Towards ICRIER’s New Green Building
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ICRIER has been in the business of research that enhances the knowledge base for policymakers and others interested in the Indian economy. Over the years, ICRIER has sought to bring the highest quality of professional expertise to bear upon a range of subjects selected after extensive interaction with stakeholders to ensure relevance. It was therefore a proud moment for us when ICRIER was ranked as the top “Think Tank with the Most Significant Impact on Public Policy” in India by the “2014 Global Go To Think Tank Index Report” of Pennsylvania University’s Think Tanks and Civil Societies Programme.

I am happy that ICRIER has launched a major programme on the challenges facing Indian agriculture under the stewardship of Dr. Ashok Gulati who holds the Infosys Chair on Agriculture at ICRIER. It covers important current issues of food security, agri-markets and crop insurance. I am glad to note that in some important areas including restructuring food subsidy and crop insurance schemes, recommendations arising from this research have found a place in the policymakers’ kit as they go about restructuring the policy regime with regard to Indian agriculture. I would like to take this opportunity to congratulate Dr. Gulati on being conferred the Padma Shri by the President of India in January this year.

The Programme on Urbanisation launched three years ago with support from the Ministry of Urban Development, under my guidance in an honorary capacity, was successfully concluded in March 2015 with a number of research papers and a series of capacity building workshops. Shri Venkaiah Naidu, Hon’ble Union Minister for Urban Development, delivered the keynote address at the concluding National Workshop of the Programme. A study on Urban Water by Dr. Mihir Shah was the focus of discussion at a National Workshop on ‘Urban Water Systems in India: A Way Forward’ where Shri Nitin Gadkari, Hon’ble Union Minister for Road Transport & Highways and Shipping delivered the keynote address. This study, supported by the Global Green Growth Institute, is the first of its kind for India, providing a basic analytical framework for planning and implementing an integrated water management system for Indian cities and towns. The visibility and quality of ICRIER’s research on urbanisation and extensive interaction with policymakers at all levels of government has prepared ICRIER to play an important role at this time when urbanisation has assumed centre stage in the government’s policy thinking.

ICRIER has intensified its research engagement on climate change and its impact on the economy. We partnered a major new international initiative-The Global Commission on the Economy and Climate under the leadership of Lord Nicholas Stern. The New Climate Economy is the flagship project of this initiative. Its first Report was launched at a joint seminar with FICCI and was very well received. Research work on the next phase has begun. A major project on climate change supported by the Rockefeller Foundation has also entered the second phase with focus on competitiveness of cities.

To address the challenges of productive employment creation, particularly in the manufacturing sector, research at ICRIER has focused on a number of studies including ‘Enhancing India’s Participation in Global Value Chains’, and ‘A Review and Evaluation of India’s SEZ Policy’. ICRIER is also participating as one of five global institutions in the “Network of Jobs and Development”
ICRIER continues to be actively engaged in assisting policymakers to take informed decisions on South Asian economic integration. The programme on India-Pakistan trade normalisation was the first such initiative. Shri Yashwant Sinha, former Union External Affairs and Finance Minister, delivered the keynote address at the 3rd Annual Conference on India-Pakistan Trade in February this year. Similarly, the project on “Sub-Regional Cooperation between India, Myanmar and Bangladesh” is exploring the scope for sub-regional economic cooperation.

I must compliment Dr. Rajat Kathuria, Director and Chief Executive, ICRIER who has not only expanded the scope and quantum of research at ICRIER but has also focused our research in areas set out in the Mid-Term Strategy Document of ICRIER. He has successfully engaged high-quality senior research faculty in spanning important new areas of policy significance such as agriculture and world trade, employment in the manufacturing sector, global supply chains, issues in telecommunications, and challenges of urbanisation and climate change, on the one hand, and consolidating ICRIER’s research on South Asian economic cooperation, Asian economic integration, and challenges of macroeconomic stability of a more open Indian economy, on the other.

Besides its continuing focus on policy-oriented research, the coming months will keep ICRIER busy with the 6th K.B Lall Memorial Lecture, the flagship annual Neemrana Conference held jointly with the National Bureau of Economic Research (NBER) and the National Council for Applied Economic Research (NCAER), and a roundtable on the use of ‘Nudge’ in economic policy making. I have no doubt that ICRIER will continue to do high-quality research and spell out the policy implications of the research as it continues to build bridges from research to policy.

Isher Judge Ahluwalia
Chairperson, ICRIER
Board of Governors

Chairperson

Dr. Isher Judge Ahluwalia
W-36, Greater Kailash-I
New Delhi -110 048

Elected Members

Mr. Tarun Das
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Ms. Janaki Kathpalia
Former Additional Secretary
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Managing Director & Chief Executive Officer
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Mumbai - 400 001

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Group Chairman
Religare & Fortis Healthcare
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Non-Executive Vice Chairman
Genpact India
DLF City Phase-V, Sector-53
Gurgaon -122 002

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Honorary Professor, ICRIER &
Former Under Secretary General,United Nations
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Member-Secretary

Dr. Rajat Kathuria
Director & Chief Executive, ICRIER
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Lodhi Road, New Delhi - 110 003
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Ms. Janaki Kathpalia : Member
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Ms. Chanda Kochhar : Member
Dr. Rajat Kathuria : Member-Secretary

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7. Mr. Ashok V. Desai
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16. Mr. N. C. B. Nath
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18. Dr. Deepak Nayyar
19. Dr. V. R. Panchamukhi
20. Mr. Vijay G. Pande
21. Mr. R. D. Pradhan
22. Mr. Vinay Bharat Ram
23. Mr. S. S. Ramphal
24. Dr. C. Rangarajan
25. Mr. S. S. Rao
26. Dr. Manmohan Singh
27. Mr. R. V. Subrahmanian
28. Dr. M. S. Swaminathan
29. Mr. T. K. N. Unnithan
30. Dr. Charan D. Wadhva

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2. Dr. Isher Judge Ahluwalia
3. Mr. Mukesh D. Ambani
4. Mr. J. S. Bajaj
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12. Mr. K. V. Kamath
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14. Mr. Uday S. Kotak
15. Dr. Rajiv Kumar
16. Mr. Darshan Lal
17. Dr. Deepak Lal
18. Dr. Rajiv B. Lall
19. Mr. Arun Maira
20. Mr. Raghunandan D. Maluste
21. Dr. R. A. Mashelkar
22. Mr. Aman Mehta
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25. Dr. Arvind Panagariya
26. Dr. Kirit S. Parikh
27. Dr. Swati A. Piramal
28. Mr. N. Ravi
29. Dr. Y. V. Reddy
30. Mr. Parth J. Shah
31. Mr. Prakash Shah
32. Dr. Kiran Mazumdar Shaw
33. Mr. N. K. Singh
34. Mr. Surendra Singh
35. Mr. Pramath Sinha
36. Prof. T. N. Srinivasan
37. Mr. C. M. Vasudevan

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- Mr. M. C. Bhatt
- Mr. Brij Bhushan
- Dr. Sukhamoy Chakravorty
- Mr. Khub Chand
- Mr. B. K. Chatterjee
- Dr. R. J. Chelliah
- Mr. P. K. Dave
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- Mr. P. K. Kaul
- Dr. A. M. Khusro
- Dr. Rajni Kothari
- Mr. Raj Krishna
- Mr. Lovraj Kumar
- Mr. Suresh Kumar
- Dr. K. B. Lall
- Mr. Sanjaya Lall
- Mr. R. N. Malhotra
- Mr. S. S. Marathe
- Mr. Govind Narain
- Mr. Fredie A. Mehta
- Dr. B. K. Nehru
- Mr. I. G. Patel
- Mr. Anand Prakash
- Mr. Bharat Ram
- Mr. P. Chenstal Rao
- Mr. J. Rameshwar Rao
- Mr. H. N. Ray
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- Mr. Harbans Singh
- Mr. Y. T. Shah
- Mr. Manu R. Shroff
- Mr. Prakash Tandon
- Mr. Mohammad Yunus
With global growth likely to be weak this year and a modest acceleration expected in 2016, India remains a bright spot in a slowing world economy. With a clear political mandate for reform and a benign external environment, India is well poised to embark on a high growth trajectory. This is an opportunity that India can ill afford to miss. After all, growth has been instrumental in lifting millions out of poverty. Restoring rapid growth is crucial not only to address poverty, but also to loosen the debilitating fiscal constraint.

India’s new government has accordingly set forth an ambitious agenda through key initiatives such as ‘Make in India’, ‘Skill India’, ‘Digital India’, and the ‘100 Smart Cities Programme’ to oversee India’s growth and the attendant structural transformation. While determination and passion are indisputably important, they are not enough to drive a complex machinery like a modern economy. They need to be backed up with data, analysis and strategic thinking. Policymakers need reliable, accessible and useful information about the performance of current policies, the possible alternatives and their likely costs and consequences. ICRIER’s work on evidence based policy is therefore more important than ever before.

In the coming years, ICRIER will continue at the forefront of generating new ideas for a resurgent economy facing several challenges. In particular, we seek to foster a vibrant and engaging community of experts in critical areas and build consensus among policymakers, academics, private sector and development practitioners on the need to tackle these challenges, some of which are new, from a multi-sectoral and multi-disciplinary perspective. An important initiative in this context was the day-long conference on the Agenda for Reforms organised in September 2014 to encourage serious public discourse in crucial areas that need reform including urban challenges, agriculture, telecommunications, manufacturing and jobs, economic corridors, international trade, regional integration and foreign policy.

To address issues related to boosting manufacturing and creating productive jobs, ICRIER has undertaken research projects such as Evaluation of the Impact of the Mega Food Park Scheme, Enhancing India’s Participation in Global Value Chains, and A Review and Evaluation of India’s SEZ Policy among others. The Network of Jobs and Development (NJD) initiative sponsored by the World Bank is in its second year and has produced research of high quality that has found resonance among all stakeholders including policymakers. Both social and physical infrastructure, so vital for India’s growth ambitions are also adequately covered in ICRIER’s research activities.

Indeed, ICRIER has consistently refined its research agenda and enhanced its research capacities keeping in mind the emerging needs of the Indian economy. For example, this year under the guidance of Dr. Ashok Gulati we have commenced a comprehensive analysis of the challenges facing Indian agriculture including food price stabilisation. It is also my great pleasure to congratulate Dr. Gulati on being conferred the Padma Shri by the President of India in January this year.

The programme on urbanisation that was launched three years ago under the personal guidance of Dr. Isher Judge Ahluwalia in an Honorary capacity has highlighted a range of critical issues as well as the importance of an integrated
approach in dealing with these. It was our privilege to receive Shri Nitin Gadkari, Hon’ble Minister, Road Transport and Highways, and Shipping, Government of India to deliver the keynote address at the national workshop on ‘Urban Water Systems in India: A Way Forward’ in February this year. The ‘Conversations on Urbanisation’ series that ICRIER launched in February 2014, jointly with India Habitat Centre, to discuss and identify the key challenges and opportunities for Indian cities and towns has become an eagerly awaited event in everyone’s calendar.

Over the course of the last two years, ICRIER has produced an enormous amount of research output in the area of climate change and its impact on the economy. Climate change is now a major theme of research activity at ICRIER. We are one of the country partners of a major new international initiative, namely ‘The Global Commission on the Economy and Climate.’ ‘The New Climate Economy’ (NCE), the flagship project of this initiative, aims to produce better and more comprehensive evidence on whether and how climate policy can be made compatible with strong economic performance. Alongside, the second phase of the Rockefeller Foundation-supported research aims to explore the impact of climate change on the competitiveness of cities thereby building a case for investments in climate adaptation, besides institutional change. The framework is such that results will have general applicability although the research itself is being conducted through two sectoral lenses–water and industry.

Dissemination continues to form an important tool to inform and influence the policy discourse. Thus we use the findings of our research to encourage dialogue between all relevant stakeholders through conferences, public lectures and seminars. Notable examples this year include the Conference on Financing Metropolitan Governments in Developing Countries held in April 2014; the Conference on Balancing Growth and Environmental Sustainability held in June 2014; the Conference on Governance and Development: Views from G20 Countries held in September 2014; the International Conference on Jobs for Development: Challenges and Solutions held in December 2014; and the Conference on Harnessing Indian Agriculture to Global Value Chains: Prospects and Challenges held in April 2015.

Building and strengthening collaborative institutional relationships with think tanks and research institutions in other countries is also an important part of ICRIER’s activities. Since 2010, ICRIER and the Policy Research Institute (PRI), a think tank under the Ministry of Finance, Government of Japan have jointly held annual workshops to facilitate discussion among experts on subjects relating to India-Japan economic cooperation. The 5th Workshop in this series was held in February 2015 in New Delhi and brought together scholars, industry representatives, and policymakers to discuss how Japanese FDI in India could be strengthened. With the objective of fostering focused interaction between experts on enhancing security and defence related cooperation, an India-Japan Track II Strategic Dialogue has also been initiated between ICRIER and the Japan Institute for International Affairs (JIIA). Since 1999, the India-Korea Dialogue has been jointly organised by ICRIER and the Seoul Forum on International Relations (SFIA) and is the only regular track two dialogue between the two countries. In recognition of the important role played by the dialogue in strengthening bilateral cooperation, in 2014, it was agreed to elevate the dialogue to track 1.5.

As part of its ongoing programme on South Asia, ICRIER is actively engaged in assisting policymakers to take informed decisions on South Asian economic integration. The research programme on India-Pakistan trade normalisation has been recognised for effectively creating multiple platforms for engaging on trade related issues between the two countries. It is the first initiative of its kind and on a scale not seen within the region. It has played a significant role in bringing the issue of India-Pakistan trade normalisation into sharp focus. As a result of the activities under this programme, there is palpably better understanding among stakeholders in both countries of issues that affect the trade relationship. ICRIER had the privilege of Mr. Yashwant Sinha, former External Affairs and Finance Minister, delivering the keynote address at the 3rd Annual Conference on India-Pakistan Trade in February this year. In a similar vein, ICRIER is conducting a research study on Sub-Regional Cooperation between India, Myanmar and Bangladesh to estimate the scope of enhancing trade flows and investment in the sub region with the overarching objective of dealing with the local social and economic issues.

Indeed, 2014-15 has once again been an extremely busy and productive year at ICRIER. With our new green building in Saket, New Delhi nearing completion, ICRIER is on the threshold of an important change. We look forward
to further enhancing our presence in the Indian policy space. The ‘2014 Global Go To Think Tanks Report’ from the University of Pennsylvania’s Think Tanks and Civil Societies Programme ranked ICRIER as the top ‘Think Tank with the Most Significant Impact on Public Policy’ in India. While we are proud of this achievement, we need to work harder as the Indian economy takes its rightful place on the world’s economic stage. The ICRIER team remains committed to its core vision to enhance the knowledge content for policy making and to facilitate India’s effective engagement with the global economy.

I hope you enjoy reading the detailed account of our accomplishments during the year presented in the Annual Report.

Rajat Kathuria
Director & Chief Executive, ICRIER
# Abbreviations

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<th>Abbreviation</th>
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<tr>
<td>ACMA</td>
<td>Automotive Component Manufacturers Association of India</td>
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<td>ADB</td>
<td>Asian Development Bank</td>
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<td>ADBI</td>
<td>Asian Development Bank Institute</td>
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<td>AEC</td>
<td>ASEAN Economic Community</td>
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<td>AoA</td>
<td>Agreement on Agriculture</td>
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<td>ASEAN</td>
<td>Association of South-East Asian Nations</td>
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<td>ASSOCHAM</td>
<td>Associated Chambers of Commerce &amp; Industry</td>
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<td>BCCI</td>
<td>Bombay Chambers of Commerce &amp; Industry</td>
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<td>BMGF</td>
<td>Bill &amp; Melinda Gates Foundation</td>
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<td>CAA</td>
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<td>Code Division Multiple Access</td>
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<td>CDS</td>
<td>Centre for Development Studies</td>
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<td>Central Drugs Standard Control Organisation</td>
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<td>CEES</td>
<td>Centre for Environment Economy and Society</td>
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<td>CEPA</td>
<td>Comprehensive Economic Partnership Agreement</td>
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<td>CEPT</td>
<td>Centre for Environmental Planning and Technology</td>
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<td>CII</td>
<td>Confederation of Indian Industry</td>
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<td>CSIS</td>
<td>Centre for Strategic and International Studies</td>
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<td>DGCI&amp;S</td>
<td>Directorate General of Commercial Intelligence and Statistics</td>
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<td>Directorate General of Foreign Trade</td>
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<td>DPRU</td>
<td>Development Policy Research Unit</td>
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<td>EPES</td>
<td>Export Promotion Council for EOU and SEZs</td>
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<td>European Union</td>
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<td>Food and Agriculture Organisation</td>
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<td>Food Corporation of India</td>
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<td>FICCI</td>
<td>Federation of Indian Chambers of Commerce and Industry</td>
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<td>FSI</td>
<td>Forum for Strategic Initiatives</td>
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<td>Free Trade Agreement</td>
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<td>G20</td>
<td>Group of Twenty Finance Ministers and Central Bank Governors</td>
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<td>GAAR</td>
<td>General Anti-Avoidance Rules</td>
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<td>GATS</td>
<td>General Agreement on Trade in Services</td>
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<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>GE</td>
<td>General Electric</td>
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<td>GGGI</td>
<td>Global Green Growth Institute</td>
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<td>Abbreviation</td>
<td>Full Form</td>
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<td>GHG</td>
<td>Greenhouse Gas</td>
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<td>GIS</td>
<td>Geographic Information System</td>
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<td>GSDM</td>
<td>Global Leader Programme for Social Design and Management</td>
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<td>GSM</td>
<td>Global System for Mobiles</td>
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<td>Global Value Chains</td>
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<td>HFCs</td>
<td>Housing Finance Companies</td>
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<td>HMRC</td>
<td>Her Majesty’s Revenue and Customs</td>
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<td>HPEC</td>
<td>High Powered Expert Committee</td>
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<td>Housing and Urban Development Corporation</td>
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<td>Heinrich Böll Foundation</td>
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<td>Institute of Business Administration</td>
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<td>ICRIER</td>
<td>Indian Council for Research on International Economic Relations</td>
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<td>Information and Communications Technology</td>
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<td>IDSA</td>
<td>Institute for Defence Studies and Analyses</td>
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<td>IEG</td>
<td>Institute of Economic Growth</td>
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<td>IFC</td>
<td>International Finance Corporation</td>
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<td>International Food Policy Research Institute</td>
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<td>IGIDR</td>
<td>Indira Gandhi Institute of Development Research</td>
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<td>IHC</td>
<td>India Habitat Centre</td>
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<td>IIED</td>
<td>International Institute for Environment and Development</td>
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<td>Indian Institute of Foreign Trade</td>
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<td>Indian Institute of Management</td>
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<td>IMF</td>
<td>International Monetary Fund</td>
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<td>JNNURM</td>
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<td>Konrad-Adenauer-Stiftung</td>
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<td>LUMS</td>
<td>Lahore University of Management Studies</td>
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<td>MDRI</td>
<td>Multilateral Debt Relief Initiative</td>
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<td>MEA</td>
<td>Ministry of External Affairs</td>
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<td>METI</td>
<td>Minister of Economy, Trade and Industry (Japan)</td>
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<td>MFA</td>
<td>Multi Fibre Agreement</td>
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<td>MFP</td>
<td>Mega Food Park</td>
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<td>MIDS</td>
<td>Madras Institute of Development Studies</td>
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<td>MISIS</td>
<td>Myanmar Institute for Strategic and International Studies</td>
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<td>Acronym</td>
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<tr>
<td>MoC&amp;I</td>
<td>Ministry of Commerce and Industry</td>
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<td>MoS&amp;PI</td>
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<td>NASSCOM</td>
<td>National Association of Software and Services Companies</td>
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<td>NBER</td>
<td>National Bureau of Economic Research</td>
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<td>NCAER</td>
<td>National Council of Applied Economic Research</td>
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<td>NFSA</td>
<td>National Food Security Act</td>
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<td>NITI</td>
<td>National Institute for Transforming India</td>
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<td>NMCC</td>
<td>National Manufacturing Competitiveness Council</td>
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<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
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<td>ONGC</td>
<td>Oil and Natural Gas Corporation</td>
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<td>PDS</td>
<td>Public Distribution System</td>
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<td>PMA</td>
<td>Preferential Market Access</td>
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<td>People-Public-Private Partnerships</td>
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<td>Policy Research Institute</td>
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<td>RCEP</td>
<td>Regional Comprehensive Economic Partnership</td>
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<td>RET</td>
<td>Renewable Energy Technologies</td>
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<td>SAM</td>
<td>Social Accounting Matrix</td>
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<td>SANEI</td>
<td>South Asia Network of Economic Research Institutes</td>
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<td>SCAAP</td>
<td>Special Commonwealth African Assistance Programme</td>
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<td>Special Economic Zone</td>
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<td>SSGP</td>
<td>Special Strategic and Global Partnership</td>
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<td>Trade in Value-Added</td>
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<td>Transatlantic Trade and Investment Partnership</td>
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<td>UID</td>
<td>Unique Identification</td>
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<td>ULBs</td>
<td>Urban Local Bodies</td>
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<td>Universal Service Obligation Fund</td>
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<td>World Input-Output Database</td>
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<td>World Trade Organization</td>
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<td>ZEF</td>
<td>Centre for Development Research</td>
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ICRIER’s Research Activities
1. Macroeconomic Management, Financial Liberalisation and Regulation

1.1 Macroeconomic Reforms: Risks, Flash Points and the Way Forward

Project Leader: Dr. Jaimini Bhagwati, RBI Chair Professor
Research Team: Abheek Barua and M. Shuheb Khan
Commencement: August 2014
Date of Completion: December 2014
Funded as part of RBI Chair (Total Rs. 400.00 lakh)

This study examines India’s growth and employment generation performance over the ten year period from 2004-05 to 2014-2015 in the context of key indicators such as fiscal and current account balances and inflation and suggests priorities for macroeconomic reforms. An improvement in the central government’s finances is seen as a critical prerequisite but this should not be achieved on the back of reducing capital expenditures. The study reviews the distorted nature of India’s labour markets and recommends legislative and other steps needed to work around the constraints. The need for India to widen its relatively narrow tax base is highlighted. The study also indicates the steps which are required to improve the public-private partnership (PPP) model and how to enhance the probability of crowding-in private investment into the infrastructure sector. The factors which have inhibited the development of Indian bond markets including the shortcomings in the government rupee yield curve are explained. The possibility of capital flight and rupee exchange rate volatility are reviewed due to an overvaluation of the rupee’s real exchange rate and the quality of India’s foreign exchange reserves. The study takes the global economic environment into account, particularly developments that are anticipated in G7 countries. This study has been brought out as an ICRIER Working Paper.

1.2 Is the Indian Rupee Over-valued?

Project Leader: Dr. Jaimini Bhagwati, RBI Chair Professor
Research Team: Abheek Barua, M. Shuheb Khan and Shilpi Sunil Kumar
Commencement: January 2015
Expected Date of Completion: June 2015
Funded as part of RBI Chair

This study provides an overview of the movements in the rupee’s nominal and real effective exchange rates in the context of India’s foreign exchange debt and reserves positions and net foreign exchange flows. It analyses the considerations involved in maintaining an appropriate level of foreign exchange reserves and the positions of the RBI and the government on rupee exchange rate management. It tracks the rupee’s real effective exchange rate (REER) over the period 2004-05 to 2014-15 and elaborates on why a trade weighted REER could be deemed to be inaccurate. The underpinnings of the Harrod-Balassa-Samuelson effect which suggests that productivity changes need to be factored into movements in exchange rates are analysed. Further, the extent to which REER numbers have to be adjusted if productivity and capital flows are taken into account using Behavioural Equilibrium Exchange Rate models are also examined. The behavioural equilibrium exchange rate estimates for the rupee are presented and the extent of under or over valuation is discussed. In summation, the analysis explains why the rupee is estimated to be substantially overvalued as of April 2015.

1.3 Recommendations of the Report of Financial Sector Legislative Reforms Commission (FSLRC)

Project Leader: Dr. Jaimini Bhagwati, RBI Chair Professor
Research Team: M. Shuheb Khan
Commencement: July 2015
Expected Date of Completion: Ongoing
Funded as part of RBI Chair

A study on the Financial Sector Legislative Reforms Commission (FSLRC) report and consequent Indian Financial Code (IFC) is currently under progress. The FSLRC report was commissioned by the Ministry of
Finance (MoF) and was submitted in 2013. Several members of the FSLRC submitted dissenting notes on the report. Comments received from various quarters on the report and suggestions to amend the IFC have surfaced in the media. It is understood that the MoF has requested subject specialists to provide their inputs on the report but it is unclear if and when the report’s recommendations would be accepted by MoF.

In the aftermath of the financial sector meltdown of 2008, several developed countries including the US and the UK commissioned experts to provide inputs for reforms and both these countries have enacted fresh legislation to reduce the scope for regulatory arbitrage and the possibility of yet another major breakdown of financial markets. This study will examine the choices adopted by major economies to strengthen financial sector regulation and review the FSLRC report in that light including the dissenting notes of FSLRC members. The study will also suggest practically feasible and forward looking changes that the MoF may wish to adopt.

1.4 An Analysis of Fiscal Prudence in Germany and India
Senior Adviser: Dr. Shankar Acharya
Research Team: Fahad Siddiqui and Kirti Gupta
Commencement: February 2013
Date of Completion: June 2014
Funded by: Konrad-Adenauer-Stiftung, India (Rs. 20.00 lakh)

In the light of the global financial crisis of 2008-09, the world responded with fiscal stimuli, leading to unsustainable government accounts in many nations. Fiscal prudence has become the key challenge for both advanced and emerging economies in this context. There is, however, no consensus on the nature of fiscal policies that need to be implemented as the debate between austerity and stimulus continues. The concept of fiscal space and tools has gained prominence for ensuring a quick response to the folding up of demand and providing short- and medium-term stabilisation. Hence, there is a need for policies that deal with both short and long term problems.

Against this backdrop, the study focuses on analysis of fiscal strategies in Germany and India, efficacy of the policies used in both economies to weather the crisis, lessons learnt and the institutional underpinnings of fiscal prudence in the two countries. The study identifies major policies undertaken and their subsequent positive and negative effects. It seeks to identify the policies which have acted in favour of fiscal consolidation in India and Germany from 1980 till 2012 and develop foresight on the probable changes to the fiscal scenario which can put India on the path of fiscal consolidation which Germany has undertaken. The study also reviews the literature on the background of debates around fiscal stimuli and their impact and fiscal sustainability and constructs a conceptual framework to examine the sustainability of fiscal policies in both countries.

1.5 Cover Bonds as a Complementary Source of Financing Mortgage Lending in India: Lessons from the Global Covered Bond Systems
Project Leader: Ms. Mira Tamboli
Research Team: Neha Malik
Commencement: May 2013
Date of Completion: August 2014
Funded by: Housing and Urban Development Corporation Ltd. (HUDCO), (Rs. 20.18 lakh)

India’s Rs. 6.3 trillion mortgage market was expected to grow at 17-19% in 2012-13 according to the estimates prepared by the Information Credit Rating Agency Ltd. (ICRA). However, housing finance penetration remained at 7%, considerably lower than the levels achieved in developed countries. This suggests that there is a significant potential for growth. The real challenge lies in how to promote this growth through sources of long-term financing. Indian Housing Finance Companies (HFCs) rely primarily on wholesale funding for
refinancing. While the larger HFCs can tap into capital markets for their long-term lending, the smaller HFCs depend largely on banks and the National Housing Bank. This creates the need to explore the sources of long-term financing.

Globally, securitisation and covered bonds are used to access long-term funding for the housing market. Securitisation was one of the primary mechanisms of sourcing mortgage financing in the USA until the financial crisis of 2008. Subsequently, due to the lack of investor confidence, the volume of mortgage securitisation has shrunk significantly, while covered bond issuance has benefited from a market environment of heightened sovereign risk and favourable regulatory treatment. The critical need for finding alternative sources of long-term funding, amidst the rising popularity of covered bonds across the globe, has created an opportunity for developing a covered bond market in India.

This study provides a comparative overview of the leading covered bond systems and analyses their key design features. The primary research involved survey of the key stakeholders. The focus was on gathering inputs related to the desired legal and regulatory framework, structure of the issuer, cover assets and valuation criteria. The secondary research component of the study examines the applicability of these features to the Indian market so as to offer broad regulatory guidelines for the introduction of covered bond system in India.

1.6 Indian Tax Administration Reforms

Project Leader: Mr. Rajiva Ranjan Singh
Research Team: Anandita Bagchi, Stuti Manchanda, Mukesh Butani, Sanjay Kumar, K. R. Sekar and Harish Kumar (External Consultants)
Commencement: May 2014
Expected Date of Completion: December 2015
Funded by: British High Commission (Rs. 149.03 lakh)

The Indian tax administration has, since long, been facing the challenge of a small taxpayer base, and the full potential of targeting tax evaders through audit and scrutiny is not achieved. The basic approach of many tax administrations is to reduce the tax gap by bringing about a shift from the ‘command and control’ model to the ‘voluntary compliance’ model. Voluntary compliance depends on the availability of information bringing about certainty regarding taxes to be paid, certainty in determining without any ambiguity the amount of taxes payable and the convenience to pay such taxes with minimal compliance burden. In order to achieve this, studies are often carried out to understand taxpayer behaviour towards compliance. Categorisation of taxpayers is done which enables the tax administration to deliberate and formulate policies in order to ensure compliance by taxpayers.

This study builds on an earlier study completed at ICRIER in 2011. As part of the field work for this study, a team of six senior officers from the Central Board of Direct Taxes and the Central Board of Excise and Customs were taken on a week’s study trip to Her Majesty’s Revenue and Customs (HMRC) to interact with various levels of HMRC officers as well as tax practitioners. The team had useful interactions in the areas of use of technology in widening and deepening of tax base, tax data analysis, and working of large business units. The Central Board of Direct Taxes has taken a decision to take forward the learnings and recommendations from the visit of the study team for further implementation.

The study covers issues of widening of taxpayer base, risk assessment and deepening of tax base, tax data analysis, transfer pricing documentation and comparability adjustments, recovery of taxes, alternate dispute resolution mechanisms, and taxpayer information services. It suggests non-intrusive technology based practical solutions in these areas that equip administrators to implement changes that may ultimately improve the business environment and increase tax revenue for the exchequer.
1.7 Barriers to Compliance and Compliance Cost of Direct Taxes in India

Project Leader: Dr. Rajat Kathuria
Research Team: Mansi Kedia and Neetika Kaushal
Commencement: November 2012
Expected Date of Completion: September 2015
Funded by: Directorate of Income Tax, Ministry of Finance, Government of India (Rs. 120.90 lakh)

The criticality of a well-structured tax administration and responsive tax policies has been widely discussed in public finance literature. Complex statutes and tax procedures have an adverse effect on tax administration and often result in non-compliance and low tax revenues. With frequent changes in tax laws and complicated provisions, the cost of compliance gets escalated.

This study identifies barriers to compliance and determines the cost of compliance for direct taxes in India using primary and secondary data analysis. A survey for 6,417 individuals and 506 enterprises across 16 cities in India has been completed to collect data. Two stakeholder meetings and several focused group discussions were also held to collect feedback from taxpayers, tax professionals, tax officers and other stakeholders. The data has been analysed to identify barriers to compliance and arrive at an estimate of compliance cost for direct taxes across different taxpayer categories in India. The learnings from best practices in mature tax jurisdictions of UK and Australia collected in the previous year have also been synthesised to submit a preliminary policy recommendations document to the department.

The final report will provide policy recommendations based on findings from the survey, focused group discussions, stakeholder consultations and international benchmarking that will enable formulation of suitable compliance measures that help India broaden its tax base and increase revenues.

1.8 A Cross-Country Comparison of GAAR

Project Leader: Mr. Rajiva Ranjan Singh
Research Team: Neetika Kaushal
Commencement: February 2014
Date of Completion: August 2014
Funded by: British High Commission (Rs. 8.40 lakh)

The GAAR (General Anti-Avoidance Rule) was a matter of great public attention and contention when it was introduced through the Finance Act, 2012. Businesses have blamed the government for a sudden introduction of a rule that is otherwise widely discussed with stakeholders in other countries prior to implementation. Investments suffered a huge blow and large multinationals refused to undertake any major transaction in the absence of clarity from the government on this issue. It is debated that, compared to many developed and developing countries, the Indian GAAR is much broader in perspective and provides wide discretion to tax administrators. This study provides a comprehensive comparison of the Indian GAAR with that of other countries including aspects such as definition, scope, coverage, power in the hands of tax authorities, safeguards and effect on industry. It compares the law, clauses and provisions across advanced and emerging economies that have implemented GAAR. It reviews the mechanism implemented to limit abuse in the invocation of GAAR. It is hoped that the study will help policymakers in drawing lessons from the experience of other countries that have successfully implemented GAAR and then launch a sound implementation of GAAR in India.
2. Trade Openness, Restructuring and Competitiveness

2.1 Programme on Urbanisation in India: Preparing for the Urban Challenges of the 21st Century

Project Leader: Dr. Isher Judge Ahluwalia (Honorary)

Research Team: Dr. P.K. Mohanty, Dr. M. Ramachandran, V.K. Phatak, Dr. Sahil Gandhi, Dr. Deepak Santhanakrishnan, Anand Sahasranaman, Sirus Joseph Libeiro, Sri Siddhartha Ayyagari, Manpreet Kaur Juneja, Kanak Tiwari, Dr. Sabhyasachi Tripathi, Tanushree Bhan, Shraddha Suresh and Neharika Rajagopalan.

Commencement: December 2012

Expected Date of Completion: August 2015

Funded by: Ministry of Urban Development, Government of India (Rs. 265.00 lakh)

India’s historic transition to a predominantly urban economy in the next 40-50 years will present numerous challenges for urban planners, city managers and urban local governments. These challenges relate to basic conditions of water and sanitation and quality of air, on the one hand, and worsening urban congestion, need for land use and transport planning, public transport, energy policy and shelter for millions of new and existing urban residents, on the other. Empowering the urban local bodies (ULBs) by financial devolution and ability to raise financial resources together with building their capacity to plan and manage their cities, is therefore critical. Strengthening institutions of service delivery through reform at the local government level is equally important and state governments have a major role to play in creating an enabling environment in which this becomes possible. The role of metropolitan and regional planning and action is also becoming increasingly important in India’s current stage of development.

With a view to informing policy and building knowledge about the state of Indian cities and helping transform the scenario to develop Indian cities as engines of growth, ICRIER initiated a research programme with focus on: (i) Water, Sewerage, Waste Water Treatment, and Solid Waste Management; (ii) Unlocking Urban Land Value; (iii) Municipal Finance; (iv) Governance and Administrative Reforms; (v) Planning-Land Use and Transit-oriented Development; (vi) Sustainable Project Management and Implementation; and (vii) E-governance. Closely associated with the Research Programme is the recently completed “Capacity Building and Knowledge Dissemination Programme on Urbanisation in India”. The two programmes mutually reinforce the process of learning. More details are available at http://icrier.org/Urbanisation.

Research Programme

The research studies conducted under the Research Programme on Urbanisation are:

2.1.1 Planning for Urban Development in India

Isher Judge Ahluwalia

Completed

This study presents a brief overview of the present approach to urban planning in India and highlights the importance of an integrated approach to the planning of transportation and land use. It presents the conundrum of high population density and low FSI (floor space index) in Indian cities and calls for a new approach to urban planning which brings socio-economic factors and spatial factors together, and also integrates urban design with urban planning. The challenges of inclusion of low-income households in urban planning in the light of the political economy of land acquisition in India are also examined.

2.1.2 Making Cities Creditworthy

Anand Sahasranaman and Vishnu Prasad

Completed

The literature on making cities creditworthy for accessing debt markets points to three sets of reforms that can address the issue: (i) a set of fundamental reforms that need to be implemented across cities in the country such as implementing
computerised double entry accounting standards, improving efficiency in the collection of taxes, especially property tax, and solving the problem of weak staff capacity; (ii) a set of legal and constitutional reforms that provide, for instance, adequate financial autonomy along with functional devolution provided by the 74th CAA; and (iii) a national legal policy on how local governments can access debt markets and a bankruptcy framework for ULBs. While the path to making cities creditworthy is clearly laid out, there is insufficient understanding of how policy can nudge and incentivise cities to tread this path. This study presents some international experience as well as the current state of affairs in selected Indian cities with the objective of framing a set of policy options for improving the creditworthiness of Indian cities.

2.1.3 Unlocking Land Value for Financing Urban Development in India

Isher Judge Ahluwalia and P. K. Mohanty
Completed

This paper highlights the importance of unlocking land value for financing urban infrastructure development. Considering the large financing requirements of urban infrastructure and the strained finances of Urban Local Bodies as well as state governments, instruments such as tax increment financing, betterment levies, development charges and special assessments are examined for their potential in unlocking urban land value in India’s urban infrastructure development. The paper presents some innovative models of assembling land in some Indian cities and also some international examples.

2.1.4 Land Based Financing in Metropolitan Cities in India: the Case of Hyderabad and Mumbai

V. K. Phatak and Sahil Gandhi
Completed

One of the major challenges in addressing infrastructure bottlenecks in major cities is the shortage of finance. Given the unfunded mandates confronting urban local governments, one of the recommendations by HPEC (Ahluwalia, 2011) is to leverage urban land to finance infrastructure needs of these cities. This study focuses on land-based financing in two Indian metropolitan cities – Hyderabad and Mumbai. The study examines collections from land-based financing tools by the principal local body and the development authority in the two metropolitan cities, and their contributions to the revenues of the implementing bodies. It discusses legal issues related to implementation, and also proposes some policy recommendations.

2.1.5 Property Taxation: A Comparison of Delhi and Bengaluru

Simanti Bandyopadhyay
Completed

Property tax is a major source of revenue for ULBs. Adequate coverage, a proper methodology for assessment of the tax, and changing valuation of properties in the face of rising prices, are some of the major factors that affect the ability of ULBs to realise the potential revenue from property tax. This study attempts to identify the factors responsible for the differences in performance of Delhi and Bengaluru. In Delhi, a transition from rental valuation to unit area based valuation has not been successful in bringing about the desired revenue increase; Bengaluru has achieved greater success. This is so even though there are similarities in the approach to reform and both cities have used Geographical Information System (GIS) and IT. The interaction between policy and administrative reforms to support the improvement in outcomes emerges very clearly from this study.

2.1.6 Sustainable Delivery of Water in Indian Cities

Isher Judge Ahluwalia assisted by Manpreet Kaur Juneja
Ongoing

Water scarcity in India has come about not only from lack of water but the way in which it is sourced, distributed and managed. For urban India, rising demand for water because of rapid urbanisation and industrial development
with faster economic growth has been associated with inadequate investments in the water sector and massive inefficiencies in the distribution systems. An additional challenge arises from the neglect of waste water treatment. Because of density and concentration in urban areas, contamination of waste water happens much faster and the deteriorating water quality is a major concern.

This study begins by presenting the dismal state of water delivery in Indian cities and towns. While highlighting the importance of simultaneous emphasis on modernisation/renovation of water distribution network and waste water treatment, the study also focuses on how to augment the basic sources of water supply through river basin management and aquifer-based groundwater management. It presents investment requirements, financing mechanisms and a governance framework to address the enormous challenge of delivering potable water for urban India. The interrelationship between governance and finance comes through strongly in the analysis. The study highlights how a revenue model is essential if private finance is to come either through the capital market or PPP. The study presents a framework for financial sustainability as well as environmental sustainability in the delivery of potable water in Indian cities and towns.

2.1.7 Solid Waste Management in India
Sahil Gandhi
Ongoing

With growing urban population and changing consumption patterns, the municipal solid waste in India has been increasing rapidly. Solid waste management in India not only has to adapt to the scale of the problem but also address the challenge of the changing composition of the waste. Urban local bodies in India are not equipped to cope with these complex challenges. State governments will have to play an active role in building capacity at the local government level and in providing an enabling environment for the local governments to discharge the responsibility assigned to them by the 74th Constitutional Amendment.

This study provides an overview of the state of municipal solid waste management in India and presents an approach which can yield financially and environmentally sustainable solutions for solid waste management and resource recovery from waste in the country. The study explores the role of private sector participation in a public private people partnership framework.

2.1.8 Metropolitan Governance in India
Isher Judge Ahluwalia and Vaidehi Tandel
Ongoing

Metropolitan regions in India are gaining increasing importance in the economic geography of the country as both people and industries move to peripheries of mega-cities. However, lack of proper planning for regional development and the absence of any coordinating mechanism at the metropolitan level has resulted in haphazard development of these regions. This study assesses the institutional mechanisms available for planning and infrastructure delivery at the metropolitan level. It spells out how the absence of coordination for transport planning, no dovetailing of land use plans, and distortions in the land market and the real estate market pose serious challenges for the process of structural transformation that the Indian economy is going through. The study proposes a way forward for the system of metropolitan governance to address these challenges.

2.1.9 Capacity Building for Improving Urban Governance
P. K. Mohanty
Completed

Capacity constraints constitute a serious bottleneck to the efficient and effective delivery of services in urban areas. This paper discusses approaches to improve capacity for good governance in cities and towns in India. It takes a broad
view of capacity building in the urban sector to include institutional, organisational and human resource capacities. It suggests measures for institutional capacity building, organisational capacity building, appropriate public service delivery mechanisms and a significant need for creation of human resource capacity in municipalities. While emphasising the need for professionalisation of municipalities with qualified manpower, the paper suggests that development of municipal cadres needs to be linked to the nature of services and manner of financing and delivering the services to promote efficiency and accountability rather than creating permanent staff based on bureaucratic norms. The paper also suggests that municipal cadre development must be accompanied by steps to politically empower municipalities as the third tier of government, with robust mechanisms of public accountability.

2.1.10 Role of Centre, State and Local Governments in the Context of Good Governance

M. Ramachandran
Completed

States have not enthusiastically responded to the requirement of strengthening the third level of governance as envisaged by the 74th Constitutional Amendment. The subject is in the domain of the state governments. The central government has taken various initiatives to help guide the states on how and why they should take this up as a priority. The Central Finance Commissions have also been making recommendations, within the Constitutional mandate, to help augment the resources available to the local bodies. There is also the question, to what extent the local bodies themselves are keen to reorient themselves to assume a more responsive role at least with regard to functions in their domain. New urban programmes like the 100 Smart Cities Mission, Swachh Bharat Mission further emphasise the importance of local level accountability.

2.1.11 Capacity Building with Special Focus on the Urban Local Bodies

M. Ramachandran
Completed

India’s ULBs, on the one hand, are not empowered enough to efficiently undertake the tasks assigned to them and on the other, lack capacity to perform the role assigned to them. A number of expert committees have repeatedly highlighted the need for having a proper capacity building regime. Some states have taken some initiatives to have a revised municipal cadre structure. The flagship programmes to rejuvenate India’s urban sector have focused on the agenda of ULB capacity building, though in a limited manner. Any further central funding programmes should insist on states going in for revised municipal cadres thereby providing for specialised staff in tune with today’s urban governance requirements.

2.1.12 Using GIS for Greater Efficiency in Operations and Better Delivery of Services by ULBs in India

Tanushree Bhan
Completed

This paper explores the use of GIS technology to improve the system of service delivery and bring about transparency and accountability in the functioning of ULBs. A number of good practices have been deconstructed to identify the role of GIS and the enabling factors that led to a smooth transition from a manual system to IT-enabled administrative arrangements for operations as well as service delivery in some Indian cities.

2.1.13 E-Procurement: Experience from Indian Cities

Sirus Joseph Libeiro
Ongoing

The use of information and communication technology (ICT) for transparency, accountability, and efficiency in delivery of public services was one of the mandatory reforms for the ULBs under JNNURM. The National
e-governance plan aimed to put in place mechanisms, which would facilitate the use of technology in order to provide more effective services to the citizens. Accordingly, a number of ULBs have instituted e-governance projects with the use of ICT to strengthen governance. This paper focuses on the issue of electronic procurement (e-procurement) and presents evidence from ULBs which have introduced digital technologies for awarding contracts for public works. It highlights the factors (transparency in the e-tendering process, ease of access, design of the process etc) which led to the success or hindrances faced by these initiatives.

2.1.14 Approaches to Sustainable Management: Case Studies of Two Public Transport Projects
Deepak Santhanakrishnan
Completed

This paper presents a sustainability framework for mass transit system projects drawing from the case studies of Ahmedabad and Indore Bus Rapid Transit System projects. Based on a comparison of the performance of the two projects in achieving the sustainability outcomes, the paper draws policy implications for designing a sustainable mass rapid transit system.

Capacity Building and Knowledge Dissemination Programme

A Capacity Building and Knowledge Dissemination Programme on Urbanisation in India at ICRIER was launched by Shri Kamal Nath, then Minister of Urban Development, Government of India in New Delhi in August 2012. The programme was concluded in March, 2015 at a National Workshop in New Delhi with Shri Venkaiah Naidu, Minister for Urban Development, Housing and Urban Poverty Alleviation as Chief Guest. During this period, 14 capacity building and knowledge dissemination workshops were organised all over India in different cities with active participation of local government officials, officials from the state governments and the Government of India, professionals and academicians as resource persons and other stakeholders. In a number of the regional workshops, Chief Ministers of the respective state governments participated to lend their support to the cause.

Among the resource persons contributing to the workshops were: Dr. Krishnaswamy Kasturirangan, then member Planning Commission; Dr. Sharad P. Kale, Professor, Homi Bhabha National Institute; Professor Abhay Pethe, Professor, Department of Economics, University of Mumbai; Dr. Suneel Pandey, Senior Fellow, TERI; Dr. Meenu Tewari, Associate Professor, The Department of City and Regional Planning, University of North Carolina at Chapel Hill; Professor Roy Bahl, Andrew Young School of Policy Studies, Georgia State University; Dr. Alain Bertaud, Senior Research Scholar, NYU Stern Urbanisation Project; Professor Paul Smoke, NYU Wagner; and Dr. Johannes Linn, Non-resident Senior Fellow, Brookings Institute.

Other seminars on urban issues organised at ICRIER included: (i) Urban Water Systems in India by Dr. Mihir Shah (in partnership with Green Growth Institute); (ii) Making City Planning Work for India by Dr. Bimal Patel; (iii) Semantics for Smart Cities by Mr. Vijay Anadkat; and (iv) Urban Land Markets by Mr. V. K. Phatak, Ms. Shirley Ballaney and Mr. Brijesh Bhatha (in partnership with CEPT University).

“Transforming our Cities: Postcards of Change” by Dr. Isher Judge Ahluwalia (Harper Collins 2014), and “Urbanisation in India: Challenges, Opportunities and the Way Forward” co-edited by Dr. Isher Judge Ahluwalia, Ravi Kanbur and P. K. Mohanty (Sage Publications 2014) were two books which formed part of the Research and Knowledge Dissemination Programme at ICRIER. Invited participation and presentations by Dr. Ahluwalia in conferences and seminars such as the International Economic Association meetings in Amman, OECD Conference in Paris, the World Cities Summit and the Singapore Sustainability Symposium in Singapore, the Chatham House Conference in London, the Conference Economiques at Aix en Provence in France and GSDM University of Tokyo provided opportunities for dissemination of the research findings under this programme to international audiences. A presentation on “Challenges and Opportunities of Urbanisation in India” was also made for the Urban Development module at the Lal Bahadur Shastri Academy’s Foundation Course for IAS officers in Mussoorie.
2.2 Urban Water Systems in India: A Way Forward
Project Leader: Dr. Mihir Shah
Research Team: Sri Siddhartha Ayyagari
Commencement: July 2014
Date of Completion: February 2015
Funded by: Global Green Growth Institute (GGGI), (Rs. 18.26 lakh)

The Indian urban space has usually been considered in an undifferentiated manner, ignoring the specificities deriving from different stages of urban development, the sources of water, as also the diverse nature of aquifers catering for urban settlements in different parts of the country. The first priority for cities when planning water supply is to place emphasis on reviving local water bodies and groundwater recharge, so that water can be sourced as close as possible. Decentralised treatment facilities and a variety of technologies to treat sewage locally can help cut costs of treatment as well as unnecessary hauling of sewage. The study lays out the challenges associated with scaling up for 24x7 water supply, and a broad methodological framework to assess system level costs for water supply and distribution in Indore and Nagpur cities. The analysis presented in the study should help serve as the basic analytical framework for planning and implementing an integrated water management system for different cities and towns of India.

2.3 The HUDCO Chair Programme
Project Leader: Dr. Meenu Tewari
Research Team: Zeba Aziz
Commencement: March 2012
Expected Date of Completion: First Phase concluded February 2015, further extended to March 2018
Funded by: Housing and Urban Development Corporation Ltd (HUDCO), (Rs. 60.00 lakh over three years)

ICRIER’s HUDCO Chair Programme is aimed at conducting research and undertaking capacity building activities on urban issues in India. The programme has three main components: (i) a seminar series on urbanisation and the competitiveness of cities; (ii) research on a subset of urban issues; and (iii) thematic capacity building workshops on selected themes based on the research conducted under the programme.

During 2014-15, a special seminar was held as part of the series on Urbanisation and the Competitiveness of Cities, and two research studies were initiated. The seminar was led by Mr. B. R. Balachandran of Alchemy Urban Systems, Bengaluru on the subject “Proactive Urbanisation for Economic Corridor Development”. The two research studies include: (i) A review of Transit Oriented Development (TOD) experiences in world cities by Dr. Daniel A. Rodriguez, and (ii) A critical analysis of select international cases of tax increment financing and land based fiscal tools and their application for Indian cities by Dr. Bill Lester and Dr. Meenu Tewari. Another study on water reforms in Amravati and Nagpur was completed in June 2014 and will soon be issued as a working paper.

2.4 Jobs for Development: Creating Multi-Disciplinary Solutions
Project Co-ordinator: Dr. Radhicka Kapoor and Dr. Deb K. Das
Research Team: Professor Anwarul Hoda, Dr. Meenu Tewari, Dr. Deb K. Das, Dr. Ali Mehdi, Dr. Radhicka Kapoor, Dr. Jaivir Singh, Dr. Pankaj Vashisht, P. P. Krishnapriya, Sanjay Pulipaka, Durgesh K. Rai, Sugandha Singh, and Sri Siddhartha Ayyagari; Homagni Choudhury and Andrew Guinn (External Consultants).
Commencement: January 2014
Expected Date of Completion: December 2016 (annual renewal)
Funded by: The World Bank, Washington D.C. (Rs. 126.00 lakh per year)

This project is part of the Network of Jobs and Development (NJD) initiative of the World Bank. ICRIER is one of five global institutions participating in this initiative which aims to develop a vibrant and an
engaging community of experts on ‘Jobs’ and seeks to build consensus among policymakers, academics, private sector, labour unions, development practitioners and others on the need to tackle the challenge of job creation from a multi-sectoral and multi-disciplinary perspective. The other international partners are Institute for Emerging Market Studies, Hong Kong University of Science and Technology (HKUST IEMS); Development Policy Research Unit, University of Cape Town (DPRU); Institute for Structural Research (IBS), Poland and Latin American and Caribbean Economic Association (LACEA). Further details can be found at www.icrier-jobs.org.

The research studies conducted under the Research Programme are listed below:

2.4.1 Labour Regulations and Growth of Manufacturing and Employment in India: Balancing Protection and Flexibility
Anwarul Hoda and Durgesh Kumar Rai
Completed

The factors responsible for the lack lustre performance of India’s manufacturing are well identified in contemporary literature. The important ones are absence of world class infrastructure, complex system of internal taxation, an unpredictable taxation environment, and regulations pertaining to land and labour. This paper explores the difficulties in the area of labour regulations, focusing on the enactments and provisions that inhibit flexibility of manufacturing enterprises in adapting to swift changes in the conditions of competition in international markets. The regulations in India that impinge on labour flexibility and the related practices are analysed and compared with those prevailing in major developed and emerging countries, before coming to a conclusion on the changes that are needed in the country. The following aspects are studied in detail: collective dismissal, fixed term contracts, contract labour, trade unions and unemployment insurance. Although the main aim of the authors is to obtain greater flexibility, the recommendations are designed to ensure that a balance is maintained between labour market flexibility and protection of labour.

2.4.2 Labour Regulations and Manufacturing in India: Improving the Social Security Framework
Anwarul Hoda and Durgesh Kumar Rai
Ongoing

An important national objective in India is to stimulate the manufacturing sector in order to spur the growth of GDP and employment. Although the manufacturing sector faces several hurdles, one of the most important is the burdensome set of labour laws. In this connection, the laws governing industrial relations, the Industrial Disputes Act (IDA) 1947 in particular, have received maximum attention. However, there is increasing awareness that it is not the inflexibility of the IDA alone that is responsible but also the complex and outdated nature of many of the labour laws that are constraining manufacturing.

Having covered the laws regarding industrial relations in the paper, “Labour Regulations and Growth of Manufacturing and Employment in India,” this paper proposes to examine the role of labour laws relating to social security. It will cover the major acts concerning social security viz., The Employees’ Compensation Act, 1923; the Employees’ State Insurance Act, 1948; the Employees’ Provident Fund and Miscellaneous Provisions Act, 1952; and the Payment of Gratuity Act, 1972. The legislations will be compared to those existing in other South Asian countries and suggestions will be made for improving the framework in India.

2.4.3 Creating Jobs in India’s Organised Manufacturing Sector
Radhicka Kapoor
Completed

Despite witnessing a decade of rapid economic growth, an acceleration of growth in the organised manufacturing sector has eluded India. Using data from the Annual Survey of Industries, the factors holding back the growth of output
and employment in this sector are examined. The findings show that there are heterogeneities in the performance of the manufacturing sector across industries and states. Recent economic growth has benefited industries which rely more on capital and skilled workers as opposed to unskilled/low-skilled workers. This fact combined with the rising capital intensity of production over the decade partly explains the limited contribution of the manufacturing sector to employment generation. At the state level, the paper finds that states with more inflexible labour regulations have witnessed slower growth in employment and output in manufacturing than states with more flexible labour market regulations. However, it would be incorrect to put the entire onus of the dismal performance of the manufacturing sector on labour regulations as firms are responding to rigidities in the labour market in innovative ways such as the greater use of contract workers. Factors such as cumbersome product market regulations and infrastructural bottlenecks have also adversely affected the growth of the manufacturing sector. Given that the days of industrial licensing are gone and markets are influenced not only by regulations enacted by central government, but also those enacted by state governments, much of the action for improving the business environment needs to be taken at the state level.

2.4.4 Innovations in Labour Market Regulation and Mechanisms of Implementation in Brazilian Manufacturing: Lessons for India from a Decade of Reforms in Brazil
Meenu Tewari and Andrew Guinn
Ongoing

This paper draws on a comparative analysis of the experience of an emerging economy similar to India in size and manufacturing capability—Brazil—to analyse recent reforms in the structuring and enforcement of labour regulations that have led to both skill formation and growth in the formal manufacturing sector. Some of the key questions that will be addressed are: What institutions and institutional arrangements are associated with these reforms? How do they play out in a variety of different sectors? Through what mechanisms does employment protection undermine firm- and industry-level performance? Which other elements of the policy environment shape the demand and supply of labour in India and drive labour practices among manufacturers? What sort of agenda should policymakers pursue in order to promote a more prosperous and dynamic manufacturing sector?

2.4.5 Labour Regulations in India: Contract Labour (Regulation and Abolition) Act 1970 and Implication for Formal Manufacturing Employment
Deb Kusum Das, Homagni Choudhury and Jaivir Singh
Completed

One particularly significant piece of labour legislation in India is the Contract Labour (Regulation and Abolition) Act, 1970, which regulates labour hired by firms through contractors. This paper examines the implications of this Act for manufacturing employment in India. While empirical evidence seems to indicate the presence of large number of ‘contract’ workers in the Indian manufacturing sector across a spectrum of industries, the increasing contractualisation of the workforce has not been typically discussed as a pointed labour regulation issue. It has been widely argued that Indian labour law imposes institutional rigidities inhibiting employment expansion; but note needs to be taken of a ruling by the Supreme Court in 2001 which interpreted the CLA, 1970 in the case of Steel Authority of India vs. National Union Water-Front Workers. This judicial interpretation has enabled Indian firms to employ ‘contract’ workers widely, often employing them in jobs where they work alongside permanent workers. Against this backdrop, we document the increase in engagement of ‘contract’ workers and dissect the data to see patterns in the use of ‘contract’ workers in organised manufacturing. These empirical patterns help us generate hypotheses for further work on the normative consequences of large-scale use of ‘contract’ labour.
2.4.6  **Labour Regulations and Firm Growth: Evidence from South Asia**  
Radhicka Kapoor and P. P. Krishnapriya  
**Ongoing**

Labour laws in South Asia maintain the threshold concept excluding numerous, often survival oriented small enterprises outside the purview of compliance requirements. This incentivises firms to remain small, just below the threshold level. Consequently, small firms account for a disproportionately large share of the total firms in the manufacturing sector. However, the share of small enterprises in total manufacturing employment has been significantly smaller than that of large enterprises. In this paper, datasets from three South Asian countries (India, Sri Lanka and Bangladesh) are used to examine whether labour regulations are in fact hindering the growth of enterprises, thereby creating a ‘Growth Trap’. In particular, an attempt is made to determine the commonalities and differences in labour regulations among these countries, and therefore the set of policies that will help accelerate the growth of employment in their respective manufacturing sectors.

2.4.7  **Law, Skills and the Creation of Jobs as ‘Contract’ Work in India: Exploring Survey Data to make Inferences for Labour Law Reform in South Asia**  
Deb Kusum Das, Jaivir Singh and Homagni Choudhury  
**Ongoing**

The paper discusses the theoretical literature on the importance of relationship specific investments for skills and the role of labour laws in this context. This is followed by a discussion of South Asian labour law (largely India, Pakistan, Bangladesh and Sri Lanka) with special emphasis on laws that impact employment and skills. We plan to use data from the specially commissioned survey to gain empirical insights on the links between law, skills and the extensive use of ‘contract’ labour. It is hoped that these findings will be used to comment on the costs and benefits of the ‘contract’ labour system and its variants across South Asia, particularly in view of moves to reform labour law in South Asia.

2.4.8  **Fragility and Job Creation**  
Ali Mehdi, Sanjay Pulipaka, Sugandha Singh and Sri Siddhartha Ayyagari  
**Ongoing**

It is considered to be axiomatic that severe inequity and economic distress often contributes to the emergence of conflict. Sometimes, conflict contributes to the fragility of state institutions. As a corollary, it is assumed that sustainable conflict resolution is critical to address fragility, and this requires addressing the economic dimensions of a conflict. Implicit in these arguments is the belief that improved economic situation will create enough incentives in the form of productive work opportunities to keep people away from becoming active participants in a conflict. The inter-linkages between conflict, economy and job creation can be better understood by examining the experiences of South Asia. The proposed research project will examine some case studies (Nepal/Sri Lanka and Kashmir/Telangana) to explore the inter-linkages between conflict, economy and employment.

2.4.9  **Trade and Jobs in Indian Manufacturing**  
Pankaj Vashisht  
**Completed**

After following inward oriented economic policies for nearly four decades, India opened up to international trade in the early 1990s. Since then, the trade integration of the manufacturing sector has increased phenomenally. Against this backdrop, this paper analyses the impact of trade on jobs in the Indian manufacturing sector. We find that the direct impact of trade on manufacturing jobs has been positive. However, the trade induced decrease in labour demand has neutralised the direct job gains to a great extent. Therefore, unlike other Asian economies, the overall employment gains from trade have been minimal. The paper recommends removal of supply side constraints to gain from international trade.
2.4.10 Human Capital Potential of India’s Future Workforce
Ali Mehdi and Divya Chaudhry
Completed

Indian policymakers, like most of their counterparts across the developing and developed world, have been concerned with the employability of their working-age populations for obvious economic and socio-political reasons. This paper discusses India’s demographic dynamics and argues that policymakers have the widest window of opportunity with that segment of population which is poised to enter the workforce between 2030 and 2050 – those in their infancy today and the next two decades. They need to realise that our employability crisis has its roots, inter alia, in the country’s grossly inadequate, inefficient and inequitable early health and education systems. Early childhood interventions hold immense importance in fostering the employability potential of the future workforce, especially in developing countries that are still a few decades away from their peak demographic opportunity. This study argues that India will have to focus on early health and pre-schooling (soft skill development) to reap its demographic dividend in a manner that is commensurate with the demands of a knowledge economy.

2.4.11 Technology and Jobs in South Asia: Opportunities, Challenges and Way Forward
Pankaj Vashisht
Ongoing

Technological progress has been the most important driver of economic growth in the modern history of mankind. Yet technological innovations have been a cause of much anxiety for the working class. South Asian economies are not isolated from the current wave of technological change. The use of ICT is quite visible in all sectors of production in these economies. However, the literature on the implications of technological change on the labour market in these economies is limited. This paper is an attempt to fill this gap.

2.5 OTHERS

2.5.1 Navigating the Headwinds: Mitigating Contention in India-US Business Engagement
Project Leader: Ambassador Hemant Krishan Singh, Chair Professor, ICRIER Wadhwani Chair
Commencement: December 2013
Date of Completion: April 2014
Funded by: Wadhwani Foundation (Rs. 150.00 lakh)

Even as India-US trade (in both goods and services) has rapidly expanded to reach $100 billion, 2013-14 saw the emergence of a number of contentious issues which adversely impacted the climate for bilateral trade and investment. The policy report “Navigating the Headwinds: Mitigating Contention in India-US Business Engagement” addressed some of these issues. The report contains three studies, namely, “Deconstructing India’s Preferential Market Access (PMA) Policy”, “India’s Investment Climate: Addressing Concerns about Tax Policy”, and “US Immigration Reform: Revisiting the Approach to Skilled Visa Provisions”.

The first study examined India’s PMA policies which have been designed to remedy glaring weakness in electronics and telecom manufacturing in the broader context of measures adopted by various countries to promote domestic industries. It argued that PMA does not represent a reversal of India’s economic reforms as it is more promotional than protectionist in nature. The second study examined the direct tax related developments during 2012 which led to major concerns about consequences for the cost of doing business in India among the international investor community. It found that although India’s tax policy and law is generally in line with that in other tax jurisdictions, its implementation is not in tune with the international best practices followed by successful tax administrations.
globally. While, the Government of India has since taken certain steps to soothe investor sentiment, a lot more needs to be done for India to become an attractive destination for investors in a highly competitive international environment. The third study examined the bill on immigration reform passed by the United States Senate on June 26, 2013, in particular its provisions to address the shortage of skilled workers within the US contained in Title IV governing non-immigrant visas such as the H-1B and L-1 programmes. While recognising the positive elements of the Senate Bill, the report finds that other provisions of Title IV have serious and potentially adverse implications, most importantly for US business interests and the US economy. In its recommendations, the study proposes more carefully considered approaches towards skilled non-immigrant visa reform as it advances in the US Congress.

2.5.2 Enhancing India’s Participation in Global Value Chains
(In collaboration with the University of Sussex, U.K.)

Team Leader: Dr. Saon Ray
Research Team: Smita Miglani and Neha Malik
Commencement: September 2013
Date of Completion: March 2015
Funded by: Foreign and Commonwealth Office, Government of U.K. (Rs. 49.70 lakh)

The production of goods is becoming increasingly fragmented and spread out across the world. This has led to the emergence of complex production networks with increased participation of the developing countries. This study examines India’s participation in global value chains through a better understanding of India’s positioning in the global production system.

While India lags in global value chain participation rates, the evidence base for this is weak. A survey of about 100 firms in selected industries gathered empirical evidence of their engagement in global value chain activity, the domestic barriers to those engagements, and the costs associated with the barriers. In order to identify the sectors, which could be taken up in the survey, an analysis of sectors was done using World Input-Output Database (WIOD) and also secondary data from selected sectors using UN COMTRADE data was analysed.

Field discussions (with the industry and researchers) and analysis of the available trade data helped to identify particular segments where India’s participation in global value chain activity has traditionally been, or recently become successful for various reasons. These segments (or sectors) were: passenger cars in the automobile industry, reactive dyes and specialty chemicals in the chemicals industry, semiconductor chips in IT, and formulations in the pharmaceutical industry.

2.5.3 Estimating Domestic and Foreign Value Added in Indian Export

Project Leader: Dr. Deb Kusum Das (External Consultant)
Project Adviser: Professor B. N. Goldar (External Consultant)
Research Team: Sreerupa Sengupta; Pilu Chandra Das (External Consultant)
Commencement: April 2014
Date of Completion: March 2015
Funded by: Department of Economic Affairs, Ministry of Finance, Government of India (Rs. 8.75 lakh)

The study estimates the import content in Indian exports at a disaggregated industry level. This assumes importance as rapid global production sharing has reduced the reliability of trade flow statistics to evaluate the value added that is generated from exports in a given country. Further, global trade needs to be viewed not in terms of countries specialising in different final products but in terms of specialisation in different components or processes in the production of those products. Trade performance and the contribution of trade to domestic employment and income generation need to be viewed accordingly. The study found that the import content in India’s exports increased steadily from 11% to 22% in the time period between 1995 and 2011. Over the same time period, the
rise in import content was relatively greater for merchandise exports from about 11% to 26%. In services exports, by contrast, the foreign value added content is relatively low and the increase has been rather modest.

The final report of the study was submitted to the Ministry of Finance, Government of India in March 2015.

2.5.4 Subsidies Provided to the Services Sector in India

Project Leader: Dr. Rupa Chanda
Research Team: Shravani Prakash, Sasidaran Gopalan and Pralok Gupta (External Consultants)
Commencement: June 2013
Date of Completion: May 2014
Funded by: Ministry of Commerce and Industry, Government of India (Rs. 32.77 lakh)

Unlike for goods, the General Agreement on Trade in Services (GATS) so far does not contain any substantive discipline on subsidies with respect to trade in services. However, Article XV of the GATS recognises that subsidies may distort trade in services. Consequently, member countries have made a commitment to enter into negotiations in order to develop the necessary multilateral discipline on subsidies to services. Although these negotiations commenced more than a decade ago, they have been inconclusive and have mainly focused on the working definition of subsidies and on information exchange. Little progress has been made in understanding the nature of these subsidies and their likely impact on trade flows.

This study attempts to fill this gap in the literature by examining the subsidies provided to services by selected developed and developing countries, namely US, Canada, UK, China and India. It finds that the focus of subsidy schemes across countries appears to have moved from explicit state support with a protectionist mindset towards reducing transaction costs of doing business through input and establishment related incentives. The goals go beyond promoting exports to longer term objectives such as enhancing productivity and efficiency of the targeted industries, stimulating innovation and technology transfer, creating employment and ensuring spillovers to the rest of the economy, in a generalised manner. The focus is increasingly on R&D, innovation, emerging segments and small businesses across industries. Given the largely non-discriminatory nature of the subsidy measures, there is scope for countries to avail of these incentives in other markets through overseas investment presence.

2.5.5 Revisiting Special Economic Zones (SEZ): A Review and Evaluation of India’s SEZ Policy

Project Leader: Dr. Arpita Mukherjee
Research Team: Subhobrota Ray, Parthapratim Pal and Saubhik Deb (External Consultants); Debolina Mukherjee, Deboshree Ghosh, Deepti Mathur and Purva Singh
Commencement: April 2013 (First Phase), November 2013 (Second Phase)
Date of Completion: January 2015
Funded by: Department of Commerce, Ministry of Commerce and Industry, Government of India and Export Promotion Council for EOUs and SEZs (EPCES), (Rs. 65.33 lakh)

Special Economic Zones (SEZs) are industrial enclaves within a country that get certain incentives and business facilitation benefits which are not generally available to the rest of the country. To encourage private and foreign investments in SEZs, India came out with the SEZ policy in the year 2000, which was followed by an SEZ Act in 2005. Since then, India has one of the largest numbers of approved SEZs in the world. However, even after ten years of the Act, the SEZ policy in India is one of the highly debated policies with a number of studies arguing both in favour and against the SEZs.

The objective of this study is to examine some of the common perceptions about SEZs. The study also makes policy recommendations to develop successful SEZs. It does the following: (i) examines the objectives as laid down by the SEZ Act, 2005; (ii) evaluates the performance of SEZs in India; (iii) compares the ease of doing business inside and
outside the SEZs; (iv) compares the incentives offered under the SEZ policy with other policies and schemes of the central and state governments; (v) analyses the costs and benefits of SEZs; (vi) assesses the impact of the WTO and trade agreements on SEZs; and (vii) examines global best practices in SEZs. The study is based on a pan-India survey and secondary information analysis.

The study has been completed and the report has been submitted to the Ministry of Commerce & Industry, Government of India.

2.5.6 Capacity Building Initiative for Trade Development in India

Project Leaders of the Consortium: Nora Plaisier (Ecorys Nederlands BV), Arpita Mukherjee (ICRIER) and Rohan Krishnan (Ecorys India)

Research Team: Tanu M. Goyal and Smita Miglani (ICRIER)

Commencement: April 2015

Expected Date of Completion: September 2017

Funded by: European Community, represented by the Delegation of the European Union to India (Rs. 108.00 lakh)

India and the European Union have a longstanding economic and trade relationship. The aim of the study is to enhance related capacity building in India so as to enhance the country’s development agenda. The project has several components that include research, training, workshops and field visits, among others. It is envisaged that the project will meet the demand of Indian policymakers and the European Commission (EU) and its member states. The project has been awarded a consortium of three research organisations: Ecorys, Nederlands BV, ICRIER and Ecorys India. ICRIER’s prime objective is to conduct the research. This would involve studying 5-6 areas identified by policymakers in India and the EU.

3. Global Competitiveness of Agriculture

3.1 Stabilising Food Prices through Buffer Stocking and Trade Policies

Project Leader: Dr. Ashok Gulati

Project Adviser: Professor Anwarul Hoda

Research Team: Shweta Saini

Commencement: May 2013

Expected Date of Completion: May 2017

Funded by: Centre for Development Research (ZEF), University of Bonn, Germany (Rs. 87.28 lakh)

Given that India has the largest number of poor and malnourished people in the world, high price volatility in food items in general, and wheat and rice in particular, affects their economic access to food. Price shocks can come through turmoil in global markets (as happened in 2007-08) or through weather shocks in domestic production. How best one can contain the negative impact of price spikes is the key objective of this project funded by ZEF in two phases (May 2013-May 2015, phase I) and (June 2015-May 2017, phase-II.)

In the first phase, the study reviewed the buffer stocking policies, trade policies and public distribution policies, including the National Food Security Act of 2013, and how effectively they have been able to contain food price spikes at home and at what cost. It points out that although India’s trade policy of export bans on wheat and rice during 2007-11 protected the poor from immediate transmission of high global prices into domestic markets, yet domestic prices caught up with global prices over the medium run. Domestic food inflation hovered around two digits for almost four years, and there was massive accumulation of grain stocks that touched 82 million metric tonnes (MMT) in June 2012 against a buffer stock norm of almost 32 MMT. This speaks of large inefficiency in food management costing the nation thousands of crores of rupees. The public distribution system (PDS)
was also found to be marred by massive leakages more than 40% of wheat and rice did not reach the intended beneficiaries. The policy recommendations emanating from this work is that India will benefit immensely by gradual introduction of cash transfers in PDS, reducing the level of buffer stocks, and keeping the policy on exports open with only some moderation through duties whenever the need arises. This will achieve the objective of protecting the poor in a much more cost-effective way than the current system. The savings are estimated to be to the tune of at least Rs. 30,000 to Rs. 40,000 crores annually, which can be ploughed back in irrigation and water management, which in turn will give better returns in terms of increased productivity and incomes of farmers.

A policy workshop “Buffer Stocking Policies of India” was organised under the project. Apart from this the work under this project was cited by the Shanta Kumar Panel Committee Report on Reorienting the Food Corporation of India (FCI). Close to 15 media articles and/or opinion editorials in leading dailies have been published, and regular presentations on national and international reputed platforms have been made by the team.

3.1.1 Evolution and Critique of Buffer Stocking Policy in India
Shweta Saini and Marta Kozicka
Completed

This study analyses India’s buffer-stocking policies and the role played by these policies in the food security complex of the country. The analysis finds that starting from the way the buffer stocking policy objectives are laid, to the systems which are put in place to implement it and to the outcomes, the systems are inadequate and inefficient. The government plays a pivotal role in the grain systems of the country, to the extent that the private sector is consequently strangulated. The stocking procedures themselves do not adhere to the stocking norms where the actual stock levels are 100% higher than norms at most of the times. Government stocks grains for food based welfare schemes like PDS and to maintain strategic stocks to smoothen inter/intra-year supply fluctuations. While PDS is marred by leakages, the implementation of strategic stock operations is far removed from the objectives. In the wake of massive cost implications posed by the challenges, the study suggests increased role of Negotiable Warehouse Receipts (NWRs), reduced public sector role coupled with increased private participation, uniform state taxes/levies and substitution of the existing grain distribution system (price policy) with direct cash transfers (income policy).

3.1.2 Monsoon 2013: Estimating the Impact on Indian Agriculture
Ashok Gulati, Shweta Saini and Surbhi Jain
Completed

The objective of this study is to understand the historical fluctuations in agri-output and the factors governing it. An econometric analysis is undertaken to evaluate the factors that determine agri-output changes in a year. The model hypothesises that the performance of agriculture in India depends upon: (i) investments in agriculture (private and public); (ii) agricultural price incentives; and (iii) rainfall. A log-linear model fitted over 1996-97 to 2012-13 period explained 95% of the variations in agri-GDP with all variables being statistically significant. Rainfall appears to be a very crucial factor in determining the year’s agri-performance.

3.1.3 Leakages from Public Distribution System and the Way Forward
Ashok Gulati and Shweta Saini
Completed

The study estimates the proportion of grain that was diverted/leaked from the PDS grain-chain in 2011-12. This is done by mapping the difference between the grains off-taken by states from the central pool and the grain consumed by the PDS beneficiaries. The analysis shows that 40-50% of the grains leaked from the system in 2011-12. In wake of the challenges and constraints faced by the current system, it suggests switching support from
price policy to income policy, i.e., instead of highly subsidised food through PDS, give cash transfers directly into the accounts of identified beneficiaries. Dovetailing Jan-Dhan Yojana with Unique Identification Number under Aadhaar, can help reduce the food subsidy bill by almost 25-30%.

3.1.4 **The National Food Security Act (NFSA) 2013 -Challenges, Buffer Stocking and the Way Forward**

*Shweta Saini and Ashok Gulati*

*Completed*

This study presents a comprehensive analysis of the NFSA, 2013 with a view to estimating the grain stocking implications and the ability to deliver on the set objectives. The study not only estimates the new buffer stocking norms for India but also inducts the concept of fungibility between two types of stocks: operational and strategic-in-the FCI granaries. Based on the identified operational challenges in the implementation of the Act, mainly on account of the massive PDS leakages, the study suggests substituting the present system of physically distributing grains with conditional cash transfers, based on the platform created by the Aadhaar-Unique Identification number (UID) scheme.

3.1.5 **El Niño and Indian Droughts: A Scoping Exercise**

*Shweta Saini and Ashok Gulati*

*Completed*

The year 2014 was projected to be a year of El Niño, which in case of India implied lower-than-normal monsoon rains. With a motivation to understand the underlying dynamics of El Niño and Indian monsoons, this study attempted a scoping exercise. The study highlights that since 1980, all the six droughts faced by India were in El Niño years but not all El Niño years led to drought in the country. The statistical exercise in the study shows that the timing of El Niño developments was crucial in predicting its likely impact on Indian monsoons and thus on the agri-output.

3.1.6 **Modelling Indian Wheat and Rice Sector Policies**

*Marta Kozicka, Matthias Kalkuhl, Shweta Saini and Jan Brockhaus*

*Completed*

This study attempts to disentangle the complex system of Indian food policies related to wheat and rice procurement, storage, distribution and trade. Using nationally aggregated time series data, these policies are econometrically analysed. Based on the estimation results, their market implications are assessed. A number of scenarios, including the implementation of the National Food Security Act, are simulated with respect to fiscal costs and public stocks. The study reveals a strong impact of policy measures on production, procurement, stocks and trade.

3.1.7 **Food Inflation in India: Diagnosis and Remedies**

*Ashok Gulati and Shweta Saini*

*Completed*

Food inflation in India has been a major challenge to policymakers. Correct diagnosis about the nature, structure, and factors influencing food inflation, therefore, is critical for any rational policy decision to contain the inflation within limits. This study uses an econometric analysis to determine plausible factors explaining food inflation in the country. Three factors stand out in this regard: ballooning/monetised fiscal deficit, rising farm wages, and transmission of the global food inflation; together they explain 98% of the variations in Indian food inflation over the period from 1995-96 to December 2012. Policies recommendations include: (i) rein-in food inflation and increase mechanisation of farms with a view to raise labour productivity; (ii) ensure stable, predictable, and open trade policies with moderate duties of 5% to 10%; and (iii) provide special safeguards for protection from sudden spikes and troughs.
India subsidises agricultural inputs like fertiliser, power, irrigation and credit etc to ensure food security and/or to enhance the income level of farmers. This touched almost 15% of agri-GDP in 2008-09, raising concerns whether this level is sustainable, and how best to rationalise them. Besides this key question, another objective of the study is to find out if a similar amount is invested in agriculture, what would be its marginal rates of return vis-a-vis on subsidies.

Two papers on fertiliser and credit subsidy have been completed, and two more on crop insurance and irrigation and power subsidy are near completion. The results of research so far indicate that fertiliser policy desperately needs rationalisation. Direct cash transfer to farmers, total decontrol of fertiliser prices, major expansion of soil testing cards and facilities, and setting up of urea plants in Gulf countries with low gas pricing and long-term arrangements for imports, will benefit the country by promoting efficiency and saving thousands of crores to the government. A policy workshop was conducted on “Fertiliser Subsidy and Credit Subsidy” which Shri J.K. Mohapatra, the then Fertiliser Secretary chaired and around 30 experts participated. The policy recommendations are being discussed and considered within the government.

As regards credit subsidy, the study found that there is no evidence to link credit subsidies to the impressive rise in short-term credit, but it found the possibility of diversion of subsidised agricultural credit for non-agricultural purposes. The paper, therefore, argues in favour of serious review of the agricultural credit subsidy policies and is against decisions on generalised debt waivers in future.

Research studies conducted/ being conducted under the project are:

### 3.2.1 Credit Policy for Agriculture in India
*Anwarul Hoda and Prerna Terway*
*Completed*

The paper attempts to find whether the agenda of expansion of institutional finance for agriculture is unfinished. It finds no empirical evidence to link credit subsidies to the impressive rise in short-term credit but does find the possibility of diversion of subsidised agricultural credit for non-agricultural purposes. The paper, therefore, argues for a serious review of the agricultural credit subsidy policies and is against decisions on generalised debt waivers in future.

### 3.2.2 Rationalising Fertiliser Subsidy in India: Key Issues and Policy Options
*Ashok Gulati and Pritha Banerjee*
*Completed*

The paper questions the financial sustainability of the rising amounts of fertiliser subsidy in the budget. It points out the problems associated with extremely low prices of urea and lack of investment flows to the sector at home, leading to rising import dependency. The most important policy suggestions among others to address the issues are: (i) switch to direct cash transfers to farmers on per hectare basis; (ii) issue soil health cards and set up
more soil testing labs; and (iii) produce urea in Gulf countries (where price of gas, the main feedstock for urea production, is considerably lower than India) with long-term import arrangements.

3.2.3 **Crop Insurance**  
*Ashok Gulati and Prerna Terway*  
*Ongoing*

The main issues in the crop insurance sector in India to be addressed are: (i) the appropriate level of coverage and subsidy on premiums; and (ii) how new technologies (like drones, doves, low earth orbiters) can be used for better and faster assessment of crop damage. The paper places emphasis on: (i) increasing area insured, early settlement of claims (within two to four days and maximum of two weeks based on the experience of Kenya); (ii) digitisation of land records and linking them with Aadhar and bank accounts; (iii) setting up of multiple automatic weather stations and rainfall data loggers to cover the entire country; and (iv) imposing 2% cess of agri-business industry (input and output) and 1% cess of agri-credit to raise resources for the central government.

On crop insurance, a presentation was also made before the Finance Minister and it is under active consideration of the government.

3.2.4 **Irrigation and Electricity Subsidy**  
*Ashok Gulati and Pritha Banerjee*  
*Ongoing*

The paper evaluates main problems associated with the irrigation and electricity sector. Subsidies in these sectors contributed in increasing production but also led to many perils including loss in ground water table and increasing risk for groundwater contamination. To revive the irrigation sector, pricing and institutional reforms are required. For the electricity sector, along with pricing reform, infrastructural reform such as separating of feeders for household electricity supply and supply to the irrigation pump sets are to be done. It is also necessary to upgrade technology to monitor agricultural consumption (use of tamper-proof meters) and strengthen ground water monitoring network.

3.3 **Driving Agricultural Growth and Alleviating Poverty in Eastern India (UP, Bihar and Odisha): Learning from Successes in Selected States**  
*Project Leader:* Dr. Ashok Gulati  
*Project Adviser:* Professor Anwarul Hoda  
*Research Team:* Shweta Saini, Ranjana Roy, Sakshi Bhayana and Aastha Malhotra  
*Commencement:* April 2015  
*Expected Date of Completion:* March 2018  
*Funded by:* Bill and Melinda Gates Foundation (BMGF) (Rs. 402.00 lakh)

Faster agri-growth leads to faster reduction in poverty and malnutrition, especially in rural areas. The project tests this hypothesis for six identified states of the country, of which three, namely Punjab, Gujarat and Madhya Pradesh have witnessed relatively higher agricultural growth rates historically, and three, namely Uttar Pradesh, Bihar and Odisha have been laggard/average in agri-performance (and have a large mass of poverty and malnutrition). The three-year project will go beyond a pure academic exercise of analysing the links between agri-growth and rural poverty for these states. It will also be studying and identifying the best practices deployed in the high performing states and will undertake economic and financial feasibility tests to shortlist best practices for replication in the laggard states. Based on these, policy-level interventions will be identified and the policymakers in the three laggard states will be encouraged to implement them. The focus of the project will be on agri-growth and its diversification, and the ways in which these will impact on poverty and malnutrition, especially in rural areas.
3.4 India Agricultural Distortions Study

Project Leader: Dr. Ashok Gulati
Research Team: Shweta Saini
Commencement: April 2015
Expected Date of Completion: December 2015
Funded by: The World Bank (Rs. 25.00 lakh)

The objective of this study is to analyse India’s recent and prospective agricultural trade policy from the perspective of price distortions, including the role of border taxes and quantitative restrictions and domestic price interventions (taxes and subsidies such as those applying on fertiliser and other inputs, and direct price interventions). The analysis will entail a combination of quantitative and qualitative/empirical approaches, diagnosing the extent to which distortions in the incentive structure affect producers’ incentives and their potential impact on trade, particularly exports, etc.

Presentations of preliminary results of this study were made in OECD, Paris as well as at the International Conference of Agriculture Economics in Milan.

Along with research and capacity building of researchers, an important element of this strategy is to disseminate results of the research and to engage with various stakeholders including top bureaucracy and the ministers concerned.

Research findings have been communicated through leading dailies such as the Indian Express, Financial Express etc. and more than 30 op-eds have been written in the regard.

Dr. Gulati has had three meetings with the current Prime Minister on various agri-issues. He was a member of the Shanta Kumar Panel Committee; is a Member of the taskforce of agriculture set up by the PM under National Institute for Transforming India (NITI); is chairing an expert group on agricultural market reforms and is also a Member of the financial inclusion committee set up by the RBI.

3.5 Trends and Economic Dynamics of Guar Production in India

Project Leader: Professor Anwarul Hoda
Research Team: Durgesh Kumar Rai
Commencement: April 2014
Date of Completion: December 2014
Funded by: K. K. Foundation, New Delhi (Rs. 9.89 lakh)

Developments in international markets in recent years have transformed guar from a low value crop grown on marginal land to one that can generate great wealth for farmers, traders, processors and manufacturers. Fluctuating prices, however, have created uncertainty and confused stakeholders regarding the long-term outlook for the product. This study aims to examine all aspects of demand, supply, trends in trade, traditional and emerging end-uses, competing products, cultivation and production in order to enable stakeholders to make an assessment of the outlook for the product and its derivatives.

The outlook for guar gum in future is optimistic as the shale revolution has created a large and sustained demand for guar products particularly in North America. The demand for the product is also likely to increase on account of the fact that the demand for processed food is expected to continue rising across the world. However, the study strikes a note of caution on account of the volatility in petroleum prices. If the recent decline in global crude prices continues, the competitiveness of shale oil production may be hit and this in turn would affect guar gum demand.
3.6 Evaluation of the Impact of the Scheme of Mega Food Park

Project Leader: Dr. Arpita Mukherjee  
Research Team: Tanu M. Goyal, Debolina Mukherjee, Purva Singh and Dipankar De (External Consultant)  
Commencement: December 2014  
Expected Date of Completion: April 2015  
Funded by: Ministry of Food Processing Industries, Government of India (Rs. 24.95 lakh)

India is a large producer and consumer of food and food processing is one of the key sectors in India. However, the country continues to suffer from wastage of agricultural raw materials due to fragmented supply chain and lack of processing facilities. Realising the need to improve the infrastructure in the food processing sector, the government launched the Mega Food Park (MFP) scheme in the Eleventh Five Year Plan. This project evaluates the impact of the MFP scheme. It examines how the guidelines of the schemes have evolved overtime and what the implications of these are. It also presents a comparative analysis of the scheme with similar sector-specific grant-based schemes of other central government departments, examines the role of the state government and how the MFP scheme can be dovetailed with state government schemes. Finally, it assesses the perception of state governments, banks, SPVs (special purpose vehicles) and other stakeholders about the scheme; and examines the governance and management structure of MFPs and the socio-economic impact of the MFP scheme. Based on this, policy recommendations are made to the government on improving the scheme. The study is based on secondary information analysis, primary survey and field visits. The draft report has been submitted to the Ministry of Food Processing Industries.

3.7 Measuring the International Competitiveness of Indian Agriculture

Project Leader: Dr. Pooja Sharma  
Research Team: Manjeeta Singh and Deepti Sethi (External Consultants)  
Commencement: December 2013  
Expected Date of Completion: March 2016  
Funded by: Commission for Agricultural Costs and Prices, Ministry of Agriculture, Government of India (Rs. 24.67 lakh)

In India, the Commission for Agricultural Costs and Prices (CACP), while making its recommendation to the government on the Minimum Support Prices (MSPs) of selected agricultural commodities, takes into account a range of factors, including the cost of production, demand and supply conditions, domestic and international price trends, inter-crop price parity, and domestic terms of trade. It is felt that eventually the CACP and the government would need to take into consideration, more systematically, India’s competitive position in world markets in fixing the MSPs. Substantial persistent differences in domestic and world reference prices and/or excessive unevenness in protection and support to different agricultural products could have adverse economic impact. Measures of policy protection and support are considered useful instruments for evaluating agricultural price policy by allowing analytically sound comparison of domestic and world prices for a given commodity. Improved monitoring and measurement of international competitiveness of Indian agriculture would enable the CACP and the government to make more informed policy and support scheme related decisions, potentially allowing for more efficient allocation of domestic resources.

With this aim, the CACP invited the Council to conduct a research study to measure and evaluate the protection and support accorded to a set of 12 agricultural commodities, out of a total of 23, for which the CACP presently recommends MSPs. The study will provide estimates of alternative measures of protection and support for the period 2000-01 to 2011-12 and submit recommendations related to agricultural price, input support and trade policy.
3.8 India’s Phytonutrient Report: A Snapshot of Fruits and Vegetable Consumption, Availability and Implications for Phytonutrient Intakes

**Project Leader:** Dr. Arpita Mukherjee  
**Research Team:** Tanu M. Goyal, Bhavook Bharadwaj and Savi Agrawal  
**Commencement:** May 2015  
**Expected Date of Completion:** December 2015  
**Funded by:** Amway Opportunity Foundation (Rs. 50.00 lakh)

The term “phytonutrient” is applied to organic compounds found in fruits and vegetables that promote a range of health benefits and enhance the immunity system. The World Health Organisation (WHO) recommended a daily intake of at least 400 grams (or five daily servings with an average serving size of 80 gm) of fruits and vegetables, excluding potatoes, cassava and other tubers for having the desired level of phytonutrients intake. The FAO (Food and Agriculture Organisation of the United Nation) provides categories of fruits and vegetables which contain different types of phytonutrients. Evidence shows that intake of fruits and vegetables vary across countries due to differences in production, availability, affordability and diet patterns among others. Other issues such as fragmented supply chains, high prices, pesticides, and regulatory barriers can affect intake. Given this background, the objective of this study is: (i) to understand the consumption pattern of fruits and vegetable in India and compare this against the recommended quantity for an adult as specified by globally recognised studies; and (ii) to understand the reason for the shortfall, and make policy recommendations so that India becomes a healthy nation. The study will survey a sample of urban middle and high income consumers across six metro cities. There is a view that to identify existing consumption patterns this class of the population is now increasingly prone to lifestyle related diseases. Following secondary and primary data analysis, policy recommendations for a healthy India will be offered.

4. Infrastructure including Telecommunications, Transportation and Energy

4.1 A Study on the Financial Health of India’s Telecom Sector

**Project Leader:** Dr. Rajat Kathuria  
**Research Team:** Mansi Kedia and Parnil Urdhwareshe  
**Commencement:** January 2015  
**Expected Date of Completion:** September 2015  
**Funded by:** Cellular Operators Association of India (Rs. 20.70 lakh)

Accounts from the Indian telecom industry are increasingly reporting high levels of indebtedness, record high spectrum costs, onerous levies and taxes and the burden of disruptive competition. At the same time, there are also instances of recovery and return to profitability, driven by sharp increases in data usage, technological innovation and increased operational efficiencies. Given the variation in perspectives, this project seeks to assess the sector’s ability to bear regulatory and investment burdens by assessing the sector’s financial health across several standard dimensions in the context of its contribution to overall economic growth.

This study uses data on financial performance of all major operators (private and public) in the telecom wireless industry (CDMA and GSM) to assess the financial status of the sector. Parameters for analysis include real revenue growth, earnings before interest, tax, depreciation, and amortisation (EBITDA) and profit after tax (PAT). Assessment of profitability performance, operating results and leverage will help determine the level of financial distress facing these firms. Moreover, as taxes and levies are allegedly a major outflow for telecom operators, understanding the magnitude of such expenses will provide a measure of regulatory costs faced by firms. Wherever possible, the analysis will be supplemented by comparisons with other sectors for an informed judgement on overall financial stability.
The results of this analysis along with findings from a stakeholder consultation will collectively find their way into recommendations for policy actions that could serve as an input to improve the financial health of the telecom sector.

4.2 The Story of Indian Telecom: Volatility, Opprobrium, Impact and Promise

**Project Leader:** Dr. Rajat Kathuria

**Research Team:** Mansi Kedia, Sugandha Srivastava and Parnil Urdhwareshe

**Commencement:** April 2014

**Expected Date of Completion:** Ongoing

**Funded by:** ICRIER’s flagship Report

The story of Indian telecom’s extraordinary growth, controversies and impact has remained the subject of constant media, public and academic attention for nearly a decade. At the centre of this story is the mobile phone with nearly 915 million subscribers (as of June 2014) that has been the fulcrum on which telecom has moved India. However, any promise that the sector may hold cannot exist in the absence of an enabling environment – there is no simple solution for telecom to revisit prosperity, especially given the change in landscape and the entry of disruptive technology. In March of 2014, ICRIER organised its International Conference on Telecommunications with the objective of influencing India’s telecom sector policy discourse towards a more constructive and forward-looking path. The conference served as the genesis for ICRIER’S flagship report on “The Story of Indian Telecom: Volatility, Opprobrium, Impact and Promise.”

ICRIER’S flagship report attempts to address the major issues at the heart of the Indian telecom sector. It thus touches the current state of institutions, spectrum, competition and interconnection as well as upcoming subjects of importance such as internet governance, network neutrality and the advent of Over-The-Top services. It distils findings from stakeholder interactions and primary and secondary research to provide a holistic overview of the current state of Indian telecom. The flagship report will provide a wealth of data, rigorous statistical analysis and views of sector experts to ultimately suggest policy options to unlock telecom’s vast unexploited potential in India. The report will be of interest to researchers, telecom sector professionals, policymakers, students and anyone who has an interest in networked industries in general.


**Project Leader:** Dr. Arpita Mukherjee

**Research Team:** Tanu M. Goyal, Ramneet Goswami, Deeparghya Mukherjee, Rajkumar Shahi and Pallab Ghosh

**Commencement:** June 2014

**Expected Date of Completion:** June 2015

**Funded by:** Directorate General of Commercial Intelligence and Statistics (DGCI&S), Ministry of Commerce and Industry, Government of India (Rs. 81.98 lakh)

Over the years, trade in services has become an important component of India’s international trade. However, the data collection procedures are weak and disaggregated services trade data by country and by sectors is not available. Lack of data makes it difficult to understand the pattern of bilateral trade flows by sectors, provide incentives to service providers for services exports and it also restricts the ability of trade negotiators to negotiate trade agreements with partner countries which can be beneficial for the Indian services sector.

Given this background, this project aims to: (i) suggest a suitable mechanism for regular collection of country-wise, sector-wise and mode-wise services trade data; (ii) suggest an appropriate classification to be adopted for data collection based on international classification; (iii) examine the methodologies and institutional framework adopted by some developed and developing countries for compilation of services trade data and how these can be adopted in India; (iv) conduct an on-line primary survey to check the validity of the data collection procedure; and (e) design
a business directory for data collection and a framework for on-line survey data collection and reporting. Based on the project report the DGCI&S is proposing an Act to support the institutional mechanism for data collection.

As of March 2015, four on-line surveys have been launched, the business directory has been created and the preliminary note on the Act and institutional framework has been approved by the client.

### 4.4 An Inquiry into the Impact of India’s “App Economy”

**Project Leader:** Dr. Rajat Kathuria  
**Research Team:** Dr. Sahana Roy Chowdhury, Mansi Kedia and Sugandha Srivastava  
**Commencement:** July 2013  
**Expected Date of Completion:** April 2015  
**Funded by:** Internet and Mobile Association of India (Rs. 10.46 lakh)

Mobile applications have created a new trend in content creation and dissemination on mobile platforms. Lightweight and function-specific applications, more popularly known as “Apps”, are driving consumption in this industry, and will only increase as newer devices are introduced in the market. The ecosystem around applications in India has evolved rapidly over the last few years, and has resulted in the emergence of new business models.

This study analyses the entire ecosystem around “Apps” in India, including, importantly, its impact on employment. The study estimates Type I and Type II employment multipliers for the entire ecosystem using a social accounting matrix. “Apps” currently accounts for 75,000 jobs in India. Using our estimates for increase in employment (between 2014 and 2016), the multiplier effects have been estimated under different business and regulatory scenarios. The multiplier values increase progressively across the four scenarios. The minimum estimated increase in direct and indirect employment for the “App” economy is 91,476, while the maximum is 1,59,618. If we include changes in induced employment, these numbers go up to 2,21,067 and 6,04,867, respectively.

A survey of 450 “App” developers and in-depth case studies on “App” developers, distributors and device manufacturers helped understand challenges facing this nascent yet growing industry. In addition, secondary data was collected from “App” analytics firms such as App Annie and Metrics Monk.

The growth imperatives highlighted by the input output analysis, trends and challenges identified in the survey results and stakeholder interactions establish that enabling policy interventions can help drive “Apps” and augment the ‘value’ of mobile access in a manner that was almost unthinkable only a few years ago.

### 4.5 An Inquiry into the Future of Net Neutrality in India

**Project Leader:** Dr. Rajat Kathuria  
**Research Team:** Mansi Kedia and Parnil Urdhwareshe  
**Commencement:** May 2015  
**Expected Date of Completion:** September 2015  
**Funded by:** Kanakia Foundation (Rs. 10.03 lakh)

The conundrum of Net Neutrality has rapidly become one of the most pressing issues in Internet policy. As debates on the subject intensify, regulators across countries are struggling with balancing the interests of the numerous stakeholders involved. This project attempts to better inform policy through the organisation of round-table conferences bringing together members of civil society, government, industry and academia for focused discussions on the need and possible direction of Net Neutrality regulation carefully tailored to the Indian context. Inputs from these conferences combined with secondary data based research will be distilled into a report with actionable policy recommendations for dissemination.
4.6 Quantifying the Economic Value of an Open Internet for India

**Project Leader:** Dr. Rajat Kathuria  
**Project Team:** Mansi Kedia, Sirus Libeiro, Parnil Urudwareshe and Vatsala Shreeti  
**Commencement:** April 2015  
**Expected Date of Completion:** March 2016  
**Funded by:** British High Commission (Rs. 25.60 lakh)

With the second largest Internet user base in the world and with Internet services embedded in numerous government initiatives, the centrality of the Internet to India’s development is well accepted. However, there has been relatively little discussion on the importance of Internet openness for enabling and sustaining such gains. This project seeks to develop the first framework for a clearer understanding of the economic value of an open Internet for India. It will also assess the role of a multi-stakeholder model of Internet governance towards enabling a free, open and secure internet. The study will attempt to value India’s Internet economy by identifying various components in India’s internet value chain, assessing the dependence of these components on Internet openness. This will involve the mapping of stakeholder perspectives on the importance of openness to the development of India’s Internet economy as well as exploring the relationship between openness and governance models through comparisons with a relatively ‘closed’ Internet. Research findings will be disseminated to inform policy making, public debates and future research.

4.7 Health Policy Initiative

**Project Leader:** Dr. Ali Mehdi  
**Research Team:** Dr. Beena Saraswathy, Dr. Benson Thomas, Dr. Nida Siddiqui, Vasudha Wattal, Pallavi Joshi, Divya Chaudhry, Rahul Mongia, Priyanka Tomar, Arpita Patnaik and Sugandha Singh; Professor Irudaya Rajan (CDS, Trivandrum), Professor Udaya Mishra (CDS), Dr. William Joe (IEG, New Delhi), Dr. Naupar Chowdhury (JNU, New Delhi), Maulik Chokshi (PHFI, New Delhi) and Saleema Razvi (IIFT, New Delhi)(External Consultants)  
**Commencement:** August 2014  
**Expected Date of Completion:** January 2016  
**Funded by:** Pharmaceutical Research and Manufacturers of America (PhRMA), Washington D.C. (Rs. 281.53 lakh)

This multi-phased initiative aims to study some of the critical institutional problems in India’s health sector and develop actionable policy recommendations. To identify major issues, two inception workshops were held in New Delhi, on “Drug Regulatory Reforms in India” and “A Framework for Addressing Chronic Diseases in India”. These workshops brought together 20-25 participants: top Indian policymakers, leading Indian and international experts, representatives of the industry and civil society-for identification of research themes. Based on workshop deliberations, two research programmes have been developed for phase I.

**Research Programmes on Drug Regulatory Reforms in India**

This research programme builds upon discussions at Scoping Workshop on Drug Regulatory Reforms in India, organised on March 31, 2014 in New Delhi. Based on workshop discussions, the following topics were selected for research in Year 1 (August 2014-2015), involving desk research and interviews with a cross-section of stakeholders in six Indian states (Gujarat, Maharashtra, Tamil Nadu, Kerala, Himachal Pradesh and Bihar) and four countries (USA, UK, China and Indonesia) to draw up lessons for the Indian context based on national and international good and bad practices.

4.7.1 Administrative Structure and Functions of Drug Regulatory Authorities in India

India’s drug regulatory structure is at the cusp of major reforms. Indian regulators have been faced with the dual challenge of promoting public health by ensuring access to safe, efficacious and good quality medicines as well as promoting the growth of India’s pharmaceutical industry, which is the third largest in the world in terms of production
volume. Several reports have tried to identify the nature and scale of these challenges and made proposals for reform – foremost among them being the Mashelkar Committee Report (2003), the 59th Parliament Committee Report on Functioning of the Central Drugs Standard Control Organisation (CDSCO) (2012), the Ranjit Roy Chaudhury Committee Report (2013), culminating in the Drugs and Cosmetics (Amendment) Bill, 2015.

This study contributes to ongoing policy discussions by evaluating the administrative structure and functioning of drug regulatory authorities in India (at the national level and in selected states) with a view to arriving at actionable policy recommendations. Interactions with a range of stakeholders at the national and state level as well as based on the regulatory experience of selected countries inform the thematic areas for reform. This study makes a substantial contribution to policy and academic debates in more ways than one. Firstly, it is the first in-depth study conducted on functioning of state drug controllers in India. Secondly, in terms of the sample, 100 stakeholders have been interviewed around in selected states and countries, which makes the scale of the study significant. Thirdly, multiple groups of stakeholders are represented in the study sample, providing for a diversity of opinions and bringing greater depth to the findings.

4.7.2 Drug Quality and Safety in India

The dynamic nature of pharmaceuticals and the cumulative effects of the production process from manufacturing to packaging, and conditions of distribution such as handling, transport and storage require quality assurance at all nodes in the pharmaceutical value-chain. This paper focuses on the ‘manufacturing’ and ‘distribution’ phases of this value-chain, in particular on the menace of poor quality medicines in the Indian market. In order to address this problem more effectively, this study makes a distinction between two major categories of poor-quality drugs—one is that of substandard drugs, those that do not meet the specifications given in the accepted pharmacopoeia or a national regulation; the other is that of spurious drugs, those that carry a false representation of identity or source or both. This narrowing is warranted because ‘manufacturing’ and ‘distribution’ phases of the product value-chain serve as portals of entry for both substandard and spurious drugs.

The paper argues that ensuring availability of quality medicines is based on multiple processes and interests of various stakeholders. However, the main responsibility rests with governments in their role as regulators. In India, there are numerous issues that need to be addressed to ensure quality both at the regulator level as well at manufacturing or industry level. These issues are so intertwined that none can be addressed in isolation. One of the biggest issues that both regulators and the industry face is related to the definition and interpretation of quality standards during the manufacturing process. The federal structure of drug regulation further increases complexity, wherein the states have varied regulatory capacities and their own interpretations of the guidelines set by the central government. The paper identifies a set of actionable policy recommendations under various themes based on extensive interactions with various stakeholders in selected states and countries.

Note: These two papers, along with respective policy briefs, are complete and shall be presented in the final dissemination seminar on drug regulatory reforms in India on September 25, 2015.

Research Programme on Addressing Chronic Diseases in India

ICRIER organised a Scoping Workshop on Addressing Chronic Diseases in India from July 31- August 1, 2014 in New Delhi. Based on workshop discussions, the following topics were selected for research to be conducted in Year 1 (January 2015-2016), involving desk research and semi-structured interviews with a cross-section of stakeholders in four Indian states (Tamil Nadu, Kerala, Rajasthan and Uttar Pradesh) as well as four countries (USA, Canada, Japan and Sri Lanka) to draw lessons for the Indian context based on national and international good and bad practices.
4.7.3  **Towards a Chronic Disease Prevention-Oriented Primary Health System in India: Challenges and Solutions**

Prevention of chronic conditions is still in its infancy in most parts of the world, particularly in countries like India where primary health systems continue to be overly burdened with maternal and child health issues, and are plagued by severe shortages of financial, human and technical resources. In this background, the present paper attempts to analyse major challenges in terms of financing, infrastructure, workforce and governance in developing prevention-oriented primary health systems in India based on stakeholder interactions in selected states and countries. At the international level, the effort has been to understand what the select countries have done to tackle chronic conditions at the primary health care level, the challenges they have faced in this regard and the measures adopted to address these challenges. The lessons derived from international experience helped to develop operational lessons and actionable policy recommendations for the Indian context.

4.7.4  **A Robust Framework for Chronic Disease Surveillance and Statistics**

A robust surveillance system is indispensable to tackle chronic diseases and related risk factors. Unfortunately, in India, such a system has been grossly inadequate, as a result of which, it is neither possible to know the precise prevalence of risk factors, morbidities, mortality related to chronic diseases, nor is it possible to develop evidence-based policies and interventions to address the growing burden of these diseases. In this context, the paper analyses policies and systems for chronic disease surveillance at the national level as well as in selected states and countries, and will come up with policy recommendations for developing a robust system for the surveillance of chronic diseases as well as associated risk factors based on national and international good and bad practices. Among the highlights of this paper are extensive interactions with the leading chronic disease surveillance public agencies and international institutions as well as leading schools of public health in US and Canada. This paper will propose a model questionnaire along with sampling guidelines as well as other strategies for surveillance of chronic diseases and associated risk factors.

*For further details on the initiative and past health research, please visit [www.icrier-health.org](http://www.icrier-health.org).*

5. **Regional Economic Cooperation with Focus on South Asia**

5.1  **Strengthening Research and Promoting Multi-Level Dialogue for Trade Normalisation between India and Pakistan**

*Project Leader:* Dr. Nisha Taneja  
*Research Team:* Sanjana Joshi, Samridhi Bimal, Isha Dayal, Devyani Pande and Vatsala Shreeti  
*Commencement:* August 2012  
*Date of Completion:* March 2015  
*Funded by:* U.K. Government Agencies (Rs. 624.00 lakh)

The issues regarding normalising trade between India and Pakistan have been at the forefront of regional economic cooperation of South Asia in recent times. The trade normalisation process between India and Pakistan has progressed, with both countries acknowledging the huge bilateral trade potential and are making efforts to integrate further. In keeping with the overall aim of improving trade and investment relations between India and Pakistan, the project, in its third year, generated a great deal of attention through practical research and fostering multi-level dialogue platforms. The project’s research studies were carried out in collaboration with Lahore University of Management Sciences (LUMS), Institute of Business Administration (IBA), Karachi and Sustainable Policy Development Institute (SDPI), Islamabad.

Over the three years, the focus of the research studies has been on enhancing trade in goods and services, and removing barriers to trade and sectoral trade, particularly trade in agriculture, automobiles and pharmaceuticals. In addition, the
first volume on India-Pakistan Trade: Strengthening Economic Relations was released by Shri. Yashwant Sinha, Former External Affairs Minister, India at the Third Annual Conference held in New Delhi in February 2015. Examining the implications of recent important developments, the primary aim of this book is to bridge the gaps in existing literature on India-Pakistan economic engagement and to examine various aspects of the trade normalisation process. The book included familiar themes of India-Pakistan bilateral trade in goods and services, provided new insights into the potential for trade and the challenges involved in realising it.

Three editions of the India-Pakistan Trade newsletter on issues such as South Asian trade integration, inputs to the SAARC Summit, and formation of a National Trade Facilitation Committee were also published during this year. With the aim of widely disseminating the findings of the research and to provide regular updates on the various activities, the project’s web portal www.indiapakistantrade.org has served as a knowledge repository on India-Pakistan trade for policymakers, academics and business persons.

The findings of the project’s research studies were presented at the project’s Third Annual Conference in February 2015. The following studies were completed this year and will be brought out in the second conference volume.

5.1.1 India-Pakistan: Second Trade Perception Survey
Nisha Taneja, Isha Dayal and Samridhi Bimal

Perceptions of traders involved in India-Pakistan trade are a reflection of the state of affairs as far as bilateral trade between the two countries is concerned. Two rounds of India-Pakistan trade perception survey for the years 2012-13 and 2013-14 have been undertaken of which the latter is the current round of survey on which this study is based. In this study, a comparative analysis has been conducted between: (i) the perception of traders in India and Pakistan in the current round of survey; (ii) the perceptions recorded in the previous and current round of survey; and (iii) the future expectations of the previous survey, and present perceptions of the current survey.

In a sample size of 250 firms, such a three-stage comparative analysis on key indicators—such as awareness of trade policy, ease of meeting standards, market access, business facilitation, customs and documentation, and infrastructure at ports—brings forth a representative picture of the impediments, and even improvements in India-Pakistan bilateral trade which may continue to restrict, and gradually encourage, bilateral trade. Based on the perception analysis, the authors have presented a set of recommendations for policymakers and government bodies which can then take informed decisions towards normalising India-Pakistan trade relations and undertake associated trade facilitating measures.

5.1.2 India's Informal Trade with Pakistan
Nisha Taneja and Samridhi Bimal

The restrictive trading environment between India and Pakistan has resulted in continued and large informal trade flows. The study attempts to understand the elements underlying the essence of informal trading arrangements as well as to identify the bottlenecks of formal trading arrangement between India and Pakistan. Two key issues are at the forefront of the study: (i) estimation of India’s informal trade with Pakistan; and (ii) analysing institutional mechanisms supporting informal trade between India and Pakistan. The study proposes institutional reforms that would be useful in shifting the trade from informal to formal channels.

5.1.3 India-Pakistan Trade: An Analysis of the Pharmaceutical Sector
Manoj Pant and Devyani Pande

The pharmaceutical sector is crucial to health issues in developing economies and with the ongoing trade normalisation, it would be an ideal segment to focus on improving trade relations between India and Pakistan. This paper throws light on the trend and pattern of trade in the two segments of pharmaceuticals-active
pharmaceutical ingredients and formulations-between India and Pakistan. It also examines the dynamics of India-China-Pakistan trade in pharmaceuticals. Through quantitative and qualitative analysis, the results suggest that there is huge trade potential but low level of trade in pharmaceuticals and that the opening up of pharmaceutical trade in Pakistan would lead to higher consumer surplus.

5.1.4 Bilateral India-Pakistan Trade in Agriculture: Trends, Composition and Opportunities
Ramesh Chand and Raka Saxena

Trade in agriculture between India and Pakistan assumes importance on the grounds of food security, price stability and peace building initiatives. This paper analyses the comparative advantage and complementarities along with agricultural trade patterns between India and Pakistan. The results indicate that the scope for Pakistan to replace third country export to India is limited. However, Pakistan can take advantage of rapid growth in diversified demand for several products in India like fruits and vegetables. The study also proposes improving trade facilitation, pruning of the negative list and removal of non-tariff barriers to enhance trade between India and Pakistan in agricultural commodities.

5.1.5 Assessing the Future of Trade in the Automobile Sector between India and Pakistan: Implication of the Removal of the Negative List
Biswajit Nag

The automobile industry in both India and Pakistan has been critical to the manufacturing sectors of both economies. This study makes an attempt to understand the implication of normalisation of trade between India and Pakistan and its implication for the automobile sector. The results of the quantitative analysis in the study indicate that India will mostly compete with South East Asian countries in Pakistan and Indian export will substitute Pakistan’s imports from Japan, Thailand and China and may not have a significant impact on the Pakistani domestic industry. The paper also suggests a phased way of removing automobile items from the negative list maintained by Pakistan and makes recommendations to set up production networks between manufacturers of both countries.

5.1.6 India-Pakistan Trade: Perspectives from the Automobile Sector in Pakistan
Vaqar Ahmed and Samavia Batool

The paper analyses the competitiveness of India and Pakistan’s automobile industries and identifies the hindrances impeding cross-border trade in automobiles. The paper also examines the informal trade and pricing of automobiles in both countries. By analysing the import and export policies and duty structure of automobiles in both countries, the study cites examples of automobile sector agreements and proposes that India and Pakistan should enter into an automobile agreement.

5.1.7 India-Pakistan Trade: A Case Study of the Pharmaceutical Sector
Vaqar Ahmed and Samavia Batool

This study seeks to assess the macro-level impacts of Pakistan liberalising pharmaceutical trade with India, apprehensions of pharmaceutical manufacturers in Pakistan, supply chain cooperation between India and Pakistan and the prospects of cross-border investment-trade nexus in pharmaceutical sub-sectors. The study also throws light on the informal trade and the non-tariff barriers in pharmaceutical trade between India and Pakistan.

5.1.8 Financial Mechanisms for Supporting Trade Transactions between India and Pakistan
Muhammad Ather Elahi

Banking is the cornerstone of trade in goods and services between two countries. This study throws light on the risks in trade financing, documentation, challenges and issues in trade financing between India and Pakistan. With
regard to India-Pakistan trade, there are information asymmetries, absence of branches of domestic banks across borders and lack of awareness among customs officials that has led to the low volume of trade and investment. The study recommends increasing transparency, 24/7 e-banking solutions and introducing currency swaps (trade in local currency).

5.1.9 Reporting on Guns versus Butter
Rahul Mediratta

This paper analyses the news coverage on India-Pakistan relations and attempts to find whether under-reporting on trade-related activity can be a barrier to trade normalisation. To assess if trade-related activities are captured in popular discourse on India-Pakistan relations, a content analysis has been carried out on newsprint media of the last 17 years from 1997 to 2013. Along with the analysis, the paper also throws light on the non-tariff barriers that exist between India and Pakistan and their relevance in the current scenario.

5.1.10 Trade between India and Pakistan in Textiles
Saon Ray, Mishita Mehra and Prithvijit Mukherjee

This paper examines the trade potential and current trade in textiles between India and Pakistan. Through an examination of the revealed comparative advantage, the paper suggests removal of some textile items from the negative list that Pakistan maintains for India and the sensitive lists of both countries. The study also discusses the evolution of productive capacity and competitiveness in textiles since independence, and the regulatory structure of the industry.

5.1.11 Enhancing India-Pakistan Trade: Developments in the Rajasthan-Sindh Border
Tridivesh Singh Maini

The Rajasthan-Sindh border is an important link to enhancing trade between India and Pakistan. The paper discusses trade through this border in the pre-1965 period, and also the commodities traded via this border. It examines in detail the efforts of business lobbies as well as political lobbies for commencing trade via the Munnabao-Khokhrapar route. The paper also attempts to study the potential and logistical challenges to trade via this route and the impact of opening up of this route on overall India-Pakistan trade.

5.2 Sub-Regional Cooperation between India, Myanmar and Bangladesh

Project Leader: Dr. Nisha Taneja
Project Coordinator: Deepika Wadhwa
Research Team: Dr. Deb Kusum Das, Sreerupa Sengupta and Shubhdeep Deb
Commencement: June 2014
Expected Date of Completion: December 2015
Funded by: IPE Global Pvt. Ltd. (Rs. 95.00 lakh)

The study aims to analyse the scope for sub-regional cooperation between India, Myanmar and Bangladesh through enhancement in trade flows and investment in these nations, in the larger context of poverty reduction in the sub-region. More specifically, the study focuses on integrating Northeast India and Bengal through economic cooperation with Myanmar and Bangladesh and aims to find out how these regions, due to their proximity with each other, can take advantages of the linkages which can be generated through economic cooperation.

In particular, the study focuses on: (i) understanding the political economy underlying regional economic cooperation between India, Myanmar and Bangladesh; (ii) empirically examining the trends and patterns of trade and investment in the sub-region; (iii) analysing the prospects for regional cooperation with regard to connectivity and infrastructure development that would unleash the trade potential between India (Northeast as well as Bengal),
Bangladesh and Myanmar; and (iv) examining the scope for poverty reduction in the sub-region and identifying the priority areas for intervention.

The project’s ongoing research studies are being carried out in collaboration with the Centre for Economy, Environment and Society (CEES), Myanmar Development and Resource Institute (MDRI), Yangon University, Myanmar Institute for Strategic and International Studies (MISIS) in Myanmar and South Asian Network on Economic Modelling (SANEM) in Bangladesh.

6. Multilateral Negotiations and FTAs

6.1 WTO and Trade Policy

Project Leader: Professor Anwarul Hoda
Commencement: August 2009
Expected Date of Completion: Ongoing

The Trade Policy and World Trade Organisation (WTO) research and capacity building project was developed to enhance trade policy and WTO research at ICRIER and to provide Indian policymakers with a deeper understanding on how to take forward India’s interests in the multilateral trading system. The principal objectives of the research programme are to: (i) engage in policy-oriented research; (ii) assist the Ministry of Commerce and Industry, Government of India, in policy making; (iii) constructively engage with stakeholders at regular intervals; (iv) organise stakeholder meetings to elicit suggestions on the possibilities and opportunities for agreement in multilateral trade negotiations; and (v) help India to effectively participate in the reform of the global governance and trade agenda.

During the year, following the 2013 ministerial conference of the WTO at Bali, a crisis developed at Geneva when India withheld consent in the WTO General Council from completing the formality of making the trade facilitation agreement (which had been separately agreed) a part of the WTO Agreement until there was definitive progress on finding a permanent solution on issues relating to public stockholding of food grains. Articles in the media were written by Professor Anwarul Hoda jointly with Dr. Ashok Gulati on the public stockholding issue: “India treading the wrong course at WTO”, The Financial Express, July 23, 2014 and “Moving Forward in the WTO”, The Financial Express, September 27, 2014, in order to make a contribution towards resolution of the deadlock. Further, a seminar on “Impasse at WTO: The Way Forward” was organised by ICRIER on October 29, 2014 at New Delhi, in which Professor Anwarul Hoda and Mr. Jayant Dasgupta, former Ambassador of India to the WTO were the lead speakers. Another seminar organised by ICRIER on November 25, 2014, was addressed by Professor Alan Matthews, Professor Emeritus, Trinity College, Dublin, on Food Security and WTO Domestic Support Disciplines.

The crisis was resolved after an agreement was reached that until a permanent solution was found on the public stockholding issue, no dispute would be raised against developing countries on their adherence to the commitments in this regard. The negotiations on finding a permanent solution are now taking place in the WTO. Separately, the WTO Members are also holding discussions in light of the mandate given to the Trade Negotiations Committee at Bali to prepare a clearly defined work programme on the remaining Doha Development Agenda issues.

In the above background, it is proposed to undertake studies on the following topics during the year:

1. The experience of WTO Members on public stockholding of food grains and international best practices in this regard.
2. The way forward on the remaining Doha Development Agenda Issues.
6.2 **ASEAN Economic Community and Its Impact on Asian-Pacific Supply Chains and India-Taiwan Economic Relations**

*Project Leader:* Professor Anwarul Hoda  
*Research Team:* Dr. Rajeev Anantaram and Vatsala Shreeti  
*Commencement:* June 2015  
*Expected Date of Completion:* December 2015  
*Funded by:* Taipei Economic and Cultural Center (TECC), (Rs. 19.90 lakh)

The ASEAN Economic Community (AEC), which is to be established by the end of 2015, will create a common market of 600 million people and substantially boost trade and environment flows in the region. It will also have an impact on the economic and commercial relations between the ASEAN countries, on the one hand, and their existing trade and investment partners in Asia on the other. The emergence of ASEAN as a large integrated economy will also impinge on the trade and investment flows among other Asian countries and customs territories and will affect the operation of supply chains in these countries.

The main objective of the study will be to analyse implementation of the AEC and to assess its likely impact on the Asia Pacific supply chains, with particular reference to trade and investment relations between India and Taiwan.

7. **Climate Change and Sustainable Development**

7.1 **Climate Change and the Economic Competitiveness of Cities: Making the Business Case for Adaptation**

*Project Leader:* Dr. Meenu Tewari  
*Research Team:* Dr. Saon Ray, Dr. Indro Ray, Dr. Anant Sudarshan (External Consultant), Amrita Goldar and Zeba Aziz  
*Commencement:* November 2012  
*Expected Date of Completion:* July 2016  
*Funded by:* Rockefeller Foundation (Rs. 185.00 lakh)

This study deals with two pressing challenges of the 21st century: (i) urbanisation; and (ii) the urgent need for cities to adapt to the risks of climate change. The aim of the study is to understand how and under what conditions can a city’s adaptation decisions also contribute to its economic competitiveness. In tracing the complex overlaps between a city’s development and adaptation goals, the study explores how everyday development decisions, if made in more climate aware and innovative ways, can foster both climate resilience and inclusive urban growth. The study uses mixed methods to gain policy driven insights on how cities adapt to climate risks, based on a comparative case analysis of four rapidly growing secondary cities in India, namely Surat, Kochi, Pune and Ludhiana. This exercise will lead to measurable impacts of climate risks on each city’s economy, linked through vantage points. Through these processes, the study will build a “business case” for motivating greater public and private investment in securing the economic competitiveness of cities in the face of climate risks.

Spatial mapping was undertaken for the four cities - Pune, Surat Kochi and Ludhiana to highlight the overlays of ongoing urban development and climate risks such as flooding. A set of indicators is also being finalised to assess the vulnerability and resilience of various aspects such as urban development and transportation, water and related services and key industrial sectors, towards climate risks. Additionally, another round of fieldwork has been completed for the city of Surat with a focus on understanding the adaptation mechanisms of its two major industries – textiles and diamond. In the final phase of the project, a model will be developed to assess the economic costs and benefits of climate action.
7.2 The Global Commission on the Economy and Climate-New Climate Economy Project

**Project Leader/Coordinator:** Dr. Rajat Kathuria

**Research Team:** Professor Anwarul Hoda (Agriculture), Dr. Meenu Tewari (Cities), Dr. Anant Sudarshan (External Consultant, Energy), Dr. Purnamita Dasgupta (External Consultant, Macro Models), M. S. Mani, Dr. Ashok Gulati (Advisers), and Dr. Kirit S. Parmik (External Consultant, Analysis of the 12th Plan), Dr. Saon Ray, Dr. Indro Ray, Amrita Goldar, Durgesh Kumar Rai, Mansi Kedia, Zeba Aziz and Kuntala Bandyopadhyay.

**Commencement:** January 2014

**Expected Date of Completion:** August 2015

**Funded by:** World Resources Institute, Washington DC (Rs. 130.00 lakh)

The Global Commission on the Economy and Climate is a major new international project to analyse and communicate the economic risks and opportunities that arise from climate change, and to make recommendations to the world’s governments, business and finance leaders on actions that will lead to lower carbon and more climate-resilient patterns of economic growth and development. The ‘New Climate Economy’ (NCE) initiative aims to bring together the economic argument for climate policy as advocated by the Stern Report and advance it in the light of new development experiences in many countries. It seeks to conduct an independent analysis of the impacts of transition to a low-carbon economy. Its goal is to create a common, rigorous and unbiased understanding of the relative risks and opportunities of low and high-carbon trajectories, the possible pathways to a low-carbon economy, the inevitable trade-offs involved in such a transition, which will depend partly on the speed of change, and how they can be managed.

ICRIER is a key member of this partnership of leading global economic and policy institutions, namely Climate Policy Initiative, Ethiopian Development Research Institute, Global Green Growth Institute, Pontifical Catholic University of Rio de Janeiro, Stockholm Environment Institute, Tsinghua University and World Resources Institute.

In Phase 1, the project engaged directly with the goals and perspectives of key decision-makers, namely finance, economy and other ministries in governments, leaders of major cities, and those who take major investment decisions in businesses and the financial sector. ICRIER prepared a study on the Indian case, with four detailed chapters on: (i) India’s growth story and an analysis of key macroeconomic models; (ii) Agriculture; (iii) Cities; and (iv) Energy demand management. Draft papers and interim findings from each of the four work streams were presented at an international conference held in May 2014. The completed India report with the findings of these work streams is titled “India: Pathways to Sustaining Rapid Development in a New Climate Economy”.

As part of this project following working paper was produced: “Reimagining India’s Urban Future A Framework for Securing High-Growth, Low-Carbon, Climate Resilient Urban Development in India”.

7.3 An Institutional Exploration of Urban Competitiveness and Climate Adaptation through Two Sectoral Lenses – Water and Industry

**Project Leader:** Dr. Meenu Tewari

**Research Team:** Dr. Saon Ray, Dr. Indro Ray, Amrita Goldar and Zeba Aziz

**Commencement:** December 2014

**Expected Date of Completion:** December 2016

**Funded by:** Rockefeller Foundation (Rs. 150.00 lakh)

Building on Phase I of the Rockefeller project on Climate Change and the Competitiveness of Cities, this study drills down into two sectors to understand the institutional and political-economic dynamics of adaption. How do utilities and households in the water sector and firms in the urban industrial sector adapt to the pressures of climate change – rising temperatures, uncertain precipitation and the risks of urban flooding. Adaptation is an extremely important, but incompletely understood link between a city’s capacity to build climate resilience and its capacity to
meet its economic development goals. The study will use mixed methods to gather primary data and build a deeper body of institutional and political economic evidence to generate measurable insights about the economic effects of climate adaptation in Indian cities. This will contribute to two outcomes: (i) it will add to our understanding of the economic effects of climate action and to some extent, the costs of non-action; and (ii) generate methodological insights about how to carry out such research in data-scarce environments.

7.4 Low Carbon Pathways for Growth in India
Project Leader/Coordinator: Dr. Rajat Kathuria and Dr. Saon Ray
Research Team: Kuntala Bandyopadhyay
Commencement: July 2014
Date of Completion: March 2015
Funded by: Food and Agriculture Organisation, U.K. (Rs. 28.50 lakh)

The world energy consumption is expected to grow by 56% between 2010 and 2040. Much of the growth in the energy consumption is expected from the countries like China and India and will be driven by strong long-term economic growth in these countries. China and India have been among the world’s fastest growing economies for the past two decades, and the economic recovery from the recession has been led by these countries. The strong economic growth in the two countries is expected to proportionately increase their energy demand. Since 1990, energy consumption in both countries accounted for 10% of the total world energy consumption in 1990 and 24% in 2010.

The pathways taken by the two countries in the future will determine the total energy consumption in the world and the carbon dioxide emissions. These in turn depend on the demand–supply balance of fuels like oil, coal, renewables etc. and the price of each. India is the sixth largest emitter of greenhouse gases in the world.

In this context, the proposed project will present evidence on the Indian case and the outcome of each possible pathway that could be taken by the country. It will provide an analysis of the realistic low carbon pathway that India could achieve while pursuing its development goals. This will help in visualising a credible low carbon pathway for India.

The report prepared will have the following components:
• Low carbon pathways and peaking years that helps Indian policymakers to take an informed decision
• Cost of action of mitigation versus the cost of inaction (climate impacts) for India
• Key factors that influence existing models and dissemination across key stakeholders

7.5 Assessment and Implications of Rationalising Fossil-Fuel Subsidies in India
Project Leader: Ms. Amrita Goldar
Research Team: Swati Saluja
Commencement: April 2013
Date of Completion: August 2014
Funded by: International Institute for Sustainable Development (IISD), Geneva (Rs. 10.80 lakh)

The existing literature shows that fossil-fuel subsidy reforms will lead to increases in the prices of petroleum products and electricity for one or more consumer groups. The study modelled the impacts of energy subsidy reforms in India. The impact analysis modelling for fossil-fuel based consumer and producer subsidy reforms in India was done using the social accounting matrix (SAM) framework.

In this project, a modified SAM with detailed information on petroleum products and electricity sectors was constructed. This SAM was then used for analysing a change in the subsidy regime on the directly linked sectors.
and the entire economy, using various subsidy reduction and re-allocation scenarios. By maintaining a focus on the distributive impact of reforms on households throughout the analysis, the modified SAM analysis looked at the resulting reduction in fuel demand as well as overall macroeconomic impacts on key indicators such as GDP, output and labour income. Country scenarios that look at fuel-specific results and the possible impact of better targeting and reallocation of the subsidy amount removed through direct transfers were also analysed.

7.6 Using Renewable Energy Technologies for Telecom Towers in India

Project Leader: Dr. Rajat Kathuria
Research Team: Dr. Indro Ray, Amrita Goldar, Mansi Kedia, Sreerupa Sengupta and Parnil Urdhwareshe
Commencement: January 2014
Date of Completion: November 2014
Funded by: Universal Service Obligation Fund (USOF), Department of Telecommunication, Ministry of Communication and IT, Government of India (Rs. 31.12 lakh)

Energy requirements constitute a major part of a telecom tower’s operating cost, especially in rural areas where power supply is irregular and inadequate. Besides, the ICT industry contributes nearly 2% to global GHG emissions, the majority of which comes from telecom. The growing cost of energy and rising carbon emissions from this industry have led policymakers to think of alternate solutions in Renewable Energy Technologies (RET) for telecom towers in India.

This study was conducted in three phases. The first phase (concluded in March 2014) provided a techno-economic evaluation of 22 pilot projects under USOF’s subsidy programme for greening of telecom towers in India. The findings from this analysis were incorporated in the second phase. The second phase included a techno-economic and spatial analysis of 7,300 rural tower sites identified by USOF for transition to renewable energy sources. The spatial analysis was conducted at the state and cluster level. In the techno-economic analysis, towers were divided into different groups based on geography, demographics and RET potential. Once the appropriate technology was identified for a tower type, capital costs were estimated for the entire category. The research team also visited a few tower sites to develop an understanding of ground realities often not captured by data. Stakeholder consultations, including technology vendors, tower companies, telecom service providers etc., provided insight on technology availability, its application and feasibility.

In the final phase, existing subsidy programmes of the government were outlined and suitable options for subsidy amount and subsidy disbursement were provided, where necessary. The policy discussion also evaluated the mandate set by DoT for greening of telecom towers in India.
Conferences
Since 2009, ICRIER has been organising an annual G20 conference bringing together eminent researchers, academicians and policymakers from a number of countries to provide what have proven to be useful insights into issues relevant to the G20 nations in the lead up to the G20 summit meetings. We have been fortunate in that the Finance Minister and the G20 sherpa of the Government of India have graced the conferences with their participation. The conferences have been supported by the International Monetary Fund (IMF), the World Bank, Konrad-Adenauer-Stiftung (KAS) and Asian Development Bank Institute (ADBI).

Delivering the keynote address at the 6th Annual G20 Conference, Mr. Arvind Mayaram (Finance Secretary, Department of Economic Affairs, Ministry of Finance, Government of India) observed how the effectiveness of the G20 in resolving urgent issues had diminished in the wake of the global financial and economic crisis of 2008-09. Mr. Montek Singh Ahluwalia (former G20 Sherpa of India) stressed the importance of the G20 limiting its agenda to areas where international cooperation was likely to be achieved, identifying infrastructure as one of the nine pillars in the development agenda where such cooperation was possible. In a special address at the conference, Mr. Barry Sterland (G20 Finance Deputy, Australia) cautioned that growth objectives should be complemented with greater resilience to deal with future shocks.

The 6th conference addressed the issues arising from the US Federal Reserve’s quantitative easing programme and the impact of its subsequent tapering on the global economy. The dangers posed by shadow banking to the stability of the global financial system were extensively discussed, and the need for regulation emphasised. The session on ‘G20 and International Tax Reforms’ included discussions on base erosion and profit shifting, tax havens and automatic information exchange. Discussions on the ‘Imperatives of Raising Manufacturing Growth and Employment in Low-income Countries’ provided a global overview of manufacturing growth and employment, concluding on the note that India must make its investment environment conducive to foreign investment. The session on ‘Implications of Innovation in Alternative Energy Sources’ discussed key trends across G20 countries, the marked shift in renewable energy growth from OECD to non-OECD countries, the impact of shale gas on such growth, the increasing need to reduce the subsidisation of conventional energy, and deployment as a means of increasing renewable energy uptake. Deliberations on the 14th General Review of Quotas held in December 2010 formed a part of the closing session on ‘Reforming International Organisations: Potential Conflicts and Way Forward’. The discussions focussed on the need for the US to urgently implement the recommendations of the World Bank Review Committee (2010) and also suggested that the IMF propose alternatives if these recommendations are not accepted. The closing address at the conference was delivered by Ms. Lise Grande (UNDP Resident Representative) and a vote of thanks by Dr. Rajat Kathuria.
Based on policy oriented research at ICRIER, a special conference saw senior faculty members, the Director, and the Chairperson spelling out an agenda for reform. Organised with a view to encourage serious public discourse in crucial sectors of the economy, the conference addressed challenges in urbanisation, agriculture, telecommunications, manufacturing, economic corridors, regional integration and foreign policy.

In the session on ‘Macroeconomic Reform: Risks, Flash Points and the Way Forward’, Professor Jaimini Bhagwati and Mr. Abheek Barua recommended raising investments in infrastructure and unbundling the risks associated with Public Private Partnerships to better align with the risk preferences of public and private investors. In the session on ‘Sectoral Reforms’ Dr. Isher Judge Ahluwalia presented the challenges of urbanisation at the current stage of India’s economic and social development. She highlighted the urgent need to address these challenges by improving the state of service delivery in Indian cities and preparing them for their role as engines of growth. Problems of water and sanitation, air pollution, traffic congestion, public transport and urban roads need urgent attention both to improve the quality of life of the residents of urban India and also to improve the investment climate in the economy. Prof. Ashok Gulati in his presentation on ‘Rejuvenating Agriculture and Revamping Food Security Complex’, highlighted how growth in agriculture had a higher impact on poverty reduction than any non-agricultural sector. On ‘Next Generation Reforms for Telecom’s Second Revolution’, Dr. Rajat Kathuria discussed the recent slowdown in India’s telecom sector and the institutional conflicts affecting it. He talked about the growing momentum towards a “data revolution” in India and that ICRIER’s work on the spillover effects of mobile and Internet growth would be updated to explore such potential. Prof. Anwarul Hoda spoke on ‘Reforms for Reviving the Manufacturing Sector’ and observed how this was critical to increasing India’s GDP growth rate and generating employment. In the session on ‘Building Strategic Capacity’ Ambassador Hemant Krishan Singh emphasised the pressing need for India to strengthen its defence capabilities. In the final session on ‘Trade and Regional Cooperation’ Prof. Nisha Taneja discussed key issues relating to tariffs, para-tariffs, sensitive lists, non-tariff barriers, connectivity, services and investment. She placed particular emphasis on the need to improve connectivity within the South Asian region. Prof. Arpita Mukherjee made a presentation on ‘SEZs in India: Issues and Way Forward’.

3rd Annual Conference: Normalising India-Pakistan Trade Relations
February 2-3, 2015

In continuation of its efforts under the project ‘Strengthening Research and Promoting Multi-level Dialogue for Trade Normalisation between India and Pakistan’, ICRIER hosted its 3rd Annual Conference on ‘Normalising India-Pakistan Trade’. Mr. Yashwant Sinha (former Finance Minister, Government of India) delivered the keynote address and released the
In collaboration with the World Bank, ICRIER organised an international conference on ‘Jobs and Development: Creating Multi-Disciplinary Solutions’. In the inaugural session, Dr. Martin Rama (Chief Economist, South Asia, World Bank), Ms. Gauri Kumar (Secretary, Union Ministry of Labour and Employment, Government of India) and Mr. Manish Sabharwal (Co-Founder and Chairman, TeamLease Services) highlighted the challenges of productive job creation in India.

In the session on ‘Youth Unemployment’, speakers discussed improvements in the quality of jobs for the youth and the need for strong vocational and training systems that could bridge the distance between education and market requirements.
Jointly organised by ICRIER, the Global Green Growth Institute and the World Bank, the conference began with a keynote address by Mr. Jairam Ramesh (former Minister of Rural Development, Government of India). Dr. Muthukumara Mani (Senior Environmental Economist, World Bank) observed how India’s environmental track record has not matched its stellar economic performance and at the current rate of degradation, environmental sustainability may become India’s next major growth challenge. Also stressed during the conference was the need for innovative fiscal strategy and integrated planning to tackle long-term climate change while also promoting economic growth and development. Given the predictions of a massive surge in India’s energy requirements in the near future, achieving synergies in energy security and climate policy will be important. The need for local resources and renewable energy to play a much larger role in meeting India’s energy demands was understood as key to this. Participants built a case for how a low-carbon transition pathway was not just consistent with the goals set for the Indian economy, but also necessary for energy security and public health.

**Financing Metropolitan Governments in Developing Countries**

April 23, 2014

Dr. Isher Judge Ahluwalia, Dr. Roy Bahl and Dr. Johannes Linn releasing Dr. P. K. Mohanty’s (centre) book, ‘Cities and Public Policy: An Urban Agenda for India.’ On the extreme right is Mr. R. Chandra Sekhar of Sage Publications.
Organised by ICRIER in collaboration with the Lincoln Institute of Land Policy, USA, the discussions at this conference focused on the relevance of the findings of the book ‘Financing Metropolitan Governments in Developing Countries’ to India. Editors of this book Dr. Roy Bahl and Dr. Johannes Linn discussed numerous issues of urban governance with several central and state government officials, municipal commissioners, metropolitan commissioners and urban experts (who shared illustrative experiences of their own). Along with Dr. Isher Judge Ahluwalia, they also released Dr. P.K. Mohanty’s book, ‘Cities and Public Policy: An Urban Agenda for India’.
Workshops
Under ICRIER’s programme on urbanisation, the final capacity building and knowledge dissemination workshop took place in New Delhi on March 25, 2015. The keynote address was delivered by Shri M. Venkaiah Naidu, Hon’ble Minister of Urban Development, Housing & Urban Poverty Alleviation, Government of India. He commended ICRIER on the research and capacity building initiatives taken up under the urbanisation programme during the last two years. The minister made a case for sharing of Goods and Services Tax (GST) revenue with Urban Local Bodies (ULBs) to enable them take up urban reconstruction initiatives.

The workshop focussed on the issues of governance, administrative reforms and capacity building in India. The participating cities were from the states of Karnataka, Andhra Pradesh, Punjab, Haryana, Rajasthan, Delhi and Gujarat. Speakers underlined the importance of administrative reforms and the role of central, state and local governments in improving administration for better urban governance. Dr. Isher Judge Ahluwalia and Dr. Vaidehi Tandel made a presentation on ‘Challenges of Metropolitan Governance in India’. Dr. P K Mohanty made a presentation on ‘Capacity Building for Improving Urban Governance’. The workshop was attended by experts from the government, academia, aid agencies and think tanks.

The National Workshop on ‘Urban Water Systems in India: A Way Forward’ was organised by ICRIER in partnership with Global Green Growth Institute (GGGI) in New Delhi. The workshop commenced with welcome remarks by Mr. Siddarthan Balasubramania, Country Head, GGGI, India, and Dr. Isher Judge Ahluwalia, Chairperson. The keynote address was given by Shri. Nitin Gadkari, Hon’ble Minister for Road Transport and Highways, and Shipping, Government of India. Dr. Mihir Shah, Former Member, Planning Commission made a presentation on ‘Urban Water Systems in India: A Way Forward’. He...
outlined a framework for addressing the challenges of urban water, within an integrated approach, taking account of rural-urban linkages. The workshop also addressed the issues of ground water conservation and ecological restoration of polluted rivers and lakes of India. Local government officials from the cities of Indore and Nagpur discussed their experiences in developing sustainable water supply and wastewater treatment systems.

New Climate Economy: The Global Commission on the Economy and Climate
April 14-15, 2014

The Global Commission on the Economy and Climate is a major new international initiative to analyse and communicate the economic benefits and costs of climate change. ICRIER is one of the country partners of this project. As part of the collaboration, ICRIER organised a two-day workshop ‘New Climate Economy: The Global Commission on the Economy and Climate’ at New Delhi, on April 14-15, 2014.

This workshop commenced with a keynote address by Lord Nicholas Stern, Co-chair, Global Commission on the Economy and Climate. The discussion covered several issues including macro models for climate change, critical evaluation of 12th Five Year Plan from the climate point of view and energy demand management including green growth strategies for India. Research papers presented at the workshop indicated that India has taken constructive steps towards cutting carbon emissions per unit of GDP by 20-25% in 2020 from the 2005 levels.

Accelerating the Transition to a Low Carbon Economy
January 13, 2015

ICRIER organised a workshop on ‘Accelerating the Transition to a Low Carbon Economy,’ in New Delhi. The keynote address was delivered by Sir David King, Foreign Secretary’s Special Representative for Climate Change, UK. This was
followed by a special address by Dr. Kirit Parekh, Emeritus Professor, IGIDR, Mumbai. Thereafter, in the technical session, issues pertaining to the cost of inaction on mitigating climate change in India were discussed. This discussion highlighted the challenges of maintaining the status quo and costs associated with initiating policies for ushering in a low carbon economy.

**Low Carbon Pathways for Growth in India**
July 25, 2014

ICRIER organised a workshop on ‘Low Carbon Pathways for Growth in India,’ on July 25, 2014 in New Delhi. Mr. Edward Davey, Secretary of State for Energy and Climate Change, UK observed how economic development and environment conservation is simultaneously possible given the availability of inexpensive and low carbon technologies. Mr. Montek Singh Ahluwalia, Former Deputy Chairman, Planning Commission of India, discussed how the Planning Commission had developed ‘India Energy Planning Tool 2047’ as a calculator for modelling energy scenarios for the future. A panel comprising Mr. Anil Padmanabhan, Deputy Managing Editor, Mint India, Mrs. Naina Lal Kidwai, Chairman India, Director HSBC Asia Pacific and Mr. Vipul Tuli, McKinsey & Company deliberated on the issues of appropriate market mechanism, financing agenda, technologies and the role of think-tanks in meeting the challenge of climate change in India. The climate trilemma of environment, competition and equity and the importance of operationalising co-benefits were the focus of the discussions in the technical session.

**Solid Waste Management: Regional Capacity Building and Knowledge Dissemination Workshop**
May 30, 2014

The twelfth regional capacity building and knowledge dissemination workshop under ICRIER’s Programme on Urbanisation in India took place in Shimla on May 30, 2014. The focus of the workshop was on solid waste management. The participating cities were from Assam, Chandigarh, Haryana, Himachal Pradesh, Meghalaya, Mizoram, Punjab and Uttarakhand.

Mr. Sanjay Chauhan, Mayor, Shimla Municipal Corporation stressed the importance of recycling waste and strict enforcement of laws related to solid waste management. Issues related to segregation, collection, recycling and disposal of waste, and technology options in waste-to-energy were the focus of the workshop. Furthermore, specific challenges of hill states in solid waste management were discussed. In particular, the practice of solid waste management in Shimla, the role of technology in converting waste to energy without releasing harmful emissions was highlighted.

**Land Based Financing Options in Indian Cities: Regional Capacity Building and Knowledge Dissemination Workshop**
September 18, 2014

The thirteenth regional capacity building and knowledge dissemination workshop was held in Ahmedabad in partnership with Centre for Environmental Planning and Technology (CEPT) University, Ahmedabad. The focus of the workshop was
on ‘Land-Based Financing Options in Indian Cities’. Representatives from the states of Andhra Pradesh, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan, and Tamil Nadu participated in the workshop. Dr. Isher Judge Ahluwalia emphasised the need to provision urban infrastructure using land based financing, while Dr. Bimal Patel outlined the use of such models in Gujarat. Presentations were made on the Ahmedabad revised development plan and the financing mechanisms adopted in the Sabarmati river front development project and bus rapid transit systems. A research study by ICRIER based on the experience of land-based financing tools in Mumbai and Hyderabad was also presented.

Supporting Indian Farms the Smart Way: Rationalising Subsidies and Investments for Faster, Inclusive and Sustainable Growth
January 16, 2015

ICRIER organised a workshop on ‘Supporting Indian Farms the Smart Way: Rationalising Subsidies and Investments for Faster, Inclusive and Sustainable Growth,’ in New Delhi. The workshop began with a discussion on producer supports estimates and the fertilizer subsidy situation in India. The discussion focused on how most OECD countries and emerging economies support agriculture. The credit subsidy situation in India was also debated extensively. The general conclusion was that interest subvention for short-term credit and loan waivers are not efficient ways to help the farmers. Timely availability of credit to the farmers, who are in dire need of it, is of utmost importance. A move towards crop insurance was recommended.

A Framework for Addressing Chronic Diseases in India
July 31 - August 1, 2014

ICRIER organised a two day workshop on ‘A Framework for Addressing Chronic Diseases in India’ in New Delhi. Discussions revolved around three broad themes-Communicable and Non-Communicable Diseases: Role of Primary and Preventive Healthcare; Healthcare Financing: People-Public-Private Partnerships (PPPPs); and Integrating Chronic Care in Government Health Programmes. Based on workshop discussions, two areas of research emerged, namely–‘Chronic Disease Prevention-oriented Primary Health System–Challenges and Solutions’; and ‘A Robust Framework for Chronic Disease Surveillance and Statistics’. It was decided that research papers would be prepared under these two themes. The methodology would be a mix of desk research and semi-structured interviews with a cross-section of stakeholders in four states -Tamil Nadu, Kerala, Rajasthan and Uttar Pradesh, as well as four countries- Canada, Japan, USA and Sri Lanka to draw best and worst practices.

Sub-Regional Cooperation between India, Myanmar and Bangladesh
November 27, 2014

A roundtable workshop on ‘Sub-Regional Cooperation between India, Bangladesh and Myanmar’ was organised by ICRIER in Guwahati, Assam on November 27, 2014. Participants in the roundtable meeting included representatives from the North Eastern Council, Ministry of Development of the North Eastern Region, Ministry of Road Transport & Highways, Government of Assam, Manipur University, Nagaland University, and Tripura University. Discussions revolved around
three broad themes: Connectivity issues in North East, Trade and Investment and Cross Border Trade. The objective of this roundtable was to seek inputs and local knowledge from government officials, state-specific industry associations, academicians, and independent research institutes to understand the economy of the region and how these states can be developed through sub-regional cooperation between India, Myanmar and Bangladesh.

Panel Discussion on India and the Regional Comprehensive Economic Partnership (RCEP)  
March 5, 2015

In the run-up event to the ‘Ministry of External Affairs (MEA) Delhi Dialogue’, ICRIER organised a panel discussion on ‘India and the Regional Comprehensive Economic Partnership (RCEP)’. In her opening remarks, Ms. Pooja Kapur, JS [ASEAN ML], MEA, New Delhi highlighted the importance of India’s participation in the mega regional trade deal and its value addition to India’s existing bilateral trade agreements. The discussion focused on the importance of services and investment in the negotiations on RCEP, the utilisation of India’s existing free trade agreements and the role of RCEP with mega trade deals like the Trans-Pacific Partnership (TPP) and Transatlantic Trade and Investment Partnership (TTIP).

Global Value Chains and Trade in Value Added in India: Concepts, Measurement, Data and Research  
April 3-4, 2014

A two-day workshop on ‘Global Value Chains and Trade in Value Added in India’ was held on April 3-4, 2014 at New Delhi. The workshop began with a discussion on the concept of trade in value addition vis-a-vis the concept of traditional trade data. The findings of a pilot survey conducted by ICRIER to identify the barriers inhibiting firms from engaging in Global Value Chains (GVCs) were reported. A presentation was also made on India’s engagement in value chains using key indicators such as the share of domestic and imported value added in gross exports, and sector-wise value added in exports. A training programme was also held on using WIOD and TiVA Databases using Trade Sift Software.

Enabling ‘Made in India’: Enhancing India’s Participation in Global Value Chains  
March 16-17, 2015

The workshop on ‘Enhancing India’s participation in Global Value Chains’ was jointly organised by ICRIER, British High Commission, TradeSift and the University of Sussex, UK, in New Delhi. It was the concluding workshop of a two-year study undertaken by ICRIER and University of Sussex to provide detailed empirical evidence on India’s engagement in the GVCs activity. The discussions focused on how India has lagged behind in global production sharing and value chains. In this context, four industry sectors (namely automotive, chemicals, semi-conductor chips (IT) and pharmaceuticals) were analysed in detail. Following this, India’s integration in GVCs in the services sector was also discussed.
Does Climate Change make Indian Agriculture more Risky? Evidence from Food Grain Yields
June 19, 2014

Dr. Shreekant Gupta (Associate Professor, Delhi University) presented the titular paper, co-authored with Professor Partha Sen, where in they proposed that the expected change in India’s climate by 2030 would include longer dry spells with inter-temporal and spatial changes in the distribution of rainfall, thereby increasing variability and risk in agricultural production. The paper examines the impact of climate change on specific crops and yields, land values and farm profits. Their results show that yields are strongly correlated with rainfall. Greater variability in rainfall as a result of climate risk poses important questions for policy, both with respect to mitigation and adaptation.

World Bank’s Annual Assessment of Global Economic Prospects
June 20, 2014

Mr. Andrew Burns (Acting Director, Development Prospects Group, World Bank) reflected on the global growth forecast for 2014, which remains flat with a moderate rise expected in 2015 (primarily from high-income countries). Mr. Burns pointed out that India continues to battle with issues such as high inflation, rising non-performing assets and declining capital stock as lower potential growth and a negative output gap remain major challenges in India’s growth path with strong structural policies needed to catalyse greater growth.

India Energy Security Pathways: Alternate Projections up to 2047
June 23, 2014

A seminar on ‘India Energy Security Pathways’ focused on achieving energy independence and how this would significantly impact the chances of India meeting its climate change targets. The presentation by Mr. Himanshu Gupta (Consultant (Energy), Planning Commission, Government of India) focused on the results derived from ‘India Energy Security Scenarios, 2047’, a web/excel based tool to explore alternate energy scenarios through changes in energy demand and supply. The tool’s projection capabilities offered insights for energy policy such as how significant increases in the use of biomass, domestic coal, coal station efficiency and renewable sources would reduce energy import dependence as well as impact emissions. Mr. Anil Kumar Jain (Advisor (Energy), Planning Commission, Government of India) added that the next version of the tool would incorporate features such as pricing.

BP Statistical Review of World Energy 2014
July 1, 2014

Mr. Christof Rühl (Group Chief Economist, British Petroleum) discussed the present status of energy production and consumption in different countries and the effect of the energy gap between the OECD and non-OECD countries on
prices. He pointed out that in 2013, global consumption growth exceeded production growth by a wide margin (in contrast with the dynamics in 2012). Mr. Rühl highlighted India as third in the list of the world’s largest energy consumers. He then presented trends in fuels (including oil, natural gas and coal), briefly discussing the importance of non-fossil fuels and concluding with how over the previous ten years physical energy balances had shifted for core producers and consumers of energy such as the US, China and Russia.

**Proactive Urbanisation for Economic Corridor Development**

*July 8, 2014*

Drawing upon recent work done for the ADB in the context of the East Coast Economic Corridor, Mr. Balachandran built a case for synergising urban and industrial development in future investment corridors in India. Barriers to such integrated development (such as the divergent institutional structures for urban and industrial development and the siloed approach common amongst departments) were discussed, as was the lack of urban local body capacity to address the pressures of increasing urbanisation brought on by industrial investment. The need for channelling investment towards existing cities along such corridors was emphasised. Finally, multiple models and approaches for urban planning and land management amenable to planned development along these corridors were discussed.

**Discussion on Food Inflation: Diagnosis and Remedies**

*August 26, 2014*

Jointly organised by ICRIER and India Habitat Centre, the talk and panel discussion focused on issues driving high food inflation in India and corresponding remedial actions that could be taken. The lead presentation was made by Dr. Ashok Gulati (Chair Professor for Agriculture, ICRIER). Persistence in food inflation is a worry for policymakers and Dr. Gulati analysed factors such as rise in food prices and labour costs, inadequate infrastructure, lack of irrigation facilities and high transaction costs. Suggested possible remedies included investment in R&D, building cold storage facilities, strengthening the supply chain, mechanising farming and stabilising trade policies.

**Urban Water Systems in India: A Way Forward**

*December 8, 2014*

A seminar and stakeholder consultation on the titular research paper by Dr. Mihir Shah [Former Member (Water Resources), Planning Commission] was organised by ICRIER in partnership with the Global Green Growth Institute India (GGGI, India). With city representatives from the cities of Nagpur and Indore in attendance, Dr. Shah highlighted how rapid unplanned urbanisation was putting pressure on ground water. He emphasised the need for sustainable urban water management systems, reduction of industrial water footprints and greater water recycling. The discussion also touched upon issues of governance, institutional reforms and urban local body capacity.
Urban Land Markets in India
December 17, 2014

Held in ICRIER and organised in partnership with CEPT University, Ahmedabad, this seminar included several presentations. Ms. Shirley Ballaney in her presentation on ‘Inventory of Public Land in Ahmedabad’ highlighted the underutilisation and significant fiscal potential of public lands along with the methodology for their identification and valuation. Mr. Brijesh Bhatha made a presentation on ‘Understanding the Impact of Building Regulations on Affordable Housing’. He explained how complicated and onerous building regulations in Ahmedabad had a deleterious effect on the provision of affordable housing to the poor.

Mr. V. K. Phatak (Former Principal Chief, Town and Country Planning Division, Mumbai Metropolitan Region Development Authority) outlined the experience of land based financing tools employed in Mumbai and Hyderabad, emphasising the need for land charges and fees to be backed by economic rationale and robust regulation. A discussion covering public land management and leveraging, the non-availability of robust data, need for institutional reform, and viability of land based financing tools followed.

BP Energy Outlook 2035
March 19, 2015

Presenting key insights from the 2015 edition of British Petroleum’s Energy Outlook 2035, Dr. Kaushik Deb (Economist, British Petroleum Group Economics Team, India) outlined the report’s findings on the most likely changes in energy landscape across major energy markets over the next 20 years. These included changes in trade patterns towards the East, evolutions in energy mixes towards renewables and trends in carbon emission. The report forecasts energy demand by GDP per capita as growing over twofold by 2035 with the vast majority from non-OECD countries (especially China and India). Dr. Deb postulated that this, coupled with the vast increases in US unconventional production (including in tight oil), hinted at a shift in oil flow from the West to the East.

Urban Initiatives in Ahmedabad: Managing City Centre Growth
September 24, 2014

Dr. Bimal Patel (President, CEPT University) looked at initiatives by various urban local bodies in Gujarat (especially Ahmedabad) to improve city planning process. Following a brief history of past plans in Ahmedabad, Dr. Patel outlined present challenges (such as increased structural pressures and congestion) alongside authorities’ attempts to address them through the formulation of a long-term plan for the city centre. He compared these against examples of international best practices and pointed out how increases in Floor Area Ratio (FAR) should be accompanied by concurrent augmentations to public transport systems. Listing out components essential to the planning process, Dr. Patel stressed the need for such a process to be fair, respectful of property rights, and legally and financially sound. A discussion touching on jurisdictional conflicts, land acquisition and waste management plans followed.
Skills Gaps and Manufacturing Employment in the Global and Indian Contexts
September 2, 2014

It is widely accepted that skill gaps constitute a major constraint to Indian manufacturing and closing these gaps has now acquired priority status in the national agenda. Dr. Aashish Mehta (Associate Professor, Global Studies, University of California-Santa Barbara) examined how public debate on India’s skill gaps rests on feeble conceptual foundations. Defining ‘skill’ as the ability to execute a task efficiently, Dr. Mehta categorised skills gaps into two types-economic and commercial-and showed how the evidence suggested that while some industries do in fact suffer from gaps of the former kind, others are constrained by more commercial difficulties.

Asia’s Energy Challenge: Which Way Forward?
September 8, 2014

Dr. Minsoo Lee (Senior Economist, Asian Development Bank) and Dr. Donghyun Park (Principal Economist, Asian Development Bank) presented an overview of Asia’s energy challenges, examining the key issues and policy options for furthering Asian energy security. Enumerating the challenging trinity of the need to ensure energy supply security, environmental sustainability, and affordable access, Dr. Lee and Dr. Park emphasised the need for a multipronged approach involving active containment of rising regional energy demand, aggressive exploration of new energy sources and progressive integration in regional energy markets and infrastructure. They concluded by emphasising that without a paradigm shift in current energy use, Asia will be hard pressed to ensure the inclusive growth needed to lift millions of its citizens out of poverty.

Impasse at WTO: The Way Forward
October 29, 2014

Professor Anwarul Hoda (Chair Professor, Trade Policy and WTO Research Programme, ICRIER) set the context for the discussion by explaining the reasons for India’s refusal to accord its consent to the Trade Facilitation Agreement (TFA) at the trade talks in Bali. He explained the unprecedented opprobrium from the international community that India faced as a result. Mr. Jayant Dasgupta (India’s Former Ambassador to the WTO and a participant in the WTO Bali Ministerial Conference) recalled the conditions under which India had initially signed the TFA and the later developments that led to its refusal in mid-2014. Agreeing with Professor Hoda on how India needed to take the lead in arriving at a solution to end the deadlock, Mr. Dasgupta revealed that India had already made some proposals but the responses received from other countries had not been encouraging. Nevertheless, he expressed the need for India to continue its efforts towards enabling resolution.

Food Security and WTO Domestic Support Disciplines
November 25, 2014

Professor Alan Matthews (Professor Emeritus, Trinity College, London) made a presentation on “The Issue of Public Stock Holdings in the WTO”, detailing concerns regarding procurement prices for public stock holding and the possible elements that a ”permanent solution” could contain. His suggestions included clarifications on the link between “administered” and “market” prices, procurement at market prices, redefining commitments in external currencies and allowing for excessive inflation. Professor Matthews proposed making the interim arrangement permanent and increasing the de minimis percentage for Aggregate Measure of Support (AMS) ceilings while updating the 1986-88 base period used for calculating Fixed External Reference Price (FERP) to more recent years.
Special Dialogues
India-USA

The Neemrana Conference is a significant event in the annual calendar of policy focused interactions between India and the United States. Hosted at the picturesque Neemrana Fort Palace Resort in Rajasthan, every year, this conference brings together top level Indian policymakers, academics, opinion makers and captains of industry to interact with leading researchers and policymakers from the USA. The partner institution for the annual event, from the United States is the National Bureau of Economic Research (NBER). The Indian partners alternate between ICRIER and the National Council of Applied Economic Research (NCAER). The conference provides an opportunity for intensive and frank dialogue between leading experts from India and the United States. The objective of the closed-door forum is to facilitate discussions on current issues related to economic policy and research and to generate ideas for further policy oriented research. The 17th Annual Neemrana Conference will be hosted by ICRIER during December 18-20, 2015.

The US-India Private Sector Advisory Group (PSAG) was set up in 2007 as an adjunct to the ministerial level India-US Trade Policy Forum by the Government of India and the Government of the United States to provide strategic recommendations and policy insights to assist the Trade Policy Forum in strengthening and expanding bilateral US-India trade and investment. ICRIER functioned as the secretariat of this dialogue; the two co-chairs were Dr. Isher Judge Ahluwalia (ICRIER) and Dr. Fred Bergsten (Peterson Institute for International Economics); while Presidents of CII, FICCI, NASSCOM, and NMCC were members of the group from India.

ICRIER also provides an independent platform for public policy discussion on India-US strategic partnership. This year, a roundtable meeting with US Assistant Secretary for Economic and Business Affairs, Mr. Charles Rivkin was held on November 17, 2014. An interactive discussion with Mr. Richard M. Rossow, Senior Fellow and Wadhwani Chair in US-India Policy Studies, CSIS was organised on December 12, 2014. ICRIER and the Forum for Strategic Initiatives (FSI) jointly organised an interactive discussion on trade and investment, defence and security and regional cooperation in the Indo-Pacific region with Dr. Jon B. Alterman, Senior Vice President and Director of the Middle East Programme, Centre for Strategic and International Studies (CSIS), Washington D.C., on September 8, 2014. A report titled, “India-US Defence Industrial Cooperation: The Way Forward” was released in May 2014, which examines the key constraints inhibiting the growth of the domestic defence manufacturing sector.

India-Japan

Since 2007, ICRIER has been at the forefront of efforts to improve mutual understanding between India and Japan and has emerged as the key centre for regular dialogue among scholars, industry representatives, policy-practitioners and media persons on issues relating to Japan and Indo-Japanese relations. This initiative was supported by the Sasakawa Peace Foundation, Tokyo.

ICRIER has entered into a memorandum of understanding with the Policy Research Institute (PRI), a think tank under the Ministry of Finance, Japan. Since 2010, the two institutions have been jointly organising an annual workshop to facilitate discussion among experts on subjects relating to India-Japan economic cooperation. The workshop is held alternatively in Tokyo and New Delhi. The 5th Workshop in this series ‘Enhancing Japanese FDI in India’ was held on February 9, 2015 in New Delhi. Some of the key speakers at the workshop were by Mr. N.K Singh, Former Rajya Sabha Member and Member, ICRIER Board of Governors; Dr. Rajat Kathuria, Director and CE, ICRIER; Mr. Daikichi Momma, President, PRI; Professor Ashok Gulati, Chair Professor, ICRIER; Dr. Subir Gokarn, Director of Research, Brookings India; Mr. Abheek Barua, Chief Economist, HDFC Bank; Mr. Kanjiro Onishi, Deputy Director, PRI. The 6th ICRIER-PRI workshop will be held in Tokyo in February 2016.
An India-Japan Track-II Strategic Dialogue was initiated during 2014-15 between ICRIER and the Japan Institute for International Affairs (JIIA). This dialogue endeavours to foster focused interactions between experts on enhancing security and defence related cooperation between India and Japan in tandem with the elevation of ties between the two countries to a ‘Special Strategic and Global Partnership’ (SSGP) after Prime Minister Narendra Modi’s visit to Japan in September 2014. Three meetings of this Track II Dialogue have been held so far. The first dialogue was held on April 25-26, 2014 in New Delhi. The discussions were led by Ambassador Yoshiji Nogami (JIIA), Ambassador Lalit Mansingh (FSI) and Ambassador H.K. Singh (ICRIER). The discussion focused on the evolving dynamics of India-Japan relations in the context of the geopolitical and security situation in the Indo-Pacific region.

The second Track-II dialogue was held in New Delhi on December 11, 2014. The agenda for the meeting covered domestic developments and policies in India and Japan; steps to operationalise the India-Japan SSGP; and regional architecture in the Indo-Pacific. The participants highlighted the significance of the new ‘India-Japan Investment Promotion Partnership’ to support Prime Minister Modi’s vision for accelerating inclusive development in India by deploying massive flows of public and private finance from Japan to transform the infrastructure and manufacturing sectors in India.
The third Track-II dialogue was held in Tokyo on March 09, 2015. Participants addressed a wide range of issues including Japan-India economic cooperation, security issues in East Asia, maritime security in the Indo-Pacific region and prospects for collaboration between the two countries in the realms of defence and security. At the dialogue, H. E. Mr. Shinsuke Sugiyama, Japan’s Deputy Minister of Foreign Affairs, addressed participants over an interactive lunch and exchanged views on Japan’s global perspectives and initiatives to advance the India-Japan SSGP.

**India-Korea**

Since 1999, the India-Korea Dialogue has been jointly organised by ICRIER and the Seoul Forum on International Relations (SFIA). This annual dialogue is organised alternatively in New Delhi and Seoul and is the only regular Track-II dialogue between the two countries. The dialogue brings together well-known scholars, industry representatives, and senior policy-practitioners. It is structured around relevant political, economic and strategic issues that India and the Republic of Korea face as members of the dynamic Asian economy and the prospects for greater bilateral cooperation.

Importantly, the recommendations and suggestions emanating from the dialogue are compiled into a Joint Statement every year that is shared with the foreign ministries in both countries. To mark the 40th anniversary of diplomatic relations between India and Korea, ICRIER has brought out a commemorative volume titled ‘Forty Years of India-Korea Relations and Looking Ahead’ with the help of the Ministry of External Affairs, India and the Korean Embassy in New Delhi.

In recognition of the important role played by the dialogue in strengthening bilateral cooperation, in 2014 it was agreed to elevate the dialogue to Track-1.5. The 13th dialogue was held in Seoul on November 7-8, 2014 on the theme ‘Toward a Renewed Relationship: New Opportunities and Challenges’. The ICRIER delegation was led by Mr. Yashwant Sinha, Former External Affairs Minister, India. A special address was delivered by Mr. CHO Tae-yul, Vice Minister, Ministry of Foreign Affairs, Korea. The 14th India-Korea Dialogue will be hosted by ICRIER in November 2015 in New Delhi.

**India-Pakistan**

ICRIER’s research on India-Pakistan trade was a key factor in the breakthrough in India-Pakistan trade normalisation process, and ICRIER has since then been actively engaged in fostering multilevel dialogue platforms for regular interaction and discussion between policymakers, business persons and scholars from both countries. Through these dialogues, ICRIER has played an extremely important role in bringing the issue of India-Pakistan trade normalisation into sharp focus, significantly enhancing bilateral interface, and increasing understanding among all relevant stakeholders in both countries.
The three dialogue forums initiated by ICRIER include:
1. Annual Conference on India-Pakistan Trade
2. Regional Chambers of Commerce Roundtable
3. Distinguished Lecture Series

ICRIER has been commended and its role has been widely appreciated in keeping the dialogue channels open when formal relations are strained. ICRIER has had considerable success in getting the participation of high-level members of the policy making community at all the dialogue forums and also in creating new linkages between several industry bodies in both countries. ICRIER has organised three Annual Conferences, three Regional Chambers of Commerce Roundtables and two Distinguished Lectures. The 4th Annual Conference on India-Pakistan Trade will be hosted in February 2016.
Conversations on Urbanisation

Cities are integral to India’s rapid growth, particularly in its current stage of development. To discuss and identify the key challenges and opportunities for Indian cities and towns as they prepare to deliver better quality of life and act as the engines of growth, ICRIER, jointly with India Habitat Centre has launched a series of interactive discussions with the members of the India Habitat Centre. The series, titled, ‘Conversations on Urbanisation’ was launched in February 12, 2014 and the discussion on ‘India’s Urban Challenge’ was led by Dr. Isher Judge Ahluwalia, Chairperson, ICRIER.

The second conversation was around ‘Role of Business in Improving Cities: The Experience of City Connect’ and was steered by Mr. V. Ravichandar, Chairman of Feedback Consulting. Mr. Shyam Khandekar, independent design consultant and editorial director of the magazine, ‘MY LIVEABLE CITY: the Art and Science of Making It’ led the third conversation series on ‘The Importance of Public Domain in Our Cities’. The fourth conversation on ‘Making City Planning Work for India’ was initiated by Dr. Bimal Patel, President, CEPT University. Dr. Ashvani Gosain, Professor at IIT Delhi, initiated the fifth conversation on ‘Swacch Delhi–A Sampoorna Approach’, focussing the discussion on sustainable and safe disposal of sewerage, storm water and solid waste for a ‘Swachh’ city. The sixth conversation on ‘Smart Cities Need Clean Air’ was led by Ms. Sunita Narain, Director General, Centre for Science and Environment. The seventh conversation was led by Mr. Junichi Sono, Deputy Director, Kitakyushu Asian Center for Low Carbon Society, Japan on ‘Urban Planning in Kitakyushu City, Japan: What India Can Learn’. Mr. Sono spelt out the key steps taken since 1950s to reduce the carbon foot print of the city. These included encouraging public transport by developing dedicated bicycle lanes, strong promotion of electric cars etc. The discussion focused on the replicability of these models in the Indian context. The eighth conversation on ‘Dealing with Congestion’ led by Dr. O. P. Agarwal, Executive Director, Indian School of Business, Mohali, highlighted the enormity of the challenge of urban congestion.
South Asia Network of Economic Research Institutes (SANEI)

The results of the SANEI 16th Round of the Regional Research Competition were declared in January 2015. With the theme of Regional Integration in South Asia, a total of 10 research studies have been funded for this round to members of affiliated institutes in India, Pakistan, Sri Lanka, Nepal and Bangladesh. There has also been a relocation of the SANEI Secretariat from Dhaka, Bangladesh. As per the decision taken by the SANEI Steering Committee, the SANEI Secretariat has been shifted to Kathmandu, Nepal. The Institute for Integrated Development Studies (IIDS) will host the Secretariat for the next five years and the Executive Director of IIDS, Dr. Bishnu Dev Pant is the new Coordinator of SANEI.
Books

• Transforming Our Cities: Postcards of Change
  By Isher Judge Ahluwalia

• Urbanisation in India: Challenges, Opportunities and the Way Forward
  Edited by Isher Judge Ahluwalia, Ravi Kanbur and P. K. Mohanty
  SAGE India, 2014, 300 pages

• Forty Years of India-Korea Relations and Looking Ahead
  Edited by Rajat Kathuria and Sanjana Joshi

• Impact of American Investment in India: A Socioeconomic Assessment
  By Saon Ray, Smita Miglani and Neha Malik
  Academic Foundation, 2014, 66 pages
• **India-Pakistan Trade: Strengthening Economic Relations**
  Edited by Nisha Taneja and Sanjib Pohit

• **Global Cooperation Among G20 Countries**
  Edited by Michael Callaghan, Chetan Ghate, Stephen Pickford and Francis Xavier Rathinam

• **Emerging Economies: Food and Energy Security, and Technology and Innovation**
  Edited by Parthasarathi Shome and Pooja Sharma
Reports

- **Articulating a Vision for a Progressive BRICS Development Bank**
  By Sirjjan Preet, Samidha Sapra and Ali Mehdi
  ICRIER, 2014, 58 pages

- **India-Pakistan: Trade Perception Survey**
  By Nisha Taneja, Sanjib Pohit, Mishita Mehra, Prithvijit Mukherjee, Isha Dayal and Samridhi Bimal
  Academic Foundation, 2014, 82 pages

- **Navigating the Headwinds: Mitigating Contention in India-US Business Engagement**
  By Mansi Kedia, R. R. Singh, Neetika Kaushal, Aman Raj Khanna and Hemant Krishan Singh
  ICRIER, 2014, 156 pages

- **India-US Defence Industrial Cooperation: The Way Forward**
  By Hemant Krishan Singh, Sanjay Pulipaka, Gurmeet Kanwal and Sylvia Mishra
  ICRIER, 2014, 38 pages
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<th>Working Papers</th>
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ICRIER acknowledges the financial support received in 2014-15 from the following organisations for conducting research studies and organising seminars/workshops/conferences:

- American Chamber of Commerce in India
- Amway Opportunity Foundation
- Australian High Commission, India
- Bill and Melinda Gates Foundation (BMGF)
- BP Exploration Alpha Ltd.
- British High Commission
- Cellular Operators Association of India
- Commission for Agricultural Costs and Prices, Ministry of Agriculture, Government of India
- Directorate General of Commercial Intelligence and Statistics (DGCI&S), Ministry of Commerce and Industry, Government of India
- Directorate of Income Tax, Ministry of Finance, Government of India
- Department of Economic Affairs, Ministry of Finance, Government of India
- Department of Telecommunication, Ministry of Communication and IT, Government of India
- Export Promotion Council for EOUs and SEZs (EPCES)
- Global Green Growth Institute
- Foreign and Commonwealth Office (FCO), Government of U.K.
- Food and Agriculture Organisation, U.K.
- Housing and Urban Development Corporation Ltd. (HUDCO)
- Infrastructure Professionals Enterprise Global (P) Ltd. (IPE)
- Internet and Mobile Association of India
- K. K. Foundation
- Kanakia Foundation
- Konrad-Adenauer-Stiftung (KAS)
- Ministry of Commerce and Industry, Government of India
- Ministry of External Affairs, Government of India
- Ministry of Food Processing Industries, Government of India
- Ministry of Urban Development, Government of India
- Pharmaceutical Research and Manufacturers of America (PhRMA)
- Policy Research Institute
- Rockefeller Foundation
- South Africa Institute of International Affairs
- Syngenta Foundation
- Taipei Economic and Cultural Center (TECC)
- Toshiba International Foundation
- United Nations University-World Institute for Development Economics Research (UNU-WIDER)
- Wadhwani Foundation
- World Bank
- World Resources Institute (WRI)
- Centre for Development Research (ZEF)
ICRIER Team

Research Team with the Director & CE

Administrative & Support Staff with the Director & CE
Research Faculty

Professors
- Dr. Jaimini Bhagwati
- Dr. Ashok Gulati
- Mr. Anwarul Hoda
- Dr. Arpita Mukherjee
- Dr. Nisha Taneja
- Dr. Meenu Tewari
- Ambassador Hemant Krishan Singh
- Dr. Rajeev Anantaram
- Dr. Shankar Acharya is an Honorary Professor

In-house Consultants
- Ms. Tanu Goyal
- Ms. P. P. Krishnapriya
- Ms. Arpita Patnaik
- Mr. Sanjay Pulipaka
- Ms. Shweta Saini
- Dr. Beena Saraswathy
- Ms. Nida Siddiqui
- Mr. Benson Thomas M
- Ms. Deepika Wadhwa

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- Dr. Ali Mehdi
- Mr. Rajiva Ranjan Singh

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- Dr. Pooja Sharma
- Dr. Jaivir Singh

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- Ms. Amrita Goldar

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- Ms. Anandita Bagchi
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- Ms. Samridhi Bimal
- Ms. Atisha Ghosh

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- Ms. Stuti Manchanda
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- Ms. Purva Singh
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- Mr. Parnil Urdhwareshe

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- Ms. Shweta Saini
- Dr. Beena Saraswathy
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- Mr. Benson Thomas M
- Ms. Deepika Wadhwa

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- Mr. Ram Kumar

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- Mr. Rajesh Chaudhary

Reprographic Operator
- Mr. Pherum Singh

Driver
- Mr. Ashok Kumar Singh

Library Attendant
- Mr. Deepak

Office Attendant
- Mr. Jeet Singh
## External Consultants

<table>
<thead>
<tr>
<th>Consultant Name</th>
<th>Company/University/Affiliation</th>
<th>City/Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mukesh Butani</td>
<td>BMR Legal, Delhi, India</td>
<td>Delhi, India</td>
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<tr>
<td>Harish Kumar</td>
<td>Income Tax Department, Ahmedabad, India</td>
<td>Ahmedabad, India</td>
</tr>
<tr>
<td>Sanjay Kumar</td>
<td>Former Member, Tax Administration Reform Commission, Delhi, India</td>
<td>Delhi, India</td>
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<tr>
<td>M. S. Mani</td>
<td>World Bank’s South Asia Region, India</td>
<td>India</td>
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<tr>
<td>Tridivesh Singh Maini</td>
<td>Jindal School of International Affairs, Sonepat, Haryana, India</td>
<td>Sonepat, Haryana</td>
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<tr>
<td>Udaya Mishra</td>
<td>Centre for Development Studies, Thiruvananthapuram, Kerala, India</td>
<td>Kerala, India</td>
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<tr>
<td>P. K. Mohanty</td>
<td>National Institute of Urban Management, Hyderabad, India</td>
<td>Hyderabad, India</td>
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<tr>
<td>Parthapratim Pal</td>
<td>Indian Institute of Management, Kolkata, India</td>
<td>Kolkata, India</td>
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<tr>
<td>Vidyadhar K. Phatak</td>
<td>Independent Consultant, Mumbai</td>
<td>Mumbai</td>
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<tr>
<td>Shravani Prakash</td>
<td>Independent Consultant, Bengaluru, India</td>
<td>Bengaluru, India</td>
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<tr>
<td>M. Ramachandran</td>
<td>Former Secretary, Ministry of Urban Development, New Delhi, India</td>
<td>New Delhi, India</td>
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<tr>
<td>C. Rajamohan</td>
<td>Observer Research Foundation, New Delhi, India</td>
<td>New Delhi, India</td>
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<td>Subhobrota Ray</td>
<td>Independent Consultant, New Delhi, India</td>
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<tr>
<td>Pravakar Sahoo</td>
<td>University of Delhi, Delhi, India</td>
<td>Delhi, India</td>
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<td>K. R. Sekar</td>
<td>Deloitte, Bengaluru, India</td>
<td>Bengaluru, India</td>
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<tr>
<td>Deepti Sethi</td>
<td>Janki Devi Memorial College, Delhi University, Delhi, India</td>
<td>Delhi, India</td>
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<tr>
<td>Mihir Shah</td>
<td>Samaj Pragati Sahayog, Madhya Pradesh, India</td>
<td>Madhya Pradesh, India</td>
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<td>Anant Sudarshan</td>
<td>University of Chicago Centre in India, New Delhi, India</td>
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<tr>
<td>Anand Sahasranaman</td>
<td>Institute for Financial Management and Research, Chennai, India</td>
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<tr>
<td>Saleema Razvi</td>
<td>GE Capital, Gurgaon, India</td>
<td>Gurgaon, India</td>
</tr>
</tbody>
</table>
Faculty Activities

DIRECTOR & CHIEF EXECUTIVE

RAJAT KATHURIA

Appointed

• Member, Editorial Board, *Journal of International Commerce, Economics and Policy* (JICEP), School for Policy, Government and International Affairs, George Mason University, USA, June 2014.
• Member, Project Advisory Committee, CUTS Project, April 2014.
• Member, Editorial Advisory Board, *Global Journal of Management* (GJM), April 2014.
• Member, Special Committee, Centre for the Study of Law and Governance, Jawaharlal Nehru University, New Delhi, March 2014.
• Member, Research Advisory Committee, State Bank of India, Mumbai, March 2014.
• Independent Director, Microfinance Institutions Networks, February 2014.

International Conferences/Presentations

• Presentation on “Indian Politics and Economics under the Modi Government,” at the Institute for International Monetary Affairs, Tokyo, March 10, 2015.

National Conferences/Seminars/Workshops

• Addressed the faculty and students of Ansal University on “Impact of Budget on Stock Markets, Real Estate and Economy,” Gurgaon, March 19, 2015.
• Chaired, sectoral dimensions of India’s role in Global Value Chains, seminar on “Enhancing India’s Participation in Global Value Chains: Enabling ‘Made in India’” ICRIER, New Delhi, March 16-17, 2015.
• Discussant, roundtable with Christine Lagarde, Managing Director, International Monetary Fund, New Delhi, March 16, 2015.
• Panelist, Post-Budget panel discussion, Indian Institute of Foreign Trade, Capital: The Finance and Investments Club and School of International Business, New Delhi, March 1, 2015.
• Presentation on “Regulatory Environment in India and Tariff Fixation Issues,” at the conference India’s Commercial Representatives abroad (CRs) organised by the Foreign Service Institute, Ministry of External Affairs, New Delhi, February 15-March 1, 2015.
• Speaker, session on “Global Economic Scenario and Its Implications for India,” First Phase of Leadership Development Programme (LDP) for the General Managers of ONCG, International Management Institute, New Delhi, February 9, 2015.
• Chaired, session on “Telecommunication Networks,” at conference on India-Pakistan Trade, ICRIER, New Delhi, February 2-3, 2015.
• Speaker, “Competition Issues in High-Tech Industries,” Competition Commission of India, New Delhi, January 28, 2015.
• Addressed a delegation from Taiwan at interactive session on “Investment Opportunities in India,” PHD Chamber of Commerce and Industry, New Delhi, January 13, 2015.
• Welcome remarks and participant, sessions on “Review of Domestic Developments and Policies under Prime Ministers Shinzo Abe and Narendra Modi” and “Economic Integration in the Indo-Pacific” at the Forum on Strategic Initiative Dialogue, ICRIER-The Japan Institute of International Affairs-FSI, New Delhi, December 11, 2014.
• Speaker, session on “Public Private Partnership: an Effective Customer-Oriented Strategy,” seminar on Excellence in Public Services through Market Orientation, IMI, New Delhi, October 27-November 22, 2014.
• Chaired, session on “Key Sectors for Services Exports ICT, Telecom, Animation, R&D, Gaming, Services,” Conclave on Promoting Services Export from India: The Opportunities, Ministry of Commerce & Industry and CII, New Delhi, November 11-12, 2014.
• Chaired, session on “FDI : Growth Prospects: Current Challenges, Bottlenecks and Reform,” Omnium Global Executive Programme, Rotman School, St. Gallen University, IMI, New Delhi, October 7, 2014.
• Speaker, roundtable on “SAARC: Towards a New Beginning,” PHD Chamber, New Delhi, September 26, 2014.
• Panelist, session on “Why Should Boards take Sustainability and CSR seriously?”, 9th Sustainable and Inclusive Solutions Summit, CII-ITC Centre of Excellence for Sustainable Development, New Delhi, September 16-17, 2014.
• Speaker, session on “New Developments in OTT,” seminar on OTT, TRAI, New Delhi, August 5, 2014.
• Presentation on “Global Economic Scenario and Its Implications for India,” ONGC Leadership Development Programme for their General Managers, New Delhi, June 23, 2014.

Publications:

Books/Reports/Chapters in Books
• Kathuria, Rajat and Joshi, Sanjana. (eds.). (2014). Forty Years of India–Korea Relations and Looking Ahead. New Delhi, Academic Foundation.

Working Papers/Policy Series
HONORARY PROFESSOR

SHANKAR ACHARYA

National Conferences/Seminars/Workshops

• Speaker from the Indian side on “Opportunities for Expanding Economic Co-operation: From Bilateral to Multilateral Approach,” in Fourth India-Turkey Forum organised by Aspen Institute (India), New Delhi, March 28, 2015.

• Speaker, 39th Skoch Summit on “From Dole to Development,” organised by Skoch. Recipient of the first Vijay Kelkar Award for Excellence in Public Finance, New Delhi, March 20-21, 2015.

• Delivered 16th Annual Budget Lecture organised by the Malayala Manorama Media Group in Kochi on March 3, 2015.

• Lecture on “Managing Subsidies and Expenditure” in the Lecture Series on Financial Sector Reforms organised by IC Centre for Governance, India International Centre (IIC), New Delhi, December 5, 2014.

• Speaker on “Economics of Rising China and India” in Fifth India-China Strategic Dialogue organised by Aspen Institute (India), and China Reform Forum, Delhi, November 3, 2014.

• Chaired, session on “Macroeconomic Reforms” at Conference on Agenda for Reforms, organised by ICRIER, New Delhi, September 22, 2014.

• Speaker, session on “100 days of the new Indian Government,” organised by Ananta Aspen Centre, New Delhi, September 10, 2014.


Publications

Books/Reports/Chapters in Books

• “Understanding the Urban Challenge,” Economic & Political Weekly, October 18, 2014.

• Discussant and comments on “India’s Recent Macroeconomic Performance: An assessment and the way forward,” in India Policy Forum 2013/14, Sage Publications, New Delhi, 2014.

PROFESSORS

JAIMINI BHAGWATI

National Conferences/Seminars/Workshops

• Chaired, discussion on “India and the Regional Comprehensive Economic Partnership (RCEP),” ICRIER, New Delhi, March 5, 2015.

• Speaker, seminar on the “Setting up of an Institute of Conflict Studies & Resolution Strategies in Northern Ireland,” organised by India International Centre, New Delhi, March 1, 2015.

• Lecture on “Building a Success Story for Assam,” hosted by TV channel News Live, Guwahati, January 20, 2015.

• Discussant on “Macro-Reforms and Rupee Exchange Rate,” at ICRIER Board meeting, New Delhi, January 17, 2015.


• Lecture on “Macroeconomic Reforms: Risks, Flash Points and the Way Forward,” at a 3rd RBI Chair Professors’ and DEPR Researchers’ Conference, organised by Reserve Bank of India, December 4-5, 2014.

• Lecture on “The Economics and Politics of India-EU Relations” at a Conference organised under auspices of Prabodan, New Delhi, November 13, 2014.
• Speaker, seminar on “APEC Summit” organised by the Chinese Embassy and Institute of Chinese Studies, New Delhi, November 4, 2014.
• Lecture at a seminar on the “Asian Infrastructure Investment Bank (AIIB)” organised by RIS, New Delhi, October 24, 2014.
• Keynote speaker, at an International Conference on Education, organised by Maria’s Public School, Guwahati, September 29, 2014.
• Discussant, session on “Outlook for the Indian Economy and Reforms which the new Government should Pursue,” organised by Brookings India, New Delhi, September 24, 2014.
• Chaired, session on “G20 and International Tax Reform,” at an international conference on Governance and Development: Views from G20 Countries, New Delhi, August 20-22, 2014.
• Address on the “Evolving Global Economic Scenario with Focus on India,” at ICC India Executive Committee members organised by International Chambers of Commerce India, New Delhi, May 22, 2014.
• Keynote address, “Fifth India-EU Forum,” organised by Indian Council of World Affairs, New Delhi, April 29-30, 2014.

ASHOK GULATI

Appointed
• Chairman, Group of Experts on Agricultural Market Reforms since January 1, 2015.
• Member, Task Force on Agriculture set up by the Prime Minister under NITI Aayog.
• Member, High Level Committee set up to restructure and reorient FCI (August 20, 2014 to January 21, 2015).
• Member, Committee set up by Chief Minister of Madhya Pradesh to study Madhya Pradesh’s Agriculture and suggest its future prospects.

International Conferences/Presentations
• Spoke at meetings of the Trilateral Forum (India, Australia and Israel), New Delhi, December 4, 2014.
• Keynote address in Conference on “Innovation in Indian Agriculture: Ways Forward,” IFPRI and Institute of Economic Growth, December 4, 2014.
• Special address on Global Food Security NFSA at University of Illinois, October 2, 2014.
• Presentation on “India’s Grain Stocks: the NFSA” under the project ZEF, University of Bonn, July 8, 2014.

National Conferences/Seminars/Workshops
• Interaction with Expenditure Commission of India on Agricultural Food Subsidies, New Delhi, March 24, 2015.
• Speaker, roundtable conference with FCI for implementing Recommendations of HLC for procurement in Eastern India, February 2, 2015.
• Presentation on the HLC Report to the Prime Minister of India, January 21, 2015.
• Organiser and speaker, workshop on “Supporting Indian Farms the Smart Way: Rationalising Subsidies and Investments for faster, inclusive and sustainable growth,” under a project in collaboration with Syngenta Foundation, January 1, 2015.
• Speaker, roundtable Conference with the policymakers, organised by Fertiliser Association of India (FAI) and International Fertilser Association, December 16, 2014.
• Address on Indian agriculture to a training session for phase 5, IAS officers at Lal Bahadur Shastri National Academy of Administration (LBSNAA), Mussoorie, November 11, 2014.
• Address on Food Security to a training session for phase 3, IAS officers at LBSNAA, Mussoorie, September, 2014.
• Speaker and panelist at a seminar on “Food Inflation: Diagnosis and Remedies,” New Delhi, August 26, 2014.

Publications

Books/Reports/Chapters in Books

Working Papers/Policy Series
• “Leakages from Public Distribution System (PDS) and the Way Forward,” co-authored with Shweta Saini, working paper no. 294, ICRIER, January, 2015.

Papers in Refereed Journals

ANWARUL HODA

Appointed
• Chairman, Expert Group on Strengthening of Institutional Mechanism for Regular Collection, Compilation of Data on International Trade in Services, Ministry of Statistics and Programme Implementation, Government of India.
• Chairman, Jury in the Supply Chain and Logistics Excellence Award 2014, India Chamber of Commerce, Kolkata.
International Conferences/Presentations

• Presentation on “Non-Agricultural Market Access Negotiations and Major Developing Economies,” at the roundtable discussions on Multilateral Trade Cooperation Dialogue organised by the China Institute for WTO Studies, University of International Business and Economics (UIBE) in collaboration with the South African Institute of International Affairs (SAIIA), Beijing, China, April 10-11, 2015.

• Presentation on “Recapturing the Momentum in the Post-Bali Process,” at the roundtable discussions on Reviving the Multilateral Trading System: Post-Bali Issues organised by the Centre for Policy Dialogue (CPD) in collaboration with the South African Institute of International Affairs (SAIIA), Dhaka, Bangladesh, November 22-25, 2014.

National Conferences/Seminars/Workshops

• Chaired, workshop on “Enhancing India’s Participation in Global Value Chains: Enabling “Made in India?” New Delhi, March 16, 2015.

• Chaired, the Jury Meeting for the Indian Chamber of Commerce’s Supply Chain and Logistics Awards 2015, Indian Chamber of Commerce, ICRIER, New Delhi, February 9, 2015.

• Presentation on “Trade and Investment Barriers affecting International Production Networks in India,” at the East Asia and South Asia Integration an IIFT Academic Conference, New Delhi, December 19, 2014.

• Chaired, seminar on a paper, “Repositioning in the Global Apparel Value Chain in the Post-MFA Era: Strategic Issues and Evidence from Sri Lanka,” by Professor Prema-chandra Athukorala, Professor of Economics, Arndt Corden Department of Economics, Crawford School of Public Policy, Australian National University, Canberra, ACT 0200, Australia, ICRIER, New Delhi, December 9, 2014.

• Chaired, seminar by Professor Alan Matthews, Professor Emeritus, Trinity College Dublin, on “Food Security and WTO Domestic Support Disciplines,” organised by ICRIER, New Delhi, November 25, 2014.

• Chaired, Technical Session VI on “Climate Change and Agriculture” in the National Seminar on Agrarian Distress in India, organised by Council for Social Development, New Delhi, November 12, 2014.

• Presentation on “Impasse at WTO: The Way Forward,” at a seminar organised by ICRIER, New Delhi, October 29, 2014.

• Presentation on “Reforms for Reviving the Manufacturing Sector,” at ICRIER Conference on Agenda for Reforms, New Delhi, September 22, 2014.


• Chaired, presentation seminar of the BP Statistical Review of World Energy 2014, New Delhi, July 1, 2014.

ARPITA MUKHERJEE

Appointed

• Member, Selection Committee, University of Jammu for selecting the Professor of Economics under Career Advancement Scheme (CAS).

• Member, Department of Commerce, Government of India, Sub-group on Creative and Entertainment Services.

• Advisor, Services Exports Promotion Council, Ministry of Commerce and Industry, Government of India.

• Member, Editorial Board, International Review of Public Administration (IRPA), Taylor and Francis Group.

• Member, FICCI Direct Selling and Retail Committees.

• Member, IIM (Kolkata)-British High Commission Advisory Group on Agriculture Value Chain and Retail.


• Member, Selection Committee for Professors of Economics, University of Jammu.
International Conferences/Presentations
• Presentation on “Enhancing Korea-India Trade and Regional Economic Integration,” at the 13th Korea-India Dialogue “Toward a Renewed Relationship: New Opportunities and Challenges” organised by Seoul Forum for International Affairs (SFIA) and ICRIER, South Korea, November 7-8, 2014.

National Conferences/Seminars/Workshops
• Panelist on “Improving Supply Chain Management in India,” at the National Conference on India’s Supply Chain Management-Opportunities and Way Forward organised by PHD Chamber of Commerce, PHD House, New Delhi, March 19, 2015.
• Presentation on “Importance of Services in Product Value Chain or Related Areas,” in the Training Programme on International Trade and Management for the Asstt. DGsFT (Promotee), FTDOs and Section Heads organised by DGFT, MoC&I, IIFT Campus, New Delhi, March 16, 2015.
• Speaker, “Perspectives from India’s FDI Research Community,” in the final workshop for NCAER project: Enhancing the Scope and Quality of Indian FDI Statistics organised by NCAER, New Delhi, March 10, 2015.
• Speaker, roundtable discussion on “India and the Regional Comprehensive Economic Partnership (RCEP),” co-organised by ICRIER and Ministry of External Affairs (MEA), ICRIER, New Delhi, March 5, 2015.
• Discussant, roundtable discussion on “Making in India: Prospects and Challenges,” co-organised by UKIBC and ASSOCHAM, New Delhi, February 12, 2015.
• Meeting on “Institutional Framework for Services Data Collection” organised by DGCI&S at the Department of Commerce, Ministry of Commerce and Industry (MoC&I), New Delhi, January 13, 2015.
• Meeting with state government officials and field visits on “Evaluation of the Impact of the Scheme for Mega Food Park of Ministry of Food Processing Industries,” Hyderabad, November 24-26, 2014.
• Panelist, session on “Creativity and Entertainment Services in India,” at the Services Conclave organised by Confederation of India Industry (CII) and Ministry of Commerce and Industry (MoC&I), New Delhi, November 12-13, 2014.
• Meeting with state government officials and field visits on “Evaluation of the Impact of the Scheme for Mega Food Park of Ministry of Food Processing Industries,” in Bangalore, Chittoor and Mangalore, October 28–November 1, 2014.
• Meeting with West Bengal State Government officials and field visits on “Evaluation of the Impact of the Scheme for Mega Food Park of Ministry of Food Processing Industries,” Kolkata, October 15-19, 2014.
• Presentation on draft report on “Revisiting Special Economic Zones (SEZ): A Review and Evaluation of India’s SEZ Policy,” to the Department of Commerce, MoC&I, New Delhi, September 18, 2014.
• Presentation on “Institutional Framework for Services Data Collection,” at the Stakeholders Consultation Meeting on Institutional Framework for Services Data Collection organised by Confederation of Indian Industry (CII) and ICRIER, New Delhi, September 10-11, 2014.
• Speaker, roundtable discussion on “Institutional Framework for Services Data Collection,” organised by DGCI&S at the Department of Commerce, MoC&I, New Delhi, August 20, 2014.
• Speaker, roundtable discussion on “Institutional Framework for Services Data Collection,” organised by DGCI&S at Ministry of Statistics and Programme Implementation (MOS&PI), New Delhi, August 20, 2014.
• Presentation on “Proposal for Evaluation of the Impact of the Scheme for Mega Food Park Projects of Ministry of Food Processing Industries,” in the Ministry of Food Processing Industry (MoFPI), New Delhi, August 6, 2014.
• Discussant, roundtable consultation on “Vizag-Chennai Industrial Corridor,” project in Asian Development Bank, New Delhi, July 2, 2014.
• Presentation of draft report on “Evaluation of the Impact of the Scheme for Mega Food Park,” to the Secretary, Ministry of Food Processing Industry, New Delhi, April 22, 2015.

Publication
Books/Reports/Chapters in Books
• “Facilitating India-EU Mobility of IT Professionals” co-authored with Divya Satija, Rupa Chanda and Dr. Pralok Gupta (eds) “India-EU People Mobility: Historical, Economic and Regulatory Dimensions”, Cambridge University Press, 2015.
• “Movement of Indian Architects and Engineers: Prospects and Challenges in the EU” co-authored with Tanu M. Goyal, Rupa Chanda and Dr. Pralok Gupta (eds) “India-EU People Mobility: Historical, Economic and Regulatory Dimensions”, Cambridge University Press, 2015.

Papers in Refereed Journals

Others

HEMANT KRISHAN SINGH

International Conferences/Presentations
• Co-Chair and presentation on Asian Security, ICRIER-JIIA-FSI Track-II Dialogue, Tokyo, March 9, 2015.
• Address on “Indian Policy Priorities under Prime Minister Narendra Modi,” at CSIS, Washington, June 18, 2014.
• Presentation on “Indo-Pacific Security,” 40th meeting of the Australian Committee of the Council for Security Cooperation in the Asia-Pacific (AusCSCAP), Australian National University, Canberra, May 9, 2014.

National Conferences/Seminars/Workshops

• Address on “Regional Integration in the Indo-Pacific: Prospects and Challenges,” at the Foreign Service Institute, New Delhi, February 10, 2015.
• Co-Chair and presentation on India’s Domestic and External Policies, ICRIER-JIIA-FSI Dialogue, New Delhi, December 11, 2014.
• Presentation on “Architecture for Asian Century: Indian Perspectives on Regional Integration,” at the ORF Conference on Regional Integration in the Indo-Pacific: Prospects and Challenges, New Delhi, November 24-25, 2014.
• Interactive discussion with Assistant Secretary for Economic and Business Affairs, Charles Rivkin, ICRIER, November 17, 2014.
• Presentation on “India’s Strategic Partnerships,” Delhi Policy Group’s 20th Anniversary Conclave “Vision–2034”, New Delhi, October 17, 2014.

Publications
Books/Reports/Chapters in Books


Working Papers/Policy Series

NISHA TANEJA

Appointed
• Trans-shipment Adviser to the Government of Nepal

International Conferences/Presentations
• Presentation on “Transport Connectivity between India and Pakistan,” at the Roundtable on Enhancing India Pakistan Trade, Colombo, February 22, 2015.
• Presentation on “South Asian Integration: Normalising India Pakistan Trade,” at the Regional Consultation on Deepening Regional Cooperation in South Asia: Expectations from the 18th SAARC Summit, Kathmandu, November 23-24, 2014.
• Presentation on “India Pakistan Trade” at the Consultation on Prospects of Automobile Trade between India and Pakistan jointly with Automotive Component Manufacturers Association of India (ACMA) and Pakistan Association of Automotive Parts and Accessories Manufacturers (PAAPAM), Lahore, August 22, 2014.

National Conferences/Seminars/Workshops
• Lecture on “India’s Trade Policy at the Capacity Building Programme” on ‘International Economic Issues and Development Policy (IEIDP)’ under the ITEC/SCAAP Programme of the Ministry of External Affairs, Government of India organised by RIS, New Delhi, February 16-March 13, 2015.
• Panelist, session on “India and the Regional Comprehensive Economic Partnership (RCEP)” organised by ICRIER, New Delhi, March 5, 2015.
• Speaker, session on “Informal Trade: Why does it continue to Persist?” at the 3rd Annual Conference for Normalising Trade between India and Pakistan organised by ICRIER, New Delhi, February 2-3, 2015.
• Speaker, session on “India-Pakistan Trade Normalisation: Prospects and Challenges,” at the 3rd Annual Conference for Normalising Trade between India and Pakistan organised by ICRIER, New Delhi, February 2-3, 2015.
• Panelist, session on “Non-Tariff Measures” at the 7th South Asian Economic Summit organised by RIS, New Delhi, November 5-6, 2014.
• Panelist, session on “Economic Cooperation: Intra Regional Trade,” Investment and Connectivity organised by Indian Council of World Affairs (ICWA), New Delhi, September 29, 2014.
• Panelist, session on “SAARC towards a new beginning,” organised by PHD Chamber of Commerce & Industries, New Delhi, September 26, 2014.
• Presentation on “A New Paradigm for Economic Integration in South Asia,” at the Conference on Agenda for Reforms, ICRIER, New Delhi, September 22, 2014.
• Presentation on “Challenges for India Pakistan Trade,” at a seminar on Indo-Pak Economic Growth-Need of the Hour organised by ASSOCHAM, New Delhi, September 15, 2014.
• Presentation on “Prospects of Opening Hussainiwala Trade Route,” at a stakeholder’s consultation in Ferozepur, Punjab, September 5, 2014.

Publications
Books/Report/Chapters in Books
• “Tariff and Non-tariff Barriers to Trade in South Asia: An Indian Perspective,” in Regional Integration in South Asia: Trends, Challenges and Prospects, Commonwealth Secretariat, November 2014. (co-authored with Samridhi Bimal).

SENIOR FELLOWS/SENIOR CONSULTANTS

SAON RAY

National Conferences/Seminars/Workshops
• Discussant, paper on “Assessing India’s Rise and the Road Ahead,” by Samuel Bergenwall, at Fellows Seminar at IDSA, New Delhi, March 27, 2015.
• Chaired session on “Presentation of Energy Outlook 2035,” by Dr. Kaushik Deb at ICRIER, March 19, 2015.
• Presentation on “Enhancing India’s Participation in Global Value Chains,” New Delhi, March 16-17, 2015.
• Discussant, workshop on “Enhancing the Scope and Quality of Indian FDI Statistics,” NCAER, New Delhi, March 10-11, 2015.
• Discussant, “Meeting with South Asia Specialists,” with the secretary of state for Foreign Trade of Belgium, the honourable Mr. Pieter De Crem, New Delhi, January 16, 2015.
• Chaired, panel discussion on Low Carbon Pathways for Growth in India, Speech by Sir David King on ”Accelerating the Transition to a Low Carbon Economy,” New Delhi, January 13, 2015.
• Discussant, workshop on “Resilience – An important Aspect of Smart Cities,” organised by ACCRN, APCO and TARU, New Delhi, December 9, 2014.
• Presentation on “Measuring Economic Losses and Damage,” at the workshop on Researching Loss and Damage in Urban Contexts–an Agenda-Setting Workshop, organised by the International Institute for Environment and Development (IIED), New Delhi, October 16-17, 2014.
• Discussant, “Meeting on BRICS, the trade and investment opportunities amongst the BRICS and the recent developments like the BRICS Bank,” organised by the US Embassy, New Delhi, September 25, 2014.
• Presentation on “Impact of American Investment in India,” at the American Chamber of Commerce in India, Kolkata Chapter, Kolkata, June 30, 2014.

Publications

Books/Reports/Chapters in Books
Working Papers/Policy Series


JAIVIR SINGH

National Conferences/Seminars/Workshops

- Panelist, session on “Research in Corporate Governance: Nuts & Bolts” in Second Annual National Research Workshop on Corporate Governance by School of Corporate Governance and Public Policy, Indian Institute of Corporate Affairs (IICA), Ministry of Corporate Affairs, Government of India, New Delhi, February 25, 2015.

Publications

Books/Reports/Chapters in Books


RAJIVA RANJAN SINGH

National Conferences/Seminars/Workshops


Publication

Others

FELLOWS

PANKAJ VASHISHT

International Conferences/Presentations
- Presentation on “Growing Internationalisation and Industrial Employment: A Curious Case of India,” at the 14th East West Center International Graduate Student Conference, East West Center, University of Hawaii, Honolulu, USA, February 12-14, 2015.

Publications
- Books/Chapters in Books

SAHIL GANDHI

Publications
- Books/Reports/Chapters in Books

Papers in Refereed Journals

Others

RADHICKA KAPOOR

International Conferences/Presentations
- Presentation on “Why Growth Isn’t Getting the Job Done,” at ADB’s Second Asian Think Tank Development Forum, Seoul, November, 2014.
- Presentation on “Regional Integration in South Asia: Key Policy Issues,” at Annual SANEI Conference, Dhaka, August 2014.

National Conferences/Seminars/Workshops
- Discussent, seminar on Industrial Research and Data Needs in India, International Growth Centre, New Delhi, March 2015.
- Presentation on “Creating Jobs in India’s Organised Manufacturing Sector,” Internal ICRIER Seminar on Jobs for Development Project, New Delhi, December 2014.
Publications

Working Papers/Policy Series

Papers in Refereed Journals
- “Where will Jobs in Manufacturing come from?” Ideas for India, January 2015.

RESEARCH ASSOCIATES/CONSULTANTS

SAMRIDHI BIMAL

International Conferences/Presentations
- Presentation on “Informal Trade between India and Pakistan” at ICRIER’s 3rd Regional Chambers of Commerce Roundtable on Enhancing India-Pakistan Trade, Colombo, Sri Lanka, February 23, 2015.
- Presentation on “Informal Trade between India and Pakistan” at ICRIER’s 3rd Annual Conference on Enhancing India-Pakistan Trade, New Delhi, February 2, 2015.
- Participant in Lahore University of Management Sciences (LUMS), Conference on Pakistan-India Trade, Lahore, August 20-21, 2014.
- Participant in ICRIER Stakeholder’ Consultation on Automobile Trade between India and Pakistan, Lahore, August 22, 2014.

National Conferences/Seminars/Workshops
- Participant in Brainstorming Session to “Identify Specific Issues on Impediments to Trade with Pakistan,” organised by ICRIER in association with PHD Chamber of Commerce & Industry, New Delhi, December 15, 2014.
- Participant in the Stakeholders’ Consultation on “Issues on Trade between India and Pakistan through Attari Rail Route,” organised by ICRIER, November 12, Amritsar, 2014.
- Panelist in “Interactive Session on India-Pakistan Trade through Attari-Wagha Border,” organised by Centre for Dialogue and Reconciliation, Amritsar, September 18, 2014.
- Participant in the Stakeholder’ Consultation on “Enhancing India-Pakistan Trade: Prospects of Opening the Hussainiwala Trade Route,” organised by ICRIER, Ferozepur, September 5, 2014.

Publications

Books/Reports/Chapters in Books
- “Tariff and Non-Tariff Barriers to Trade in South Asia: An Indian Perspective,” in “Regional Integration in South Asia: Trends, Challenges and Prospects,” Commonwealth Secretariat, November 2014 (with Nisha Taneja.)
- “Normalising India-Pakistan Trade,” in “India-Pakistan Trade: Strengthening Economic Relations,” Springer, August 2014 (with Nisha Taneja et al.)

Working Papers/Policy Series
Papers in Refereed Journals


• “Revisiting India Pakistan Cross-LoC Trade”, Economic and Political Weekly, Vol. 50, Issue No.6, 7 February 2015 (with Nisha Taneja.)

ISHA DAYAL

Publications

Books/Reports/Chapters in Books


Others

• “Three Suggestions for the 18th SAARC Summit,” India-Pakistan Trade Newsletter; September 2014. (co-authored).

• “India-Pakistan Trade Normalisation Crucial for South Asian Integration,” India-Pakistan Trade Newsletter; June 2014 (co-authored.)

TANU M. GOYAL

National Conferences/Seminars/Workshops


Publications

Working Papers/Policy Series


Papers in Refereed Journals


Others


• “Enhancing Bilateral Trade, Investment and Cooperation between India and Switzerland,” Diplomatist Magazine, Special Issue on Switzerland, September 2014.
MANSI KEDIA

National Conferences/Seminars/Workshops

Publications
Working Papers/Policy Series

Papers in Refereed Journals
• “An Analysis of India’s Recent Engagements in Comprehensive and Other Trade Agreements in East and South East Asia,” Taiwanese Journal of WTO Studies XXV, 2014. (co-authored with Debashish Chakraborty)

M. SHUHEB KHAN

Publications:
Working Papers/Policy Series

SMITA MIGLANI

National Conferences/Seminars/Workshops
• Workshop on Enhancing India’s Participation in Global Value Chains: Enabling “Made in India”? New Delhi, March 16-17, 2015.

Publications
Books/Reports/Chapter in Books

Working Papers/Policy Series

SANJAY PULIPAKA

International Conferences/Presentations
• Panel discussion on “India’s Policy Priorities under Prime Minister Narendra Modi,” at Centre for Strategic and International Studies, Washington, D.C., June 18, 2014.
National Conferences/Seminars/Workshops


• Presentation on Regional Initiatives (Myanmar and Big-B) at the ICRIER-JIIA-FSI Track-II Dialogue India-Japan Relations, New Delhi, December 11, 2014.


• Presentation on “China Factor in India-Myanmar Relations” at a Conference on Look East Policy–India and Myanmar: Pitching for Greater Connectivity, organised by Heinrich Böll Foundation (HBF), Institute of Social Sciences and Burma Centre Delhi, New Delhi, August 4, 2014.

Publications

Books/Reports/Chapters in Books


DURGESH KUMAR RAI

National Conferences/Seminars/Workshops


Publications

Working Papers/Policy Series


SHWETA SAINI

International Conferences/Presentations


• Presentation on “India’s grain stocks and the National Food Security Act,” by Ashok Gulati and Shweta Saini at the workshop on Food Price Volatility and Food Security, organised by ZEF, University of Bonn and IFPRI, July 9, 2014.

National Conferences/Seminars/Workshops


• Presentation on “Food Inflation: Diagnosis and Remedies,” by Ashok Gulati and Shweta Saini, talk and panel discussion organised by India Habitat Centre and ICRIER, August 26, 2014.
• Presentation on “Prospects and Challenges in Food Grain Sector,” by Ashok Gulati and Shweta Saini at the workshop on Medium-Term Outlook for India’s Food Sector, organised by NCAER, supported by FAO, New Delhi, June 25, 2014.

Publications

Books/Reports/Chapters in Books

Working Papers/Policy Series
Audited Annual Accounts

V SAHAI TRIPATHI & CO
Chartered Accountants
C-593, LGF, Defence Colony
New Delhi - 110024
Tel. : +91-11-46612531-33
Fax : +91-11-46640520
E-Mail : vest@sahaitripathi.com

AUDITORS' REPORT

The Members,
Indian Council for Research on
International Economic Relations,
Core 6A, 4th Floor,
India Habitat Centre,
Lodi Road,
New Delhi

We have audited the accounts of your Council and certify that the annexed Income and Expenditure Account for the year ended March 31, 2015 and Balance Sheet as at March 31, 2015 for the year read with the Statement of Accounting Policies and Notes thereon have been correctly drawn from the books of accounts and vouchers examined and the information and explanations given to us.

It is further certified that:

(a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b) Proper books of accounts have been kept by the Council so far as it appears from our examination of those books;

(c) The Council's Balance Sheet and Income and Expenditure account dealt with by this report are in agreement with the books of accounts and in our opinion and to the best of our information and according to the explanations given to us, the said accounts give a true and fair view:

(i) in the case of the Balance Sheet of the state of affairs of the Council as at March 31, 2015; and

(ii) in the case of the Income and Expenditure account of the excess of Income over Expenditure for the financial year ending on March 31, 2015

For V SAHAI TRIPATHI & CO
Chartered Accountants
Firm Regn No: 000262N

(Mahesh Sahai)
Partner
M. No: 006730

New Delhi
Dated:
# Indian Council for Research on International Economic Relations
## Balance Sheet as at March 31, 2015

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Current Year (in Rs.)</th>
<th>Previous Year (in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SOURCES OF FUND</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Endowment Fund</td>
<td>304,451,669</td>
<td>273,947,826</td>
</tr>
<tr>
<td>Opening Balance</td>
<td>273,947,826</td>
<td>272,531,469</td>
</tr>
<tr>
<td>Donations received during the year</td>
<td>30,000,000</td>
<td></td>
</tr>
<tr>
<td>Transferred from General Fund to RBI - Chair EF</td>
<td>500,000</td>
<td>1,416,357</td>
</tr>
<tr>
<td>Transferred from GOI Securities</td>
<td>3,643</td>
<td></td>
</tr>
<tr>
<td>Unspent Grants</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Building Fund</td>
<td>100,000,000</td>
<td>80,000,000</td>
</tr>
<tr>
<td>Opening Balance</td>
<td>80,000,000</td>
<td>80,000,000</td>
</tr>
<tr>
<td>Received during the year</td>
<td>20,000,000</td>
<td></td>
</tr>
<tr>
<td>Interest on Investment of Building Fund during the year</td>
<td>4,146,534</td>
<td>6,068,776</td>
</tr>
<tr>
<td>Transfer towards rent &amp; maintenance paid to IIC</td>
<td>(4,146,534)</td>
<td>(6,068,776)</td>
</tr>
<tr>
<td>Fixed Assets Fund-Net Block</td>
<td>99,781</td>
<td>153,665</td>
</tr>
<tr>
<td>Fixed Assets Fund-Gross Block</td>
<td>4,000,000</td>
<td>4,000,000</td>
</tr>
<tr>
<td>(Depreciation Reserve)</td>
<td>(3,000,219)</td>
<td>(3,846,388)</td>
</tr>
<tr>
<td>General Fund</td>
<td>25,816,924</td>
<td>23,160,839</td>
</tr>
<tr>
<td>Opening Balance</td>
<td>23,160,839</td>
<td>34,659,259</td>
</tr>
<tr>
<td>Transferred From Income &amp; Expenditure Account</td>
<td>2,656,085</td>
<td>(11,498,420)</td>
</tr>
<tr>
<td>Investment Equalisation Reserve</td>
<td>439,464</td>
<td></td>
</tr>
<tr>
<td>Current Liabilities &amp; Provisions (As per Schedule 3)</td>
<td>28,775,757</td>
<td>33,083,414</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>13,430,395</td>
<td>16,226,126</td>
</tr>
<tr>
<td>Provisions</td>
<td>3,500,223</td>
<td>3,441,668</td>
</tr>
<tr>
<td>Grant received in advance</td>
<td>11,792,138</td>
<td>13,415,920</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>459,583,395</td>
<td>410,345,944</td>
</tr>
</tbody>
</table>

### APPLICATIONS OF FUND

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Current Year (in Rs.)</th>
<th>Previous Year (in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Assets (As per Schedule 1)</td>
<td>64,877,966</td>
<td>35,995,030</td>
</tr>
<tr>
<td>Gross Block</td>
<td>105,562,072</td>
<td>76,137,549</td>
</tr>
<tr>
<td>Depreciation Reserve</td>
<td>(40,484,105)</td>
<td>(40,142,519)</td>
</tr>
<tr>
<td>Investments</td>
<td>309,830,000</td>
<td>330,583,298</td>
</tr>
<tr>
<td>Long-term Investment</td>
<td>309,830,000</td>
<td>330,576,029</td>
</tr>
<tr>
<td>Investment Equalisation Fund</td>
<td>-</td>
<td>206,693</td>
</tr>
<tr>
<td>Current Assets, Loans &amp; Advances (As per Schedule 2)</td>
<td>84,875,429</td>
<td>43,767,616</td>
</tr>
<tr>
<td>Cash and Bank</td>
<td>48,037,672</td>
<td>27,052,322</td>
</tr>
<tr>
<td>Loans &amp; Advances</td>
<td>13,366,194</td>
<td>10,936,350</td>
</tr>
<tr>
<td>Grant Receivable</td>
<td>20,474,534</td>
<td>3,625,846</td>
</tr>
<tr>
<td>Prepaid Expenses</td>
<td>2,997,028</td>
<td>2,172,828</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>459,583,395</td>
<td>410,345,944</td>
</tr>
</tbody>
</table>

Significant Accounting Policies and Notes (Schedule 4)
In terms of our separate report of even date

FOE V SAHAJI TRIPATHI & CO
CHARTERED ACCOUNTANTS

Mahesh Sahai
(Partner)
M. No. 006730

Rajeev Kapil
(Founder)

Rajeev Kathuria
(Director & CE)

Ishita Judge Ahluwalia
(Chairperson)
### Indian Council for Research on International Economic Relations

#### Income & Expenditure account for the year ended March 31, 2015

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Current Year (in Rs)</th>
<th>Previous Year (in Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. INCOME</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants</td>
<td>113,779,015</td>
<td>95,683,595</td>
</tr>
<tr>
<td>Received during the year</td>
<td>95,296,645</td>
<td>120,545,176</td>
</tr>
<tr>
<td>Recievable during the year</td>
<td>19,842,534</td>
<td>2,993,846</td>
</tr>
<tr>
<td>Received during the year for previous year</td>
<td>2,993,168</td>
<td>21,571,604</td>
</tr>
<tr>
<td>Grant return during the year</td>
<td>-</td>
<td>(63,703)</td>
</tr>
<tr>
<td>Brought Forward from Previous Year</td>
<td>13,415,820</td>
<td>6,795,131</td>
</tr>
<tr>
<td>Carried forward for next year</td>
<td>(17,782,138)</td>
<td>(13,415,823)</td>
</tr>
<tr>
<td><strong>Income/Profit on Investment</strong></td>
<td>25,148,287</td>
<td>25,152,639</td>
</tr>
<tr>
<td>Interest on Investments for the year</td>
<td>29,294,821</td>
<td>31,221,615</td>
</tr>
<tr>
<td>Transfer to Building Fund</td>
<td>(4,146,534)</td>
<td>(6,068,770)</td>
</tr>
<tr>
<td>Transfer from Building Fund for Extra office space</td>
<td>4,146,534</td>
<td>6,068,770</td>
</tr>
<tr>
<td>Interest on Savings Bank Account</td>
<td>1,424,206</td>
<td>748,543</td>
</tr>
<tr>
<td>Exchange Rate Fluctuation</td>
<td>596,130</td>
<td>553,414</td>
</tr>
<tr>
<td>Other Income</td>
<td>1,793,263</td>
<td>846,163</td>
</tr>
<tr>
<td><strong>TOTAL (A)</strong></td>
<td>166,797,456</td>
<td>128,453,401</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Particulars</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>B. EXPENDITURE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research Expenses-</td>
<td>112,610,420</td>
<td>110,149,476</td>
</tr>
<tr>
<td>Salaries &amp; Allowances</td>
<td>62,309,720</td>
<td>45,308,504</td>
</tr>
<tr>
<td>Consultancy Charges</td>
<td>28,620,676</td>
<td>20,986,325</td>
</tr>
<tr>
<td>Travel Expenses</td>
<td>15,034,792</td>
<td>14,060,651</td>
</tr>
<tr>
<td>Workshops Seminars &amp; Meetings</td>
<td>15,932,483</td>
<td>22,801,308</td>
</tr>
<tr>
<td>Publication Expenses</td>
<td>2,488,286</td>
<td>3,802,899</td>
</tr>
<tr>
<td>Communication Expenses</td>
<td>1,820,318</td>
<td>1,603,569</td>
</tr>
<tr>
<td>Library Expenses</td>
<td>5,844,354</td>
<td>3,740,638</td>
</tr>
<tr>
<td>Administrative Expenses-</td>
<td>20,058,176</td>
<td>18,260,948</td>
</tr>
<tr>
<td>Salaries &amp; Allowances</td>
<td>15,772,204</td>
<td>14,314,330</td>
</tr>
<tr>
<td>Professional Services</td>
<td>266,629</td>
<td>374,433</td>
</tr>
<tr>
<td>Office Expenses</td>
<td>3,916,140</td>
<td>3,280,245</td>
</tr>
<tr>
<td>Fees and Subscriptions</td>
<td>99,603</td>
<td>91,957</td>
</tr>
<tr>
<td>Bad Debts Written Off</td>
<td>-</td>
<td>95,357</td>
</tr>
<tr>
<td><strong>Overheads-</strong></td>
<td>8,165,631</td>
<td>7,576,800</td>
</tr>
<tr>
<td>Rent/Utility &amp; Electricity Charges</td>
<td>7,022,403</td>
<td>6,679,831</td>
</tr>
<tr>
<td>Repair and Maintenance</td>
<td>81,770</td>
<td>570,708</td>
</tr>
<tr>
<td>Property Tax</td>
<td>325,451</td>
<td>325,461</td>
</tr>
<tr>
<td>Exchange Rate Fluctuation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL (B)</strong></td>
<td>140,834,228</td>
<td>136,681,783</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Particulars</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus/(Deficit) before Depreciation</td>
<td>5,963,258</td>
<td>(7,428,280)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>2,652,051</td>
<td>2,571,189</td>
</tr>
<tr>
<td>Transfer of Depreciation to Fixed Assets Fund Account</td>
<td>(3,388)</td>
<td>(117,903)</td>
</tr>
<tr>
<td>Transferred to RBI Chair Endowment Fund</td>
<td>590,000</td>
<td>1,416,537</td>
</tr>
<tr>
<td>Loss on Sale of Fixed Assets</td>
<td>229,036</td>
<td>-</td>
</tr>
<tr>
<td>Surplus/(Deficit) after depreciation</td>
<td>2,656,083</td>
<td>(1,499,420)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>146,797,456</td>
<td>128,453,401</td>
</tr>
</tbody>
</table>

---

**Significant Accounting Policies and Notes (Schedule 4)**

In terms of our separate report of even date

**FOR S AHAI TRIPATHI & CO CHARTERED ACCOUNTANTS**

M. No. 006730

---

**M. RahatAli**
(Secretary)

**Rajeev Brijwasi**
(Director & CEO)

**Amit Judge Ahlmullaha**
(Chairman)
## Indian Council for Research on International Economic Relations
### Details of Fixed Assets (FY 2014-15)

#### Own Assets:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Rate of Depreciation (%)</th>
<th>As at 01.04.2014</th>
<th>Gross Block</th>
<th>Depreciation</th>
<th>Net Block</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Funded Own</td>
<td>As at Own</td>
<td>As at Own</td>
<td>As at Own</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Addition Less than 180 days</td>
<td>Written Off</td>
<td>Deduction Year Own</td>
<td>Upte As at As at</td>
</tr>
<tr>
<td></td>
<td></td>
<td>180 days</td>
<td>31.03.2015</td>
<td>31.03.2015</td>
<td>31.03.2015</td>
</tr>
</tbody>
</table>

| Air Conditioners | 15% | 35,250 | - | - | 35,250 | 19,636 | 2,542 | 35,250 | 19,636 | 2,542 | 21,978 | 13,272 | 15,614 |
| Building | 10% | 22,180,295 | - | - | 22,180,295 | 16,315,310 | 567,699 | - | 17,882,493 | 5,103,886 | 5,670,985 |
| Car | 15% | 796,870 | - | 929,111 | 736,870 | 920,111 | 440,149 | 70,433 | 440,149 | 70,433 | 79,633 | 396,678 | 256,721 |
| Computers | 40% | 9,670,091 | 1,057,506 | 582,558 | 1,500,308 | 9,741,232 | 9,034,577 | 1,181,668 | 1,553,060 | 8,662,385 | 1,078,847 | 635,714 |
| Electrical Fittings | 10% | 1,050,525 | - | - | 1,050,525 | 663,751 | 39,977 | - | 705,728 | 359,797 | 399,774 |
| EFBX | 15% | 388,195 | - | - | 282,375 | 105,820 | 333,893 | 4,445 | 257,708 | 89,830 | 25,190 | 54,102 |
| Fax | 15% | 166,210 | - | - | 160,210 | 156,115 | 1,214 | - | 156,115 | 1,214 | 5,591 | 10,895 |
| Cell Phone | 15% | 399,845 | - | 53,506 | - | - | - | - | - | - | 223,796 | 209,627 |
| Furniture & Fixtures | 10% | 12,972,265 | - | - | 12,972,265 | 7,721,209 | 525,676 | - | 8,246,585 | 4,725,680 | 5,250,756 |
| Laser Printer | 60% | 800,024 | 58,506 | 56,900 | - | 915,542 | 707,013 | 107,974 | - | 814,992 | 100,432 | 98,406 |
| Misc. Equipments | 15% | 297,704 | - | - | - | 240,462 | 157,580 | 19,597 | 39,547 | 157,630 | 113,052 | 140,324 |
| Multimedia Presentation System | 15% | 270,400 | - | - | - | 220,400 | 258,829 | 1,734 | - | 260,565 | 9,835 | 31,571 |
| Overhead Projector | 15% | 221,770 | - | 36,000 | - | 237,770 | 151,401 | 13,255 | - | 164,856 | 93,114 | 70,169 |
| Refrigerator | 15% | 14,500 | - | - | - | 14,500 | 8,020 | 972 | - | 8,992 | 5,508 | 6,483 |
| Scanner | 60% | 39,718 | - | - | - | 39,718 | 39,718 | 3,201 | - | 37,517 | 2,134 | 5,359 |

Total As at 31.3.2015: 45,196,917 | 1,169,506 | 1,614,949 | 2,687,770 | 49,313,622 | 36,294,104 | 2,578,167 | 2,290,464 | 36,583,887 | 12,729,715 |

Total As at 31.3.2014: 46,356,950 | 777,352 | - | - | 49,166,957 | 32,043,501 | 2,453,683 | - | 36,296,184 | 12,870,733 |

#### Funded Assets:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Rate of Depreciation (%)</th>
<th>As at 01.04.2014</th>
<th>Gross Block</th>
<th>Depreciation</th>
<th>Net Block</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Funded Funded</td>
<td>As at Funded</td>
<td>As at Funded</td>
<td>As at Funded</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Addition Less than 180 days</td>
<td>Written Off</td>
<td>Deduction Year Own</td>
<td>Upte As at As at</td>
</tr>
<tr>
<td></td>
<td></td>
<td>180 days</td>
<td>31.03.2015</td>
<td>31.03.2015</td>
<td>31.03.2015</td>
</tr>
</tbody>
</table>

| Land** | 15% | 2,246,520 | - | - | 2,246,520 | - | - | - | 2,246,520 | 2,246,520 |
| Computers** | 60% | 7,652,612 | - | 8,620,152 | 5,698,304 | 39,705 | 2,629,609 76,263 | 65,509 |
| EFBX** | 15% | 87,620 | - | - | - | 45,412 | 6,246 | - | 51,658 | 35,962 | 42,308 |
| Laser Printer** | 60% | 168,050 | - | - | - | 168,050 | 165,038 | 1,807 | - | 166,845 | 1,205 | 3,012 |
| Overhead Projector** | 15% | 88,738 | - | - | - | 88,738 | 45,091 | 6,628 | - | 52,207 | 36,411 | 42,537 |

Total As at 31.3.2014: 4,246,520 | - | 8,620,152 | 5,698,304 | 39,705 | 2,629,609 76,263 | 65,509 |

Capital Work-In-Progress* | 11,150,564 | 14,279,591 | 16,308,116 | - | 41,738,271 | - | - | - | 41,738,271 | 11,150,564 |

Capital Advances | 8,577,238 | - | 2,256,234 | 3,765,112 | 8,063,380 | - | - | - | 8,063,380 | 9,573,245 |

Total As at 31.3.2015: 20,722,512 | 14,279,591 | 16,308,116 | 3,765,112 | 45,604,258 |

Grand Total As at 31.3.2015: 26,969,024 | 14,279,591 | 16,308,116 | 3,765,112 | 45,604,258 |

Grand Total As at 31.3.2014: 35,803,605 | 14,333,944 | 16,368,415 | 6,692,072 | 105,362,772 | 44,142,519 | 2,632,651 | 2,290,464 | 44,142,519 | 22,132,575 |

* Against Building Fund

** Against Capital Grant
### Indian Council for Research on International Economic Relations

#### FY 2014-15

#### Schedule 2

**Current Assets, Loans & Advances:**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Current Year (in Rs.)</th>
<th>Previous Year (in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) Current Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Cash in Hand</td>
<td>290,857</td>
<td>109,425</td>
</tr>
<tr>
<td>- Balances with Bank in Saving Account</td>
<td>46,271,708</td>
<td>12,604,197</td>
</tr>
<tr>
<td>- Balances with Bank in US Dollar Account</td>
<td>1,475,107</td>
<td>14,318,700</td>
</tr>
<tr>
<td>B) Loans &amp; Advances:-</td>
<td>13,366,194</td>
<td>10,936,590</td>
</tr>
<tr>
<td>- Advances Recoverable in Cash or in Kind</td>
<td>9,942,948</td>
<td>7,432,334</td>
</tr>
<tr>
<td>- Interest Accrued</td>
<td>3,423,246</td>
<td>3,504,256</td>
</tr>
<tr>
<td>C) Grants Receivable</td>
<td>20,474,534</td>
<td>3,625,846</td>
</tr>
<tr>
<td>D) Prepaid Expenses</td>
<td>2,997,028</td>
<td>2,172,858</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>84,575,429</td>
<td>43,767,615</td>
</tr>
</tbody>
</table>

#### Schedule 3

**Current Liabilities & Provisions:**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Current Year (in Rs.)</th>
<th>Previous Year (in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) Current Liabilities:-</td>
<td>13,430,396</td>
<td>16,226,126</td>
</tr>
<tr>
<td>- Sundry Creditors</td>
<td>10,360,474</td>
<td>14,108,109</td>
</tr>
<tr>
<td>- Statutory Dues</td>
<td>1,812,984</td>
<td>2,076,041</td>
</tr>
<tr>
<td>- Retention Money - Builder</td>
<td>1,256,938</td>
<td>41,976</td>
</tr>
<tr>
<td>B) Provisions:-</td>
<td>3,563,223</td>
<td>3,441,668</td>
</tr>
<tr>
<td>- Expenses Payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C) Grants Received in Advance:</td>
<td>11,782,138</td>
<td>13,415,820</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>28,775,757</td>
<td>33,083,614</td>
</tr>
</tbody>
</table>
# ICRER Details of Grant Receivable for the Year

## 2014 - 15

### Schedule 4

**Details of Grant Receivable as on 31.3.2015:**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening as on 1.4.2014</td>
<td>3,625,846</td>
</tr>
<tr>
<td>Less: Written off during the year</td>
<td>0</td>
</tr>
<tr>
<td>Less: Received during the year</td>
<td>2,993,846</td>
</tr>
<tr>
<td>Grant Receivable for previous F/Y:</td>
<td>632,000</td>
</tr>
<tr>
<td>ADD: Grant Receivable for F/Y: 2014-2015</td>
<td>19,842,534</td>
</tr>
<tr>
<td>Closing as on 31.3.2015</td>
<td>20,474,534</td>
</tr>
</tbody>
</table>

### Working:

**Details of Grant Receivable as on 01.04.2014**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant Receivable A/c - BHC</td>
<td>1,710,205</td>
</tr>
<tr>
<td>Grant Receivable A/c - Qualcomm</td>
<td>490,000</td>
</tr>
<tr>
<td>Grant Receivable A/c - KLEMS</td>
<td>530,000</td>
</tr>
<tr>
<td>Grant Receivable A/c - IPE</td>
<td>263,637</td>
</tr>
<tr>
<td>Grant Receivable - Indo Nepal Cooperation</td>
<td>32,000</td>
</tr>
<tr>
<td>Grant Receivable - NTB Portal</td>
<td>600,000</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td>3,625,846</td>
</tr>
</tbody>
</table>

### Grant Received During The Year for receivable of PY:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant Receivable A/c - BHC</td>
<td>1,710,205</td>
</tr>
<tr>
<td>Grant Receivable A/c - Qualcomm</td>
<td>490,000</td>
</tr>
<tr>
<td>Grant Receivable A/c - KLEMS</td>
<td>530,000</td>
</tr>
<tr>
<td>Grant Receivable A/c - IPE</td>
<td>263,637</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td>2,993,846</td>
</tr>
</tbody>
</table>

### Grant Receivable as at 31.3.2015:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant Receivable A/c - BHC Pak Project</td>
<td>8,506,276</td>
</tr>
<tr>
<td>Grant Receivable A/c - BHC LCP</td>
<td>921,493</td>
</tr>
<tr>
<td>Grant Receivable A/c - BHC</td>
<td>2,014,405</td>
</tr>
<tr>
<td>Grant Receivable - WRI</td>
<td>2,330,557</td>
</tr>
<tr>
<td>Grant Receivable A/c - IAMAI</td>
<td>510,825</td>
</tr>
<tr>
<td>Grant Receivable - India Korea Dialogue</td>
<td>250,000</td>
</tr>
<tr>
<td>Grant Receivable - IPE</td>
<td>1,146,581</td>
</tr>
<tr>
<td>Grant Receivable - PhRMA 2</td>
<td>4,012,987</td>
</tr>
<tr>
<td>Grant Receivable - PRI</td>
<td>72,650</td>
</tr>
<tr>
<td>Grant Receivable - UNU</td>
<td>76,760</td>
</tr>
<tr>
<td>Grant Receivable - Indo Nepal Cooperation</td>
<td>32,000</td>
</tr>
<tr>
<td>Grant Receivable - NTB Portal</td>
<td>600,000</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td>20,474,534</td>
</tr>
</tbody>
</table>

### Grant Received in Advance:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant Received in Advance - PhRMA 3</td>
<td>5,036,938</td>
</tr>
<tr>
<td>Grant Received in Advance - Rockefeller</td>
<td>5,785,200</td>
</tr>
<tr>
<td>Grant Received in Advance - Syngenta Fdn</td>
<td>960,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>11,782,138</td>
</tr>
</tbody>
</table>
## Indian Council for Research on International Economic Relations

### Schedule 5

**Other Income for the year ended March 31, 2015:**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Royalty</td>
<td>57,247</td>
</tr>
<tr>
<td>Sale of Publication</td>
<td>5,706</td>
</tr>
<tr>
<td>Expenses Payable Written off</td>
<td>1,472,519</td>
</tr>
<tr>
<td>Income Recognized on Discount GOI Invtt.</td>
<td>119,177</td>
</tr>
<tr>
<td>Miscellaneous Receipts</td>
<td>138,614</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,793,263</strong></td>
</tr>
</tbody>
</table>

### Bank Accounts - INR:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICICI Bank Ltd A/c No: 000701062084</td>
<td>72,101</td>
</tr>
<tr>
<td>Kotak Mahindra Bank A/c No: 01720010028420</td>
<td>42,658,772</td>
</tr>
<tr>
<td>SCB (AE) A/c No: 520110222120</td>
<td>3,534,978</td>
</tr>
<tr>
<td>State Bank of India A/c No: 30614820322</td>
<td>5,857</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>46,271,708</strong></td>
</tr>
</tbody>
</table>

### Bank Accounts - USD:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCB USD A/C NO: 3582023815001</td>
<td>1,475,107</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,475,107</strong></td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>47,746,815</strong></td>
</tr>
</tbody>
</table>

### Imprest:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Petty Cash - Imprest</td>
<td>971</td>
</tr>
<tr>
<td>Petty Cash - Imprest (USD)</td>
<td>289,886</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>290,857</strong></td>
</tr>
</tbody>
</table>

### Investments:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments in Fixed Assets with Banks</td>
<td>309,830,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>309,830,000</strong></td>
</tr>
</tbody>
</table>
Indian Council for Research on International Economic Relations  
For the Year Ended March 31, 2015

Significant Accounting Policies and Notes to the accounts

(A) Accounting Policies

1. a. Accounts are maintained on accrual basis.

   b. Grants are accounted for in the year in which they are received.

   c. Grants recoverable are accounted for as income if either sanction orders have been received or the amounts have been recovered in the subsequent period.

   d. In cases where projects for which the grants were received have not been completed the unspent grants are estimated and are carried forward as a liability. In subsequent years unspent grants are transferred to the Income and Expenditure Account to match them with related costs which they were intended to cover.

2. a. Mutual Funds investments, which are readily encashable, are shown under current assets. Increase in net asset value at the end of the year over its cost/opening net asset value, as the case may be, is shown as income for the year and a reduction, if any, as an expense.

   b. Investment for fixed periods is shown as long term investments at their Face value. Provision for diminution in the value is made only if in the opinion of the management the fall in value is of a permanent nature.

   c. The discount received on premium paid at the time of making the investment will be amortised over a period of maturity of the investment by crediting and debiting the income and expenditure Accordingly.

3. The Council follows the written down value method for providing depreciation at rates provided in the Income Tax Act, 1991 except for assets below Rs. 5,000 which are fully depreciated in the year of purchase. On fixed assets added/disposed off during the year depreciation is charged on a pro-rata basis from/up to the date that the asset is put to use or disposed off.

4. a. Expenditure on books and publications is charged to the Income and Expenditure account but a separate record of items purchased is maintained.

   b. Expense on computer software is fully charged to the Income and Expenditure account when the expense is incurred.

5. Donations received towards the corpus are carried forward in the Balance Sheet under Endowment Fund.

6. An LIC Policy has been taken to cover against future liability on account of gratuity payable to the staff. The premium when demanded and paid is charged to the Income and Expenditure Account.

7. Funded assets are valued at original cost and shown as an addition to the fixed assets with a corresponding credit to a "Fixed Assets Fund" account. Annual depreciation on funded assets is deducted from the cost and the same is reduced from the "Fixed Assets Fund" account.

8. Encashment of earned leave salary is accounted for on the basis of actual payment to the employees at the time of retirement/leaving.
9. Keeping in view the nature of activities of the Council and the method of accounting followed only the following Accounting Standards are applicable:-

(i) AS-1 Disclosure of Accounting Policies
(ii) AS-5 Net profit or Loss for Period, Prior period Items and changes in Accounting Policies
(iii) AS-6 Depreciation Accounting
(iv) AS-9 Revenue Recognition
(v) AS-10 Accounting for Fixed Assets
(vi) AS-11 Effect of Changes in Foreign Exchange Rates
(vii) AS-12 Accounting for Government Grants
(viii) AS-13 Accounting for Investments
(ix) AS-15 Employees Benefits
(x) AS-26 Intangible Assets
(xi) AS-28 Impairment of Assets
(xii) AS-29 Provision, Contingent Liabilities and Contingent Assets

The above Accounting Standards have been generally followed, except to the extent stated otherwise.

(B) Notes to the Accounts:-

1. Interest on building fund investments amounting to Rs. 41.46 lacs for this year has, as per decision of the Board will transfer to the income of the year to pay for the rent & maintenance for extra space taken from IHC.

2. Contingent liability on account of a labour dispute awaiting settlement in the Hon'ble Delhi High Court is estimated at Rs. 10.00 lacs.

3. In the year 2008-09 the Director General of Income Tax (Exemptions) has with effect from the financial year 2006-07 and onwards granted our income exemption from income tax under sub-clause (iv) of section 10 (23C) subject to our fulfilling certain conditions including application of 85% of our income during the year and investment of our surplus funds in specified investments.

4. Schedules 1 to 6 form an integral part of the Balance Sheet and Income and Expenditure account.

5. During the year Rs 5.00 lacs up to March 31, 2015 has been transferred to Endowment fund from the income & expenditure account on account the transfer of income on the investments made out of the RBI-Chair fund as per their Endowment Grants conditions.

6. Previous year's figures have been adjusted to make them comparable with the figures for the current year.
ICRIER cherishes its status as the country’s premier autonomous and independent economic policy think-tank. It has been able to nurture its treasured autonomy by establishing an Endowment Fund, the income from which helps to meet administration expenses and support research on important topics where project grant is not immediately available. Income from the endowment fund has also helped to enhance ICRIER’s research capacity and networking.

We appreciate the generosity of our donors and assure them that ICRIER will continue to strive to maintain its focus on policy-oriented research and achieve international standards in the quality of its research output. Prominent corporate donors to ICRIER’s Endowment and Building Fund include:

- Abhishek Industries
- American Express Foundation
- BCCI
- Bank of Baroda
- Bank of India
- Bharat Forge Ltd.
- Bharti Airtel Ltd.
- Canara Bank
- Central Bank of India
- Citi Bank
- Corporation Bank of India
- Deutsche Bank
- DLF Ltd.
- DSP Merrill Lynch Ltd.
- ESSAR Group
- Financial Technologies (India) Ltd.
- Ford Foundation
- Fortis Healthcare (India) Ltd.
- GE Fund
- Housing Development Finance Corporation Ltd.
- HDFC Assets Management Company
- HDFC Bank
- HDFC Standard Life Insurance
- Hindustan Lever
- ICICI Bank Ltd.
- Industrial Development Bank of India
- Infrastructure Development Finance Company
- Indian Hotels Company Ltd.
- Infosys Foundation
- ITC Ltd.
- Kasturi & Sons
- Kotak Mahindra Bank Ltd.
- Ministry of Finance
- Mitsui Tokyo Kobe Bank
- NASSCOM
- Nandan Mohan Nilekani
- Oriental Bank of Commerce
- Punjab & Sind Bank
- Punjab National Bank
- Ranbaxy Laboratories Ltd.
- Reliance Industries Ltd
- Religare Enterprises Ltd.
- Reserve Bank of India
- State Bank of India
- Sterlite Industries
- Tata Chemicals
- Tata Consultancy Services
- Tata Iron & Steel Co.
- Tata Sons
- Union Bank of India
- Unit Trust of India
- WP Carey Foundation
ICRIER, one of India’s leading think tanks, was established in August 1981 as a not-for-profit research organisation to provide a strong economic basis for policy making. Under the current Chairperson, Dr. Isher Judge Ahluwalia, ICRIER has continued and reinforced the pursuit of its original vision and in the process significantly expanded the scope of its research activities.

ICRIER is ably supported by a Board of Governors, which includes leading policymakers, academicians, opinion makers and well-known representatives of the corporate world.

ICRIER’s success lies in the quality of its human capital. Led by Dr. Rajat Kathuria, Director & Chief Executive, ICRIER’s research team consists of highly qualified professors, senior fellows, fellows, research associates and assistants and consultants. The RBI, HUDCO and Infosys Chairs in ICRIER focus Macroeconomics, Urbanisation and Agriculture respectively.

ICRIER conducts thematic research in the following seven thrust areas:

- Macroeconomic Management in an Open Economy
- Financial Sector Liberalisation and Regulation
- Trade Openness, Restructuring and Competitiveness
- WTO Related Issues
- Regional Economic Co-operation with Focus on South Asia
- Strategic Aspects of India’s International Economic Relations
- Environment, Urbanisation and Climate Change

International conferences, seminars, public policy workshops, public lectures and publications form an integral part of ICRIER’s outreach activities. ICRIER maintains a wide network of resource persons from India and abroad. It strives to attract well-qualified researchers, provides them a stimulating and scholarly work environment and encourages researchers to work in teams. ICRIER’s research is widely cited by both academia and the popular press, and has over the years provided critical inputs for policy making.