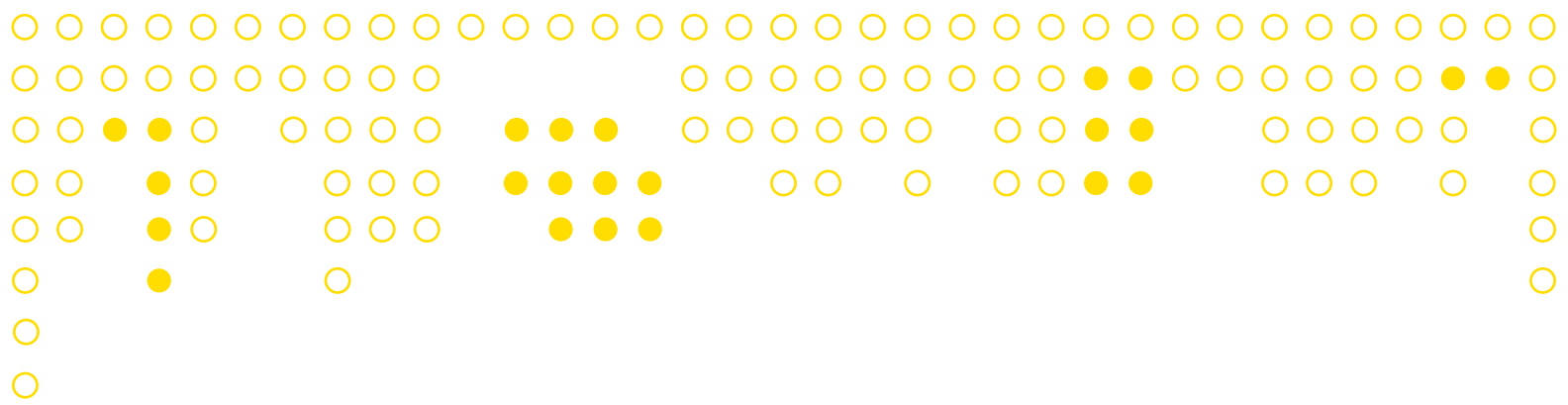
Abbreviations/Acronyms

AAI	Airports Authority of India
ACIAR	Australian Centre for International Agricultural Research
ADB	Asian Development Bank
ADBI	Asian Development Bank Institute
AFD	French Development Agency, Paris
AIRTSC	Assam Institute of Research for Tribal and Scheduled Castes
AMIS	Agricultural Market Information System
ANU	Australian National University
ATR	Anamali Tiger Reserve
BCI	Business Confidence Index
BES	Business Expectations Survey
BP	British Petroleum
BRIC	Brazil, Russia, India, and China
CBDT	Central Board of Direct Taxes
CAGR	Compound Annual Growth Rate
CCI	Competition Commission of India
CCWE	Centre for China in the World Economy
CEFIR	Centre for Economic and Financial Research
CEPR	Centre for Economic Policy Research
CFA	Central Financial Assistance
CGE	Computable General Equilibrium
CII	Confederation of Indian Industry
CMA	Cement Manufacturers' Association
CMCR	Centre for Macro Consumer Research
CPR	Centre for Policy Research
CSTEP	Centre for Study of Science, Technology and Policy
CUTS	Consumer Unity and Trust Society
DDA	Delhi Development Authority
DFID	Department for International Development
DIAL	Delhi International Airport (Pvt.) Limited
DIT	Department of Information Technology
DNA	Daily News and Analysis
DSL	Digital Subscriber Line
DST	Department of Science and Technology
DTH	Direct to Home
eDI	e-Development Index
EEA	European Economic Association
eRI	e-Readiness Index
ERP	Enterprise Resource Planning
FAO	Food and Agriculture Organisation
FDI	Foreign Direct Investment
FICCI	Federation of Indian Chambers of Commerce and Industry
FSRs	Financial Stability Reports
FMCG	Fast Moving Consumer Goods
FTA	Free Trade Agreement
GASAB	Government Accounting Standards Advisory Board

GDN	Global Development Network
GDP	Gross Domestic Product
GHIAL	GMR Hyderabad International Airport (Pvt.) Limited
GSAM	Global School of Applied Management
GTZ	German Agency for Technical Cooperation
GTAP	Global Trade Analysis Project
HDFC	Housing Development Finance Corporation
HDPI	Human Development Profile of India
HPCL	Hindustan Petroleum Corporation Limited
HSBC	Hongkong and Shanghai Banking Corporation
ICICI	Industrial Credit and Investment Corporation of India
ICRIER	Indian Council for Research on International Economic Relations
ICT	Information and Communication Technology
IDF	India Development Foundation
IDFC	Infrastructure Development Finance Company
IDRC	International Development Research Centre
IEG	Institute of Economic Growth
IFMR	Institute for Financial Management and Research
IFPRI	International Food Policy Research Institute
IGIDR	Indira Gandhi Institute of Development Research
IHC	India Habitat Centre
IHD	Institute for Human Development
IHDS	India Human Development Survey
IIC	India International Centre
IIFT	Indian Institute of Foreign Trade
IIPA	Indian Institute of Public Administration
ILO	International Labour Organization
IMA	Indian Medical Association
IMD	India Meteorological Department
IMF	International Monetary Fund
IMI	International Maritime Institute
IPEA	Institute of Applied Economic Analysis, Brazil
IPF	India Policy Forum
IPO	Initial Public Offering
IPRCC	International Poverty Reduction Center in China
IRDA	Insurance Regulatory and Development Authority
ISB	Indian School of Business
ISLE	Indian Society of Labour Economics
ISP	Indira Sagar Project
JNU	Jawaharlal Nehru University
KDI	Korean Development Institute
LSE	London School of Economics
LTTD	Low Temperature Thermal Desalination
MCIT	Ministry of Communications and Information Technology
MDG	Millennium Development Goals
MDI	Management Development Institute



MFI	Microfinance Institutions
MHRD	Ministry of Human Resource Development
MISH	Market Information Survey of Households
MNRE	Ministry of New and Renewable Energy
MoES	Ministry of Earth Sciences
MST	Ministry of Science and Technology
NABARD	National Bank for Agriculture and Rural Development
NAS	Network-attached Storage
NBER	National Bureau of Economic Research (Cambridge, MA)
NBT	National Book Trust, India
NCAER	National Council of Applied Economic Research
NCAP	National Centre for Agricultural Economics and Policy Research
NES	New Economic School, Moscow
NGO	Non-governmental Organisation
NHB	National Housing Bank
NIAS	National Institute of Advanced Studies
NIIT	National Institute of Information Technology
NIOT	National Institute of Ocean Technology
NIPFP	National Institute of Public Finance and Policy
NKN	National Knowledge Network
NRLM	National Rural Livelihood Mission
NSHIE	National Survey of Household Income and Expenditure
NSDI	National Spatial Data Infrastructure
NSS	National Sample Survey
NSSO	National Sample Survey Organisation
NTDPC	National Transport Development Policy Committee
NVDA	Narmada Valley Development Authority
OECD	Organisation for Economic Cooperation and Development
OUP	Oxford University Press
PCI	Political Confidence Index
PCO	Public Call Office
PDA	Personal Digital Assistant
PDS	Public Distribution System
PIA	Project Impact Area
PMRTS	Public mobile Radio Trunk Service
PPP	Public–Private Partnership
PRC	People’s Republic of China
RBI	Reserve Bank of India
RDI	Rural Development Institute
RETA	Regional Educational Technology Assistance
RMF	Recommended Methodology Framework
RO	Reverse Osmosis
SANEM	South Asia Network of Economic Modelling
SAP	Systems, Applications, and Products in data processing
SBI	State Bank of India
SEBI	Securities and Exchange Board of India



SEWA	Self-Employed Women's Association
SEZ	Special Economic Zone
SHG	Self-help Group
SPP	Solar Power Plant
SPV	Solar Photovoltaic
TERI	The Energy and Resources Institute
TRAI	Telecom Regulatory Authority of India
TSA	Tourism Satellite Account
TTI	Think-Tank Initiative
UIDAI	Unique Identification Authority of India
ULIPs	Unit-Linked Insurance Plans
UNDP	United Nations Development Programme
USDA	US Department of Agriculture
VPT	Village Public Telephone
VSAT	Very Small Aperture Terminal
WB	World Bank
WTO	World Trade Organization



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