Welcome to the NCAER newsletter, in which we showcase all the activities and outputs of our researchers and faculty over the last three months.

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**NCAER Research Outputs**

**Monthly Review of the Economy, October, November, and December 2023**

The Review of the Economy released every month summarises the economic and policy developments in India; monitors global developments of relevance to India; and showcases the pulse of the economy through an analysis of high-frequency indicators and the heat map.

**India Human Development Survey Forum, October, November, and December 2023**

The IHDS Forum is a monthly update of publications, op-eds and data news based on the India Human Development Survey (IHDS), which was jointly conducted by NCAER and the University of Maryland in two rounds, in 2004-05 and 2011-12. The third round of the project has also been launched and is currently underway, with data collection having been completed in several States.
Ten Facts About Son Preference in India

This paper discusses son preference in India, encompassing both differential investment in sons and a fertility preference to have sons. Regarding differential investment, this article focuses on child health, where the evidence shows that gender gaps in inputs and outcomes have narrowed in recent years. Nonetheless, girls remain disadvantaged in important ways, and making health services free might not be enough to close these remaining gaps. The desire to have a son drives the skewed sex ratio, and it shows little sign of abating. In fact, the downward trend in family size is exacerbating how the desire for a son translates into sex-selection. Families’ quest for a son also imposes collateral damage on sisters’ health. The policy challenge, particularly around diminishing the desire for sons, is large. Empowering women is not a panacea. Offering financial incentives to have daughters risks further concentrating girls in poorer families. In this context, several policies warrant implementation, such as public pensions as an alternative to old-age support from sons, increased delivery of health services through schools, and attitude- and norm-change interventions that aim to increase the intrinsic value that Indian families place on girls.

Is Electrification in India Fiscally Sustainable?

This paper studies the fiscal health of state electricity distribution companies (discoms) in India and its bearing on the supply of electricity. India has, in a policy landmark, lately achieved near-universal household electrification, in large part through Central funding of infrastructure totalling Rs. 5 lakh crores as well as State bailouts totalling Rs. 35 lakh crores since 2001. Central and State transfers enable State distribution companies to run ongoing losses, which, in turn, threaten the supply of energy to agriculture and rural households. The authors find that: (i) the fiscal health of State distribution companies remains concerning, with declared losses of only 2% in 2021-22, far lower than recent trends, rising to 22% when excluding Central and State government subsidies; (ii) the proportional losses of the distribution companies, excluding subsidies from the Central and State governments, have declined 6 percentage points (on a base of 28%) in the last decade, but their aggregate yearly loss has increased by Rs. 77,000 Cr (43%) due to growth in subsidised consumption; (iii) most gains in reported discom finances are due to the increasing formalisation of States bringing electricity subsidies onto their budgets; (iv) States that drew funds under the most recent Central bailout programme (the UDAY scheme) have seen smaller gains in efficiency and reductions in losses in recent years than States that did not participate in the bailout.

Taking Forward IMF’s Gender Mainstreaming Strategy at the Country Level

The International Monetary Fund’s 2022 Strategy to Mainstream Gender calls for an intentional and systematic approach to integrating gender into macroeconomic policies to foster strong, sustainable, and inclusive growth. This working paper by Ratna Sahay and Rishi Goyal argues that the IMF is filling a critical gap in its mandate by mainstreaming gender into its work. It makes the case that (i) closing gender gaps is macro-critical because they go hand-in-hand with higher economic growth, greater financial stability, and lower income inequality. Not doing so would lead to underdevelopment, underutilization, and misallocation of productive human resources; and (ii) applying a gender lens to macroeconomic, financial, and structural policy design can help to narrow gender gaps and result in improved economic outcomes.
**Logistics Cost in India: Assessment and Long-term Framework**

India’s National Logistics Policy, launched on 17 September 2022, aims to reduce logistics costs in India in order to enhance efficiency and competitiveness, and foster innovation across various sectors of the economy. In this context, it is important to reliably measure the costs associated with logistics and identify ways to reduce these costs. Since there is currently no official estimate nor any scientific framework for determining logistics costs in the country, the Logistics Division notified a Task Force on 28 March 2023, comprising members from academia, international experts, NITI Aayog, Asian Development Bank, line Ministries and industry associations, with the objective of developing a framework for estimating logistics costs. Two senior members of the NCAER faculty, Professors Poonam Munjal and Sanjib Pohit, were among the members appointed for this Task Force. Several meetings of the Task Force were held between March and October 2023, to discuss various issues, including global benchmarks and methodologies, the best possible measurement methods for India, and the availability of updated or even real-time data, among other things. This report is the outcome of this extensive exercise.

**The NCAER-NSE Business Expectations Survey for India Second Quarter 2023–24**

NCAER carried out the 126th Round of its Business Expectations Survey (BES) in September 2023, with support from the National Stock Exchange of India Limited (NSE). NCAER has been conducting the BES every quarter since 1992, covering 500 firms across four regions. There has been an all-round improvement in business sentiments in this quarter. The Business Confidence Index (BCI) rose from 128 in 2023–24: Q1 to 140.7 in 2023–24: Q2. The BCI was also higher than in the corresponding quarter in the previous year (132.5 in 2022–23: Q2).

**Journal**

**MARGIN: The Journal of Applied Economic Research**

*MARGIN: The Journal of Applied Economic Research (JAER)* is a quarterly, peer-reviewed, international journal published by NCAER 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. The latest issue of *Margin* contains the following papers:

- **Priorities for the G20 Finance Track** by Barry Eichengreen and Poonam Gupta
- **Urban Exclusion: Rethinking Social Protection in the Wake of the Pandemic in India** by Pallavi Choudhuri, Santanu Pramanik and Sonalde Desai
- **The Economic Implications of Air Pollution: A Case of Two Cities** by Soumi Roy Chowdhury, Sanjib Pohit, and Rishabh Singh
- **A Systemic Analysis of the Impact of the Pandemic on the Indian Tourism Economy** by Poonam Munjal
- **Chronic Absenteeism and Its Impact on the Learning Outcomes of Primary Grade Students in India** by Charu Jain and Ruchi Jain
Project Updates

Data collection for the third wave of the NCAER flagship longitudinal survey, India Human Development Survey (IHDS-3), is in full swing. Data collection has been completed for about 44,000 households as well as communities (villages/urban blocks) in which they live and, health facilities and schools in these communities. Data collection for Assam, North-east, Andhra Pradesh and Telangana is ongoing while data collection for the rest of the States and Union Territories has been completed. IHDS-3 also contains a telephonic survey of individuals who have migrated out from the households interviewed in IHDS-1 and IHDS-2. This survey is ongoing.

Opinion and Journal Articles/Blogs

NCAER researchers published the following opinion articles and blogs during the last three months:

Opinion Articles

Unlocking India’s potential with AI
Nandan Nilekani and Tanuj Bhojwani
Finance & Development (IMF Publication), December 31, 2023

Evaluating the Indian economy’s resilience
Poonam Gupta
Business Standard, December 29, 2023

India needs a gender strategy
Poonam Gupta
Business Standard, October 19, 2023

Designing social welfare systems for gig workers
Bornali Bhandari and Ajaya K. Sahu
The Hindu Business Line, December 28, 2023

Why mandatory period leave may not work
Ravi Gupta
Financial Express, December 27, 2023

The key to a sovereign’s resilience
Udaibir Das
OMFIF, December 21, 2023

Climate change: Are we close to collective action?
Isha Dayal and Sanjib Pohit
The Hindu Business Line, November 18, 2023

The time for Africa’s financial transformation is now
Udaibir Das
Indians do work long hours  
Palash Baruah and D.L. Wankhar  
*The Hindu Business Line*, November 9, 2023

Fish consumption in India in 2022-23 and future prospects  
Saurabh Bandyopadhyay, Laxmi Joshi and Nijara Deka  
*Aquapost (Online)*, November 1, 2023

India needs both e-vehicles and biofuels  
Sanjib Pohit and Anupma Mehta  
*The Hindu Business Line*, October 27, 2023

Chattogram Port: A win-win for India and Bangladesh  
Saurabh Bandyopadhyay  
*The Financial Express*, October 23, 2023

Closing the gender pay gap in the workforce  
Sonalde Desai  
*The Hindu*, October 16, 2023

Not a favoured place for raising girls  
Anupma Mehta  
*QRIUS*, October 14, 2023

Journal Articles

“Exploring gender role attitude of stay-at-home and employed married women in Delhi”  
Jyoti Thakur and Reimeingam Marchang, *S.N. Social Science Journal*, Springer Nature, 6 December 2023

“A mobile sensor platform based cyber-physical system for surface water quality mapping and management”  

“Gender and Generation: Landownership and Older Indians’ Autonomy”  
Hope Xu Yan, Sonalde Desai, and Debasis Barik, *Feminist Economics*, 17 October 2023

Update on NCAER Events  
NCAER, in collaboration with the Indian Council for Research on International Economic Relations (ICRIER) organises an annual conference at Neemrana Fort Palace. This year’s Conference was held during 16-17 December 2023. The Neemrana Conference began in 1999, led by a desire to create a
forum that focuses on important economic policy issues and brings together prominent policy-makers, regulators, industry leaders, and academic luminaries from the best think tanks and universities from India and abroad working on policy matters around the world.

The various sessions at the 23rd Neemrana Conference covered deliberations on a diverse range of subjects, including the Public Debt Landscape; Skills, Jobs and Economic Growth in the Era of AI; India’s Trade and Industrial Policy Activism; Policy Mix for Responding to External Shocks; Demography and Destiny; Global Outlook and Implications for India; How India’s Private Sector Finances, Governs and Manages Itself; and a lecture on ‘India in Search of Glory’.

Indian Job Market for Economists 2023, December 22-23, 2023
NCAER and the Society for Economics Research in India, in collaboration with the Econometric Society and EconJobMarket.org, set up the Indian Job Market for Economists (IJME) in 2022. The collaboration has created a hybrid centralised platform to bring together young economists and PhD candidates looking for jobs from India and abroad, on one hand, and Indian think tanks, universities, research institutions, government agencies, and private sector organisations looking to fill up their open positions, on the other hand. IJME also aims to solve coordination problems among job-seekers and potential recruiters, and to allow for a more efficient flow of information.

The second IJME was conducted from September 2023 to December 2023. The in-person meetings were held during 22-23 December 2023 at NCAER’s iconic campus in New Delhi.
IEPFA-NCAER Webinar: "Investor Education and Protection Policy in India: Claiming the Unclaimed", December 12, 2023

NCAER, in partnership with the Investor Education and Protection Fund Authority (IEPFA), conducted an in-person one-day workshop for youth under the theme “Investor Education and Protection Policy in India: Claiming the Unclaimed”, on 12 December 2023. The workshop witnessed the convergence of diverse stakeholders, including students, government entities, academic institutions, investors, and experts. Dr C.S. Mohapatra, IEPF Chair Professor at NCAER, at the outset, emphasised the criticality of empowering budding investors with adequate financial knowledge and a secured environment along with fast restoration of unclaimed shares to the rightful claimants.


NCAER organised an in-person event on ‘Access to Clean Water and the Role of Information and Transaction Costs’ on 1 December 2023, as part of its Dialogue Room Seminar Series.

At the seminar, Dr Prarthna Agarwal Goel, Assistant Professor with the Department of Economics at Guru Gobind Singh Indraprastha University, presented findings from the study located in a rural region of India where groundwater is heavily contaminated with a hazardous naturally occurring compound. The authors of this paper worked with State government agencies to implement a cluster RCT to study the reasons behind the lack of demand for water quality in the region.

Dissemination Workshop on Collaborative NCAER-CDS-Celestial Earth Study, November 28, 2023

A Dissemination Workshop was held on 28 November 2023 at the Energy Management Centre, Thiruvananthapuram, to discuss the report, “Challenges and Policy Implications for Low-Carbon Pathway for Kerala: An Integrated Assessment Modelling Approach”, which is based on a study undertaken by NCAER in collaboration with Centre for Development Studies and The Celestial Earth.

IEPFA-NCAER-NSE Conference on Investor Protection in the Digitalised World: Role and Criticality of Financial Advisors, November 20, 2023
A joint Conference on ‘Investor Protection in the Digitalized World: Role and Criticality of Financial Advisors’, organised by IEPFA, NCAER, and the National Stock Exchange (NSE), was held at the NSE office in Mumbai, on 20 November 2023. Since its inception, the IEPFA has held a number of Investor Awareness Programmes aimed at achieving inclusive financial literacy for stakeholders in rural, semi-urban, and urban areas besides enabling the rightful claimants to get their due unclaimed shares, dividends, and debentures speedily. The joint Conference at NSE signified a continuation of this effort.

IEPFA-NCAER Investor Education and Protection Webinar, October 30, 2023

The IEPFA, in partnership with NCAER, conducted a webinar on the theme “Role of Data Protection Act, 2023 in Protecting Investors in the Digital Era”, on 30 October 2023. The webinar witnessed the convergence of diverse stakeholders, including government entities, academic institutions, investors, and industry experts. In his welcome address, Dr C.S. Mohapatra, IEPF Chair Professor at NCAER, highlighted the need for and importance of the Digital Personal Data Protection Act (DPDP) Act, with special reference to its role in protecting investors in the digitalised era.

NCAER Journal Club Meeting, December 20, 2023

The journal club meeting entailed a discussion on a paper by Vu and Munro (2023), *The Link between Vulnerability to Poverty and Depression: Evidence from Vietnam*, using the ‘Vietnam Access to Resources Household Survey’ panel data, which finds significant causal relationship between vulnerability to poverty and mental health.

Voices of our Researchers

- Dr Sonalde Desai’s views were cited in the following articles:
- **Poor Asian countries face an ageing crisis**, published in *The Economist*, 12 October 2023.

- Dr Bornali Bhandari’s views were cited in the following articles:
  - **Firms dither on hiring as labour market stagnates, says NCAER survey**, by S. Rajora, *Business Standard*, 3 November 2023.


**Faculty Activities**

Following are details of the activities and engagements of NCAER staff and faculty during October-December 2023:

**Dr Poonam Gupta, Director General**
- Participated in EAC-PM meetings, New Delhi, October, November, December 2023.
- Speaker on ‘Economic Scorecard or Political Opportunity, Pre-Budget Session’, Ananta Centre, New Delhi, December 20, 2023.
- Presentation on ‘Responding to External Shocks: What is the Right Policy Mix for India?’ at the 23rd Annual Neemrana Conference, Neemrana Fort Palace, December 17, 2023.
- Panellist at the Kautilya Economic Conclave on ‘Macro Management: Domestic Structural Reforms and Growth’, New Delhi, October 20-22, 2023.
- Keynote Speaker at a Roundtable on ‘States as Drivers of Development in India’, Institute for Competitiveness, New Delhi, October 18, 2023.
- Participated in Virtual Roundtable Conversation with IMF First Deputy Managing Director, October 9, 2023.
Dr Sonalde Desai, Professor

➢ Participated virtually in the 16th meeting of the Technical Advisory Committee on Surveys, organised by Department of Statistics and Information Management, Reserve Bank of India, Mumbai, November 30, 2023.
➢ Speaker at NITI Aayog Post G-20 Thematic Workshop, “Harnessing Data for Development (D4D) for Accelerating the Progress on Sustainable Development Goals”, New Delhi, November 3, 2023.

Dr Ratna Sahay, Professor

➢ Participated in panel discussion on “Gender Diversity in Economics,“ organised by the School of Economics and Social Sciences, Institute of Business Administration, Karachi, Pakistan, November 16-19, 2023.

Dr Sanjib Pohit, Professor

➢ Presentation/Participation in meeting of India Climate and Energy Modelling Forum Task Force 1, at NITI Aayog, New Delhi, December 21, 2023.

Dr Bornali Bhandari, Professor


Part of the EXIM Bank International Economic Research (IERA) Citation 2022.

Dr C.S. Mohapatra, IEPF Chair Professor


Participated in an interactive session titled, “From Knowledge to Wealth: Bridging the Gap between Financial Literacy and Financial Well-being”, with the faculty of the National Institute of Securities Markets (NISM), Mumbai, November 21, 2023.

Delivered a special guest lecture on “Financial Stability Architecture in India and Its Role in Promoting Investor Awareness and Protection” to students at the National Institute of Securities Markets (NISM), Mumbai, November 21, 2023.


Dr Pallavi Choudhuri, Senior Fellow


Discussant for presentation on ‘Explaining the Significant Hikes in Female Work Participation Rate in India in Recent Years and Some Thoughts on How to Raise It Further’, Institute for Human Development, New Delhi, November 9, 2023.

Mr Devender Pratap, Senior Fellow


Chaired a Plenary Session on ‘Climate Change and Agriculture: Adaptations for Sustainable Food Security, at the Conference on ‘India’s Growth Trajectory during Amrit Kaal’, at Department of Finance and Business Studies, South Campus, University of Delhi, November 17, 2023.


Dr Piyali Majumder, Associate Fellow

Invited as an expert at the The Energy and Resource Institute (TERI)-European Roundtable on ‘Climate Change and Sustainable Transition’, at India Habitat Centre, New Delhi, October 18, 2023.

Dr Anomita Ghosh, Associate Fellow

➢ Paper presentation on “Persistence in Physicians’ Locations: Long-Run Evidence from Decentralised Loan Repayment Programs”, at Indian Statistical Institute, New Delhi, November 24, 2023.

Institutional News

NCAER In the News

The following news articles covered the NCAER report, Logistics Cost in India: Assessment and Long-term Framework:

➢ India shipping News: India to pitch for changes to West Bengal Logistics Index
➢ Business Standard: Reduction of logistics cost is a big macro turnaround for India
➢ Logistics Insider.in: The earlier estimate was subjective, which has not been replaced by a rational number” Dr Surendra Ahirwar on India’s logistic cost
➢ Economic Times: India’s logistics cost is not 13-14 percent of GDP, it never was
➢ The New Indian Express: Aim to bring logistics cost down to 5% of GDP: Piyush Goyal
➢ The Shillong Times: Big-ticket infra push helps India emerge as bright spot amid global slowdown
➢ The Hindu Business Line: Logistics cost in India at 7.8% - 8.9% of GDP in 2021-22: NCAER report
➢ The Financial Express: NCAER estimates India’s logistics costs at 7.8-8.9%, lower than assumed so far
➢ Livemint: India’s logistics cost declined to 7.8-8.9% of GDP in FY22: NCAER
➢ Money Control: Logistics cost for 2021-22 between 7.8-8.9 percent of GDP says govt.
➢ Zeebiz : NCAER pegs India’s logistics cost between 7.8-8.9% of GDP in FY22: NCAER Estimates
➢ Reuters: India cuts logistics costs to below 9% of GDP with higher state spending
➢ The Print in: India’s logistics cost to GDP is 8-9%: Report
➢ Twitter.com/ani/status/: On India’s logistics cost between 7.8-8.9% of GDP in 2021-22
➢ Republicworld.com/India: India cuts logistics costs to below 9% of GDP with higher state spending
➢ Mmillenniumpost.in: India’s logistics cost ranges from 7.8 - 8.9% of GDP in FY22: NCAER

The Workshop on Investor Education and Protection Policy in India: Claiming the Unclaimed, jointly organised by NCAER and IEPFA on December 12, 2023, received the following media coverage:

➢ PIB: IEPFA and NCAER jointly organise workshop on ‘Investor Education and Protection Policy in India: Claiming the Unclaimed’ in New Delhi
FELA Foundation: Youth Empowerment: IEPFA and NCAER Host Workshop on Investor Education and Unclaimed Funds

ForumIAS Community: IEPFA and NCAER jointly organize workshop on 'Investor Education and Protection Policy in India

The following news articles covered The NCAER-NSE Business Expectations Survey for India Second Quarter 2023–24:

Business Standard: Firms dither on hiring as labour market stagnates, says NCAER survey
The Economic Times: All-round improvement in business sentiments in Q2: NCAER survey
cfo.economictimes.indiatimes.com: All-round improvement in business sentiments in Q2: NCAER survey
www.newsdrum.in: All round improvement in business sentiments in Q2: NCAER Survey

The NCAER report, Health Seeking Pathways in Four Indian States (4IS), was cited in the following news articles:
Three Charts on Ayushman Bharat’s Achievements and Shortfalls, published in Indiaspend.com (online), on 8 October 2023.

The NCAER report, Study to Identify Gap in Institutional Funding in Agro-Processing Cooperative Sector in India was cited in the news article, The era of agtech: Shifting from conventional to digital transformations, published in The Financial Express, 29 November 2023.

Dr Sonalde Desai has been appointed as one of the Non-Official Members of the Standing Committee on Economic Statistics (SCES), constituted by the Ministry of Statistics & Programme Implementation (MoSPI), to deliberate on various issues related to all surveys, as and when required by MoSPI.

A paper co-authored by Professor Bornali Bhandari was amongst the top 10 popular articles in 2023 in the journal, Structural Change and Economic Dynamics, https://www.linkedin.com/posts/sced-journal_sced-economics-employment-activity-7147961604712665088-C884/?utm_source=share&utm_medium=member_desktop